GATEWAY TECHNICAL COLLEGE

Our Partnerships

Our Students

Our Success

GATEWAY Red Hawks

2014 Comprehensive Annual Financial Report

(With Independent Auditor's Report)

For the Fiscal Year Ended June 30, 2014

Serving Southeastern Wisconsin

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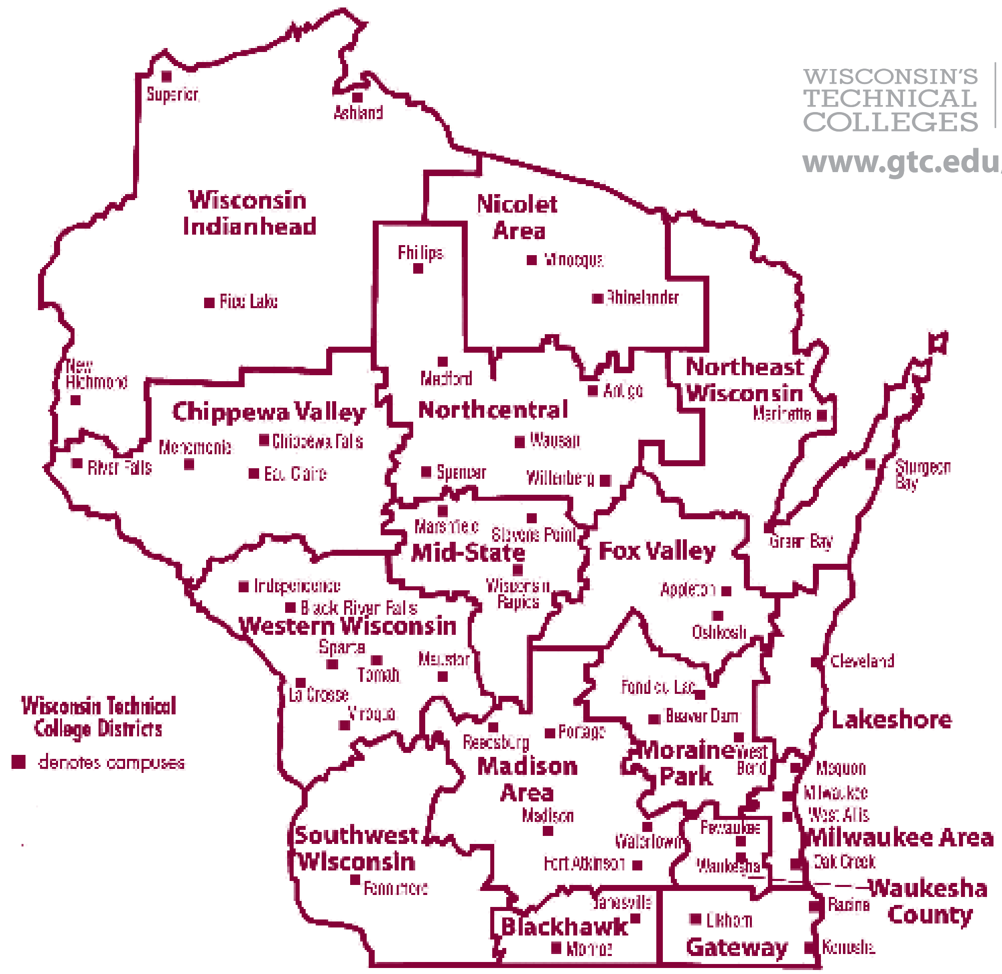
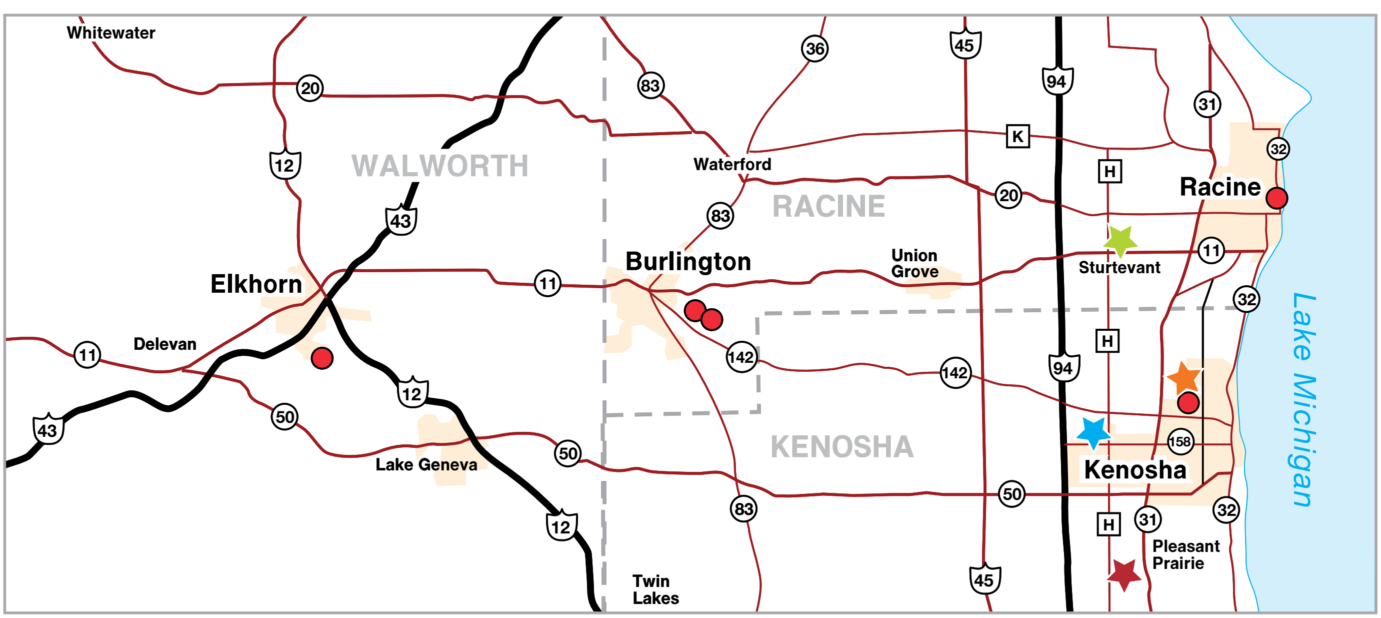


Gateway Technical College



GATEWAY TECHNICAL COLLEGE DISTRICT

Racine/Kenosha/Elkhorn, Wisconsin

Comprehensive Annual Financial Report
For the Fiscal Years Ended June 30, 2014 and 2013
(With Independent Auditor's Report)

Official Issuing Report:

Bane Thomey
Chief Financial Officer/
Vice President of Finance & Administration

Report Prepared By:

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GATEWAY TECHNICAL COLLEGE DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Years Ended June 30, 2014 and 2013

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GATEWAY TECHNICAL COLLEGE

Bryan D. Albrecht, Ed.D.
President and CEO

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CENTER FOR BIOSCIENCE & INFORMATION TECHNOLOGY
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Kenosha, WI 53144-1690
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ELKHORN CAMPUS
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HERO (HEALTH AND EMERGENCY RESPONSE OCCUPATIONS) CENTER
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HORIZON CENTER FOR TRANSPORTATION TECHNOLOGY
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Kenosha, WI 53144-7467
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SC JOHNSON iMET (iNTEGRATED MANUFACTURING & ENGINEERING TECHNOLOGY) CENTER
Renaissance Business Park
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KENOSHA CAMPUS
3520 - 30th Avenue
Kenosha, WI 53144-1690
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Your Gateway to Public Radio
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262.564.3800

262.672.6761 VP

November 7, 2014

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, 2014, 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).

Gateway – Environment

Gateway Technical College District is one of 16 technical colleges in the Wisconsin Technical College System, providing quality workforce training and educational instruction which meets the needs of area students, employers and the communities for more than 100 years.

Gateway's tradition runs deep. In 1911, Gateway became the nation's first publicly funded continuation school (Racine Continuation School). In 1971 the district was established when the Kenosha/Walworth County and Racine County districts merged to form our name predecessor – Gateway Technical Institute. Gateway is a fully accredited two-year technical college that provides cutting-edge career education and technical training in Kenosha, Racine, and Walworth counties.

Since becoming the first publicly funded continuation school, Gateway is considered a model college in its development of business partnerships, green career curriculum and supporting innovative and flexible education delivery methods such as On-Demand Accounting and many different online course options. Gateway offers more than 65 associate degree and diploma programs while delivering traditional classroom-based instruction as well as demand-driven, technical education in accelerated and non-traditional formats.

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 SC Johnson iMET – integrated Manufacturing and Engineering Technology Center 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 fiscal year 2013-14, Gateway continued to receive national recognition. ACT named Gateway as a semifinalist for its National College and Career Readiness Awards, given to individuals and organizations for their quality work in the areas of college and career readiness. Gateway was a finalist in the Career Preparedness category. Gateway was also honored for its innovative manufacturing training, this time as one of 30 nominees for recognition by the Great Lakes Manufacturing Council as benchmarks for the Talented Workforce Initiative. Gateway is the only college in Wisconsin to be recognized with this nomination, which focused on the college's many boot camps.

State and federal leaders recognized Gateway's leadership in the area of workforce training and career and technical education. Leaders such as Governor Scott Walker, Lt. Governor Rebecca Kleefisch and leaders from colleges across the United States chose Gateway to visit as a model college for training and education. Many of those leaders mentioned that they would take home Gateway's best practices to employ at their own colleges or other parts of Wisconsin, because of the great success experienced at Gateway and the benefit to students, businesses and area communities.

Rudy the Red Hawk swooped into Gateway in 2013. After the board of trustees adopted the Red Hawk as the official mascot for the college, it became a signifying symbol of the college and its students for their dedication and commitment to soar in pursuit of academic excellence. The mascot found its way into everything Gateway, including the Web site, spirit wear clothing, books and other college supplies. Rudy the real-life mascot attended many Gateway and community events, too, to boost the college spirit wherever he went.

Gateway serves more than 23,000 students in Kenosha, Racine and Walworth counties, and remains an educational leader with its innovative approach to career and technical education. Gateway graduates continually, through high-response-rate surveys, report satisfaction rates with their education of nearly 100 percent and employment percentage rates at 85 percent. Gateway aggressively ensures it delivers graduates who have learned real-world technical skills that get them hired.

The college is led by a board of trustees, administration, staff and faculty who are committed to excellence and meeting communities' needs.

Major Initiatives and Accomplishments

The commitment to excellence and innovation is guided by Vision 3.2.1, established under the leadership of President Dr. Bryan D. Albrecht. Vision 3.2.1 is the new strategic direction that will guide Gateway Technical College faculty, staff, and administration through 2018. Following is a representative list of some of the major initiatives and accomplishments for the 2013-14 year.

Leadership of a Model College

Gateway's reputation as a model college led by visionary leaders continued in 2013-2014. Gateway leaders such as President Bryan Albrecht were called upon by national groups – and Congressional leaders – to offer a framework to address such worker training needs as remedying “skills gap” which hamstring employers from moving forward in their business goals. Gateway is well-positioned to help remedy the gap – a situation where too few skilled workers are available to employers seeking to boost production – through flexible training programs coupled with cutting-edge equipment and associate degree programs tailored, in part, by industry advisers.

Gateway also showed its leadership in sustainability by being one of 20 colleges from across the United States to be named as a finalist of the Climate Leadership Award, which recognizes leadership and innovation in the area of environmentalism and sustainability in higher education.

