



Finance Report
November 21, 2025

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**Finance Report
November 21, 2025**

Agenda Item #1: Auditor's Report

☒ Information

☐ Action

☒ Discussion

Purpose:

The purpose is to provide the Board with time to review progress on the FY25 Audit and to meet with the Auditors.

Background:

LSSU has a contractual relationship with Rehmann to conduct auditing services which include:

a. Annual Report:

The audit includes all procedures considered necessary to perform the audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and to issue their opinion thereon.

b. An audit in accordance with the Uniform Grant Guidance and Government Auditing Standards:

The audit includes procedures for testing requirements related to major federal award programs, which also include auditing and reporting requirements related to the financial statements.

c. State of Michigan Statements and Notes:

Procedures as required by the State of Michigan related to the inclusion of Lake Superior State University's audited financial statements in the State's annual comprehensive financial report.

Kadra Kierczynski, CPA, MBA, and senior manager from the auditing firm Rehmann will be present (virtually) to discuss progress and findings related to the FY25 annual audit of LSSU, its component units, Information Technology, Federal Funds, and NCAA activities. The audit is still underway but is nearing completion. The Board will have an opportunity to question the auditors about their findings and to discuss any concerns that have arisen.

Suggested Actions/Motions:

None



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Agenda Item #2: FY26 Year-to-Date Summary

☒ Information

☐ Action

☐ Discussion

Purpose:

The purpose of this item is to summarize the year-to-date activity and fund balances of the General Fund, Auxiliary Funds, and other operational funds.

General & Auxiliary Funds:

Appendices A and B contain tables regarding the FY26 position of several Funds, with detailed tables covering the General Fund (GF) and various Auxiliary Funds. The Board approved final General and Auxiliary Fund budgets at the October 2025 Board meeting. A summary of the GF and Auxiliary Funds is provided below.

General Fund (Tables 1 & 2):

Major GF revenue streams (Table 2) are on track with approved budgets, but Board approved transfers listed under "Gifts-Other" have not yet been executed. Plans have been developed and approved by the Finance Committee for \$2.5M of those transfers and will be implemented soon. Others will occur in early 2026. Overall, revenue is lagging by about 2% compared to previous years.

GF expenditures (Table 2) are at 35% of budget, one-third of the way through the fiscal-year (FY). Fringe expenditures appear to be a bit higher than budgeted due to late implementation of administrative professional retirement changes. Fringes will continue to be monitored as new health insurance plans take effect in January.

Housing (Tables 3 & 4):

Housing revenues are about 1.5% behind where they typically would be, but expenditures are also lagging. Transfer expenditures are at 32%. There are no concerns at this time.

Cisler Operations (Tables 5 & 6):

Cisler Operations revenues are about 2.5% behind where they typically would be, and expenditures are near their normal rate. It appears one revenue stream (Snack-Shack-Norris) was not budgeted. The Business Office will work with the budget manager to correct this. There are no concerns at this time.

Athletics (Tables 7 & 8):

Athletics revenues are typical for this time of year. Expenditures are about 2% greater than we typically see. There are no concerns at this time. Transfer expenditures are at 31%. There are no concerns at this time.

In summary, the GF (Fund 1000) has a fund balance of \$914,560 compared to its beginning balance of -\$811,596. An improvement of about \$1.7M. The Auxiliary Funds current fund balance of -\$3.26M is similar to its beginning fund balance of -3.22M.

Other Operational Funds:

The General & Auxiliary Funds were discussed above and are summarized below. From the table below, we see that Designated Funds have fallen about \$500,000 due to the purchase of the bus. Reserve Funds are fairly stable and Plant Funds have fallen by about \$500,000.

Overall, the Operational Fund balances are up about \$650,000 from FY25 year-end.

