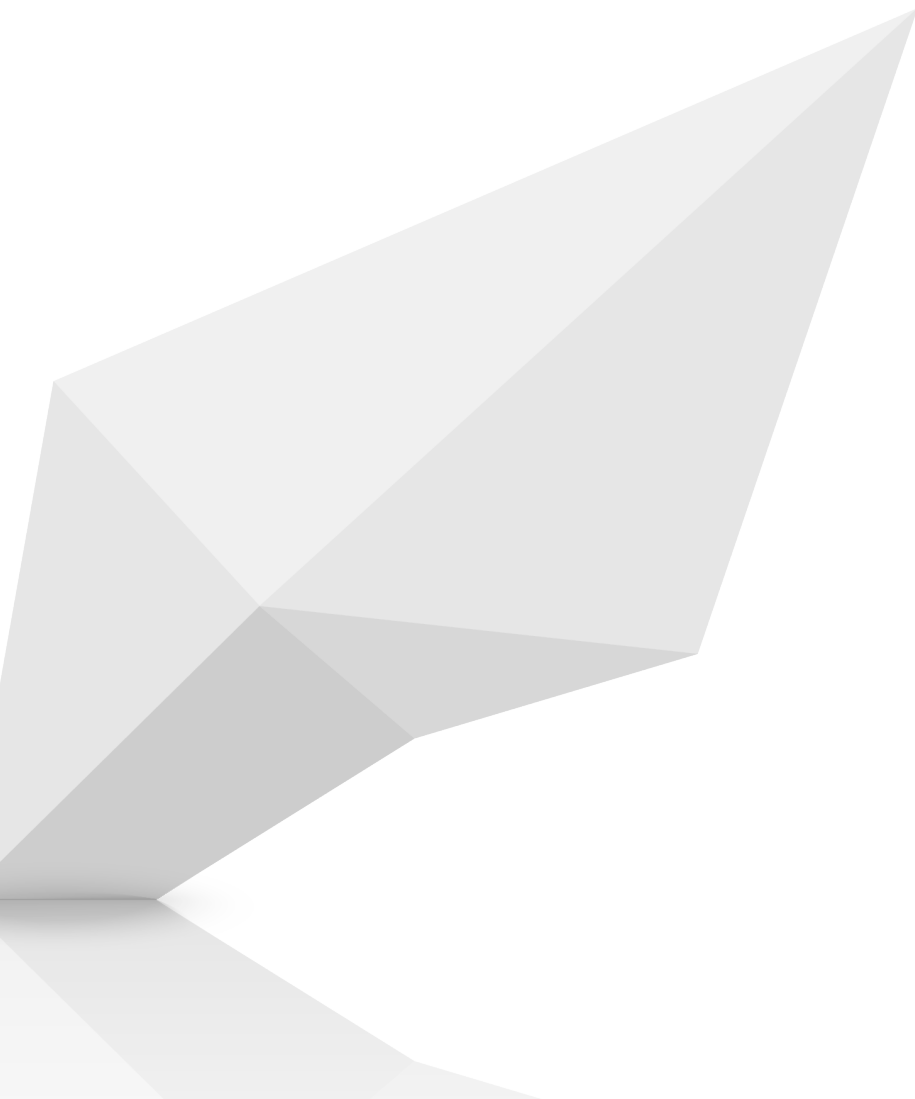


Blackhawk Technical College District

Financial Statements

Years Ended June 30, 2021 and 2020



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Blackhawk Technical College District

Financial Statements and Single Audit
Years Ended June 30, 2021 and 2020

Table of Contents

INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	
Statements of Net Position	11
Statements of Revenues, Expenses and Changes in Net Position.....	12
Statements of Cash Flows.....	13
Statements of Fiduciary Net Position - Blackhawk Technical College Post-Employment Benefits Trust	15
Statements of Changes in Fiduciary Net Position - Blackhawk Technical College Post-Employment Benefits Trust	16
Notes to the Basic Financial Statements	17
REQUIRED SUPPLEMENTARY INFORMATION	
Schedules of Changes in Net OPEB Liability and Related Ratios	58
Schedule of Employer Contributions	59
Schedule of Investment Returns	61
Schedules of Employer's Proportionate Share of the Net Pension Liability (Asset) and Employer Contributions.....	62
Schedules of Employer's Proportionate Share of the Net OPEB Liability (Asset) and Employer Contributions.....	64
SUPPLEMENTARY INFORMATION	
General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis)	65
Special Revenue Fund - Operating - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)	66
Special Revenue Fund - Non-Aidable Funds - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)	67
Capital Projects Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis).....	68
Debt Service Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis).....	69
Enterprise Fund - Schedule of Revenues, Expenditures, and Changes in Net Position - Budget and Actual (Non-GAAP Budgetary Basis)	70
Internal Service Funds - Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual (Non-GAAP Budgetary Basis)	71
Schedule to Reconcile the Non-GAAP Budgetary Combined Balance Sheet – All Fund Types to the Statement of Net Position - June 30, 2021	72
Schedule to Reconcile the Non-GAAP Budgetary Basis Financial Statements to the Statement of Revenues, Expenses, and Changes in Net Position – Year Ended - June 30, 2021	74
Schedule to Reconcile the Non-GAAP Budgetary Combined Balance Sheet - All Fund Types to the Statement of Net Position - June 30, 2020	77
Schedule to Reconcile the Non-GAAP Budgetary Basis Financial Statements to the Statement of Revenues, Expenses and Changes in Net Position – Year Ended - June 30, 2020	78

Table of Contents (Continued)

OTHER REPORT

Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters 79

STATISTICAL SECTION (UNAUDITED)

Financial Trends
 Net Position by Component 81
 Changes in Net Position..... 82
Revenue Capacity
 Equalized Value of Taxable Property..... 83
 Direct and Overlapping Property Tax Rates 84
 Property Tax Levies and Collections 85
 Principal Property Taxpayers..... 86
 Enrollment Statistics – Historical Comparisons 87
Debt Capacity
 Ratio of Net Debt to Equalized Valuation and Debt Per Capita..... 88
 Direct and Overlapping Debt..... 89
 Legal Debt Margin Information..... 93
Demographic and Economic Information
 Demographic and Economic Statistics 94
 Principal Employers 95
Operating Information
 Full-Time Equivalent (FTE) College Employees by Employee Group..... 96
 Operational Expenditures per FTE Student..... 97
 Campus Statistics 98

Independent Auditor's Report

Independent Auditor's Report

District Board
Blackhawk Technical College District
Janesville, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, the discretely presented component unit, and aggregate remaining fund information of Blackhawk Technical College District, (the "College") as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Blackhawk Technical College Foundation, Inc., a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of Blackhawk Technical College District as of June 30, 2021 and 2020, and its changes in financial position and where applicable, cash flows thereof for the years then ended, in accordance with accounting principles generally accepted in the United States.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, the College adopted new accounting guidance Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the Management's Discussion and Analysis, the schedule of changes in net OPEB liability and related ratios, the schedule of employer contributions, the schedule of investment returns, the schedules of employer's proportionate share of the net pension liability (asset) and employer contributions – Wisconsin Retirement System, and the schedules of employer's proportionate share of the net OPEB liability and employer contributions – Local Retiree Life Insurance Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, 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 audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The budgetary comparison schedules listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

Such 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 financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Statistical Section listed in the accompanying table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 19, 2021, on our consideration of Blackhawk Technical College District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College'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 College's internal control over financial reporting and compliance.



Wipfli LLP

November 19, 2021
Eau Claire, Wisconsin

Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

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

Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to Blackhawk Technical College District's (the "College") basic financial statements. The statements are comprised of two components: government-wide financial statements and notes to financial statements.

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

The *statement of net position* presents information on all of the College's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the College is improving or deteriorating. This statement is prepared under the accrual basis of accounting whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

The *statement of revenues, expenses and changes in net position* presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or non-operating. As the College receives the majority of its revenues from the taxpayers and other government entities, the College will report an operating deficit or loss. Revenues received from taxpayers (tax levies) and from the state (state appropriations) are considered non-operating revenue and reduce the operating deficit or loss. 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 *statement of cash flows* presents information related to cash inflows and outflows summarized by operating, noncapital, and investing activities. This statement is important in evaluating the College's ability to meet financial obligations as they mature.

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements. The notes to financial statements are located after the government-wide financial statements in this report.

The following summary shows a condensed version of the Statement of Net Position

	amounts shown in thousands			Increase or (Decrease)			
	Restated			(2021-2020)		(2020-2019)	
	2021	2020	2019	\$	%	\$	%
ASSETS							
Cash and cash equivalents	\$22,597	\$16,118	\$14,444	\$6,480	40.2%	\$1,674	11.6%
Net capital assets	52,002	50,409	51,843	1,593	3.2%	(1,434)	-2.8%
Other assets	20,379	16,111	11,418	4,267	26.5%	4,693	41.1%
Total assets	94,977	82,638	77,705	12,340	14.9%	4,933	6.3%
Deferred Outflows of Resources	10,761	7,660	9,590	3,101	40.5%	(1,930)	-20.1%
LIABILITIES							
Current liabilities	\$11,819	\$12,215	\$11,193	(396)	-3.2%	1,022	9.1%
Long-Term liabilities	38,528	34,729	40,309	3,799	10.9%	(5,580)	-13.8%
Total liabilities	50,347	46,944	51,502	3,403	7.3%	(4,558)	-8.9%
Deferred Inflows of Resources	16,114	10,430	6,179	5,684	54.5%	4,251	68.8%
NET POSITION							
Net investment in capital assets	\$14,356	\$12,269	\$11,784	2,087	17.0%	485	4.1%
Restricted for:							
Debt Service	224	229	199	(5)	-2.1%	30	15.2%
Pension	5,891	3,090	0	2,801	90.7%	3,090	100.0%
OPEB	7,792	5,686	5,017	2,106	37.0%	669	13.3%
Student Financial Assistance	136	134	123	2	1.2%	11	9.2%
Student Organizations	617	578	0	39	6.7%	578	100.0%
Unrestricted	10,261	10,937	12,491	(676)	-6.2%	(1,554)	-12.4%
Total net position	\$39,277	\$32,923	\$29,614	\$6,353	19.3%	\$3,309	11.2%

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

Fiscal Year 2021 Compared to 2020

From 2020 to 2021, total assets increased by \$12.3 million, or 14.9%. Significant changes are as follows:

- ❖ Cash and cash equivalents increased by \$6.5 million, or 40.2% due primarily to referenda capital borrowing for construction not yet completed (\$4.2 million), and a general fund transfer to the capital projects fund to support future capital investments (\$2.0 million).
- ❖ Net capital assets increased by \$1.6 million, or 3.2% due to capital asset additions net of disposals.
- ❖ Other assets increased by \$4.3 million, or 26.5% due primarily to \$2.8 million increase in net pension assets and \$2.1 million increase in other post-employment benefit assets, offset by \$609,103 reduction in receivables

From 2020 to 2021, deferred outflows of resources increased \$3.1 million, or 40.5%. This change is primarily due to:

- ❖ A \$2.65 million increase in the College's proportionate share of the Wisconsin Retirement System collective deferred outflows of resources for pension and life benefits and \$452,513 increase in Other Post-Employment Benefits. These increases are attributed to positive actual versus expected experience and a change in assumptions.

From 2020 to 2021, total liabilities increased \$3.4 million, or 7.3%. Significant changes are as follows:

- ❖ Current liabilities decreased \$397,196, or 3.2% primarily due to a reduction in accounts payable and accrued liabilities offset by an increase in current portion of long-term debt payable over the prior year.
- ❖ Long term liabilities increased \$3.8 million, or 10.9% due primarily to the net addition of \$3.5 million in general obligation debt and \$297,509 in OPEB-life insurance liability.

From 2020 to 2021, deferred inflows of resources increased \$5.7 million, or 54.5%. This is due to:

- ❖ A \$3.67 million increase in the College's proportionate share of collective deferred inflows of resources in the Wisconsin Retirement System pension plan and \$1.97 million increase in other post-employment benefit-health insurance deferred inflows of resources. Deferred inflow of resources will be applied to future periods and will be recognized as revenue at that time.

From 2020 to 2021, total net position increased by \$6.4 million or 19.3%. Significant changes are as follows:

- ❖ Net position restricted for Pension and OPEB increased \$2.8 million and \$2.1 million, respectively, which are the result of actuarial adjustments (actual versus expected experience and a change in assumptions). The increase in these restricted net positions resulted in a \$675,732 reduction in unrestricted net position. Net investment in capital assets increased \$2,086,563 due to investment in capital assets offset by depreciation and increase in debt to acquire capital assets.

Fiscal Year 2020 Compared to 2019

From 2019 to 2020, total assets increased by \$4.9 million, or 6.3%. Significant changes are as follows:

- ❖ Cash and cash equivalents increased by \$1.7 million, or 11.6% due primarily to general fund revenues greater than expenditures resulting in \$1.6 million transfer to the capital projects fund to support future capital investments.
- ❖ Net capital assets decreased by \$1.4 million, or 2.8% due to depreciation of capital assets in service (\$5.4 million), offset by capital asset additions (\$4.0 million).
- ❖ Other assets increased by \$4.7 million due primarily to a \$3.1 million increase in net pension assets and \$1.5 million increase in receivables. Federal and state aid receivables increased \$1 million due primarily to CARES grant expenditures near the fiscal year-end and reimbursed the following fiscal year. Student accounts receivable increased \$428,839 and property tax receivables increased \$122,985.

From 2019 to 2020, deferred outflows of resources decreased \$1.9 million, or 19.6%. This change is primarily due to:

- ❖ A decrease in the College's proportionate share of the Wisconsin Retirement System collective deferred outflows of resources. This decrease is primarily due to actual investment performance less than expected (amortized over five years) offset by an increase attributed to actual versus expected experience and a change in other post-employment benefit [OPEB] assumptions. These resources have been applied to the current year activity and are recorded as an increase in pension asset, OPEB- life insurance liability, and deferred inflows for pension and OPEB-life insurance benefits, offset by a reduction in net pension liability.

From 2019 to 2020, total liabilities decreased \$4.56 million, or 8.9%. Significant changes are as follows:

- ❖ Current liabilities increased \$1.0 million, or 9.1% primarily due to a \$1.3 million increase in accounts payable and accrued liabilities for expenses incurred but not paid in 2020 and a \$140,000 increase in the current portion of long-term debt payable over the prior year.

- ❖ Long term liabilities decreased \$5.6 million, or 13.8% due primarily to elimination of \$3.5 million in net pension liability and \$2.7 million reduction in general obligation debt, offset by \$574,993 increase in OPEB-life insurance liability.

From 2019 to 2020, deferred inflows of resources increased \$4.3 million, or 69.6%. This is due to:

- ❖ A \$4.4 million increase in the College's proportionate share of collective deferred inflows of resources in the Wisconsin Retirement System pension plan, offset by a \$143,315 reduction in other post-employment benefit-health insurance deferred inflows of resources. Deferred inflow of resources will be applied to future periods and will be recognized as revenue at that time.

From 2019 to 2020, total net position increased by \$3.3 million or 11.2%. Significant changes are as follows:

- ❖ Unrestricted net position increased \$1.5 million as a result of revenues exceeding expenses. The net position reserved for OPEB increased \$668,806 due primarily to the retirement of benefit obligation bonds. Net investment in capital assets increased \$484,741 due to investment in capital assets less depreciation and the retirement of debt issued to acquire capital assets.

Condensed Comparative Data and Overall Analysis

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

Operating revenues are the charges for services offered by the College:

	amounts shown in thousands			Increase or (Decrease)			
	Restated			(2021-2020)		(2020-2019)	
	2021	2020	2019	\$	%	\$	%
Operating Revenues:							
Student tuition and fees	\$4,806	\$5,043	\$4,712	-\$237	-4.7%	\$331	7.0%
Federal grants	8,894	5,914	5,060	2,980	50.4%	854	16.9%
State grants	705	1,326	1,435	-621	-46.8%	-109	-7.6%
Miscellaneous	2,897	3,852	2,302	-955	-24.8%	1,550	67.3%
Total operating revenues	\$17,302	\$16,135	\$13,509	\$1,167	7.2%	\$2,626	19.4%

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

Fiscal Year 2021 Compared to 2020

During 2021, the College generated \$17.3 million in operating revenue. From 2020 to 2021, operating revenues increased \$1.2 million, or 7.2%. Significant changes are as follows:

- ❖ Federal grant revenue increased \$2.98 million or 50.4% due primarily to the higher education emergency relief funding (HEERF) for institutional support of coronavirus mitigation and response strategies, offset by a \$393,547 increase in scholarship allowances due for federal student aid applied to tuition and fee charges.
- ❖ Miscellaneous revenue decreased \$1.0 million, or 24.8% due primarily to a decrease in transcript credit courses delivered by district high schools.
- ❖ State grants decreased \$621,894, or 46.8% due to a decrease in Wisconsin Technical College System Board grant funding (\$473,017) and expiration of the Department of Workforce Development Dual Credit Teacher Training Grant (\$186,775), offset by minor increase in other state aid grants.

Fiscal Year 2020 Compared to 2019

During 2020, the College generated \$16.1 million in operating revenue. From 2019 to 2020, operating revenues increased \$2.6 million, or 19.4%. Significant changes are as follows:

- ❖ Miscellaneous revenue increased \$1.6 million, or 67.3% due primarily to an increase in transcript credit of courses delivered by district high schools and the School District of Janesville/Rock University High School funding for facility improvements.
- ❖ Federal grant revenue increased \$853,933, or 16.9% due primarily to increased student financial (\$702,245), and \$151,783 in increase in grant expenditures.
- ❖ State grants decreased \$108,582, or 7.6% due to a decrease in grant awards.

Operating expenses are costs related to the programs offered by the College:

	amounts shown in thousands			Increase or (Decrease)			
	Restated			(2021-2020)		(2020-2019)	
	2021	2020	2019	\$	%	\$	%
Operating Expenses:							
Instruction	\$15,780	\$19,003	\$18,944	-\$3,223	-17.0%	\$59	0.3%
Instructional resources	1,743	1,729	1,700	14	0.8%	29	1.7%
Student services	4,566	4,605	3,282	-39	-0.8%	1,323	40.3%
General institutional	6,696	5,683	5,523	1,013	17.8%	160	2.9%
Physical plant	2,888	2,698	2,728	190	7.0%	-30	-1.1%
Student aid	2,041	2,237	2,399	-196	-8.8%	-162	-6.8%
Auxiliary enterprise services	73	93	82	-20	-21.5%	11	13.4%
Depreciation	5,297	5,400	5,220	-103	-1.9%	180	3.4%
Total operating expenses	<u>\$39,084</u>	<u>\$41,448</u>	<u>\$39,878</u>	<u>-\$2,364</u>	<u>-5.7%</u>	<u>\$1,570</u>	<u>3.9%</u>

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

Fiscal Year 2021 Compared to 2020

During 2021, total operating expenses decreased by \$2.36 million, or 5.7% from the prior year. Significant changes are as follows:

- ❖ Instructional expenses decreased \$3.22 million primarily due to reduction in transcript credit service for high school delivered curriculum (\$1.1 million); the actuarially determined reduction in pension (\$869,941) and other post-employment benefit expenses (\$514,909); reduction in grant funding for instructional activities (\$645,194); and reclassification of capital purchases and encumbrances (\$250,083).
- ❖ General institutional expenses increased \$1.0 million primarily due to increased general and grant-funded operational expenses (\$678,399 and \$317,037, respectively), and a \$377,156 net increase in capital expenditure; offset by the actuarially determined reduction in pension (\$51,351) and other post-employment benefit expenses (\$326,874).
- ❖ Physical plant expenses increased \$189,879, or 7.0% primarily due to an increase in capital and grant expenditures (\$333,478 and \$86,963, respectively) offset by a decrease in general fund personnel and operational expenses (\$185,016) and the actuarially determined reduction in pension (\$7,165) and other post-employment benefit expenses (\$41,672).

- ❖ Student aid expenses decreased \$195,489, or 8.8% primarily due to the decline in federal student financial aid awards resulting in fewer dollars disbursed to students.
- ❖ Depreciation expenses decreased \$103,079, or 1.9% primarily due to capital assets disposed.

Fiscal Year 2020 Compared to 2019

During 2020, total operating expenses increased by \$1.57 million, or 3.9% from the prior year. Significant changes are as follows:

- ❖ Student services increased \$1.3 million, or 40.3% primarily due to the \$1.1 million CARES Student Emergency funds disbursed in 2020, and increase in other grant funds, offset by actuarially determined reduction in pension expenses.
- ❖ Student aid decreased \$161,562, or 6.8% due to reduction in student financial aid funds received for benefit of enrolled students.
- ❖ Depreciation increased \$180,076, or 3.4% due to the increase in capital assets in service.

Non-operating revenues and expenses are revenue and expense items not directly related to providing instruction:

	amounts shown in thousands			Increase or (Decrease)			
	Restated			(2021-2020)		(2020-2019)	
	2021	2020	2019	\$	%	\$	%
Non-Operating Revenues:							
Property taxes	\$16,079	\$15,750	\$14,880	\$329	2.1%	\$870	5.8%
State operating appropriations	13,190	13,194	12,710	-4	0.0%	484	3.8%
Investment income earned	18	217	332	-199	-91.7%	-115	-34.6%
Subtotal of Non-Operating Revenues	29,287	29,161	27,922	126	0.4%	1,239	4.4%
Non-Operating Expenses:							
Interest expense	1,064	1,004	1,007	60	6.0%	-3	-0.3%
Loss on disposal of capital assets	86	26	1,303	60	231%	-1,277	-98.0%
Subtotal of Non-Operating Expenses	1,150	1,030	2,310	120	11.7%	-1,280	-55.4%
Subtotal of Non-Operating Revenues (Expenses)	\$28,137	\$28,131	\$25,612	\$6	0.0%	\$2,519	9.8%

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

Fiscal Year 2021 Compared to 2020

Net non-operating revenues (expenses) are largely unchanged from the prior year despite the increase in non-operating revenues which were offset by an increase in non-operating expenses:

- ❖ Property tax revenues increased \$328,424, or 2.1% due to net new construction in the District and an increase in debt service obligations due in calendar year 2021.
- ❖ Investment income decreased \$198,775, or 91.7% due primarily to lower interest rates.
- ❖ Interest expense increased \$60,765, or 6.0% due to the increase in debt issued and outstanding.
- ❖ Loss on disposal of capital assets increased \$59,723 due to the disposal of capital assets no longer in service.