Gateway Technical College’s reputation as a model college remains strong as represented by the following initiatives:

- Gateway held its 20th anniversary celebration of the Dr. Martin Luther King Jr. commemoration in January. The theme was Education: From Access to Success. The event has become a way for Gateway to connect with the communities it serves while celebrating the legacy of the civil rights leader. Gateway further advanced the ideals of Dr. King by leading a tri-county summit on minority student achievement, attended by more than 40 educators and social service agency leaders. The forum aimed to bridge the achievement gap by sharing ideas and best practices to encourage minority student achievement and forming partnerships to meet that goal.
- The Accreditation Council for Business Schools and Programs (ACBSP) granted the Gateway Business and Information Technology Division full accreditation privileges and rights. Gateway became the first Wisconsin technical college to be awarded this national recognition. The accreditation means Gateway programs, curriculum and staff members meet the rigorous standards set by the ACBSP, and put the learning opportunities on par with four-year colleges in Wisconsin and throughout the nation.
- The Medical Assistant program was re-accredited by a team from MAERB/CAAHEP.
- The college’s Horizon Center for Transportation Technology and the SC Johnson - integrated Manufacturing and Engineering Technology Center drew attention from a number of local and national visitors for the leading practices in technology and training taught at those facilities. A few examples include:
  - Lt. Gov. Rebecca Kleefisch toured the Fab Lab at the SC Johnson iMET in Sturtevant, to see its benefits and gain some best practices that could be applied to business and education at other educational facilities in Wisconsin. The lab has garnered statewide and regional attention for its innovation and leading-edge practices.
  - Fox 6’s Real Milwaukee came to the SC Johnson iMET and highlighted the Welding/Fabrication Bootcamp and the success Gateway has had in training dislocated and underemployed workers for jobs in manufacturing.
  - Fox 6 also highlighted the college’s Manufacturing Month celebration with area middle-schoolers who attended to learn about the area manufacturing industry and the many careers available.
  - Dr. Annette Parker, President of South Central Community College in Minnesota, visited Gateway during the July 2013 NC3 conference and returned in August, with 60 individuals from her college and community, to tour the college’s technology centers and learn about its industry partnerships
  - Dr. Jack Becherer, President of Rock Valley College in Illinois, along with business partners, looked at the Horizon Center and NC3 model as a basis for updating their aircraft maintenance and repair program.
  - Representatives from Thomas Nelson Community College of Norfolk, Va., Newport News Shipbuilding, K-12 representatives and economic development partners visited the SC Johnson iMET Center as part of a best practices

benchmarking tour. Nelson plans to construct an advanced manufacturing center and looked to the center as the model.
    - Milwaukee Economic Development Corporation and City Redevelopment Authority representatives visited Gateway as a best practice for partnership engagement.
- Gateway was invited to present at the ACTE Best Practice Conference showcasing the college's successful integration of the Snap-On certifications at the Horizon Center using the NC3 model. Nick Pinchuk, Snap-on Incorporated CEO, was the keynote speaker at the conference. He highlighted the partnership between Snap-on and Gateway, putting the college in the national and regional spotlight as a leader in career education, technical education and certification training.
- Gateway received the Milwaukee Journal Sentinel Top Employer Award, ranked 19th for large employers. This is the fourth time in 5 years the college was awarded this honor.
- A HEADS UP mentor initiative began this year in which staff volunteer to provide male student participants with a positive connection to campus life as well as intensive guidance and support as they complete their program of study and transition into their professional or post-secondary steps after graduation.
- The Graphics Communication department received WTCS state recognition for:
    - Demonstrating above-state average employment rate among its recent graduates.
    - Promoting the student design show to showcase recent graduates to local businesses, educational institutions, and the community.
    - Collaborating across departments (Manufacturing) to fabricate student design show awards. (Fab Lab).
    - Participating in international programs with colleges and businesses due to instructor John Mizer's connection with Leo Burnett Advertising Agency in Paris France.
    - Participating in Gateway's Biz Squad course, which uses cross disciplines and team teaching to work on "real life" projects from businesses and non-profit organizations.
- Dean Mike O'Donnell was honored by his community college alma mater with its Alumni Humanitarian Award. He has also been re-appointed as an Ambassador of the National League for Nursing for a two-year term.
- Associate Dean of Nursing Diane Skewes was selected as the president of the Wisconsin League for Nursing. This past year she led the statewide nursing dean in a proposal amendment to ensure schools of nursing have more control over who is eligible to sit for the NCLEX exam.
- HVAC/Geoexchange Technology instructor Tom Niesen was selected Educator of the Year by the Energy Center of Wisconsin. This is a very prestigious award and places him in the Energy Hall of Fame. Niesen was recognized for his efforts to establish a comprehensive degree program in geothermal heat pump installation and renewable energy applications.
- Dr. Jennifer Charpentier, Foundation Executive Director, was elected to a one-year term as Vice President of Education in the Association of Fundraising Professionals - Southeastern Wisconsin Chapter.
- Dr. Richard McLaughlin, Science faculty, wrote an article on a DNA sequencing project which was published in an issue of NISOD. In addition, his work was also published in the Current Microbiology Journal.
- An Office of Quality Systems (OQS) was instituted to provide leadership and oversight, and support of continuous quality improvement processes using Lean Six Sigma throughout all divisions of the college. The OQS works closely with cross-functional teams to identify and implement improvement projects to increase the efficiency and productivity of college processes.

Service Learning – Serving the Community

Gateway believes strongly in serving its communities and providing opportunities for its students to engage in service learning. The 2013-14 fiscal year provided many opportunities for students to engage in service learning.

- Gateway hired a full-time staff person who continued developing and facilitating the Service Learning Center. Initiatives that were provided through this office and coordinator included:
    - Service learning workshops were held to educate faculty on implementing service learning in existing or new classes. The Serving to Learn Locally/Globally classes has 40 faculty graduates and will continue to be offered once a semester.
    - Summer 2013 – Spring 2014, Service Learning was incorporated into 52 courses, with 476 students completing 7,397 hours of service.
    - In March 2014, two Gateway students, Donavan Groves and Mary O' Sullivan, were awarded the Wisconsin Campus Compact Jack Keating Student Civic Leadership Award. They mentor middle school students in IT and robotics throughout the school year and in summer camps.
- Through the leadership of Zina Haywood and Diane Skewes, the college "adopted" a village in Belize. In partnership with Peaceworks in Orange Walk Town, Belize, the Serving to Learn Globally class traveled to Belize in January 2014 for a 10-day service trip.
- Gateway Information Technology students held 10 community events where they used skills gained in the classroom to diagnose and solve computer problems on equipment brought in from area residents. The free events drew hundreds of residents who benefited from students' expertise – and students gained valuable knowledge on working with customers in a real-world experience.

Community Partnerships

Gateway strives to provide career and technical skill training which allow students to successfully enter their career and workforce.

Business and community partners play large roles in the college's success. They provide industry insight which help Gateway tailor programs to meet real-world career needs, become a forum for best practices to better help students succeed and to provide ways for them to continue their education. In addition, partnering with local high schools provides students with dual-credit opportunities and prepares them to be career and college ready.

- In October 2013 Gateway held the Manufacturing Expo at the SC Johnson iMET Center in collaboration with KABA, Kenosha Area Chamber of Commerce, Kenosha County Job Center, RAMAC, RCEDC, Racine County Workforce Development Center and both Kenosha Unified School District and Racine Unified School District. It provided middle and high school students, parents, and educators with a look into today's manufacturing careers.
- In 2014, Gateway continued its partnership with a Moroccan team from Oujda, through the Collegiate Entrepreneurship and Collaborative Strategies Higher Education for Development (HED) grant. Business Incubation Fundamentals training was conducted in Montpellier, France, at an internationally renowned business incubator to prepare the Morocco partners to set up and operate the first local/regional business incubator in Morocco.
- Gateway and UW-Parkside created a transfer agreement which allows Gateway students graduating with degrees in accounting, business and supervisory management, marketing, and graphic communications to transfer to Parkside as juniors and work toward bachelor degrees.

- A new partnership gave Gateway Technical College graduates of select programs the opportunity to transfer to Wisconsin Lutheran College at junior status to complete their baccalaureate degree. Associate degree graduates from 19 programs can transfer to the Lutheran college's Bachelor of Science programs in Business Management and Leadership.
- The College Connections division has been successful in connecting with students in the tri-county high schools to assist them with their career pathway goals. Examples include:
  - Assisting students with transcripted credit registrations and Youth Option Program applications.
  - Collaborating with various departments and community partners to offer tours and hands-on events. One of the larger events was the Manufacturing Expo. In February "Step Into Your Future" events were held which attracted almost 2,000 students.
  - Implementing 70 transcripted credit agreements with 16 high schools offering 33 different Gateway courses. A total of 1,400 high school students earned transcripted credit during the 2013-14 fiscal year.

Economic Condition & Development

Wisconsin's economy is on the rebound. U.S. Bureau of Labor Statistics' unemployment and employment estimates showed Wisconsin's seasonally adjusted June 2014 unemployment rate at 5.7 percent, lower than the national rate of 6.1 percent. The unemployment rate in Kenosha County was 6.6 percent, Racine County 7.6 percent and Walworth County 5.9 percent in June 2014. Those rates compare to June 2013 numbers of 8.5 percent in Kenosha County, 8.9 percent in Racine County, and 7.2 percent in Walworth County.

As illustrated by the recent unemployment rates, the economy is gradually improving in the Gateway District, especially in Kenosha County, as new business development moves into the area. Our area workforce, location, educational opportunities and infrastructure combined with our region's strong manufacturing base attract companies. Gateway has been a drawing card for businesses to locate to the area through its ability to provide flexible and solid training. The logistics industry, in particular, has most recently partnered with Gateway to provide training as several national companies seek to open warehouses in the area.

Gateway Technical College, through its responsiveness to business needs as well as providing well-trained graduates ready to enter the workforce, has remained a generator for the area's economic engine. It continued to make its mark to benefit area companies expand and grow as well, kickstarting new ways to bolster the economy through programs and education that has been recognized locally and statewide, as well as nationally. Examples include:

- A strong indicator of Gateway's recognition and efforts towards economic development is shown through an extensive study and survey, completed in June 2014 by Economic Modeling Specialists Inc., assessing the college's impact on the economy, taxpayers, students, graduates and the state. A few highlights of the study were:
  - Gateway Technical College and its students added $933.2 million in income to the Gateway Technical College District economy, or about equal to 5.6 percent of the region's gross regional product.
  - In addition, for every $1 of public money invested in Gateway, taxpayers receive a cumulative return of $4.20 in the form of higher tax receipts and public sector savings over the course of the student's working lives.
  - Taxpayers see an annual rate of return of 10.6 percent on their investment in Gateway.

- Governor Scott Walker attended the Gateway-hosted groundbreaking of Kenall Manufacturing's new state-of-the-art facility in Kenosha as the company relocates its headquarters from Gurnee, Ill. Kenall executives pointed to the type of training Gateway provides its students and for area employers as one of the ways it can assist the company in its new Wisconsin location to remain strong "Between the state's strong pro-business policies and outstanding workforce, there are many reasons companies, like Kenall, are deciding that Wisconsin is the right place to grow their business," he said.

- Governor Walker chose Gateway's SC Johnson iMET Center as a site to promote his workforce initiative, noting that the type of advanced manufacturing training that goes on at the center fuels business and economic growth. The governor promoted Act 139, which provides a $35.4 million increase to the Wisconsin Fast Forward program to be used to provide workforce training grants to technical colleges, among other initiatives. He called Gateway relevant to students, employers and the communities it serves, helping to train workers in those high skilled manufacturing areas which are in need of workers.