	2021	2022	2023	2024	2025	2026-YTD
General Fund (1000)	14,494.84	27,702.54	(187,930.24)	(423,539.59)	(811,596.39)	914,560.63
General Fund (1xxx)	579,291.27	649,786.34	618,243.43	666,246.63	833,450.75	935,785.52
Auxiliary Funds	(43,391.84)	1,023,469.74	(111,242.10)	(1,412,915.33)	(3,224,965.55)	(3,258,294.81)
Designated Funds	1,453,930.97	2,263,832.41	1,136,789.80	1,765,756.93	2,516,166.29	2,053,671.21
Reserve Funds	4,351,841.66	1,822,466.78	1,910,455.46	1,893,596.67	4,899,854.34	4,711,901.91
Plant Funds	<u>1,355,800.27</u>	<u>1,930,044.33</u>	<u>2,155,774.59</u>	<u>1,718,006.72</u>	<u>1,480,371.96</u>	<u>996,963.24</u>
	7,711,967.17	7,717,302.14	5,522,090.94	4,207,152.03	5,693,281.40	6,354,587.70

Cash Balances (Table 9):

LSSU and Foundation cash is comingled in some cash funds. Since some of the Foundation cash is designated as unrestricted, it has been broken out. Canadian funds have been broken out and are reported at the USD equivalency.

The cash balance (\$10.2M) has decreased by about \$4.6M since the last Board report. This decrease is about \$600,000 more than we typically see for this time of the year. The average October 31 balance over the last 10 years is \$14.8M.

Please note that the cash report includes restricted and unrestricted funds. Only unrestricted funds can be used for the day-to-day operation of LSSU; therefore not all these funds are available for typical operation. Additionally, a positive fund balance does not necessarily indicate an availability of cash. In other words, the General Fund and Auxiliary Fund only have a small claim to this cash. It generally belongs to other funds.

Suggested Actions/Motions:

No action required.

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Agenda Item #3: Infrastructure Improvement Plans

☒ Information

☐ Action

☐ Discussion

Purpose:

The purpose is to provide an update on how LSSU plans to use funds secured from a \$3.25M loan and/or line-of-credit (LoC).

Background:

The Board approved the securing of a loan and/or LoC, but wanted better definition on how funds would be utilized. Proposal from banks have been received and are being reviewed. No action has been taken at this time. Additionally, the Board requested a list of actions to be pursued at this time.

Information/Discussion:

Two required projects have been identified: replacement of the failed Crawford chiller, and repair of the ADA required pathway across campus. ADA guidelines indicate that at least one accessible route within the boundary of the campus originating from site arrival points must connect all accessible buildings, facilities, elements, and spaces on the campus.

LSSU administration sought input from the Shared Governance Budget Advisory Committee regarding projects that should be pursued. The overwhelming suggestion was repair of roofs. Quotes are being secured for several major roofing projects. Additionally, there is strong support for upgrading the electrical systems in Crawford Hall.

Given these higher priority projects, LSSU has identified the following.

1) Crawford Chiller	647,275	50% down, 50% at completion
2) Crawford Electrical	128,131	Quote
3) ADA Accessible Sidewalk Route	250,000	Estimated
4) Library Roof Repair	<u>699,000</u>	50% down, 50% at completion
	1,724,406	

Additional projects will be presented as they are finalized.

Suggested Actions/Motions:

None.

Agenda Item #4: Crawford Hall Chiller Purchase Proposal☐ Information☒ Action☐ Discussion**Purpose:**

The purpose is to secure Board approval to purchase a new chiller for Crawford Hall

Background/Information:

During the last winter, the chiller for Crawford Hall failed. The exact mechanism of the failure is still being investigated as we pursue a potential insurance claim. During the summer, LSSU utilized a rental chiller for a cost of about \$40,000 per month. LSSU seeks to replace the chiller before the next summer. The lead time for construction is about 14 weeks.

In addition to the chiller, larger pumps and an expansion tank are also needed.

LSSU has been working with Johnson Controls Inc. (JCI) to identify a replacement unit. LSSU requested moving away from the water cooled system that was in place to a glycol system. All other systems on campus are glycol. This required a larger system and larger pumps compared to the previous system.

Costs are as follows:

New chiller and expansion tank	\$403,700
New pumps	\$128,125
Labor/parts	<u>\$115,450</u>
	\$647,275

Several bids were reviewed and low bid has been selected.

Costs include demolition and removal of the old system, training, commissioning, and a 66 month warranty on the compressor. The proposal is provided in Appendix C.