Fiscal Year 2020 Compared to 2019

Net non-operating revenues (expenses) increased \$2.5 million, or 9.8%. Factors contributing to this net increase include:

- ❖ Property tax revenues increased \$869,815, or 5.8% due to net new construction in the District, an increase in debt service obligations due in calendar year 2020, and the closure of a tax increment district in Beloit.
- ❖ State operating revenues increased \$483,999, or 3.8% as a result of increased state aid funding for the Wisconsin Technical Colleges.
- ❖ Investment income decreased \$115,936, or 34.6% due primarily to lower interest rates.
- ❖ Loss on disposal of capital assets decreased \$1.3 million due to the prior year early termination of lease resulting in write-off of leasehold improvements.

Capital Asset and Debt Administration

The College's investment in capital assets includes land, land improvements, buildings and improvements, leasehold improvements, intangible assets (water main), equipment, and construction in progress. This investment as of June 30, 2021 and 2020, net of accumulated depreciation, amounted to \$52.0 million and \$50.4 million, respectively. Additional information on the College's capital assets can be found in Note 5 of the financial statements.

The College finances the majority of its capital assets through the issuance of debt. In November 2020, the District voters approved a capital referenda authorizing borrowing up to \$32.0 million to construct a comprehensive public safety and transportation training center on the College's Central Campus in Janesville. Construction has commenced on the project which is projected to be completed in 2024. The debt to fund the project will be issued in three borrowings (\$7.5 million, \$5.0 million, and \$19.5 million) amortized over twenty-years from date of issuance. The College issued the first borrowing (\$7.5 million) in 2021 and expects to complete the remaining borrowings in fiscal year 2022.

In 2021, the College incurred new debt in the amount of \$11.0 million for capital assets and facility improvements (including \$7.5 million referenda borrowing) and retired debt in the amount of \$7.425 million for a net increase of \$3.575 million in debt outstanding. Referenda debt will be retired in twenty years from date of issuance while all non-referenda general obligation debt outstanding at fiscal year-end will be retired in ten years.

As of June 30, 2021, the College had total general obligation debt outstanding of \$43,565,000. The balance on June 30, 2020 was \$39,990,000. The College continues to maintain a Moody's Investors Service Aa2 rating and continues to meet all of its debt service requirements. Wisconsin state statutes limit the amount of aggregate and bonded indebtedness that the College can incur. The amount of debt outstanding falls well below these thresholds.

Requests for Information

This financial report is designed to provide a general overview of the College's financial picture for those interested parties. Questions concerning any information contained in this report or for any additional information should be addressed to the Vice President for Finance and College Operations/Chief Financial Officer, 6004 S County Road G, PO Box 5009, Janesville, WI 53547-5009.

Basic Financial Statements

Blackhawk Technical College District

Statements of Net Position

June 30, 2021 and 2020

	Primary Government		Component Unit	
	2021	Restated 2020	2021	2020
ASSETS				
<u>Current assets</u>				
Cash and cash equivalents	\$ 13,524,342	\$ 11,455,385	\$ 184,543	\$ 314,065
Investments	35,000	35,000	3,618,122	2,452,394
Receivables:				
Property taxes	4,121,979	4,166,504	-	-
Federal and state aid	1,899,632	1,890,037	-	-
Accounts and other, net reserve of \$165,000 at 2021 and 2020	583,699	1,157,872	1,695	15,507
Unconditional promises to give	-	-	178,317	303,392
Prepaid expenses	90,913	121,282	11,629	11,593
Total current assets	<u>20,255,565</u>	<u>18,826,080</u>	<u>3,994,306</u>	<u>3,096,951</u>
<u>Noncurrent assets</u>				
Restricted cash	9,037,899	4,627,221	-	-
Unconditional promises to give			235,529	203,744
Net OPEB asset - Restricted	7,791,759	5,685,982	-	-
Net pension asset - WRS - Restricted	5,890,554	3,089,571	-	-
Total noncurrent assets	<u>22,720,212</u>	<u>13,402,774</u>	<u>235,529</u>	<u>203,744</u>
<u>Capital assets</u>				
Capital assets	96,110,551	89,807,624	3,430,696	3,430,696
Less: accumulated depreciation and amortization	44,108,979	39,398,663	272,089	197,177
Total capital assets, net of depreciation	<u>52,001,572</u>	<u>50,408,961</u>	<u>3,158,607</u>	<u>3,233,519</u>
Total assets	<u>\$ 94,977,349</u>	<u>\$ 82,637,815</u>	<u>\$ 7,388,442</u>	<u>\$ 6,534,214</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - actuarial - WRS	\$ 8,692,783	\$ 6,183,229	\$ -	\$ -
Deferred outflows of resources - actuarial - OPEB	797,443	344,930	-	-
Deferred outflow of resources - actuarial - LRLIF	756,214	611,234	-	-
Deferred outflows of resources - contributions - WRS	510,902	516,706	-	-
Deferred outflow of resources - contributions - LRLIF	3,234	3,510	-	-
Total deferred outflows of resources	<u>\$ 10,760,576</u>	<u>\$ 7,659,609</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES				
<u>Current liabilities</u>				
Accounts payable and accrued liabilities	\$ 2,033,077	\$ 2,296,565	\$ 354	\$ 40,924
Other accrued liabilities	1,671,554	1,855,781	-	-
Accrued interest payable	251,798	250,162	-	-
Unearned revenue - other	366,746	387,863	15,000	-
Current portion of long-term obligations	7,495,000	7,425,000	126,443	121,071
Total current liabilities	<u>11,818,175</u>	<u>12,215,371</u>	<u>141,797</u>	<u>161,995</u>
<u>Long-term obligations, less current portion</u>				
General obligation debt payable	36,070,000	32,565,000	2,144,034	2,270,477
Unamortized premium on general obligation debt	584,484	587,546	-	-
Net OPEB liability - LRLIF	1,873,801	1,576,292	-	-
Total long-term obligations, less current portion	<u>38,528,285</u>	<u>34,728,838</u>	<u>2,144,034</u>	<u>2,270,477</u>
Total liabilities	<u>\$ 50,346,460</u>	<u>\$ 46,944,209</u>	<u>\$ 2,285,831</u>	<u>\$ 2,432,472</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - actuarial WRS	\$ 12,927,517	\$ 9,251,078	-	-
Deferred inflows of resources - actuarial OPEB	2,802,321	831,298	-	-
Deferred inflow of resources - actuarial LRLIF	384,633	347,645	-	-
Total deferred inflows of resources	<u>\$ 16,114,471</u>	<u>\$ 10,430,021</u>	<u>\$ -</u>	<u>\$ -</u>
NET POSITION				
Net investment in capital assets	\$ 14,355,613	\$ 12,269,050	-	-
Restricted for donors	-	-	4,008,854	3,142,977
Restricted for:				
Debt service	224,454	229,334	-	-
Pension	5,890,554	3,089,571	-	-
OPEB	7,791,759	5,685,982	-	-
Student financial assistance	136,046	134,372	-	-
Student organizations	617,415	578,000	-	-
Unrestricted	10,261,153	10,936,885	1,093,757	958,765
Total net position	<u>\$ 39,276,994</u>	<u>\$ 32,923,194</u>	<u>\$ 5,102,611</u>	<u>\$ 4,101,742</u>

Blackhawk Technical College District

Statements of Revenues, Expenses and Changes in Net Position

For the Years Ended June 30, 2021 and 2020

	Primary Government		Component Unit	
	2021	Restated 2020	2021	2020
<u>Operating revenues</u>				
Student tuition and program fees, net of scholarship allowances of \$1,697,287 in 2021 and \$1,712,402 in 2020	\$ 4,806,211	\$ 5,043,350	\$ -	\$ -
State aids	704,545	1,326,439	-	-
Federal grants	8,893,861	5,913,796	-	-
Contract revenue	1,648,524	2,806,588	-	-
Auxiliary enterprise revenue	115,987	122,432	-	-
Miscellaneous - institutional revenue	1,132,601	922,245	1,109,254	986,380
Total operating revenues	17,301,729	16,134,850	1,109,254	986,380
<u>Operating expenses</u>				
Instruction	15,779,774	19,002,609	-	-
Instructional resources	1,743,107	1,729,418	-	-
Student services	4,566,197	4,605,327	-	-
General institutional	6,696,232	5,682,420	645,468	471,921
Physical plant	2,888,372	2,698,493	-	-
Student aid	2,041,478	2,236,967	-	-
Auxiliary services	72,502	92,633	-	-
Depreciation	5,296,625	5,399,704	-	-
Total operating expenses	39,084,287	41,447,571	645,468	471,921
Operating loss	(21,782,558)	(25,312,721)	463,786	514,459
<u>Nonoperating revenues (expenses)</u>				
Property taxes	16,078,719	15,750,265	-	-
State operating appropriations	13,190,322	13,194,031	-	-
Investment income	17,877	216,652	537,083	72,196
Loss on disposal of property and equipment	(86,115)	(26,392)	-	-
Interest expense	(1,064,445)	(1,003,680)	-	-
Total nonoperating revenues	28,136,358	28,130,876	537,083	72,196
Increase (decrease) in net position	6,353,800	2,818,155	1,000,869	586,655
Net position - beginning of year, as previously reported	32,923,194	29,614,492	4,101,742	3,515,087
Restatement due to change in accounting principle	-	490,547	-	-
Net position - end of year	\$ 39,276,994	\$ 32,923,194	\$ 5,102,611	\$ 4,101,742

See accompanying notes to financial statements.

Blackhawk Technical College District

Statements of Cash Flows

For the Years Ended June 30, 2021 and 2020

	Primary Government	
	2021	Restated 2020
<u>Cash flows from operating activities</u>		
Tuition and fees received	\$ 5,043,070	\$ 4,821,117
Federal and state grants received	8,973,891	7,219,217
Contract revenues	2,381,831	1,864,503
Payments to employees	(22,814,999)	(22,822,339)
Payments for materials and services	(13,928,897)	(12,421,742)
Auxiliary enterprise revenues	115,987	122,432
Other receipts	1,335,714	710,086
Net cash used for operating activities	(18,893,403)	(20,506,726)
<u>Cash flows from noncapital financing activities</u>		
Local government property taxes received	16,123,244	15,627,280
State appropriations received	13,190,322	13,194,031
Net cash provided by noncapital financing activities	29,313,566	28,821,311
<u>Cash flows from capital and related financing activities</u>		
Purchases of capital assets	(6,467,534)	(3,326,995)
Proceeds from issuance of capital debt	11,000,000	4,700,000
Principal paid on capital debt	(7,425,000)	(7,285,000)
Interest paid on capital debt	(1,065,871)	(945,626)
Net cash used for capital and related financing activities	(3,958,405)	(6,857,621)
<u>Cash flows from investing activities</u>		
Investment income received	17,877	216,652
Net cash provided by investing activities	17,877	216,652
Net increase in cash and cash equivalents	6,479,635	1,673,616
<u>Cash and cash equivalents</u>		
Beginning of year	16,082,606	14,408,990
End of year	\$ 22,562,241	\$ 16,082,606
Non-cash capital and related financing activities		
Loss on disposal of capital assets	\$ 86,115	\$ 26,392

Blackhawk Technical College District

Statements of Cash Flows (Continued)

For the Years Ended June 30, 2021 and 2020

	Primary Government	
	2021	Restated 2020
<u>Reconciliation of operating loss to net cash</u>		
<u>used for operating activities:</u>		
Operating loss	\$ (21,782,558)	\$ (25,312,721)
Adjustment to reconcile operating loss to net cash used for operating activities:		
Depreciation	5,296,625	5,399,704
Changes in assets and liabilities:		
Receivables	564,578	(1,384,624)
Prepaid expenditures	30,369	53,107
Accounts payable and accrued liabilities	(771,305)	739,445
Other accrued liabilities	(184,227)	(50,058)
Post-employment benefits (asset)/liability	(1,808,268)	426,187
Net pension (asset)/liability	(2,800,983)	(6,586,372)
Deferred inflows of resources	5,684,450	4,250,772
Deferred outflows of resources	(3,100,967)	1,930,870
Deferred revenue - other	(21,117)	26,964
Net cash used for operating activities	<u>\$ (18,893,403)</u>	<u>\$ (20,506,726)</u>

See accompanying notes to financial statements.

Blackhawk Technical College District

Statements of Fiduciary Net Position -

Blackhawk Technical College Post-Employment Benefits Trust

June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 29,336	\$ 120,204
Short-term investments	14,932	6,687
Total Current Assets	<u>44,268</u>	<u>126,891</u>
Long Term Assets		
Equity investments	<u>12,004,903</u>	<u>9,842,783</u>
Total Assets	<u>\$ 12,049,171</u>	<u>\$ 9,969,674</u>
LIABILITIES		
Current Liabilities	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>
NET POSITION		
Held in trust for post-employment benefits	<u>12,049,171</u>	<u>9,969,674</u>
Total Net Position	<u>\$ 12,049,171</u>	<u>\$ 9,969,674</u>

See accompanying notes to financial statements.

Blackhawk Technical College District

Statements of Changes in Fiduciary Net Position - Blackhawk Technical College Post-Employment Benefits Trust

For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ADDITIONS		
Contributions		
Blackhawk Technical College	\$ -	\$ 55,000
Investment income		
Interest	78	2,333
Dividends	242,604	224,893
Capital gains - realized	653,886	575,932
Capital gains - unrealized	<u>1,642,264</u>	<u>(172,262)</u>
Total investment income	<u>2,538,832</u>	<u>630,896</u>
Total additions	<u>2,538,832</u>	<u>685,896</u>
DEDUCTIONS		
Retiree benefits	410,935	337,907
Investment expense	44,749	40,886
Administrative expense	<u>3,651</u>	<u>3,576</u>
Total deductions	<u>459,335</u>	<u>382,369</u>
Change in Net Position	2,079,497	303,527
NET POSITION HELD IN TRUST FOR POST-EMPLOYMENT BENEFITS		
Beginning of year	<u>9,969,674</u>	<u>9,666,147</u>
End of year	<u>\$ 12,049,171</u>	<u>\$ 9,969,674</u>

See accompanying notes to financial statements.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies

Introduction: Blackhawk Technical College District (the College) is organized under state legislation enacted in 1911 establishing vocational, technical, and adult education. The goals of the College are to train people for employment in a system flexible enough to permit adjustment to meet the needs of the community, with programs offered on a part-time, full-time, day and evening basis.

The geographic area of the College is comprised of most of Rock County and the majority of Green County in south central Wisconsin. There are 52 municipalities with an estimated population of 186,265 and 13 public school districts within the College's boundaries. The district contains 1,200 square miles and operates campuses located in the cities of Beloit, Janesville and Monroe as well as learning centers in the surrounding communities.

The governing body of the College is the District Board, which consists of nine members. The members are appointed to staggered three-year terms by the County Board chairpersons for Rock and Green counties, who meet once a year to appoint members to the three open seats. The District Board membership includes two employers, two employees, three additional members, one school district administrator and one elected official who holds a state or local office. The District 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 College 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 College is approved to offer 63 associate degree and technical diploma programs. These include 35 associate degree, 5 two-year technical diploma, 10 one-year technical diploma, 8 less-than-one-year technical diploma, and 5 apprenticeship programs. In addition, the College offers various advanced technical programs, basic skills education, and adult continuing education.

The accounting policies of the College conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to public colleges and universities as well as those prescribed by the Wisconsin Technical College System (WTCS). The College reports are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements.

New Accounting Pronouncements

Management has adopted new accounting guidance GASB Statement No. 84, Fiduciary Activities that establishes standards of accounting and reporting for fiduciary activities. The implementation of this statement resulted in a restatement of the beginning net position of the College. See Note 17 for more information.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

The following is a summary of the more significant policies.

Reporting Entity: GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, provides guidance to determine whether certain organizations for which the District is not financially accountable should be reported as component units based on the nature and significance of their relationship with the College. The primary government is financially accountable if it appoints a voting majority of the organization's governing body, or if the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

Blackhawk Technical College Foundation, Inc. (Foundation) is a not-for-profit corporation whose purpose is to solicit, hold, manage, invest and expend endowment funds and other gifts, grants, and bequests exclusively for the maintenance and benefit of the College. The Foundation is managed by a Director and an independent board of directors and is not fiscally accountable to the College.

The Foundation's resources are significant to the College as a whole and to exclude would cause the College's financial statements to be incomplete. The Foundation has been reported as a discretely presented component unit in the College's financial statements.

The Foundation's financial statements can be obtained through the Blackhawk Technical College Foundation Inc., 6004 S. County Road G, Janesville, WI 53547-5009.

Basis of Accounting and Financial Statement Presentation: For financial statement reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the basic financial statements of the College have been prepared on the accrual basis of accounting, whereby all revenues are recorded when earned, and all expenses are recorded when incurred. This basis of accounting also requires the College to record depreciation expense related to capital assets to spread the cost of these assets to the estimated period benefiting from them.

Operating revenues and expenses generally result from providing educational services or producing and delivering goods in connection with the College's ongoing operations. Amounts reported as operating revenues include (1) student tuition and fees, (2) charges to customers for goods or services provided, (3) state and federal operating grants, and (4) contracts with business and industry or school districts. Operating expenses include all instructional and administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Budgets and Budgetary Accounting: The College's internal records are maintained on a fund basis as required by the WTCS. The College follows the procedures listed below in adopting the annual budgets for all governmental fund types that are legally required.

1. Property taxes are levied by the various taxing municipalities. The College records as revenue its share of the local tax in the year levied.
2. Public hearings are conducted on the proposed budget prior to District Board approval.
3. Prior to July 1, the budget is legally enacted through approval by the District Board.
4. Budget amendments during the year are legally authorized. Budget transfers (between funds and functional areas within funds) and changes in budgeted revenues and expenditures (appropriations) require approval by a vote of two-thirds of the entire membership of the District's Board and require publishing a Class 1 public notice in the College's official newspaper within ten days according to Wisconsin Statutes.
5. Management exercises control over budgeted expenditures by fund and function as presented in the accompanying basic financial statements. Expenditures may not exceed funds available or appropriated unless authorized by a resolution adopted by a vote of two-thirds of the District Board. Unused appropriations lapse at the end of each fiscal year.
6. Formal budgetary integration is employed as a planning device for all funds. The College adopts an annual operating budget that is prepared on a different basis from the basic financial statements, which are prepared in accordance with GAAP. The budget differs from GAAP by recognizing encumbrances as expenditures. Also, the budget does not incorporate changes related to GASB statements Nos. 33, 34, and 35.

Use of Estimates: In preparing basic financial statements in conformity with GAAP, the College is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents: Cash includes amounts in petty cash, demand deposits, and other short-term interest-bearing deposits.

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

Fair Value Measurements: Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as quoted market prices in active markets for identical assets or liabilities; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs, therefore requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Receivables and Credit Policies: Receivables are uncollateralized obligations which generally are due upon receipt. Accounts receivable are stated at the invoice amount. Account balances with invoices over thirty days old are considered delinquent. Payments of accounts receivable are applied to the specific invoices identified on the customers' remittance advice or, if unspecified, to the earliest unpaid invoices.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectability of specific student accounts and the aging of accounts receivable. All accounts or portions thereof deemed to be uncollectible are written off to the allowance for doubtful accounts.

Prepaid Expenses: Prepaid balances are for payments made by the College for which benefits extend beyond June 30.

Inventories: The College does not maintain a significant amount of inventory and does not record inventory in its financial records.

Capital Assets: 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 at the time of donation.

The costs of maintenance and repairs are charged to operations as incurred. Equipment assets having a cost of \$5,000 or more per unit and building or remodeling projects of \$15,000 or more are capitalized. Depreciation on buildings and equipment is provided in amounts sufficient to relate the cost of the depreciable assets to operations on the straight-line basis over the estimated service lives, which range from 3 to 15 years for equipment, 20 years for site improvements, 20 years for remodeling, 40 years for buildings and infrastructures.

Property Taxes and Taxes Receivable: The District Board, under Section 38.16 of the Wisconsin Statutes, may levy a tax not to exceed the prior year's levy by the College's valuation factor, which is equal to the percentage change in the College's equalized value from the prior year due to net new construction for the purposes of operating and maintaining schools. The mill rate limitation is not applicable to taxes levied for the purposes of paying principal and interest on general obligation debt issued by the College that is used for capital improvements and equipment acquisitions.

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

Levy date	October 31, or within 10 days of receipt of equalized valuation, whichever is later
Tax bills are mailed	Month of December
Lien date	January 1
Payments:	
Taxes paid in one installment	January 31
Taxes paid in two installments	
First installment due	January 31
Second installment due	July 31
Delinquent taxes purchased by Counties	October 1

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

The College's property tax is apportioned each fall, based on the equalized value as established by the Wisconsin Department of Revenue, to the municipalities located within the District. The College records its share of the property tax in the year it is levied.