Southeastern Wisconsin continues to battle the workforce paradox – a time of high unemployment, yet also at a time when employers are desperately seeking qualified workers. Gateway has forged strong partnerships with local manufacturing organizations and is involved in various initiatives to solve the workforce paradox.

- Gateway is one of 50 colleges in the country participating in the Skills to Work Initiative. It is a coalition of industry, educators, and non-profit organizations helping veterans discover careers in advanced manufacturing. At a time when the manufacturing industry has a well-documented skills gap, veterans represent an important pipeline of talented workers.
- The Workforce and Economic Development Division (WEDD) offers customized training in the areas of business, manufacturing, human resources, project management, software training, sales and small business development.
    - WEDD's customized training for Xten Industries was highlighted as a success story in a video for the Statewide Wisconsin Technical College System Marketing Consortium.
    - WEDD collaborated with the Snap-on Education Team to provide an all-day training event for their industrial account managers with a focus on diagnostics, certifications and partnerships. This training will be replicated across the United States for other Snap-on Industrial divisions.
    - WEDD began directing the Launch Box entrepreneurial program for the City of Racine in April.
- The educational training and innovation possibilities for Wisconsin's manufacturing industry at facilities such as Gateway's Fab Lab are what's needed to continue to strengthen the state's manufacturing economy.
    - Greg Herker, Fab Lab instructor, has worked with local companies such as Andis, A&E Tools, Precision Plus and American Metal Technologies in prototyping, which helps businesses to more quickly test and bring new products to market.
- Gateway's successful bootcamps continue to meet the demand for skilled workers in CNC, Welding/Fabrication, and Industrial Machine Repair. Of the three CNC Bootcamps held during the fiscal year: 37 students completed, and 33 were employed as of June 30. The bootcamp model has also expanded to other areas.
    - A new Youth CNC Bootcamp, funded by SC Johnson, started with high school seniors who are supported by several local businesses.
    - GED Evening Boot Camps were offered this year in math and writing.

- Gateway is co-leading a statewide collaboration with the University of Wisconsin-Extension and the Wisconsin Incubator Association to facilitate regional partnerships and strategies for business growth and job creation using GrowthWheel® products and services. On June 12, 2014, Gateway hosted the inaugural GrowthWheel® Seminar.
- In July 2013 Gateway's Apprenticeship Department hosted, in conjunction with the Wisconsin Bureau of Apprenticeship Standards, an Industrial Outreach event for local manufacturers. In the past year the Apprenticeship Department has seen rapid growth in enrollment. Within a matter of months enrollment grew from 80 to140 students.
- Gateway hosted, for the sixth year, the annual NC3 Train-the-Trainer conference in July 2013. Because of increased demand, a second week was added to the training schedule. More than 80 instructors from across the United States participated in various industry-driven certified courses. In addition to growing their technical skills and refining their teaching techniques, it is also a step towards getting their schools and programs certified and eligible to deliver these certifications to their local students and workforce.
    - Traditional certification included Snap-on based Automotive Diagnostics, Wheel Service, Torque, Multimeter and Asset Management.
    - New certifications included Trane's Building Automated Systems and Bacho Tools horticulture based Secateurs and Loppers.
    - Due to NC3 participation, Gateway delivered 762 credentials and 523 of this pertains to certifications issued.
- The statewide Advancing Wisconsin Manufacturing Seminar Series kicked off at Gateway Technical College in February 2014. It included a panel presentation and discussion on Innovative Partnerships and Practices in K-12, college programming and customized training.

Green Initiatives

Gateway strives to be sustainable and "green" in its practices where practical, and has received local and national accolades for its leadership in this area. Its students engage in these practices in the communities served by the college through hands-on projects, while the college offers demonstrations and other opportunities for the public to learn how to live "greener" and the college itself tries to operate sustainably and infuse these practices into program curriculum.

- Gateway was one of 20 colleges from across the United States named as a finalist for the Climate Leadership Award which recognizes leadership and innovation in the area of environmentalism and sustainability in higher education. In addition to the award, Gateway also competed against the other 19 college finalists in a national video voting competition – and placed first in its enrollment and college category.
- Horticulture and Freshwater program faculty and students submitted a Root Pike WIN grant to construct a rain garden at the Pike Creek Horticulture Center. Two rain gardens were designed to capture 100 percent of the storm water from the buildings and parking lot.
- Greenhouse Business class students designed and installed a Dutch Bucket hydroponic system in the greenhouse of the Pike Creek center.
- An Energy Knowledge Center was housed in the Center for Sustainable Living. It was paid for by the Foundation Inspiration Grants and spearheaded by instructors Larry Hobbs and Tom Niesen.
- Celebrate Earth Day was another successful event this year. It was co-sponsored by Snap-on and was highlighted by the Pike Creek Arboretum dedication. Frederick and Joanie Brookhouse and Snap-on donated funds for the arboretum project.
- Since implementing the Green Print initiative in 2012, the college has continued to see a reduction in printing. In the first year, Gateway reduced the total print output by 54 percent and in the past year it was reduced another 9 percent. The device energy consumption (kWh) has reduced by 30 percent.

Facilities

The Gateway Experience students and the community engage in is provided for through quality facilities and equipment. Fiscal year 2013-14 projects added resources and training opportunities to help students in their academic and career endeavors.

- The Learning Success Center opened in Racine in the Lake Building. The center provides ease of access to various support services for students by combining academic services, disability services, the multicultural resource center, testing and other student services
- A remodeled space completed in Fall 2013 on the Racine Campus, the Breakwater Dining Room, provides a lab for students to learn how to serve and take care of customers in a fine dining setting – one they will encounter in their career. The real-world setting of the dining room operates as an actual restaurant.
- Another remodel on the Racine Campus helps students and community members alike. A small, high-tech demonstration kitchen was added next to the Breakwater dining room to further allow students to learn the skills of their trade – and for community members to learn culinary skills, as well, when not in use for classes.
- In January 2014, Gateway began a two-year segmented remodeling project to the Student Services, Health Profession Opportunity Program (HPOP) and Learning Success areas of its Kenosha Campus. Leased areas in the Gateway Professional Building, across the street from the Kenosha Campus, served as the temporary home for the services except for HPOP, which will remain in the building permanently.

Student Success

Gateway provides students the opportunity to succeed in their future careers through innovative programs and state-of-the art instruction. Additionally by continually improving its ancillary services and encouraging participation in activities outside the classroom, students are able to enhance their education and career goals. Many times, these activities give students a means to apply in a real-world setting the skills they've learned in class.

- Gateway Technical College Foundation Inc. at its annual award ceremony in January awarded 169 scholarships totaling nearly $96,000; benefiting Gateway students and helping them fulfill their career and educational goals.
- United Student Government members are able to participate in local and state events including the annual Fall Leadership Conference and the Legislative Seminar held in February.
- The first Pizza & Politics event was held this year to provide an opportunity for students to meet with local legislators and hold informal discussions on politics.
- The Student Success division has ramped up its Career Services to provide career planning and employment services for students. Various workshops, classroom presentations and one-on-one career counseling sessions are available for Gateway students. Examples include Career Exploration and Job Seeking Skills.
- Communications faculty helped launch a student literary magazine called *The Red Hawk Review.* It is to be published annually and contributing students are eligible for Gateway scholarships. High school seniors and juniors are also eligible to participate. The winning high school entrant will be published and will be eligible for a Gateway scholarship.
- Phi Theta Kappa, the honor society chapter, inducted members this year through a special ceremony. A great benefit of society membership is access to a wide variety of scholarships for students transferring to four-year institutions.
- Greg Kirstein, a Graphic Communications student, and Joe Felgenhauer, a welding student, collaborated on creating a sculpture entitled "Keycock." It was showcased in January 2014 at the National Association of Community Colleges Workforce Development Institute conference and photos of the piece were displayed at The Dali Museum in Florida. The "Keycock" is made of keys and other metals in the shape of a peacock and metaphorically represents the unlocking of a bright and solid future filled with success for Gateway – and all community college students.

Several campus clubs gave back to the local community through various initiatives:

- Members of BPA worked with KUSD's Grant Elementary School staff in March to present a program on Anti-Bullying on the Kenosha campus.
- Elkhorn's Collegiate DECA Chapter provides community service at the SMILES therapeutic riding program for disabled children.
- Barber/Cosmetology programs were involved in the several community projects including:
  - Providing free haircuts for the Department of Veterans Affair and Racine County Veteran Services "StandDown" program at the Kenosha Job Center. Veteran haircuts are always free at the View on 5.
  - Providing haircuts, styles and makeup applications for the Nehemiah project.
  - Providing discounted services and donated equipment as a finance management learning project for Shepherd College students. Shepherd College provides general education and training in job and life skills for intellectually disabled adults.
  - Providing services to Starbuck Middle School's "Sister-to Sister" program. This is a program for young ladies to educate and develop their self-respect and respect for others.
  - Collaborating with Wheaton Franciscan in hopes of providing services to long term patients.
  - Donating proceeds from haircuts for the month of October to Cancer Research and donated proceeds from haircuts for the month of November to the Wounded Warrior Program

Gateway students competed in career-focused events, capturing honors at state and national competitions.

- Gateway Interior Design Students took top honors for best room design at the 2014 Milwaukee/NARI Home Improvement Show Interior Design Contest.
- Eight students from Gateway Collegiate DECA captured first-place honors – and several others took second place and third place – at the 52nd Wisconsin Collegiate DECA annual Spring Competitive Events Conference.
- The culinary team of Angela Anderson, Robyn Eisen and Rolando Gomez won Gateway Technical College's inaugural cooking competition modeled after the show "Chopped."
- Gateway DECA students were recognized for various awards at the International Career Development Conference in Washington, D.C. this spring. The Chapter Community Service Award was awarded to the Elkhorn Campus chapter.
- Several members of Gateway's Business Professionals of America group took first, second and third-place honors at the BPA state competition. Several went on to the national competition, where they placed as high as second, in addition to four other top-10 finishes.
- Gateway Technical College Horticulture student Rachel Sullins took third place at an American Institute of Floral Designers' 2014 Student Floral Design competition as part of the institute's national symposium July 2 in Chicago.

<u>Technology Initiatives</u>

As a technical college, Gateway realizes the importance of offering skills training through the most up-to-date technology, as well as providing technology to its staff to better meet the needs of students, the community and business partners.

- The Learning Innovation Division and Information Technology/Services Division continues to work on a variety of initiatives designed to maintain, enhance, and extend infrastructure, support systems, and technology tools for the Gateway community which include the following initiatives:
  - Provided expanded 24/7 technology support to students through its Tech Central Support model. This included the deployment of technical support kiosks at the campuses and centers which provides students with remote assistance.

- Desktop virtualization efforts continued and have expanded to 751 VDI desktops as compared to 435 in the previous year. The virtualization strategy simplifies end-user support, saves energy and reduces costs at the desktop level.
    - The VANguard initiative partnership with regional K-12 school districts allows schools to share coursework and engage in Gateway programing delivered using distance learning technologies. The network served 600 students this year – a 52 percent increase over the prior year.
    - In collaboration with the business office staff, student finance and Ellucian, a business process re-engineering was done for third-party billing and related receipting processes.
    - A new initiative called Book Now was implemented in January to help improve and streamline how students can order their books via WebAdvisor by linking it to eFollett. eFollett, an online ordering system, by Follett bookstore, saw a significant increase of over 2,000 orders this year as compared to FY 2012-13.
- A new CRM database, Recruiter, went live in June 2014. It is a great outreach and tracking tool to recruit students and assist them with admissions and enrollment.
- By streamlining the college's collection efforts, the student accounts office was able collect more than $198,000 through the Tax Refund Interception Program (T.R.I.P) in FY 2014 as compared to $41,000 in FY 2013.