Suggested Actions/Motions:

The President recommends that the Board approve the purchase of the chiller, associated equipment, and the use of JCI as the vendor overseeing the project. The President recommends the Board authorize the President and/or CFO to execute all necessary documents related to the project described under this agenda item.

Appendix A FY26 Annual Operating Dashboards

Table 1: Approved General Fund Budget

The following table provides information on the Board approved FY26 plan for the General Fund (GF) by showing the unit's beginning fund balance, the budgeted revenue, the budgeted expenditures which include transfers, and the expected end-of-year (EOY) fund balance. The Board approved a FY26 General Fund (GF) budget that would result in an annual deficit of \$36,517; and a year-end fund balance deficit of \$848,113.

FY26 Performance Plan					
	FY26 Beginning Fund Balance	FY26 Budget Revenue	FY26 Budget Expenditures	FY26 Budget Gain/(Loss)	FY26 EOY Fund Balance
General Fund	(811,596.39)	39,045,507.19	(39,082,023.76)	(36,516.57)	(848,112.96)

Table 2: General Fund Summary
(November 5, 2025)

The table at right show the approved FY26 GF budget with the FY26 actual expenditures as of the date shown above. Revenue is at 40% of budget while expenditures are at 34.5%; about 33% of the way through the fiscal year.

FY26 General Fund Approved Budget & Actual		
	Approved FY26	Actual YTD FY26
Revenue		
Tuition and Fees	18,226,271	9,634,346
State Appropriations	15,774,662	5,393,635
Gifts-Other	3,607,215	49,294
Interest Income	140,000	-
Department Activity	643,500	360,942
Norris Center Revenue	174,600	30,630
Arts Center Revenue	41,759	6,772
Other Income	87,500	30,863
Indirect Cost Recovery	350,000	40,779
Total Revenue	39,045,507	15,547,261
Expenditures		
Salaries	(15,453,033)	(4,522,725)
Fringe Benefits	(5,865,985)	(1,899,977)
Scholarships	(4,472,279)	(2,292,496)
University Waivers	(1,550,500)	(539,585)
Debt Service	(2,021,571)	(680,524)
Transfers	(1,183,497)	(198,166)
SBITA	(493,829)	(282,144)
Utilities	(1,858,501)	(659,867)
Supplies & Services	(6,182,829)	(2,418,293)
Total Expenditures	(39,082,024)	(13,493,777)
Net Income/(Loss)	(36,517)	2,053,484

Table 3: Housing Fund Summary

The following table provides information on the Board approved FY26 plan for Housing by showing the unit's beginning fund balance, the budgeted revenue, the budgeted expenditures which include transfers, and the expected end-of-year (EOY) fund balance. The Board approved a FY26 Housing budget that would result in an annual deficit of \$198,745; and a year-end fund balance of \$321,146.

FY26 Performance Plan					
	FY26 Beginning Fund Balance	FY26 Budget Revenue	FY26 Budget Expenditures	FY26 Budget Gain/(Loss)	FY26 EOY Fund Balance
Housing	519,890.67	4,047,319.00	(4,246,063.61)	(198,744.61)	321,146.06

Table 4: Housing Detail (Revenue and Expenditures)
(November 8, 2025)

	FY26 Budget Revenue	FY26 Actual Revenue	% Budget Revenue
Housing Administration	6,600.00	3,750.00	56.82%
Washer-Dryer	20,000.00		0.00%
425 West Easterday House			
Brady Hall	700,168.00	362,049.10	51.71%
Osborn Hall	299,559.00	135,242.06	45.15%
Student Village	1,483,295.00	778,560.24	52.49%
Townhouses	677,029.00	329,861.06	48.72%
Ontario Hall			
Huron Hall	58,735.00	38,489.00	65.53%
Laker Hall	78,566.00	33,504.00	42.64%
Chippewa House	97,414.00	51,852.00	53.23%
Erie Hall	62,995.00	31,788.00	50.46%
Hillside House			
Ryan House			
Easterday House			
Brown Hall			
Moloney Hall	328,850.00	152,460.04	46.36%
Neveu Hall	234,108.00	105,677.90	45.14%
	4,047,319.00	2,023,233.40	49.99%