The combined tax rate for the fiscal years ended June 30, 2021 and 2020, are as follows:

	2021		2020	
	Mill Rate	Levy Amount	Mill Rate	Levy Amount
Operating levy	0.51757	\$ 7,671,320	0.52512	\$ 7,365,881
Debt service levy	0.56673	8,400,000	0.58751	8,241,000
Total property tax levy		<u>\$ 16,071,320</u>		<u>\$ 15,606,881</u>

In 2013 the Wisconsin Act 145 provided a 'dollar for dollar' reduction in the operational property tax levy and increase in state aid funding, effective for the year ending June 30, 2015. State property tax relief aid was \$9,797,362 for the years ended June 30, 2021 and 2020.

Deferred Outflows/Inflows of Resources – In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until that time. At this time, the College has only three items that qualify for reporting in this category. The deferred outflows of resources – actuarial represent the College's proportionate share of collective deferred outflows of resources of the Wisconsin Retirement System (WRS) and the Local Retiree Life Insurance Fund (LRLIF) and the deferred outflows of the College's OPEB plan. The deferred outflows of resources – contributions represent the College's contributions to pension and OPEB plans subsequent to the measurement date of the collective net pension and OPEB liability (asset).

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents the acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The deferred inflows of resources – actuarial represent the College's proportionate share of collective deferred inflows of resources of the WRS and LRLIF and the deferred inflows of resources of the College's OPEB plan.

Compensated Absences - College employees are granted vacation in varying amounts in accordance with the provisions of the employee handbook and College policy. Vacation earned is forfeited if not taken within the allowable time period. The expense for vacation pay is recorded on the accrual basis. The value of vested vacation pay including payroll taxes and retirement costs was approximately \$205,000 and \$94,000 as of June 30, 2021 and 2020, respectively.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Retirement Plan - The College has a retirement plan covering substantially all of its employees, which is funded through contributions to the Wisconsin Retirement System (WRS).

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by 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. See Note 7 for further information on retirement plans.

Cost-Sharing OPEB Plan – The College participates in a life insurance OPEB plan that covers WRS-eligible employees. The fiduciary net position of the LRLIF has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to other postemployment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. 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.

Post-Employment Health, Dental and Life Insurance – The College administers a single-employer defined benefit plan that provides OPEB benefits to eligible retirees as established by College policy. The College Board manages the OPEB plan and has appointed the Directors of Finance and Human Resources of the College as trustees.

Tuition and Fees: Tuition and fees are recorded, net of scholarships, as revenue in the period in which the related activity or instruction takes place. Tuition and fees attributable to summer school programs are prorated on the basis of student class days occurring before and after the fiscal year-end.

State and Federal Revenues: The College receives funding from various federal and state contracts and grants. Some of these revenues are earned over fiscal periods different from the College and are subject to the Uniform Guidance and State Single Audit Guidelines.

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

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Scholarship Allowances and Student Aid: Financial aid to students is reported in the basic financial statements under the alternative method, as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid (loans, funds provided to students as awarded by third parties and Federal Direct Lending) is accounted for as third-party payments (credited to the student's account as if the student made the payment). All other aid is reflected in the basic financial statements as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a total 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.

Net Position: Net position is classified according to restrictions or availability of assets for satisfaction of College obligations. Net investment in capital assets, represents the net value of capital assets (property, plant and equipment) less the debt incurred to acquire or construct the assets and the borrowed resources not yet expended, but restricted for capital purchases. Restricted net position for debt service can only be used to repay debt service costs (principal and interest) as they are levied for that specific purpose. Restricted net position for student financial assistance can only be used for student financial assistance activities. All remaining net position is unrestricted for legal purposes but may be designated for specific purposes.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 2 - Cash, Cash Equivalents, and Investments

Cash, cash equivalents, and investments are classified in the College's Statements of Net Position and Statements of Cash flows as follows:

	<u>2021</u>	<u>2020</u>
Cash deposits:		
Cash on hand	\$ 1,700	\$ 1,700
Demand deposits	2,430,979	1,707,796
	<hr/>	<hr/>
Total cash deposits	2,432,679	1,709,496
Cash equivalents:		
Wisconsin Local Government Investment Pool	20,129,562	14,373,110
	<hr/>	<hr/>
Total cash and cash equivalents	22,562,241	16,082,606
Investments:		
Certificates of Deposit	35,000	35,000
	<hr/>	<hr/>
Total cash, cash equivalents, and investments	<u>\$ 22,597,241</u>	<u>\$ 16,117,606</u>

Cash, cash equivalents, and investments are classified as follows at June 30:

	<u>2021</u>	<u>2020</u>
Restricted for:		
Debt Service	\$ 1,061,211	\$ 1,067,367
Capital Projects	7,326,679	2,925,528
Student Financial Assistance	650,009	634,326
	<hr/>	<hr/>
	9,037,899	4,627,221
Unrestricted	13,559,342	11,490,385
	<hr/>	<hr/>
Total cash, cash equivalents, and investments	<u>\$ 22,597,241</u>	<u>\$ 16,117,606</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 2 - Cash, Cash Equivalents, and Investments (continued)

Cash equivalents and investments are shown on the College's Statements of Fiduciary Net Position for the Blackhawk Technical College Post-Employment Benefits Trust as follows:

	<u>2021</u>	<u>2020</u>
Cash equivalents:		
Cash on hand	\$ 100	\$ 100
Wisconsin Local Government Investment Pool	29,236	120,104
US Bank Money Market	14,932	6,687
Total cash equivalents	44,268	126,891
Investments		
Mutual funds	12,004,903	9,842,783
Total cash equivalents and investments	<u>\$ 12,049,171</u>	<u>\$ 9,969,674</u>

The College is authorized by Wisconsin Statute 66.0603 to invest in the following instruments:

- Obligations of the U.S. Treasury and U.S. Agencies.
- Obligations of any Wisconsin county, city, drainage district, technical college district, village, town, or school district.
- Time deposits in any bank, trust company, or savings and loan association that is authorized to transact business in this state, if the time deposits mature in not more than three years.
- The state's local government pooled investment fund.
- Any security maturing in seven years or less with either the highest or second rating category of a nationally recognized rating agency.
- Repurchase agreements with public depositories, if the agreement is secured by federal bonds or securities.
- Securities of open-end management investment companies or investment trusts, if the portfolio is limited to obligations of the U.S. Treasury and U.S. Agencies.
- Bonds issued by a local exposition district.
- Bonds issued by a local professional baseball park district.
- Bonds issued by the University of Wisconsin Hospitals and Clinics Authority.

The College maintains a policy over the OPEB Trust Fund with the following investment objectives:

- To invest assets of the Trust in a manner consistent with its fiduciary responsibility to (a) all transactions undertaken must be for the sole interest of Trust beneficiaries and defray reasonable expenses in a prudent manner, and (b) assets are to be diversified in order to minimize the impact of large losses from individual investments.
- To provide for funding and anticipated withdrawals on a continuing basis for payment of OPEB benefits and related expenses.
- To conserve and enhance the value of Trust assets in real terms through asset appreciation and income generation, while maintaining a moderate investment risk profile.
- To minimize principal fluctuations over a 20-year investment horizon.
- To achieve a long-term level of return commensurate with contemporary economic conditions and equal to or exceeding the Trust's actuarial discount rate.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 2 - Cash, Cash Equivalents, and Investments (continued)

The Wisconsin Local Government Investment Pool (LGIP) has compiled fair value information for all securities in the pool and has provided a book value to fair value conversion factor. As of June 30, 2021 and 2020, the conversion factors were 100%.

The LGIP is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board (SWIB). The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice.

Investments in the LGIP are covered by a surety bond issued by Financial Security Assurance, Inc. The bond insures against loss arising from principal defaults on substantially all types of securities acquired by the pool except U.S. Government and agency securities. The bond provides unlimited coverage on principal losses, reduced by any Federal Deposit Insurance Corporation (FDIC) and State of Wisconsin Guarantee Fund insurance. The College is exposed to market risk through its participation in the LGIP.

Custodial Credit Risk - Deposits: Custodial credit risk is the risk that, in the event of financial institution failure, the College will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of a third party. As of June 30, 2021 and 2020, the College's carrying value of the deposits was \$2,465,978 and \$1,742,796, respectively, compared to bank balances of \$2,659,008 and \$1,961,919, respectively. No bank balances at June 30, 2021 or 2020, were uninsured and uncollateralized.

Credit Risk - Investments: Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments as listed above. The College minimizes its credit risk by requiring security of the investment as the first priority and limiting investments to financial institutions and the LGIP. The College's repurchase agreements are collateralized by U.S. Government securities which are uninsured and unregistered, held by the counterparty or its trust department, but not in the College's name. As of June 30, 2021 and 2020, the College had \$20,158,798 and \$14,493,214, respectively, invested in the LGIP, which does not carry a credit quality rating.

The US Bank Money Market held by the Blackhawk Technical College Post-Employment Trust is rated AAAM by Standard & Poors and the mutual funds do not carry a credit quality rating.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of an organization's investment in a single issuer. Any investment which represents 5 percent or more of total investments is required to be disclosed. Exempt from this disclosure are investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds, external investments pools, and other pooled investments. The College places no limit on the amount the College may invest in any one issuer.

Interest Rate Risk: Interest rate risk is the risk changes in interest rates will adversely affect the fair value of an investment. The College does not have a formal investment policy which limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 3 – Fair Value Measurements (Assets and Liabilities Measured at Fair Value)

The College has the following recurring fair value measurements as of June 30, 2021 and 2020:

Assets at Fair Value as of June 30, 2021

	Level 1	Level 2	Total
Certificates of deposit (CD's)	\$ -	\$ 35,000	\$ 35,000
Mutual funds	12,004,903	-	12,004,903
Total cash and investments	<u>\$ 12,004,903</u>	<u>\$ 35,000</u>	<u>\$ 12,039,903</u>

Assets at Fair Value as of June 30, 2020

	Level 1	Level 2	Total
Certificates of deposit (CD's)	\$ -	\$ 35,000	\$ 35,000
Mutual funds	9,842,783	-	9,842,783
Total cash and investments	<u>\$ 9,842,783</u>	<u>\$ 35,000</u>	<u>\$ 9,877,783</u>

The College's assets at fair value are measured as follows:

- Mutual funds are valued using unadjusted quoted active market prices as of the date of the financial statements (Level 1 inputs).
- Certificates of deposit are valued using a matrix pricing model (Level 2 inputs).

Note 4 – Accounts and Other Receivables

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

	<u>2021</u>	<u>2020</u>
Student tuition and fees, net of allowance for doubtful accounts	\$ 554,533	\$ 805,566
Contracted services	36,188	131,672
Other	(7,022)	220,634
Total accounts and other receivables	<u>\$ 583,699</u>	<u>\$ 1,157,872</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 5 – Capital Assets

Following are the changes in the College's capital assets for the year ended June 30, 2021:

	Beginning Balance	Additions	Adjustments	Deletions	Ending Balance
Capital assets not being depreciated:					
Land	\$ 1,081,036	\$ -	\$ -	\$ -	\$ 1,081,036
Construction in progress	1,290,974	4,546,387	(47,319)	1,227,776	4,562,266
Total capital assets not being depreciated or amortized	2,372,010	4,546,387	(47,319)	1,227,776	5,643,302
Capital assets being depreciated or amortized:					
Land improvements	2,217,022	56,091	-	-	2,273,113
Infrastructure	514,152	-	-	-	514,152
Buildings and improvements	56,001,727	-	-	-	56,001,727
Leasehold improvements	539,456	-	-	-	539,456
Equipment	25,758,283	3,647,968	-	672,424	28,733,827
Intangible assets	2,404,974	-	-	-	2,404,974
Total capital assets being depreciated or amortized	87,435,614	3,704,059	-	672,424	90,467,249
Less accumulated depreciation and amortization:					
Land improvements	1,205,732	84,388	-	-	1,290,120
Infrastructure	44,989	6,427	-	-	51,416
Buildings and improvements	22,099,783	2,450,820	-	-	24,550,603
Leasehold improvements	22,435	13,486	-	-	35,921
Equipment	15,877,950	2,695,777	-	586,309	17,987,418
Intangible asset	147,774	45,727	-	-	193,501
Total accumulated depreciation and amortization	39,398,663	5,296,625	-	586,309	44,108,979
Net capital assets	50,408,961	\$ 2,953,821	\$ (47,319)	\$ 1,313,891	52,001,572
Less general obligation debt	(39,990,000)				(43,565,000)
Add unspent general obligation debt	1,850,089				5,919,041
Net investment in capital assets	\$ 12,269,050				\$ 14,355,613

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 5 – Capital Assets (continued)

Following are the changes in the College's capital assets for the year ended June 30, 2020:

	Beginning Balance	Additions	Adjustments	Deletions	Ending Balance
Capital assets not being depreciated:					
Land	\$ 1,081,036	\$ -	\$ -	\$ -	\$ 1,081,036
Construction in progress	668,991	1,722,663	-	1,100,680	1,290,974
Total capital assets not being depreciated or amortized	1,750,027	1,722,663	-	1,100,680	2,372,010
Capital assets being depreciated or amortized:					
Land improvements	2,200,422	16,600	-	-	2,217,022
Infrastructure	514,152	-	-	-	514,152
Buildings and improvements	54,915,101	1,086,626	-	-	56,001,727
Leasehold improvements	178,997	360,459	-	-	539,456
Equipment	24,027,986	1,906,860	-	176,563	25,758,283
Intangible asset	2,404,974	-	-	-	2,404,974
Total capital assets being depreciated or amortized	84,241,632	3,370,545	-	176,563	87,435,614
Less accumulated depreciation and amortization:					
Land improvements	1,123,161	82,571	-	-	1,205,732
Infrastructure	32,135	12,854	-	-	44,989
Buildings and improvements	19,617,634	2,482,149	-	-	22,099,783
Leasehold improvements	4,474	17,961	-	-	22,435
Equipment	13,284,076	2,744,045	-	150,171	15,877,950
Intangible asset	87,650	60,124	-	-	147,774
Total accumulated depreciation and amortization	34,149,130	5,399,704	-	150,171	39,398,663
Net capital assets	51,842,529	\$ (306,496)	\$ -	\$ 1,127,072	50,408,961
Less general obligation debt	(42,055,000)				(39,990,000)
Add unspent general obligation debt	1,996,780				1,850,089
Net investment in capital assets	\$ 11,784,309				\$ 12,269,050

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 6 - Long-Term Obligations

The following is a summary of long-term obligations for the years ended June 30, 2021 and 2020:

	Balance 07/01/20	Increases	Decreases	Balance 06/30/21	Due Within One Year
General Obligation Debt	\$ 39,990,000	\$ 11,000,000	\$ 7,425,000	\$ 43,565,000	\$ 7,495,000
Unamortized premium	587,546	151,887	154,949	584,484	-
	<u>\$ 40,577,546</u>	<u>\$ 11,151,887</u>	<u>\$ 7,579,949</u>	<u>\$ 44,149,484</u>	<u>\$ 7,495,000</u>
	Balance 07/01/19	Increases	Decreases	Balance 06/30/20	Due Within One Year
General Obligation Debt	\$ 42,575,000	\$ 4,700,000	\$ 7,285,000	\$ 39,990,000	\$ 7,425,000
Unamortized premium	520,255	221,593	154,302	587,546	-
	<u>\$ 43,095,255</u>	<u>\$ 4,921,593</u>	<u>\$ 7,439,302</u>	<u>\$ 40,577,546</u>	<u>\$ 7,425,000</u>

The College pledges full faith, credit, and resources of the College to pay all outstanding general obligation promissory notes. The College levies taxes annually to pay the amount of principal and interest due for the debt.

The obligations of the College at June 30 are as follows:

	2021	2020
2011 \$3,300,000 general obligation promissory note payable to BMO Harris Bank, N.A., Milwaukee, WI, interest at 1.85%-2.80%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2021. Proceeds used for building construction, remodeling, and equipment.	\$ -	\$ 200,000
2012 \$4,100,000 general obligation promissory note payable to UMB Bank, N.A., Kansas City, MO, interest at 1.00%-2.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2022. Proceeds used for building construction, remodeling, and equipment.	200,000	400,000
Subtotal	<u>\$ 200,000</u>	<u>\$ 600,000</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 6 - Long-Term Obligations (continued)

	<u>2021</u>	<u>2020</u>
Subtotal - carried forward	\$ 200,000	\$ 600,000
2013 \$5,240,000 general obligation promissory note payable to Raymond James & Associates, Inc., St. Petersburg, FL, interest at 2.00%-2.40%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2023. Proceeds used for building construction, remodeling, and equipment.	840,000	1,545,000
2013 \$1,500,000 general obligation promissory note payable to Robert W. Baird Co., Milwaukee, WI, interest at 2.50%-3.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2020, until maturity on April 1, 2023. Proceeds used for building construction, remodeling, and equipment.	825,000	1,175,000
2013 \$1,500,000 general obligation promissory note payable to Raymond James & Associates, Inc., St. Petersburg, FL, interest at 2.00%-2.50%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2020, until maturity on April 1, 2023. Proceeds used for building construction, remodeling, and equipment.	825,000	1,175,000
2013 \$1,500,000 general obligation promissory note payable to UMB Bank, N.A., Kansas City, MO, interest at 2.40%-2.60%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2020, until maturity on April 1, 2023. Proceeds used for building construction, remodeling, and equipment.	<u>825,000</u>	<u>1,175,000</u>
Subtotal	<u>\$ 3,515,000</u>	<u>\$ 5,670,000</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 6 - Long-Term Obligations (continued)

	<u>2021</u>	<u>2020</u>
Subtotal - carried forward	\$ 3,515,000	\$ 5,670,000
2014 \$5,000,000 general obligation promissory note payable to Hutchinson, Shockey, Erley & Co., Chicago, IL, interest at 1.50%-3.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2024. Proceeds used for building construction, remodeling, and equipment.	2,150,000	2,850,000
2015 \$4,500,000 general obligation promissory note payable to Hutchinson, Shockey, Erley & Co., Chicago, IL, interest at 1.50%-3.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2024. Proceeds used for building construction, remodeling, and equipment.	1,550,000	1,975,000
2015 \$1,500,000 general obligation promissory note payable to Robert W. Baird Co., Milwaukee, WI, interest at 2.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2021. Proceeds used for building construction, remodeling, and equipment.	-	245,000
2015 \$1,500,000 general obligation promissory note payable to Robert W. Baird Co., Milwaukee, WI, interest at 2.00%-3.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2020, until maturity on April 1, 2024. Proceeds used for building construction, remodeling, and equipment.	<u>1,150,000</u>	<u>1,350,000</u>
Subtotal	<u>\$ 8,365,000</u>	<u>\$ 12,090,000</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 6 - Long-Term Obligations (continued)

	<u>2021</u>	<u>2020</u>
Subtotal - carried forward	\$ 8,365,000	\$ 12,090,000
2015 \$4,500,000 general obligation promissory note payable to UMB Bank, N.A., Kansas City, MO, interest at 1.00%-2.25%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2024. Proceeds used for building construction, remodeling, and equipment.	1,800,000	2,350,000
2015 \$1,500,000 general obligation promissory note payable to Robert W. Baird Co., Milwaukee, WI, interest at 2.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2016, until maturity on April 1, 2021. Proceeds used for building construction, remodeling, and equipment.	-	300,000
2015 \$1,500,000 general obligation promissory note payable to Robert W. Baird Co., Milwaukee, WI, interest at 2.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2016, until maturity on April 1, 2021. Proceeds used for building construction, remodeling, and equipment.	-	300,000
2015 \$1,500,000 general obligation promissory note payable to Robert W. Baird Co., Milwaukee, WI, interest at 2.00%-3.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2017, until maturity on April 1, 2022. Proceeds used for building construction, remodeling, and equipment.	<u>300,000</u>	<u>600,000</u>
Subtotal	<u>\$ 10,465,000</u>	<u>\$ 15,640,000</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 6 - Long-Term Obligations (continued)

	<u>2021</u>	<u>2020</u>
Subtotal - carried forward	\$ 10,465,000	\$ 15,640,000
2015 \$1,500,000 general obligation promissory note payable to Robert W. Baird Co., Milwaukee, WI, interest at 2.00%-3.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2021, until maturity on April 1, 2025. Proceeds used for building construction, remodeling, and equipment.	1,200,000	1,500,000
2016 \$1,500,000 general obligation promissory note payable to Robert W. Baird Co., Milwaukee, WI, interest at 3.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2021, until maturity on April 1, 2025. Proceeds used for building remodeling and improvement projects.	1,200,000	1,500,000
2016 \$1,500,000 general obligation promissory note payable to Robert W. Baird Co., Milwaukee, WI, interest at 2.00%-3.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2020, until maturity on April 1, 2025. Proceeds used for building remodeling and improvement projects.	1,100,000	1,300,000
2016 \$4,300,000 general obligation promissory note payable to Raymond James & Associates, Inc., St. Petersburg, FL, interest at 2.00%-2.25%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2016, until maturity on April 1, 2025. Proceeds used for building construction, remodeling, and equipment.	1,800,000	2,150,000
Subtotal	<u>\$ 15,765,000</u>	<u>\$ 22,090,000</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 6 - Long-Term Obligations (continued)