<u>Special Funding/Grants</u>

Several grants and special funding received by Gateway this year include:

- Gateway was awarded $1.9 million for an additional year of funding for the Health Profession Opportunity Grant (HPOP). It provides low-income individuals with successful training programs for a variety of healthcare professions, and provides supportive services for the students.
- AT&T donated $10,000 for the Innovation & Investment Award to expand the College Connection program at Gateway to help students at risk of dropping out of high school graduate and gain job skills and training.
- The consortium of the 16 Wisconsin Technical Colleges was awarded a $23 million Trade Adjustment Assistance Community College & Career Training (TAACCT) grant. The Interface project will develop, improve, and expand adult educational training pathways to careers in information technology occupations. Gateway's portion of $1,215,832 will be used to build and offer a one-year technical diploma in IT and a Share Point certificate.
- The Mary Lou and Arthur F. Mahone Fund will pay for two newly created endowed scholarships through UW-Parkside and Gateway to benefit area students of color in their pursuit of higher education. Carthage College also partnered with the fund to provide a full-tuition scholarship to an incoming 2014 freshman from Kenosha.

<u>New Programs/Academic Initiatives</u>

Gateway strives to be flexible in its course and service delivery to help students achieve their goals. The 2013-14 year certainly exemplified that, with such efforts as changing its Fire Medic program to better meet the needs of industry to its work with a group to help students identify their strengths to help them in their academics – and life.

- The TRIO student resources program developed a six-week Strengths Course that introduced students with disabilities to their top 5 Strength themes after taking Strengths Quest Assessment provided by the Gallup organization. It helps students' abilities to use their strengths in academics, career choices, relationship building and accommodation requests.
- The new Fire Medic associate degree offers students the ability to gain firefighting and emergency medical system skills within the same program. Graduates are trained to earn an associate degree, complete five advanced firefighting tactics, earn a valid

candidate physical ability test (CPAT) certificate as well as a paramedic license. Gateway is one of only three colleges statewide offering the Fire Medic degree approach, one increasingly being called for by fire department officials.

- A new certificate in Healthcare Leadership and Management was offered under the Supervisory Management program.
- A new Permaculture Design certificate was added to the Horticultural program. It is an internationally recognized certification which teaches people how to live more sustainably. Gateway is now a certified training site for the Sustainable Sites Initiative (SITES).
- Due to funding provided by an NSF Grant (TAACCT), Tool and Die program courses were imbedded in the industrial maintenance technician program this year. It will assist local employers with the attrition felt in this particular area.
- Certified Horticulture instructors, in partnership with Bahco Tools, now offer NC3 certification training on agricultural Pruners and Loppers.
- Gateway partnered with the Natural Gas Vehicle Institute (NGVI) to conduct compressed natural gas vehicle training at the Horizon Center. NGVI was very impressed with the facility and intends to continue training here in the future.
- New courses offered this year include:
  - The Communications Department introduced Games & Culture and a specialized English composition course focused on sustainability. Also a “fast-track” course combining Sociology and English Composition was developed.
  - Criminal Justice courses included Forensics/Cyber Crimes as well as Terrorism-Homeland Security.
  - New Science department courses included Nutrition Science, Animal Biology, Science of Technology and Environmental Chemistry.
- A new Faculty Institute was initiated, providing team-building, valuable support connections and information sharing for starting a successful teaching career at Gateway.

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 3.2.1– Three Communities – Two Goals – One Vision

In order to provide more focus to the overall strategic direction of the college, Vision 3.2.1 was updated. The three Communities and one Vision remain the same. What's new are two overarching goals which are intended to bring a tighter focus to the plan. Goal 1 is focused on increasing enrollment and Goal 2 is focused on creating a culture of excellence and continual improvement. The objectives of the original plan are unchanged but have been realigned to fit under these two goals.

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

The five key strategic directions aligned with the two goals that will lead Vision 3.2.1:

- Students will experience educational excellence and academic success.
- Gateway will empower students to attain credentials and find employment in their career field.
- Employees will work together in a college culture of innovation and opportunity.
- Gateway will strategically align programs and services with changing industry needs.
- Gateway will be valued as the community's college and a place of opportunity for all.

College-wide committees were created around the five strategic directions with goals and measures outlined for each strategy. 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. Moving forward, the college will develop two cross-functional strength-based committees that will focus on increasing enrollment and creating a culture of excellence and continuous improvement.

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 auditors' 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 funds, debt service fund, capital projects fund, enterprise fund, 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 its vision and develop a balance between the revenue and expenses of the college. The group meets 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.

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 Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA) for Gateway's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013.

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 GFOA 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 and with the professional services of Schenck SC. 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 & Chief Executive Officer

Bane Thomey
CFO /Vice President of Finance & Administration

GATEWAY TECHNICAL COLLEGE

DISTRICT BOARD AND PRINCIPAL OFFICIALS
As of June 30, 2014

District Board

Chairperson	Ram Bhatia	Additional Member
Vice Chairperson	Roger Zacharias	Employee Member
Secretary	Gary Olsen	Employer Member
Treasurer	Neville H. Simpson	Additional Member
Member	William Duncan	Additional Member
Member	Susan Greenfield	Employee Member
Member	Bethany Ormseth	Employer Member
Member	R. Scott Pierce	School District Administrator
Member	Pamela Zenner-Richards	Elected Official

Principal Officials

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

Gateway Technical College District Board of Trustees Fiscal Year 2014

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.

R. Scott Pierce
Kenosha County

Gary Olsen
Walworth County

William Duncan
Walworth County

Bethany Ormseth
Kenosha County

Roger Zacharias
Kenosha County

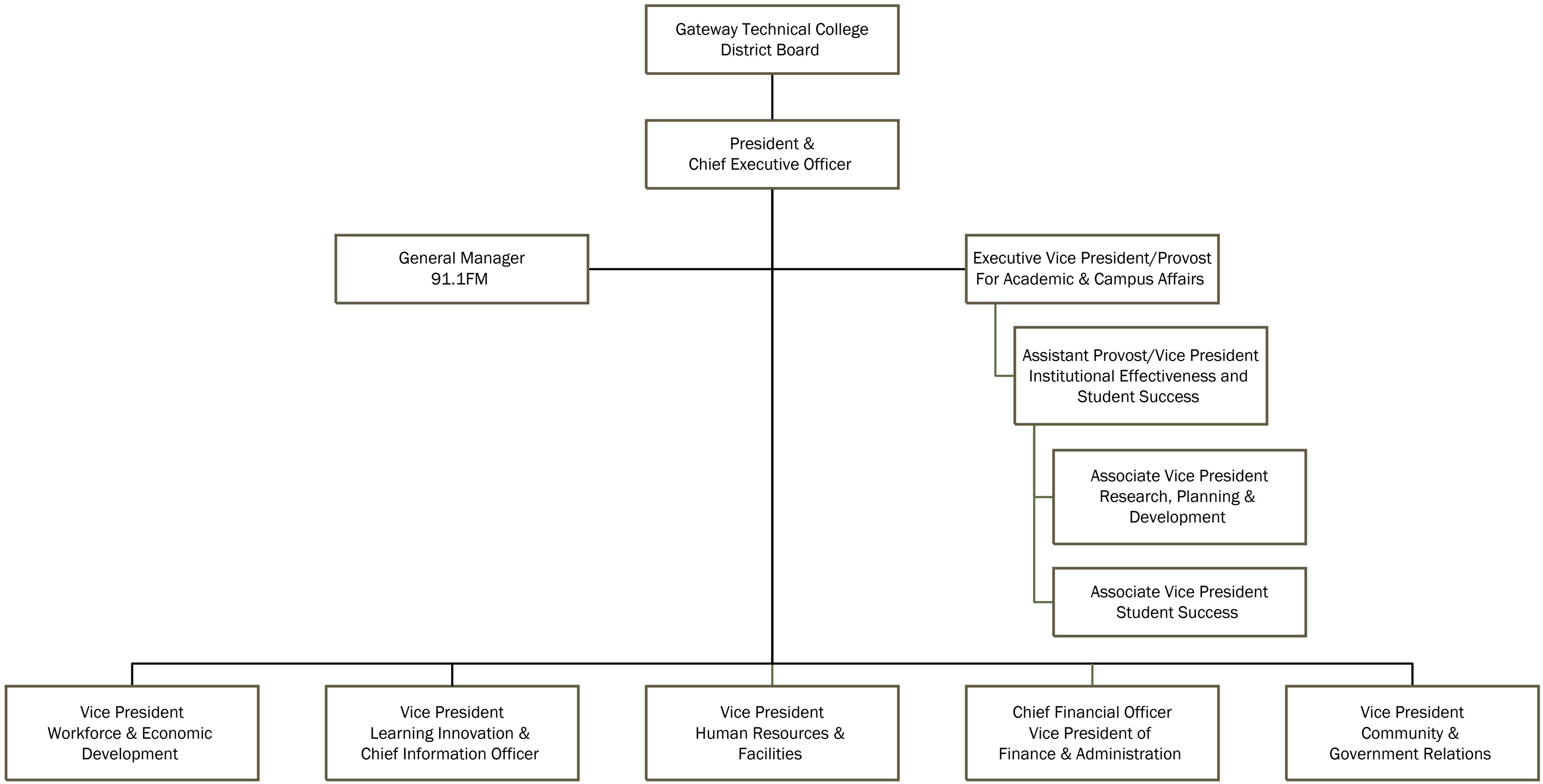
Pamela Zenner-Richards
Racine County

Ram Bhatia
Racine County

Neville H. Simpson
Kenosha County

Susan Greenfield
Racine County

Gateway Technical College
Organizational Chart
As of June 30, 2014



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Gateway Technical College

Wisconsin

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Jeffrey R. Emer

Executive Director/CEO

Financial Section

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Schenck
CPAs AND SO MUCH MORE.

INDEPENDENT AUDITORS' REPORT

To the District Board
Gateway Technical College District
Kenosha, Wisconsin

Report on the Financial Statements

We have audited the accompanying basic financial statements of Gateway Technical College District (the District) as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of the discretely presented component unit, Gateway Technical College Foundation, Inc. (the Foundation). Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the report of the other auditors. 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. The financial statements of the Gateway Technical College Foundation, Inc., a discretely presented component unit of the District, were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Gateway Technical College District as of June 30, 2014 and 2013, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress and the schedule of employer contributions on pages 22 through 39 and page 80 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States 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 audits 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.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The financial information listed in the table of contents as supplementary information and the other information, such as the introductory and statistical section, are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, the schedules of expenditures of federal awards and the schedule of state financial assistance are fairly stated, in all material respects, in relation to the basic 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2014, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Schenck SC

Certified Public Accountants
Green Bay, Wisconsin
November 6, 2014

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, 2014.

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.

Statements of Net Position

The Statement of Net Position 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 Position.

