



## Gateway Technical College

*2011 Comprehensive Annual Financial Report  
(With Independent Auditor's Report)*

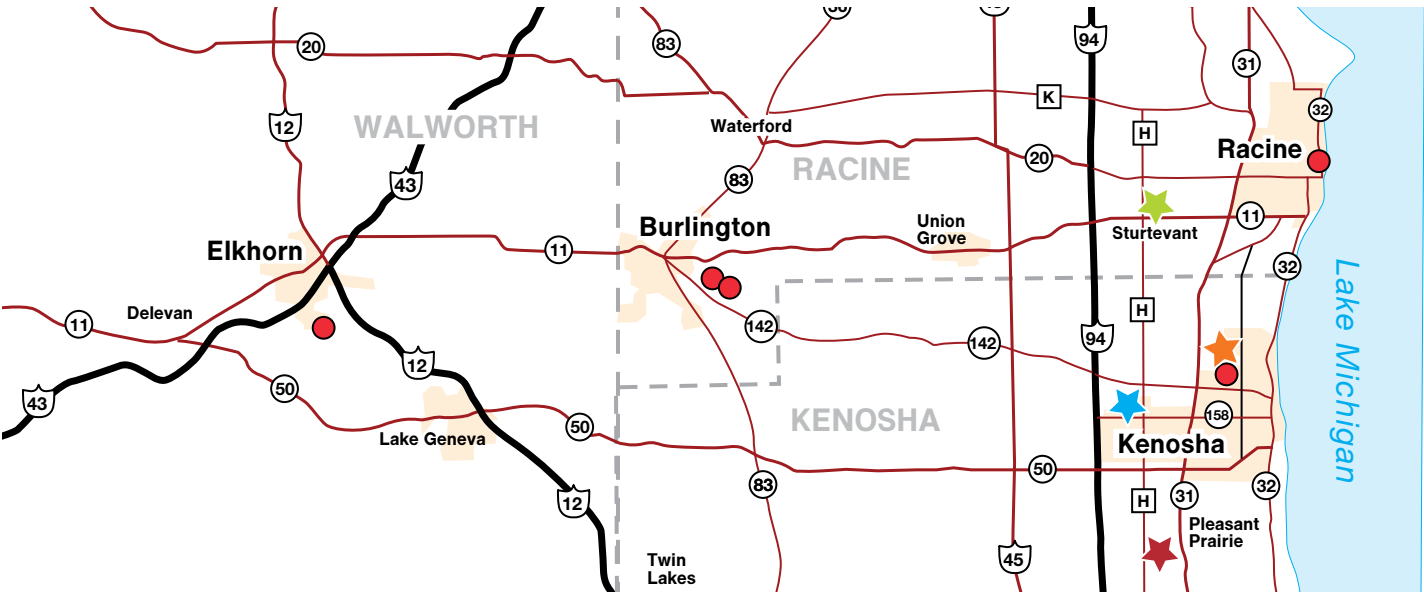
*For Fiscal Year Ended June 30, 2011*

*Serving Southeastern Wisconsin*

we are  
futuremakers



## Gateway Technical College





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## **GATEWAY TECHNICAL COLLEGE DISTRICT**

Racine/Kenosha/Elkhorn, Wisconsin

Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2011  
(With Independent Auditors' Report)

### **Official Issuing Report:**

Mark Zlevor, CPA  
Chief Financial Officer/Vice President of Administration

### **Report Prepared By:**

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Controller

### **Assisted By:**

Finance Office Staff  
Marketing & Communication Department  
Research & Planning Department  
*Special thanks to Sandra Gray for cover design*

GATEWAY TECHNICAL COLLEGE DISTRICT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the Fiscal Year Ended June 30, 2011

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# Introductory Section



Bryan D. Albrecht  
President

**ADMINISTRATION CENTER**

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**CENTER FOR ADVANCED TECHNOLOGY & INNOVATION**

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**CENTER FOR BIOSCIENCE & INFORMATION TECHNOLOGY**

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**ELKHORN CAMPUS**

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**HORIZON CENTER FOR TRANSPORTATION TECHNOLOGY**

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**KENOSHA CAMPUS**

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[www.gtc.edu](http://www.gtc.edu)

October 31, 2011

**To the Citizens and Board of Directors, and College Community of Gateway Technical College District:**

The Comprehensive Annual Financial Report (CAFR) of Gateway Technical College District (the District or Gateway) for the fiscal year ended June 30, 2011, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

The CAFR is presented in three sections: Introductory, Financial, and Statistical. The Introductory section includes the transmittal letter, District board members, and Gateway's organizational chart. The Financial section includes the independent auditors' report, the management's discussion and analysis, the basic financial statements, including the notes to the financial statements, required supplementary information and other supplementary financial information. The statistical section includes selected unaudited financial and demographic information, generally presented on a multi-year basis.

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



## **Gateway – Writing America’s Employment Future—Celebrating 100 Years**

Gateway Technical College District is one of 16 technical colleges in the Wisconsin Technical College System (WTCS). Technical and adult education in Wisconsin began as the first comprehensive statewide continuation school system in the United States as a result of state legislation passed in 1911. The nation’s first publicly supported technical institution – Racine Continuation School began that same year as the name predecessor to Gateway Technical College.

As Gateway honored its heritage, the college observed that the college and system’s foundation mission has not changed over its history. We have helped write the future for our students and communities and provided the training needed for high-demand, high-wage jobs. This has been true as we assisted our communities in 1911 in their adjustment from an agricultural economy to an industrial economy. It has been true during times of war in training workers for careers in defense industries. It has been true in supporting returning veterans by training them for civilian careers. It has been true in helping workers and employers adjust to a knowledge/digital economy. And it continues to be true during each economic downturn that we help train dislocated workers for jobs in evolving high-demand career areas.

Gateway is proud of its heritage as first in the state and nation and began its Centennial Commemoration in October 2010, to culminate July 12, 2011 as Gateway hosts the Wisconsin Technical College System centennial celebration. Over the decades, an Elkhorn campus was developed as an offshoot of the Kenosha Technical Institute, as it was then known. Racine and Kenosha were joined into one Gateway district. In the 80s, Gateway Technical Institute became Gateway Technical College. In addition to three full-service campuses in Kenosha, Racine and Elkhorn, Gateway operates two centers in Burlington, a center at SC Johnson in Sturtevant, and four advanced technology centers: Lakeview Advanced Technology Center in Pleasant Prairie, the Center for Bioscience and Information Technology in Kenosha, the Center for Advanced Technology and Innovation (CATI) in Sturtevant, and the Horizon Center for Transportation Technology in Kenosha. Gateway also owns and operates the public radio station WGTD-FM 91.1 at the Kenosha campus.

In September of 2010 Gateway opened the Health and Emergency Response Occupations (HERO) Center, designed to provide state of the art training for students enrolled in Emergency Medical Technician training, the Paramedic degree program, Fire Science and numerous professional certification and development courses for 911 emergency dispatch and fire service professionals.

Gateway offers over 70 associate of applied science degree programs, technical diploma programs, and advanced technical certificates, as well as apprenticeship programs, and other adult education services. Programs and courses are approved by the WTCS and selected programs are accredited by organizations such as the National League of Nursing and the Federal Aviation Administration, in addition the College itself receives accredited status. In 2010 Gateway was granted another 10 years of regional accreditation through 2020 from the Higher Learning Commission (HLC), a national independent organization which evaluates the quality of higher education institutions.

Gateway continues to provide pragmatic, hands-on training to help give students the experience they need to successfully land a job in their career field, as well as provide local businesses well-trained workers. Each year, Gateway serves approximately 24,000 residents. Over the last five years Gateway’s enrollment in technical specific core courses has increased over 85%, from 11,801 core course students in academic year 2006-07 to 21,871 cores course students in the 2010-11 academic year.

Over 2,109 students graduated from postsecondary programs this fiscal year. Results of the 2010 Graduate Follow-Up Study indicated 87 percent were employed within six months of graduation and 98% are satisfied with their Gateway training. The effort demonstrated by our students to learn and master technical knowledge and skills provides graduates with an edge in job acquisition.

As we celebrate 100 years of service to our communities, we are looking forward to serving in our role as future makers to the next generation.

## **Major Initiatives and Accomplishments**

Gateway's Vision 2012, established under the leadership of President Bryan Albrecht, continues to be the strategic direction that has guided Gateway Technical College faculty, staff, and administration to accomplish many activities over the past year. The following is a list representative of some of the major initiatives and accomplishments:

### **Local, Regional and National Community Leadership**

Gateway continues to be recognized nationally as well as internationally. Gateway was recognized as a national college of excellence by the U.S. Department of Labor, U.S. Department of Education, and the U.S. Chamber of Commerce due to its successful partnerships and the leadership of President Bryan Albrecht.

- President Bryan Albrecht's exemplary leadership continued to be in demand as he served on his various appointments to several regional and national committees during the year as well as represented Gateway at various conferences. Some examples include:
  - Representing the National Coalition of Certification Centers (NC3), as chairman, he presented at the 2011 Federal Economic Forum hosted by the International Economic Development Council in Alexandria, VA. The forum focused on the emerging importance of partnerships in federal economic development policy.
  - Provided recommendations to federal policymakers on workforce training at the national Manufacturing Institute Talent Roundtable in Washington D.C.
  - Provided advice on innovative practices for apprenticeship training in partnership with community colleges to the U.S. Department of Labor.
  - Along with NC3 Executive Director, Roger Tadajewski, and Frederick Brookhouse of Snap-On, presented at the Global Automotive Aftermarket Symposium in Chicago.
  - Presented at the 35<sup>th</sup> Annual Community Colleges for International Development (CCID) focusing on Gateway's role in developing an automotive diagnostics training program for the college of Ecole Supérieure Technologie in Morocco.
  - Spoke at the Congress-mandated Sustainability Education Summit hosted by the Department of Education. The summit's goal was to articulate a set of action steps for higher education, business and industry, governments, and the environmental community to promote the transition to a sustainable, green economy.
  - Participated on a panel, organized by the Skills for America-NOW!, entitled "Connecting Workers' Skills with Employer's Needs". He provided information on Gateway's efforts to retrain workers and prepare students to close the skills gap.
  - Recognized for his leadership he was the Educator in Residence at UW-Stout in February. The goal of the program is to inspire, motivate and showcase career successes of graduates of UW-Stout.

- Zina Haywood, Executive Vice President/Provost serves on a number of local, state and regional boards to share Gateway's success. To name a few:
  - Active member of the Racine County Work Force Development Board and while serving on the Executive Management Committee and Planning Committees has fostered a strong partnership and increased collaboration on workforce development initiatives.
  - As a member of the Opportunities Industrialization Center (OIC) of the Racine County Board they received a Youth Build Grant that teaches at-risk and dropout students the construction trades while they earn a GED. Gateway Technical College will provide the GED instruction.
  - Appointed Commission Director on the National Association for Student Financial Aid Administrators (NASFAA) effective July 2011.
  - Serving as chair of the scholarship committee of the Kenosha Area Chamber of Commerce, where \$10,000 in scholarships are awarded each year.
  - Board member of Wisconsin Women in Higher Education Leadership (WWHEL).
  - Zina was invited to make various presentations throughout the year including a few NASFAA Conference presentations and a "Building a Community of Leaders" for the National Institute for Staff and Organizational Development (NISOD) conference.
- Debbie Davidson, Gateway Vice President of Workforce and Economic Development Division (WEDD) was appointed to the American Association of Community Colleges Workforce Commission (AACC). Other activities include:
  - During the year Debbie presented at national conferences including the National Coalition of Advanced Technology Centers (NCATC), the National Council for Workforce Education (NCWE) and the National Career Pathways Network (NCPN) regarding Gateway's model for industry collaboration on skill standards training, assessment, and certification.
  - Debbie served as President of the National Coalition of Advanced Technology Centers (NCATC) during 2010-2011.
  - In conjunction with the Kenosha County Job Center, Debbie and Ed Knudson provided several orientation sessions to Chrysler workers regarding unemployment benefits and training opportunities.
- Stephanie Sklba, Vice President of Community and Government Relations, participated in a panel at the national ACTE conference discussing Sustainability in the School Systems.
- Dr. Therese Fellner, Director of Business Development, in her role as president of the Wisconsin Business Incubator Association (WBIA), was recognized for her outstanding leadership in connecting business incubators throughout the state with a grant funded videoconference technology network. The WBIA developed an Education Scholarship in Dr. Fellner's name.
  - Dr. Fellner presented at the NCATC conference on the \$5.9 million EDA grant awarded to UW-Whitewater and how the project is shared strategically across counties and state borders.
- Gateway hosted five representatives from Singapore's Institute of Technical Education. Singapore's ministry officials selected Gateway as one of five colleges to be visited in the U.S. to create benchmarks for college and career success.
- Gateway's collaborative partnership with Snap-on Incorporated, to prepare students with skills needed to operate the company's automotive diagnostic equipment, was submitted by the Skills for America's Future coalition and the National Association of Manufacturers to the White House as an example of a "best practice" in training. President Albrecht attended a presidential conference in June on behalf of the National Manufacturing Skill Standards Council. (MSSC).

- Gateway was awarded a national workplace wellness Gold Award from the Wellness Council of America (WELCOA) for its programs that promote employee and workplace wellness. The designation means Gateway is a national leader in corporate health, committed to the well-being of its employees, working to minimize health care claims, and maximizing productivity.
- Well City-Racine recognized Gateway with its Gold Wellness Award. The City of Racine has been recognized as one of 12 Well Cities in the country.
- Horticulture instructor, Kate Jerome, is writing a bi-weekly column for the national website National Gardening and a weekly garden column for the Kenosha News.
- Culinary Arts instructor Susanna Elrod, in conjunction with the marketing department, is writing a monthly culinary arts column for the Kenosha News.
- Automotive Technology instructors, in conjunction with the marketing department, are writing a monthly car care column.
- Culinary Arts instructor Adam Larkin, in conjunction with the marketing department, helps produce a bimonthly culinary arts video for the Racine Journal Times.
- Dean Mike O'Donnell was named to the Board of the Milwaukee Area Health Education Center (AHEC). The mission of AHEC is to improve access to health care in Southeastern Wisconsin's underserved communities. It fosters cooperation and collaboration among health professionals, educational institutions, and the communities.
- Associate Dean Diane Skewes was invited to join the group "Nursing Leaders from Education and Practice in the Milwaukee Region".

### **Partnerships**

- Gateway in conjunction with NC3-National Coalition of Certification Centers hosted a national train-the trainer event. Attendees were provided training in the latest automotive diagnostic platforms, torque technology methods, and diesel technology.
- Gateway continues to build partnerships with other educational institutions:
  - Gateway signed an articulation agreement with UW-Parkside for the Physical Therapy Assistant (PTA) program. It allows Gateway students to transfer up to 65 credits toward the applied health science degree.
  - Articulation agreements were signed with Cappella University and University of Phoenix.
  - Gateway hosted a Regional ADN state curriculum meeting, in collaboration with MATC-Milwaukee and Waukesha County Technical College to discuss best practices in nursing education.
  - Gateway, Northeast Wisconsin Technical College and Moraine Park Technical College are part of a Community-based Job Training grant that will use the I-BEST model to develop a curriculum that will prepare students to succeed in automotive programs.
  - Gateway continues to be active in the Campus Compact organization, partnering with UW-Parkside as well as other colleges and K-12, to promote civic engagement by linking it to classroom learning.
  - Gateway is participating in a STEM Service Learning Grant with UW-Parkside. It is a multi-institution service learning project to further increase student engagement, participation, and persistence in STEM disciplines while helping to address local community food concerns, nutrition and related health issues.
  - In working collaboratively with the other 15 technical colleges in the state, on a joint agreement for the purchase of welding supplies, Gateway will save approximately \$13,000 per year. Another collaborative purchasing arrangement among the colleges is using the SciQuest system which should return a 20% savings once implemented.

- Gateway's successful partnerships with business and industry drew a visit from Dr. Brenda Dann-Messier, U.S. Department of Education assistant secretary for the Office of Vocational and Adult Education. Per Dr. Dann-Meissier Gateway's creation of solid business and education partnerships and the training that results are something she will take and promote nationally.
- Gateway and the Racine Area Manufacturers and Commerce (RAMAC) entered into a partnership on future training offerings for RAMAC's membership.
- SCORE is partnering with Gateway to increase the mentor base for the entrepreneurial initiatives in the region, including Gateway student entrepreneurship. SCORE is comprised of experienced business professionals interested in volunteering their expertise in providing business counseling and mentoring to small businesses.
- Gateway was recognized by the Kenosha Community Media (KCM) for working with the organization towards a better Kenosha. Gateway provided resources and technical assistance on various KCM productions as well as providing a monthly TV program "*Gateway Connections with Jayne Herring*", over Kenosha TV 14.
- Gateway staff serve on the public/private Kenosha County Emergency Preparedness Partnership. The partnership is designed to serve as a bridge among private, public, and nonprofit sectors in promoting cooperation and integration in disaster preparedness, mitigation, response, and recovery.
- Dean Raiana Mearns is reinforcing our partnerships with the Racine, Kenosha, and Walworth literacy councils to continue to address the needs of our students and community.
- Gateway hosted the Junior Achievement Business Challenges at its Racine and Kenosha campuses in March. High school students gained a first-hand look at how to run a business as they work with area business professionals for the competition.
- Gateway also hosted its first Boy Scout Merit Badge Tech event. More than 100 scouts were on campus working to earn merit badges toward the Eagle Scout award.
- Gateway's Horticulture Club coordinated a workday at Hawthorne Hollow Sanctuary which included students from Carthage, UW-Parkside and KUSD's Harborside Academy. They installed a butterfly garden designed by a Gateway student and helped prune and clear out invasive species.
- Gateway's Kenosha Relay for Life team placed in the top ten out of 102 teams in fundraising for the August 2010 relay.
- Gateway's Graphic Communications program department worked on a community service project this year for the Lakeland Animal Shelter. Communications and Graphic students coordinated efforts to create a children's book to be distributed in Fall 2011 via e-book and printed copy as a fundraiser for the shelter.

### **Economic Condition and Development**

In times of economic stress, Gateway Technical College continues to focus on building a stronger community.

- As one of Wisconsin's 16 technical colleges we continue to be an integral part of Southeastern Wisconsin's economic development. In an effort to meet the needs of the community - which included increased numbers of dislocated workers - Gateway implemented actions to improve student accessibility. As a result Gateway experienced a 15% growth in full time equivalent (FTE) in FY 2010 and a 6.6% increase in FY 2011. Gateway reached a record enrollment of 6,382 full-time equivalent (FTE) students.
- Gateway opened its first CNC boot camp in two years after local companies requested Gateway to train more workers in these skills. They had been halted when the economy slowed.
- As a result of funding from the U.S. Department of Labor, Gateway's Workforce and Economic Development Division (WEDD) began offering Manufacturing Skills Standards

Council (MSSC) training and certification in Safety for Gateway and high school students and dislocated workers. In addition some of our manufacturing/engineering instructors have successfully completed all area certifications in MSSC. This includes Safety, Quality Practices and Measurement, Manufacturing Processes and Production, and Maintenance Awareness. Applicable to all sectors of manufacturing, the MSSC goal is to assess 40% of the nations' entry-level and incumbent work force, a strategy for providing industry with a future pipeline of skilled workers.

- Many local employers are taking advantage of the Employer Training Assistance Program, which provides grants to qualified employers to help underwrite investments in employee skills training. The program is funded by the Kloss Foundation Grant and administered through the WEDD division.
- Seventeen area businesses shared in more than \$275,000 of funding for incumbent worker training through Workforce Advancement Training (WAT) grants during the fiscal year.
- WEDD division staff is meeting monthly with Racine County Economic Development Corporation, RAMAC, and the Racine County Workforce Development Center to increase communication and shared initiatives including employer outreach, grant development, and employer engagement throughout Racine County.
- As a result of Gateway's WEDD division assuming services previously offered by CATI Inc., the college looks forward to serving companies with services related to new product development, new market development, and matching intellectual property licenses to start-up and existing businesses as a means to grow their business.
- Gateway's CATI facility will be the lead, as well as the administrative site for a statewide business incubation technology infrastructure project, linking the facility to a minimum of nine additional business incubation facilities and programs throughout the state.
- Business incubator tenant at CATI, Ictect Inc., was honored as one of the 2011 "Wisconsin Companies to Watch" by the Wisconsin Entrepreneurs' Network (WEN).
- Gateway serves our communities through instruction in Lean Six Sigma. Companies throughout Southeastern Wisconsin are finding ways to reduce costs and improve efficiency in order to stay globally competitive. Of the twenty-one companies served the total savings was over \$5.6 million.

## **Green Initiatives**

Gateway is committed to be a leader in our communities in the area of "green" and sustainable practices through programs, campus improvements, and an overriding management philosophy:

- The 2011 Earth Day Celebration in April attracted more than 1,000 community members. Highlighted was Gateway's new green living demonstration space at the Center for Sustainable Living. The center features "green" products and technology including use of recycled materials, solar panels used for heating water, and a solar tracker. The amount of energy created and used is monitored via a web-based system.
- The Center for Sustainable Living serves as a community resource for sustainability in several ways:
  - As a living and learning lab for students. Interior design and HVAC students have already worked on the center.
  - As an outreach to the community. Workshops such as Greenwashing and Green Home Design were offered on Earth Day. Numerous workshops are being scheduled throughout the year.
  - As an outreach to K-12 students. Classes can learn about sustainability, visit the orchard, identify plants, etc
  - It also is the location of the new Urban Farm maintained by students, where herbs and vegetables are grown. The produce is sold to the community or to

91.1 Café on the Kenosha campus. Any surplus is to be donated to the Shalom Center in Kenosha and the Sharing Center in Paddock Lake.

- Gateway's greenhouse gas inventory was submitted as part of the President's Climate Commitment. A climate action plan is the next step.
- As a member of the Association of Advancement of Sustainability in Higher Education, staff attended the national conference which provided many ideas on how to work with facilities, students, and faculty to move sustainability forward at Gateway.
- Dr. Therese Fellner began serving on the **Sustainable Edible Economic Development** steering committee as a Kenosha/Racine representative.
- In May, Gateway celebrated its first graduates from the Green Scholar program. Students who get involved in the sustainability efforts can earn points towards graduating with a Green Scholar distinction.
- In conjunction with Office Max, a "green" delivery system was implemented. Office Max delivers orders in recyclable tote bags and then picks up the empty totes for re-use with the next scheduled delivery.
- Gateway presented during an American Association of Community Colleges Sustainable Education and Economic Development webinar in conjunction with Oakland Community College. The webinar focused on sustainability and the importance of community and business involvement in the initiatives
- Gateway was an event sponsor and provided expertise in breakout sessions during the Renewable Energy Summit held in Milwaukee.
- A solar wall and wind turbines were installed on the Racine campus in June 2011.
- Information derived from solar trackers located at the Center for Sustainable Living, the Horizon Center and the Racine campus tracks the college reducing its carbon footprint. Per a recent monthly measurement the combined CO<sub>2</sub> offsets were 2,500 lbs/month which is the equivalent of 29 trees.
- Associate Dean, Beverly Frazier, is coordinating for 10 faculty/staff personnel to obtain the Society of Manufacturing Engineers (SME) Green Specialist Training, with Blackhawk Technical College collaborating the training within Purdue University's GREEN Specialist Program.
- Student accounts went "green" with the implementation of electronic delivery of Educational Tax Credit 1098T forms this year.
- For the first time, instead of printing the college catalog, the 2011-12 version was issued online and in CD only. In addition to being more "green", it will also save over \$16,000 in printing expenses.

## **Facilities**

To address the increased demand for state-of-the-art training and facilities, as well as provide the Gateway Experience for our students, the college has been involved in various remodeling and construction projects during the fiscal year.

- Gateway partnered with Pierce Manufacturing to develop a national training certification program in Fire and Emergency Medical Services Leadership. As part of this effort, Gateway and the Burlington School District also partnered to expand and repurpose the 380 Building in Burlington. The 20,000-square foot building is called Gateway's **Health and Emergency Response Occupations Center** or **HERO Center**. It offers cutting-edge training to EMS students and professional development opportunities for firefighters and EMS professionals.
- The college was presented a World Trade Center national artifact, a Center I-beam. It was presented to Gateway by the New York and New Jersey Port Authority as a tribute to the men and women who lost their lives in the collapse of the World Trade Center. It

has been permanently mounted in a specially designed monument “On Eagles Wings” in front of Gateway’s HERO Center.

- Newly remodeled and expanded Surgical Technology and Dental Assistant labs, funded by a \$495,000 federal grant, opened in Fall 2010 at the Kenosha Campus. They include state-of-the-art operating rooms and equipment upgrades including digital radiography capability and laparoscopic surgical suites.
- The Human Patient Simulator lab in Burlington was remodeled, providing nursing students with more lifelike training scenarios.
- The Center for Sustainable Living located on the Kenosha Campus was officially opened in April 2011 during Earth Day. The home, outbuildings, and acreage on the northwest side of Campus were purchased for Gateway by the Gateway Foundation as a demonstration and learning site for sustainability practices.
- The Student Business Incubation Space, funded by grant funds from EDA, was opened in late June 2011.
- The Racine Campus has undergone several major renovations/improvements this year:
  - The Racine Campus Commons, now known as the SC Johnson Student Life Center was extensively remodeled with an updated study space, Student Activity Center, Culinary Arts Food service, and a new coffee shop.
  - Extensive remodeling established the Lake Michigan side of the Lake Building as the main entrance to the campus with an atrium and outside seating.
  - New sidewalks and an outdoor lecture area was constructed.
  - A solar wall was installed, as well as wind turbines.
  - An air handler replacement was installed for the Technical Building.
- The Kenosha Campus Technical Building underwent major remodeling during the year including new Georexchange and Renewable Energy labs to support new offerings in the HVAC associate degree program.

### **Student Success**

- Gateway’s Marketing and Management Association (GMMA) captured the Wisconsin Marketing and Management’s Outstanding Chapter Award for the sixth straight year at the 50<sup>th</sup> annual Wisconsin Collegiate DECA Competitive Events Conference. Nine GMMA students took first-place honors. President Bryan Albrecht and instructor Pat Smoody were presented the 2011 William E. Marotz Citation Award to recognize those who have shown superior support, leadership and guidance for Wisconsin Collegiate DECA. Pat Smoody also received the David G. Hague Advisor of the Year Award.
- At the 50<sup>th</sup> Annual Collegiate DECA International Career Development conference in Orlando, three Gateway marketing students were awarded first place honors.
- Two Gateway Association of Information Technology Professionals (AITP) students took first place at the 16<sup>th</sup> Annual Wisconsin AITP conference in March competing against 25 other teams.
- Two welding students and an engineering student jointly participated in the Lincoln Foundation Arc Welding Awards Competition and captured the first place award – “National Gold”. They competed against many other prestigious schools in the nation.
- A HVAC apprentice student took first place at the national Associated Builders and Contractors Craft Championships.
- Two Culinary Arts students earned bronze medals at the Wisconsin Restaurant Expo 2011’s College Culinary Arts Competition.
- Gateway students took a first place and two third-place honors at the 5<sup>th</sup> Annual Wisconsin Technical System robotics competition in March, hosted by Gateway.
- The National Electronics Service Dealers Association (NESDA) sponsored two Gateway telecommunications students, who had earned their Certified Electronics Technician, at the national convention.



- Bill Rancic, winner of the first season of “The Apprentice” was the keynote speaker for Gateway’s first entrepreneurship summit for student organizations.
- Gateway’s amateur radio club participated in a national emergency preparedness weekend where amateur radio operators participate across the country to practice in the event of a natural disaster.
- 95% of Gateway manufacturing students participating in the Manufacturing Standards Certification (MSSC) in Safety earned the Safety credential.
- Sigma Alpha Pi National Society of Leadership and Success inducted the largest group in the history of Gateway’s chapter. The 31 inductees were recognized for their participation in leadership building and goal setting activities throughout the academic year. Thirteen were awarded the National Excellence Award.
- Students from Elkhorn Campus clubs work throughout the year to keep a section of HWY 11 clean as part of the Highway Cleanup program.
- The Alpha Beta Hortus Club – the student Horticulture club -- sponsored the WinterGreen Horticulture Conference in January. A featured presenter was nationally-renowned Permaculturalist Toby Hemenway.
- The Electronics Club sponsored a “Repair Day” working on various equipment brought in by community members for repair.
- The Gateway Source, a digital news piece emailed to students weekly, was introduced this year.
- To provide better service for students during peak registration times, an Enrollment Services Associate Pilot (ESAP) program was initiated this year. The ESAP will provide training and direct the work of casual staff assigned to assist during peak times.
- Gateway implemented a Census date beginning with the Summer 2011 term, as result students were able to receive funds 50% sooner than previous terms.

### **Technology Initiatives**

- As a result of the Higher Learning Commission review last year committees were formed and are providing recommendations for improvements in data access and data based decision-making.
- In conjunction with WEDD division, Information Services staff improved the interface for WebAdvisor that allows our business and community partners to register and pay for seminars online.
- In collaboration with the Business Office, implemented online capital requisition approval processes, with plans to incorporate these services for other processes.
- Deployment of DELTA (Distance Education Learning Technology for Academics) learning rooms to provide students synchronous video-conferencing communication for coursework that is taught across multiple locations.
- VANguard is a similar initiative as DELTA but it is being deployed to K12 partners in Gateway’s district by installing LifeSize videoconferencing units in our school districts. It will provide K-12 partners access to Gateway courses and to share courses using video, online, and blended options.
- Virtual Desktop Infrastructure (VDI) was piloted this year, with plans to implement throughout the college. VDI technology allows for an easier means for providing end-user computing resources, deploying software upgrades, reducing energy consumption, and improving support processes.
- After an extensive review process the college continues to use Blackboard as the supplier of our Learning Management System. Aggressive negotiations resulted in favorable pricing options for Gateway, as well as providing benefits to the other WI technical colleges because of a statewide pricing arrangement.