Transfers
Balance (End-of-Year)
Balance (Current)

FY26 Budget Expenditures	FY26 Actual Expenditures	% Budget Expenditures
(1,363,708.35)	(506,899.49)	37.17%
(16,149.96)	(15.39)	0.10%
(3,545.30)	(503.29)	14.20%
(332,551.99)	(75,175.52)	22.61%
(334,437.03)	(57,015.78)	17.05%
(292,891.96)	(82,214.62)	28.07%
(156,539.02)	(38,970.98)	24.90%
(31,462.96)	(835.13)	2.65%
(35,194.99)	(7,374.88)	20.95%
(19,812.94)	(3,848.00)	19.42%
(31,832.99)	(6,579.32)	20.67%
(36,117.00)	(7,183.93)	19.89%
(19,144.02)	(9.75)	0.05%
(13,643.98)	(2,657.94)	19.48%
(15,839.04)	(3,163.65)	19.97%
(100,004.00)	(20,645.70)	20.64%
(92,130.08)	(15,712.71)	17.05%
(2,895,005.61)	(828,806.08)	28.63%

(1,352,058.00)	(433,868.00)	32.09%
(199,744.61)		
	760,559.32	

Table 5: Cisler Operations Fund Summary

The following table provides information on the Board approved FY26 plan for Cisler Operations by showing the unit's beginning fund balance, the budgeted revenue, the budgeted expenditures which include transfers, and the expected end-of-year (EOY) fund balance. The Board approved a FY26 Cisler Operations budget that would result in an annual deficit of \$441,940; and a year-end fund balance deficit of \$2,021,895.

FY26 Performance Plan					
	FY26 Beginning Fund Balance	FY26 Budget Revenue	FY26 Budget Expenditures	FY26 Budget Gain/(Loss)	FY26 EOY Fund Balance
Cisler Operations	(1,579,955.68)	3,024,612.00	(3,466,551.73)	(441,939.73)	(2,021,895.41)

Table 6: Cisler Operations Detail (Revenue & Expenditures)
(November 8, 2025)

	FY26 Budget Revenue	FY26 Actual Revenue	% Budget Revenue	FY26 Budget Expenditures	FY26 Actual Expenditures	% Budget Expenditures
Food Services	2,032,362.00	1,051,161.15	51.72%	(2,218,198.74)	(826,674.96)	37.27%
Laker Cafe				(162.00)	(9.75)	6.02%
Snack Bar-Galley	523,400.00	161,627.77	30.88%	(420,519.02)	(34,066.56)	8.10%
Library Grab n' Go				(39.00)	(9.75)	25.00%
Snack Shack-Norris		13,663.01		(105,175.99)	(11,970.82)	11.38%
Catering & Bar Operations	427,500.00	127,670.40	29.86%	(423,407.64)	(173,831.42)	41.06%
CFRE Bar Operations		396.00			(13.20)	
Walker Cisler Center	33,550.00	8,513.01	25.37%	(297,049.34)	(66,351.24)	22.34%
WCC Guest Rooms	7,500.00	1,952.50	26.03%	(2,000.00)		0.00%
ID Cards	300.00	240.00	80.00%			
	3,024,612.00	1,365,223.84	45.14%	(3,466,551.73)	(1,112,927.70)	32.10%
Balance (End-of-Year)				(441,939.73)		
Balance (Current)					252,296.14	

Table 7: Athletics Fund Summary

The following table provides information on the Board approved FY26 plan for Athletics by showing the unit's beginning fund balance, the budgeted revenue, the budgeted transfers, the budgeted expenditures, and the expected end-of-year (EOY) fund balance. The Board approved a FY26 Athletics budget that would result in an annual deficit of \$1,241,004; and a year-end fund balance deficit of \$4,498,448.