Stated in Thousands ($000)

	2014	2013	Incr (Decr) 2014-2013	2012	Incr (Decr) 2013-2012
Assets					
Cash and other current assets	$ 46,548	$ 43,744	$ 2,804	$ 40,044	$ 3,700
Capital assets, net of accumulated depreciation	66,044	61,146	4,898	55,134	6,012
Other non-current assets	-	-	-	244	(244)
Total Assets	112,592	104,890	7,702	95,422	9,468
Liabilities					
Current	14,710	13,702	1,008	14,744	(1,042)
Non-Current	44,866	41,416	3,450	36,615	4,801
Total Liabilities	59,576	55,118	4,458	51,359	3,759
Net Position					
Net investment in capital assets	23,474	20,983	2,491	18,916	2,067
Restricted	2,345	2,017	328	2,392	(375)
Unrestricted	27,197	26,772	425	22,755	4,017
Total Net Position	$ 53,016	$ 49,772	$ 3,244	$ 44,063	$ 5,709

Total assets increased $7.7 million or 7.3% in FY 2014 and increased $9.5 million or 9.9% in FY 2013. Total liabilities increased by $4.5 million or 8.1% in FY 2014 as compared to an increase of $3.8 million or 7.3% in FY 2013. Overall, the total net position increased by $3.2 million or 6.5% in FY 2014 while FY 2013 experienced a $5.7 million or 13.0% increase for the fiscal year.

Fiscal Year 2014 Compared to Fiscal Year 2013

- Again in FY 13/14 cash and cash equivalents experienced a large increase of $4.3 million or 21.4% as compared to a $6.0 million or a 41.9% increase in FY12/13. While cash received from tuition and fees decreased by 8.5% or ($.8 million) and federal and state receipts decreased by ($7.4 million) or 15.11%, the cash payments for materials and services decreased by almost ($8.0 million) or 16.11%.

- Other current assets decreased by ($1.5 million) or 6.5% mainly due to federal and state aid receivables decreasing by ($1.7 million) or 43.0%.

- Capital assets, net of accumulated depreciation, increased by $4.9 million or 8.0**%.** Besides net capital equipment and net intangible asset additions of approximately $1.8 million, there were various remodeling/constructions projects at all campuses. Major Racine projects included a remodel of the Learning Success Center on the Racine Campus in the Lake Building, as well as a boiler replacement and an air handler. Additionally, the SC Johnson iMET parking lot was expanded.

- Overall current liabilities increased 7.4% in FY 2014 compared to a decrease of 7.1% in FY 2013. General accounts payable was up by 21.2% or ($.5 million), while the accrued payroll and benefits liability increased by 19.7% or ($.2 million). The current portion of general obligation debt increased by $.5 million or 7.0%.

- Long-term liabilities increased 8.3% or $3.4 million as compared to FY 2013 increase of 13.1% or $4.8 million. General obligation debt increased by approximately $3.6 million in FY 2014, while the long-term liability for other post-employment benefits (OPEB) increased by $209,000 or 8.0%. Additional information can be found in footnote #7 in the notes to the financial statements.

- Total net position increased in FY 2014 by $3.2 million, as compared to an increase of $5.9 million in FY 2013. The increase in FY 2014 reflects an increase of $2.5 million net investment in capital assets, a $.3 million increase in restricted assets, and a $.4 million increase in unrestricted assets.

Fiscal Year 2013 Compared to Fiscal Year 2012

- The significant increase in cash and cash equivalents for FY 12/13 reflects a steady trend of increases for the last few years. For FY 12/13 it increased by almost $6.0 million or 41.9% as compared to a $1.1 million increase or 8.7% in FY 11/12. While cash received from tuition and fees decreased by 6.2% or ($.7 million); the cash payments for employees and related benefits decreased by 6.3% or over ($4.6 million). The major factors for the $4.6 million disbursement reduction are a 17% decrease in health premium costs plus, effective with FY 12/13, all employees receiving health benefits are contributing 12% towards the premiums. In addition funds disbursed for the Wisconsin Retirement System (WRS) decreased by over $2.5 million in FY 12/13 as compared to FY 11/12 as all WRS eligible employees began contributing their portion (50%) of the pension expense.

- Other current assets decreased by ($2.3 million) or 8.9% mainly due to a few factors. Accounts receivable decreased by ($.7 million) or 42.0%, while Federal and state aid receivables decreased by ($2.3 million) or 35.7%. Prepaid expenses increased $.9 million or 156.1%. Due to a change in health insurance plans there was a prepayment in June for the July health premium.

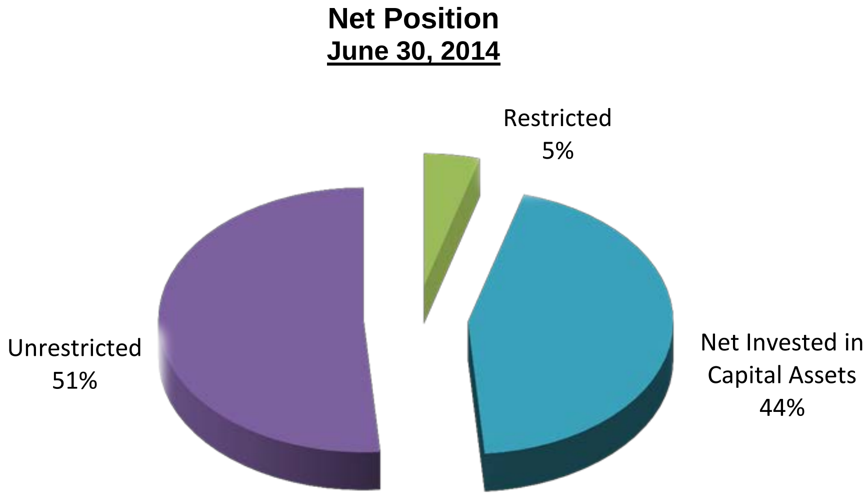
- Capital assets, net of accumulated depreciation, increased by $6.0 million or 10.9**%.** Besides a net capital equipment addition of approximately $2.3 million there were various remodeling/constructions projects at all campuses. Major Racine projects included a Fab Lab remodel and 16,000 sq ft addition to the SC Johnson iMET center. On the Racine campus the culinary classroom in the Lake Building was remodeled. Additionally, the third floor of the Racine Building which formerly held the child care facility was remodeled for student services. On the Kenosha Campus, the Pike Creek Horticulture Center was expanded and remodeled.

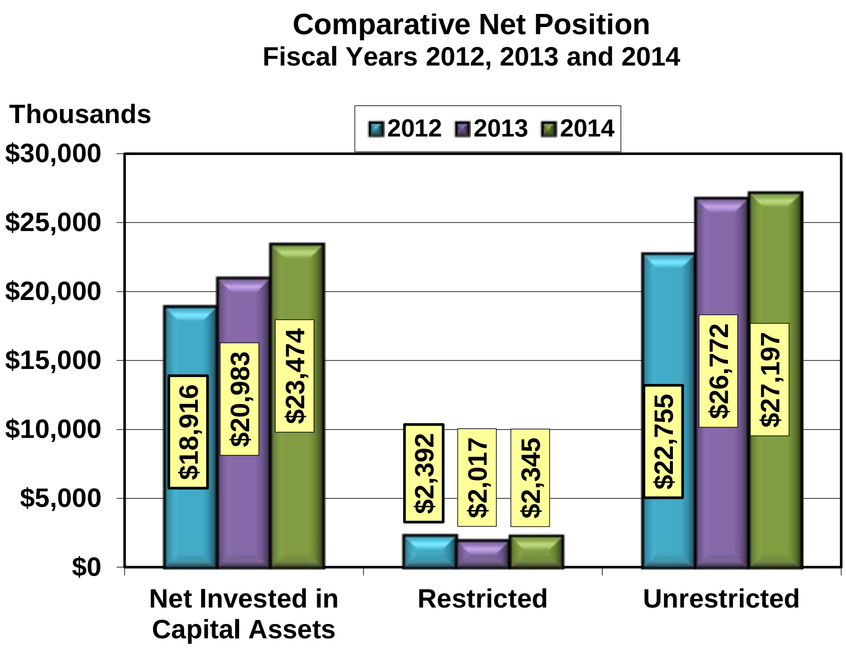
- Overall current liabilities decreased 7.1% in FY 2013 compared to an increase of 9.9% in FY 2012. General accounts payable was down by 14.3% or ($0.4 million), while the accrued payroll and benefits liability declined by 61.1% or ($1.4 million). The accrued payroll and benefits decrease was down mainly due to vacant positions combined with a change in the health insurance premium and benefit amounts.

- Long-term liabilities increased 13.1% or $4.8 million as compared to FY 2012 increase of 10.6% or $3.5 million in FY 2012. General obligation debt increased by approximately $4.8 million in FY 2013. $231,000 of deferred bond premiums was added in FY 2013 as compared to $105,000 in FY 2012. In FY 2013 the long-term liability for other post-employment benefits (OPEB) increased by $225,000 or 9.4%. Additional information can be found in footnote #7 in the notes to the financial statements.

- Total net position increased in FY 2013 by $5.7 million, while it decreased in FY 2012 by ($.2 million). The increase in FY 2013 reflects an increase of $2.1 million net investment in capital assets, a ($.4 million) decrease in restricted assets, and a $4.0 million increase in unrestricted assets.

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





Statements of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or non-operating. 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 condensed version of the Statement of Revenues, Expenses and Change in Net Position:

Stated in Thousands ($000)

	2014	2013	Incr (Decr) 2014-2013	2012	Incr (Decr) 2013-2012
Operating Revenues					
Student fees	$ 9,242	$ 9,361	$ (119)	$ 10,410	$ (1,049)
Federal & state grants	39,928	46,511	(6,583)	46,187	324
Contract revenues	2,149	2,178	(29)	2,257	(79)
Auxiliary & miscellaneous revenues	1,701	1,947	(246)	1,460	487
Total Operating Revenues	$ 53,020	$ 59,997	$ (6,977)	$ 60,314	$ (317)
Operating Expenses					
Instruction	$ 55,803	$ 56,214	$ (411)	$ 60,869	$ (4,655)
Instructional resources	1,181	1,137	44	1,427	(290)
Student services	11,529	10,748	781	10,087	661
General institutional	8,385	8,183	202	8,373	(190)
Physical plant	7,510	7,465	45	7,719	(254)
Student aid	24,334	29,874	(5,540)	30,725	(851)
Public services	358	358	-	344	14
Auxiliary services	440	508	(68)	575	(67)
Depreciation	4,997	4,544	453	4,308	236
Total Operating Expenses	$ 114,537	$ 119,031	$ (4,494)	$ 124,427	$ (5,396)
Non-operating Revenues (Expenses)					
Property taxes	$ 60,150	$ 59,396	$ 754	$ 59,004	$ 392
State appropriations	5,500	5,486	14	6,082	(596)
Loss on disposal of capital assets	35	(2)	37	(14)	12
Investment income	41	39	2	33	6
Interest expense & debt issuance costs	(1,449)	(1,519)	70	(1,263)	(256)
Total Non-operating Revenues (Expenses)	$ 64,277	$ 63,400	$ 877	$ 63,842	$ (442)
Capital Contributions					
Federal & state capital grants	298	193	105	35	158
Other capital grants/donations	186	1,433	(1,247)	35	1,398
Total Capital Contributions	484	1,626	(1,142)	70	1,556
Net increase (decrease) in net position	3,244	5,992	(2,748)	(201)	6,193
Cumulative Effect of Change in Accounting Principle	-	(283)		-	
Net Position - beginning of year	49,772	44,063		44,264	
Net Position - end of year	$ 53,016	$ 49,772		$ 44,063	

OPERATING REVENUES include the charges for services offered by the District and other federal and state operating grants. During FY 2014 the District generated $53.0 million of operating revenue which is an 11.6% decrease or ($7.0 million) over FY 2013. Significant changes for the fiscal years are as follows:

Fiscal Year 2014 Compared to Fiscal Year 2013

- Student tuition and fees dropped by approximately ($119,000) or 1.3%. FTE's were 5,419 in FY 2014 as compared to 5,813 in FY 2013. This is the third consecutive year the college has experienced a decrease in FTE after the significant increases seen in fiscal years 2009 through 2011.