### **Special Funding/Grants**

The following is representative of some of the special funding/donations that Gateway received during the fiscal year:

- Gateway received a VISTA (Volunteers in Service to America) grant to support service learning. An AmeriCorps VISTA volunteer, in partnership with United Way of Racine County, is working with community agencies to identify and expand opportunities for Gateway students and employees to assist in the agencies' anti-poverty activities. The Office of Service was organized by the VISTA volunteer this year. It will provide resources to students, faculty, and community agencies to create partnerships for learning and addressing issues of poverty in our communities.
- Gateway is a sub-grantee for a U.S. EDA six-county regional collaborative strategy initiative submitted by UW-Whitewater. It is a \$5.9 million grant awarded by the U.S. Department of Commerce to six counties impacted by the changing auto manufacturing industry.
- A Collegiate Entrepreneurship and Collaborative Strategies grant, from the Higher Development Corporation, was awarded to allow for the development of a proposal for sharing of expertise between the BMEMA (Broader Middle East and North Africa) region and Gateway's partners in the six-county EDA grant.
- Gateway was awarded a \$1.8 million Health Professions Opportunity Program grant, from the U.S. Department of Health and Human Services, to help low-income health career students earn their degree by providing them a number of supportive resources and assistance. The award represents the first year of a five-year grant that may total \$9.5 million depending on the amounts determined by Congressional appropriations.
- The Higher Education for Development (HED) awarded Gateway, in partnership with Snap-on Incorporated and the Oujda Morocco, Technical college of Ecole Supérieure de Technologie Oujda, a grant to deliver the train-the trainer program in Morocco.
- The new TRiO Student Support Services grant has been instrumental in providing academic and support services to lower-income, first-generation or disabled college students. A TAG (TRiO Achiever's Groups) program started in Spring 2011 was very successful. The purpose of the group is to provide peer mentorship and support for TRiO participants and to deliver required subject matter such as study skills, test taking strategies and financial literacy.
- Gateway partnered with Lakeshore Technical College on the U.S. Department of Energy grant program *20% Wind by 2010*. Gateway will receive \$17,000 in grant funds.
- Kathy and Joe Madrigano generously donated \$100,000 to the Gateway Technical Foundation Inc. to establish an endowment to support youth education programs at the new Center for Sustainable Living.
- Jim Buck, CIS instructor was instrumental in obtaining a donation of IBM I software for security purposes and use in our Programmer Analyst classes from Help/Systems. The donation is valued at more than \$100,000.
- Gateway received a FEMA grant of more than \$45,000 to help defray the costs of the declared snow emergency for Kenosha, Racine, and Walworth counties in February 2011.
- WEDD received funding from the Racine Community Foundation to assist in developing a business model for a partnership with Meta House in Milwaukee to replicate programming in Racine for residential substance abuse treatment for women and their children.
- As of early June 2011, the Gateway Technical Foundation's \$100,000 for 100 years campaign had surpassed its goal by raising \$449,000 to date. Approximately \$164,000 is restricted for scholarships and \$222,000 is earmarked for capital and program expenses.

## **New Programs**

- Gateway began offering a Lean Six Sigma Green Belt certification the standard of measure for world-class quality among public and private-sector companies.
- Gateway began offering 911 Dispatcher Training at the HERO center. It provides certifications in APCO Public Safety Telecommunicator Certification and the U.S. Department of Homeland Security's NIMS Incident Command System Certification.
- An advanced technical certificate in Computer Animation is being offered.
- The Civil Engineering Technology area was revised with four new associate degree programs offered: Architectural-Structural Engineering Technician; Civil Engineering Technology-Highway Technology; Civil Engineering Technology-Fresh Water Resources; and Land Survey Technician.
- The WEDD division offered special workshops for over 350 barber/ cosmetologists this year due to new relicensing requirements by the state.
- Gateway began offering a new 10-week GED course at its three main campuses to provide another option for qualifying students to complete the program in a more traditional classroom setting.
- In partnership with Eagle Training Services, Inc., Gateway began a new five-week program that leads to CDL-licensing and a career in semi-tractor trailer driving.
- Gateway held its first Gearheads Car Care Clinic, a free community seminar aimed at giving attendees the skills to perform basic car maintenance and safety procedures.
- The Company Officer Leadership Academy (COLA) was piloted in partnership with Pierce Manufacturing to teach leadership skills in the fire service program. COLA students completed 24 hours of personnel simulations and 24 hours of command simulations to earn the COLA certificates. A new Firefighter Survival program was also offered at the HERO Center.
- A service learning course "Serving to Learn" began this year.

## **Gateway Technical College Governance**

The Gateway Technical College is governed by a nine-member Board of Trustees, which is appointed by a committee comprised of the chairpersons of each of the three county boards—Kenosha, Racine, and Walworth. The Board of Trustees, with Administration have developed, approved, and are conducting business according to the following Mission, Value and Vision statements.

**Mission** We collaborate to ensure economic growth and viability by providing education, training, leadership, and technological resources to meet the changing needs of students, employers, and communities.

**Values** At Gateway Technical College, we value:

- Diversity of individuals and perspectives
- Positive climate for working and learning
- Innovation and risk-taking
- Honest and ethical behavior
- Quality and excellence in education

## **Vision and Strategic Direction – Vision 2012**

Gateway's efforts are focused in terms of strategic planning, linking to the budgetary process, through Vision 2012. Introduced in early 2007, Vision 2012 urges each employee to contribute the critical degree of difference that will take Gateway from its status of a terrific education and training organization to the exceptional.

Vision 2012 lays out clear overall goals, measurements of success, and challenges staff to develop the strategic plans within their workgroups to achieve these goals for our students and the communities.

*Our Vision: Gateway will be the community technical college of choice for academic achievement, occupational advancement, and personal development.*

By 2012, Gateway Technical College will serve 36,000 citizens totaling 6,000 full-time equivalent students. The number of career training programs Gateway offers will remain close to 70. Staff and faculty will share nine key areas of development for the college with clear measures of success.

Departments and divisions are implementing plans for 2009/10 that were developed last year. They continue to track and monitor their progress towards the goals and objectives they set based on the college's strategic direction. Information from the planning process is integrated into the budgeting process, ensuring that the college's resources are focused on moving the college towards its vision.

Nine key areas were identified for special attention by staff

- Model a positive and collaborative work environment that embraces risk and responsibility.
- Position our college for program, staff and facility growth.
- Demonstrate fiscal responsibility and program integrity.
- Provide facilities and grounds that reflect the "Gateway Experience."
- Increase access to programs and services embracing technology and innovation.
- Provide precollege opportunities for *all* learners.
- Offer college-to-college general studies transfer opportunities.
- Embrace "Collegiate High School" opportunities for all learners.
- Lead our community in education, training and economic development.

The link being made between a unified strategic planning effort and the budgetary process is key to both this initiative's and Gateway's ultimate success.

## **Management Systems and Controls**

Gateway Administration is responsible for establishing and maintaining an internal control structure designed to provide reasonable, but not absolute, assurance that the assets of Gateway are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

We believe Gateway's internal accounting controls, policies, and procedures adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. As demonstrated by the statements and schedules included in the Financial Section of the report, Gateway continues to meet its responsibility for sound financial management.

### ***Single Audit***

As a recipient of federal, state, and county financial assistance, Gateway also is responsible for

ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of Gateway. As a part of Gateway's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that Gateway has complied with applicable laws and regulations. The auditor's reports related specifically to the single audit are included in a separate document, titled "Single Audit Report".

### ***Budgeting Controls***

Budgeting is done in accordance with Chapter 65 of Wisconsin Statutes, Wisconsin Technical College System administrative rules and local District policy. Gateway maintains budgetary controls which are designed to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District Board. Activities of the general fund, special revenue fund, debt service fund, capital projects funds, enterprise funds, and trust and agency funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function within an individual fund. Gateway also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts are reported for statutory budget compliance purposes and adjusted for GAAP reporting purposes.

Gateway's site-based management model requires each department to be responsible for the development and management of its budget. Starting in December and ending in May, the departments prepare, present and modify budget plans for the coming year. The budget is consolidated and reviewed by the Business Office and the Executive Leadership Council. In May, the District Board of Trustees reviews the preliminary budget and refers it to public hearing. Following the hearing, the Board considers the public input when adopting the budget at the June board meeting.

An active council of 17 members of Gateway Technical College staff manage the operating budgets. The primary responsibility of the Budget Council is to ensure alignment of the Budget to Vision 2012, and develop a balance between the revenue and expenses of the college. The group meets regularly throughout the year to monitor actual operating results compared to the Budget, and is proactive in resolving issues. The Budget Council facilitates the budget process by working closely with operations, the organizational units, and the academic programs. The process is a continuance of improvements and allows the college to react responsibly to the needs of the community.

Revenue and expenditure forecasts, as well as actual results versus budget, are presented to the District Board monthly and on a quarterly basis. If modifications or changes of the approved budget are required, then approval by a two-thirds vote of the District Board is needed.

### ***Cash Management***

In keeping with existing District policy, all investments of excess funds are made in a prudent, conservative and secure manner. Cash temporarily idle during the year is invested in overnight repurchase agreements, the State of Wisconsin Local Government Investment Pool, and overnight repurchase agreements.

### ***Risk Management***

Since July 2004, the District maintains a comprehensive risk management program through Districts Mutual Insurance Company (DMI). DMI is an insurance company jointly created by all sixteen Wisconsin technical colleges. Its risk management services include insurance for property, casualty and liability, an active safety committee, risk management training and specialized services to assist in the District's risk management efforts.

## Other Information

### ***Independent Audit***

State statutes require an annual audit by independent auditors. The accounting firm of Schenck SC was selected by the District. The Independent Auditors' Report on the basic financial statements is included in the Financial Section of this report.

### ***Certificates***

Gateway has been awarded the Certificate of Excellence in Financial Reporting by the Association of School Business Officials (ASBO) for Gateway's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010.

In order to be awarded such certificates, a college unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards, principles, and applicable legal requirements.

The Certificate is valid for a period of one year only. We believe our current report continues to conform to the program's requirements and we will be submitting this report to ASBO for their review.

### ***Acknowledgment***

The preparation of this report was accomplished by the Finance Department with the cooperative efforts of the Marketing and Communications Department, the Research and Planning Department, and with the professional services of Schenck SC. Special thanks to Jayne Herring for her contributions and editorial assistance. We convey our appreciation to the Gateway Board of Trustees for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,



Bryan D. Albrecht, Ed.D.  
President



Mark W. Zlevor, CPA  
CFO & Vice President of Administration

GATEWAY TECHNICAL COLLEGE

DISTRICT BOARD AND PRINCIPAL OFFICIALS  
As of the year ended June 30, 2011

**District Board**

Chairperson	Roger Zacharias	Employee Member
Vice Chairperson	Suzanne M.Deans	Employee Member
Secretary	Gary Olsen	Employer Member
Treasurer	Neville H. Simpson	Additional Member
Member	Todd Battle	Employer Member
Member	Ram Bhatia	Additional Member
Member	R. Scott Pierce	School District Administrator
Member	Pamela Zenner-Richards	Elected Official
Member	Leslie Scherrer	Additional Member

**Principal Officials**

President	Bryan D. Albrecht, Ed.D.
Executive Vice President /Provost for Academic and Campus Affairs	Zina R. Haywood
Chief Financial Officer /Vice President Administration	Mark W. Zlevor, CPA
Vice President Human Resources	William R. Whyte
Vice President Learning Innovation / Chief Information Officer	Jeffrey D. Robshaw
Vice President Community and Government Relations	Stephanie L. Sklba
Vice President Workforce & Economic Development	Deborah J. Davidson
Associate Provost/Vice President Institutional Effectiveness and Student Success	John Thibodeau, Ph.D.



## Gateway Technical College District Board of Trustees Fiscal Year 2011

The Gateway Technical College District is governed by a nine-member board of trustees representing the communities served by the three-county district, which is comprised of two employer members, two employee members, one elected official, one school district administrator, and three additional members. Members are appointed by the chairpersons of the Kenosha, Racine, and Walworth County Boards of Supervisors, and serve staggered three-year terms.

The Gateway Board monthly meetings are open to the public. Information on their meetings can be found at [www.gtc.edu/board](http://www.gtc.edu/board).



**Ram Bhatia**  
Racine County



**Leslie Scherrer**  
Walworth County



**Suzanne Henkel Deans**  
Racine County



**Todd Battle**  
Kenosha County



**R. Scott Pierce**  
Kenosha County



**Neville H. Simpson**  
Kenosha County



**Gary Olsen**  
Walworth County



**Roger Zacharias**  
Kenosha County

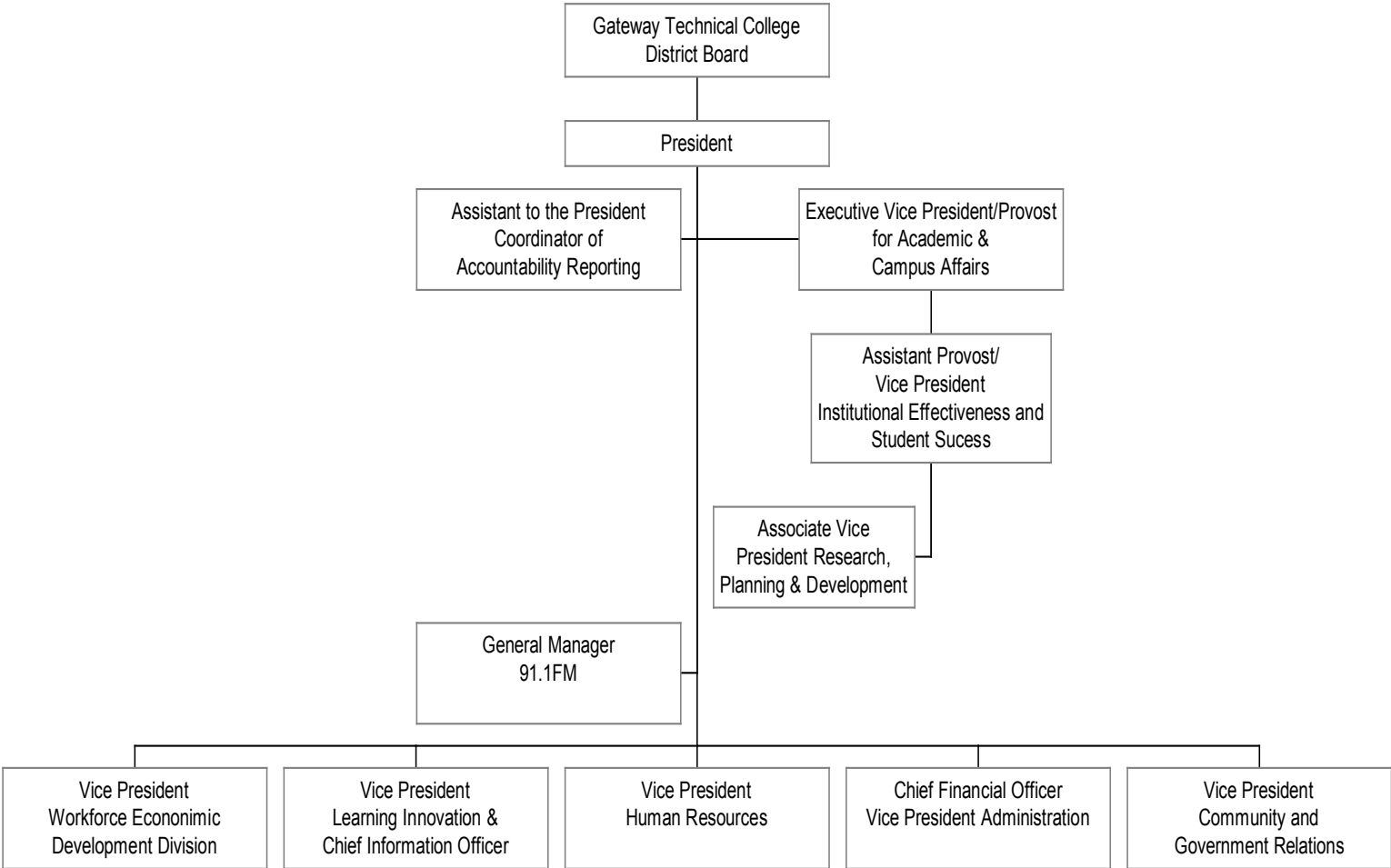


**Pamela Zenner-Richards**  
Racine County



# Gateway Technical College Organizational Chart

as of June 30, 2011



ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL



This Certificate of Excellence in Financial Reporting

*is presented to*

**Gateway Technical College District**



For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2010

upon recommendation of the Association's Panel of Review

which has judged that the Report substantially conforms

to principles and standards of ASBO's Certificate of Excellence

A handwritten signature in cursive script.

President

A handwritten signature in cursive script.

Executive Director

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**Financial Section**



## INDEPENDENT AUDITORS' REPORT

To the District Board  
Gateway Technical College District

We have audited the accompanying basic financial statements of Gateway Technical College District ("the District") as of and for the years ended June 30, 2011 and 2010 as listed in the table of contents. These financial statements are the responsibility of Gateway Technical College District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gateway Technical College District as of June 30, 2011 and 2010, and the respective changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 27, 2011, on our consideration of Gateway Technical College District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant and agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.



Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of funding progress and employee contributions on Pages 23 through 37 and Page 72, respectively, presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have 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 them.



Certified Public Accountants

Fond du Lac, Wisconsin  
October 27, 2011

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Gateway Technical College District (the District or Gateway) Management's Discussion and Analysis (MD&A) provides an overview of its financial activity, identifies changes in financial position and assists the reader of these financial statements in focusing on significant financial observations and issues for the fiscal year ended June 30, 2011.

Gateway is a public institution of higher education whose mission is to provide education, training and economic development services to the Southeast Wisconsin region. To accomplish this mission, it is critical for Gateway to maintain its financial health. In order to achieve financial stability, it is necessary for Gateway to accumulate net assets to ensure that reserves are sufficient to implement new programs and expand existing programs as the need arises.

Management's discussion and analysis provides summary financial information to assist the reader in understanding and interpreting the financial statements.

This Comprehensive Annual Financial Report consists of a series of financial statements which have been prepared in accordance with generally accepted accounting principles as defined in Governmental Accounting Standards Board Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and Statement 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. These financial statements focus on the financial condition of the college, the changes in its financial position, and the cash flows of the college as a whole. These statements include the capitalization and depreciation of capital assets and the recognition of the liability resulting from issuing general obligation promissory notes to pay for those capitalized assets and to finance other obligations.

### **Statement of Net Assets**

The Statement of Net Assets includes all assets (items that the District owns and amounts owed to the District by others) and liabilities (what the District owes to others and what has been collected from others before we have provided the services). 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 to us – regardless of when cash is exchanged.

Below are highlights of the components of the Statement of Net Assets.

Stated in Thousands (\$000)

	<u>2011</u>	<u>2010</u>	<u>Incr (Decr)</u> <u>2011-2010</u>	<u>2009</u>	<u>Incr (Decr)</u> <u>2010-2009</u>
<b><u>Assets</u></b>					
<b><u>Current Assets</u></b>					
Cash and cash equivalents	\$ 13,140	\$ 12,296	\$ 844	\$ 9,390	\$ 2,906
Other	<u>26,550</u>	<u>22,480</u>	<u>4,070</u>	<u>20,877</u>	<u>1,603</u>
<b>Total Current Assets</b>	39,690	34,776	4,914	30,267	4,509
<b><u>Non-Current Assets</u></b>					
Debt issuance costs	161	83	78	-	83
Capital Assets - Net of Depreciation	<u>50,929</u>	<u>47,862</u>	<u>3,067</u>	<u>43,244</u>	<u>4,618</u>
<b>Total Assets</b>	<u>90,780</u>	<u>82,721</u>	<u>8,059</u>	<u>73,511</u>	<u>9,210</u>
<b><u>Liabilities</u></b>					
Current	13,411	12,388	1,023	11,053	1,335
Non-Current	<u>33,105</u>	<u>29,677</u>	<u>3,428</u>	<u>25,669</u>	<u>4,008</u>
<b>Total Liabilities</b>	<u>46,516</u>	<u>42,065</u>	<u>4,451</u>	<u>36,722</u>	<u>5,343</u>
<b><u>Net Assets</u></b>					
Invested in Capital Assets, Net of Related Debt	19,615	17,580	2,035	16,439	1,141
Restricted	2,096	1,888	208	1,752	136
Unrestricted	<u>22,553</u>	<u>21,189</u>	<u>1,364</u>	<u>18,599</u>	<u>2,590</u>
<b>Total Net Assets</b>	<u>\$ 44,264</u>	<u>\$ 40,657</u>	<u>\$ 3,607</u>	<u>\$ 36,790</u>	<u>\$ 3,867</u>

Total assets increased \$8.1 million or 9.7% in FY 2011 and increased \$9.2 million or 12.5% in FY 2010. Total liabilities increased by \$4.5 million or 10.6% in FY 2011 as compared to an increase of \$5.3 million or 14.5% in FY 2010. Overall, net assets increased by \$3.6 million or 8.9% in FY 2011 while FY 2010 experienced a \$3.9 million or 10.5% increase for the fiscal year.

***Fiscal Year 2011 Compared to Fiscal Year 2010***

- The increase in cash and cash equivalents for FY 10/11 was not as significant as compared to FY 09/10. For FY10/11 it increased by \$.8 million or 6.9% as compared to a \$2.9 million increase or 30.9% in FY 09/10. While cash received from tuition and fees and Federal/state revenue both increased by over 40% the funds disbursed for goods, services, and financial aid payments to students increased by over 60%.



- Other current assets increased by \$4.0 million or 18.1% due to an increase in the federal and state aid receivables by \$4.7 million. This is primarily relating to federal funds due to the college for financial aid remitted to students.
- Capital assets, net of depreciation, increased by \$3.1 million or 6.4%. Major projects at the Racine campus included remodeling the Student Commons area, roof replacement and various exterior site remodeling. Another major project was the remodeling of the Surgical Tech/Dental facilities on the Kenosha campus, which was funded by a Federal grant.
- Overall current liabilities increased 8.3% in FY 2011 as compared to 12.1% in FY 2010. General accounts payable was down by 27.4% or \$767,000, while the accrued payroll and benefits liability increased by 20.7% or \$483,000. The most significant increase was the \$1.1 million addition to unearned revenue. This is due to tuition and fees received in FY 2011 but were deferred as it is revenue earned for FY 2012.
- Long-term liabilities increased by 11.6% or \$3.4 million in FY 2011 as compared to 15.6% or \$4.0 million in FY 2010. General obligation debt increased by approximately \$3.0 million plus \$309,000 of deferred bond premiums were added in FY 2011. In FY 2011 the long-term liability for other post-employment benefits (OPEB) increased by \$642,000 or 51.9%. Additional information can be found in footnote #7 in the notes to the financial statements.
- Total net assets increased in FY 2011 and FY 2010 by 8.9% and 10.5% respectively. The increase in FY 2011 reflects an increase of \$2.0 million invested in capital assets, net of related debt and a \$1.4 million increase in unrestricted assets.

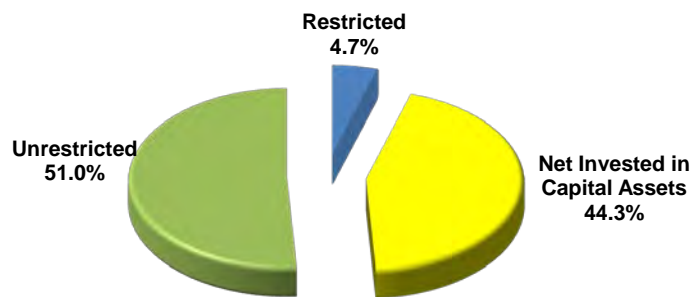
***Fiscal Year 2010 Compared to Fiscal Year 2009***

- Cash and cash equivalents increased by 30.9% or \$2.9 million. This is mainly due to incoming cash flows rising for these areas: tuition and fees increasing by 7.4%, state appropriations increasing by 12.3% and tax levy receipts increasing by 6.0%.
- Other current assets increased by \$1.6 million due to an increase in the property tax receivable by \$843,000 and an increase in the student and agencies receivable by \$688,000.
- Capital assets, net of depreciation, increased by \$4.6 million or 10.7%. Major projects included the construction of the Advanced Propulsion Center addition at the Horizon Center, the Welding Lab remodel in Racine, the Health Wing remodel in Elkhorn, and building automation systems installed in Kenosha and Racine.
- Overall current liabilities increased 12.1% in FY 2010 as compared to 3.5% in FY 2009. This is mainly due to accounts payable and accrued liabilities increasing approximately 27.0% or \$595,000 as a result of construction/remodeling payments due at fiscal year end. Also, accrued payroll and benefits increased by \$310,000 and the current portion of long-term debt increased by \$279,000.

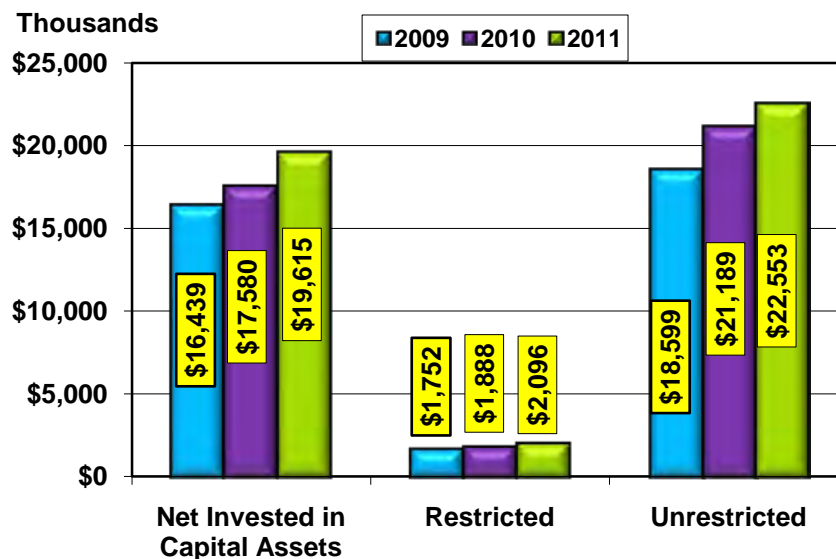
- Long-term liabilities increased by 15.6% or \$4.0 million in FY 2010 as compared to only 5.3% or \$1.3 million in FY 2009. General obligation debt increased by over \$3.0 million plus \$172,000 of deferred bond premiums were added in FY 2010. FY 2010 is the second year of recognizing a long-term liability for other post-employment benefits (OPEB) as required by GASB 45. It increased by \$691,000 or 126.4%. Additional information can be found in footnote #7 in the notes to the financial statements.
- Total net assets increased in FY 2010 and FY 2009 by 10.5% and 5.4% respectively. The increase in FY 2010 reflects an increase of \$1.1 million invested in capital assets, net of related debt and a \$2.6 million increase in unrestricted assets.