	FY26 Performance Plan					
	FY26 Beginning Fund Balance	FY26 Budget Revenue	FY26 Budget Transfers	FY26 Budget Expenditures	FY26 Budget Gain/(Loss)	FY26 EOY Fund Balance
Athletics	(3,257,443.59)	628,710.00	1,396,912.00	(3,266,626.13)	(1,241,004.13)	(4,498,447.72)

Table 8: Athletics Detail (Revenue & Expenditures)
(November 8, 2025)

	FY26 Budget Revenue	FY26 Actual Revenue	% Budget Revenue	FY26 Budget Expenditures	FY26 Actual Salaries	FY26 Actual Supplies	% Budget Expenditures
Athletic Administration	368,800.00	111,270.00	30.17%	(601,815.05)	(133,267.92)	(97,468.98)	38.34%
Sports Information				(167,367.52)	(41,695.03)	(2,144.06)	26.19%
Athletic Trainer				(224,489.04)	(55,235.05)	(8,792.00)	28.52%
Mens Hockey	224,430.00	64,596.95	28.78%	(1,102,196.49)	(202,266.50)	(272,333.50)	43.06%
Mens Basketball	16,300.00	-	0.00%	(378,119.30)	(79,313.28)	(41,706.14)	32.01%
Mens Junior Varsity Basketball					(6,046.05)		
Mens Swimming & Diving		1,592.50		(51,442.38)	(7,877.31)	(2,807.76)	20.77%
Womens Volleyball	8,300.00	1,472.00	17.73%	(251,242.00)	(38,899.69)	(72,691.55)	44.42%
Womens Basketball	10,880.00	3,655.58	33.60%	(307,740.04)	(62,484.52)	(56,600.74)	38.70%
Womens Swimming & Diving		1,592.50		(51,442.38)	(7,877.32)	(2,686.17)	20.53%
Cross Country		-		(61,821.94)	(10,091.41)	(21,056.24)	50.38%
Track-Field		4,401.10		(68,949.99)	(23,090.40)	(16,382.96)	57.25%
	628,710.00	188,580.63	29.99%	(3,266,626.13)	(668,144.48)	(594,670.10)	38.66%
Transfers				1,396,912.00	430,884.00		30.85%
Balance (End-of-Year)				(1,241,004.13)			
Balance (Current)					(643,349.95)		

Table 9: Institutional Cash

Available Institutional and Component Unit cash holdings as of October 31, 2025.

	31-Jul	31-Aug	30-Sep	31-Oct	30-Nov	31-Dec	31-Jan	28-Feb	31-Mar	30-Apr	31-May	30-Jun
Cash at CSB	2,560,657	5,119,022	1,530,577	2,662,077								
Cash at Huntington	3,560,092	3,567,500	3,574,366	3,581,006								
Cash at Nicolet	279,339	280,279	280,776	280,776								
Cash at BMO - USD	1,848	1,430	1,088	747								
Cash at BMO - USD	1,232,516	1,232,516	1,232,516	1,232,516								
CD at 4Front	273,782	273,875	273,968	273,968								
LSSU Investments at Schwab	6,493,067	6,015,515	6,034,963	3,649,499								
LSSU Cash at Schwab	31,330	31,331	31,332	231,334								
Foundation Cash investment at Schwab	(2,646,579)	(2,646,579)	(2,646,579)	(2,646,579)								
Foundation Cash for CFRE	52,959	52,959	52,959	52,959								
Foundation Unrestricted Cash	(158,155)	(158,255)	(158,305)	(158,355)								
LSSU Cash at GovMIC	1,005,429	1,009,119	1,012,680	1,016,297								
Total	12,686,284	14,778,711	11,220,342	10,176,244								

Appendix B FY26 Fund Balance Summary Dashboards

Appendix B provides an overview of the University's financials by summarizing the fund balances of the major fund areas of the University. Five years of history and the current year-to-date values are provided. Some discussion is provided for each major fund. Fund balances may be positive or negative at any point in time. A negative fund balance is a deficit. All LSSU fund balances are discussed and where appropriate, financial summaries are provided.

General Funds (1xxx):

The actual General Fund contains Fund 1000 (commonly referred to as the General Fund or GF) and 123 other funds numbered 1001 – 1299 (commonly referred to as Professional Development (PD) funds). Fund 1000 (the GF) is the University's main operating fund.