- Federal grants decreased by 14.7% or ($6.3 million) in FY 2014 compared to a decrease of .8% or ($0.3 million) in FY 2013. ($5.9 million) of the decrease is due to the reduction of federal loans and Pell grants received in FY 2014 versus FY 2013. The remaining ($.4 million) decrease is a reduction of funds received for federal project grants.

- State grants decreased by ($250,000) or 7.1% due to a reduction of funds received for special revenue project grants.

- Auxiliary and miscellaneous revenues decreased by ($246,000) or 12.6% in FY 2014 compared to a $487,000 increase or 33.3% in FY 2013. This is mainly due to fewer funds received for; operational donations ($37,000), bookstore commissions ($66,000), incubator rentals ($32,000), auto lab/toolkit sales ($48,000) and other miscellaneous revenues.

Fiscal Year 2013 Compared to Fiscal Year 2012

- Student tuition and fees dropped by approximately $1.0 million or 10.1%. This is due in part to the District experiencing a 6.5% decrease in student FTE's (full-time equivalent). FTE's were 5,813 in FY 2013 as compared to 6,217 in FY 2012. Additionally, the reduction is due in part to the $.4 million increase in scholarship allowances, which reduces the net tuition and program fee revenue reflected. To eliminate the duplicate recording of revenue, the financial aid funds are recorded as revenue under federal and state grants on the Statement of Revenues, Expenses and Changes in Net Position; and in conjunction, the tuition and fee revenue is reduced by the financial aid tuition allowances applied.

- Federal grants increased by 0.8% or $.3 million in FY 2013 compared to a decrease of 1.8% or $0.8 million in FY 2012 while state grants remained relatively flat in FY 2013.

- Miscellaneous revenues increased by $455,000 or 37.8% in FY 2013 compared to a $301,000 decrease or 20.0% in FY 2012. This is mainly due to bookstore commissions increasing by $184,000 and the receipt of $271,000 in donations to support the instruction of students in our bootcamp training.

OPERATING EXPENSES are costs incurred for providing education, training and related services. Operating expenses decreased by 3.8% or ($4.5 million) in FY 2014 as compared to a 4.3% or ($5.4 million) decrease in FY 2013. The significant changes for the fiscal years are as follows:

Fiscal Year 2014 Compared to Fiscal Year 2013

- The main factor in the ($4.5 million) reduction in operating expenses relates to the ($5.5 million) reduction in student aid expenditures. The significant reduction is due to a combination of factors; student FTE dropped by 6.8% and as a result less students' applied for loans and Pell grants.

- An offset to the overall ($4.5 million) expense reduction is an increase to Student Services expenses of 7.3% or $.8 million. Due to the third year of implementation of additional support for student services, the corresponding expenses increased.

- Instructional expenses decreased by ($411,000) due to savings in instructors salaries and related benefits. As enrollment declines the use of adjunct instruction in place of full-time instructors allows for cost savings in benefits, while still meeting the needs of our students. In FY 2014 instructor extended pay (over-time) was discontinued as compared to an $808,000 FY 2013 expense.

- General institutional increased by approximately $202,000 mainly due to an increase in administrative and technical employee salary expenses. Vacant positions were filled and an Office of Quality Systems was implemented in FY 2014.

- Depreciation expense increased $453,000 or 10% as compared to a FY 2013 increase of $236,000 or 5.5%.

Fiscal Year 2013 Compared to Fiscal Year 2012

- The main factor in the ($5.4 million) reduction in operating expenses relates to the ($4.7 million) or 7.6% reduction in instructional expenses and ($.8 million) or 2.8% decrease in student aid expense. A significant portion of the instructional decreases are due to vacant positions; restructured benefits; eliminating extended contracts; and one time grievance settlements for long-term care benefits that occurred in FY 2012.

- Restructured benefits savings of over $5 million is mainly comprised of the following that became effective July 2012: a 17% decrease in health insurance premiums; employees contributing 12% towards the premium expense; and all employees eligible for a pension benefit contributing 50% towards the pension expense.

- An offset to the overall ($5.4 million) expense reduction is an increase to Student Services expenses of 6.5% or $.7 million. Due to the second year of implementation of additional support for student services, the corresponding expenses increased. In addition, the write-off of student debt increased by $374,000.

- Instructional resources and general institutional decreased by approximately ($290,000) and ($190,000) respectively mainly due to vacant positions and restructured benefits, offset by increases in other expenses.

- Physical plant expenses decreased by ($253,000) due to vacant position and benefit savings of $579,000 offset by other expenditure increases of $326,000. The other expenditures are comprised of increases in building and site repairs, snow removal, and utilities.

- Depreciation expense increased $236,000 or 5.5% as compared to a FY 2012 increase of $357,000 or 9.0%.

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 an allocation of state revenue and giving the colleges the authority to levy property taxes in the municipalities they serve. Overall, non-operating revenues, net of interest expense, increased by $.9 million or 1.4% in FY 2014 compared to ($.4 million) decrease or .7% in FY 2013. The significant components of the fiscal years are as follows:

- Property taxes are the primary source of revenue for the District comprising 50.4% of our revenue source in FY 2014. Overall property taxes revenues for the year were $60.2 million, an increase of $754,000 or 1.3% over the $59.4 million recognized in FY 2013. This is primarily due to the $607,000 increase in funds received for debt service.

- The FY 2014 operating levy of $51.2 million remained the same as FY 2013 in accordance with the Wisconsin State Biennium Approved Budget. The state budget included provisions requiring a tax levy freeze for operations for the Wisconsin Technical Colleges for 2012 through 2014. The FY 2014 Debt service levy was $8.9 million which was an increase of 7.3% over FY 2013 levy of $8.3 million.

- The District experienced a 0.3% or $14,000 slight increase in state operating appropriations for FY 2014 as compared to a 9.8% or ($596,000) decrease in FY 2013. 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 2014, the district received a prior year state aid adjustment decrease of $126,400, as compared to a $92,300 increase in FY 2013.

NON-OPERATING EXPENSES consist of interest expense and debt issuance costs on long-term debt. Effective with FY 2013 the District implemented GASB Statement 65, *Items Previously Reported as Assets and Liabilities*. As a result of this regulation, debt issuance costs are now recognized as an expense in the year they are incurred. Previously these costs were deferred and amortized over the life of the debt. Due to this implementation, FY 2013 reflected an increase of approximately $256,000 or 20.2% for the expense, while FY 2014 reflects a decrease of $70,000. As deferred bond premium is recognized, it is used to reduce debt issuance expenses.

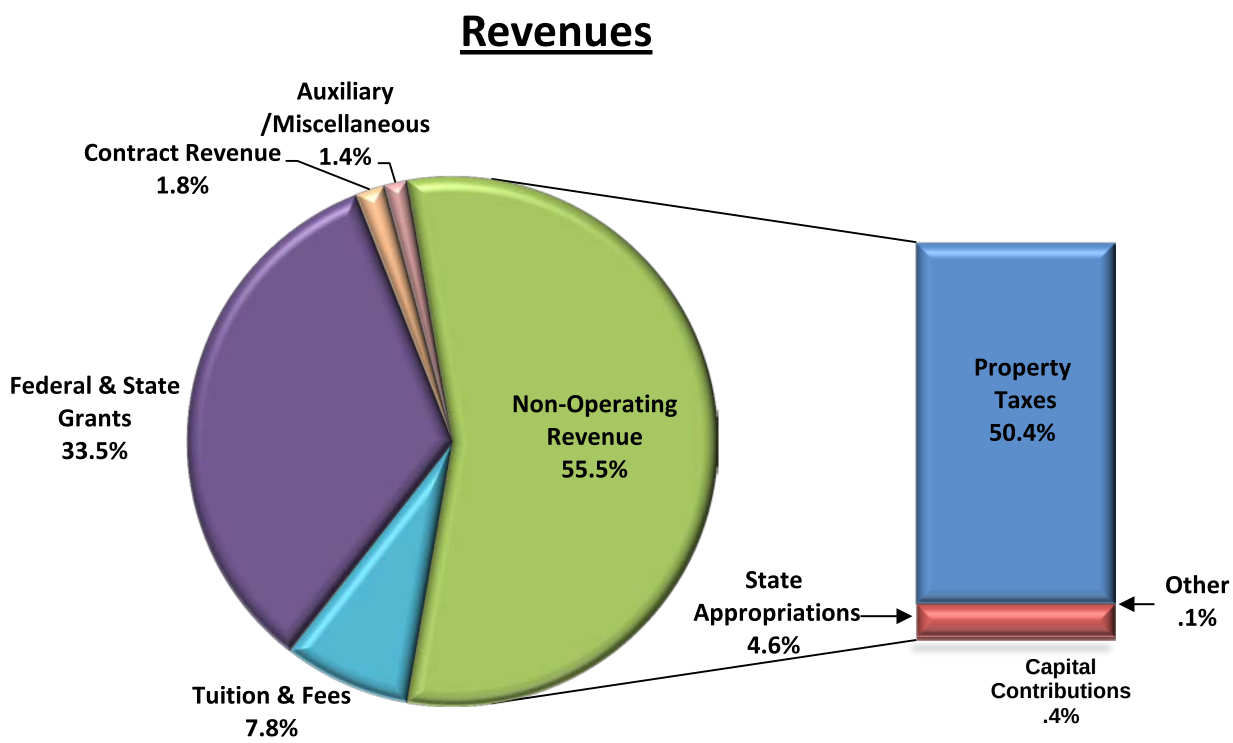
CAPITAL CONTRIBUTION REVENUE is revenue due to donations of cash or capital equipment and grant funds to be used exclusively for the purchase of capital assets. Overall contribution revenues decreased ($1.1 million) in FY 2014 as compared to a

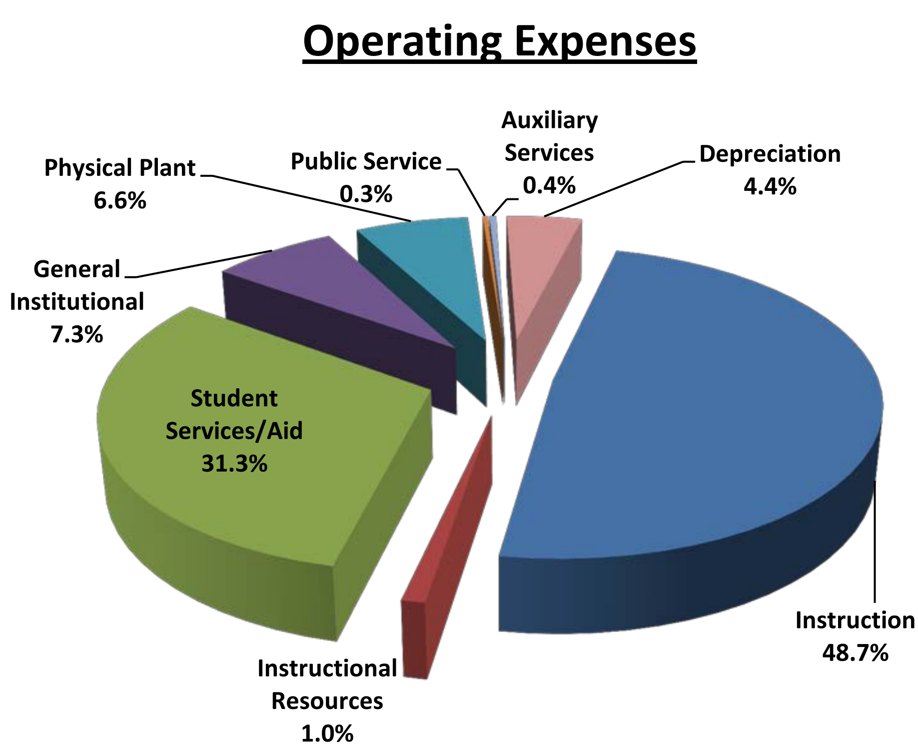
$1.6 million increase in FY 2013. The significant components of this change are as follows:

- Donated funds decreased by $1.3 million mainly due to a one time donation of $1.2 million received towards the construction of the SC Johnson iMET (integrated Manufacturing & Engineering Technology) Center addition in FY 2013.