The following is a graphical illustration of the District's net assets for the current fiscal year and comparative for the last three fiscal years:

**Net Assets**  
**June 30, 2011**



**Comparative Net Assets**  
**Fiscal Years 2011, 2010 and 2009**



## Statement of Revenues, Expenses and Changes in Net Assets

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

The following is a summary of the various components of the Statement of Revenues, Expenses and Change in Net Assets:

Stated in Thousands (\$000)

	<u>2011</u>	<u>2010</u>	<u>Incr (Decr) 2011-2010</u>	<u>2009</u>	<u>Incr (Decr) 2010-2009</u>
<b><u>Operating Revenues</u></b>					
Student Fees	\$ 14,011	\$ 11,602	\$ 2,409	\$ 10,761	\$ 841
Federal Grants	43,429	25,324	18,105	16,576	8,748
State Grants	3,860	2,972	888	3,045	(73)
Contract Revenues	2,231	1,925	306	2,053	(128)
Auxiliary Revenues	286	725	(439)	824	(99)
Miscellaneous	1,504	1,247	257	925	322
<b>Total Operating Revenues</b>	<b>\$ 65,321</b>	<b>\$ 43,795</b>	<b>\$ 21,526</b>	<b>\$ 34,184</b>	<b>\$ 9,611</b>
<b><u>Operating Expenses</u></b>					
Instruction	\$ 58,458	\$ 54,075	\$ 4,383	\$ 51,672	\$ 2,403
Instructional Resources	1,301	1,214	87	1,070	144
Student Services	9,832	9,328	504	8,612	716
General Institutional	8,089	7,675	414	7,242	433
Physical Plant	8,004	7,365	639	6,940	425
Student Aid	36,245	18,490	17,755	11,843	6,647
Public Services	337	252	85	384	(132)
Auxiliary Services	580	1,198	(618)	1,149	49
Depreciation	3,951	3,544	407	3,186	358
<b>Total Operating Expenses</b>	<b>\$ 126,797</b>	<b>\$ 103,141</b>	<b>\$ 23,656</b>	<b>\$ 92,098</b>	<b>\$ 11,043</b>
<b><u>Non-operating Revenues (Expenses)</u></b>					
Property Taxes	\$ 58,328	\$ 56,249	\$ 2,079	\$ 53,911	\$ 2,338
State Appropriations	7,265	7,519	(254)	6,826	693
State Capital Grants	17	21	(4)	1	20
Federal Capital Grants	515	5	510	3	2
Other Grants	41	538	(497)	44	494
Donated Capital Assets	148	107	41	28	79
Gain on Sale of Capital Assets	(44)	(15)	(29)	53	(68)
Investment Income	77	69	8	210	(141)
Interest Expense	(1,264)	(1,280)	16	(1,269)	(11)
<b>Total Non-operating Revenues (Expenses)</b>	<b>\$ 65,083</b>	<b>\$ 63,213</b>	<b>\$ 1,870</b>	<b>\$ 59,807</b>	<b>\$ 3,406</b>
<b>Net increase (decrease) in assets</b>	<b>3,607</b>	<b>3,867</b>		<b>1,893</b>	
Net Assets - beginning of year	40,657	36,790		34,897	
Net Assets - end of year	<u>\$ 44,264</u>	<u>\$ 40,657</u>		<u>\$ 36,790</u>	

Operating revenues represent the charges for services offered by the District. During FY 2011 the District generated \$65.3 million of operating revenue which is a 49.2% increase over FY 2010. Significant changes for the fiscal years are as follows:

***Fiscal Year 2011 Compared to Fiscal Year 2010***

- Student tuition and fees grew by over \$2.4 million or 20.8%. This is mainly due to the District experiencing a 6.6% increase in student FTE's (full-time equivalent), in addition to a 4.5% increase in program fee rates set by the state.
- Federal grants increased by 71.5% or \$18.1 million in FY 2011 compared to an increase of 52.8% or \$8.7 million in FY 2010 mainly due to the substantial increase in financial aid funds received and disbursed to students.
- State grants increased by 29.9% or \$889,000 compared to a decrease of 2.4% or (\$73,000) in FY 2010. This is mostly due to grants received to disburse for student financial aid assistance.
- Auxiliary revenues decreased by 60.5% or approximately (\$439,000), due to the closure of the child care facility.

***Fiscal Year 2010 Compared to Fiscal Year 2009***

- Net of scholarship allowances, student tuition and fees grew by over \$841,000 or 7.8%. Without netting the scholarship allowances it would reflect a 19.2% increase or almost a \$3.0 million increase. This is due to the District experiencing a 15.4% increase in student FTE's (full-time equivalent), in addition to a 4.5% increase in program fee rates set by the state.
- Federal grants increased by 52.8% or \$8.7 million in FY 2010 compared to an increase of 26.8% or \$3.5 million in FY 2009 due to the significant increase in financial aid funds provided for students as a result of the boost in student enrollment for FY 2010.
- Contract revenues experienced a reduction of 6.2% or (\$128,000) in FY 2010. With the economy still in a downturn less business and industry clients utilized the services of our Workforce and Development Division (WEDD) for customized training.
- Auxiliary revenues decreased by 12.0% or approximately (\$100,000), due in large part to a reduction in child care revenues and miscellaneous testing fees.

Operating expenses are costs incurred for providing education, training and related services. Operating expenses increased by 22.9% or \$23.7 million in FY 2011 as compared to a 12.0% or \$11.0 million increase in FY 2010. The significant changes for the fiscal years are as follows:

### ***Fiscal Year 2011 Compared to Fiscal Year 2010***

- Over 75% of the \$23.7 million increase in operating expenses in FY 2011 is due to the \$17.8 million increase in student aid. Similar to FY 2010, the Federal grants and loans disbursed to students in the form of tuition payments and/or cash disbursements increased significantly.
- Over 18% of the \$23.7 million increase in operating expenses in FY 2011 is due to instructional expenses. It increased 8.1% or \$4.4 million over FY 2010. The majority of the increase is due to instructional salaries and fringes increasing by \$3.3 million. Due to the increase in course offerings to accommodate the 6.6% FTE enrollment increase, additional funds were expended in instructors, adjunct, and overload instructional salaries.
- Both student services and general institutional expenses increased 5.4%. Due to the continued growth in enrollment student support services increased, while the majority of the general institutional increase is the addition to the OPEB liability expense. Physical plant increased by 8.7% due to an increase of facility repair expenses and rental facility costs. The facility rental increase is primarily due to Gateway's rental of the newly constructed HERO Center effective September 2010.
- Auxiliary services decreased by 51.5% or (\$618,000) due to the closure of the child care center.

### ***Fiscal Year 2010 Compared to Fiscal Year 2009***

- Over 60% of the \$11.0 million increase in operating expenses in FY 2010 is attributable to the \$6.6 million increase in student aid. As discussed under the Federal grant revenue section above, a significant increase in financial aid funds were received and subsequently disbursed to students in the form of tuition payments and/or cash disbursements. Also in FY 2010 salaries and fringes increased by over \$3.1 million or 5.0% due in part to wage increases of 3.0% for non-represented and represented employees, as well as, an additional \$1.1 million paid to cover instructors, adjunct and overload instructional salaries to accommodate the increase in courses offered due to the increase in student enrollment.
- Student services increased by 8.3% or \$716,000 due to the additional services provided and related expenses incurred as a result of the increased enrollment.
- Both general institutional and physical plant each experienced approximately a 6% or over a \$400,000 increase as compared to FY 2009. The addition to the OPEB liability expense is the reason for the general institutional increase, while physical plant expenses are due to the District spending funds to cover the necessary facility repairs and maintenance.

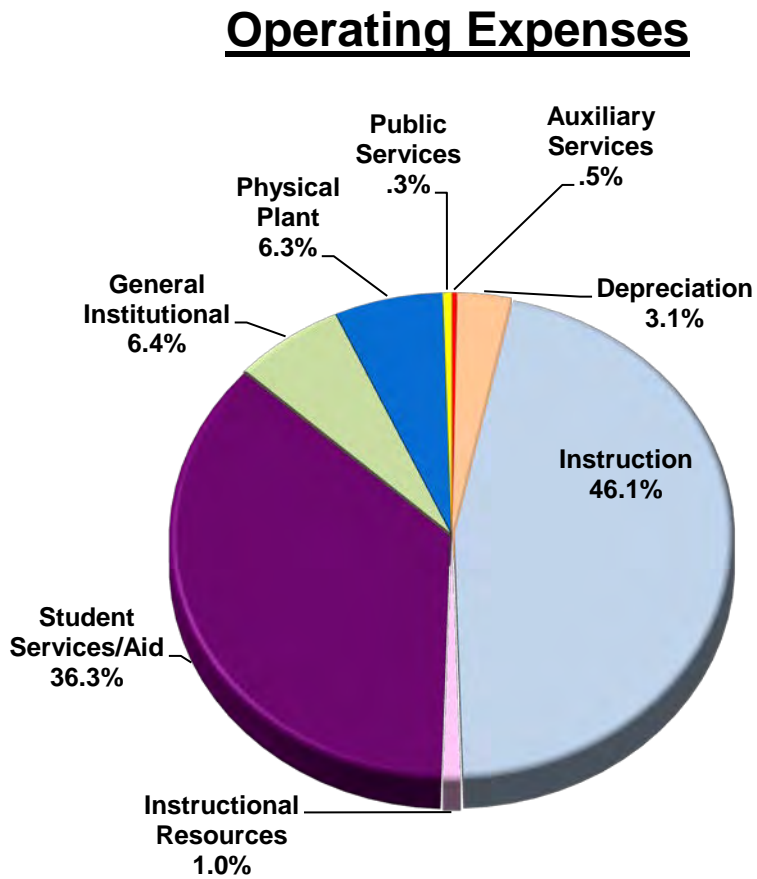
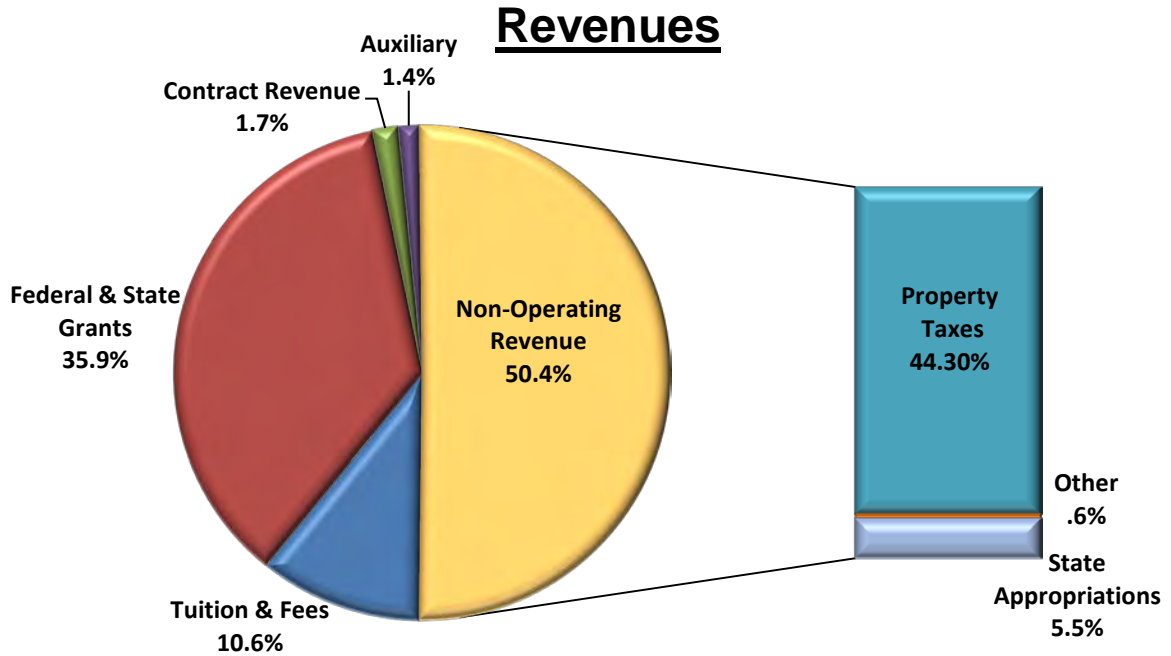
Non-operating revenues represent funds that are obtained to support operations, but are not directly related to operating activity. Wisconsin legislation subsidizes the operating expenses of the 16 technical colleges by authorizing allocation of state revenue and

giving the individuals the authority to levy property taxes in the municipalities they serve. Overall, non-operating revenues, net of interest expense, increased by \$1.9 million or 3.0% in FY 2011 compared to \$3.4 million or 5.7% in FY 2010. The significant components of the fiscal years are as follows:

- Property taxes are the biggest source of revenue for the District comprising 44.3% of our revenue source in FY 2011. Property taxes levied for the year were \$58.3 million, an increase of 3.7% over the \$56.2 million levied in FY 2010.
- The District experienced a 3.4% or (\$254,000) decrease in state operating appropriations for FY 2011 as compared to a 10.2% or \$693,000 increase in FY 2010. The amount of state aids received is based on a complicated formula that takes into consideration activities of the other fifteen technical colleges in Wisconsin, including actual expenditures, student FTE's, and equalized property valuations of each district. Final state aid payments are not received until November following the fiscal year end. In FY 2011 the district received a prior year state aid adjustment decrease of (\$82,000), as compared to a \$188,000 increase in FY 2010.
- The other significant changes were Federal capital grants increased by \$511,000 while other grants, including donations, reduced by (\$497,000).

Non-operating expenses consist of interest expense on long-term debt. This expense was fairly consistent between FY 2011 and FY 2010 with a slight (\$16,000) or 1.2% decrease.

The following graphs represent the distribution of revenues and operating expenses for the fiscal year ended June 30, 2011.



### Statement of Cash Flows

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

The following schedule highlights the major components of the Statement of Cash Flows.

Stated in Thousands (\$000)

	<u>2011</u>	<u>2010</u>	<u>Incr (Decr)</u> <u>2011-2010</u>	<u>2009</u>	<u>Incr (Decr)</u> <u>2010-2009</u>
Cash Used By Operating Activities	\$ (59,648)	\$ (54,913)	\$ (4,735)	\$ (54,485)	\$ (428)
Cash Provided By Non-Capital Financing Activities	65,374	62,716	2,658	58,790	3,926
Cash Used By Capital and Related Financing Activities	(4,918)	(4,938)	20	(5,435)	497
Cash Provided By (Used for) Investing Activities	<u>36</u>	<u>41</u>	<u>(5)</u>	<u>210</u>	<u>(169)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>\$ 844</u>	<u>\$ 2,906</u>	<u>\$ (2,062)</u>	<u>\$ (920)</u>	<u>\$ 3,826</u>

### ***Fiscal Year 2011 Compared to Fiscal Year 2010***

Overall, in FY 2011, cash and cash equivalents increased by \$844,000 or 6.9% compared to FY 2010 year end balances.

Net cash used for operating activities increased by 8.6% from \$(54.9 million) in FY 2010 to \$(59.6 million) in FY 2011. Following the same pattern as FY 2010 the significant increases in the receipt and disbursement of FY 2011 funds relates to the Federal/state funds received and subsequently disbursed to students. Of the \$20.2 million increase in payments for goods and services, \$17.2 million or a 112.6% increase relates to cash disbursed to students for financial aid funds. Cash received for tuition and fees increased by 42.3% or \$4.7 million due to the 6.6% increase in FTE and 4.5% program fee increases set by the WTCS state office. Payments for employees' salaries and fringe benefits increased by \$3.8 million or 5.7%.

Cash provided by non-capital financing activities increased by approximately \$2.7 million or 4.2% due to the increase in tax levy revenue receipts of \$2.7 million while state aid appropriations decreased slightly. Due to the increase in available operating cash balances, short-term borrowing needs decreased in FY 2011 by \$2.0 million. Please see footnote #5 for additional information.

Net cash used for capital and related financing activities overall was consistent with FY 2010 net results. In FY 2011 Federal aid received for capital assets was up by almost \$500,000 which was offset by a (\$500,000) decrease in other gifts/grants received for capital assets. Purchases of capital assets and funds spent on construction/remodeling



actually decreased by \$338,000 or 4.3% compared to FY 2010. Please see footnote #5 for further details.

Cash provided by investing activities remained flat as the rate of return on investments remained very low.

***Fiscal Year 2010 Compared to Fiscal Year 2009***

Overall, in FY 2010, cash and cash equivalents increased by \$2.9 million or 31% compared to FY 2009 year end balances.

Net cash used for operating activities increased slightly from \$(54.5 million) in FY 2009 to \$(54.9 million) in FY 2010. The significant increases in the receipt and disbursement of FY 2010 funds relates to the Federal funds received and subsequently disbursed to students. Of the \$6.8 million increase in payments for goods and services, \$5.6 million or a 57.6% increase relates to cash disbursed to students for financial aid funds. Payments for employees' salaries and fringe benefits increased by \$3.1 million or 4.9%.

Cash provided by non-capital financing activities increased by approximately \$3.9 million due to the increase in tax levy revenue receipts of \$3.1 million and state appropriations increasing by \$800,000. Short-term borrowing needs decreased in FY 2010 by \$1.0 million. Please see footnote #5 for additional information.

Net cash used for capital and related financing activities increased by almost \$500,000 due to the following activity. Donated funds received for capital assets increased by approximately \$500,000 due to Snap-On Inc.'s contribution towards the Advanced Propulsion Center addition. Purchases of capital assets and funds spent on construction/remodeling increased by \$2.3 million or 42.7%. This was offset by the \$5.6 million increase in proceeds from issuance of capital debt and the increase in debt payments of \$3.3 million. The District increased its borrowing to fund construction of the Advanced Propulsion center and various remodeling projects. \$3.1 million of the increase in bonds proceeds and debt payments relates to the District borrowing funds for the early refunding of debt. Please see footnote #5 for further details.

Cash provided by investing activities decreased by \$170,000. This decrease is a result of the District experiencing a lower rate of return on its investments as interest rates continued to decline due to the slowdown in the economy.

## Capital Asset and Debt Administration

	Stated in Thousands (\$000)				
	2011	2010	2011-2010	2009	2010-2009
Land and Land Improvements	\$ 6,442	\$ 5,084	\$ 1,358	\$ 5,052	\$ 32
Less Accumulated Depreciation	(1,049)	(868)	(181)	(726)	(142)
Buildings, Improvements and Leasehold Interest/Improvement	60,967	58,530	2,437	53,949	4,581
Less Accumulated Depreciation	(28,232)	(26,222)	(2,010)	(24,393)	(1,829)
Equipment	25,639	22,896	2,743	19,726	3,170
Less Accumulated Depreciation	(14,338)	(12,644)	(1,694)	(11,229)	(1,415)
Construction in Progress	1,500	1,086	414	865	221
<b>Cost of Capital Assets Net of Accumulated Depreciation</b>	<u>\$ 50,929</u>	<u>\$ 47,862</u>	<u>\$ 3,067</u>	<u>\$ 43,244</u>	<u>\$ 4,618</u>
<b>Outstanding Capital Debt at Year End</b>	<u>\$ 36,135</u>	<u>\$ 33,145</u>	<u>\$ 2,990</u>	<u>\$ 29,650</u>	<u>\$ 3,495</u>

### ***Fiscal Year 2011 Compared to Fiscal Year 2010***

Capital assets, net of accumulated depreciation, increased by \$3.1 million from FY 2010 to FY 2011. The largest increase was in Land Improvements with a net increase of \$1.2 million or 27.9%. The majority of the increase, or \$1.1 million related to exterior site improvements on the Racine campus. Investment in equipment, net of depreciation, increased by 10.2% or 1.0 million. Additional information regarding capital asset activity can be found in footnote #4 in the notes to financial statements.

The district had a total general obligation debt, relating to capital assets, outstanding of \$36.1 million at June 30, 2011, an increase of \$3.0 million from the previous year-end. The District maintained the highest rating of Aaa from Moody's Investors Services for the debt issues. Gateway meets all of its debt service requirements, including timely repayment of all debt payments. Current debt issued for buildings and improvements is repaid in 10 years or less, debt issued for equipment will be repaid in 7 years or less to correspond to the useful lives of the capital investment. Additional information about Gateway's long-term debt may be found in footnote #5 in the financial statements.

### ***Fiscal Year 2010 Compared to Fiscal Year 2009***

Capital assets, net of accumulated depreciation, increased by \$4.6 million from FY 2009 to FY 2010. The largest increase was in Buildings and Leasehold Improvements, net of accumulated depreciation, of over \$2.7 million. Major projects included the construction of the Advanced Propulsion Center addition at the Horizon Center (\$2.0 million), the Welding Lab remodel in Racine (\$861,000), the Health Wing remodel in Elkhorn (\$465,000), and building automation systems (\$522,000) installed in Kenosha and Racine. Additional information regarding capital asset activity can be found in footnote #4 in the notes to financial statements.

The district had a total general obligation debt, relating to capital assets, outstanding of \$33.1 million at June 30, 2010, an increase of \$3.5 million from the previous year-end. As of FY 2010 year end the District received the highest rating of Aaa from Moody's Investors Services for the debt issues. This is due to Moody's recalibration of all ratings to the Global Rating scale. Gateway meets all of its debt service requirements, including

timely repayment of all debt payments. Current debt issued for buildings and improvements is repaid in 10 years or less, debt issued for equipment will be repaid in 7 years or less to correspond to the useful lives of the capital investment. Additional information about Gateway's long-term debt may be found in footnote #5 in the financial statements.

### Budgetary Variances

The District budgets on a fund basis, as reflected in the Supplementary section of this report. Budgetary adjustments in the General Fund were as follows:

	Budget Amounts		Actual on a Budgetary Basis	Variance with Final Budget- Over (Under)
	Original	Final		
<u>Revenues</u>				
Local government - tax levy	\$ 48,830,000	\$ 48,830,000	\$ 48,820,021	\$ (9,979)
Intergovernmental revenue:				
State aids	7,200,000	7,350,000	7,411,732	61,732
Federal	-	60,000	61,986	1,986
Tuition and fees:				
Statutory program fees	15,197,000	16,977,000	16,936,028	(40,972)
Material fees	836,000	901,000	905,024	4,024
Other student fees	1,517,000	1,762,000	1,766,988	4,988
Miscellaneous - institutional revenue	3,060,000	3,525,350	3,532,362	7,012
Total revenues	<u>76,640,000</u>	<u>79,405,350</u>	<u>79,434,141</u>	<u>28,791</u>
<u>Expenditures</u>				
Current:				
Instruction	52,600,000	53,105,000	53,101,875	3,125
Instructional resources	1,340,000	1,300,000	1,292,339	7,661
Student services	7,800,000	7,890,000	7,886,702	3,298
General institutional	7,200,000	6,710,000	6,707,447	2,553
Physical plant	7,700,000	7,760,000	7,756,937	3,063
Total expenditures	<u>76,640,000</u>	<u>76,765,000</u>	<u>76,745,300</u>	<u>19,700</u>
Revenues over expenditures	<u>-</u>	<u>2,640,350</u>	<u>2,688,841</u>	<u>48,491</u>
<u>Other financing uses</u>				
Transfers out	<u>-</u>	<u>(1,225,000)</u>	<u>(1,225,000)</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>1,415,350</u>	<u>1,463,841</u>	<u>48,491</u>
<u>Fund balance</u>				
Beginning of year	<u>18,283,744</u>	<u>18,283,744</u>	<u>18,283,744</u>	<u>-</u>
End of year	<u>\$ 18,283,744</u>	<u>\$ 19,699,094</u>	<u>\$ 19,747,585</u>	<u>\$ 48,491</u>

In order to align the budget with the increase in actual revenues received, as well as a minimal overage of \$105,000, or .14% of total expenditures, budget revisions were approved by the district board for the fiscal year.

The most significant budget to actual variations for revenue was:

- Program fees were increased by \$1.8 million due to the increase in student FTE's combined with fee increases by the Wisconsin State Technical College System of 4.5% over FY 2010 rates. Other larger increases included student fees and other institutional revenue which were increased by \$245,000 and \$465,000 respectively. Over \$225,000 of the other institutional budgeted increase was due to the college receiving settlement funds from the Microsoft Corporation.
- With the larger expenditure revisions the budgeted funds were basically reallocated from General Institutional (\$490,000) to the Instructional function (\$505,000). The College realized significant savings in the General Institutional area, but due to increased costs of instruction, due in part to FTE enrollment increases, the college was over expended in the Instructional function.

### **Financial Position**

Gateway's financial position remains strong in FY 2011. This is evidenced by the following positive financial results:

- An increase in net assets of \$3.6 in FY 2011, which continues the trend of increases occurring over the last six fiscal years. The average yearly increase, over the same time period, is \$2.4 million.
- The current ratio (current assets compared to current liabilities) increased to 2.96 in FY 2011 as compared to 2.81 in FY 2010.
- The General fund reserves as of fiscal year end were \$19.7 million, which is a healthy 24.9% of the funds revenues.

The District has a diversified revenue base consisting of property taxes, state aid, student fees, contracted services and grants. This mix of revenue sources provides additional assurance that the District has adequate resources to continue to achieve its mission of training and economic development.

The District's financial condition is evaluated periodically by Moody's Investors Services. The most recent credit report cites the following:

*"The Aaa rating reflects the district's substantial tax base strategically located between Milwaukee and Chicago; sound financial operations supported by healthy reserve; significant taxing margin under the state-imposed operating mill rate cap; and an average debt burden with conservatively structured direct debt."*

### **Economic Factors**

The Gateway District consists of Kenosha, Racine and Walworth Counties located in Southeastern Wisconsin. The counties in this region share similar challenges in terms of economic development, such as the need for high-skilled jobs and infrastructure to support growing communities. Gateway provides a leadership role in delivering training services to meet these needs. Gateway offers over 40 two year associate

degrees in various fields including health, engineering, transportation, business, technology, and human services. In addition our innovative short-term training programs have drawn national attention due to their success in getting dislocated workers back in the workforce. The College continues to grow, offer more programs, upgrade technology, and continue to improve its facilities.

In order to meet Gateway's mission, "*We collaborate to ensure economic growth and viability by providing education, training, leadership, and technological resources to meet the changing needs of students, employers, and communities*", several key financial challenges must be met.

First, expenses will continue to increase as a result of increased enrollments and new programming. As typically occurs, during a poor economic environment, the Wisconsin Technical Colleges' experience enrollment increases as workers seek additional skills to compete in the tough job market. In fiscal year 2011 Gateway experienced a 6.6% growth in FTE's while the WTCS average was 1.2%. The District has been very diligent in its budgeting process to address rising costs and realign resources to the academic areas in most demand.

In the spring of 2011, the Wisconsin legislature passed legislation that will have a significant impact on the finances of all state agencies, counties, cities, villages and towns. The legislation was passed to address the state budget deficit and related reduction in state funding to all units of government, including technical colleges. The new law impacts collective bargaining, employee contributions for health insurance and pensions. In addition, the law limits the amount of tax levy the College may increase in future years. Limits on property tax revenue, reduced state aid and limited increases in tuition rates will present fiscal challenges in the future.

The current economic recession has caused property values to decline throughout the Gateway district. Valuations declined by 4.3% and 2.4% in 2010 and 2011 respectively. The state average decline for years 2010 and 2011 were 3.1% and 1.8% respectively.

The unemployed rate remained high in 2011 as a result of the economic recession. As of July 2011, the rates were 9.9% for Kenosha, 9.5% for Racine and 7.7% for Walworth Counties. These conditions create the need for more program offerings and training services to meet the needs of dislocated workers.

These challenges can only be met through strong planning processes, fiscal policies, and practices. Gateway continues to be successful in collaborating with local companies for supporting our training and technology needs. Our communities' need for our services has never been greater. Gateway's commitment to meet these needs is reflected in our Vision 2012 strategic plan.

### **Requests for Information**

This financial report is designed to provide a general overview of Gateway Technical College's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer / Vice President Administration, 3520 – 30<sup>th</sup> Avenue, Kenosha WI 53144-1690.