	<u>2021</u>	<u>2020</u>
Subtotal - carried forward	\$ 15,765,000	\$ 22,090,000
2016 \$4,000,000 general obligation promissory note payable to FTN Financial Capital Markets, New York, NY, interest at 1.00%-2.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2017, until maturity on April 1, 2024. Proceeds used for the water main service extension project and equipment.	1,200,000	1,700,000
2017 \$1,500,000 general obligation promissory note payable to Robert W. Baird Co., Milwaukee, WI, interest at 2.00%-3.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 commencing April 1, 2022, until maturity on April 1, 2026. Proceeds used for building remodeling and improvement projects.	1,500,000	1,500,000
2017 \$3,500,000 general obligation promissory note payable to UMB Bank, N.A., Kansas City, MO, interest at 2.00%-2.55%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2026. Proceeds used for building improvements, remodeling, and to acquire equipment.	2,400,000	2,700,000
2017 \$3,500,000 general obligation promissory note payable to UMB Bank, N.A., Kansas City, MO, interest at 2.00%-2.50%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2027. Proceeds used for building improvements and remodeling, construction, and to acquire equipment.	2,600,000	2,900,000
Subtotal	<u>\$ 23,465,000</u>	<u>\$ 30,890,000</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 6 - Long-Term Obligations (continued)

	<u>2021</u>	<u>2020</u>
Subtotal - carried forward	\$ 23,465,000	\$ 30,890,000
2018 \$1,500,000 general obligation promissory note payable to BOK Financial Securities, Dallas, TX, interest at 2.50%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2027. Proceeds used for building improvements and remodeling.	1,500,000	1,500,000
2018 \$2,900,000 general obligation promissory note payable to Dougherty & Company LLC, Minneapolis, MN, interest at 3.00-3.25%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2028. Proceeds used for building improvements and remodeling, and to acquire equipment.	2,900,000	2,900,000
2019 \$3,200,000 general obligation promissory note payable to Northland Securities, Inc., Minneapolis, MN, interest at 2.00%-4.00%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2029. Proceeds used for building improvements and remodeling, construction, and to acquire equipment.	3,200,000	3,200,000
2020 \$1,500,000 general obligation promissory note payable to Associated Trust Company, Green Bay, WI, interest at 1.30-3.25%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2030. Proceeds used for building improvements and remodeling, and to acquire land and construction of additional facilities.	<u>1,500,000</u>	<u>1,500,000</u>
Subtotal	<u>\$ 32,565,000</u>	<u>\$ 39,990,000</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 6 - Long-Term Obligations (continued)

	<u>2021</u>	<u>2020</u>
Subtotal - carried forward	\$ 32,565,000	\$ 39,990,000
2020 \$3,500,000 general obligation promissory note payable to UMB Bank, N.A., Kansas City, MO, interest at 1.00%-1.15%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2030. Proceeds used for building improvements and remodeling, and to acquire equipment.	3,500,000	
2021 \$7,500,000 general obligation promissory note payable to UBS Financial Services Inc., New York, NY, interest at 2%, payable semiannually in April and October; varying principal payments are due annually on April 1 until maturity on April 1, 2041. Proceeds used for building improvements and remodeling, and to acquire land and construction of additional facilities.	<u>7,500,000</u>	
Total outstanding long-term obligations	<u>\$ 43,565,000</u>	<u>\$ 39,990,000</u>

Principal and interest are payable from irrevocable ad valorem taxes levied on all taxable property in the District. The annual requirements to amortize all outstanding general obligation debt, including interest, at June 30 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 7,495,000	\$ 1,007,190	\$ 8,502,190
2023	7,295,000	847,469	8,142,469
2024	6,355,000	668,181	7,023,181
2025	4,645,000	502,225	5,147,225
2026	3,620,000	379,588	3,999,588
2027-2031	6,655,000	985,943	7,640,943
2032-2036	2,535,000	704,600	3,239,600
2037-2041	4,965,000	296,499	5,261,499
	<u>\$ 43,565,000</u>	<u>\$ 5,391,695</u>	<u>\$ 48,956,695</u>

Wisconsin Statutes 67.03(1) provides the aggregate amount of indebtedness of a district shall not exceed 5 percent of the value of the taxable property located in the district. The 5 percent limit at June 30, 2021 and 2020, was \$779,454,978 and \$734,545,974, respectively. The actual indebtedness of the College for 2021 and 2020 was \$43,565,000 and \$39,990,000, respectively. The indebtedness of the College, net of resources available for 2021 and 2020 was \$42,504,264 and \$38,922,958, respectively. In addition, the maximum bonded indebtedness of the College for purchasing and constructing buildings and equipment may not exceed 2 percent of the value of the taxable property within the District. The 2 percent limit at June 30, 2021 and 2020, was \$311,781,991 and \$293,747,952, respectively. The College had no bonded indebtedness for 2021 and 2020.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 7 - Retirement Plans

All eligible College employees participate in the WRS, a cost-sharing multiple-employer defined benefit Public Employee Retirement System (PERS). 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. Eligibility requirements are as follows:

- Employees initially employed by a WRS employer prior to July 1, 2011 – Expected to be employed for at least one year and expected to work at least 600 hours a year (440 hours for teachers).
- Employees initially employed by a WRS employer on or after July 1, 2011 – Expected to be employed for at least one year and expected to work at least 1,200 hours a year (880 hours for teachers).

Employees who retire at or after age 65 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 employee's three highest annual earnings periods. Creditable service includes current service and prior service for which an employee 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

Employees may retire at age 55 and receive actuarially reduced benefits. Employees 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.

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 or beginning employment on or after April 24, 1998, up to and including June 30, 2011, are immediately vested. Participants initially beginning employment on or after July 1, 2011, are not eligible for a WRS retirement annuity or lump sum retirement benefit until they have five years of creditable service.

The WRS also provides death and disability benefits for employees.

Eligibility and the amount of all benefits are determined under Chapter 40 of Wisconsin Statutes. ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found online at <https://etf.wi.gov/about-eftr/report-and-studies/financial-reports-and-statements>.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 7 - Retirement Plans (continued)

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 %
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)
2020	1.7	21.0

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

During the reporting period, the WRS recognized \$1,021,481 in contributions from the College.

Contribution rates as of June 30, 2021 and 2020 are:

Employee Category	2021		2020	
	Employee	Employer	Employee	Employer
General (including teachers, executives and elected officials)	6.75%	6.75%	6.75%	6.75%
Protective with Social Security	6.75%	11.75%	6.75%	11.65%
Protective without Social Security	6.75%	16.35%	6.75%	16.25%

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 7 - Retirement Plans (continued)

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

At June 30, 2021 and 2020, the College reported an (asset) of (\$5,890,554) and (\$3,089,571) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31 within the College's fiscal year, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation one year prior to and rolled forward to the measurement date. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The College's proportion of the net pension liability (asset) was based on the College's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020 and 2019, the College's proportion was 0.094% and 0.096% (a decrease of 0.002% from the prior year).

For the year ended June 30, 2021 and 2020, the College recognized pension expense of (\$608,813) and \$1,226,401.

At June 30, 2021 and 2020, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$8,525,441	\$1,836,364	\$5,864,712	\$2,934,896
Changes in assumptions	133,609	-	240,759	-
Net differences between projected and actual earnings on pension plan investments	-	\$11,059,037	-	\$6,316,182
Changes in proportion and differences between employer contributions and proportionate share of contributions	33,733	32,116	77,758	-
Employer contributions subsequent to the measurement date	510,902	-	516,706	-
Total	\$9,203,685	\$12,927,517	\$6,699,935	\$9,251,078

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 7 - Retirement Plans (continued)

Deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	(\$1,076,792)
2023	(292,788)
2024	(2,011,287)
2025	(853,867)

Actuarial assumptions: The total pension liability in the December 31, 2020 and 2019, actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>2020</u>	<u>2019</u>
Actuarial Valuation Date:	December 31, 2019	December 31, 2018
Measurement Date of Net Pension Liability (Asset)	December 31, 2020	December 31, 2019
Actuarial Cost Method:	Entry Age	Entry Age
Asset Valuation Method:	Fair Market Value	Fair Market Value
Long-Term Expected Rate of Return:	7.0%	7.0%
Discount Rate:	7.0%	7.0%
Salary Increases:		
Inflation	3.0%	3.0%
Seniority/Merit	0.1% - 5.6%	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*	1.9%	1.9%

** No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The total pension liability for December 31, 2020 and 2019, is based upon a roll-forward of the liability calculated from the December 31, 2019 and 2018, actuarial valuations.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 7 - Retirement Plans (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 arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns

As of December 31, 2020

	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return
<u>Core Fund Asset Class</u>			
Global equities	51.0%	7.2%	4.7%
Fixed income	25.0%	3.2%	0.8%
Inflation sensitive assets	16.0%	2.0%	-0.4%
Real estate	8.0%	5.6%	3.1%
Private equity/debt	11.0%	10.2%	7.6%
Multi-asset	4.0%	5.8%	3.3%
Total core fund	115.0%	6.6%	4.1%
<u>Variable Fund Asset Class</u>			
U.S. equities	70.0%	6.6%	4.1%
International equities	30.0%	7.4%	4.9%
Total variable fund	100.0%	7.1%	4.6%

New England Pension Consultants Long-Term US CPI (Inflation) Forecast: 2.4%

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

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 7 - Retirement Plans (continued)

Asset Allocation Targets and Expected Returns

As of December 31, 2019

	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return
<u>Core Fund Asset Class</u>			
Global equities	49.0%	8.0%	5.1%
Fixed income	24.5%	4.9%	2.1%
Inflation sensitive assets	15.5%	4.0%	1.2%
Real estate	9.0%	6.3%	3.5%
Private equity/debt	8.0%	10.6%	7.6%
Multi-asset	4.0%	6.9%	4.0%
Total core fund	<u>110.0%</u>	<u>7.5%</u>	<u>4.6%</u>
<u>Variable Fund Asset Class</u>			
U.S. equities	70.0%	7.5%	4.6%
International equities	30.0%	8.2%	5.3%
Total variable fund	<u>100.0%</u>	<u>7.8%</u>	<u>4.9%</u>

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

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

Single Discount Rate: A single discount rate of 7.00% was used to measure the total pension liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% 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.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 7 - Retirement Plans (continued)

Sensitivity of the College's proportionate share of the net pension liability (asset) to changes in the discount rate: The following presents the College's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent (7.00 percent for the prior year), as well as what the College's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	2021		2020	
	Discount Rate	Net Pension Liability (Asset)	Discount Rate	Net Pension Liability (Asset)
1% decrease to discount rate	6.0%	\$5,606,991	6.0%	\$7,956,198
Current discount rate	7.0%	(5,890,554)	7.0%	(3,089,571)
1% increase to discount rate	8.0%	(14,335,417)	8.0%	(11,347,554)

Payables to the pension plan: The College reported a payable to the pension plan for the outstanding amount of required contributions of \$224,352 at June 30, 2021 and \$263,660 at June 30, 2020.

Note 8 – Other Post-Employment Benefits – Retiree Medical

As of the June 30 actuarial valuation, members of the plan consisted of the following:

	2021	2020
Inactive plan members or beneficiaries currently receiving benefit payments	36	29
Inactive plan members entitled but not yet receiving benefit payments	-	-
Active plan members	178	182
Total participants	214	211

The College provides post-retirement health care, dental and life insurance benefits to certain teachers, support staff and administrators under contractual arrangements. Retirees must be 55 years old and have completed 12, 15, or 18 years of service to receive three, four or five years of paid health insurance, respectively. Health care benefits are coordinated with Medicare after age 65. Dental coverage is available only to College Presidents. The cost method used in estimating the Actuarially Determined Contribution was the Projected Unit Credit (ADC), Entry Age Normal (NOL) Cost Method. The significant assumptions used in the computation include a 7.0% discount rate, a health insurance premium rate trend of 10% in year 1 and declining to 5% in year 11 and remaining at that level thereafter for those under age 65, and a health insurance premium rate of 5.0% for those over age 65.

The College established a trust (Blackhawk Technical College Post-Employment Benefits Trust) for the purpose of funding the Other Post-Employment Benefits (OPEB) liability on November 21, 2007. The plan's financial statements are prepared on the accrual basis of accounting. The College Board determines the amount contributed to the trust. Benefits are paid at the time premiums are due to the insurance carrier. Investments are reported at fair value. The plan does not issue a standalone report.

The OPEB plan investment policies are described in Notes 1 and 2. For June 30, 2021 and 2020, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 26.00% and 6.62%, respectively. The money-weighted rate of return expresses the investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 8 – Other Post-Employment Benefits – Retiree Medical (continued)

The components of the net OPEB liability (asset) of the College at June 30, is as follows:

	<u>2021</u>	<u>2020</u>
Total OPEB liability	\$ 4,257,412	\$ 4,283,691
Plan fiduciary net position	<u>12,049,171</u>	<u>9,969,673</u>
Net OPEB liability (asset)	<u>\$ (7,791,759)</u>	<u>\$ (5,685,982)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>283.02%</u>	<u>232.74%</u>

The net OPEB liability (asset) was measured as of June 30, 2021 and 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021 and 2020.

The long term expected rate of return on OPEB plan investments was 7.0%. The rate was determined based on a review of the current portfolio and the long-term expectation that amounts will be invested in a higher interest rate environment.

Mortality rates were based on the RP-2014 Total Data Set Mortality adjusted to 2006 base mortality year and then projected forward using MP-2020 generational future mortality improvement scale.

Healthcare Cost Trend Rates: Pre-65 medical costs were trended at 9.0% in the first year, graded down to 5.0% over 11 years; post-65 medical costs were trended at a flat 5.0% per year.

The Discount Rate used to measure the Total OPEB Liability was 7.00%. Because the Plan's Fiduciary Net Position is projected to be available to make all projected OPEB payments for current active and inactive employees, the plan's long-term investment rate of return was applied to all periods.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 8 – Other Post-Employment Benefits – Retiree Medical (continued)

Changes in the Net OPEB Liability (Asset) for the year ended June 30, 2021 and 2020 are as follows:

Changes in Net OPEB Liability Year Ended June 30, 2021	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balances at July 1, 2020	\$ 4,283,691	\$ 9,969,673	\$ (5,685,982)
Changes for the year:			
Service cost	248,787	-	248,787
Interest	303,179	-	303,179
Differences between expected and actual experience	(720,167)	-	(720,167)
Changes in assumptions	552,857		552,857
Contributions - Employer		-	-
Net investment income	-	2,538,833	(2,538,833)
Benefit payments, including refunds of employee contributions	(410,935)	(410,935)	-
Administrative expense	-	(48,400)	48,400
Net changes	(26,279)	2,079,498	(2,105,777)
Balances as of June 30, 2021	\$ 4,257,412	\$ 12,049,171	\$ (7,791,759)

Changes in Net OPEB Liability Year Ended June 30, 2020	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balances at July 1, 2019	\$ 4,128,971	\$ 9,666,147	\$ (5,537,176)
Changes for the year:			
Service cost	232,511	-	232,511
Interest	291,097	-	291,097
Differences between expected and actual experience	(30,981)	-	(30,981)
Changes in assumptions	-		-
Contributions - Employer		55,000	(55,000)
Net investment income	-	630,896	(630,896)
Benefit payments, including refunds of employee contributions	(337,907)	(337,907)	-
Administrative expense	-	(44,463)	44,463
Net changes	154,720	303,526	(148,806)
Balances as of June 30, 2020	\$ 4,283,691	\$ 9,969,673	\$ (5,685,982)

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 8 – Other Post-Employment Benefits – Retiree Medical (continued)

The following presents the net OPEB liability (asset), calculated using a discount rate of 7.0 percent, as well as what the net OPEB liability(asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.0 percent) or 1-percentage point higher (8.0 percent) than the current discount rate:

Sensitivity of the Net OPEB Liability (Asset) to the Changes in the Discount Rate

	June 30, 2021		
	1% Decrease	Current	1% Increase
Total OPEB Liability	\$ 4,573,498	\$ 4,257,412	\$ 3,974,260
Plan Fiduciary Net Position	12,049,171	12,049,171	12,049,171
Net OPEB Liability (Asset)	<u>\$ (7,475,673)</u>	<u>\$ (7,791,759)</u>	<u>\$ (8,074,911)</u>
	June 30, 2020		
	1% Decrease	Current	1% Increase
Total OPEB Liability	\$ 4,647,477	\$ 4,283,691	\$ 3,959,115
Plan Fiduciary Net Position	9,969,673	9,969,673	9,969,673
Net OPEB Liability (Asset)	<u>\$ (5,322,196)</u>	<u>\$ (5,685,982)</u>	<u>\$ (6,010,558)</u>

The following presents the net OPEB liability (asset), as well as what the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

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

	June 30, 2021		
	1% Decrease	Current	1% Increase
Total OPEB Liability	\$ 3,904,133	\$ 4,257,412	\$ 4,665,648
Plan Fiduciary Net Position	12,049,171	12,049,171	12,049,171
Net OPEB Liability (Asset)	<u>\$ (8,145,038)</u>	<u>\$ (7,791,759)</u>	<u>\$ (7,383,523)</u>
	June 30, 2020		
	1% Decrease	Current	1% Increase
Total OPEB Liability	\$ 3,891,418	\$ 4,283,691	\$ 4,736,680
Plan Fiduciary Net Position	9,969,673	9,969,673	9,969,673
Net OPEB Liability (Asset)	<u>\$ (6,078,255)</u>	<u>\$ (5,685,982)</u>	<u>\$ (5,232,993)</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 8 – Other Post-Employment Benefits – Retiree Medical (continued)

For the year ended June 30, 2021 and 2020, the College recognized OPEB expense of (\$598,471) and (\$216,647), respectively. At June 30, 2021 and 2020, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 197,071	\$ 1,273,758	\$ 197,071	\$ 778,617
Changes in assumptions	600,372		147,859	
Net difference between projected and actual earnings on OPEB plan investments	-	1,528,563	-	52,681
Total	\$ 797,443	\$ 2,802,321	\$ 344,930	\$ 831,298

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

Year ended June 30:	
2022	\$ (513,913)
2023	(431,423)
2024	(439,790)
2025	(446,285)
2026	(122,934)
Thereafter	(50,533)

Note 9 – Other Post-Employment Benefits – Local Retiree Life Insurance Fund

The Local Retiree Life Insurance Fund (LRLIF) is a cost-sharing multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Additionally, EFT issued a standalone Retiree Life Insurance Financial Report, which can be found at <https://etfonline.wi.gov/ETFGASBPublicWeb/gasb75Local.do>

The LRLIF plan provides fully paid-up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 9 – Other Post-Employment Benefits – Local Retiree Life Insurance Fund (continued)

Employers are required to pay the following contributions based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of June 30, 2021 are:

Coverage Type	Employer Contribution
25% Post Retirement Coverage	20% of employee contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2019 are as listed below:

Life Insurance Employee Contribution Rates* For the years ended June 30, 2021 and 2020		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57
*Disabled members under age 70 receive a waiver-of-premium benefit.		

During the reporting period, the LRLIF recognized \$6,479 in contributions from the College.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At June 30, 2021 and 2020, the College reported a liability of \$1,873,801 and \$1,576,292 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2020 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The College's proportion of the net OPEB liability was based on the College's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2020 and 2019, the College's proportion was 0.340 % and 0.370%, (a decrease of 0.03% from the prior year).

For the year ended June 30, 2021 and 2020, the College recognized OPEB expense of \$196,272 and \$99,887.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 9 – Other Post-Employment Benefits – Local Retiree Life Insurance Fund (continued)

At June 30, 2021 and 2020, the College reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	2021		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$-	\$89,411	\$-	\$70,616
Changes in assumptions	728,933	128,568	581,500	173,380
Net differences between projected and actual earnings on pension plan investments	27,281	-	29,734	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	166,654	-	103,649
Employer contributions subsequent to the measurement date	3,233	-	3,509	-
Total	\$759,447	\$384,633	\$614,743	\$347,645

Deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	Net Deferred Outflows (Inflows) of Resources
2022	\$67,768
2023	64,818
2024	61,779
2025	56,533
2026	86,004
Thereafter	34,679

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 9 – Other Post-Employment Benefits – Local Retiree Life Insurance Fund (continued)

Actuarial assumptions: The total OPEB liability in the January 1, 2020 and 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2021	2020
Actuarial Valuation Date:	January 1, 2020	January 1, 2019
Measurement Date of Net OPEB Liability	December 31, 2020	December 31, 2019
Actuarial Cost Method:	Entry Age Normal	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.12%	2.74%
Long-Term Expected Rate of Return:	4.25%	4.25%
Discount Rate:	2.25%	2.87%
Salary Increases:		
Inflation	3.0%	3.0%
Seniority/Merit	0.1% - 5.6%	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the total OPEB liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The total OPEB liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 actuarial valuation.

Long-term expected Return on Plan Assets: The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

Asset Allocation Targets and Expected Returns

As of December 31, 2020

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation %</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Credit Bonds	Barclays Credit	50.0%	1.47%
US Mortgages	Barclays MBS	50.0%	0.82%
Inflation			2.20%
Long-Term Expected Rate of Return			4.25%

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 9 – Other Post-Employment Benefits – Local Retiree Life Insurance Fund (continued)

Asset Allocation Targets and Expected Returns

As of December 31, 2019

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation %</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Credit Bonds	Barclays Credit	45.0%	2.12%
US Long Credit Bonds	Barclays Long Credit	5.0%	2.90%
US Mortgages	Barclays MBS	50.0%	1.53%
Inflation			2.20%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return and expected inflation rate remained unchanged from the prior year at 4.25% and 2.2% respectively. The long –term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Single Discount Rate: A single discount rate of 2.25% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.87% for the prior year. The change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. The Plan’s fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan’s fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan’s fiduciary net position is projected to be insufficient. The plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members prior to age 65.

Sensitivity of the College’s proportionate share of the net OPEB liability to changes in the discount rate:

The following presents the College’s proportionate share of the net OPEB liability calculated using the discount rate of 2.25 percent (2.87 percent for the prior year), as well as what the College’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	2021		2020	
	<u>Discount Rate</u>	<u>Net OPEB Liability</u>	<u>Discount Rate</u>	<u>Net OPEB Liability</u>
1% decrease to discount rate	1.25%	\$2,548,902	1.87%	\$2,176,592
Current discount rate	2.25%	1,873,801	2.87%	1,576,290
1% increase to discount rate	3.25%	1,363,238	3.87%	1,119,577

Payables to the OPEB plan: There were no outstanding required contributions at June 30, 2021 and 2020.