	2021	2022	2023	2024	2025	2026
Fund 1000 (General Fund)	14,494.84	27,702.54	(187,930.24)	(423,539.59)	(811,596.39)	914,560.63
Funds 1001 - 1299	<u>579,291.27</u>	<u>649,786.34</u>	<u>618,243.43</u>	<u>666,246.63</u>	<u>833,450.75</u>	<u>935,785.52</u>
	593,786.11	677,488.88	430,313.19	242,707.04	21,854.36	1,850,346.15

Designated Funds (15xxxx):

There are 64 active Designated Funds. These funds were created for specific (designated/restricted) purposes; about 25 hold funds that have been transferred in from the Foundation for a designated purpose. The largest fund in the group is the Charter School 3% fund with about \$3M in annual activity. There are 6 funds with balances over \$50,000. Three funds are designated as unrestricted and are broken out in the following table.

	2021	2022	2023	2024	2025	2026
Designated Funds	1,101,563.08	957,303.40	561,174.92	1,625,649.99	2,212,686.48	1,653,943.86
Unrestricted Funds	<u>352,367.89</u>	<u>1,306,529.01</u>	<u>575,614.88</u>	<u>140,106.94</u>	<u>303,479.81</u>	<u>399,727.35</u>
	1,453,930.97	2,263,832.41	1,136,789.80	1,765,756.93	2,516,166.29	2,053,671.21

External Funds (2xxxx & 2xxxxx):

The External Funds are comprised of grants, expendable portions of endowments/gifts, and the expendable amounts for Scholarships. There are over 28 funds in this grouping. No dashboard will be presented.

Auxiliary Funds (3xxx):

There are 52 active Auxiliary Funds; grouped below by functional area. Ten of the Funds are currently in deficit.

	2021	2022	2023	2024	2025	2026
Housing (31xx)	298,235.64	384,384.93	497,074.40	379,947.14	573,947.36	1,762,927.21
Cisler Operations (32xx)	(1,447,443.32)	(752,184.38)	(992,284.15)	(1,074,390.86)	(1,579,955.68)	(1,500,546.72)
Health Care Center (36xx)	(105,110.67)	73,389.42	(32,077.66)	(157,934.65)	(357,933.35)	(411,501.40)
Athletics (37xx)	(47,753.17)	(240,867.61)	(1,005,126.54)	(1,890,210.29)	(3,080,957.90)	(4,167,630.13)
Student Government (38xx)	324,218.09	179,620.08	188,902.07	192,653.11	191,403.46	205,905.29
Club Sports (39xx)	3,973.58	15,017.36	59,593.77	38,688.85	21,470.21	(36,908.45)
Other Auxiliary	<u>930,488.01</u>	<u>1,364,109.94</u>	<u>1,172,676.01</u>	<u>1,098,331.37</u>	<u>1,007,060.35</u>	<u>889,459.39</u>
	(43,391.84)	1,023,469.74	(111,242.10)	(1,412,915.33)	(3,224,965.55)	(3,258,294.81)

Loan Funds (4xx & 4xxx):

Loan Funds contain funding for students. There are 11 loans available. Loan Funds are not directly utilized by LSSU. No dashboard will be presented.

LSSU Endowment (6xxxx):

The 6xxxx funds hold 62 endowments held by LSSU. The endowments were set up before the LSSU Foundation existed. There is no active fund raising occurring within this fund group. For the most part, these funds are utilized for student scholarships. The current balance of the LSSU Endowments is \$17,487,760.

Reserve Funds (7xx):

The Reserve Funds were historically created to hold funding for LSSU when it was self-insured. While self-insured, there was a need to hold funds for claims and deductibles; sometimes as high as \$500,000 per claim. Now that LSSU is fully insured for health insurance and worker compensation, the need to hold larger fund balances has diminished.

The largest volume of activity has historically been, and continues to be, in the health insurance reserve fund (\$4.5M - \$5M annually). LSSU and employees pay into the fund, and payments to carriers are made from the fund.