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## **BASIC FINANCIAL STATEMENTS**

GATEWAY TECHNICAL COLLEGE DISTRICT

Statements of Net Assets  
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
<u>Current assets</u>		
Cash and cash equivalents	\$ 6,672,901	\$ 7,975,098
Restricted assets - cash and cash equivalents	6,467,016	4,321,162
Receivables:		
Property taxes	17,024,318	16,774,084
Accounts, net of reserve of \$571,605 and \$346,000 for 2011 and 2010, respectively	1,928,154	2,941,624
Federal and state aid	5,880,719	1,186,299
Inventory	11,223	11,223
Prepaid expenses	1,680,676	1,553,602
Debt issuance costs	25,091	13,644
Total Current assets	<u>39,690,098</u>	<u>34,776,736</u>
<u>Non-current assets</u>		
Debt issuance costs	160,689	82,752
Capital assets	94,548,037	87,596,253
Less: accumulated depreciation	<u>(43,618,693)</u>	<u>(39,734,339)</u>
Total Non-current assets	<u>51,090,033</u>	<u>47,944,666</u>
 Total Assets	 <u>90,780,131</u>	 <u>82,721,402</u>
<b>LIABILITIES</b>		
<u>Current liabilities</u>		
Accounts payable and accrued liabilities	2,035,985	2,802,704
Accrued payroll and benefits	2,813,986	2,331,197
Accrued interest payable	288,270	281,112
Due to students and other groups	378,830	603,843
Unearned revenue	1,598,908	515,358
General obligation debt - current portion	<u>6,295,598</u>	<u>5,854,114</u>
Total Current liabilities	<u>13,411,577</u>	<u>12,388,328</u>
<u>Non-current liabilities</u>		
General obligation debt	30,320,667	27,462,911
Other postemployment benefits	1,880,288	1,238,128
Unearned revenue	<u>903,773</u>	<u>975,514</u>
Total Non-current liabilities, less current portion	<u>33,104,728</u>	<u>29,676,553</u>
 Total Liabilities	 <u>46,516,305</u>	 <u>42,064,881</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	19,615,422	17,579,877
Restricted for:		
Debt service	1,062,183	1,101,458
Student financial assistance:		
Expendable	179,117	176,611
Student organizations	854,549	609,593
Unrestricted	<u>22,552,555</u>	<u>21,188,982</u>
 Total Net Assets	 <u>\$44,263,826</u>	 <u>\$ 40,656,521</u>



GATEWAY TECHNICAL COLLEGE DISTRICT

Statements of Revenues, Expenses and Changes in Net Assets  
For the years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Operating revenues</u>		
Student tuition and program fees, net of scholarship allowances of \$ 6,990,637 and \$ 6,803,898 for 2011 and 2010, respectively	\$ 14,010,675	\$ 11,602,472
Federal grants	43,428,693	25,323,977
State grants	3,860,476	2,971,504
Contract revenue	2,231,194	1,924,763
Auxiliary enterprise revenues	286,282	725,250
Miscellaneous - institutional revenue	<u>1,503,587</u>	<u>1,247,461</u>
 Total operating revenues	 <u>65,320,907</u>	 <u>43,795,427</u>
 <u>Operating expenses</u>		
Instruction	58,458,128	54,075,497
Instructional resources	1,300,576	1,214,433
Student services	9,831,728	9,328,200
General institutional	8,089,118	7,675,036
Physical plant	8,004,016	7,364,494
Student aid	36,245,389	18,489,556
Public services	337,025	252,494
Auxiliary services	580,525	1,198,058
Depreciation	<u>3,950,810</u>	<u>3,543,647</u>
 Total operating expenses	 <u>126,797,315</u>	 <u>103,141,415</u>
 Net operating loss	 <u>(61,476,408)</u>	 <u>(59,345,988)</u>
 <u>Non-operating revenues (expenses)</u>		
Property taxes	58,328,021	56,248,873
State appropriations	7,265,517	7,518,927
State capital grants	17,045	20,442
Federal capital grants	515,516	4,793
Gifts and non-operating grants	41,002	538,267
Donated capital assets	147,722	106,733
Loss on sale of capital assets	(43,980)	(14,631)
Investment income	76,959	69,363
Interest expense	<u>(1,264,089)</u>	<u>(1,280,020)</u>
 Total non-operating revenues (expenses)	 <u>65,083,713</u>	 <u>63,212,747</u>
 Change in net assets	 3,607,305	 3,866,759
 Net assets - beginning of year	 <u>40,656,521</u>	 <u>36,789,762</u>
 Net assets - end of year	 <u>\$ 44,263,826</u>	 <u>\$ 40,656,521</u>

GATEWAY TECHNICAL COLLEGE DISTRICT

Statements of Cash Flows  
For the years ended June 30, 2011 and 2010

<u>Cash flows from operating activities</u>	<u>2011</u>	<u>2010</u>
Tuition and fees received	\$ 15,800,186	\$ 11,102,266
Federal and state grants received	42,574,886	28,518,467
Contract revenues received	2,478,196	1,710,959
Payments to employees, including related benefits	(70,238,414)	(66,475,881)
Payments for materials and services	(51,838,212)	(31,671,777)
Auxiliary enterprise revenues received	291,789	727,582
Other receipts	<u>1,283,034</u>	<u>1,175,722</u>
 Net cash used for operating activities	 <u>(59,648,535)</u>	 <u>(54,912,662)</u>
 <u>Cash flows from non-capital financing activities</u>		
Local government property taxes received	58,077,787	55,405,779
State appropriations received	7,296,448	7,316,086
Proceeds from short-term borrowing	500,000	2,500,000
Payments on short-term borrowing, including interest	<u>(500,500)</u>	<u>(2,506,250)</u>
 Net cash provided by noncapital financing activities	 <u>65,373,735</u>	 <u>62,715,615</u>
 <u>Cash flows from capital and related financing activities</u>		
State and federal grants received for capital assets	521,493	25,235
Gifts and other grants received for capital assets	41,002	538,267
Proceeds from sale of capital assets	2,963	13,783
Purchases of capital assets	(7,495,998)	(7,833,725)
Proceeds from issuance of capital debt	9,000,000	12,110,000
Premium received on debt issuance	368,847	205,422
Debt issuance costs paid	(135,775)	(96,396)
Principal paid on capital debt	(6,010,000)	(8,615,000)
Interest paid on capital debt	<u>(1,210,541)</u>	<u>(1,285,406)</u>
 Net cash used for capital and related financing activities	 <u>(4,918,009)</u>	 <u>(4,937,820)</u>
 <u>Cash flows from investing activities</u>		
Investment income received	<u>36,466</u>	<u>40,832</u>
 Net increase in cash and cash equivalents	 843,657	 2,905,965
 <u>Cash and cash equivalents</u>		
Beginning of year	<u>12,296,260</u>	<u>9,390,295</u>
 End of year	 <u>\$ 13,139,917</u>	 <u>\$ 12,296,260</u>
 Reconciliation of cash and cash equivalents to the statement of net assets		
Cash and cash equivalents	\$ 6,672,901	\$ 7,975,098
Restricted assets - cash and cash equivalents	<u>6,467,016</u>	<u>4,321,162</u>
	<u>\$ 13,139,917</u>	<u>\$ 12,296,260</u>

GATEWAY TECHNICAL COLLEGE DISTRICT

Statements of Cash Flows - Continued  
For the years ended June 30, 2011 and 2010

<u>Reconciliation of operating (loss) to net cash used by operating activities:</u>	<u>2011</u>	<u>2010</u>
Operating loss	\$ (61,476,408)	\$ (59,345,988)
Adjustment to reconcile operating loss to net cash used by operating activities:		
Depreciation	3,950,810	3,543,647
Changes in assets and liabilities:		
(Increase) decrease		
Receivables	(3,700,813)	(465,299)
Inventory	-	(11,223)
Prepaid expenses	(127,074)	(67,196)
Increase (decrease)		
Accounts payable and accrued liabilities	(187,683)	352,420
Accrued payroll and benefits	482,789	310,241
Other post employment benefits	642,160	691,243
Due to agency organizations	(225,013)	74,625
Unearned revenue	<u>992,697</u>	<u>4,868</u>
 Net cash used for operating activities	 <u>\$ (59,648,535)</u>	 <u>\$ (54,912,662)</u>
 <u>Non Cash Capital and Related Financing Activites:</u>		
Donated capital assets	<u>\$ 147,722</u>	<u>\$ 106,733</u>

The accompanying notes are an integral part of this statement.

# GATEWAY TECHNICAL COLLEGE DISTRICT

## Notes to Financial Statements

June 30, 2011 and 2010

### (1) Summary of Significant Accounting Policies

The Board of Directors (Board) of the Gateway Technical College District (the District) oversees the operations of what is generally referred to as Gateway Technical College under provisions of Chapter 38 of the Wisconsin Statutes. The geographic area of the District includes all of Kenosha County and Walworth County and nearly all of Racine County. The District operates campuses located in the cities of Elkhorn, Burlington, Kenosha and Racine, as well as an aviation center at the Kenosha airport and learning centers in the surrounding communities. All of the instructional programs are fully accredited by the North Central Association of Colleges and Schools. The District also operates a public radio station WGTD.

The Board consists of nine members appointed by the county board chairs for Kenosha, Racine and Walworth counties. The members are appointed to staggered three-year terms. As the District's governing authority, the Board has powers which include:

- Authority to borrow money and levy taxes;

- Budgetary authority; and

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

The accounting policies of the District conform to generally accepted accounting principles as applicable to public colleges and universities as well as those prescribed by the Wisconsin Technical College System Board (WTCSB). The District reports are based on all applicable Government Accounting Standards Board (GASB) pronouncements as well as applicable Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Review Boards of the Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. When applicable, certain prior year amounts have been reclassified to conform to current year presentation. The following is a summary of the more significant accounting policies.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(1) Summary of Significant Accounting Policies (continued)**

**(a) Reporting Entity**

In May 2002, GASB issued statement No. 39, "Determining Whether Certain Organizations are Component Units." This statement amends Statement 14, "The Financial Reporting Entity," to provide additional 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 District. Generally, it requires reporting, as a component unit, a separate affiliated organization whose economic resources entirely or almost entirely benefit the primary government. Additional criteria includes the primary government has access to a majority of economic resources of the affiliated organization and those resources are significant to the primary government.

Gateway 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 District and its students. The Foundation has an independent board and is not fiscally accountable to the District. The financial resources of the Foundation are not significant to the District as a whole and accordingly, financial information related to the Foundation is not presented in these financial statements.

**(b) Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

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

# GATEWAY TECHNICAL COLLEGE DISTRICT

## Notes to Financial Statements

June 30, 2011 and 2010

### (1) Summary of Significant Accounting Policies (continued)

#### (c) Budgetary Data

The District's reporting structure used in the preparation of the basic financial statements is different than the fund structure used for budgetary accounting. Annual budgets are adopted for all funds in accordance with the requirements of the Wisconsin Technical College System Board. The process includes an administrative compilation and review of campus and departmental requests, public hearings, and approval by the District Board prior to June 30 of each year. Capital outlays for multi-year projects are budgeted annually in the Capital Projects Fund upon planned inception of the project.

Property taxes are levied on a calendar year basis by various taxing municipalities located in Kenosha, Racine and Walworth Counties. The District records as revenue its share of the local tax when levied.

The budgetary reporting utilized by the District recognizes encumbrances as expenditures. The budget does not incorporate changes related to GASB Statements Nos. 34, 35, 37 and 38.

The legal level of control for each budget is by function within each fund. Budget amendments during the year are legally authorized. Budget transfers (between funds and functional areas within funds) and changes in expenditures (appropriations) require approval by a vote of two-thirds of the entire membership of the Board and require publishing a Class I public notice in the District's official newspaper within 10 days according to Wisconsin Statutes. The budget was modified during the year and also subsequent to the fiscal year end. Expenditures may not exceed appropriations. Unencumbered appropriations lapse at the end of each fiscal year and encumbered appropriations are carried over to the next fiscal year as a reserve of fund balance. Management is authorized to transfer appropriations within functions without the approval of the board.

#### (d) Property Tax and Student Receivables

In October of each year, the District communicates its property tax levy to the municipal treasurers in its service area. The levy consists of two parts - an operating levy and a debt service levy. Property taxes are then levied by the municipal treasurers in December.

Taxpayers have various options of paying their assessment depending upon the municipality's payment schedules. Payments are due from the municipalities by the 15th or 20th of the month following the taxpayers' due date. The first payment is due January 15 and the last payment is due August 20. Property taxes receivable at June 30 generally represent the District's share of the outstanding second installment of property taxes due from municipal treasurers.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(1) Summary of Significant Accounting Policies (continued)**

**(d) Property Tax and Student Receivables (continued)**

The municipal and/or county treasurers review their unpaid property tax assessments in early August and are required by law to remit the balance of the District's levy on or before August 20.

Collection of delinquent taxes or the subsequent filing of tax liens are the responsibility of governmental agencies other than the District. Because the District receives all tax receivables from the intergovernmental collection intermediaries, no reserve for uncollectible taxes is recorded.

Student receivables, covering tuition and fees, textbooks, and student loans, are valued net of the estimated uncollectible amounts.

**(e) Cash, Cash Equivalents and Investments**

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, and other short-term investments with maturity dates of less than ninety days, from when purchased, are considered cash equivalents. Investments are stated at cost, which approximates fair value.

**(f) Inventory**

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. The cost is recorded as an expense at the time the inventory items are consumed rather than purchased.

**(g) Prepaid Expenses**

Prepaid expenses represent payments made by the District for which benefits extend beyond the fiscal year end.

**(h) Capital Assets**

Capital assets include land, land improvements, buildings, equipment, leasehold improvements and leasehold interest. Equipment assets having a cost of \$5,000 or more per unit and building or remodeling projects of \$15,000 or more are capitalized. 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 fair value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

# GATEWAY TECHNICAL COLLEGE DISTRICT

## Notes to Financial Statements

June 30, 2011 and 2010

### (1) Summary of Significant Accounting Policies (continued)

Depreciation on buildings and equipment is provided in amounts sufficient to charge the cost of the depreciable assets to operations on the straight-line basis, mid-year convention, over the estimated service lives, which range from three to twenty years for equipment, ten to twenty years for land improvements, twenty years for the leasehold interest and leasehold improvements, and forty years for buildings and improvements.

#### (h) Compensated Absences

Employees are granted vacation and sick leave benefits in varying amounts in accordance with the provisions of union contracts and District policy. Liabilities for vacation and salary related payments, including social security taxes, are recorded when incurred. Vacation benefits lapse if not utilized in the year subsequent to that in which they are earned. In the event of retirement or death, the District is obligated to pay all unused vacation benefits. Included in other accrued liabilities is the amount of compensated absences outstanding at June 30, 2011 and 2010, which was \$411,000 and \$386,000 respectively.

Sick leave benefits are available for subsequent use, but they do not vest. The District does not compensate employees for unused sick leave at retirement or termination.

#### (i) Tuition and Fees

Tuition and fees are recorded as revenue in the period in which the related activity or instruction takes place. Tuition and fees attributable to the summer school program are prorated on the basis of student class days occurring before and after June 30.

#### (j) Unearned Revenues

Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that relate to the next fiscal period. Non-current unearned revenue relates to funds received but not earned for an extended time period over future fiscal years.



**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(1) Summary of Significant Accounting Policies (continued)**

**(k) Scholarship Allowances and Student Aid**

Financial aid to students is reported in the financial statements under the alternative method, as prescribed by the National Association of College and University Business Officers (NACUBO). Aid is generally reflected in the financial statements as operating expenses or scholarship allowances, which reduce revenues.

The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash or credit for book charges. 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 District 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.

**(l) Classification of Revenue**

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

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

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

**(m) Net Assets**

Net assets are classified according to restrictions or availability of assets for satisfaction of District obligations.

*Invested in capital assets, net of related debt:* This represents the net book value of capital assets (land, buildings and equipment), less the debt incurred to acquire or construct the assets, net of unexpended proceeds.

*Restricted net assets:* Restricted net assets include resources in which the District is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(1) Summary of Significant Accounting Policies (continued)**

**(m) Net Assets (continued)**

- Restricted net assets 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 assets for student financial assistance or student organizations can only be used for student financial assistance activities or student organizations respectively.
- Restricted net assets for student financial assistance that are to be held permanently as endowment funds.

*Unrestricted net assets:* Unrestricted net assets represent resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty and staff.

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

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(2) Cash and Cash Equivalents**

The District's cash and cash equivalents include cash on hand, demand deposits, and investments with maturities of 90 days or less. They are classified in the District's Statement of Net Assets and Statement of Cash Flows as follows:

Cash and Cash Equivalents	2011	2010
Cash on hand	\$ 22,918	\$ 33,977
Demand deposits	8,123,569	8,356,201
Wisconsin Local Government Investment Pool	4,993,430	3,906,082
Total Cash and Cash Equivalents	\$ 13,139,917	\$ 12,296,260

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

Restricted for		
Capital Projects	\$ 4,821,078	\$ 2,862,963
Debt Service	1,645,938	1,458,199
	6,467,016	4,321,162
Unrestricted	6,672,901	7,975,098
Total Cash and Cash Equivalents	\$ 13,139,917	\$ 12,296,260

The cash and demand deposits are fully insured or collateralized by securities being held by the Federal Reserve Bank in the District's name. The value of the collateral for the deposits as of June 30, 2011 and 2010 was \$17,608,093 and \$20,429,750 respectively. Certificates of deposit are fully insured through the combination of Federal Deposit Insurance Corporation (FDIC) and the Wisconsin Public Deposit Guarantee Fund.

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

- Securities and/or repurchase agreements issued or guaranteed as to principal and interest by the U.S. Government or its agencies.
- Certificates of deposit (or time deposits) placed with authorized commercial banks, savings and loan associations, credit unions, or trust companies.
- The Wisconsin Local Government Investment Pool (LGIP).
- Investment grade bonds or securities of any county; city; drainage district; technical college district; village; town; or school district in Wisconsin.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(2) Cash and Cash Equivalents (continued)**

- Repurchase agreements with public depositories if the agreement is secured by federal bonds or securities.
- Bonds issued by a local exposition district, local professional baseball park or football stadium district, local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.
- Any security maturing in seven years or less of the acquisition date with either the highest or second highest rating category of a nationally recognized rating agency.
- 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.

The District had the following investments and maturities as of June 30:

<u>June 30, 2011</u>	Fair	Investment Maturities (in Years)	
<u>Investment Type</u>	<u>Value</u>	<u>Less than 1</u>	<u>1-2</u>
Wisconsin Local Government Investment Pool	\$ 4,993,430	\$ 4,993,430	-

<u>June 30, 2010</u>	Fair	Investment Maturities (in Years)	
<u>Investment Type</u>	<u>Value</u>	<u>Less than 1</u>	<u>1-2</u>
Wisconsin Local Government Investment Pool	\$ 3,906,082	\$ 3,906,082	-

As of June 30, 2011 and 2010, the fair value of the District's share of investments was equal to the carrying value.

The District has invested funds in the Wisconsin Local Government Investment Pool (LGIP). The LGIP is an investment pool managed by the State of Wisconsin Investment Board (SIF) which allows governments within the state to pool their funds for investment purposes. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. Participants in the LGIP have the right to withdraw their funds in total on one day's notice.

**Credit Risk** – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. State law limits investments as listed above. The District's investment policy, in addition, minimizes its credit risk by requiring security of the investment as the first priority and limiting investments to financial institutions, the Wisconsin Local Government Investment Pool and the Wisconsin Investment Trust. The Wisconsin Local Government Investment Pool does 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 that 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

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(2) Cash and Cash Equivalents (continued)**

investments. The District places no limit on the amount the District may invest in any one issuer. As of June 30, 2011 and June 30, 2010 the concentration of credit risk was not applicable to the investments held by the District

**Custodial Credit Risk-** For an investment, custodial credit risk is the risk that in the event of the failure of counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's policy requires that all securities, serving as collateral, are held by a third-party custodian in the District's name. The investment in the Local Government Investment Pool is not exposed to custodial credit risk.

**Interest Rate Risk-** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, but all investments held at June 30, 2011 and 2010 mature in less than one year.

**(3) Property Tax**

The District's property tax is apportioned each fall, based on the equalized value as established by the State of Wisconsin - Department of Revenue, to the various collecting municipalities within the service area. The District records as revenue its share of the property tax in the year it is levied.

The combined tax rate for the fiscal years ended June 30, 2011, and 2010, were as follows:

	<u>2011</u>		<u>2010</u>	
	<u>Mill Rate</u>	<u>Amount Levied</u>	<u>Mill Rate</u>	<u>Amount Levied</u>
Operating levy	1.21998	\$ 51,161,000	1.12328	\$ 49,242,000
Debt service levy	0.17114	<u>7,177,000</u>	0.15874	<u>6,959,000</u>
 Total Property Tax Levy		 <u><u>\$ 58,338,000</u></u>		 <u><u>\$ 56,201,000</u></u>

The state enacted legislation to exempt computer equipment for property tax purposes and provide supplemental aid to hold taxing units harmless from loss of revenue. The District received \$171,910 and \$202,841 in state aid revenue in lieu of property tax for the year ended June 30, 2011, and 2010, respectively. The District is limited by state law to an operational property tax mill rate of \$1.50 per \$1,000 of equalized valuation as determined by the State of Wisconsin Department of Revenue. The debt service property tax mill rate per \$1,000 of equalized valuation is not limited by state law.

Property tax revenue recognized in the financial statements total \$58,328,021 and \$56,248,873 for the years ended June 30, 2011, and 2010, respectively, which includes the District's property tax levy and miscellaneous other tax collection related adjustments.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(4) Capital Assets**

Following are the changes in the District's capital assets for the years ended June 30, 2011, and 2010:

	2011			
	Balance July 1, 2010	Additions	Disposals	Balance June 30, 2011
Capital assets, not being depreciated:				
Land	\$ 2,379,913	\$ -	\$ -	\$ 2,379,913
Construction in progress	1,085,579	3,132,362	2,718,148	1,499,793
Total capital assets not depreciated	3,465,492	3,132,362	2,718,148	3,879,706
Capital assets, being depreciated:				
Land improvements	2,704,350	1,357,945	-	4,062,295
Buildings and improvements	55,695,525	2,066,381	-	57,761,906
Equipment	22,896,314	2,856,051	113,400	25,638,965
Leasehold interest	958,193	-	-	958,193
Leasehold improvement	1,876,379	370,593	-	2,246,972
Total capital assets being depreciated	84,130,761	6,650,970	113,400	90,668,331
Total Cost of Capital Assets	87,596,253	9,783,332	2,831,548	94,548,037
Less: Accumulated depreciation for				
Land improvements	867,741	181,362	-	1,049,103
Buildings and improvements	25,564,991	1,837,671	-	27,402,662
Equipment	12,643,976	1,760,543	66,457	14,338,062
Leasehold interest	323,643	48,811	-	372,454
Leasehold improvement	333,988	122,424	-	456,412
Total Accumulated Depreciation	39,734,339	3,950,811	66,457	43,618,693
Net Capital Assets	47,861,914	\$ 5,832,521	\$ 2,765,091	50,929,344
Plus capital project funds borrowed but not spent	2,862,963			4,821,078
Less: General obligation debt	(33,145,000)			(36,135,000)
Total Invested in Capital Assets, Net of Related Debt	\$ 17,579,877			\$ 19,615,422

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(4) Capital Assets (continued)**

	2010			
	Balance July 1, 2009	Additions	Disposals	Balance June 30, 2010
Capital assets, not being depreciated:				
Land	\$ 2,379,913	\$ -	\$ -	\$ 2,379,913
Construction in progress	864,707	5,162,986	4,942,114	1,085,579
Total capital assets not depreciated	3,244,620	5,162,986	4,942,114	3,465,492
Capital assets, being depreciated:				
Land improvements	2,671,928	32,422	-	2,704,350
Buildings and improvements	51,173,974	4,521,551	-	55,695,525
Equipment	19,726,472	3,401,724	231,882	22,896,314
Leasehold interest	958,193	-	-	958,193
Leasehold improvement	1,816,920	59,459	-	1,876,379
Total capital assets being depreciated	76,347,487	8,015,156	231,882	84,130,761
Total Cost of Capital Assets	79,592,107	13,178,142	5,173,996	87,596,253
Less: Accumulated depreciation for				
Land improvements	726,506	141,235	-	867,741
Buildings and improvements	23,890,340	1,674,651	-	25,564,991
Equipment	11,228,950	1,572,235	157,209	12,643,976
Leasehold interest	274,832	48,811	-	323,643
Leasehold improvement	227,273	106,715	-	333,988
Total Accumulated Depreciation	36,347,901	3,543,647	157,209	39,734,339
Net Capital Assets	43,244,206	\$9,634,495	\$5,016,787	47,861,914
Plus capital project funds borrowed but not spent	2,844,672			2,862,963
Less: General obligation debt	(29,650,000)			(33,145,000)
Total Invested in Capital Assets, Net of Related Debt	\$ 16,438,878			\$ 17,579,877

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(4) Capital Assets (continued)**

**Burlington Buildings and Leasehold Improvements**

On October 25, 2004 the District entered into a twenty year lease with Burlington Area School District (BASD) for an instructional facility (496 Building). BASD coordinated construction of the building for which the District was to contribute \$1,000,000 in the form of leasehold improvements. As of June 30, 2006 the construction was completed and \$1,002,233 was reflected as a leasehold improvement in the accompanying capital asset footnote and it is being amortized over the life of the lease or 20 years. Through fiscal year ending June 30, 2011 approximately \$191,100 of leasehold improvements were added to the building.

Effective March 15, 2011 the District extended its lease through June 30, 2030, on the newly remodeled Health and Emergency Response Occupations Center (HERO Center), with Burlington Area School District. The District contributed approximately \$200,500 of leasehold improvements as of June 30, 2011.

**(5) Long-Term and Short-Term Obligations**

The following is a summary of the changes in long-term obligations for the years ended June 30, 2011, and 2010:

	<u>July 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2011</u>	<u>Due Within One Year</u>
General Obligation Debt	\$ 33,145,000	\$ 9,000,000	\$ 6,010,000	\$ 36,135,000	\$ 6,240,000
Plus deferred premium	<u>172,025</u>	<u>364,838</u>	<u>55,598</u>	<u>481,265</u>	<u>55,598</u>
Total General Obligation Debt	33,317,025	9,364,838	6,065,598	36,616,265	6,295,598
Accrued OPEB obligation	<u>1,238,128</u>	<u>1,756,847</u>	<u>1,114,687</u>	<u>1,880,288</u>	<u>-</u>
Total	<u>\$ 34,555,153</u>	<u>\$ 11,121,685</u>	<u>\$ 7,180,285</u>	<u>\$ 38,496,553</u>	<u>\$ 6,295,598</u>
	<u>July 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2010</u>	<u>Due Within One Year</u>
General Obligation Debt	\$ 29,650,000	\$ 12,110,000	\$ 8,615,000	\$ 33,145,000	\$ 5,835,000
Plus deferred premium	<u>-</u>	<u>191,139</u>	<u>19,114</u>	<u>172,025</u>	<u>19,114</u>
Total General Obligation Debt	29,650,000	12,301,139	8,634,114	33,317,025	5,854,114
Accrued OPEB obligation	<u>546,885</u>	<u>1,661,746</u>	<u>970,503</u>	<u>1,238,128</u>	<u>-</u>
Total	<u>\$ 30,196,885</u>	<u>\$ 13,962,885</u>	<u>\$ 9,604,617</u>	<u>\$ 34,555,153</u>	<u>\$ 5,854,114</u>



**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(5) Long-Term and Short-Term Obligations (continued)**

General obligation debt outstanding at June 30, 2011, and 2010, consists of the following notes and bonds:

	<u>2011</u>	<u>2010</u>
General obligation Applied Technology Center Bonds, 3.75% to 4.75%, payable in annual installments of \$75,000 to \$670,000, plus interest, to April 1, 2017 (issued for \$5,000,000 on June 1, 2002, through R.W. Baird & Co., to finance the construction of two technology centers, the Bioscience in Kenosha and CATI in Racine).	\$ 530,000	\$ 1,035,000
General obligation promissory notes, 2.00% to 3.70%, payable in annual installments of \$190,000 to \$215,000, plus interest, to April 1, 2013 (issued for \$3,750,000 on October 15, 2003, through R.W. Baird & Co., to finance the acquisition of equipment and various campus remodeling projects).	420,000	620,000
General obligation promissory notes, 2.00% to 4.00%, payable in annual installments of \$65,000 to \$80,000, plus interest, to April 1, 2011 (issued for \$500,000 on May 1, 2004, through R.W. Baird & Co., to finance various facility remodeling and repair projects).	-0-	80,000
General obligation promissory notes, 3.00% to 3.65%, payable in annual installments of \$105,000 to \$2,825,000, plus interest, to April 1, 2014 (issued for \$4,500,000 on September 1, 2004, through R.W. Baird & Co., to finance the acquisition of equipment and construct the Kenosha Campus Student Commons addition).	345,000	455,000
General obligation promissory notes, 3.00% to 4.50%, payable in annual installments of \$105,000 to \$410,000, plus interest, to April 1, 2015 (issued for \$2,000,000 on April 1, 2005, through R.W. Baird & Co., to finance the acquisition of equipment, various facility remodeling projects and the district's share of the cost of the Burlington Center building project).	450,000	860,000
General obligation promissory notes, 3.125% to 3.60%, payable in annual installments of \$50,000 to \$2,510,000, plus interest, to April 1, 2015 (issued for \$4,500,000 on September 1, 2005, to Piper Jaffray, to finance the acquisition of equipment and various facility remodeling projects).	1,115,000	1,550,000

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(5) Long-Term and Short-Term Obligations (continued)**

	<u>2011</u>	<u>2010</u>
General obligation promissory notes, 3.60% to 3.75%, payable in annual installments of \$35,000 to \$200,000, plus interest, to April 1, 2013 (issued for \$1,000,000 on April 1, 2006, to Harris N.A., to finance various facility remodeling projects).	\$ 390,000	\$ 575,000
General obligation promissory notes, 4.0%, payable in annual installments of \$105,000 to \$1,610,000, plus interest, to April 1, 2011 (issued for \$3,500,000 on October 12, 2006 through R.W. Baird & Co., to finance the acquisition of equipment).	-0-	1,610,000
General obligation promissory notes, 4.00% to 4.25%, payable in annual installments of \$80,000 to \$185,000, plus interest, to April 1, 2016 (issued for \$1,800,000 on February 15, 2007 through R.W. Baird & Co., to finance the remodeling and construction of an addition for the Horizon Center).	850,000	1,000,000
General obligation promissory notes, 4.00% to 4.375%, payable in annual installments of \$80,000 to \$170,000, plus interest, to April 1, 2016 (issued for \$1,000,000 on March 15, 2007 through R.W. Baird & Co., to finance various facility remodeling projects).	785,000	920,000
General obligation promissory notes, 3.95% to 4.25%, payable in annual installments of \$395,000 to \$660,000, plus interest, to April 1, 2017 (issued for \$4,500,000 on September 6, 2007 through R.W. Baird & Co., to finance the acquisition of equipment and various facility remodeling projects).	3,590,000	4,105,000
General obligation promissory notes, 4.0%, payable in annual installments of \$135,000 to \$160,000, plus interest, to April 1, 2017 (issued for \$1,000,000 on December 6, 2007 through R.W. Baird & Co., to finance various facility remodeling projects).	875,000	1,000,000
General obligation promissory notes, 3.75 to 4.00%, payable in annual installments of \$125,000 to \$160,000, plus interest, to April 1, 2017 (issued for \$1,000,000 on January 4, 2008 through R.W. Baird & Co., to finance various facility remodeling projects focusing on Energy Management).	875,000	1,000,000

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(5) Long-Term and Short-Term Obligations (continued)**

	<u>2011</u>	<u>2010</u>
General obligation promissory notes, 3.00 to 3.70%, payable in annual installments of \$100,000 to \$1,195,000, plus interest, to April 1, 2018 (issued for \$4,500,000 on September 10, 2008 through R.W. Baird & Co., to finance the acquisition of equipment and various facility remodeling projects).	\$ 3,315,000	\$ 4,295,000
General obligation promissory notes, 2.50% to 3.00%, payable in annual installments of \$75,000 to \$150,000, plus interest, to April 1, 2018 (issued for \$1,000,000 on February 10, 2009 through R.W. Baird & Co., to finance various facility remodeling projects).	925,000	1,000,000
General obligation promissory notes, 2.50% to 3.40%, payable in annual installments of \$70,000 to \$130,000, plus interest, to April 1, 2019 (issued for \$1,000,000 on May 13, 2009 through R.W. Baird & Co., to finance the Racine Welding Lab remodel and Broadband expansion).	855,000	930,000
General obligation promissory notes, 2.50% to 3.50%, payable in annual installments of \$95,000 to \$125,000, plus interest, to April 1, 2019 (issued for \$1,000,000 on July 09, 2009 through R.W. Baird & Co., to finance various facility remodeling projects).	905,000	1,000,000
General obligation promissory notes, 2.00% to 3.50%, payable in annual installments of \$275,000 to \$1,370,000, plus interest, to April 1, 2019 (issued for \$5,500,000 on October 14, 2009 through R.W. Baird & Co., to finance the acquisition of equipment and to construct the Horizon Center addition in Kenosha).	5,500,000	5,500,000
General obligation promissory notes, 2.00% to 3.50%, payable in annual installments of \$135,000 to \$155,000, plus interest, to April 1, 2019 (issued for \$5,500,000 on February 10, 2010 through R.W. Baird & Co., to finance various facility remodeling projects).	1,000,000	1,000,000
General obligation promissory notes, 2.00 to 3.50%, payable in annual installments of \$25,000 to \$850,000, plus interest, to April 1, 2020 (issued for \$4,610,000 on April 15, 2010 through R.W. Baird & Co., for refinancing and to finance various facility remodeling projects).	4,585,000	4,610,000

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(5) Long-Term and Short-Term Obligations (continued)**

	<u>2011</u>	<u>2010</u>
General obligation promissory notes, 2.00% to 3.50%, payable in annual installments of \$175,000 to \$900,000, plus interest, to April 1, 2020 (issued for \$4,500,000 on September 1, 2010 through R.W. Baird & Co., to finance the acquisition of equipment and construct a building addition at the Elkhorn campus).	\$ 4,325,000	\$ -0-
General obligation promissory notes, 2.00% to 3.50%, payable in annual installments of \$195,000 to \$235,000, plus interest, to April 1, 2020 (issued for \$1,500,000 on November 8, 2010 through R.W. Baird & Co., to finance various facility remodeling projects and equipment.	1,500,000	-0-
General obligation promissory notes, 2.00% to 3.125%, payable in annual installments of \$170,000 to \$210,000, plus interest, to April 1, 2021 (issued for \$1,500,000 on April 4, 2011 through UBS Financial Services., to finance various facility remodeling projects).	1,500,000	-0-
General obligation promissory notes, 2.00% to 4.00%, payable in annual installments of \$170,000 to \$210,000, plus interest, to April 1, 2021 (issued for \$1,500,000 on May 16, 2011 through R.W. Baird & Co., to finance various facility remodeling projects and equipment.)	<u>1,500,000</u>	<u>-0-</u>
<b>Total General Long-Term Obligation Debt</b>	<b><u>\$ 36,135,000</u></b>	<b><u>\$ 33,145,000</u></b>

Principal and interest is 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, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 6,240,000	\$ 1,159,015	\$ 7,399,015
2013	6,510,000	975,126	7,485,126
2014	5,620,000	765,089	6,385,089
2015	4,450,000	591,014	5,041,014
2016	3,955,000	443,245	4,398,245
2017-2021	<u>9,360,000</u>	<u>678,432</u>	<u>10,038,432</u>
	<u>\$36,135,000</u>	<u>\$4,611,921</u>	<u>\$40,746,921</u>

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(5) Long-Term and Short-Term Obligations (continued)**

Chapter 67.03(1) of the Wisconsin State Statutes limits general obligation debt of the District to 5% of the equalized value of the taxable property located in the District. As of June 30, 2011, the 5% limitation was \$2,197,977,946 and the District's outstanding general obligation debt (net of resources available to pay principal and interest) was \$35,072,817. The 5% limit, as of June 30, 2010, was \$2,295,292,747; the District's outstanding general obligation debt (net of resources available to pay principal and interest) was \$32,043,542.