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 10 - Expenses Classification

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

	<u>2021</u>	<u>2020</u>
Salaries and wages	\$ 17,062,494	\$ 17,476,276
Employee benefits	3,542,510	5,480,408
Travel, memberships, and subscriptions	201,582	248,982
Supplies	3,714,139	2,784,858
Contract services	4,065,847	5,178,332
Rentals	417,405	410,584
Credit	555,225	212,387
Insurance	269,086	235,385
Utilities	802,999	669,321
Depreciation	5,296,625	5,399,704
Student aid	3,156,375	3,351,334
	<u>\$ 39,084,287</u>	<u>\$ 41,447,571</u>
Total operating expenses		

Note 11 - Commitments and Contingencies

The College receives regular program aids from the WTCS Board based on aidable expenditures. This amount is subject to adjustment based on a state audit of the full-time equivalent students and cost allocation reports of the College and other districts of the state. The audit for the year ended June 30, 2021, has not been completed. It is the belief of management of the College audit adjustments, if any, will not materially affect the College's financial position.

As of June 30, 2021, the College had approximately \$4,000,277 in project commitments related to projects-in-progress at year-end.

Note 12 – Operating Leases

The College's operating leases are month-to-month and year-to-year for institutional facilities and office equipment. Total expense for all operating leases for the years ended June 30, 2021 and 2020, was approximately \$378,419 and \$369,611, respectively. Total future minimum lease payments under operating leases at June 30 are estimated as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 378,202
2023	324,988
2024	30,000
2025	30,000
2026	2,500
	<u>\$ 765,690</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 13 - Insurance

Districts Mutual Insurance: In July 2004, all sixteen WTCS technical colleges created Districts Mutual Insurance Company (DMI). DMI is a fully assessable mutual company authorized under Wisconsin Statute Chapter 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 \$500,225,000 per occurrence; general liability, auto, and educators' legal liability at \$5,000,000 per occurrence; and workers' compensation at the statutorily required limits.

At this time, settled claims have not approached the coverage limits as identified above. The College'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.

At the start of operations, each member college was assessed a charge for a capitalization component to establish reserves for the Company. For the years ended June 30, 2021 and 2020, the College paid premiums of approximately \$208,554 and \$200,152, respectively, to DMI. Future premiums will be based on relevant rating exposure bases as well as the historical loss experience by members. DMI's ongoing operational expenses, other than loss adjustment expenses, are apportioned pro rata to each participant based on equity interest in the Company. The audited DMI financial statements can be obtained through Districts Mutual Insurance Co., 212 West Pinehurst Trail, Dakota Dunes, SD 57049.

Supplemental Insurance: In July 1997, the WTCS technical colleges formed the WTCS Insurance Trust to jointly purchase commercial insurance to provide coverage for losses from theft of, damages to, or destruction of assets. The trust is organized under Wisconsin Statutes 66.0301 and is governed by a board of trustees consisting of one trustee from each member college. Member entities include all sixteen WTCS districts.

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

- *Liability:* \$5,000,000 aggregate general; \$1,000,000 auto per accident; \$1,000,000 employee benefits; includes benefit for accidental death and dismemberment, repatriation, and medical expenses; \$1,000 deductible for employee benefits.
- *Crime:* \$750,000 coverage for employee dishonesty, forgery, computer fraud and funds transfer fraud; \$750,000 coverage for theft, robbery, burglary, disappearance and destruction of money and securities; \$25,000 coverage for investigation expenses; \$2,500 deductible for investigation, \$15,000 deductible for employee dishonesty, forgery and fraud.

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

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 14 – Transactions with Component Unit

The College paid Foundation expense of approximately \$83,038 and \$58,340 for the years ended June 30, 2021 and 2020, respectively. These expenses covered the costs of salaries, benefits, office space, computer usage, and office supplies. In December 2016, the College entered into a ten-year lease with option terms of up to four (4) additional periods of five (5) years each. Total rental income paid to the Foundation for the years ended June 30, 2021 and 2020 was \$371,609 and \$334,681, respectively. The College also received donated equipment in the amounts of \$152,332 and \$2,490 from the Foundation for the years ended June 30, 2021 and 2020, respectively. In addition, the Foundation disbursed scholarships and awards of \$126,155 and \$119,927 on behalf of the College during the fiscal years ended June 30, 2021 and 2020, respectively.

Note 15 - Component Unit

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

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

Cash and Investments: The Foundation considers all cash and investments with an original maturity of three months or less to be cash equivalents.

Investment securities are carried at market value.

Cash and investments at June 30, 2021 and 2020 are as follows:

	Cost	Fair Value	Unrealized Gains
<u>June 30, 2021</u>			
Certificates of Deposit	\$ 759,447	\$ 759,447	\$ -
Equity	1,556,154	1,987,104	430,950
Fixed Income	859,356	871,571	12,215
Total Investments	<u>\$ 3,174,957</u>	<u>\$ 3,618,122</u>	<u>\$ 443,165</u>
Cash & Cash Equivalents		<u>184,543</u>	
Total Cash and Investments		<u>\$ 3,802,665</u>	
<u>June 30, 2020</u>			
Certificates of Deposit	\$ 427,545	\$ 427,545	\$ -
Equity	1,324,926	1,258,263	(66,663)
Fixed Income	733,520	766,586	33,066
Total Investments	<u>\$ 2,485,991</u>	<u>\$ 2,452,394</u>	<u>\$ (33,597)</u>
Cash & Cash Equivalents		<u>314,065</u>	
Total Cash and Investments		<u>\$ 2,766,459</u>	

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 15 – Component Unit (continued)

Investment income reported in the statement of revenues, expenses and changes in net position totaled \$537,083 and \$72,196 respectively for the years ended June 30, 2021 and 2020 and consisted of the following:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 61,182	\$ 66,662
Net realized gains	15,341	167,106
Net unrealized gains/(losses)	476,370	(147,663)
Investment fees	(15,810)	(13,909)
	<u>\$ 537,083</u>	<u>\$ 72,196</u>

Contributions: Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. As of June 30, the Foundation recorded the following unconditional promises:

	<u>2021</u>	<u>2020</u>
Restricted for manufacturing training center	\$ -	\$ 5,000
Restricted for student support	437,316	522,940
Without donor restriction	4,000	5,452
Less discounts to net present value	(27,470)	(26,256)
	<u>\$ 413,846</u>	<u>\$ 507,136</u>

Buildings and Equipment: In December 2016, the Foundation purchased a building in Milton, Wisconsin, for \$2,042,267. In December 2019, the Foundation purchased additional interest in the building for \$954,265 and land for \$113,058. The building is leased to the College under a ten (10) year lease with option terms of up to four (4) additional periods of five (5) years each. Depreciation is computed using the straight-line method over an estimated useful life of 40 years and depreciation expense of \$74,912 and \$62,984 was recorded as of June 30, 2021 and 2020, respectively.

Debt: On December 13, 2019, the Foundation entered into a loan agreement for \$2,450,000. The loan proceeds were used to purchase land and refinance an existing loan for the building purchase the building in Milton, Wisconsin. The loan is for 8 years and carries a fixed rate of 4.29%. Principal and interest are paid monthly utilizing an amortization schedule over 15 years. Outstanding loan balances were \$2,270,477 and \$2,391,548, respectively as of June 30, 2021 and 2020.

Net Position: Temporarily restricted net assets included assets set aside in accordance with donor restrictions as to time or use. Temporarily restricted net assets are available for future payment of scholarships, grants, and educational programming opportunities for students and staff.

Permanently restricted net assets have been restricted by donors to be maintained in perpetuity, the income of which is expendable to support scholarship programs of the Foundation.

Net position classified at June 30 are as follows:

	<u>2021</u>	<u>2020</u>
Restricted	\$ 4,008,854	\$ 3,142,977
Unrestricted	1,093,757	958,765
	<u>\$ 5,102,611</u>	<u>\$ 4,101,742</u>

Blackhawk Technical College District

Notes to the Basic Financial Statements

Note 15 – Component Unit (continued)

Related Party Transactions: The Foundation received donated services from the College for salaries, benefits, office space, and computer usage. The value of these donated services was \$83,038 and \$58,340, respectively for the years ended June 30, 2021 and 2020. The Foundation received facility rental income from the College in the amounts of \$371,609 and \$334,681, respectively for the years ended June 30, 2021 and 2020. The Foundation also transferred donated equipment to the College in the amounts of \$152,332 and \$2,490, respectively for the years ended June 30, 2021 and 2020.

Note 16 - Subsequent Events

On August 5, 2021, the College issued general obligation promissory notes in the amount of \$3,800,000. The proceeds are to be used for costs related to building remodeling and improvement projects and for the acquisition of movable equipment. The interest rate varies from 1.25% to 3.00% with the first principal payment due April 1, 2024.

On September 9, 2021, the College issued general obligation promissory notes in the amount of \$5,000,000. The proceeds are to be used for the cost of capital expenditures for the purchase or construction of buildings, building additions, remodeling and improvements, the acquisition of sites, and the purchase of fixed and other equipment at District locations, including, but not limited to development of the Public Safety & Transportation Training Center on the Central Campus. The interest rate varies from 2.125% to 2.25% with the first principal payment due April 1, 2037.

On October 6, 2021 the College issued general obligation promissory notes in the amount of \$1,500,000. The proceeds will be used for the public purpose of financing building remodeling and improvement projects. The interest rate varies from 1.00% to 2.00% with the first principal payment due April 1, 2024.

Subsequent events have been evaluated through November 19, 2021, which is the date the financial statements were available to be issued.

Note 17 – Restatement of Net position

As a result of implementing GASB Statement No. 84, beginning net position was restated as follows:

Net position at June 30, 2019, as previously reported	\$ 29,614,492
Reclassification of student organizations due to implementation of GASB Statement No. 84	<u>490,547</u>
Net position at June 30, 2019, as restated	<u>\$ 30,105,039</u>

Required Supplementary Information

Blackhawk Technical College District

Schedule of Changes in Net OPEB Liability and Related Ratios

Year Ended June 30, 2021

	2021	2020	2019	2018	2017
Measurement Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB Liability					
Service Cost	\$ 248,787	\$ 232,511	\$ 214,630	\$ 214,630	\$ 199,624
Interest	303,179	291,097	331,386	321,454	274,928
Difference between Expected and Actual Experience	(720,167)	(30,981)	(992,208)	(1,979)	392,675
Changes in Assumptions	552,857	-	195,401	-	-
Benefit Payments	(410,935)	(337,907)	(336,788)	(392,222)	(388,352)
Net Change in Total OPEB Liability	(26,279)	154,720	(587,579)	141,883	478,875
Beginning Balance	4,283,691	4,128,971	4,716,550	4,574,667	4,095,792
Ending Balance	\$ 4,257,412	\$ 4,283,691	\$ 4,128,971	\$ 4,716,550	\$ 4,574,667
Plan Fiduciary Net Position					
Contributions	\$ -	\$ 55,000	\$ 55,000	\$ -	\$ 130,000
Net Investment Income	2,538,833	630,896	603,489	734,433	885,302
Benefit Payments	(410,935)	(337,907)	(336,788)	(392,222)	(388,352)
Administrative Expense	(48,400)	(44,463)	(44,227)	(43,456)	(40,239)
Net Change in Plan Fiduciary Net Position	2,079,498	303,526	277,474	298,755	586,711
Beginning Balance	9,969,673	9,666,147	9,388,673	9,089,918	8,503,207
Ending Balance	\$ 12,049,171	\$ 9,969,673	\$ 9,666,147	\$ 9,388,673	\$ 9,089,918
Net OPEB Liability (Asset)	\$ (7,791,759)	\$ (5,685,982)	\$ (5,537,176)	\$ (4,672,123)	\$ (4,515,251)
Plan Fiduciary Net Position as a % of the Total OPEB Liability	283.02%	232.74%	234.11%	199.06%	198.70%
Covered Employee Payroll	\$ 13,043,881	\$ 12,265,057	\$ 12,265,057	\$ 12,348,508	\$ 12,348,508
Net OPEB Liability (Asset) as a % of Covered Employee Payroll	-59.73%	-46.36%	-45.15%	-37.84%	-36.57%

The College's total OPEB liability of \$4,257,412 and \$4,283,691 was measured as of June 30, 2021 and 2020, and was determined by an actuarial valuation as of those dates.

See Independent Auditor's Report.

Blackhawk Technical College District

Schedule of Employer Contributions - OPEB

Last 10 Fiscal Years, As Available

Schedule of Employer Contributions Last 10 Fiscal Years, As Available

	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Actuarially Determined Contribution	\$ 254,040	\$ 237,421	\$ 239,628	\$ 223,951
Actual Employer Contributions	-	55,000	55,000	-
Contribution Deficiency (Excess)	\$ 254,040	\$ 182,421	\$ 184,628	\$ 223,951
Covered Employee Payroll	\$ 13,043,881	\$ 12,265,057	\$ 12,265,057	\$ 12,348,508
Contributions as a % of Covered Employee Payroll	0.00%	0.45%	0.45%	0.00%
	6/30/2017	6/30/2016		
Actuarially Determined Contribution	\$ 213,677	\$ 239,832		
Actual Employer Contributions	130,000	-		
Contribution Deficiency (Excess)	\$ 83,677	\$ 239,832		
Covered Employee Payroll	\$ 12,348,508	\$ 11,915,830		
Contributions as a % of Covered Employee Payroll	1.05%	0.00%		

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated as of June 30 in the year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Projected Unit Credit
Amortization Method:	Level Dollar, Open
Amortization Period:	30 years
Asset Valuation Method:	Fair Market Value
Healthcare Cost Trend Rates:	Pre-65 medical costs were trended at 9.0% in the first year, graded down to 5.0% over 11 years; post-65 medical costs were trended at a flat 5.0% per year.
Investment Rate of Return:	7.0% per annum
Participation Rate:	100% of eligible employees are assumed to be covered in the plan at retirement.
Mortality:	RP-2014 Total Data Set Mortality adjusted to 2006 base mortality year and then projected forward using MP-2018 generational future mortality improvement scale.

Blackhawk Technical College District

Schedule of Employer Contributions - OPEB (continued)

Last 10 Fiscal Years, As Available

Notes to Schedule (continued)

Retirement Rates:

<u>Select Rates</u>		<u>Ultimate Rates (after first year of retirement eligibility)</u>			
<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
55-64	30%	55	30%	62	20%
65+	100%	56-59	2%	63-64	10%
		60-61	3%	65+	100%

Per Capita Claim Costs (Medical):

<u>Age</u>	<u>Male</u>	<u>Female</u>
55-59	\$ 8,966	\$ 8,898
60-64	10,757	9,973
65+	4,693	4,693

See Independent Auditor's Report.

Blackhawk Technical College District

Schedule of Investment Returns

Year Ended June 30, 2021

Schedule of Investment Returns Year Ended June 30, 2021

Annual Rate of Return on Fair Market Value of Assets (net of investment expenses)

2021	2020	2019	2018	2017
26.00%	6.62%	6.53%	8.26%	10.60%

See Independent Auditor's Report.

Blackhawk Technical College District

Schedules of Employer's Proportionate Share of the Net Pension Liability

Year Ended June 30, 2021

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

Wisconsin Retirement System

Last 10 Calendar Years*

	2020	2019	2018	2017
Proportion of the net pension liability (asset)	0.094%	0.096%	0.098%	0.103%
Proportionate share of the net pension liability (asset)	(\$5,890,554)	(\$3,089,571)	\$3,496,801	(\$3,065,235)
Covered payroll	\$15,219,033	\$15,316,986	\$14,821,564	\$14,149,856
Plan fiduciary net position as a percentage of the total pension liability (asset)	105.26%	102.96%	96.45%	102.93%
Net pension liability (asset) as a percentage of covered payroll	(38.71%)	(20.17%)	23.59%	(21.66%)

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

Wisconsin Retirement System

Last 10 Calendar Years*

	2016	2015	2014
Proportion of the net pension liability (asset)	0.110%	0.116%	0.119%
Proportionate share of the net pension liability (asset)	\$905,791	\$1,876,948	(\$2,921,424)
Covered payroll	\$14,955,390	\$15,814,940	\$16,059,648
Plan fiduciary net position as a percentage of the total pension liability (asset)	99.12%	98.20%	102.74%
Net pension liability (asset) as a percentage of covered payroll	6.06%	11.87%	(18.19%)

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

See Independent Auditor's Report.

Blackhawk Technical College District

Schedules of Employer Contributions

Year Ended June 30, 2021

Schedule of Employer Contributions

Wisconsin Retirement System

Last 10 Fiscal Years

	2021	2020	2019	2018
Contractually required contributions-fiscal year	\$1,021,481	\$1,026,116	\$993,314	\$965,816
Contributions in relation to the contractually required contributions	\$1,021,481	\$1,026,116	\$993,314	\$965,816
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
Covered payroll	\$15,133,048	\$15,432,154	\$15,197,510	\$14,308,525
Contributions as a percentage of covered payroll	6.75%	6.65%	6.54%	6.75%

Schedule of Employer Contributions

Wisconsin Retirement System

Last 10 Fiscal Years

	2017	2016	2015
Contractually required contributions-fiscal year	\$960,668	\$1,043,635	\$1,089,991
Contributions in relation to the contractually required contributions	\$960,668	\$1,043,635	\$1,089,991
Contribution deficiency (excess)	\$0	\$0	\$0
Covered payroll	\$14,343,307	\$15,561,083	\$15,790,401
Contributions as a percentage of covered payroll	6.70%	6.71%	6.90%

Note 1

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

Changes of assumptions: No significant change in assumptions were noted from the prior year.

See Independent Auditor's Report.

Blackhawk Technical College District

Schedules of Employer's Proportionate Share of the Net OPEB Liability

Year Ended June 30, 2021

Schedule of Employer's Proportionate Share of the Net OPEB Liability

Local Retiree Life Insurance Fund
Last 10 Calendar Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Proportion of the net OPEB liability	0.340%	0.370%	0.388%	0.398%
Proportionate share of the net OPEB liability	\$1,873,801	\$1,576,290	\$1,001,297	\$1,198,582
Covered payroll	\$13,618,000	\$13,650,000	\$12,956,000	\$13,141,589
Net OPEB liability as a percentage of covered payroll	13.76%	11.55%	7.73%	9.12%
Plan fiduciary net position as a percentage of the total OPEB liability	31.36%	37.58%	48.69%	44.81%

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

Schedule of Employer Contributions

Local Retiree Life Insurance Fund
Last 10 Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contributions-fiscal year	\$6,479	\$7,069	\$7,483	\$7,586
Contributions in relation to the contractually required contributions	\$6,479	\$7,069	\$7,483	\$7,586
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
Covered payroll	\$13,618,000	\$13,650,000	\$12,956,000	\$13,175,864
Contributions as a percentage of covered payroll	0.05%	0.05%	0.06%	0.06%

Note 1

Changes of benefit terms: There were no changes of benefit terms for any participating employer in LRIF.

Changes of assumptions: Several actuarial assumptions changed from the prior year, including the single discount rate, long-term expected rate of return, and expected inflation. Please refer to the actuarial assumptions section in Note 9 for additional details.

See Independent Auditor's Report.

Supplementary Financial Information

Blackhawk Technical College District

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

Year Ended June 30, 2021

	Budget Amounts		Actual on a Budgetary Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Local government	\$ 6,860,589	\$ 7,064,464	\$ 7,087,803	\$ 23,339
Intergovernmental revenue:				
State aids	13,153,731	13,188,858	13,190,322	1,464
Federal aids	11,000	11,000	15,343	4,343
Tuition and fees:				
Statutory program fees	5,503,459	5,329,333	5,272,378	(56,955)
Material fees	274,600	324,894	314,202	(10,692)
Other student fees	490,859	555,570	530,711	(24,859)
Miscellaneous - institutional revenue	2,011,532	2,252,532	2,282,514	29,982
Total revenues	28,305,770	28,726,651	28,693,273	(33,378)
<u>Expenditures</u>				
Current:				
Instruction	16,434,190	15,931,388	15,921,707	9,681
Instructional resources	1,241,776	1,049,574	1,039,601	9,973
Student services	2,008,479	2,050,252	2,033,334	16,918
General institutional	6,102,234	5,891,259	5,890,347	912
Physical plant	2,493,346	2,341,351	2,324,460	16,891
Total expenditures	28,280,025	27,263,824	27,209,449	54,375
Revenues over (under) expenditures	25,745	1,462,827	1,483,824	20,997
<u>Other financing sources</u>				
Operating transfers in	42,000	670,275	670,274	(1)
Total other financing sources	42,000	670,275	670,274	(1)
<u>Other financing uses</u>				
Operating transfers out	(30,625)	(2,044,625)	(2,033,576)	11,049
Total other financing uses	(30,625)	(2,044,625)	(2,033,576)	11,049
Revenues and other financing sources over (under) expenditures and other financing uses	37,120	88,477	120,522	32,045
<u>Fund balance</u>				
Beginning of year	11,148,544	11,148,544	11,148,544	-
End of year	\$ 11,185,664	\$ 11,237,021	\$ 11,269,066	\$ 32,045

See Independent Auditor's Report.