	2021	2022	2023	2024	2025	2026
MUSIC-Insurance Reserve	251,347.48	251,347.48	251,347.48	244,744.39	244,744.39	241,590.25
MPERS Reserve					3,438,925.97	3,438,925.97
Workers Comp	2,098,415.17	584,456.97	572,558.28	554,594.07	534,630.11	538,990.19
Unemployment Comp	389,671.18	426,304.79	449,466.19	475,625.06	490,938.78	502,390.41
Empl Tuition Waiver-Rebate						(47,573.74)
Health Insurance Res	1,612,407.83	560,357.54	637,083.51	618,633.15	190,615.09	37,578.83
MPERS Net Pension Liability	(16,520,077.00)	(12,560,865.00)	(5,425,201.03)	2,799,335.97	281,213.00	281,213.00
MPERS OPEB Liability	(1,111,560.00)	756,236.00	1,245,349.00	2,045,684.00	2,009,040.00	2,009,040.00
	(13,279,795.34)	(9,982,162.22)	(2,269,396.57)	6,738,616.64	7,190,107.34	7,002,154.91
Balance w/o Liabilities	4,351,841.66	1,822,466.78	1,910,455.46	1,893,596.67	4,899,854.34	4,711,901.91

As of FY25, LSSU began reporting on the MPERS liability funds. All financial entries made by LSSU for these funds are directed by the State. The funds were created to track the liability associated with the State of Michigan's (MPERS) retirement plan. In FY24 this liability became a receivable. Liability Funds are actuarially determined and are not available for use by LSSU.

Agency Funds (8xxx):

There are 49 active agency funds. These are generally a combination of LSSU-based or LSSU-connected entities that have funds at LSSU; where the funds are intended for LSSU's use. Examples of agency funds are scholarships and University clubs. These funds are also used as clearing areas for LSSU benefits. No dashboards will be presented.

Foundation Endowments (8xxxxx):

There are over 500 active funds in this area, including six unrestricted, operational funds. All endowed funds are broken into two areas: the endowed portion and an expendable portion. Non-endowed funds are just listed as expendable.

	2021	2022	2023	2024	2025	2026
Unrestricted	494,839.06	387,604.55	417,862.96	354,046.10	308,317.58	260,241.52
Restricted	19,822,076.82	22,175,412.78	23,616,571.11	24,337,382.00	30,055,887.28	32,105,253.13
Unrealized	<u>4,969,360.42</u>	<u>(119,411.94)</u>	<u>1,704,251.07</u>	<u>3,868,987.90</u>	<u>2,356,757.84</u>	<u>3,373,012.71</u>
	25,286,276.30	22,443,605.39	25,738,685.14	28,560,416.00	32,720,962.70	35,738,507.36

Plant Funds (9xxx):

Plant Funds are comprised of funds that can be used to maintain or improve the campus infrastructure as well as funds that are used for debt-service. Debt-service funds have been omitted from this discussion. Occasionally, grant funds may reside here if there is a significant component of infrastructure development. Those grant funds are not shown here.

	2021	2022	2023	2024	2025	2026
Marine Laker Collect	199.31	199.31	199.31	199.31	199.31	199.31
Other Norris Project	3,233.47	0.00	0.00	0.00	0.00	(41,633.25)
Norris Maintenance	3,528.50	3,528.50	3,528.50	0.00	0.00	0.00
Capital Reserve	344,666.98	580,671.90	759,181.72	858,976.77	372,327.15	130,243.15
Renovation-Ada Project	15,318.00	15,318.00	11,817.05	11,817.05	11,817.05	11,817.05
Norris Gem	0.00	0.00	0.00	0.00	0.00	97,300.00
Auxiliary R-R	245,378.25	501,260.61	480,246.20	10,181.08	208,074.65	9,592.14
Housing Furnishings	70,026.55	89,072.03	132,250.06	40,226.76	81,055.60	(2,718.36)
Telephone Reserve	84,327.56	84,327.56	84,327.56	84,327.56	84,327.56	84,327.56
Parking Reserve	61,377.96	111,377.96	136,535.73	174,393.73	210,318.73	195,583.73
Cooper Gym Floor Replacement-Norris	0.00	42,520.08	42,520.08	42,520.08	42,520.08	42,520.08
ARL Building Renovations	99,123.90	102,623.90	106,023.90	109,423.90	112,823.90	112,823.90
ARL Htchery Renovations 2018	<u>428,619.79</u>	<u>399,144.48</u>	<u>399,144.48</u>	<u>385,940.48</u>	<u>356,907.93</u>	<u>356,907.93</u>
	1,355,800.27	1,930,044.33	2,155,774.59	1,718,006.72	1,480,371.96	996,963.24