Chapter 67.03(1) of the Wisconsin State Statutes limits bonded indebtedness of the District to 2% of the equalized value of the taxable property located in the District. As of June 30, 2011, the 2% limitation was \$879,191,179 and the District's outstanding bonded indebtedness (net of resources available to pay principal and interest) was \$518,075. The 2% limit, as of June 30, 2010, was \$918,117,099; the District's outstanding bonded indebtedness (net of resources available to pay principal and interest) was \$1,011,713.

On April 15, 2010, the District issued \$4,610,000 in general obligation promissory notes. A portion of the promissory notes refunded \$3,040,000 in general obligation Applied Technology Center bonds. The District has irrevocably deposited United States government securities and cash in escrow with an Escrow Trust agent for the purpose of generating resources for all future debt service payments. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net assets. The refunding resulted in an economic gain of \$81,636 and a decrease in cash flow requirements to service the debt of \$107,870 in fiscal year 2010.

**Short-Term Debt**

The following is a summary of changes in short-term obligations for the years ending June 30, 2011 and 2010.

	July 1, 2010	Additions	Reductions	June 30, 2011
Promissory notes interest rates (4.50%)	\$ -	\$ 500,000	\$ 500,000	\$ -

	July 1, 2009	Additions	Reductions	June 30, 2010
Promissory notes interest rates (4.50%)	\$ -	\$ 2,500,000	\$ 2,500,000	\$ -

The short-term debt was issued to temporarily finance the District's operations in anticipation of tax levy receipts.

# GATEWAY TECHNICAL COLLEGE DISTRICT

## Notes to Financial Statements

June 30, 2011 and 2010

### (6) Retirement System

The District participates in a public employee retirement system which covers substantially all full-time and certain part-time employees. A summary of information related to the retirement plan follows:

#### Wisconsin Retirement System

The District makes contributions to the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit public employee retirement system (PERS), on behalf of all eligible employees (instructors, administrators, and all other staff). The Wisconsin Department of Employee Trust Funds is the plan administrator.

All permanent employees expected to work over 600 hours a year (440 hours for teachers) are eligible to participate in the WRS. Covered employees in the General/Teacher/Educational Support Personnel category are required by statute to contribute 5.8 percent of their salary to the plan. In addition, the District is required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits (currently 5.8 percent of covered employee's salary).

The District pays both the employee and employer required contributions to the plan as allowed by the WRS; its policy is to fund retirement costs accrued.

The payroll for Gateway Technical College employees covered by the WRS for the year ended June 30, 2011 was \$44,071,754; the employer's total payroll was \$48,142,927. The total required contribution paid for the year ended June 30, 2011 was \$4,971,492, which consisted of \$2,321,442 from the District and \$2,650,050, or 5.8% of payroll from the District on behalf of the employees. Total contributions for the years ended June 30, 2010 and 2009 were \$4,499,459 and \$4,261,186, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 are entitled to a retirement benefit. Employees may retire at age 55 and receive actuarially reduced retirement benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings are the average of the employee's three highest year's earnings. Employees terminating covered employment and submitting an application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent 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 and on or after April 24, 1998 are immediately vested. The WRS also provides death and disability benefits for employees. Eligibility for and the amount of all benefits are determined under Chapter 40 of the Wisconsin State Statutes. The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

# GATEWAY TECHNICAL COLLEGE DISTRICT

## Notes to Financial Statements

June 30, 2011 and 2010

### (7) Other Post-Employment Benefits (OPEB)

#### (a) Plan Description

The District administers a single-employer defined benefit OPEB plan. The plan is administered by the District and does not issue a stand alone financial report. Membership of the plan at June 30, 2011, the date of the latest actuarial valuation, was 562 active and 66 retired employees receiving benefits. In addition 202 retirees are receiving life insurance only benefits.

In accordance with its collective bargaining agreements and District policy, the District provides post-employment health, dental, long-term care, and life insurance benefits for eligible represented and non-represented employees. The plan provides medical and life insurance benefits to eligible retirees and their spouses through the District's group medical, long-term care, and life insurance plans, which cover both active and retired members. Benefit provisions are established through collective bargaining agreements and District policy. Effective May 1, 2011, the long-term care benefit was discontinued for non-represented employees and for retirees that were classified as non-represented staff while employed. The District pays health, dental, and long-term care benefits continue until the eligible retiree reaches age 65 while coverage for the spouse lasts until the retiree or spouse reaches age 65, whichever comes first. If the retired employee's spouse is younger than he/she, the spouse may continue coverage until they reach age 65, for a maximum of 8 years, if they pay 100% of the premium.

For life insurance, eligible members are covered at one times annual salary to a maximum of \$150,000. At age 65, the benefit is reduced to 75% of amount of coverage prior to age 65 and reduced another 25% in each year at age 66 and 67.

The eligibility requirements for full benefits are based on years of service and age at retirement. Employees must be 55 years old and have completed 25 years of service, 56 years old and 20 years of service, 57 years old and 15 years of service, or 62 with 10 years of service before they are eligible for benefits.

#### (b) Funding Policy

Contribution requirements are established through collective bargaining agreements and may only be amended through negotiations between the District and the respective union. The District pays the full cost of health coverage for eligible retirees and dependents retired prior to October 1, 2004. Retirees who retired prior to October 1, 2004 are not eligible for dental or long-term care benefits. If retired on or after October 1, 2004, retirees pay the amount of monthly contribution they paid immediately prior to retirement and receives health, dental and long-term care benefits. The retiree's contribution amount varies depending on the year they retired. Retirees not meeting eligibility requirements may continue coverage by paying the full premium.

For life insurance the retiree pays for coverage until age 67 and then the District funds 100% of the cost at age 67 and later. Individuals retiring on or after July 1, 2007 may retain their District group term life insurance and the District pays the full premium.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(7) Other Post-Employment Benefits (OPEB-continued)**

**(b) Funding Policy (continued)**

The District's contribution is based on a pay-as-you-go basis to fund current benefits and an additional amount to pre-fund benefits as determined annually by the District. For fiscal year 2011, the District contributed \$1,114,687 of which \$829,532 paid the current year normal cost and an additional \$285,155 to partially fund the transition obligation.

**(c) Annual OPEB Cost and Net OPEB Obligation**

The District's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

<b>Component</b>	<b>2011</b>	<b>2010</b>
Annual required contribution	\$ 1,776,169	\$ 1,670,281
Interest on net OPEB	49,525	21,875
Adjustment to annual required contribution	(68,847)	(30,410)
Annual OPEB cost (expense)	1,756,847	1,661,746
Contributions made	(1,114,687)	(970,503)
Change in net OPEB obligation	642,160	691,243
OPEB obligation - beginning of year	<u>1,238,128</u>	<u>546,885</u>
OPEB obligation - end of year	<u>\$ 1,880,288</u>	<u>\$ 1,238,128</u>

**Trend Information** – The District's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/09	\$ 1,525,010	64.1%	\$ 546,885
6/30/10	\$ 1,661,746	58.4%	\$ 1,238,128
6/30/11	\$ 1,756,847	63.4%	\$ 1,880,288



**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(7) Other Post-Employment Benefits (OPEB-continued)**

**(d) Funded Status and Funding Progress**

The funded status as of June 30, 2011, the most recent actuarial valuation date was as follows:

Actuarial accrued liability (AAL)	\$ 17,426,927
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 17,426,927</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 41,151,310
Ratio of UAAL to covered payroll	42%

Actuarial valuations of an ongoing plan involve estimates for the value of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multi-year trend information in future years that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Since the District implemented the regulation in fiscal year 2009, multi-year data is not available at this time.

The accompanying schedule of employer contributions presents information about the amounts contributed to the plan by the District in comparison with the ARC, an amount that is actuarially determined in accordance with the parameters of GASB statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

**(e) Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Additional information as of the latest actuarial valuation follows:

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(7) Other Post-Employment Benefits (OPEB-continued)**

**(e) Actuarial Methods and Assumptions (continued)**

Valuation date	June 30, 2011
Actuarial cost method	Projected Unit Credit
Amortization method	Level
Remaining amortization period	27 years
Actuarial assumptions:	
Discount rate	4.00%
Healthcare cost trend rate	10 % initial
reduced by decrements to:	6% ultimate after 9+ years
Projected salary increases	4%

**(8) Risk Management**

The District maintains a risk management program which includes a comprehensive insurance program, a safety committee, an independent security service firm, an insurance consulting firm, and regular meetings with employees covering risk management.

**Districts Mutual Insurance Company (DMI)**

In July 2004 all sixteen WTCS technical colleges created Districts Mutual Insurance Company (DMI). Districts Mutual Insurance Company is a fully-assessable mutual company authorized under Wisconsin statute 611 to provide property, casualty, and liability insurance and risk management services to its members. The scope of insurance protection provided by DMI is broad, covering property at \$350,000,000 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 District's exposure in its layer of insurance is limited to \$5,000 to \$100,000 per occurrence depending on the type of coverage and DMI purchases reinsurance for losses in excess of its retained layer of coverage.

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

For the fiscal years 2011 and 2010, the District paid a premium of \$482,790 and \$489,713 respectively. 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.

# GATEWAY TECHNICAL COLLEGE DISTRICT

## Notes to Financial Statements

June 30, 2011 and 2010

### (8) Risk Management (continued)

The DMI financial statements can be obtained through Districts Mutual Insurance Co., 212 W 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 technical colleges.

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

- Foreign liability: \$2,000,000 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, \$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.

The District has purchased the following additional insurance through:

#### Wenk Insurance Agencies, Inc.

- Aircraft liability: \$3,000,000 limit each occurrence including passengers and medical services expense coverage of \$1,000 per person / \$6,000 each occurrence; \$1,000,000 aircraft physical damage; hangar keeper's liability; \$250,000 per aircraft / \$250,000 each loss; \$5,000 deductible.

#### Arthur J. Gallagher

- Multimedia liability: \$5,000,000 limit each claim; \$10,000 deductible each claim.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(9) Operating Leases**

The District leases vehicles, equipment, classroom, office, and aviation facilities under noncancelable operating leases. As of July 1, 2005, the District signed a ten year lease agreement with Kenosha Unified School District to lease the Lakeview Advanced Technology Center at the annual rate of \$44,800, subject to increases after four years. Also, effective with fiscal year 2005-06 the District leased an instructional facility, known as the Burlington Center, from Burlington Area School District (BASD). The lease has a term of twenty years and annual lease payments averaging under \$200,000 per year.

Effective with fiscal year 2009-10 the District signed another twenty year lease with BASD, for the leasing of the HERO Center. The center had a 12,000 square-foot addition construction-in-progress as of June 30, 2010. It was completed by September 2010. Effective with FY 2011 the current annual lease payment is \$160,000.

As of August 2010 the District began leasing the Center for Sustainable Living from the Gateway Technical College Foundation. The home, outbuildings, and acreage on the northwest side of the Kenosha campus was purchased for the college by the Foundation as a demonstration and learning site for sustainability practices. The 10 year lease has annual payments of \$31,927.

The commitments under the various lease agreements, described above, account for future minimum annual rental payments as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2012	\$ 763,228
2013	575,985
2014	520,063
2015	470,695
2016	396,263
2017 - 2021	1,939,140
2022 - 2026	1,320,354
2027 - 2029	<u>254,230</u>
Total required minimum lease payments	<u>\$ 6,239,958</u>

Rental expenses for all operating leases aggregated \$963,315 and \$827,786 for the years ended June 30, 2011 and 2010, respectively.

The District currently leases facilities located on the Elkhorn Campus, related to the Walworth County Education Consortium Alternative High School and the Walworth Job Center. As of June 30, 2011 and June 30, 2010, the cost of the lease assets is \$1,089,035 and \$1,077,318 and the depreciation is \$308,932 and \$270,910 respectively. Effective with fiscal year 2008/09, the District is leasing facilities furniture (15 year lease) to Racine County Economic Development Corporation at our Center for Advanced Technology & Innovation.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(8) Operating Leases (continued)**

The commitments under the noncancelable leases provide for future minimum rentals as follows:

<u>Year Ending June</u>	<u>Amount</u>
2012	\$ 1,668
2013	1,668
2014	1,668
2015	1,668
2016	1,668
2017-2021	8,340
2022-2023	<u>3,332</u>
Total future minimum lease revenue	<u>\$ 20,012</u>

The District's other operating lease rentals are primarily month-to-month or year-to-year for various facilities, room, and equipment rentals. The total operating revenue received for June 30, 2011 and 2010 was \$213,967 and \$239,097 respectively.

**(10) Expenses Classification**

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

	<u>2011</u>	<u>2010</u>
Salaries and wages	\$ 48,410,278	\$ 46,108,596
Fringe benefits	22,310,925	20,677,526
Travel, memberships, professional dev.	826,946	740,879
Supplies and minor equipment	7,664,080	6,895,824
Contract services	2,800,111	2,405,619
Bank/Agency credit/collection fees	118,761	202,816
Rentals	963,315	827,786
Repairs and maintenance	809,862	664,938
Insurance	633,985	597,291
Utilities	1,766,539	1,631,353
Depreciation	3,950,810	3,543,647
Student aid	36,245,389	18,489,556
Student debt write-off	296,314	355,584
Total Operating Expenses	<u>\$ 126,797,315</u>	<u>\$ 103,141,415</u>

# GATEWAY TECHNICAL COLLEGE DISTRICT

## Notes to Financial Statements

June 30, 2011 and 2010

### (11) Joint Venture

The District had implemented a computerized database through a joint venture with Moraine Park Technical College and Waukesha County Technical College (WCTC) by forming the Wisconsin Public Access Library System (WISPALS) in 1989. It was organized as a consortium under Wis. Stats. 66.0301 and Gateway Technical College is the fiscal agent for the consortium. Since 1997 and as of June 30, 2011, eight additional technical colleges have joined. As of June 30, 2011 there are eleven full members (CVTC, FVTC, GTC, LTC, MPTC, MSTC, NTC, NWTC, WCTC, WTC and WITC), and one service level agreement (Agnesian Healthcare). WISPALS is governed by the eleven full member colleges' presidents and librarians, with each college having an equal vote. Through the joint venture each full member college owns one-eleventh of the computer hardware and software that comprises WISPALS. The hardware and software is permanently housed at WCTC's Pewaukee campus. Operating costs of WISPALS are also shared equally by the eleven full member colleges.

Gateway Technical College's share of the operating costs, for the years ended June 30, 2011 and 2010 was \$51,603 and \$44,732 respectively. The net assets for the joint venture decreased, by \$8,029 for the fiscal year. WISPALS has no joint venture debt outstanding.

The WISPALS financial statements can be obtained through the District by directing the request to the Administration Center, 3520 30<sup>th</sup> Avenue, Kenosha, WI 53144.

### (12) Commitments and Contingent Liabilities

Child Care Center - In April 2003, the District entered into a ground lease agreement with the Gateway Technical College Foundation (Foundation) to lease a plot of land for construction of a building for use as a child care center. The Foundation entered into a lease agreement with a child care provider who would occupy the structure. The building, funded by the Foundation, is part of the project that included the District's construction of the Bioscience building.

The ground lease and the lease agreement are for 20 years. At the expiration of the ground lease, the title to the building including all improvements and appurtenances constructed by the Foundation will be transferred to the District. The Foundation funded the construction through loans of \$962,310. Debt service payments are the responsibility of the Foundation who will use the rental income provided by the tenant (child care provider) to finance the payments.

In the event of default by the tenant, the District will, in an effort to continue childcare services for students and employees of the District, and subject to state board approval, agree to pay up to \$500,000 toward any loan commitments made to the lenders, by the Foundation, for the construction of the building.

As of June 30, 2011 the District has commitments outstanding for construction projects of approximately \$2,595,195. As of June 30, 2010 the commitments for construction projects were \$829,776.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

**Notes to Financial Statements**

**June 30, 2011 and 2010**

**(13) Subsequent Events**

On September 8, 2011, the District issued \$4,500,000 Series 2011-12A General Obligation Promissory Notes, the proceeds of which are to be used for capital equipment purchases. Interest rates range from 1.10% to 2.35% with the first payment of principal due on April 1, 2021.

**REQUIRED SUPPLEMENTARY INFORMATION**



**GATEWAY TECHNICAL COLLEGE DISTRICT**

Schedules of Other Post-Employment Benefit Plan Information  
June 30, 2011

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/09	\$ -	\$ 15,547,825	\$ 15,547,825	0%	\$37,949,578	41%
6/30/10	\$ -	\$ 17,118,156	\$ 17,118,156	0%	39,110,194	44%
6/30/11	\$ -	\$ 17,426,927	\$ 17,426,927	0%	41,151,310	42%

Schedule of Employer Contributions

Fiscal Year Ended	Annual Required Contribution (ARC)	Employer Contribution	Percentage of ARC Contributed	Net OPEB Obligation
6/30/09	\$ 1,525,010	\$ 978,125	64.1%	\$ 546,855
6/30/10	\$ 1,670,281	\$ 970,503	58.4%	\$1,238,128
6/30/11	\$ 1,776,169	\$ 1,114,687	58.4%	\$1,880,288

The District is required to present the above information for the three most recent actuarial studies.

### **SUPPLEMENTARY INFORMATION**

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

## **GENERAL FUND**

The general fund is the primary operating fund of the College and receives most of its revenue from local sources. It is used to account for all financial resources except those required to be accounted for in another fund.

GATEWAY 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, 2011

	<u>Budget Amounts</u>		Actual on a Budgetary Basis	Variance with Final Budget- Over (Under)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Local government - tax levy	\$48,830,000	\$48,830,000	\$48,820,021	\$ (9,979)
Intergovernmental revenue:				
State	7,200,000	7,350,000	7,411,732	61,732
Federal	-	60,000	61,986	1,986
Tuition and fees:				
Statutory program fees	15,197,000	16,977,000	16,936,028	(40,972)
Material fees	836,000	901,000	905,024	4,024
Other student fees	1,517,000	1,762,000	1,766,988	4,988
Miscellaneous - institutional revenue	<u>3,060,000</u>	<u>3,525,350</u>	<u>3,532,362</u>	<u>7,012</u>
 Total revenues	 <u>76,640,000</u>	 <u>79,405,350</u>	 <u>79,434,141</u>	 <u>28,791</u>
<u>Expenditures</u>				
Current:				
Instruction	52,600,000	53,105,000	53,101,875	3,125
Instructional resources	1,340,000	1,300,000	1,292,339	7,661
Student services	7,800,000	7,890,000	7,886,702	3,298
General institutional	7,200,000	6,710,000	6,707,447	2,553
Physical plant	<u>7,700,000</u>	<u>7,760,000</u>	<u>7,756,937</u>	<u>3,063</u>
 Total expenditures	 <u>76,640,000</u>	 <u>76,765,000</u>	 <u>76,745,300</u>	 <u>19,700</u>
 Revenues over expenditures	 <u>-</u>	 <u>2,640,350</u>	 <u>2,688,841</u>	 <u>48,491</u>
<u>Other financing uses</u>				
Transfers out	<u>-</u>	<u>(1,225,000)</u>	<u>(1,225,000)</u>	<u>-</u>
 Net change in fund balance	 -	 1,415,350	 1,463,841	 48,491
<u>Fund balance</u>				
Beginning of year	<u>18,283,744</u>	<u>18,283,744</u>	<u>18,283,744</u>	<u>-</u>
 End of year	 <u>\$18,283,744</u>	 <u>\$19,699,094</u>	 <u>\$19,747,585</u>	 <u>\$ 48,491</u>

## **SPECIAL REVENUE FUNDS**

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

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

**Non-aidable** - The non-aidable fund is used to account for assets held by the district in a trustee capacity, primarily for student aids and other student activities.

GATEWAY 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, 2011

	Budget Amounts		Actual on a Budgetary Basis	Variance with Final Budget- Over (Under)
	Original	Final		
<u>Revenues</u>				
Local government - tax levy	\$ 2,286,000	\$ 2,286,000	\$ 2,286,000	\$ -
Intergovernmental revenue:				
State	902,696	1,136,696	1,135,734	(962)
Federal	2,076,901	2,402,901	2,566,671	163,770
Miscellaneous - institutional revenue	56,525	56,525	44,821	(11,704)
Total revenues	5,322,122	5,882,122	6,033,226	151,104
<u>Expenditures</u>				
Current:				
Instruction	3,349,994	3,849,994	3,832,827	17,167
Student services	957,668	1,011,668	1,011,605	63
General institutional	688,060	688,060	479,960	208,100
Public services	326,400	332,400	332,043	357
Total expenditures	5,322,122	5,882,122	5,656,435	225,687
Net change in fund balance	-	-	376,791	376,791
<u>Fund balance</u>				
Beginning of year	2,901,655	2,901,655	2,901,655	-
End of year	\$ 2,901,655	\$ 2,901,655	\$ 3,278,446	\$ 376,791

GATEWAY TECHNICAL COLLEGE DISTRICT

Special Revenue Fund - Non-Aidable Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budget Amounts</u>		Actual on a Budgetary Basis	Variance with Final Budget- Over (Under)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental revenue:				
State	\$ 1,973,500	\$ 2,576,000	\$ 2,578,527	\$ 2,527
Federal	24,750,000	41,837,700	40,800,036	(1,037,664)
Tuition and fees - other student fees	785,000	785,000	881,722	96,722
Miscellaneous - institutional revenue	<u>3,404,000</u>	<u>3,757,000</u>	<u>3,786,533</u>	<u>29,533</u>
 Total revenues	 <u>30,912,500</u>	 <u>48,955,700</u>	 <u>48,046,818</u>	 <u>(908,882)</u>
<u>Expenditures</u>				
Current:				
Student services	<u>30,912,500</u>	<u>48,955,700</u>	<u>47,799,356</u>	<u>1,156,344</u>
 Total expenditures	 <u>30,912,500</u>	 <u>48,955,700</u>	 <u>47,799,356</u>	 <u>1,156,344</u>
 Net change in fund balance	 -	 -	 247,462	 247,462
<u>Fund balance</u>				
Beginning of year	<u>786,204</u>	<u>786,204</u>	<u>786,204</u>	<u>-</u>
End of year	<u>\$ 786,204</u>	<u>\$ 786,204</u>	<u>\$ 1,033,666</u>	<u>\$ 247,462</u>

## **CAPITAL PROJECTS FUND**

The capital projects fund is used to account for financial resources to be used for the acquisition or construction of capital assets other than those financed by enterprise operations.



GATEWAY 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, 2011

	<u>Budget Amounts</u>		<u>Actual on a Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental revenue:				
State	\$ 24,000	\$ 24,000	\$ 17,045	\$ (6,955)
Federal	2,000	2,000	515,516	513,516
Miscellaneous - institutional revenue	<u>300,000</u>	<u>300,000</u>	<u>98,565</u>	<u>(201,435)</u>
 Total revenues	 <u>326,000</u>	 <u>326,000</u>	 <u>631,126</u>	 <u>305,126</u>
<u>Expenditures</u>				
Capital outlay:				
Instruction	3,500,000	3,500,000	3,263,847	236,153
Instructional resources	21,000	21,000	2,175	18,825
Student services	85,000	215,000	113,888	101,112
General institutional	1,200,000	580,000	573,020	6,980
Physical plant	4,500,000	6,215,000	6,212,639	2,361
Public services	<u>20,000</u>	<u>20,000</u>	<u>12,187</u>	<u>7,813</u>
 Total expenditures	 <u>9,326,000</u>	 <u>10,551,000</u>	 <u>10,177,756</u>	 <u>373,244</u>
 Revenues over (under) expenditures	 <u>(9,000,000)</u>	 <u>(10,225,000)</u>	 <u>(9,546,630)</u>	 <u>678,370</u>
<u>Other financing sources</u>				
Long-term debt issued	9,000,000	9,000,000	9,000,000	-
Transfers in	<u>-</u>	<u>1,225,000</u>	<u>1,225,000</u>	<u>-</u>
 Total other financing sources	 <u>9,000,000</u>	 <u>10,225,000</u>	 <u>10,225,000</u>	 <u>-</u>
 Net change in fund balance	 -	 -	 678,370	 678,370
<u>Fund balance</u>				
Beginning of year	<u>1,423,818</u>	<u>1,423,818</u>	<u>1,423,818</u>	<u>-</u>
End of year	<u>\$ 1,423,818</u>	<u>\$ 1,423,818</u>	<u>\$ 2,102,188</u>	<u>\$ 678,370</u>

## **DEBT SERVICE FUND**

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

GATEWAY 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, 2011

	<u>Budget Amounts</u>		<u>Actual on a Budgetary Basis</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Local government - tax levy	\$ 7,377,000	\$ 7,177,000	\$ 7,177,000	\$ -
Miscellaneous - institutional revenue	<u>100,000</u>	<u>260,000</u>	<u>284,592</u>	<u>24,592</u>
Total revenues	<u>7,477,000</u>	<u>7,437,000</u>	<u>7,461,592</u>	<u>24,592</u>
<u>Expenditures</u>				
Physical plant	<u>7,407,000</u>	<u>7,300,000</u>	<u>7,273,853</u>	<u>26,147</u>
Total expenditures	<u>7,407,000</u>	<u>7,300,000</u>	<u>7,273,853</u>	<u>26,147</u>
Net change in fund balance	70,000	137,000	187,739	50,739
<u>Fund balance</u>				
Beginning of year	<u>1,458,199</u>	<u>1,458,199</u>	<u>1,458,199</u>	<u>-</u>
End of year	<u>\$ 1,528,199</u>	<u>\$ 1,595,199</u>	<u>\$ 1,645,938</u>	<u>\$ 50,739</u>

## **ENTERPRISE FUNDS**

Enterprise funds are used to account for operations (other than for the educational operations) that are financed and operated in a manner similar to a private business enterprise, where the intent of the College is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The operations of the District's culinary arts, auto lab, and various other minor services are accounted for in the enterprise funds in a manner similar to accounting for private enterprise operations.