Blackhawk Technical College District

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

Year Ended June 30, 2021

	Budget Amounts		Actual on a Budgetary Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Local government	\$ 674,686	\$ 601,250	\$ 588,542	\$ (12,708)
Intergovernmental revenue:				
State aids	731,191	1,122,179	704,545	(417,634)
Federal	539,733	2,808,608	2,125,561	(683,047)
Tuition and fees:				
Material fees	-	1,384	1,383	(1)
Other student fees	-	27,842	27,842	-
Miscellaneous - institutional revenue	-	53,775	53,774	(1)
Total revenues	1,945,610	4,615,038	3,501,647	(1,113,391)
<u>Expenditures</u>				
Current:				
Instruction	885,381	1,616,950	936,454	680,496
Instructional resources	77,112	337,125	171,361	165,764
Student services	983,117	1,330,599	1,228,178	102,421
General institutional	-	546,993	337,110	209,883
Physical Plant	-	155,096	95,110	59,986
Total expenditures	1,945,610	3,986,763	2,768,213	1,218,550
Revenues over (under) expenditures	-	628,275	733,434	105,159
<u>Other financing uses</u>				
Operating transfers out	-	(628,275)	(628,274)	1
Revenues over (under) expenditures and other financing uses	-	-	105,160	105,160
<u>Fund balance</u>				
Beginning of year	828,491	828,491	828,491	-
End of year	\$ 828,491	\$ 828,491	\$ 933,651	\$ 105,160

See Independent Auditor's Report.

Blackhawk Technical College District

Special Revenue Fund - Non-Aidable Funds - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)

Year Ended June 30, 2021

	Budget Amounts		Actual on a Budgetary Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Intergovernmental revenue:				
State aids	\$ 839,350	\$ 839,350	\$ 835,589	\$ (3,761)
Federal	7,700,465	8,837,519	8,371,028	(466,491)
Miscellaneous - institutional revenue	161,500	161,500	151,468	(10,032)
Total revenues	8,701,315	9,838,369	9,358,085	(480,284)
<u>Expenditures</u>				
Current:				
Student services	8,588,565	9,729,619	9,245,719	483,900
General institutional	145,000	155,000	144,268	10,732
Total expenditures	8,733,565	9,884,619	9,389,987	494,632
Revenues over (under) expenditures	(32,250)	(46,250)	(31,902)	14,348
<u>Other financing sources</u>				
Operating transfers in	30,625	44,625	33,576	(11,049)
Revenues and other financing sources over (under) expenditures and other financing uses	(1,625)	(1,625)	1,674	3,299
<u>Fund balance</u>				
Beginning of year	134,372	134,372	134,372	-
End of year	\$ 132,747	\$ 132,747	\$ 136,046	\$ 3,299

See Independent Auditor's Report.

Blackhawk Technical College District

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

Year Ended June 30, 2021

	Budget Amounts		Actual on a Budgetary Basis	Variance with Final Budget-Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Local government	\$ -	\$ -	\$ 2,374	\$ 2,374
Intergovernmental revenue:				
State aids	10,000	10,000	-	(10,000)
Federal	-	2,737,024	1,885,531	(851,493)
Miscellaneous - institutional revenue	40,000	98,000	158,521	60,521
Total revenues	50,000	2,845,024	2,046,426	(798,598)
<u>Expenditures</u>				
Capital outlay:				
Instruction	615,294	1,441,680	1,041,113	400,567
Instructional resources	866,000	2,449,663	2,086,208	363,455
Student services	-	188,910	25,624	163,286
General institutional	947,506	1,600,283	1,320,895	279,388
Physical plant	2,553,200	8,916,987	4,937,645	3,979,342
Total expenditures	4,982,000	14,597,523	9,411,485	5,186,038
Revenues over (under) expenditures	(4,932,000)	(11,752,499)	(7,365,059)	4,387,440
<u>Other financing sources</u>				
Proceeds of general obligation debt	5,000,000	11,000,000	11,000,000	-
Operating transfers in	-	2,000,000	2,000,000	-
Total other financing sources	5,000,000	13,000,000	13,000,000	-
<u>Other financing uses</u>				
Operating transfers out	(68,000)	(84,000)	(84,000)	-
Total other financing uses	(68,000)	(84,000)	(84,000)	-
Revenues and other financing sources over (under) expenditures and other financing uses	-	1,163,501	5,550,941	4,387,440
<u>Fund balance</u>				
Beginning of year	3,829,284	3,829,284	3,829,284	-
End of year	\$ 3,829,284	\$ 4,992,785	\$ 9,380,225	\$ 4,387,440

See Independent Auditor's Report.

Blackhawk Technical College District

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

Year Ended June 30, 2021

	Budget Amounts		Actual on a Budgetary Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Local government	\$ 8,400,000	\$ 8,400,000	\$ 8,400,000	\$ -
Miscellaneous - institutional revenue	12,000	12,000	565	(11,435)
Total revenues	8,412,000	8,412,000	8,400,565	(11,435)
<u>Expenditures</u>				
Physical plant	8,480,000	8,645,644	8,525,932	119,712
Total expenditures	8,480,000	8,645,644	8,525,932	119,712
Revenues over (under) expenditures	(68,000)	(233,644)	(125,367)	108,277
<u>Other financing sources</u>				
Proceeds from long-term debt	-	-	35,061	35,061
Operating transfers in	68,000	84,000	84,000	-
Total other financing sources	68,000	84,000	119,061	35,061
Revenues and other financing sources over (under) expenditures	-	(149,644)	(6,306)	143,338
<u>Fund balance</u>				
Beginning of year	1,067,042	1,067,042	1,067,042	-
End of year	\$ 1,067,042	\$ 917,398	\$ 1,060,736	\$ 143,338

See Independent Auditor's Report.

Blackhawk Technical College District

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

Year Ended June 30, 2021

	Budget Amounts		Actual on a Budgetary Basis	Variance with Final Budget- Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Miscellaneous - institutional revenue	\$ 121,000	\$ 121,000	\$ 115,987	\$ (5,013)
Total revenues	121,000	121,000	115,987	(5,013)
<u>Expenditures</u>				
Auxiliary services	82,965	82,965	72,502	10,463
Total expenditures	82,965	82,965	72,502	10,463
Revenues over (under) expenditures	38,035	38,035	43,485	5,450
<u>Other financing uses</u>				
Operating transfers out	(42,000)	(42,000)	(42,000)	-
Total other financing uses	(42,000)	(42,000)	(42,000)	-
Revenues and other financing sources over (under) expenditures and other financing uses	(3,965)	(3,965)	1,485	5,450
<u>Net position</u>				
Beginning of year	553,702	553,702	553,702	-
End of year	\$ 549,737	\$ 549,737	\$ 555,187	\$ 5,450

See Independent Auditor's Report.

Blackhawk Technical College District

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

Year Ended June 30, 2021

	Budget Amounts		Actual on a Budgetary Basis	Variance with Final Budget-Favorable (Unfavorable)
	Original	Final		
<u>Revenues</u>				
Miscellaneous - institutional revenue	\$ 227,000	\$ 227,000	\$ 227,000	\$ -
Total revenues	227,000	227,000	227,000	-
<u>Expenditures</u>				
Auxiliary services	227,000	227,000	213,194	13,806
Total expenditures	227,000	227,000	213,194	13,806
Revenues over (under) expenditures	-	-	13,806	13,806
<u>Net position</u>				
Beginning of year	218,131	218,131	218,131	-
End of year	\$ 218,131	\$ 218,131	\$ 231,937	\$ 13,806

See Independent Auditor's Report.

Blackhawk Technical College District

Schedule to Reconcile the Non-GAAP Budgetary Combined Balance Sheet - All Fund Types to the Statement of Net Position June 30, 2021

ASSETS AND OTHER DEBITS	General	Special Revenue Fund		Capital
	Fund	Operating	Non - Aidable	Projects Fund
<u>Assets</u>				
Cash and cash equivalents	\$ 8,161,535	\$ 132,069	\$ 102,884	\$ 11,808,143
Investments	-	-	35,000	-
Receivables:				
Taxes	4,121,979	-	-	-
Federal and state	96,536	856,214	622,805	324,077
Accounts	424,506	-	13,772	-
Due from other funds	647,054	-	-	-
Prepaid items	80,838	1,507	-	8,568
Post-employment benefits	-	-	-	-
Net pension asset	-	-	-	-
Deferred outflow of resources - actuarial - WRS	-	-	-	-
Deferred outflow of resources - actuarial - OPEB	-	-	-	-
Deferred outflow of resources - actuarial - LRLIF	-	-	-	-
Deferred outflow of resources - contributions - WRS	-	-	-	-
Deferred outflow of resources - contributions - LRLIF	-	-	-	-
Capital assets	-	-	-	-
Less: accumulated depreciation	-	-	-	-
Total assets and other debits	\$ 13,532,448	\$ 989,790	\$ 774,461	\$ 12,140,788
<u>LIABILITIES AND FUND BALANCE/NET POSITION</u>				
<u>Liabilities</u>				
Accounts payable	\$ 265,563	\$ 24,173	\$ 393	\$ 1,740,283
Accrued liabilities	1,637,553	31,966	541	\$ -
Accrued interest	-	-	-	-
Due to other funds	-	-	637,481	-
Unearned revenue - student fees	342,722	-	-	-
Due to student organizations	-	-	-	-
General obligation debt payable	-	-	-	-
Net OPEB liability - LRLIF	-	-	-	-
Deferred inflow of resources - actuarial WRS	-	-	-	-
Deferred inflow of resources - actuarial OPEB	-	-	-	-
Deferred inflow of resources - actuarial LRLIF	-	-	-	-
Unamortized premium on general obligation debt	-	-	-	-
Total liabilities	2,245,838	56,139	638,415	1,740,283
<u>Fund balance/Net position</u>				
Net investment in capital assets	-	-	-	-
Net position	-	-	-	-
Fund balances:				
Restricted for debt service	-	-	-	-
Restricted for capital projects	-	-	-	4,890,193
Restricted for OPEB	-	-	-	-
Restricted for student financial assistance	-	-	136,046	-
Restricted for student organizations	-	-	-	-
Nonspendable for prepaid items	80,838	1,507	-	8,568
Restricted for pensions	-	-	-	-
Assigned - Designated for operations	6,458,559	932,144	-	-
Assigned - Designated for capital projects	-	-	-	4,481,464
Assigned - Designated for State aid fluctuations	315,000	-	-	-
Assigned - Designated for subsequent years	475,000	-	-	-
Assigned - Designated for subsequent year	3,939,669	-	-	-
Budgetary basis fund balance/net position	11,269,066	933,651	136,046	9,380,225
Reserve for encumbrances	17,544	-	-	1,020,280
Total fund balance/net position	11,286,610	933,651	136,046	10,400,505
Total liabilities and fund balance/net position	\$ 13,532,448	\$ 989,790	\$ 774,461	\$ 12,140,788

Debt Service Fund	Enterprise Fund	Internal Service Fund	Custodial Funds	Total	Reconciling Items	Statement of Net Position
\$ 1,061,211	\$ 552,337	\$ 231,937	\$ 512,125	\$ 22,562,241	\$ -	\$ 22,562,241
-	-	-	-	35,000	-	35,000
-	-	-	-	4,121,979	-	4,121,979
-	-	-	-	1,899,632	-	1,899,632
-	2,850	-	142,571	583,699	-	583,699
-	-	-	-	647,054	(647,054)	-
-	-	-	-	90,913	-	90,913
-	-	-	-	-	7,791,759	7,791,759
-	-	-	-	-	5,890,554	5,890,554
-	-	-	-	-	8,692,783	8,692,783
-	-	-	-	-	797,443	797,443
-	-	-	-	-	756,214	756,214
-	-	-	-	-	510,902	510,902
-	-	-	-	-	3,234	3,234
-	-	-	-	-	96,110,551	96,110,551
-	-	-	-	-	44,108,979	44,108,979
<u>\$ 1,061,211</u>	<u>\$ 555,187</u>	<u>\$ 231,937</u>	<u>\$ 654,696</u>	<u>\$ 29,940,518</u>	<u>\$ 75,797,407</u>	<u>\$105,737,925</u>
\$ 475	\$ -	\$ -	\$ 2,190	\$ 2,033,077	\$ -	\$ 2,033,077
-	-	-	1,494	1,671,554	-	1,671,554
-	-	-	-	-	251,798	251,798
-	-	-	9,573	647,054	(647,054)	-
-	-	-	-	342,722	24,024	366,746
-	-	-	641,439	641,439	(641,439)	-
-	-	-	-	-	43,565,000	43,565,000
-	-	-	-	-	1,873,801	1,873,801
-	-	-	-	-	12,927,517	12,927,517
-	-	-	-	-	2,802,321	2,802,321
-	-	-	-	-	384,633	384,633
-	-	-	-	-	584,484	584,484
<u>475</u>	<u>-</u>	<u>-</u>	<u>654,696</u>	<u>5,335,846</u>	<u>61,125,085</u>	<u>66,460,931</u>
-	-	-	-	-	14,355,613	14,355,613
-	555,187	231,937	-	787,124	9,474,029	10,261,153
1,060,736	-	-	-	1,060,736	(836,282)	224,454
-	-	-	-	4,890,193	(4,890,193)	-
-	-	-	-	-	7,791,759	7,791,759
-	-	-	-	136,046	-	136,046
-	-	-	-	-	617,415	617,415
-	-	-	-	90,913	(90,913)	-
-	-	-	-	-	5,890,554	5,890,554
-	-	-	-	7,390,703	(7,390,703)	-
-	-	-	-	4,481,464	(4,481,464)	-
-	-	-	-	315,000	(315,000)	-
-	-	-	-	475,000	(475,000)	-
-	-	-	-	3,939,669	(3,939,669)	-
<u>1,060,736</u>	<u>555,187</u>	<u>231,937</u>	<u>-</u>	<u>23,566,848</u>	<u>15,710,146</u>	<u>39,276,994</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,037,824</u>	<u>(1,037,824)</u>	<u>-</u>
<u>1,060,736</u>	<u>555,187</u>	<u>231,937</u>	<u>-</u>	<u>24,604,672</u>	<u>14,672,322</u>	<u>39,276,994</u>
<u>\$ 1,061,211</u>	<u>\$ 555,187</u>	<u>\$ 231,937</u>	<u>\$ 654,696</u>	<u>\$ 29,940,518</u>	<u>\$ 75,797,407</u>	<u>\$105,737,925</u>

Blackhawk Technical College District

Schedule to Reconcile the Non-GAAP Budgetary Basis Financial Statements to the Statement of Revenues, Expenses, and Changes in Net Position

Year Ended June 30, 2021

	General Fund	Special Revenue Fund		Capital Projects Fund
		Operating	Non - Aidable	
<u>Revenues</u>				
Local government - tax levy	\$ 7,087,803	\$ 588,542	\$ -	\$ 2,374
Intergovernmental revenue:				
State aids	13,190,322	704,545	835,589	-
Federal aids	15,343	2,125,561	8,371,028	1,885,531
Tuition and fees:				
Statutory program fees	5,272,378	-	-	-
Material fees	314,202	1,383	-	-
Other student fees	530,711	27,842	-	-
Miscellaneous - institutional revenue	2,282,514	53,774	151,468	158,521
Total revenues	28,693,273	3,501,647	9,358,085	2,046,426
<u>Expenditures</u>				
Current:				
Instruction	15,921,707	936,454	-	1,041,113
Instructional resources	1,039,601	171,361	-	2,086,208
Student services	2,033,334	1,228,178	9,245,719	25,624
General institutional	5,890,347	337,110	144,268	1,320,895
Physical plant	2,324,460	95,110	-	4,937,645
Student aid	-	-	-	-
Auxiliary	-	-	-	-
Depreciation	-	-	-	-
Loss on disposition of fixed assets	-	-	-	-
Debt service				
Interest and fiscal charges	-	-	-	-
Total expenditures	27,209,449	2,768,213	9,389,987	9,411,485
Excess (deficiency) of revenues over expenditures	1,483,824	733,434	(31,902)	(7,365,059)
<u>Other financing sources (uses)</u>				
Operating transfers in	670,274	-	33,576	2,000,000
Operating transfers out	(2,033,576)	(628,274)	-	(84,000)
Proceeds from long-term debt	-	-	-	11,000,000
Total other financing sources (uses)	(1,363,302)	(628,274)	33,576	12,916,000
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	120,522	105,160	1,674	5,550,941
<u>Fund balances/Net position:</u>				
Beginning of year, as previously reported	11,148,544	828,491	134,372	3,829,284
Change in accounting principle	-	-	-	-
Beginning of year, as restated	11,148,544	828,491	134,372	3,829,284
End of year	\$ 11,269,066	\$ 933,651	\$ 136,046	\$ 9,380,225

<u>Debt Service Fund</u>	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>	<u>Total</u>	<u>Reconciling Items</u>	<u>Statement of Revenues, Expenses and Changes in Net Position</u>
\$ 8,400,000	\$ -	\$ -	\$16,078,719	\$ -	\$ 16,078,719
-	-	-	14,730,456	(835,589)	13,894,867
-	-	-	12,397,463	(3,503,602)	8,893,861
-	-	-	5,272,378	(1,456,272)	3,816,106
-	-	-	315,585	(86,562)	229,023
-	-	-	558,553	202,529	761,082
565	115,987	227,000	2,989,829	(74,840)	2,914,989
<u>8,400,565</u>	<u>115,987</u>	<u>227,000</u>	<u>52,342,983</u>	<u>(5,754,336)</u>	<u>46,588,647</u>
-	-	-	17,899,274	(2,119,500)	15,779,774
-	-	-	3,297,170	(1,554,063)	1,743,107
-	-	-	12,532,855	(7,966,658)	4,566,197
-	-	-	7,692,620	(996,388)	6,696,232
8,525,932	-	-	15,883,147	(12,994,775)	2,888,372
-	-	-	-	2,041,478	2,041,478
-	72,502	213,194	285,696	(213,194)	72,502
-	-	-	-	5,296,625	5,296,625
-	-	-	-	86,115	86,115
-	-	-	-	1,064,445	1,064,445
<u>8,525,932</u>	<u>72,502</u>	<u>213,194</u>	<u>57,590,762</u>	<u>(17,355,915)</u>	<u>40,234,847</u>
<u>(125,367)</u>	<u>43,485</u>	<u>13,806</u>	<u>(5,247,779)</u>	<u>11,601,579</u>	<u>6,353,800</u>
84,000	-	-	2,787,850	(2,787,850)	-
-	(42,000)	-	(2,787,850)	2,787,850	-
35,061	-	-	11,035,061	(11,035,061)	-
<u>119,061</u>	<u>(42,000)</u>	<u>-</u>	<u>11,035,061</u>	<u>(11,035,061)</u>	<u>-</u>
(6,306)	1,485	13,806	5,787,282	566,518	6,353,800
<u>1,067,042</u>	<u>553,702</u>	<u>218,131</u>	<u>17,779,566</u>	<u>14,565,628</u>	<u>32,345,194</u>
-	-	-	-	578,000	578,000
<u>1,067,042</u>	<u>553,702</u>	<u>218,131</u>	<u>17,779,566</u>	<u>15,143,628</u>	<u>32,923,194</u>
<u>\$ 1,060,736</u>	<u>\$ 555,187</u>	<u>\$ 231,937</u>	<u>\$23,566,848</u>	<u>\$ 15,710,146</u>	<u>\$ 39,276,994</u>

See Independent Auditor's Report.

Blackhawk Technical College District

Schedule to Reconcile the Budget (Non-GAAP) Basis Financial Statements to the Statement of Revenues, Expenses and Changes in Net Position (Continued)

Year Ended June 30, 2021

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

Operating	\$ 704,545
Non-operating	<u>13,190,322</u>
Total	<u>\$ 13,894,867</u>

(2) Other institutional revenue is reported in four separate lines on the Statement of Revenues, Expenses and Changes in Net Position as follows:

Auxiliary enterprise revenues	\$ 115,987
Contract revenues	1,648,524
Miscellaneous income	1,132,601
Investment income	<u>17,877</u>
Total	<u>\$ 2,914,989</u>

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

	<u>2021</u>
Budgetary basis fund equity	\$ 23,566,848
Capital assets - cost	96,110,551
Accumulated depreciation on capital assets	(44,108,979)
Net OPEB Asset	7,791,759
Net pension asset - WRS	5,890,554
Net OPEB liability - LRLIF	(1,873,801)
General obligation debt	(43,565,000)
Unamortized premium	(584,484)
Accrued interest on long-term debt	(251,798)
Deferred outflows of resources	10,760,576
Deferred inflows of resources	(16,114,471)
Due to students and other groups	617,415
Encumbrances	<u>1,037,824</u>
Net position per basic financial statements	<u>\$ 39,276,994</u>

See Independent Auditor's Report.