- Approximately $298,000 was received in Federal and state grants towards the purchase of capital equipment in FY 2014 while $194,000 was received in FY 2013 for capital.

The following graphs represent the distribution of revenues and operating expenses for the fiscal year ended June 30, 2014.





Statements 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)

	2014	2013	Incr (Decr) 2014-2013	2012	Incr (Decr) 2013-2012
Cash Used By Operating Activities	$ (55,315)	$ (53,959)	$ (1,356)	$ (57,700)	$ 3,741
Cash Provided By Non-Capital Financing Activities	65,744	65,049	695	64,986	63
Cash Used By Capital and Related Financing Activities	(6,137)	(5,137)	(1,000)	(6,174)	1,037
Cash Provided By Investing Activities	40	39	1	33	6
Net Increase in Cash and Cash Equivalents	$ 4,332	$ 5,992	$ (1,660)	$ 1,145	$ 4,847

Fiscal Year 2014 Compared to Fiscal Year 2013

The cash and cash equivalents balance increased from $20.3 million in FY 2013 to $24.6 million in FY 2014. Overall, in FY 2014, cash and cash equivalents increased by $4.3 million or 21.4% as compared to the FY 2013 increase of $6.0 million or 41.9%.

The District used $1.4 million or 2.5% additional cash for operating activities in FY 2014 compared to $3.7 million or 6.5% less in FY 2013. A few of the significant factors were: Cash received from tuition and fees was down 8.5% or ($.8 million) and federal and state funds was down by 15.1% or ($7.4 million). Due to the decrease in enrollment, receipts were down and correspondingly the amount of financial aid funds coming into the college decreased. Business and industry contract receipts were down by 20.5% or ($.5 million) mainly due to a shift in outstanding receivables between FY 2014 versus FY 2013.

The main offset to overall operating receipt reductions of ($8.9 million) was the reduction in operating funds spent for the disbursals for materials and services. Disbursements were down ($8.0 million) or 16.1% in FY 2014. Corresponding to fewer funds received for student financial aid the cash disbursals to students was down by over ($5.1 million). In addition funds spent on supplies, minor equipment and repairs were down by ($1.4 million).

Overall cash provided by non-capital financing activities increased slightly by $0.7 million or 1.1%. Local government property taxed received increased by $0.7 million or 1.15% while state appropriations received increased by $10,000 or 0.19%.

Overall net cash used for capital and related financing activities increased by 19.5% or $1.0 million in FY 2014 as compared to a decrease of 16.8% or ($1.0 million) in FY 2013. Contributions for capital assets decreased by $1.3 million due to one-time funding received for the addition to the SC Johnson iMET Center in FY 2013. Purchases of capital assets and funds spent on construction/remodeling actually decreased by ($1.1 million) or 10.6% compared to $1.7 million or 19.3% increase in FY 2013. The District had a few major renovation and expansion projects that were still construction-in-progress in FY 2014 as compared to FY 2013. Additionally, the District issued $1.0 million or 8.3% less debt for capital projects compared to a $2.0 million increase or 20% from FY 2013. 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 2013 Compared to Fiscal Year 2012

The cash and cash equivalents balance increased from $14.3 million in FY 2012 to $20.3 million in FY 2013. Overall, in FY 2013, cash and cash equivalents increased by $6.0 million or 41.9% as compared to the FY 2012 increase of $1.1 million or 8.7%.

The District used $3.7 million or 6.5% less cash for operating activities in FY 2013 compared to $1.9 million or 3.3% less in FY 2012. A few of the significant factors were: Payments to employees, including related benefits was down by $4.6 million or 6.31%. The decrease is due to vacancies, significant retirements in FY 2012 as well as restructuring health and dental insurance benefits, combined with all employees contributing a portion of their premium. All eligible employees also began contributing 50% towards their pension benefits in FY 2013 as compared to only non-represented contributing in FY 2012.

While Federal and State grants received were up by $3.3 million, or 7.2%, student tuition and fees received was down ($.7 million) or 6.2%. The decrease in tuition and fees is due to a decline in enrollment. Federal and state financial aid funds received to cover the tuition and fees are reflected in the statements as federal and state revenue and not as tuition. The main factor for the increase in operating funds spent was the disbursals for materials and services. Disbursements were up $4.0 million or 8.7% in FY 2013. Due to a change in our health insurance carrier effective July 2012 there was no prepayment in June 2012 for the July premium as compared. Comparatively, in June 2013 there was a $1.0 million prepayment for insurance premiums. Other increases include payments for contracted services, professional development, and initial start-up fees for our new managed document services for tracking and managing staff and student printing.

Overall cash provided by non-capital financing activities was relatively flat. Local government property taxed received increased by $0.7 million or 1.12% while state appropriations received decreased by ($0.6 million) or 9.8%. Since FY 2012, the Wisconsin Technical Colleges experienced a 30% cut in state funding as a result of the Wisconsin State Biennium Approved Budget. With the state budget changes in effect, the District anticipated a flat levy as well as flat state aid.

Overall net cash used for capital and related financing activities decreased by 16.8% or ($1.0 million) in FY 2013 as compared to an increase of 25.6% or $1.3 million in FY 2012. Contributions for capital assets increased by $1.4 million due to funding received for the addition to the SC Johnson iMET Center. Purchases of capital assets and funds spent on construction/remodeling actually increased by $1.7 million or 19.2% compared to $1.1 million or 14.8% increase in FY 2012. The District had several major renovation and expansion projects that occurred in FY 2013. Additionally, the District issued $2.0 million or 20.0% additional debt for capital projects compared to a $1.0 million increase or 11.1% from FY 2012. Please see footnote #5 for further details.

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

Capital Asset and Debt Administration

Stated in Thousands ($000)

	2014	2013	Incr (Decr) 2014-2013	2012	Incr (Decr) 2013-2012
Land and Land Improvements	$ 8,058	$ 7,203	$ 855	$ 7,170	$ 33
Less Accumulated Depreciation	(1,860)	(1,563)	(297)	(1,293)	(270)
Buildings, Improvements and Leasehold Interest/Improvement	78,140	73,906	4,234	65,737	8,169
Less Accumulated Depreciation	(35,251)	(32,729)	(2,522)	(30,408)	(2,321)
Intangible Assets	1,459	462	997	-	462
Less Accumulated Depreciation	(573)	(409)	(164)	-	(409)
Equipment	31,887	29,070	2,817	27,226	1,844
Less Accumulated Depreciation	(19,265)	(17,443)	(1,822)	(15,932)	(1,511)
Construction in Progress	3,449	2,649	800	2,634	15
Cost of Capital Assets Net of Accumulated Depreciation	$ 66,044	$ 61,146	$ 4,898	$ 55,134	$ 6,012
Capital related debt outstanding at Year End	$ 43,784	$ 41,784	$ 2,000	$ 39,735	$ 2,049

Fiscal Year 2014 Compared to Fiscal Year 2013

Capital assets, net of accumulated depreciation, increased by $4.9 million from FY 2013 to FY 2014. The largest increase was in Building Improvements net of accumulated depreciation of $1.7 million. Remodeling improvements were completed at each campus; however the major additions in 2014 were at the Racine Campus. Such improvements included a $1.1 million Learning Success Center remodel, a $.9 million boiler replacement, $.4 million for an air handler, and $.5 million for the Breakwater Dining Room and Demo Cook room.

Intangible assets, net of accumulated depreciation increased by almost $1.0 million due to several initiatives in acquiring and implementing software packages to enhance the services and operations of the college. A FY 2013 equipment balance of $462,000 with $409,000 of related accumulated depreciation was reclassified as Intangibles to be consistent in presentation to FY 2014.

The district had general obligation debt, relating to capital assets, outstanding of $43.8 million at June 30, 2014, an increase of $2.0 million, as compared to $41.8 million at

June 30, 2013. 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 2013 Compared to Fiscal Year 2012

Capital assets, net of accumulated depreciation, increased by $6.0 million from FY 2012 to FY 2013. The largest increase was in Building and Building Improvements, net of accumulated depreciation, by $5.8 million or 16.6%. The majority of the additions/improvements were investments to the Racine campus with a $2.3 million addition to the SC Johnson iMET center accompanied by a $0.2 million remodel to the Fab Lab. In the Racine Building with an investment of $1.0 million, the third floor was remodeled for Student Services, formerly a child care center. Additionally, for $1.0 million, the Lake building second floor was remodeled and expanded into a new state of the art culinary facility. On the Kenosha Campus, key projects included a $1.8 million expansion/remodel to the Pike Creek Horticulture Center as well as a $.5 million investment into HVAC for the Madrigrano building. The investment in equipment, net of depreciation, remained relatively flat. Although approximately $4.5 to $5.0 million in equipment purchases occur each fiscal year, only items $5,000 or more in value are capitalized. Construction in progress was relatively flat compared to FY 2012. Additional information regarding capital asset activity can be found in footnote #4 in the notes to financial statements.

The district had general obligation debt, relating to capital assets, outstanding of $41.8 million at June 30, 2013, an increase of $2.0 million, as compared to $39.7 million at June 30, 2012. 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.

Overall Financial Position

Gateway's financial position remains strong for fiscal year 2014 as evidenced by the following indicators:

- The District's financial position is evaluated periodically by Moody's Investors Services. Moody's revised it rating methodology in January 2014 which resulted in a downgraded rating for various school districts and municipalities, but Gateway Technical College District maintained its high Aaa rating. The most recent credit report cites the following: *"Assignment of the Aaa rating reflects the district's sizeable tax base strategically located between the cities of Milwaukee (Aa2 Stable) and Chicago (Baa1 Negative); sound financial operations supported by healthy reserves; and an average debt burden with rapid principal amortization; and affordable pension liabilities."*

- Gateway's FY 2013-14 total mill rate was the fifth lowest of the sixteen WI Technical College districts and its debt service mill rate was the fourth lowest. Our 2013 debt service as a percentage of operating expenses was the lowest of all the colleges.

- Cash and cash equivalents increased by $4.3 million or 21.4%.

- The current ratio, current assets compared to current liabilities, was at 3.16 times as of June 30, 2014

The District has a diversified revenue base consisting of property taxes, state aid, student fees, contracted services and grants. This mix of revenue sources has provided the District with adequate resources to continue to achieve its mission of training and economic development; yet it continues to face new challenges.

Economic Factors and Challenges

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 the needs these needs. In order to ensure continued growth and offer the programs needed to provide skilled workers to meet the requirements of employers the District needs to address the economic factors that can affect our strong financial position.

- Technical college responsiveness to employers/business/industry is essential to Wisconsin's business growth, job creation, competitiveness, closing the skills gap and prosperity. Local funding and local governance/control are essential to this responsiveness. Since FY 2012-13 the College was held to a Tax Levy Limit due to 2013 Wisconsin Act 20. In March of 2014 Act 145 created significant changes to the technical college system of funding. It reduced the technical college system tax levy by $406 million by replacing local funding with state funding. The Act replaces the Tax Levy Limit with a Revenue Limit. The college can no longer increase its operational tax levy except by an increase in its valuation due to net new construction or unless approved by referendum.