GATEWAY TECHNICAL COLLEGE DISTRICT

Enterprise Funds Schedule of Revenues, Expenses, and Changes in Net Assets  
Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budget Amounts</u>		Actual on a Budgetary Basis	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>Operating Revenues</u>				
Local government - tax levy	\$ 45,000	\$ 45,000	\$ 45,000	\$ -
Other student fees	-	255,000	271,682	16,682
Miscellaneous - institutional revenue	<u>275,000</u>	<u>300,000</u>	<u>302,953</u>	<u>2,953</u>
 Total revenues	 <u>320,000</u>	 <u>600,000</u>	 <u>619,635</u>	 <u>19,635</u>
<u>Operating Expenses</u>				
Auxiliary services	<u>320,000</u>	<u>600,000</u>	<u>594,963</u>	<u>5,037</u>
 Total expenses	 <u>320,000</u>	 <u>600,000</u>	 <u>594,963</u>	 <u>5,037</u>
 Operating Income	 -	 -	 24,672	 24,672
<u>Net Assets</u>				
Beginning of year	<u>950,544</u>	<u>950,544</u>	<u>950,544</u>	<u>-</u>
 End of year	 <u>\$ 950,544</u>	 <u>\$ 950,544</u>	 <u>\$ 975,216</u>	 <u>\$ 24,672</u>

**SCHEDULES TO RECONCILE BUDGET BASIS FINANCIAL STATEMENTS TO  
BASIC FINANCIAL STATEMENTS**

GATEWAY TECHNICAL COLLEGE DISTRICT

Schedule to Reconcile the Budgetary Combined Balance Sheet - All Fund Types  
to the Statement of Net Assets  
June 30, 2011

<u>ASSETS</u>	General Fund	Special Revenue Funds		Capital Projects Fund	Debt Service Fund	Enterprise Fund	Agency Funds	Total	Reconciling Items	Statement of Net Assets
		Operating	Non-Aidable							
<u>Assets</u>										
Cash and cash equivalents	\$ 6,672,901	\$ -	\$ -	\$ 4,821,078	\$ 1,645,938	\$ -	\$ -	\$ 13,139,917	\$ -	\$ 13,139,917
Receivables:										
Property taxes	17,024,318	-	-	-	-	-	-	17,024,318	-	17,024,318
Accounts, net of reserve of \$ 571,605	1,897,618	3,040	-	-	-	-	27,496	1,928,154	-	1,928,154
Federal and state aid	-	1,447,501	4,433,218	-	-	-	-	5,880,719	-	5,880,719
Due from other funds	-	2,057,301	-	-	-	986,877	353,516	3,397,694	(3,397,694)	-
Inventory	-	-	-	-	-	11,223	-	11,223	-	11,223
Prepaid expenses	1,657,977	-	-	22,699	-	-	-	1,680,676	-	1,680,676
Debt issuance costs	-	-	-	-	-	-	-	-	185,780	185,780
Capital assets	-	-	-	-	-	274,146	-	274,146	94,273,891	94,548,037
Less: accumulated depreciation	-	-	-	-	-	(274,146)	-	(274,146)	(43,344,547)	(43,618,693)
<b>Total Assets</b>	<b>\$ 27,252,814</b>	<b>\$ 3,507,842</b>	<b>\$ 4,433,218</b>	<b>\$ 4,843,777</b>	<b>\$ 1,645,938</b>	<b>\$ 998,100</b>	<b>\$ 381,012</b>	<b>\$ 43,062,701</b>	<b>\$ 47,717,430</b>	<b>\$ 90,780,131</b>
<u>LIABILITIES AND FUND EQUITY</u>										
<u>Liabilities</u>										
Accounts payable and accrued liabilities	\$ 1,916,753	\$ 32,418	\$ 72,645	\$ -	\$ -	\$ 13,812	\$ 357	\$ 2,035,985	\$ -	\$ 2,035,985
Employee-related payables	2,243,613	141,125	7,351	-	-	9,072	1,825	2,402,986	-	2,402,986
⊗ Accrued vacation payable	411,000	-	-	-	-	-	-	411,000	-	411,000
Accrued interest	-	-	-	-	-	-	-	-	288,270	288,270
Due to other funds	78,138	-	3,319,556	-	-	-	-	3,397,694	(3,397,694)	-
Due to students and other groups	-	-	-	-	-	-	378,830	378,830	-	378,830
Deferred revenue	2,707,136	48,971	-	-	-	-	-	2,756,107	(1,157,199)	1,598,908
Long-term liabilities	-	-	-	-	-	-	-	-	39,400,326	39,400,326
<b>Total liabilities</b>	<b>7,356,640</b>	<b>222,514</b>	<b>3,399,552</b>	<b>-</b>	<b>-</b>	<b>22,884</b>	<b>381,012</b>	<b>11,382,602</b>	<b>35,133,703</b>	<b>46,516,305</b>
<u>Fund balances / net assets</u>										
Investment in capital assets	-	-	-	-	-	-	-	-	19,615,422	19,615,422
Net assets										-
Unreserved/unrestricted	-	-	-	-	-	975,216	-	975,216	21,577,339	22,552,555
Fund balances:										-
Reserved for prepaid expenditures	1,657,977	-	-	-	-	-	-	1,657,977	(1,657,977)	-
Reserved for student organizations	-	-	854,549	-	-	-	-	854,549	-	854,549
Reserved for student financial assistance	-	-	179,117	-	-	-	-	179,117	-	179,117
Reserved for capital projects	-	-	-	2,102,188	-	-	-	2,102,188	(2,102,188)	-
Reserved for debt service	-	-	-	-	1,645,938	-	-	1,645,938	(583,755)	1,062,183
Unreserved - Designated for:										
Operations	17,349,608	3,278,446	-	-	-	-	-	20,628,054	(20,628,054)	-
State aid fluctuations/health insurance	740,000	-	-	-	-	-	-	740,000	(740,000)	-
<b>Total fund balances / net assets</b>	<b>19,747,585</b>	<b>3,278,446</b>	<b>1,033,666</b>	<b>2,102,188</b>	<b>1,645,938</b>	<b>975,216</b>	<b>-</b>	<b>28,783,039</b>	<b>15,480,787</b>	<b>44,263,826</b>
Reserve for encumbrances	148,589	6,882	-	2,741,589	-	-	-	2,897,060	(2,897,060)	-
<b>Total Liabilities and Fund Equity</b>	<b>\$ 27,252,814</b>	<b>\$ 3,507,842</b>	<b>\$ 4,433,218</b>	<b>\$ 4,843,777</b>	<b>\$ 1,645,938</b>	<b>\$ 998,100</b>	<b>\$ 381,012</b>	<b>\$ 43,062,701</b>	<b>\$ 47,717,430</b>	<b>\$ 90,780,131</b>

GATEWAY TECHNICAL COLLEGE DISTRICT

Schedule to Reconcile the Budgetary Basis Financial Statements  
to the Statement of Revenues, Expenses and Changes in Net Assets  
Year Ended June 30, 2011

	General Fund	Special Revenue Funds		Capital Projects Fund	Debt Service Fund	Enterprise Funds	Total	Reconciling Items	Statement of Revenues, Expenses and Changes in Net Assets
		Operating	Non-Aidable						
<b>Revenues</b>									
Local government - tax levy	\$ 48,820,021	\$ 2,286,000	\$ -	\$ -	\$ 7,177,000	\$ 45,000	\$ 58,328,021	\$ -	\$ 58,328,021
Intergovernmental revenue:									
State	7,411,732	1,135,734	2,578,527	17,045	-	-	11,143,038	-	11,143,038 (1)
Federal	61,986	2,566,671	40,800,036	515,516	-	-	43,944,209	-	43,944,209 (2)
Tuition and fees:									
Statutory program fees	16,936,028	-	-	-	-	-	16,936,028	(5,479,871)	11,456,157
Material fees	905,024	-	-	-	-	-	905,024	(304,792)	600,232
Other student fees	1,766,988	-	881,722	-	-	271,682	2,920,392	(966,106)	1,954,286
Miscellaneous - institutional revenue	3,532,362	44,821	3,786,533	98,565	284,592	302,953	8,049,826	(3,763,080)	4,286,746 (3)
<b>Total revenues</b>	<b>79,434,141</b>	<b>6,033,226</b>	<b>48,046,818</b>	<b>631,126</b>	<b>7,461,592</b>	<b>619,635</b>	<b>142,226,538</b>	<b>(10,513,849)</b>	<b>131,712,689</b>
<b>Expenditures</b>									
Instruction	53,101,875	3,832,827	-	3,263,847	-	-	60,198,549	(1,740,421)	58,458,128
Instructional resources	1,292,339	-	-	2,175	-	-	1,294,514	6,062	1,300,576
Student services	7,886,702	1,011,605	47,799,356	113,888	-	-	56,811,551	(46,979,823)	9,831,728
General institutional	6,707,447	479,960	-	573,020	-	-	7,760,427	328,691	8,089,118
Physical plant	7,756,937	-	-	6,212,639	-	-	13,969,576	(5,965,560)	8,004,016
Student aid	-	-	-	-	-	-	-	36,245,389	36,245,389
Public services	-	332,043	-	12,187	-	-	344,230	(7,205)	337,025
Depreciation	-	-	-	-	-	14,438	14,438	3,936,372	3,950,810
Auxiliary services	-	-	-	-	-	580,525	580,525	-	580,525
Debt Service:									
Principal	-	-	-	-	6,010,000	-	6,010,000	(6,010,000)	-
Interest and fiscal charges	-	-	-	-	1,263,853	-	1,263,853	236	1,264,089
<b>Total expenditures</b>	<b>76,745,300</b>	<b>5,656,435</b>	<b>47,799,356</b>	<b>10,177,756</b>	<b>7,273,853</b>	<b>594,963</b>	<b>148,247,663</b>	<b>(20,186,259)</b>	<b>128,061,404</b>
Revenues over (under) expenditures	2,688,841	376,791	247,462	(9,546,630)	187,739	24,672	(6,021,125)	9,672,410	3,651,285
<b>Other financing sources (uses)</b>									
Long-term debt issued	-	-	-	9,000,000	-	-	9,000,000	(9,000,000)	-
Gain/(loss) on sale/disposal of capital assets	-	-	-	-	-	-	-	(43,980)	(43,980)
Transfers in	-	-	-	1,225,000	-	-	1,225,000	(1,225,000)	-
Transfers out	(1,225,000)	-	-	-	-	-	(1,225,000)	1,225,000	-
<b>Total other financing sources (uses)</b>	<b>(1,225,000)</b>	<b>-</b>	<b>-</b>	<b>10,225,000</b>	<b>-</b>	<b>-</b>	<b>9,000,000</b>	<b>(9,043,980)</b>	<b>(43,980)</b>
Revenues and other financing sources over (under) expenditures and other financing uses	1,463,841	376,791	247,462	678,370	187,739	24,672	2,978,875	628,430	3,607,305
<b>Fund balances/net assets</b>									
Beginning of year	18,283,744	2,901,655	786,204	1,423,818	1,458,199	950,544	25,804,164	14,852,357	40,656,521 (4)
End of year	\$ 19,747,585	\$ 3,278,446	\$ 1,033,666	\$ 2,102,188	\$ 1,645,938	\$ 975,216	\$ 28,783,039	\$ 15,480,787	\$ 44,263,826



GATEWAY TECHNICAL COLLEGE DISTRICT

Schedule to Reconcile the Budget (Non-GAAP) Basis Financial Statements  
to the Statement of Revenues, Expenses and Changes in Net Assets (Continued)  
June 30, 2011

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

Operating	\$ 3,860,476
Non-operating - State Appropriations	7,265,517
Non-operating - Capital Grants	<u>17,045</u>
 Total	 <u>\$ 11,143,038</u>

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

Operating	\$ 43,428,693
Non-operating - Capital Grants	<u>515,516</u>
	<u>\$ 43,944,209</u>

(3) Other institutional revenue is reported in five separate lines on the Statement of Revenues, Expenses and Changes in Net Assets as follows:

Auxiliary enterprise revenues	\$ 286,282
Contract revenue	2,231,194
Miscellaneous income	1,503,587
Gifts and non-operating grants	41,002
Donated capital assets	147,722
Investment income	<u>76,959</u>
 Total	 <u>\$ 4,286,746</u>

(4) Reconciliation of budgetary basis fund equity and net assets as presented on the Statement of Revenue, Expenses, and Changes in Net Assets as follows:

	<u>2011</u>	<u>2010</u>
Budgetary basis fund equity	\$ 28,783,039	\$ 25,804,164
General fixed assets capitalized - cost	94,548,037	87,596,253
Accumulated depreciation on general fixed assets	(43,618,693)	(39,734,339)
General obligation debt	(36,135,000)	(33,145,000)
Other post employment benefits	(1,880,288)	(1,238,128)
Accrued interest on long-term debt	(288,270)	(281,112)
Summer school tuition and fees	1,228,938	989,070
Unamortized debt issuance costs	185,780	96,396
Unamortized premiums on notes payable	(481,265)	(172,025)
Deferred revenue for govt-wide basis	(975,512)	(1,047,253)
Encumbrances	<u>2,897,060</u>	<u>1,802,934</u>
 Net assets per basic financial statements	 <u>\$ 44,263,826</u>	 <u>\$ 40,656,521</u>



## STATISTICAL SECTION

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health. The information in this section was prepared by the District and was not subject to audit by the independent certified public accounting firm.

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<b>Financial Trends</b> These schedules contain trend information to assist the reader in understanding and assessing how the District's financial position has changed over time.	91
<b>Revenue Capacity</b> These schedules contain information to assist the reader in assessing the District's most significant local revenue source, the property tax.	93
<b>Debt Capacity</b> These schedules present information to assist the reader in understanding and assessing the District's current levels of outstanding debt burden and the District's ability to issue additional debt in the future.	100
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.	103
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	106

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34/35 for the fiscal year ended June 30, 2002; schedules presenting government-wide information include information beginning in that year.

**Column Headings:** The columns headed "Year" in this section refer to the District's fiscal year (July 1 to June 30). Certain data included in this section is only available on a calendar-year basis; and if calendar-year data is presented, it is disclosed in the notes to the specific statement or schedule included in this section.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Net Assets by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Invested in Capital Assets, net of Related Debt	\$ 19,615,422	\$ 17,579,877	\$ 16,438,878	\$ 16,228,195	\$ 14,108,750	\$ 13,302,497	\$ 12,834,119	\$ 13,183,071	\$ 10,846,911	\$ 9,638,889
Restricted-expendable	2,095,849	1,887,662	1,741,196	1,624,629	1,390,446	1,714,082	1,331,530	1,157,455	1,170,809	1,259,196
Restricted-nonexpendable	-	-	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Unrestricted	<u>22,552,555</u>	<u>21,188,982</u>	<u>18,598,688</u>	<u>17,032,962</u>	<u>17,166,821</u>	<u>16,234,066</u>	<u>15,741,589</u>	<u>16,387,471</u>	<u>16,140,333</u>	<u>15,885,745</u>
Total Net Assets	<u>\$ 44,263,826</u>	<u>\$ 40,656,521</u>	<u>\$ 36,789,762</u>	<u>\$ 34,896,786</u>	<u>\$ 32,677,017</u>	<u>\$ 31,261,645</u>	<u>\$ 29,918,238</u>	<u>\$ 30,738,997</u>	<u>\$ 28,169,053</u>	<u>\$ 26,794,830</u>

Note: The District implemented GASB Statements 34 and 35 beginning with the fiscal year ended June 30, 2003 and restated June 30, 2002 numbers for comparison.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Changes in Net Assets  
Last Ten Fiscal Years

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Operating Revenues</b>										
Student tuition and program fees, net of scholarship allowances <sup>(1)</sup>	\$ 14,010,675	\$ 11,602,472	\$ 10,761,259	\$ 9,209,849	\$ 9,204,502	\$ 8,540,801	\$ 8,835,736	\$ 8,655,210	\$ 8,184,769	\$ 7,046,904
Federal grants	43,428,693	25,323,977	16,575,978	13,092,509	12,791,779	13,584,444	7,955,313	7,907,194	6,273,891	5,567,901
State grants	3,860,476	2,971,504	3,044,816	2,692,464	2,706,640	2,554,174	2,255,096	2,067,520	2,084,383	2,183,959
Contract revenue	2,231,194	1,924,763	2,053,234	2,526,471	2,161,695	2,189,500	2,431,502	2,183,387	2,044,834	1,947,188
Auxiliary enterprise revenues	286,282	725,250	823,449	853,017	558,428	462,974	505,014	661,192	631,257	599,434
Miscellaneous - institutional revenue <sup>(1)</sup>	1,503,587	1,247,461	925,416	838,262	885,364	800,678	678,927	816,372	498,600	600,186
<b>Total operating revenues</b>	<b>65,320,907</b>	<b>43,795,427</b>	<b>34,184,152</b>	<b>29,212,572</b>	<b>28,308,408</b>	<b>28,132,571</b>	<b>22,661,588</b>	<b>22,290,875</b>	<b>19,717,734</b>	<b>17,945,572</b>
<b>Operating Expenses</b>										
Instruction	58,458,128	54,075,497	51,672,106	48,269,277	47,587,891	45,931,954	45,544,656	43,543,083	39,395,033	36,350,024
Instructional resources	1,300,576	1,214,433	1,070,094	1,017,882	1,225,491	1,227,300	1,050,064	1,224,316	1,167,795	1,119,890
Student services <sup>(1)</sup>	9,831,728	9,328,200	8,611,661	8,521,160	8,775,637	7,656,716	7,773,264	7,754,847	7,121,054	6,871,836
General institutional	8,089,118	7,675,036	7,242,051	6,574,419	6,893,336	7,115,812	6,820,544	6,365,357	6,651,562	6,539,843
Physical plant	8,004,016	7,364,494	6,939,730	6,471,693	6,237,124	5,911,484	5,795,086	5,149,322	6,744,323	4,054,514
Student aid <sup>(1)</sup>	36,245,389	18,489,556	11,842,905	9,151,817	8,919,036	9,784,156	5,146,925	4,782,520	4,225,503	3,739,829
Public service	337,025	252,494	384,102	335,213	317,558	300,708	297,502	274,186	249,069	197,978
Auxiliary enterprise services	580,525	1,198,058	1,149,043	1,298,310	993,729	891,585	976,406	818,088	1,044,474	833,761
Depreciation	3,950,810	3,543,647	3,186,169	2,897,941	2,583,246	2,501,129	2,281,202	2,012,339	1,608,085	1,401,669
<b>Total operating expenses</b>	<b>126,797,315</b>	<b>103,141,415</b>	<b>92,097,861</b>	<b>84,537,712</b>	<b>83,533,048</b>	<b>81,320,844</b>	<b>75,685,649</b>	<b>71,924,058</b>	<b>68,206,898</b>	<b>61,109,344</b>
<b>Operating loss</b>	<b>(61,476,408)</b>	<b>(59,345,988)</b>	<b>(57,913,709)</b>	<b>(55,325,140)</b>	<b>(55,224,640)</b>	<b>(53,188,273)</b>	<b>(53,024,061)</b>	<b>(49,633,183)</b>	<b>(48,489,164)</b>	<b>(43,163,772)</b>
<b>Non-operating revenues (expenses)</b>										
Property Taxes	58,328,021	56,248,873	53,910,836	51,079,902	49,101,201	47,291,043	45,118,323	43,321,592	41,946,643	40,555,951
State appropriations	7,265,517	7,518,927	6,825,727	6,627,536	7,131,956	7,464,990	7,621,031	8,458,088	8,108,577	6,642,419
State capital grants	17,045	20,442	1,504	-	-	1,305	2,168	7,442	40,470	76,991
Federal capital grants	515,516	4,793	2,562	19,247	7,900	1,730	9,261	556,641	-	-
Other grants	41,002	538,267	44,202	15,639	-	143,210	32,687	189,873	703,385	-
Donated capital assets	147,722	106,733	28,000	265,414	-	-	-	550,840	-	-
Gain (loss) on sale of capital assets	(43,980)	(14,631)	52,927	53,996	535,930	-	53,250	(28,442)	-	-
Investment income	76,959	69,363	210,390	617,039	911,205	714,778	412,183	201,753	319,905	414,132
Interest expense	(1,264,089)	(1,280,020)	(1,269,463)	(1,133,864)	(1,048,180)	(1,085,376)	(1,045,601)	(1,054,660)	(1,102,850)	(1,021,961)
<b>Total non-operating revenues</b>	<b>65,083,713</b>	<b>63,212,747</b>	<b>59,806,685</b>	<b>57,544,909</b>	<b>56,640,012</b>	<b>54,531,680</b>	<b>52,203,302</b>	<b>52,203,127</b>	<b>50,016,130</b>	<b>46,667,532</b>
<b>Increase/(Decrease) in Net Assets</b>	<b>\$ 3,607,305</b>	<b>\$ 3,866,759</b>	<b>\$ 1,892,976</b>	<b>\$ 2,219,769</b>	<b>\$ 1,415,372</b>	<b>\$ 1,343,407</b>	<b>\$ (820,759)</b>	<b>\$ 2,569,944</b>	<b>\$ 1,526,966</b>	<b>\$ 3,503,760</b>

Note: The District implemented GASB Statements 34 and 35 beginning with the fiscal year ended June 30, 2003 and restated June 30, 2002 numbers for comparison.

(1) Effective with FY 2005/06 the prior years' numbers were reclassified to conform to the current presentation.

**GATEWAY TECHNICAL COLLEGE**

Expenses by Use  
Last Ten Fiscal Years  
(accrual basis of accounting)

	2011	% of Total	2010	% of Total	2009	% of Total	2008	% of Total	2007	% of Total	2006	% of Total	2005	% of Total	2004	% of Total	2003	% of Total	2002	% of Total
<b>Expense Classifications</b>																				
Salaries and wages	\$ 48,410,278	37.8%	\$ 46,108,596	44.2%	\$43,890,665	47.0%	\$41,139,413	48.0%	\$40,010,460	47.3%	\$39,186,439	47.6%	\$38,745,098	50.5%	\$37,692,488	51.6%	\$35,347,582	51.0%	\$32,992,253	53.1%
Fringe benefits	22,310,925	17.4%	20,677,526	19.8%	19,747,456	21.2%	19,509,572	22.8%	19,975,483	23.6%	18,174,037	22.1%	16,810,431	21.9%	15,114,098	20.7%	13,644,307	19.7%	11,632,758	18.7%
Travel, memberships and subscriptions	826,946	0.6%	740,879	0.7%	780,231	0.8%	698,040	0.8%	705,682	0.8%	723,762	0.9%	757,681	1.0%	721,010	1.0%	629,687	0.9%	786,440	1.3%
Supplies and minor equipment <sup>(1)</sup>	7,664,080	6.0%	6,895,824	6.6%	6,056,363	6.5%	5,349,544	6.2%	5,032,988	6.0%	4,843,828	5.9%	6,049,499	7.9%	5,661,663	7.8%	7,112,153	10.3%	4,944,506	8.0%
Contract services	2,800,111	2.2%	2,405,619	2.3%	2,325,998	2.5%	2,116,237	2.5%	2,502,591	3.0%	2,193,068	2.7%	2,456,209	3.2%	2,556,530	3.5%	2,563,748	3.7%	2,701,503	4.3%
Bank/Agency credit/collection fees	118,761	0.1%	202,816	0.2%	196,348	0.2%	131,862	0.2%	132,267	0.2%	93,789	0.1%	72,761	0.1%	63,106	0.1%	53,770	0.1%	41,411	0.1%
Rentals	963,315	0.8%	827,786	0.8%	785,358	0.8%	737,152	0.9%	636,383	0.8%	664,383	0.8%	399,033	0.5%	442,924	0.6%	370,325	0.5%	432,307	0.7%
Repairs and maintenance	809,862	0.6%	664,938	0.6%	742,014	0.8%	521,508	0.6%	635,382	0.8%	641,042	0.8%	548,907	0.7%	692,438	0.9%	922,004	1.3%	840,277	1.4%
Insurance	633,985	0.5%	597,291	0.6%	518,683	0.6%	409,729	0.5%	629,031	0.7%	653,990	0.8%	636,080	0.8%	577,503	0.8%	416,838	0.6%	309,285	0.5%
Utilities	1,766,539	1.4%	1,631,363	1.6%	1,762,077	1.9%	1,728,450	2.0%	1,579,719	1.9%	1,709,410	2.1%	1,624,665	2.1%	1,507,900	2.1%	1,303,295	1.9%	1,165,129	1.9%
Depreciation	3,950,810	3.1%	3,543,647	3.4%	3,186,169	3.4%	2,897,941	3.4%	2,583,246	3.1%	2,501,129	3.0%	2,281,202	3.0%	2,012,339	2.8%	1,608,085	2.3%	1,401,669	2.3%
Student aid	36,245,389	28.3%	18,489,556	17.7%	11,842,905	12.7%	9,151,817	10.7%	8,919,036	10.5%	9,784,156	11.9%	5,146,925	6.7%	4,782,520	6.6%	4,225,503	6.1%	3,739,829	6.0%
Student debt writeoff	296,314	0.2%	355,584	0.3%	263,594	0.3%	146,447	0.2%	190,780	0.2%	151,811	0.2%	157,158	0.2%	99,539	0.1%	9,601	0.0%	121,977	0.2%
Total operating expenses	<u>126,797,315</u>	<u>99.0%</u>	<u>103,141,425</u>	<u>98.8%</u>	<u>92,097,861</u>	<u>98.6%</u>	<u>84,537,712</u>	<u>98.7%</u>	<u>83,533,048</u>	<u>98.8%</u>	<u>81,320,844</u>	<u>98.7%</u>	<u>75,685,649</u>	<u>98.6%</u>	<u>71,924,058</u>	<u>98.5%</u>	<u>68,206,898</u>	<u>98.4%</u>	<u>61,109,344</u>	<u>98.4%</u>
Interest expense	1,264,089	1.0%	1,280,050	1.2%	1,269,463	1.4%	1,133,864	1.3%	1,048,180	1.2%	1,085,376	1.3%	1,045,601	1.4%	1,054,660	1.4%	1,102,850	1.6%	1,021,961	1.6%
Loss on disposal of assets	76,959	0.1%	14,631	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	28,442	0.1%	-	0.0%	-	0.0%
Total non-operating expenses	<u>1,341,048</u>	<u>1.1%</u>	<u>1,294,681</u>	<u>1.2%</u>	<u>1,269,463</u>	<u>1.4%</u>	<u>1,133,864</u>	<u>1.3%</u>	<u>1,048,180</u>	<u>1.2%</u>	<u>1,085,376</u>	<u>1.3%</u>	<u>1,045,601</u>	<u>1.4%</u>	<u>1,083,102</u>	<u>1.5%</u>	<u>1,102,850</u>	<u>1.6%</u>	<u>1,021,961</u>	<u>1.6%</u>
<b>Total Expenses</b>	<u>\$128,138,363</u>	<u>100.0%</u>	<u>\$104,436,106</u>	<u>100.0%</u>	<u>\$93,367,324</u>	<u>100.0%</u>	<u>\$85,671,576</u>	<u>100.0%</u>	<u>\$84,581,228</u>	<u>100.0%</u>	<u>\$82,406,220</u>	<u>100.0%</u>	<u>\$76,731,250</u>	<u>100.0%</u>	<u>\$73,007,160</u>	<u>100.0%</u>	<u>\$69,309,748</u>	<u>100.0%</u>	<u>\$62,131,305</u>	<u>100.0%</u>

Note: The District implemented GASB Statements 34 and 35 beginning with the fiscal year ended June 30, 2003 and restated June 30, 2002 numbers for comparison.

(1) Effective with FY 2006/07 these numbers were restated to provide further detail under the new categories listed.