Blackhawk Technical College District

**Schedule to Reconcile the Non-GAAP Budgetary Combined Balance Sheet -
All Fund Types to the Statement of Net Position
June 30, 2020**

ASSETS AND OTHER DEBITS	General	Special Revenue Fund		Capital	Debt	Enterprise	Internal	Custodial	Total	Restated	Restated
	Fund	Operating	Non - Aidable	Projects Fund	Service Fund	Fund	Service Fund	Funds		Reconciling	Statement of
Assets											
Cash and cash equivalents	\$ 7,493,392	\$ 735,924	\$ 100,822	\$ 5,406,992	\$ 1,067,367	\$ 561,474	\$ 218,131	\$ 498,504	\$ 16,082,606	\$ -	\$ 16,082,606
Investments	-	-	35,000	-	-	-	-	-	35,000	-	35,000
Receivables:											
Taxes	4,166,504	-	-	-	-	-	-	-	4,166,504	-	4,166,504
Federal and state	90,535	298,224	1,431,507	69,771	-	-	-	-	1,890,037	-	1,890,037
Accounts	1,025,107	-	18,974	-	-	4,099	-	109,692	1,157,872	-	1,157,872
Due from other funds	1,461,071	-	-	-	-	-	-	-	1,461,071	(1,461,071)	-
Prepaid items	32,519	1,507	-	87,256	-	-	-	-	121,282	-	121,282
Post-employment benefits	-	-	-	-	-	-	-	-	-	5,685,982	5,685,982
Net pension asset	-	-	-	-	-	-	-	-	-	3,089,571	3,089,571
Deferred outflow of resources - actuarial - WRS	-	-	-	-	-	-	-	-	-	6,183,229	6,183,229
Deferred outflow of resources - actuarial - OPEB	-	-	-	-	-	-	-	-	-	344,930	344,930
Deferred outflow of resources - actuarial - LRLIF	-	-	-	-	-	-	-	-	-	611,234	611,234
Deferred outflow of resources - contributions - WRS	-	-	-	-	-	-	-	-	-	516,706	516,706
Deferred outflow of resources - contributions - LRLIF	-	-	-	-	-	-	-	-	-	3,510	3,510
Capital assets	-	-	-	-	-	-	-	-	-	89,807,624	89,807,624
Less: accumulated depreciation	-	-	-	-	-	-	-	-	-	39,398,663	39,398,663
Total assets and other debits	\$ 14,269,128	\$ 1,035,655	\$ 1,586,303	\$ 5,564,019	\$ 1,067,367	\$ 565,573	\$ 218,131	\$ 608,196	\$ 24,914,372	\$ 65,383,052	\$ 90,297,424
LIABILITIES AND FUND BALANCE/NET POSITION											
Liabilities											
Accounts payable	\$ 990,354	\$ 61,969	\$ -	\$ 1,232,466	\$ 325	\$ 11,451	\$ -	\$ -	\$ 2,296,565	\$ -	\$ 2,296,565
Accrued liabilities	1,770,709	83,420	-	-	-	420	-	1,232	1,855,781	-	1,855,781
Accrued interest	-	-	-	-	-	-	-	-	-	250,162	250,162
Due to other funds	-	-	1,451,931	-	-	-	-	9,140	1,461,071	(1,461,071)	-
Unearned revenue - student fees	306,264	61,775	-	-	-	-	-	-	368,039	19,824	387,863
Due to student organizations	-	-	-	-	-	-	-	597,824	597,824	(597,824)	-
General obligation debt payable	-	-	-	-	-	-	-	-	-	39,990,000	39,990,000
Net OPEB liability - LRLIF	-	-	-	-	-	-	-	-	-	1,576,292	1,576,292
Deferred inflow of resources - actuarial WRS	-	-	-	-	-	-	-	-	-	9,251,078	9,251,078
Deferred inflow of resources - actuarial OPEB	-	-	-	-	-	-	-	-	-	831,298	831,298
Deferred inflow of resources - actuarial LRLIF	-	-	-	-	-	-	-	-	-	347,645	347,645
Unamortized premium on general obligation debt	-	-	-	-	-	-	-	-	-	587,546	587,546
Total liabilities	3,067,327	207,164	1,451,931	1,232,466	325	11,871	-	608,196	6,579,280	50,794,950	57,374,230
Fund balance/Net position											
Net investment in capital assets	-	-	-	-	-	-	-	-	-	12,269,050	12,269,050
Net position	-	-	-	-	-	553,702	218,131	-	771,833	10,165,052	10,936,885
Fund balances:											
Restricted for debt service	-	-	-	-	1,067,042	-	-	-	1,067,042	(837,708)	229,334
Restricted for capital projects	-	-	-	1,260,564	-	-	-	-	1,260,564	(1,260,564)	-
Restricted for pension	-	-	-	-	-	-	-	-	-	3,089,571	3,089,571
Restricted for OPEB	-	-	-	-	-	-	-	-	-	5,685,982	5,685,982
Restricted for student financial assistance	-	-	134,372	-	-	-	-	-	134,372	-	134,372
Restricted for student organizations	-	-	-	-	-	-	-	-	-	578,000	578,000
Nonspendable for prepaid items	32,519	1,507	-	87,256	-	-	-	-	121,282	(121,282)	-
Assigned - Designated for operations	6,867,000	789,453	-	-	-	-	-	-	7,656,453	(7,656,453)	-
Assigned - Designated for capital projects	-	-	-	2,481,464	-	-	-	-	2,481,464	(2,481,464)	-
Assigned - Designated for State aid fluctuations	350,000	-	-	-	-	-	-	-	350,000	(350,000)	-
Assigned - Designated for subsequent years	500,000	37,531	-	-	-	-	-	-	537,531	(537,531)	-
Assigned - Designated for subsequent year	3,399,025	-	-	-	-	-	-	-	3,399,025	(3,399,025)	-
Budgetary basis fund balance/net position	11,148,544	828,491	134,372	3,829,284	1,067,042	553,702	218,131	-	17,779,566	15,143,628	32,923,194
Reserve for encumbrances	53,257	-	-	502,269	-	-	-	-	555,526	(555,526)	-
Total fund balance/net position	11,201,801	828,491	134,372	4,331,553	1,067,042	553,702	218,131	-	18,335,092	14,588,102	32,923,194
Total liabilities and fund balance/net position	\$ 14,269,128	\$ 1,035,655	\$ 1,586,303	\$ 5,564,019	\$ 1,067,367	\$ 565,573	\$ 218,131	\$ 608,196	\$ 24,914,372	\$ 65,383,052	\$ 90,297,424

See Independent Auditor's Report.

Blackhawk Technical College District

Schedule to Reconcile the Non-GAAP Budgetary Basis Financial Statements to the Statement of Revenues, Expenses, and Changes in Net Position

Year Ended June 30, 2020

	General Fund	Special Revenue Fund		Capital Projects Fund	Debt Service Fund	Enterprise Fund	Internal Service Fund	Total	Restated Reconciling Items	Restated Statement of Revenues, Expenses and Changes in Net Position
		Operating	Non - Aidable							
Revenues										
Local government - tax levy	\$ 6,822,478	\$ 686,787	\$ -	\$ -	\$ 8,241,000	\$ -	\$ -	\$ 15,750,265	\$ -	\$ 15,750,265
Intergovernmental revenue:										
State aids	13,194,031	1,318,772	801,171	7,667	-	-	-	15,321,641	(801,171)	14,520,470
Federal aids	12,870	683,937	8,201,285	125,759	-	-	-	9,023,851	(3,110,055)	5,913,796
Tuition and fees:										
Statutory program fees	5,448,323	-	-	-	-	-	-	5,448,323	(1,460,679)	3,987,644
Material fees	381,853	637	-	-	-	-	-	382,490	(102,744)	279,746
Other student fees	544,140	12,543	-	-	-	-	-	556,683	219,277	775,960
Miscellaneous - institutional revenue	3,374,725	30,000	172,269	214,221	10,099	122,432	210,000	4,133,746	(65,829)	4,067,917
Total revenues	29,778,420	2,732,676	9,174,725	347,647	8,251,099	122,432	210,000	50,616,999	(5,321,201)	45,295,798
Expenditures										
Current:										
Instruction	17,269,598	1,580,989	-	706,997	-	-	-	19,557,584	(554,975)	19,002,609
Instructional resources	1,127,411	102,100	-	823,139	-	-	-	2,052,650	(323,232)	1,729,418
Student services	2,063,013	977,996	9,044,719	189,034	-	-	-	12,274,762	(7,669,435)	4,605,327
General institutional	5,212,211	20,072	143,538	671,099	-	-	-	6,046,920	(364,500)	5,682,420
Physical plant	2,510,934	8,147	-	2,706,825	8,452,219	-	-	13,678,125	(10,979,632)	2,698,493
Student aid	-	-	-	-	-	-	-	-	2,236,967	2,236,967
Auxiliary	-	-	-	-	-	92,633	207,869	300,502	(207,869)	92,633
Depreciation	-	-	-	-	-	-	-	-	5,399,704	5,399,704
Loss on disposition of fixed assets	-	-	-	-	-	-	-	-	26,392	26,392
Debt service										
Interest and fiscal charges	-	-	-	-	-	-	-	-	1,003,680	1,003,680
Total expenditures	28,183,167	2,689,304	9,188,257	5,097,094	8,452,219	92,633	207,869	53,910,543	(11,432,900)	42,477,643
Excess (deficiency) of revenues over expenditures	1,595,253	43,372	(13,532)	(4,749,447)	(201,120)	29,799	2,131	(3,293,544)	6,111,699	2,818,155
Other financing sources (uses)										
Operating transfers in	42,000	7,588	24,507	1,600,000	68,000	-	-	1,742,095	(1,742,095)	-
Operating transfers out	(1,624,507)	-	-	(75,588)	-	(42,000)	-	(1,742,095)	1,742,095	-
Proceeds from long-term debt	-	-	-	4,700,000	221,593	-	-	4,921,593	(4,921,593)	-
Total other financing sources (uses)	(1,582,507)	7,588	24,507	6,224,412	289,593	(42,000)	-	4,921,593	(4,921,593)	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	12,746	50,960	10,975	1,474,965	88,473	(12,201)	2,131	1,628,049	1,190,106	2,818,155
Fund balances/Net position:										
Beginning of year, as previously reported	11,135,798	777,531	123,397	2,354,319	978,569	565,903	216,000	16,151,517	13,462,975	29,614,492
Change in accounting principle	-	-	-	-	-	-	-	-	490,547	490,547
Beginning of year, as restated	11,135,798	777,531	123,397	2,354,319	978,569	565,903	216,000	16,151,517	13,953,522	30,105,039
End of year	\$ 11,148,544	\$ 828,491	\$ 134,372	\$ 3,829,284	\$ 1,067,042	\$ 553,702	\$ 218,131	\$ 17,779,566	\$ 15,143,628	\$ 32,923,194

Other Report

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

District Board
Blackhawk Technical College District
Janesville, Wisconsin

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of Blackhawk Technical College District (the “College”), as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the College’s basic financial statements, and have issued our report thereon dated November 19, 2021. We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Blackhawk Technical College Foundation, Inc. (the “Foundation”), a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College'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 test 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 College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wipfli LLP

November 19, 2021
Eau Claire, Wisconsin

Statistical Section

Blackhawk Technical College District

Financial Trends – Net Position by Component Last Ten Fiscal Years

	2021	(Restated) 2020	2019	(Reclassified) 2018	2017	2016	(Restated) 2015	2014	2013	2012
Net investment in capital assets	\$ 14,355,613	\$ 12,269,050	\$ 11,784,309	\$ 12,042,920	\$ 11,539,741	\$ 12,194,425	\$ 13,888,849	\$ 15,754,490	\$ 14,630,406	\$ 13,773,483
Restricted for:										
Debt service	224,454	229,334	198,915	449,826	356,084	778,427	553,401	278,829	477,794	546,942
Pensions	5,890,554	3,089,571					2,921,424			
OPEB	7,791,759	5,685,982	4,510,365	4,400,561	4,274,829					
Student financial assistance	136,046	134,372	123,397	134,474	104,776	48,259	52,887	63,847	98,479	112,813
Student organizations	617,415	578,000								
Unrestricted	10,261,153	10,936,885	12,997,506	13,343,096	12,949,549	15,763,540	13,605,148	11,564,931	12,086,643	13,079,279
Total Net Position	\$ 39,276,994	\$ 32,923,194	\$ 29,614,492	\$ 30,370,877	\$ 29,224,979	\$ 28,784,651	\$ 31,021,709	\$ 27,662,097	\$ 27,293,322	\$ 27,512,517

Blackhawk Technical College District

Financial Trends – Changes in Net Position Last Ten Fiscal Years

	2021	(Restated) 2020	2019	2018	2017	2016	(Restated) 2015	2014	2013	2012
Operating Revenues										
Tuition and fees, net of scholarship allowances	\$ 4,806,211	\$ 5,043,350	\$ 4,712,362	\$ 4,621,905	\$ 4,627,487	\$ 4,779,121	\$ 3,801,758	\$ 4,000,881	\$ 4,411,123	\$ 5,221,994
State aids	704,545	1,326,439	2,345,142	2,045,642	1,798,962	1,619,248	1,525,993	1,607,691	1,654,800	1,750,700
Federal grants	8,893,861	5,913,796	4,149,742	4,733,230	5,127,300	5,811,872	6,825,882	6,822,481	7,764,081	8,135,545
Contract revenue	1,648,524	2,806,588	1,576,283	1,407,542	1,457,254	1,092,002	675,424	703,095	664,953	594,867
Auxiliary revenues	115,987	122,432	126,147	153,672	145,930	127,444	107,828	148,520	155,266	282,914
Miscellaneous - institutional revenue	1,132,601	922,245	599,576	636,342	1,146,896	737,132	650,942	1,868,606	606,285	662,183
Total program revenues	17,301,729	16,134,850	13,509,252	13,598,333	14,303,829	14,166,819	13,587,827	15,151,274	15,256,508	16,648,203
Operating Expenses										
Instruction	15,779,774	19,002,609	18,944,128	17,652,913	18,002,019	18,268,116	20,128,563	18,605,256	19,270,434	19,169,314
Instructional Resources	1,743,107	1,729,418	1,700,467	1,578,082	1,797,801	2,111,723	2,754,984	2,968,691	2,699,442	2,704,827
Student Services	4,566,197	4,605,327	3,282,279	3,518,363	3,741,244	4,011,244	3,810,176	4,053,329	4,048,582	4,032,577
General Institutional	6,696,232	5,682,420	5,523,017	5,017,942	5,454,728	4,975,086	5,626,818	4,997,754	5,295,520	5,412,688
Physical Plant	2,888,372	2,698,493	2,728,005	2,743,556	3,042,192	3,913,173	2,034,944	2,325,343	2,021,663	2,170,602
Student Aid	2,041,478	2,236,967	2,398,529	2,369,950	2,525,524	2,981,290	2,297,505	2,688,798	3,228,572	3,807,513
Auxiliary Services	72,502	92,633	82,285	69,453	111,718	64,812	103,271	143,487	161,289	247,789
Depreciation	5,296,625	5,399,704	5,219,628	5,087,354	4,941,665	4,921,570	2,286,750	1,698,292	1,391,807	1,229,306
Total operating expenses	39,084,287	41,447,571	39,878,338	38,037,613	39,616,891	41,247,014	39,043,011	37,480,950	38,117,309	38,774,616
Operating loss	(21,782,558)	(25,312,721)	(26,369,086)	(24,439,280)	(25,313,062)	(27,080,195)	(25,455,184)	(22,329,676)	(22,860,801)	(22,126,413)
Non-operating Revenues (Expenses)										
Property taxes	16,078,719	15,750,265	14,880,450	14,833,466	14,219,152	13,673,247	12,441,582	20,749,382	20,520,514	20,105,061
State operating appropriations	13,190,322	13,194,031	12,710,032	12,650,361	12,673,742	12,727,832	12,835,623	2,967,380	2,839,940	3,463,383
Investment income	17,877	216,652	332,588	184,395	59,580	19,563	19,563	15,382	26,150	48,891
Loss on disposal of property and equipment	(86,115)	(26,392)	(1,303,408)	(9,741)	(1,443,504)	(428,062)	(111,876)	(156,241)	(45,851)	(104,598)
Interest expense	(1,064,445)	(1,003,680)	(1,006,961)	(1,046,918)	(1,112,294)	(1,149,444)	(1,115,944)	(877,452)	(699,147)	(776,074)
Total non-operating revenues (expenses)	28,136,358	28,130,876	25,612,701	26,611,563	24,396,676	24,843,136	24,068,948	22,698,451	22,641,606	22,736,663
Change in Net Position	\$ 6,353,800	\$ 2,818,155	\$ (756,385)	\$ 2,172,283	\$ (916,386)	\$ (2,237,059)	\$ (1,386,236)	\$ 368,775	\$ (219,195)	\$ 610,250

Blackhawk Technical College District

Revenue Capacity – Equalized Value of Taxable Property (in Thousands) Last Ten Fiscal Years

Fiscal Year	BTC Direct Rate			Overlapping Rates ^(a)				Gross Total	State Tax Relief	Net Tax Rate
	Operational ^(b)	Debt Service	Total	County	Local ^(c)	Other School Districts	State			
2011	1.38	0.35	1.73	5.99	5.76	10.03	1.29	24.80	(1.60)	23.20
2012	1.41	0.37	1.78	6.27	6.02	10.19	1.41	25.67	(1.63)	24.04
2013	1.44	0.41	1.85	6.47	6.19	10.39	1.38	26.28	(1.65)	24.63
2014	1.48	0.44	1.92	6.75	6.55	10.69	1.43	27.34	(1.70)	25.64
2015	0.57	0.55	1.11	6.57	6.57	10.45	1.39	26.09	(1.64)	24.45
2016	0.57	0.63	1.20	6.51	6.58	10.39	1.39	26.07	(1.83)	24.24
2017	0.57	0.64	1.21	6.46	6.62	10.32	1.59	26.20	(1.78)	24.42
2018	0.56	0.64	1.20	6.32	6.51	10.05	1.48	25.56	(1.88)	23.68
2019	0.54	0.60	1.14	6.06	6.40	9.74	1.31	24.65	(1.78)	22.87
2020	0.53	0.59	1.11	5.89	6.15	9.62	1.16	23.93	(1.68)	22.25

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

Notes:

- (a) Overlapping rates are those of local and county governments that apply to property owners within the District. Not all overlapping rates apply to all property owners within the District. For example, the county rate is made up of the rates for most of Rock and Green Counties. The individual county rates apply only to the property owners within each of those counties. These overlapping tax rates are an average of the rates for each municipality making up the detail in this column since each government can have a different rate.
- (b) The operational property tax levies for all funds except the Debt Service Fund. This rate may not exceed \$1.50 per s.38.16 of Wisconsin State Statutes. 2013 WI Statute 145 provided a 'dollar for dollar' reduction in the operational property tax levy and increase in state aid funding, effective in FY 2014-15.
- (c) Cities, towns, villages and other special taxing districts (e.g. water districts, utility districts).

Blackhawk Technical College District

Revenue Capacity – Direct and Overlapping Property Tax Rates Last Ten Fiscal Years

Fiscal Year	BTC Direct Rate			Overlapping Rates ^(a)				Gross Total	State Tax Relief	Net Tax Rate
	Operational ^(b)	Debt Service	Total	County	Local ^(c)	Other School Districts	State			
2012	1.41	0.37	1.78	6.27	6.02	10.19	1.41	25.67	(1.63)	24.04
2013	1.44	0.41	1.85	6.47	6.19	10.39	1.38	26.28	(1.65)	24.63
2014	1.48	0.44	1.92	6.75	6.55	10.69	1.43	27.34	(1.70)	25.64
2015	0.57	0.55	1.11	6.57	6.57	10.45	1.39	26.09	(1.64)	24.45
2016	0.57	0.63	1.20	6.51	6.58	10.39	1.39	26.07	(1.83)	24.24
2017	0.57	0.64	1.21	6.46	6.62	10.32	1.59	26.20	(1.78)	24.42
2018	0.56	0.64	1.20	6.32	6.51	10.05	1.48	25.56	(1.88)	23.68
2019	0.54	0.60	1.14	6.06	6.40	9.74	1.31	24.65	(1.78)	22.87
2020	0.53	0.59	1.11	5.89	6.15	9.62	1.16	23.93	(1.68)	22.25
2021	0.52	0.57	1.08	5.73	5.93	9.48	1.25	23.47	(1.61)	21.86

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

Notes:

- (a) Overlapping rates are those of local and county governments that apply to property owners within the District. Not all overlapping rates apply to all property owners within the District. For example, the county rate is made up of the rates for most of Rock and Green Counties. The individual county rates apply only to the property owners within each of those counties. These overlapping tax rates are an average of the rates for each municipality making up the detail in this column since each government can have a different rate.
- (b) The operational property tax levies for all funds except the Debt Service Fund. This rate may not exceed \$1.50 per s.38.16 of Wisconsin State Statutes. 2013 WI Statute 145 provided a 'dollar for dollar' reduction in the operational property tax levy and increase in state aid funding, effective in FY 2014-15.
- (c) Cities, towns, villages and other special taxing districts (e.g. water districts, utility districts).

Blackhawk Technical College District

Revenue Capacity – Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Total Collections to Date ^(b)	
		Amount	Percentage of Levy	Amount	Percentage of Levy
2012	20,037,522	13,963,864	69.69%	20,037,522	100.00%
2013	20,421,757	14,258,686	69.82%	20,421,757	100.00%
2014	20,747,840	14,701,265	70.86%	20,747,840	100.00%
2015	12,437,599	8,905,566	71.60%	12,437,599	100.00%
2016	13,670,386	9,807,438	71.74%	13,670,386	100.00%
2017	14,209,843	10,330,415	72.70%	14,209,843	100.00%
2018	14,829,670	10,903,713	73.53%	14,829,670	100.00%
2019	14,881,962	9,136,317	61.39%	14,881,962	100.00%
2020	15,606,881	15,606,881	100.00%	15,606,881	100.00%
2021	16,071,320	11,949,341	74.35%	11,949,341	74.35%

Notes:

- (a) Under Wisconsin law, personal property taxes and certain installment real estate taxes are collected by city, village, and town treasurers or clerks, who then settle with other taxing units, such as counties, technical colleges and local school districts. Settlements are due from the municipality by the 15th of the month following the due date based on the municipality's payment plan. Certain installment real estate taxes and delinquent taxes are collected by the county treasurers, who then settle with the city, village, and town treasurers and other taxing units before retaining any for county purposes. In practice, any delinquent real estate taxes are withheld from the county's share. Therefore, the District receives 100% of its levy upon receipt of settlement from the county treasurers, although the taxes collected as a percentage of total tax levy will vary in any given fiscal year due to timing of payments received from municipalities.
- (b) Full levy is typically collected in mid-August. For 2021, \$16,071,320 or 100% was collected by the end of August 2021.