Overall Operational Fund Summary:

The following funds are considered the core operational areas of LSSU; showing all liabilities. As the State paid down the unfunded MPERS liability (FY22-FY24), MPERS fund became available for use in FY25. The following funds are considered the core operational areas of LSSU; ignoring all actuarially determined MPERS liabilities which now show as receivables.

	2021	2022	2023	2024	2025	2026-YTD
General Fund (1000)	14,494.84	27,702.54	(187,930.24)	(423,539.59)	(811,596.39)	914,560.63
General Fund (1xxx)	579,291.27	649,786.34	618,243.43	666,246.63	833,450.75	935,785.52
Auxiliary Funds	(43,391.84)	1,023,469.74	(111,242.10)	(1,412,915.33)	(3,224,965.55)	(3,258,294.81)
Designated Funds	1,453,930.97	2,263,832.41	1,136,789.80	1,765,756.93	2,516,166.29	2,053,671.21
Reserve Funds	4,351,841.66	1,822,466.78	1,910,455.46	1,893,596.67	4,899,854.34	4,711,901.91
Plant Funds	<u>1,355,800.27</u>	<u>1,930,044.33</u>	<u>2,155,774.59</u>	<u>1,718,006.72</u>	<u>1,480,371.96</u>	<u>996,963.24</u>
	7,711,967.17	7,717,302.14	5,522,090.94	4,207,152.03	5,693,281.40	6,354,587.70

Appendix C

Chiller Purchase and Installation Quote

We propose to provide the labor and materials for the project as requested for the net price of: SIX HUNDRED-FORTY-SEVEN THOUSAND TWO HUNDRED SEVENTY-FIVE DOLLARS \$647,275

INCLUSIONS:

1. Demolition and disposal of the existing chiller.
2. Installation of a new chiller with a variable speed drive.
3. Low sound fans with variable speed control.
4. Demolition and installation of new chiller pumps.
5. Installation of new expansion tank.
6. Suction service valve.
7. Insulation.
8. Additional piping.
9. Crane.
10. Electrical.
11. Neoprene isolators.
12. Thermal dispersion switch.
13. Controls connections.
14. Start up.
15. Owner training.
16. Commissioning.
17. 66-month compressor warranty.

EXCLUSIONS:

1. Asbestos and Lead abatement.
2. Ancillary work beyond what is needed to properly install and commission this chiller system.
3. Masonry work.
4. New AHU coils.

TERMS AND CONDITIONS:

1. This project will be invoiced 50% at acceptance and the remaining 50% will be progress billed.
2. Any additional changes beyond the scope of this work will be quoted and is the responsibility of LSSU to cover.
3. This project will be conducted during normal working hours.
4. This quote includes estimated sales tax only. Any additional taxes, duties, tariffs or similar items imposed prior to shipment will be charged.
5. This project includes a \$20,000 allowance for an electrical subcontractor. Lake Superior State University is responsible for paying JCI the difference if the electrical subcontractor costs more than \$20,000

ITEMIZED

1. Chiller and Expansion Tank	\$403,700
2. Pumps	\$128,125
3. Subcontractors	\$64,500
4. Labor	\$36,100
5. Misc Material (pipe, hangers, disposal of chiller, controls)	\$14,850

(IMPORTANT: This proposal incorporates by reference the terms and conditions the reverse side hereof.)

This proposal is hereby accepted and Johnson Controls is authorized to proceed with the work; subject, however, to credit approval by Johnson Controls, Inc., Milwaukee, Wisconsin.

Purchaser - Company Name

Signature

Name

Title

Date

This proposal is valid until

January 1, 2026

JOHNSON CONTROLS, INC.

Jacob Teunas
Signature

Title

Date