## GATEWAY TECHNICAL COLLEGE DISTRICT

### Equalized Value and Tax Levy Distribution by Municipality Fiscal Year 2011

<u>County</u>	<u>Municipality</u>	<u>Taxable equalized valuation</u>	<u>Percent of total</u>	<u>Total tax levy</u>
Kenosha	Town of:			
	Brighton	\$ 196,333,700	0.468177 %	\$ 273,125
	Bristol	312,279,500	0.744660	434,420
	Paris	224,276,500	0.534809	311,997
	Randall	524,557,500	1.250858	729,726
	Salem	1,150,464,799	2.743394	1,600,441
	Somers	854,366,100	2.037318	1,188,531
	Wheatland	327,657,300	0.781330	455,812
	Village of:			
	Bristol	282,109,800	0.672718	392,450
	Genoa City	438,800	0.001046	610
	Paddock Lake	246,490,100	0.587779	342,899
	Pleasant Prairie	2,310,215,600	5.508931	3,213,800
	Silver Lake	193,747,700	0.462010	269,527
	Twin Lakes	863,408,199	2.058880	1,201,109
	City of Kenosha	5,908,159,601	14.088574	8,218,992
	Racine	Town of:		
Burlington		698,670,900	1.666048	971,939
Dover		331,303,799	0.790026	460,885
Norway		326,637,232	0.778898	454,394
Raymond		454,830,901	1.084588	632,727
Waterford		740,077,900	1.764787	1,029,541
Yorkville		496,618,700	1.184235	690,859
Village of:				
Caledonia		2,152,771,600	5.133491	2,994,776
Elmwood Park		42,697,100	0.101815	59,397
Mount Pleasant		2,676,280,900	6.381849	3,723,043
North Bay		37,194,700	0.088694	51,742
Rochester		352,703,600	0.841056	490,655
Sturtevant		362,070,100	0.863391	503,685
Union Grove		304,694,700	0.726574	423,869
Waterford		405,557,500	0.967091	564,182
Wind Point		261,051,400	0.622502	363,155
City of:				
Burlington		690,669,600	1.646968	960,808
Racine	3,757,398,850	8.959879	5,227,014	

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Equalized Value and Tax Levy Distribution by Municipality (continued)  
Fiscal Year 2011

<u>County</u>	<u>Municipality</u>	<u>Taxable equalized valuation</u>	<u>Percent of total</u>	<u>Total tax levy</u>	
Walworth	Town of:				
	Bloomfield	\$ 526,719,500	1.256013 %	\$ 732,733	
	Darien	177,121,000	0.422362	246,398	
	Delavan	1,088,724,000	2.596167	1,514,552	
	East Troy	781,120,200	1.862656	1,086,636	
	Geneva	987,944,400	2.355848	1,374,355	
	Lafayette	272,410,399	0.649589	378,957	
	LaGrange	812,191,900	1.936750	1,129,861	
	Linn	1,923,603,799	4.587018	2,675,974	
	Lyons	469,127,200	1.118679	652,615	
	Richmond	242,660,300	0.578647	337,571	
	Sharon	78,118,401	0.186281	108,673	
	Spring Prairie	241,651,100	0.576240	336,167	
	Sugar Creek	385,656,600	0.919635	536,497	
	Troy	266,445,300	0.635364	370,659	
	Walworth	239,219,400	0.570442	332,784	
	Whitewater	312,050,500	0.744114	434,101	
		Village of:			
		Darien	87,692,900	0.209112	121,992
		East Troy	320,294,400	0.763773	445,570
		Fontana	1,185,321,299	2.826513	1,648,931
		Genoa City	100,424,200	0.239471	139,703
		Mukwonago	7,427,100	0.017711	10,332
		Sharon	77,971,200	0.185930	108,468
		Walworth	211,970,700	0.505465	294,878
		Williams Bay	761,502,600	1.815876	1,059,346
		City of:			
		Burlington	509,400	0.001215	709
		Delavan	631,104,000	1.504928	877,945
		Elkhorn	560,467,100	1.336488	779,680
		Lake Geneva	1,194,682,000	2.848834	1,661,953
		Whitewater	505,957,500	1.206504	703,850
		<b>Totals</b>	<b>\$ 41,935,823,079</b>	<b>100 %</b>	<b>\$ 58,338,000</b>

Source: Prepared by District staff. Taxable equalized valuations are from the Wisconsin Department of Revenue, Division of State and Local Finance, Bureau of Property Tax.



**GATEWAY TECHNICAL COLLEGE DISTRICT**

Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for <u>the Fiscal Year</u>	<u>Collected within the</u> <u>Fiscal Year of the Levy</u>		Collections in Subsequent <u>Year</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2002	40,573,084	29,374,807	72.40	11,198,277	40,573,084	100.00
2003	41,928,338	30,552,660	72.87	11,375,678	41,928,338	100.00
2004	43,338,000	31,921,546	73.66	11,416,454	43,338,000	100.00
2005	45,043,000	33,447,366	74.26	11,595,634	45,043,000	100.00
2006	47,295,000	35,128,253	74.27	12,166,747	47,295,000	100.00
2007	49,093,282	35,811,604	72.95	13,281,678	49,093,282	100.00
2008	51,075,834	36,774,363	72.00	14,301,471	51,075,834	100.00
2009	53,914,744	37,983,753	70.45	15,930,992	53,914,745	100.00
2010	56,201,000	39,426,916	70.15	16,774,084	56,201,000	100.00
2011	58,338,000	41,513,682	71.16	-	41,513,682	71.16

Tax Levies, Rates, and Collections

Personal property taxes, special assessments, special charges, and special taxes must be paid to the town, city or village treasurer in full by January 31. Municipalities also have the option of adopting payment plans which allow taxpayers to pay their real property taxes in installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. On or before January 15 and February 15 and on the 15th day of each month following a month in which an installment payment is due, the town, city or village treasurer settles with other taxing jurisdictions for all collections through the preceding month. On or before August 20, the county treasurer must settle in full with all the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Since in practice all delinquent real estate taxes are withheld from the county's share of the taxes and all delinquent personal property taxes are withheld from the shares of taxes of the respective city, and towns, the District receives 100 percent of the taxes it levies.

Source: Prepared by District staff.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Principal Taxing Districts and Counties  
2010 Equalized Valuation and Tax Levy

<u>Municipality</u>	<u>County</u>	<u>Equalized value</u>	<u>Tax levy</u>	<u>Percentage of total tax levy</u>
City of Kenosha	Kenosha	\$ 5,908,159,601	\$ 8,218,992	14.09 %
City of Racine	Racine	3,757,398,850	5,227,014	8.96
Village of Mount Pleasant	Racine	2,676,280,900	3,723,043	6.38
Village of Pleasant Prairie	Kenosha	2,310,215,600	3,213,800	5.51
Village of Caledonia	Racine	2,152,771,600	2,994,776	5.13
Town of Linn	Walworth	1,923,603,799	2,675,974	4.59
City of Lake Geneva	Walworth	1,194,682,000	1,661,953	2.85
Village of Fontana	Walworth	1,185,321,299	1,648,931	2.83
Town of Salem	Kenosha	1,150,464,799	1,600,441	2.74
Town of Delavan	Walworth	<u>1,088,724,000</u>	<u>1,514,552</u>	<u>2.60</u>
Total principal taxing districts		<u>\$ 23,347,622,448</u>	<u>\$ 32,479,476</u>	<u>55.7 %</u>
County:				
Racine		\$ 14,091,229,482	\$ 19,602,671	33.6 %
Kenosha		13,394,505,199	18,633,439	31.9
Walworth		<u>14,450,088,398</u>	<u>20,101,890</u>	<u>34.5</u>
		<u>\$ 41,935,823,079</u>	<u>\$ 58,338,000</u>	<u>100.0 %</u>

Source: Prepared by District staff. Taxable equalized valuations are from the Wisconsin Department of Revenue, Division of State and Local Finance, Bureau of Property Tax.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Principal PropertyTaxpayers by County  
Current Year and Nine Years Ago

County	Name of Business	Type of Business	Year Ended June 30, 2011			Year Ended June 30, 2002		
			2010 Equalized Valuation	Rank	Percent of District equalized valuation	2001 Equalized Valuation	Rank	Percent of District equalized valuation
Racine	S. C. Johnson & Son, Inc.	Manufacturing	\$ 120,973,403	1	0.29 %	\$ 73,682,500	1	0.32 %
	Racine Joint Venture (Regency Mall)	Shopping center	110,412,222	2	0.26	61,977,400	2	0.27
	Continental 81 Fund LLC	Retail-Wal-Mart Stores	54,762,046	3	0.13	15,752,700	8	0.07
	Centerpoint Properties Trust <sup>(2)</sup>	Insurance	39,722,738	4	0.09	-	-	-
	All Saints Health Care	Health care services	38,810,375	5	0.09	17,997,300	6	0.08
	Aurora Medical Group	Health care provider	31,891,744	6	0.08	18,804,800	4	0.08
	CNH Global <sup>(1)</sup>	Manufacturing	31,318,270	7	0.07	33,922,300	3	0.15
	Inland Southeast Mount Pleasant	Village Center strip mall	21,479,040	8	0.05	-	-	-
	Bombardier Motor Corp	Manufacturing	20,110,341	9	0.05	18,145,900	5	0.08
	High Ridge Improvements	DLC Management Corp	18,205,078	10	0.04	-	-	-
	American National Insurance	Insurance	-	-	-	16,000,800	7	0.07
	California State Teacher	Real Estate	-	-	-	15,745,500	9	0.07
	Rudd Lighting Inc.	Manufacturing	-	-	-	14,015,700	10	0.06
	<b>Racine county total</b>			<b>\$ 487,685,257</b>		<b>1.16 %</b>	<b>\$ 286,044,900</b>	
(1) Formerly known as J.I. Case Corporation (2)Formerly American National Insurance								
Kenosha	Route 165 LLC	Commerical	\$ 86,792,888	1	0.21 %	\$ -	-	- %
	Centerpoint Properties Trust	Commerical	68,514,974	2	0.16	-	-	-
	Prime Outlets at Pleasant Prairie	Retail Mall	63,021,409	3	0.15	-	-	-
	Affiliated Foods Midwest Coop.	Manufacturing	56,490,240	4	0.13	-	-	-
	Chicagoland DC 2008 LLC	Commercial	47,961,314	5	0.11	-	-	-
	CV II Lakeview LLC	Commercial	43,308,238	6	0.10	-	-	-
	Southport Plaza Ltd. Partners	Commercial Real Estate	41,413,101	7	0.10	30,979,700	3	0.13
	OhioCubco	Property development	32,317,758	8	0.08	25,690,900	5	0.11
	Edward Rose Assoc. Apartments	Property management	28,507,164	9	0.07	22,679,500	6	0.10
	GB-MA Pleasant Prairie LLC	Commercial	26,721,573	10	0.06	-	-	-
	Petretti Realty et Al.	Developer/Builder	-	-	-	19,849,300	8	0.08
	Wispark Corporation	Industrial park	-	-	-	75,228,600	1	0.32
	First Horizon Group Ltd.	Property management	-	-	-	41,394,200	2	0.18
	Dairyland Greyhound Park	Recreation/dog track	-	-	-	26,520,500	4	0.11
	Corpus Addison Venture I	Commerical	-	-	-	20,253,900	7	0.09
	Waste Management	Land fill	-	-	-	18,982,200	9	0.08
	Shagbark Ltd, Partnership	Apartments	-	-	-	18,128,900	10	0.08
<b>Kenosha county total</b>			<b>\$ 495,048,659</b>		<b>1.18 %</b>	<b>\$ 299,707,700</b>		<b>1.28 %</b>
(3) Estimated equalized valuations for 2010								
Walworth	Grand Geneva Resort (Marcus Geneva	Resort	\$ 28,859,647	1	0.07 %	\$ 27,585,300	1	0.12 %
	Delavan Resort	Resort	28,136,361	2	0.07	-	-	-
	DLK Enterprises, Inc.	Farm/Real Estate	23,784,641	3	0.06	23,063,474	2	-
	Kikkoman Foods Inc.	Manufacturing	23,148,669	4	0.06	15,226,600	5	0.07
	Wal-Mart	Retail store	14,467,124	5	0.03	-	-	-
	Wychwood - Wrigley Mngmt	Management company	14,385,296	6	0.03	-	0.00	
	Versacold-Cascade	Manufacturing	14,166,475	7	0.03	-	0.00	
	Lake Geneva Investors LLC	Investor	13,845,157	8	0.03	-	-	
	Paloma Geneva National LLC	Resort	13,659,166	9	0.03	17,369,225	3	-
	Shodeen Property Co. LLC	Development company	13,475,137	10	0.03	-	-	
	ABKA (The Abbey)	Resort	-	-	-	16,944,050	4	0.07
	Lake Lawn Lodge	Resort	-	-	-	13,783,000	6	0.06
	Geneva Lakes Cold Storage	Private business	-	-	-	11,298,300	7	0.05
	Individual	Estate	-	-	-	7,500,000	8	0.03
Midwest Track Associates	Dog track	-	-	-	6,880,000	9	0.03	
Individual	Developer	-	-	-	6,545,983	10	0.03	
<b>Walworth county total</b>			<b>\$ 187,927,673</b>		<b>0.45 %</b>	<b>\$ 146,195,932</b>		<b>0.63 %</b>
<b>Grand total</b>			<b>\$ 1,170,661,589</b>		<b>2.79 %</b>	<b>\$ 731,948,532</b>		<b>3.13 %</b>
<b>Total District Equalized Valuation</b>			<b>\$ 41,935,823,079</b>			<b>\$ 23,361,009,349</b>		

Sources: Robert W. Baird report, Information from county treasurer's office

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Property Tax Rates<sup>(1)</sup> - All Overlapping Governments  
 (Per \$1,000 of General Property Full Values of Taxable Property)  
 Calendar Year Taxes are Payable 2002-2011

County	Year	Gateway District Direct Rates			School districts elementary/ secondary	Local tax <sup>(3)</sup>	County tax	Other taxes <sup>(4)</sup>	Total property tax	State tax relief	Net total
		Operational <sup>(2)</sup>	Debt Service	Direct Rate							
Racine	2002	1.43	0.19	1.62	9.09	7.43	4.76	1.04	23.94	(1.46)	22.48
	2003	1.37	0.19	1.56	8.15	7.22	4.76	1.06	22.75	(1.38)	21.37
	2004	1.30	0.18	1.48	8.12	7.04	4.59	1.11	22.34	(1.25)	21.09
	2005	1.24	0.17	1.41	8.03	6.71	4.33	1.11	21.59	(1.11)	20.48
	2006	1.17	0.16	1.33	7.17	6.36	4.07	1.06	19.99	(1.00)	18.99
	2007	1.09	0.15	1.24	7.86	5.99	3.35	0.96	19.40	(1.14)	18.26
	2008	1.05	0.15	1.20	7.84	5.90	3.30	1.05	19.29	(1.27)	18.02
	2009	1.08	0.15	1.23	8.25	6.02	3.31	1.11	19.92	(1.41)	18.51
	2010	1.12	0.16	1.28	8.84	6.24	3.35	1.19	20.90	(1.45)	19.45
	2011	1.22	0.17	1.39	9.45	6.58	3.48	1.19	22.09	(1.51)	20.58
Kenosha	2002	1.43	0.19	1.62	9.63	6.86	5.03	0.60	23.74	(1.40)	22.34
	2003	1.37	0.19	1.56	9.22	6.54	5.00	0.73	23.05	(1.31)	21.74
	2004	1.30	0.18	1.48	9.31	6.22	4.80	0.80	22.61	(1.24)	21.37
	2005	1.24	0.17	1.41	9.35	5.81	4.51	0.86	21.94	(1.14)	20.80
	2006	1.17	0.16	1.33	8.47	5.45	4.18	0.83	20.26	(1.05)	19.21
	2007	1.09	0.15	1.24	8.46	5.14	3.91	0.86	19.61	(1.24)	18.37
	2008	1.05	0.15	1.20	8.55	5.05	3.80	0.92	19.52	(1.35)	18.17
	2009	1.08	0.15	1.23	8.92	5.27	3.84	1.09	20.35	(1.51)	18.84
	2010	1.12	0.16	1.28	9.53	5.49	4.01	1.35	21.66	(1.56)	20.10
	2011	1.22	0.17	1.39	10.75	6.03	4.36	1.69	24.22	(1.65)	22.57
Walworth	2002	1.43	0.19	1.62	9.71	3.79	5.14	1.13	21.39	(1.57)	19.82
	2003	1.37	0.19	1.56	9.43	3.73	5.13	1.19	21.04	(1.46)	19.58
	2004	1.30	0.18	1.48	9.03	3.48	4.94	1.25	20.18	(1.33)	18.85
	2005	1.24	0.17	1.41	8.98	3.41	4.75	1.22	19.77	(1.22)	18.55
	2006	1.17	0.16	1.33	8.01	3.16	4.40	1.03	17.93	(1.09)	16.84
	2007	1.09	0.15	1.24	7.43	2.88	4.11	1.03	16.69	(1.22)	15.47
	2008	1.05	0.15	1.20	7.62	2.72	3.91	1.10	16.55	(1.27)	15.28
	2009	1.08	0.15	1.23	7.75	2.67	3.88	1.17	16.70	(1.38)	15.32
	2010	1.12	0.16	1.28	8.13	2.74	3.94	1.15	17.24	(1.40)	15.84
	2011	1.22	0.17	1.39	8.77	2.89	4.21	1.16	18.42	(1.48)	16.94

(1) Source - Wisconsin Department of Revenue Division of State and Local Finance, Bureau of Property Tax. The rates shown represent District-wide composite tax rates based on general property full values, excluding tax increment finance districts.

(2) The operational property tax includes tax levies for all District funds except the Debt Service Fund and this rate may not exceed \$1.50.

(3) Cities, towns, villages, and utility districts.

(4) Metropolitan sewerage, sanitary, and public inland lake protection districts.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Distribution of Real Property of Merged Equalized Values  
 Racine, Kenosha, and Walworth Counties<sup>(1)</sup>  
 Calendar Years 2001-2010  
 (Figures in thousands)

Calendar Year	Residential	Commercial	Manufacturing	Agricultural	Swamp, waste and forest	Other	Personal Property	Total	District Equalized Valuation(2)	Total Direct Tax Rate
2001	19,616,133	3,955,765	977,878	223,089	99,827	446,971	679,978	25,999,641	25,054,873	1.61937
% of Total	75.4%	15.2%	3.8%	0.9%	0.4%	1.7%	2.6%			
2002	21,373,420	4,374,347	1,008,832	123,209	101,417	477,245	629,738	28,088,208	26,953,225	1.55559
% of Total	76.1%	15.6%	3.6%	0.4%	0.4%	1.7%	2.2%			
2003	23,455,469	4,700,585	1,038,551	87,813	119,114	503,104	646,437	30,551,073	29,223,904	1.48297
% of Total	76.8%	15.4%	3.4%	0.3%	0.4%	1.6%	2.1%			
2004	26,018,470	5,046,556	1,068,047	82,788	107,327	513,950	635,552	33,472,690	32,011,437	1.40709
% of Total	77.7%	15.1%	3.2%	0.2%	0.3%	1.5%	1.9%			
2005	29,295,258	5,508,464	1,042,155	83,169	113,746	544,035	649,894	37,236,721	35,561,554	1.32995
% of Total	78.7%	14.8%	2.8%	0.2%	0.3%	1.5%	1.7%			
2006	32,963,886	6,119,859	1,055,082	87,329	158,764	613,183	697,942	41,696,045	39,735,348	1.23551
% of Total	79.1%	14.7%	2.5%	0.2%	0.4%	1.5%	1.7%			
2007	35,800,611	6,463,027	1,111,595	93,500	137,506	627,055	666,620	44,899,914	42,651,718	1.19751
% of Total	85.9%	15.5%	2.7%	0.2%	0.3%	1.5%	1.6%			
2008	36,882,473	6,838,821	1,120,526	97,228	132,254	652,973	733,951	46,458,226	43,959,586	1.22646
% of Total	88.5%	16.4%	2.7%	0.2%	0.3%	1.6%	1.8%			
2009	36,352,336	7,290,549	1,110,045	98,212	158,399	666,742	761,899	46,438,182	43,837,849	1.28202
% of Total	87.2%	17.5%	2.7%	0.2%	0.4%	1.6%	1.8%			
2010	34,525,308	7,203,211	1,063,863	97,068	149,929	648,459	778,346	44,466,184	41,935,823	1.39112
% of Total	82.8%	17.3%	2.6%	0.2%	0.4%	1.6%	1.9%			

Source: Wisconsin Department of Revenue

(1) The District is comprised of almost all three counties. Kenosha and Walworth counties are 100% in the District while Racine county is approximately 96% within the District. Therefore, the above total column will be greater than the actual total equalized value for the District.

(2) Due to varying assessment policies in the municipalities contained in the District, the District uses equalized value of taxable property for tax levy purposes. This equalized value of property approximates estimated actual (full) value of taxable property in the State of Wisconsin. The District equalized valuation is the equalized value of property, excluding tax incremental financing districts within the District.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Ratio of Net Debt to Equalized Value  
and Net Debt Per Capita  
Fiscal Years 2002-2011

	Population <sup>(1)</sup>	Personal Income <sup>(2)</sup>	Equalized Value- TID in <sup>(3)</sup>	Gross Debt <sup>(4)</sup>	Debt Service Net Assets Available <sup>(5)</sup>	Net debt <sup>(6)</sup>			
						Amount	Ratio to equalized valuation	Ratio to Personal Income	Per Capita
<i>(Dollars in thousands, except per capita)</i>									
2002	433,456	12,849,089	\$ 25,681,383	\$ 23,450	\$ 647	\$ 22,803	0.09 %	0.18 %	\$ 53
2003	440,943	13,256,698	27,733,860	23,820	735	23,085	0.08	0.17	52
2004	444,957	14,107,953	30,180,566	23,740	725	23,015	0.08	0.16	52
2005	449,954	14,940,945	33,048,145	25,810	848	24,962	0.08	0.17	55
2006	453,979	15,730,631	36,761,650	26,715	1,035	25,680	0.07	0.16	57
2007	457,155	14,153,727	41,173,445	27,000	672	26,328	0.06	0.19	58
2008	459,730	16,484,553	44,361,307	28,460	840	27,620	0.06	0.17	60
2009	460,431	16,159,069	45,908,303	29,650	892	28,758	0.06	0.18	62
2010	461,172	(7)	45,905,855	33,145	1,101	32,044	0.07	(7)	69
2011	464,342	(7)	43,959,559	36,135	1,062	35,073	0.08	(7)	76

(1) Wisconsin Department of Administration, Demographic Services Center. (2011 is an estimate.)

(2) U.S. Department of Commerce Bureau of Economic Analysis

(3) The equalized value includes the TID in.

(4) Includes general obligation promissory notes and bonds.

(5) Effective with the 2002 year and the implementation of GASB 35 the net assets available is reflected on a GAAP basis and it no longer reflects a deferral of tax levy revenue. Prior years were not restated.

(6) Details regarding the District's outstanding debt can be found in the notes to the basic financial statements.

(7) Information not yet available.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Legal Debt Margin Information<sup>(1)</sup>  
Last Ten Fiscal Years

**Calculation of Legal Debt Margin for Fiscal Year 2011**

2010 Equalized Valuation - TID In	\$ 43,959,558,929
	x 5%
Total debt limit - 5% of total equalized valuation	<u>2,197,977,946</u>
Debt applicable to limit:	
Total gross indebtedness (includes general obligation notes and bonds)	\$ 36,135,000
Less Net Assets Restricted for Debt Service (GAAP basis)	<u>(1,062,183)</u>
Total amount of debt applicable to debt limit	<u>35,072,817</u>
Legal debt margin	<u>\$ 2,162,905,129</u>

**Legal Debt Margin, Last Ten Fiscal Years**

Fiscal Year	Equalized Valuation TID In	Legal Debt Limit 5%	Debt Applicable to Limit (Dollars in thousands)				Legal Debt Margin	Total Net Debt Applicable to Debt Limit
			General Obligation Bonds	General Obligation Notes	Less Net Assets Available	Total Net Debt Applicable to Limit		
2002	\$ 25,681,383	\$ 1,284,069	\$ -	\$ 23,450	\$ 647	\$ 22,803	\$ 1,261,266	1.78 %
2003	27,733,860	1,386,693	-	23,820	735	23,085	1,363,608	1.66
2004	30,180,566	1,509,028	4,925	18,815	725	23,015	1,486,013	1.53
2005	33,048,145	1,652,407	4,825	20,985	848	24,962	1,627,445	1.51
2006	36,761,650	1,838,083	4,725	21,990	1,035	25,680	1,812,403	1.40
2007	41,173,445	2,058,672	4,625	22,375	672	26,328	2,032,344	1.28
2008	44,361,307	2,218,065	4,525	23,935	839	27,621	2,190,444	1.25
2009	45,908,303	2,295,415	4,425	25,225	892	28,758	2,266,657	1.25
2010	45,905,855	2,295,293	1,035	32,110	1,101	32,044	2,263,249	1.40
2011	43,959,559	2,197,978	530	35,605	1,062	35,073	2,162,905	1.60

(1) Total indebtedness may not exceed 5% of equalized valuation (including all tax incremental financing districts-TIDs) and bonded indebtedness may not exceed 2% of equalized valuation.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Computation of Direct and Overlapping Debt  
Year ended June 30, 2011

Jurisdiction <sup>(1)</sup>	Net Debt Outstanding	Applicable to Gateway Technical College District	
		Percentage <sup>(2)</sup>	Amount
District:			
Gateway Technical College District	\$ 36,135,000	100%	\$ 36,135,000
Towns:			
Racine County <sup>(3)</sup>	2,668,708	varies	2,573,579
Kenosha County	52,092,218	100%	52,092,218
Walworth County	4,236,818	100%	4,236,818
<b>Town Total</b>	<u>58,997,744</u>		<u>58,902,615</u>
Villages:			
Racine County	52,471,738	100%	52,471,738
Kenosha County	135,028,296	100%	135,028,296
Walworth County	75,753,962	100%	75,753,962
<b>Village Total</b>	<u>263,253,996</u>		<u>263,253,996</u>
Cities:			
Racine County	129,656,015	100%	129,656,015
Kenosha County	153,220,689	100%	153,220,689
Walworth County	51,381,933	100%	51,381,933
<b>City Total</b>	<u>334,258,637</u>		<u>334,258,637</u>
Counties:			
Racine County	47,185,000	96.67%	45,613,740
Kenosha County	92,170,000	100%	92,170,000
Walworth County	41,825,000	100%	41,825,000
<b>County Total</b>	<u>181,180,000</u>		<u>179,608,740</u>
School Districts:			
Racine County	67,178,652	96.67%	64,941,603
Kenosha County	207,751,248	100%	207,751,248
Walworth County	118,208,704	100%	118,208,704
School District Total	<u>393,138,604</u>		<u>390,901,555</u>
Sanitary Districts Total	<u>53,649,350</u>	varies	<u>43,572,061</u>
<b>Total Direct and Overlapping debt</b>	<u>\$ 1,320,613,331</u>		<u>\$ 1,306,632,603</u>

Source: Survey of each governmental unit-June 2011. (Sanitary district number from R.W. Baird & Co. report.)

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses located in the District boundaries. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(2) The percentage of overlapping debt applicable to the District is the equalized property value of property of the overlapping government located in the District as a percentage of total equalized value of all property for the overlapping government.