Blackhawk Technical College District

Revenue Capacity – Principal Property Taxpayers Current Year and Ten Years Ago

Taxpayer Name	2020			2010		
	Equalized Valuation	Rank	Percentage of Total Equalized Valuation	Equalized Valuation	Rank	Percentage of Total Equalized Valuation
ABC Supply	\$ 109,175,502	1	0.70%	\$ 60,900,148	1	0.53%
Mercy Health System	62,095,894	2	0.40%	24,992,309	6	
Dollar General	55,594,177	3	0.36%			
Kerry Ingredients	35,877,556	4	0.23%	49,146,997	2	0.43%
Dean/St. Mary's/Riverview Clinic	34,160,823	5	0.22%	22,171,425	9	0.19%
Blain Supply Farm & Fleet	29,280,104	6	0.19%	26,490,527	5	0.23%
Stag Janesville LLC	26,865,114	7	0.17%			
RokStep Janesville LLC	24,292,700	8	0.16%			
Frito-Lay				21,361,409	10	0.19%
GHC Specialty Brands LLC	23,898,529	9	0.15%			
Woodsview LLC	22,801,209	10	0.15%			
Janesville Mall				37,327,630	3	0.32%
Staples Contract & Commercial LLC				32,758,926	4	0.28%
Lab Safety (LSS Inc.)				22,269,050	8	0.19%
Helgensen Family Partnership				22,318,723	7	0.19%
Total	\$ 424,041,608		2.72%	\$ 319,737,144		2.78%
Total Equalized Valuation for the District	\$ 15,589,099,557			\$ 11,501,174,128		

Source: Employer contacts, Rock and Green Counties and municipality official statements. Provided by R.W. Baird & Co., Inc.

Blackhawk Technical College District

Revenue Capacity – Enrollment Statistics – Historical Comparisons Current Year and Ten Years Ago

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Students Served ⁽¹⁾										
Associate Degree	2,704	2,685	2,673	2,494	2,488	2,606	3,002	3,165	4,548	3,987
Technical Diploma	715	585	791	720	695	784	748	879	1,117	1,028
Apprentices	136	139	127	108	92	81	63	49	66	72
Vocational Adult	2,027	2,188	2,523	2,773	2,458	2,461	3,041	4,208	3,860	5,751
Community Service ⁽⁴⁾	18	71	180	197	175	247	220	243	294	361
Basic Skills	847	879	875	888	859	886	1,025	1,592	1,609	1,556
Total	6,447	6,547	7,169	7,180	6,767	7,065	8,099	10,136	11,494	12,755
Full-time Equivalent Enrollment ⁽²⁾										
Associate Degree	1,123	1,171	1,134	1,052	1,078	1,195	1,355	1,415	1,645	1,909
Technical Diploma	166	143	264	293	276	270	282	317	395	373
Apprentices	21	24	23	15	15	12	10	8	5	11
Vocational Adult	34	36	40	36	39	46	41	58	60	81
Community Service	1	1	4	4	4	5	6	8	10	3
Basic Skills	72	80	96	102	106	114	134	155	171	188
Total	1,417	1,455	1,561	1,502	1,518	1,642	1,828	1,961	2,286	2,565
Total Expenditures⁽⁵⁾	\$ 29,977,662	\$ 30,872,471	\$ 29,546,435	\$ 27,972,760	\$ 28,582,125	\$ 29,187,694	\$ 29,987,881	\$ 30,507,322	\$ 30,446,100	\$ 30,120,133
Cost per full-time equivalent student	\$ 21,156	\$ 21,218	\$ 18,928	\$ 18,624	\$ 18,829	\$ 17,776	\$ 16,405	\$ 15,557	\$ 13,319	\$ 11,743
Graduate Follow-up statistics ⁽³⁾										
Number of Graduates	674	587	647	431	529	730	639	728	887	923
Number of Respondents	N/A	357	394	163	248	323	324	522	614	494
Percent in workforce employed	N/A	94%	97%	95%	94%	94%	95%	93%	94%	89%
Percent employed in related occupations	N/A	85%	86%	88%	83%	81%	73%	84%	79%	78%
Median monthly salary	N/A	\$ 3,657	\$ 3,404	\$ 3,715	\$ 2,659	\$ 3,452	\$ 2,623	\$ 2,773	\$ 2,655	\$ 2,408
Percent employed in district	N/A	30%	40%	50%	59%	54%	53%	61%	61%	62%
Percent employed elsewhere in Wisconsin	N/A	16%	26%	27%	19%	23%	16%	25%	30%	25%
Average Age of students	26.9	27.0	28.0	26.9	27.0	32.3	32.9	34.0	35.0	34.4
Age range of students	15-76	15-79	9-93	12-106	11-90	10-94	15-95	12-94	13-93	6-92

Source: Institution Advancement Department and basic financial statements.

(1) Students served represents the unduplicated count of citizens enrolled in BTC courses.

(2) A full-time equivalent is basically equal to 30 annual student credits based on a mathematical calculation, which varies somewhat by program and which is subject to state approval and audit of student data.

(3) Survey is conducted approximately six months after graduation, therefore, 2021 statistics are not available.

(4) Community Service classes are non-credit hobby-type classes

(5) For purposes of this calculation, expenditures are based upon the budgetary expenditures from the districts' General and Special Revenue-Aidable funds as reported to the Wisconsin Technical College System.

Blackhawk Technical College District

Debt Capacity – Ratio of Net Debt to Equalized Valuation and Debt Per Capita Current Year and Ten Years Ago

Fiscal Year	Population ^(a)	Equalized Valuation ^(b)	Outstanding Debt ^(c)	Less Amounts Available ^(d)	Net Debt Outstanding	Percent of Net Debt to Equalized Valuation	Debt per Capita
2012	190,404	11,229,423,995	20,165,000	712,536	19,452,464	0.17%	102.16
2013	189,865	11,048,410,839	20,335,000	630,076	19,704,924	0.18%	103.78
2014	186,801	10,779,158,932	30,885,000	431,106	30,453,894	0.28%	163.03
2015	186,747	11,192,317,904	45,435,000	819,388	44,615,612	0.40%	238.91
2016	186,715	11,400,609,427	50,775,000	1,071,826	49,703,174	0.44%	266.20
2017	186,442	11,717,072,877	48,875,000	640,385	48,234,615	0.41%	258.71
2018	185,739	12,329,756,115	46,810,000	725,031	46,084,969	0.37%	248.12
2019	186,516	13,020,909,894	42,575,000	458,314	42,116,686	0.32%	225.81
2020	186,838	14,026,990,474	39,990,000	1,067,042	38,922,958	0.28%	208.32
2021	186,265	14,821,866,157	43,565,000	1,060,736	42,504,264	0.29%	228.19

Notes:

- (a) Source - Wisconsin Technical College System
- (b) TID (Tax Incremental District) Out, excluding value of exempt computer equipment. Equalized valuations are shown on a calendar year basis for the prior year (i.e. 2021 fiscal year would be 2020 calendar year information).
- (c) Details regarding the District's outstanding debt can be found in the notes to the financial statements.
- (d) Equals the amount of funds available in the Debt Service Fund restricted for the payment of debt obligations.

Blackhawk Technical College District

Debt Capacity – Direct and Overlapping Debt

As of June 30, 2021

Governmental Unit	Debt Outstanding	Percentage Applicable to the District	Amount Applicable to the District
Overlapping debt			
County of			
Green	\$ 31,795,000	79.5%	\$ 25,277,025
Rock	71,300,000	99.8%	71,157,400
Total All Counties	103,095,000	93.5%	96,434,425
City of			
Beloit	\$ 70,620,709	100.0%	70,620,709
Brodhead	1,305,890	100.0%	1,305,890
Edgerton	2,143,710	92.6%	1,985,075
Evansville	17,124,890	100.0%	17,124,890
Janesville	109,385,000	100.0%	109,385,000
Milton	8,925,000	100.0%	8,925,000
Monroe	30,496,562	100.0%	30,496,562
Total All Cities	240,001,761	99.9%	239,843,126
Village of			
Albany	\$ 1,306,848	100.0%	1,306,848
Browntown	50,311	100.0%	50,311
Clinton	3,095,481	100.0%	3,095,481
Footville	1,643,291	100.0%	1,643,291
Monticello	1,509,552	100.0%	1,509,552
Orfordville	1,405,535	100.0%	1,405,535
Total All Villages	9,011,018	100.0%	9,011,018

Blackhawk Technical College District

Debt Capacity – Direct and Overlapping Debt (Continued)

As of June 30, 2021

Governmental Unit	Debt Outstanding	Percentage Applicable to the District	Amount Applicable to the District
Overlapping debt (continued)			
Town of			
Adams	\$ 4,712	96.2%	\$ 4,533
Albany	-	100.0%	-
Avon	-	100.0%	-
Beloit	19,887,373	100.0%	19,887,373
Bradford	-	100.0%	-
Brooklyn	232,734	43.4%	101,007
Cadiz	35,734	57.1%	20,404
Center	135,374	100.0%	135,374
Clarno	208,821	100.0%	208,821
Clinton	92,107	100.0%	92,107
Decatur	273,114	100.0%	273,114
Exeter	-	6.9%	-
Fulton	415,697	100.0%	415,697
Harmony	-	100.0%	-
Janesville	-	100.0%	-
Jefferson	134,629	100.0%	134,629
Johnstown	-	100.0%	-
Jordan	-	91.1%	-
La Prairie	-	100.0%	-
Lima	-	100.0%	-
Magnolia	-	100.0%	-
Milton	-	100.0%	-
Monroe	208,821	100.0%	208,821
Mount Pleasant	25,034	100.0%	25,034
New Glarus	2,323,893	0.5%	11,619
Newark	-	100.0%	-
Plymouth	-	100.0%	-
Porter	414,182	86.0%	356,197
Rock	-	100.0%	-
Spring Grove	-	100.0%	-
Spring Valley	-	100.0%	-
Sylvester	-	100.0%	-
Turtle	40,214	100.0%	40,214
Union	1,364,177	96.1%	1,310,974
Washington	227,887	96.8%	220,595
York	27,158	0.9%	244
Total All Towns	26,051,661	90.0%	23,446,757

Blackhawk Technical College District

Debt Capacity – Direct and Overlapping Debt (Continued)

As of June 30, 2021

Governmental Unit	Debt Outstanding	Percentage Applicable to the District	Amount Applicable to the District
Overlapping debt (continued)			
School District of			
Albany	\$ 2,140,000	100.0%	\$ 2,140,000
Argyle	7,480,000	32.7%	2,445,960
Beloit	35,104,138	100.0%	35,104,138
Beloit Turner	21,902,225	100.0%	21,902,225
Brodhead	-	100.0%	-
Clinton	22,550,000	99.6%	22,459,800
Delavan-Darien	22,880,000	0.3%	68,640
Edgerton	40,785,685	72.9%	29,732,764
Evansville	34,000,000	99.9%	33,966,000
Fort Atkinson	5,145,000	0.2%	10,290
Janesville	58,365,000	100.0%	58,365,000
Juda	4,757,267	100.0%	4,757,267
Milton	54,615,000	98.7%	53,905,005
Monroe	5,600,000	100.0%	5,600,000
Monticello	593,965	100.0%	593,965
Parkview (Orfordville)	13,851,000	100.0%	13,851,000
Whitewater	14,600,000	6.1%	890,600
Total All School Districts	344,369,280	83.0%	285,792,654
Special Districts			
Consolidated Koshkonong Sanitary District	\$ 8,180,118	72.4%	5,922,405
Juda Sanitary District #1	-	100.0%	-
Plymouth Sanitary District #1	22,378	100.0%	22,378
Rock-Koshkonong Lake District	-	53.9%	-
Total All Special Districts	8,202,496	72.5%	5,944,783
Subtotal Overlapping Debt	730,731,216	90.4%	660,472,763
District Direct Debt			
General Obligation Bond	\$ -	100.0%	\$ -
General Obligation Notes	43,565,000	100.0%	43,565,000
Subtotal Direct Debt	43,565,000	100.0%	43,565,000
Total Direct and Overlapping Debt	\$ 774,296,216	90.9%	\$ 704,037,763

Blackhawk Technical College District

Debt Capacity – Direct and Overlapping Debt (Continued) As of June 30, 2021

Governmental Unit	Debt Outstanding	Percentage Applicable to the District	Amount Applicable to the District
Statistical Summary			
2020 Equalized Valuation - TID In			\$ 15,589,099,557
Total Direct and Overlapping Debt			\$ 704,037,763
Direct and Overlapping Debt as a Percentage of Equalized Valuation			4.5%
Population of District			186,265
Direct and Overlapping Indebtedness - Per Capita			\$ 3,780

Source: Survey of each government unit with the District's boundaries, June 30, 2021

Notes:

Overlapping debt are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognized, 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 every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

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

Blackhawk Technical College District

Debt Capacity – Legal Debt Margin Information Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Equalized valuation - TID In	\$ 15,589,099,557	\$ 14,690,919,474	\$ 13,701,734,694	\$ 13,008,450,305	\$ 12,329,520,367	\$ 11,901,034,517	\$ 11,683,539,794	\$ 11,245,141,222	\$ 11,525,644,826	\$ 11,752,283,785
Debt limit - 5% of equalized valuation ^(a)	779,454,978	734,545,974	685,086,735	650,422,515	616,476,018	595,051,726	584,176,990	562,257,061	576,282,241	587,614,189
Aggregate Indebtedness										
General obligation promissory notes	43,565,000	39,990,000	42,575,000	46,810,000	48,875,000	50,775,000	45,435,000	30,885,000	13,790,000	12,480,000
General obligation bonds	-	-	-	-	-	-	-	-	6,545,000	7,685,000
Less resources available to fund principal and interest payments ^(b)	(1,060,736)	(1,067,042)	(458,314)	(725,031)	(640,385)	(1,071,826)	(819,388)	(461,790)	(630,076)	(712,706)
Total net debt applicable to limit	42,504,264	38,922,958	42,116,686	46,084,969	48,234,615	49,703,174	44,615,612	30,423,210	19,704,924	19,452,294
Legal debt margin	736,950,714	695,623,016	642,970,049	604,337,546	568,241,403	545,348,552	539,561,378	531,833,851	556,577,317	568,161,895
Total net debt applicable to the limit as a percentage of debt limit	5.45%	5.30%	6.15%	7.09%	7.82%	8.35%	7.64%	5.41%	3.42%	3.31%
Debt limit - 2% of equalized valuation ^(a)	311,781,991	293,818,389	274,034,694	260,169,006	246,590,407	238,020,690	233,670,796	224,902,824	230,512,897	235,045,676
Bonded Indebtedness										
General obligation bonds	-	-	-	-	-	-	-	-	6,545,000	7,685,000
Less resources available to fund principal and interest payments ^(b)	-	-	-	-	-	-	-	-	(202,796)	(271,616)
Total net debt applicable to limit	-	-	-	-	-	-	-	-	6,342,204	7,413,384
Legal debt margin	311,781,991	293,818,389	274,034,694	260,169,006	246,590,407	238,020,690	233,670,796	224,902,824	224,170,693	227,632,292
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.75%	3.15%

Notes:

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

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

(b) Equals the ending fund balance in the Debt Service Fund - Schedule of Revenues, Expenditures, and changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis).

Blackhawk Technical College District

Demographic and Economic Information – Demographic and Economic Statistics Last Ten Calendar Years

Calendar Year	Population ^(a)	Personal Income (000's) ^(a)	Per Capita Personal Income ^(a)	Number of Households ^(b)	Median Household Income ^(b)	Public School Enrollment ^(c)	Annual Public and Private High School Graduates ^(d)	Unemployment Rate ^(e)
2012	197,327	7,216,392	36,571	84,046	48,475	33,529	2,432	8.47%
2013	197,829	7,679,635	38,820	83,942	50,395	33,641	2,373	7.86%
2014	198,251	7,843,269	39,562	84,154	51,631	33,657	2,512	6.92%
2015	198,634	8,186,379	41,213	84,164	55,058	33,520	2,456	5.29%
2016	198,695	8,274,428	41,644	84,414	53,318	33,305	2,614	4.65%
2017	199,160	8,615,323	43,258	84,976	54,767	33,219	2,267	3.98%
2018	200,058	9,095,229	45,463	85,302	56,673	32,884	2,231	3.09%
2019	200,314	9,540,615	47,628	85,581	59,125	32,563	2,245	3.07%
2020	N/A	N/A	N/A	86,664	N/A	32,232	2,302	5.02%
2021	N/A	N/A	N/A	N/A	N/A	31,206	N/A	

Notes:

- (a) Source - US Department of Commerce, Bureau of Economic Analysis, for all of Green and Rock counties
 - (b) Source - US Census Bureau, American Community Survey, for all of Green and Rock counties
 - (c) Source - Wisconsin Department of Public Instruction, for all of Green and Rock counties
 - (d) Source - Wisconsin Technical College System School to Work reports for public graduates and Wisconsin Department of Public Instruction for private graduates
 - (e) Source - Bureau of Labor Statistics
- N/A Not available

Blackhawk Technical College District

Demographic and Economic Information – Principal Employers Last Ten Fiscal Years

		2021		2011	
		Employees	Rank	Employees	Rank
Mercy Health Systems	Health care	2,620	1	2,757	1
Hendricks Holdings	Various companies/real estate development	1,763	2		
Beloit Health Systems	Medical services	1,553	3	898	6
School District of Janesville	Education	1,420	4	1,382	2
Rock County	Government	1,258	5	1,174	3
Grainger Brands	Wholesale safety equipment	1,194	6	871	7
Monroe Clinic	Medical facility	1,173	7	1,106	4
Kerry Ingredients & Flavours	Dehydrated food products	937	8		
School District of Beloit	Education	911	9	941	5
Prent Corporation	Precision, custom thermoform plastic packaging	875	10		
Lemans Corp	Wholesales new motor vehicle parts			500	10
City of Janesville	Government			669	8
The Swiss Colony	Mfg/mail order food and gifts			600	9

Source: Green and Rock counties and official statements of municipalities within Rock and Green counties. Provided by R.W. Baird & Co., Inc.

Blackhawk Technical College District

Operating Information – Full-Time Equivalent College Employees by Employee Group Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
By Pay Groups:										
Full-time instructors	77	88	88	90	91	96	98	99	112	111
Part-time instructors	21	18	21	23	25	28	31	27	29	38
Administration	81	86	85	80	75	79	82	82	75	75
Part-time support personnel	23	21	22	20	21	23	22	26	29	27
Full-time clerical and custodial	35	31	39	38	35	39	41	42	42	43
Total	237	244	255	251	247	265	274	276	287	294

Source: Human Resources Department - employee FTE count as of June 30 of each year.

Blackhawk Technical College District

Operating Information – Operational Expenditures per FTE Student Last Ten Fiscal Years

Year	Operational Expenditures ⁽³⁾ (General and Special Revenue-Aidable Funds)		Student Enrollments		BTC Operational Expenditure per Student		Statewide Operational Expenditure per Student		Rank ⁽¹⁾
	Amount (in 000's)	Percent Increase	Full-time Equivalent Students	Percent Increase/ (Decrease)	Per FTE Students	Percent Increase/ (Decrease)	Per FTE Students		
2012	\$ 30,120	-5.1%	2,565	-9.4%	\$ 11,743	4.7%	\$ 13,519	2	
2013	30,446	1.1%	2,286	-10.9%	13,318	13.4%	14,272	6	
2014	30,507	0.2%	1,961	-14.2%	15,557	16.8%	15,563	11	
2015	29,988	-1.7%	1,828	-6.8%	16,405	5.5%	15,951	10	
2016	29,188	-2.7%	1,642	-10.2%	17,776	8.4%	17,907	12	
2017	28,582	-2.1%	1,522	-7.3%	18,779	5.6%	19,029	12	
2018	27,973	-2.1%	1,502	-1.3%	18,624	-0.8%	18,624	10	
2019	29,546	5.6%	1,561	3.9%	18,928	1.6%	18,928	8	
2020	30,872	4.5%	1,455	-6.8%	21,218	12.1%	19,086	12	
2021	29,978	-2.9%	1,417	-2.6%	21,156	-0.3%	(2)	(2)	

Notes: (1) Rank among 16 WTCS districts. (1 is the lowest 16 is the highest)

(2) Not yet available

(3) For purposes of this calculation, operational expenditures is based upon the budgetary expenditures from the districts' General and Special Revenue-Aidable funds as reported to the Wisconsin Technical College System.

Blackhawk Technical College District

Operating Information – Campus Statistics Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Square Footage										
Campuses										
Main Campus - Janesville	291,452	291,452	291,452	291,452	291,452	291,452	291,452	291,452	291,452	291,452
Advanced Manufacturing Training Center	110,939	110,939	110,939	110,939	110,939	110,939	110,939	50,000	-	-
Aviation Center	-	-	-	-	-	25,210	25,210	25,210	25,210	25,210
Beloit Campus	-	-	18,068	18,068	18,068	29,068	29,068	29,068	29,068	29,068
Center for Transportation Studies	30,846	30,846	30,846	30,846	30,846	30,846	30,846	30,846	30,846	30,846
Monroe Campus	24,203	24,203	24,203	24,203	24,203	24,203	24,203	24,203	24,203	24,203
Total for campuses	475,508	475,508	475,508	475,508	475,508	511,718	511,718	450,779	400,779	400,779
Facilities										
Administration Building	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Storage Building - Central Campus	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
Storage Building - Admin	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650
Total for facilities	11,400	11,400	11,400	11,400	11,400	11,400	11,400	11,400	11,400	11,400
Grand Total⁽¹⁾	486,908	486,908	486,908	486,908	486,908	523,118	523,118	462,179	412,179	412,179

(1) The regional centers are not included in this schedule. The regional centers are not a significant part of the college operations.

Source: Facilities Department