(3) All towns are 100%, except the Town of Norway, which is 39.20% in the Gateway District



## GATEWAY TECHNICAL COLLEGE DISTRICT

### Demographic Statistics for Kenosha, Racine, and Walworth Counties Historical Comparisons 2002-2011

<u>Year</u>	District Population (1)	Number of Housing Units (1)	Total Personal Income (2)	Per Capita Income (3)	Unemployment Rate (4)	Public and private school enrollment (5)
2002	433,456	183,483	\$ 12,849,089	\$ 29,197	5.9%	84,454
2003	440,943	186,430	13,256,698	29,749	6.2%	85,646
2004	444,987	189,824	14,107,953	31,119	5.6%	86,145
2005	449,954	193,235	14,940,945	30,760	5.5%	85,875
2006	453,979	196,208	15,730,631	32,182	5.2%	84,526
2007	457,155	198,488	14,153,727	33,676	5.1%	87,500
2008	459,730	199,841	16,484,553	35,145	5.3%	87,861
2009	460,431	200,559	16,159,069	34,290	10.3%	87,714
2010	461,172	200,950	(6)	(6)	9.5%	87,266
2011	464,342	(6)	(6)	(6)	8.8%	86,767

- (1) Wisconsin Department of Administration, Demographic Services Center. (2010 is a preliminary estimate)
- (2) U.S. Department of Commerce Bureau of Economic Analysis.
- (3) U.S. Department of Commerce Bureau of Economic Analysis. (Amounts in thousands.)
- (4) Wisconsin Department of Workforce Development, Office of Economic Advisors. (2011 is a preliminary estimate.)
- (5) Wisconsin Department of Public Instruction
- (6) Information not yet available.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Principal Employers  
Current Year and Nine Years Ago

County	Name of Business	Type of Business	Year Ended June 30, 2011			Year Ended June 30, 2002		
			Number of Employees	Rank	Percent of District Population	Number of Employees	Rank	Percent of District Population
Racine	CNH Global <sup>(1)</sup>	Manufacturing, agricultural & construction equipment	4,510	1	0.97 %	2,367	5	0.55 %
	All Saints Health Care	Health care services	2,691	2	0.58	3,000	2	0.69
	Racine School District	Education	2,418	3	0.52	2,597	4	0.60
	S. C. Johnson & Son, Inc.	Manufacturing, commerical & institutional cleaning products	1,496	4	0.32	3,100	1	0.72
	City of Racine <sup>(2)</sup>	Government	1,255	5	0.27	1,337	6	0.00
	Wheaton Franciscan Healthcare	Hospital	1,079	6	0.23	-	-	-
	Gateway Technical College <sup>(2)</sup>	Education	1,037	7	0.22	878	10	0.20
	Racine Joint Venture (Regency Mall)	Retail shopping center	1000+	8	na	2,800	3	0.65
	In-Sink-Erator Division	Manufacturing	1,000	9	0.22	1,000	9	0.23
	Racine County	Government	836	10	0.18	1,199	7	0.28
	Lincoln Lutheran of Racine	Nursing home	-	-	-	1,050	8	0.24
		Racine county sub-total		<u>17,322</u>		<u>3.73</u> %	<u>19,328</u>	
(1)Formerly known as J.I. Case Corporation								
(2)Includes full-time and part-time employees.								
Kenosha	Snap-On Tools Corporation	Manufacturer, hand tools & electronics	5,050	1	1.09 %	1,028	4	0.24 %
	Kenosha Unified School District No. 1 <sup>(1)</sup>	Education	2,624	2	0.57	2,324	1	0.54
	Daimler-Chrysler Corp. <sup>(3)</sup>	Manufacturer, jeep engines	1,800	3	0.39	2,275	2	0.52
	Kenosha County	Government	1,020	4	0.22	782	5	0.18
	Kenosha Memorial Hospital	Health care services	900+	5	na	-	-	-
	Midway Manor Corp	Extended Care Facility	900	6	0.19	1,275	3	0.29
	Aurora Medical Center	Health care services	500-999	7	na	600	-	0.14
	City of Kenosha <sup>(2)</sup>	Government	750	8	0.16	756	6	0.17
	University of Wisconsin-Parkside	Education	600	9	0.13	600	7	0.14
	Kenosha Beef	Beef processing	350	10	0.08	-	-	-
	Tri-Clover, Inc.	Greyhound racing	-	-	-	521	8	0.12
	Dairyland Greyhound Park	Education	-	-	-	395	9	0.09
	Carthage College	Manufacturer, pumps & valves	-	-	-	390	10	0.09
	Kenosha county sub-total		<u>13,844</u>		<u>2.98</u> %	<u>10,946</u>		<u>2.53</u> %
(1)Full-time equivalent								
(2)Full-time only.								
(3)Chrysler has announced that the Kenosha plant will close.								
Walworth*	University of Wisconsin-Whitewater <sup>(1)</sup>	College	1,000+	1	na %	2,400-2,500	1	na %
	County of Walworth	Government agency	500-999	2	na	1,467	2	0.34
	Grand Geneva, LLC	Resort	500-999	3	na	1,000	3	0.23
	Pentair, Inc.	Water & fluid power pumps	500-999	4	na	-	-	-
	Wal-Mart	Discount department store	500-999	5	na	-	-	-
	Aurora Health Care of Southern Lakes	Medical/Surgical Hospital	500-999	7	na	-	-	-
	Miniature Precision Components	Automotive industry parts supplier	250-499	6	na	500	6	0.12
	Elkhorn Area School District	Elementary/Secondary school	250-499	8	na	-	-	-
	School District of Delavan-Darien	Elementary/Secondary school	250-499	9	na	-	-	-
	Birds Eye Food LLC	Manufacturer, fruits & vegetable	250-499	10	na	-	-	-
	Sta-Rite Industries	Manufacturer, pumps & plastic products	-	-	-	950	4	0.22
	Lakeland Medical Center <sup>(2)</sup>	Nursing home	-	-	-	731	5	0.17
	Marcus Hotels & Resorts	Resort	-	-	-	500	7	0.12
	Waukesha Cherry Burrell	Manufacturer, fluid handling equip.	-	-	-	373	8	0.09
Trostel Ltd.	Packaging seals & assemblies	-	-	-	367	9	0.08	
	Walworth county sub-total <sup>(3)</sup>		<u>6,250</u>		<u>1.35</u> %	<u>8,338</u>		<u>1.92</u> %
*Estimates, not FTE figures								
(1)Based on median of ranges, student employment is included in total.								
(2)Includes part-time.								
Source: Robert W. Baird report								
			<u>Total</u>		<u>8.06</u> %	<u>38,612</u>		<u>8.91</u> %

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Employment Trends by Equal Employment Opportunity Categories  
Historical Comparisons  
2001-2010

<u>Category</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Administrative/Managerial:	58	57	56	56	55	54	53	54	52	55
Female percent	52	51	54	54	58	59	62	59	62	62
Minority percent	12	11	13	12	9	9	8	7	10	7
Faculty:	257	252	255	264	266	266	263	265	265	266
Female percent	55	57	57	56	57	57	57	58	58	59
Minority percent	7	7	8	8	8	9	9	10	11	10
Professional/Noninstructional:	31	39	38	39	35	34	34	33	32	33
Female percent	74	67	68	67	83	71	71	73	75	76
Minority percent	16	10	11	18	20	21	24	24	25	24
Secretarial/Clerical:	104	113	114	113	110	106	106	104	96	108
Female percent	99	96	97	96	97	88	99	99	99	99
Minority percent	16	18	18	19	18	22	21	23	23	23
Technical/Paraprofessional:	105	100	100	109	108	104	104	101	97	105
Female percent	62	65	64	62	62	62	62	61	61	59
Minority percent	22	22	22	26	25	26	37	24	23	25
Service/Maintenance:	33	33	33	35	35	36	35	38	37	39
Female percent	18	15	18	17	14	11	11	8	8	10
Minority percent	33	36	42	37	34	36	34	34	35	33
Total:	588	594	596	616	609	600	595	595	579	606
Female percent	63	63	64	63	64	62	64	64	64	64
Minority percent	14	14	15	16	15	16	16	17	17	17

Information provided by the Human Resources Department.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Enrollment Statistics  
Historical Comparisons  
Last Ten Fiscal Years

Student Enrollment <sup>(1)</sup>

Fiscal year ended June 30	Aidable				Non-Aidable		Unduplicated Total
	Associate degree	Technical Diploma	Vocational Adult	Non-post- secondary (ABE)	Community service program		
2002	8,214	2,840	13,274	8,101	22		28,252
2003	8,512	3,296	12,892	8,097	0		28,524
2004	8,910	3,480	11,714	7,813	0		27,511
2005	8,747	3,001	12,049	7,181	0		26,955
2006	9,008	2,746	10,874	6,918	0		25,540
2007	9,046	2,803	9,425	6,595	0		23,999
2008	8,564	2,989	8,599	6,456	0		22,789
2009	9,197	3,478	8,203	6,721	0		23,085
2010	10,003	4,281	8,057	7,347	0		24,322
2011	11,256	4,559	7,050	6,481	0		23,756

Full-Time Equivalent <sup>(2)</sup>

Fiscal year ended June 30	Aidable				Non-Aidable		Total
	Associate degree	Technical Diploma	Vocational Adult	Non-post- secondary (ABE)	Community service program		
2002	2,903	528	229	859	1		4,520
2003	3,216	575	208	981	0		4,980
2004	3,330	576	197	912	0		5,015
2005	3,296	534	200	821	0		4,851
2006	3,580	426	183	853	0		5,042
2007	3,600	414	158	831	0		5,003
2008	3,477	401	148	807	0		4,833
2009	3,910	394	140	744	0		5,188
2010	4,634	430	152	769	0		5,985
2011	5,157	437	128	660	0		6,382

Source: Wisconsin Technical College System Board

(1) Student enrollment represents the unduplicated count of students enrolled in District courses. A student may be enrolled in more than one program, but is counted only once in the Unduplicated Total. Therefore, the Unduplicated Total column does not equal the sum of the individual programs. (VE215350A)

(2) A full-time equivalent (FTE) is 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 and course data. (VE215570A)

## GATEWAY TECHNICAL COLLEGE DISTRICT

### Per Credit Course Fee History Last Ten Fiscal Years

Year	<u>Post Secondary/ Vocational Adult<sup>(1)</sup></u>				<u>Non-Aidable<sup>(2)</sup></u>	
	Resident Program Fees	Percent change	Out of State Program Fees <sup>(3)</sup>	Percent change	Avocational programs	Percent change
2002	64.00	4.1	499.60	3.8	97.00	4.3
2003	67.00	4.7	513.70	2.8	100.00	3.1
2004	70.00	4.5	489.75	(4.7)	105.00	5.0
2005	76.00	8.6	488.10	(0.3)	108.00	2.9
2006	80.50	5.9	510.30	4.5	115.00	6.5
2007	87.00	8.1	536.30	5.1	120.00	4.3
2008	92.05	5.8	570.55	6.4	127.00	5.8
2009	97.05	5.4	594.25	4.2	130.00	2.4
2010	101.40	4.5	152.10	(74.4)	137.00	5.4
2011	106.00	4.5	53.00	(65.2)	143.00	4.4

#### Additional Per Credit Fees

##### Material Fees

Fees for instructional materials consumed by students and instructors are required by s.38.24(1)(c), Wisconsin Statutes. These material fees are to be charged to all students on a uniform basis unless exempted by state statute, administrative code, or State Board action. There are 21 material fee categories ranging from \$4.00 per credit to \$300 per credit. Courses are assigned to one of the material fee categories based on the amount of instructional materials required for the course. The minimum fee that is to be charged for any non-exempt enrollment is \$4.00, regardless of the credit value.

##### Student Activity Fee

A supplemental fee is charged to all students enrolling in post-high school courses. This fee supports co-curricular activities including Student Government, student newspaper, multicultural and entertainment activities, and student organizations and clubs. The fee was set at 5% of program fees.

#### Notes:

- (1) Postsecondary/Vocational Adult program fees are established by the Wisconsin Technical College System Board.
- (2) Avocational fees are established by the Gateway District Board.
- (3) The total per credit cost requires adding the resident fee to out-of-state tuition. Out-of-state tuition excludes those students covered by reciprocal agreements. In FY 2010, the state budget bill reduced the out-of-state tuition rate to 150% of the program fee rate, effective with the Fall 2009 semester.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Program Graduate Follow-up Statistics<sup>(1)</sup>  
 Historical Comparisons  
 Last Ten Fiscal Years

<u>Year</u>	<u>Number of graduates</u>	<u>Number of respondents</u>	<u>Total number in labor force</u>	<u>Percent employed</u>	<u>Percent employed in related occupation</u>	<u>Percent employed in District</u>	<u>Average Hourly Salary<sup>(2)</sup></u>	<u>Percent Satisfied with Training</u>
2001	1,070	851	763	91	75	70	14.08	96
2002	1,429	1,180	1,057	89	67	74	14.15	97
2003	1,799	1,473	1,316	87	63	71	13.70	97
2004	2,029	1,600	1,404	89	61	68	14.10	97
2005	1,782	1,439	1,254	88	66	65	15.12	98
2006	1,745	1,403	1,213	91	66	57	15.51	96
2007	1,795	1,379	1,157	92	67	60	16.04	95
2008	1,845	1,383	1,156	90	68	63	16.36	96
2009	1,659	1,288	1,056	86	59	73	16.44	98
2010	1,986	1,518	1,199	87	58	76	16.43	97

Source: Gateway Technical College Research, Planning & Development Department.

(1) Based on a survey of district graduates conducted six months after graduation. Only graduates of associate degree and technical diploma programs are included.

(2) Salary is reported only for graduates who are employed full-time in their field of training.

**GATEWAY TECHNICAL COLLEGE DISTRICT**

Square Footage of District Facilities  
Last Ten Fiscal Years

<u>County</u>	<u>Location</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	
Racine	Racine Campus											
	Main Building	10,080	10,080	16,115	16,115	16,115	16,115	16,115	16,115	16,115	16,115	
	Lake Building	79,172	79,172	76,362	76,362	76,362	76,362	76,362	76,362	76,362	76,362	
	Tech Building	85,589	85,589	109,336	109,336	109,336	109,336	109,336	109,336	109,336	109,336	
	Racine Building	68,786	68,786	69,490	69,490	69,490	69,490	69,490	69,490	69,490	69,490	
	Connecting Passages	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	3,270	
	Racine Campus Sub-Total	<u>246,897</u>	<u>246,897</u>	<u>274,573</u>	<u>274,573</u>	<u>274,573</u>	<u>274,573</u>	<u>274,573</u>	<u>274,573</u>	<u>274,573</u>	<u>274,573</u>	<u>274,573</u>
	CATI	37,370	37,370	42,186	42,186	42,186	42,186	42,186	42,186	42,186	42,186	-
	Burn Building-Town of Dover (Land lease)	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440
	Racine County Job Center (Leased)	-	-	-	-	-	-	1,440	1,440	1,440	1,440	1,440
	Racine County Sub-Total	<u>285,707</u>	<u>285,707</u>	<u>318,199</u>	<u>318,199</u>	<u>318,199</u>	<u>318,199</u>	<u>319,639</u>	<u>319,639</u>	<u>319,639</u>	<u>319,639</u>	<u>277,453</u>
Kenosha	Kenosha Campus											
	Administration Building	17,772	17,772	17,353	17,353	17,353	17,353	17,353	17,353	17,353	17,353	
	Conference Building	29,954	29,954	29,365	29,365	29,365	29,365	29,365	29,365	29,365	29,365	
	Bioscience Building	28,352	28,352	30,405	30,405	30,405	30,405	30,405	30,405	-	-	
	Child Care (ECP)	18,085	18,085	18,085	18,085	18,085	18,085	18,085	18,085	-	-	
	Academic Building	88,000	88,000	113,965	113,965	113,965	113,965	113,965	96,835	96,835	96,835	
	Horticultural Buildings	6,502	6,502	5,873	5,873	5,873	5,873	5,873	5,873	5,873	5,873	
	Science Building	41,302	41,302	55,992	55,992	55,992	55,992	55,992	55,992	55,992	55,992	
	Student Commons <sup>(1)</sup>	17,130	17,130	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	
	Storage Buildings	4,310	4,310	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	
	Technical Building	49,480	49,480	63,634	63,634	63,634	63,634	63,634	63,634	63,634	63,634	
	Kenosha Campus Sub-Total	<u>300,887</u>	<u>300,887</u>	<u>350,478</u>	<u>350,478</u>	<u>350,478</u>	<u>350,478</u>	<u>350,478</u>	<u>333,348</u>	<u>284,858</u>	<u>284,858</u>	
	Leased Facilities:											
	Horizon Center (Land lease) <sup>(2)</sup>	38,755	38,755	24,277	24,277	24,277	23,477	23,477	23,477	23,477	23,477	
	Horizon Center Storage Bldg	1,800	1,800	-	-	-	-	-	-	-	-	
	Lakeview Technology Center	14,000	14,000	23,200	23,200	23,200	23,200	23,200	23,200	23,200	23,200	
	Kenosha County Job Center	1,162	1,162	1,026	1,026	1,026	1,026	1,026	1,026	1,026	1,026	
Kenosha County Sub-Total	<u>356,604</u>	<u>356,604</u>	<u>398,981</u>	<u>398,981</u>	<u>398,981</u>	<u>398,181</u>	<u>398,181</u>	<u>381,051</u>	<u>332,561</u>	<u>332,561</u>		
Walworth	Elkhorn Campus											
	Alternative High School	7,600	7,600	7,474	7,474	7,474	7,474	7,474	7,474	7,474	7,474	
	South Building	39,072	39,072	38,596	38,596	38,596	38,596	38,596	38,596	38,596	38,596	
	North Building	42,241	42,241	42,230	42,230	42,230	42,230	42,230	42,230	42,230	42,230	
	Job Center Building	6,468	6,468	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	
	Garage Building	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	1,673	
	Elkhorn Campus Sub-Total	<u>97,054</u>	<u>97,054</u>	<u>96,473</u>	<u>96,473</u>	<u>96,473</u>	<u>96,473</u>	<u>96,473</u>	<u>96,473</u>	<u>96,473</u>	<u>96,473</u>	
	Burlington Campus (Leased)											
	380 Building	19,694	9,439	9,439	9,439	9,439	12,000	12,000	12,000	12,000	12,000	
	496 Building	33,512	33,512	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	
	Walworth County Sub-Total	<u>150,260</u>	<u>140,005</u>	<u>138,912</u>	<u>138,912</u>	<u>138,912</u>	<u>141,473</u>	<u>141,473</u>	<u>141,473</u>	<u>141,473</u>	<u>141,473</u>	
<b>Total District Square Footage</b>	<u><b>792,571</b></u>	<u><b>782,316</b></u>	<u><b>856,092</b></u>	<u><b>856,092</b></u>	<u><b>856,092</b></u>	<u><b>857,853</b></u>	<u><b>859,293</b></u>	<u><b>842,163</b></u>	<u><b>793,673</b></u>	<u><b>751,487</b></u>		

Source: Effective with FY 2010 numbers were revised using information from Gallagher Bassett Services, Inc report. Prior years were not restated and are based on Strategic Facility Planning Guide prepared by Architectural Associates LTD (June 2003) and District staff.

(1) Formerly known as the Service Building.

(2) Formerly known as the Aviation Center.

# Gateway Technical College District

## CAFR - FY11 - INSURANCE SUMMARY

### Insurance Coverage Summary

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
<b>Property Coverage</b>	<b>DMI</b>	<b>7/1/10 - 6/30/11</b>	Covers all real and personal property, all risk; \$25,000 Deductible		<b>\$ 73,294</b>
			Blanket Property Limit (Per Occurrence)	\$ 350,000,000	
			Certified Terrorism	350,000,000	
			Non-Certified Terrorism	350,000,000	
			Accounts Receivable	15,000,000	
			Fine Arts	15,000,000	
			Valuable Papers and Records	15,000,000	
			Extra Expense	20,000,000	
			Electronic Data Processing Equipment	20,000,000	
			Miscellaneous Unnamed Locations	15,000,000	
			Newly Acquired Property (180 days reporting)	15,000,000	
			Building Ordinance including Demolition & ICC & Increased Time to Rebuild	25,000,000	
			Debris Removal - the greater of 25% of the loss or	15,000,000	
			Earth Movement and Volcanic Action (Annual Aggregate)	25,000,000	
			Flood and Water Damage (Annual Aggregate)	25,000,000	
			Flood in FEMA Zones designated using letters A or V (Annual Aggregate)	10,000,000	
			Property in the Course of Construction	20,000,000	
			Transit	2,500,000	
			Ingress/Egress (1 mile limitation, 30 days limitation)	5,000,000	
			Interruption by Civil Authority (1 mile radius limitation, 30 day limitation)	5,000,000	
			Leasehold Interest	1,000,000	
			Service Interruption - Property Damage & Time Element Combined (Water, Communication including overhead transmission lines, Power including overhead transmission lines)	10,000,000	
			Mobile Equipment	1,000,000	
			Expediting Expenses	5,000,000	
			Pollutant Clean-Up and Removal (Annual Aggregate)	475,000	
			Claims Preparation Expenses (Subject to max. 5% of combined PD & TE Loss)	250,000	
			Defense Costs	250,000	
			Exhibition, Exposition, Fair or Trade Show	325,000	
			Fire Department Service Charges	325,000	
			Protection of Property	325,000	
			Radioactive Contamination	250,000	
			Royalties	250,000	

<b>Equipment Breakdown</b>	<b>DMI</b>	<b>7/1/10 - 6/30/11</b>	<b>Comprehensive coverage; \$25,000 deductible</b>	<b>\$ 100,000,000</b>	<b>\$ 4,154</b>
			Combined property/time element	1,000,000	
			Property Damage	Included	
			Off-Premises Property Damage	25,000	
			Business Income	Included	
			Extra Expense	Included	
			Service Interruption	1,000,000	
			Contingent Business Income	25,000	
			Perishable Goods (Spoilage/Ammonia Contamination)	250,000	
			Data Restoration	250,000	
			Demolition	1,000,000	
			Ordinance or Law	1,000,000	
			Expediting Expenses	250,000	
			Hazardous Substances	250,000	
			Newly Acquired Locations (365 days)	15,000,000	
			Broad Comprehensive Coverage (Including Production Machines, Computer Equipment)	Included	
			Repair or Replacement	Yes	

*\*\*Special Provisions: Same Site Requirement (Deleted) - Joint Loss Agreement, Brands & Labels, Errors & Omissions (Included) - Connected Ready for Use Restriction (None) - Extended period of Restoration (30 days) - Property Perils, i.e. lightning, explosion, wind, flood, earthquake, earth movement, freeze, ice, snow, sleet, hail, etc. (Excluded) Water Damage (Excluded if Covered Elsewhere) - Deliberate Acts (Excluded) - Computer Date Recognition (date recognition losses excluded, but not excluded resultant accidents)*

*Notice of Cancellation (90 days/10 days Non-Payment) - Safety and Efficiency Improvement Valuation (Additional 25% of PD Loss)*

<b>Workers' Compensation</b>	<b>DMI</b>	<b>7/1/10 - 6/30/11</b>	<b>Workers' Compensation - Wisconsin Benefits</b>	<b>Statutory</b>	<b>\$ 337,490</b>
			<b>Employer's Liability</b>		
			- Bodily injury by accident, each accident	100,000	
			- Bodily injury by disease, policy limit	500,000	
			- Bodily injury by disease, each employee	100,000	

<b>General Liability</b>	<b>DMI</b>	<b>7/1/10 - 6/30/11</b>	<b>Each occurrence limit</b>	<b>5,000,000</b>	<b>\$ 66,555</b>
<b>(Includes Professional, Automobile and Educators Legal Liability)</b>			Fire Damage limit (any one fire)	500,000	
			Limited Above Ground Pollution Liability		
			- Each Claim and Policy Aggregate	1,000,000	
			Under/Uninsured motorists	100,000	
			Garagekeepers Coverage (ACV up to...)	350,000	
			- Comprehensive deductible (each customer auto/each event)	500/2,500	
			- Collision deductible (each customer auto)	500	
			Policy Deductible	5,000	
			Automobile Physical Damage Deductible	2,500	
			<b>Educators Legal Liability (includes, Directors &amp; Officers,</b>		
			Employment Practices, and Employee Benefits Liability)		
			- Per Wrongful Act and Aggregate Limit	5,000,000	
			- Per Wrongful Act and Aggregate Deductible	100,000	

<b>Campus Violent Acts*</b>	<b>DMI</b>	<b>7/1/10 - 6/30/11</b>	<b>Policy Aggregate Limit</b>	<b>250,000</b>	<b>\$ 1,297</b>
			Policy Deductible	25,000	
			Equipment or Property Improvements	25,000	

**TOTAL ANNUAL INSURANCE PREMIUMS PAID TO DISTRICT MUTUAL INSURANCE: \$ 482,790**



# Gateway Technical College District

## CAFR - FY11 - INSURANCE SUMMARY

### Insurance Coverage Summary

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
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#### Insurance Coverages Purchased through Wisconsin Technical College Insurance Trust

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
<b>Crime</b>	<b>Travelers Casualty and Surety Company</b>	<b>7/1/10 - 6/30/11</b>	Employee Theft	750,000	<b>\$ 4,542</b>
			Forgery or Alteration	750,000	
			ERISA Fidelity	750,000	
			On-Premises / In-Transit	500,000	
			Computer Fraud	750,000	
			Computer Program and Electronic Data Restoration	100,000	
			Funds Transfer Fraud	750,000	
			Personal Accounts Forgery or Alteration	750,000	
			Identity Fraud Expense Reimbursement	25,000	
			Claim Expense	25,000	
			Single Loss Retention	5,000	

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
<b>Foreign Travel Liability*</b>	<b>ACE American Insurance Company</b>	<b>7/1/10 - 6/30/11</b>	Foreign general liability - Each occurrence	1,000,000	<b>\$ 2,323</b>
			Products - Completed Operations - Aggregate	2,000,000	
			Personal and Advertising Injury - Aggregate	1,000,000	
			Premises Damage Limit - Each Occurrence	1,000,000	
			Medical Expense Limit - Any one person	10,000	
			Contingent Auto Liability - Combined Single Limit - Each Accident	1,000,000	
			Foreign Hired Auto Physical Damage - Any One Accident	25,000	
			- Any one policy period	25,000	
			Foreign Employee Benefits Liability (\$1,000 Deductible) - Each Claim	1,000,000	
			- Aggregate	1,000,000	
			Foreign Voluntary Workers' Compensation - State of Hire Benefits	Statutory	
			- North American	State of Hire Benefits	
			- Third Country Nationals	Country of Origin	
			- Local Nationals	Country of Origin	
			Foreign Employers Liability - Bodily injury by accident, each accident	1,000,000	
			- Bodily injury by disease, each employee	1,000,000	
			- Bodily injury by disease, policy limit	1,000,000	
			Executive Assistance (per covered person)	50,000	
Kidnap and Extortion (per cause of loss)	50,000				

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
<b>Business Travel Accident (for Local Boards of Director Members)</b>	<b>CIGNA</b>	<b>7/1/10 - 6/30/11</b>	Principal Sum	100,000	<b>\$ 281</b>
			- Loss of Life		
			- Other Covered Losses as Scheduled		

\*This coverage is provided on a request basis

**TOTAL ANNUAL INSURANCE PREMIUMS PAID TO WTCS INSURANCE TRUST: \$ 7,146**

#### Insurance Coverages Purchased through Arthur J. Gallagher Risk Management Services, Inc.

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
<b>Multimedia Liability</b> WGTD 91.1 FM	<b>Arthur J. Gallagher</b>  Executive Risk Indemnity Policy No. 8177-2134	<b>7/1/10 - 6/30/11</b>	Errors and Omissions	\$	<b>4,550</b>
			Maximum Limit of liability for each claim	5,000,000	
			Retentions each and every claim	10,000	

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
<b>International SOS Coverage</b>		<b>7/1/10 - 6/30/11</b>	Global Traveler features:	\$	<b>5,273</b>
			Evacuation and Repatriation Coverage	1,000,000	
			Global Alarm Centers located throughout the world		
			Assistance with medical issues/emergencies		
			International SOS Online for over 200 locations		
			E-mail health and safety alerts		

**TOTAL ANNUAL PREMIUMS PAID TO ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.: \$ 9,823**

#### Aviation Insurance Coverages Purchased through Wenk Insurance Agency

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
<b>Aviation Insurance</b>  renewed with Old Republic Insurance through Phoenix Aviation Managers Policy AVC 1037 08	<b>Wenk Aviation Insurance Agencies</b>  Coverages & Premiums	<b>7/1/10 - 6/30/11</b>	Liability Coverage	\$	<b>40,996</b>
			Single Limit Including Passengers and Property Damage	3,000,000	
			Expenses for Medical Services Each Occurrence	6,000	
			Aircraft Physical Damage Coverages as indicated in policy	1,000,000	
			Hangarkeepers (per occurrence)	250,000	
			Deductible	5,000	
			Products	1,000,000	

**TOTAL ANNUAL INSURANCE PREMIUMS PAID TO WENK INSURANCE AGENCY: \$ 40,996**

**TOTAL ANNUAL PREMIUMS: \$ 540,755**





CAMPUSES

<b>TECHNICAL DIPLOMAS</b>	Elkhorn	Kenosha	Racine
	■	■	■
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## 2011-2012 Technical Diploma Programs at Gateway Technical College *(current as of date printed)*

Most programs may be started on any campus.

Length of Program (full time)

Automotive Maintenance Technician (31-404-3) . . . . .	1 Year
Barber/Cosmetologist (31-502-1) . . . . .	1 Year
Building Trades – Carpentry (31-475-1) . . . . .	1 Year
CNC Production Technician (31-444-2) . . . . .	1 Year
Community Pharmacy Technician (30-536-1) . . . . .	18 Weeks
Criminal Justice – Law Enforcement Academy (30-504-1) . . . . .	13 Weeks
+ Dental Assistant (31-508-1) . . . . .	1 Year
Diesel Equipment Mechanic (31-412-1) . . . . .	1 Year
+ Emergency Medical Technician (EMT) – Basic (30-531-3) . . . . .	20 Weeks
EMT – Intermediate (30-531-7) . . . . .	20 Weeks
EMT – Intermediate Technician (30-531-6) . . . . .	20 Weeks
EMT – Paramedic (31-531-1) . . . . .	1 Year
Facilities Maintenance (31-443-2) . . . . .	1 Year
+ Health Unit Coordinator (30-510-2) . . . . .	18 Weeks
Medical Assistant (31-509-1) . . . . .	1 Year
Medical Transcription (31-106-7) . . . . .	1 Year
Nursing Assistant (30-543-1) . . . . .	6 Weeks
Office Assistant (31-106-1) . . . . .	1 Year
+ Practical Nursing (31-543-1) . . . . . (Program listed on Nursing (10-543-1) curriculum sheet) . . . . .	1 Year
Small Business Entrepreneurship (31-145-1) . . . . .	1 Year
+ Welding (31-442-1) . . . . .	1 Year
Robotics (Option Area 31-442-1A)	
Advanced Welding (Option Area 31-442-1B)	
Pipe Welding (Option Area 31-442-1C)	
+ Welding/Maintenance and Fabrication (30-442-2) . . . . .	18 Weeks



CAMPUSES

<b>ATCS</b>	Elkhorn	Kenosha	Racine
	■	■	■
	■	■	■
	■	■	■
	■	■	■
	■	■	■
	■	■	■
	■	■	■
	■	■	■
	■	■	■

## 2011-2012 Advanced Technical Certificates at Gateway Technical College *(current as of date printed)*

See Student Services for Enrollment Information

Computer Animation (10-810-18)
Digital Photography (10-810-17)
Financial Planning (10-809-8)
Game Programming (10-810-16)
Geothermal Specialist (10-810-19)
Multimedia (10-810-2)
Network Security (10-810-10)
Oracle (10-810-4)
Telecommunication Engineering Tech (10-810-14)

■ All courses taught at this campus  
 + Special Conditions; Contact Student Services  
 \* Shared program  
 General Studies courses are offered on all campuses.

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**Administration Center**  
3520 - 30th Avenue  
Kenosha, WI 53144-1690  
262.564.3300

**Burlington Center**  
496 McCanna Pkwy.  
Burlington, WI 53105-3623  
262.767.5200

**Center for Advanced  
Technology & Innovation**  
2320 Renaissance Blvd.  
Sturtevant, WI 53177-1763  
262.898.7500

**Center for Bioscience and  
Information Technology**  
3520 - 30th Avenue  
Kenosha, WI 53144-1690  
262.564.3600

**Elkhorn Campus**  
400 County Road H  
Elkhorn, WI 53121-2046  
262.741.8200

**HERO Center**  
380 McCanna Pkwy  
Burlington, WI 53121-2046  
262.767.5204

**Horizon Center for  
Transportation Technology**  
4940 - 88th Avenue  
Kenosha, WI 53144-7467  
262.564.3900

**Kenosha Campus**  
3520 - 30th Avenue  
Kenosha, WI 53144-1690  
262.564.2200

**LakeView Advanced  
Technology Center**  
9449 - 88th Avenue (Highway H)  
Pleasant Prairie, WI 53158-2216  
262.564.3400

**Racine Campus**  
1001 South Main Street  
Racine, WI 53403-1582  
262.619.6200

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