- Due to Act 145 Gateway's operating tax levy will be reduced by $31,982,000 from $51,161,000 in FY 2014 to $19,179,000 for FY 2015. In the future this can potentially reduce the college's ability to be responsive to our communities if the state funding is reduced. Although currently the bill allows the technical colleges the ability to raise their tax levies if the state fails to provide the funding.

- Pressure to reduce or freeze tuition increases also puts constraints on funding options.

- Effective with FY 2014-15 the college is required to offer a new program, called Course Options, established under ACT 20. It allows 9-12th grade students to take up to two courses at any time from an educational institution which now includes the WI technical colleges. The college will only be reimbursed for a portion of the course tuition resulting in additional instructional expenditures and less funding to cover the expense.

- The District's economy is slowly recuperating as equalized property values began to show signs of improving. District valuations (TID out) declined by 3.8% in FY 2014 compared to a 7.13% decline in FY 2013. The state average declines for FY 2014 and FY 2013 were .8% and 3.3% respectively. Due to this negative growth of valuations, the District experienced increasing mill rates for FY 2014 and FY 2013.

- Market indications such as property sales data are beginning to show a recovery and property values are expected to stabilize. Equalized valuations for FY 2015 are expected to increase 1.72%.

- The Wisconsin unemployed rate remained below the national rate in 2014. As of June 2014, the rates were 6.6% for Kenosha, 7.6% for Racine and 5.9% for Walworth Counties. The state average was 5.7% down from 6.8% in FY 2013. The need still exists for more program offerings and training services to meet the needs of dislocated workers.

- During a recession, the technical college system tends to experience an increase in enrollments. As the economy improves and unemployed workers are returning to work, the enrollment trends downward. Although the District has seen enrollment increases averaging 9.8% per year from FY 2009 to FY 2011, The college experienced an FTE decrease of 6.8%, 6.5%, and 2.6% in fiscal years 2014, 2013, and 2012 respectively. For FY 2015, enrollment is expected to increase slightly due to additional Fast Forward funding initiatives and grant related activities.

- Affordable Care Act regulations, which become effective July 2015 for the college, are creating challenges which the college is addressing at this time. Major challenges include meeting the regulatory compliances that require tracking of all part-time employees, including adjunct instructors and casual employee hours, in order to keep Gateway from incurring any penalties and additional costs. Also the college needs to take steps to ensure we are not penalized with the "Cadillac Tax".

Strategies and opportunities to address challenges:
The above mentioned challenges can only be met through strong planning processes, fiscal policies, and practices. Gateway continues to be successful in collaborating with local K-12 education districts, local businesses and community partners 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 3.2.1 strategic plan, our strong efforts on continuous quality improvement and the below identified strategies:

- Due to the continuing economic challenges and in an effort to be more transparent and accountable to our community stakeholders the college has made it a priority to ensure continuous improvement by focusing on improving the efficiency and productivity of college processes. An Office of Quality Systems was implemented to provide leadership and oversight on projects that incorporate cross-functional teams. The entire college has been White Belt certified in Lean Six Sigma Methodologies; eleven green belts and four black belts have been trained in LSS Methodologies. Additionally Kaizen events were completed in areas of Veteran Affairs and Youth Options.

- Wisconsin technical colleges will engage in a proactive advocacy campaign to increase state public policy leaders' support for the colleges and WTCS. The goal of the campaign is to create well-informed supporters who understand the colleges' importance to employers, business and industry, and to the state's residents.

- We will work to assure state policymakers' commitment to protect the colleges' remaining local funding, longstanding governance model, and local control, and to increase support for long-term, state-level investment in the colleges. To protect "local funding" means protecting remaining operating property tax authority, net new growth factor, and capital projects and debt authority.

- As part of Governor Walker's Blueprint for Prosperity $35.4 million was appropriated to the Department of Workforce Development to expand the Wisconsin Fast Forward worker-training program. $30 million of the funding was allocated to the technical college system for reducing program wait lists and expanding capacity in high-demand career fields for fiscal years 2014-15 and 2015-16. The total awarded to Gateway was approximately $1.9 million to serve 756 students entering programs in six different industrial sectors.

- Looking forward, administration continues to monitor state budget discussions on performance based funding that will impact the college's state aid.

- Effective with FY 2014-2015 General state aids will increase by $5 million for the technical colleges and 10% of the total state aids are allocated among the colleges based on performance funding. In FY 2015-16 the percentage allocation will be 20% and in FY 2016-17 it will increase to 30%.

- The new performance funding model is based on a college's performance relative to a set of 9 statutory criteria. The college could identify 7 of the 9 criteria on which to be measured using data from the past 3 fiscal years in the formula. As a result Gateway will receive an additional $428,696 as compared to the prior funding model.

- To address the rising health care costs and the increasing other post-employment benefits (OPEB) liability the college re-evaluated its retiree benefits package and effective with FY 2014-15 new employees will not be eligible for health/dental benefits upon retirement. Additionally, the District has set aside reserves of $1.2 million for OPEB.

- An Employee Development manager position was implemented to further develop and coordinate a district-wide training program for leadership.

- The college continues to develop partnerships with business and industry, receiving grant funding and contributions to address customized training. In addition apprenticeship enrollment grew significantly in FY 2013-14.

- As several manufacturing companies (e.g. Amazon) have recently opened facilities and collectively have created over 1,000 new jobs in the Gateway district it is our opportunity to provide the training for their workforce.

- In a cooperative effort to leverage purchasing discounts the college participates in the WTCS purchasing consortium group. The college saved more than $490,000 during FY 2013-14.

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 of Finance and Administration, 3520 – 30th Avenue, Kenosha WI 53144-1690.

BASIC FINANCIAL STATEMENTS

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GATEWAY TECHNICAL COLLEGE DISTRICT
Statements of Net Position
June 30, 2014 and 2013

	2014		2013	
	District	Foundation	District	Foundation
ASSETS				
Current Assets				
Cash and cash equivalents	$ 16,014,021	$ 3,629,207	$ 14,403,512	$ 2,942,943
Restricted assets - cash and cash equivalents	8,595,222	-	5,873,673	-
Receivables:				
Property taxes	16,873,600	-	16,966,705	-
Accounts, net of reserve of $443,000 and $523,750 for 2014 and 2013, respectively	1,090,820	-	944,732	10,810
Federal and state aid	2,350,000	-	4,121,514	-
Prepaid expenses	1,624,547	2,000	1,434,314	3,000
Total Current Assets	46,548,210	3,631,207	43,744,450	2,956,753
Non-Current Assets				
Capital assets	122,993,510	1,249,810	113,289,907	1,249,810
Less: accumulated depreciation	(56,949,857)	(267,434)	(52,144,042)	(238,721)
Total Non-Current Assets	66,043,653	982,376	61,145,865	1,011,089
Total Assets	112,591,863	4,613,583	104,890,315	3,967,842
LIABILITIES				
Current Liabilities				
Accounts payable	2,778,419	318,106	2,292,701	46,442
Accrued payroll and benefits	1,067,684	-	891,907	-
Accrued vacation	588,750	-	522,990	-
Accrued interest payable	324,785	-	300,088	-
Due to student groups/organizations	388,751	-	423,228	-
Unearned revenue	1,756,545	-	1,971,177	-
General obligation debt - current portion	7,805,000	-	7,300,000	-
Notes payable	-	106,482	-	100,000
Total Current Liabilities	14,709,934	424,588	13,702,091	146,442
Non-Current Liabilities				
General obligation debt	41,354,388	-	38,042,385	-
Notes payable	-	388,505	-	494,633
Other postemployment benefits	2,822,829	-	2,613,418	-
Unearned revenue	688,554	-	760,295	-
Total Non-Current Liabilities, less current portion	44,865,771	388,505	41,416,098	494,633
Total Liabilities	59,575,705	813,093	55,118,189	641,075
NET POSITION				
Net investment in capital assets	23,473,718	-	20,982,819	-
Restricted for:				
Debt service	637,626	-	624,867	-
Student financial assistance - expendable	395,554	-	155,901	-
Student organizations	1,312,364	-	1,236,841	-
Scholarships and other activities	-	2,514,328	-	2,415,938
Unrestricted	27,196,896	1,286,162	26,771,698	910,829
Total Net Position	$ 53,016,158	$ 3,800,490	$ 49,772,126	$ 3,326,767

The accompanying notes are an integral part of these statements.

GATEWAY TECHNICAL COLLEGE DISTRICT
Statements of Revenues, Expenses and Changes in Net Position
For the years ended June 30, 2014 and 2013

	2014		2013	
	District	Foundation	District	Foundation
Operating Revenues				
Student tuition and program fees, net of scholarship allowances of $ 10,829,332 and $ 11,397,330 for 2014 and 2013, respectively	$ 9,242,102	$ -	$ 9,361,252	$ -
Federal grants	36,656,284	-	42,989,817	-
State grants	3,271,663	-	3,521,173	-
Contract revenue	2,149,357	-	2,177,349	-
Auxiliary enterprise revenues	257,997	-	288,855	-
Miscellaneous - institutional revenue	1,442,389	975,007	1,658,302	1,425,152
Total Operating Revenues	53,019,792	975,007	59,996,748	1,425,152
Operating Expenses				
Instruction	55,803,389	-	56,214,432	-
Instructional resources	1,181,202	-	1,137,133	-
Student services	11,529,142	-	10,747,472	-
General institutional	8,384,731	720,639	8,183,287	2,166,810
Physical plant	7,509,972	-	7,465,411	-
Student aid	24,333,329	-	29,874,262	-
Public services	357,437	-	357,714	-
Auxiliary services	440,292	-	507,723	-
Depreciation	4,997,183	28,713	4,543,691	28,713
Total Operating Expenses	114,536,677	749,352	119,031,125	2,195,523
Net Operating Income (Loss)	(61,516,885)	225,655	(59,034,377)	(770,371)
Nonoperating Revenues (Expenses)				
Property taxes	60,150,673	-	59,395,806	-
State appropriations	5,499,903	-	5,485,937	-
Gain (loss) on disposal of capital assets	35,400	-	(2,245)	-
Investment income (net of fees)	40,747	272,899	38,735	182,327
Interest expense & debt issuance costs	(1,449,331)	(24,831)	(1,518,828)	(37,170)
Total Nonoperating Revenues (Expenses)	64,277,392	248,068	63,399,405	145,157
Capital Contributions				
State capital grants	53,508	-	-	-
Federal capital grants	244,190	-	193,935	-
Contributions	164,827	-	1,421,800	-
Donated capital assets	21,000	-	11,367	-
Total Capital Contributions	483,525	-	1,627,102	-
Change in Net Position	3,244,032	473,723	5,992,130	(625,214)
Cumulative Effect of Change in Accounting Principle	-	-	(282,958)	-
Net Position - Beginning of Year	49,772,126	3,326,767	44,062,954	3,951,981
Net Position - End of Year	$ 53,016,158	$ 3,800,490	$ 49,772,126	$ 3,326,767

The accompanying notes are an integral part of these statements.

GATEWAY TECHNICAL COLLEGE DISTRICT

Statements of Cash Flows

For the years ended June 30, 2014 and 2013

	2014		2013	
	District	Foundation	District	Foundation
Cash flows from operating activities				
Tuition and fees received	$ 9,059,227	$ -	$ 9,897,127	$ -
Federal and state grants received	41,558,068	-	48,953,210	-
Contract revenues received	2,051,512	-	2,581,446	-
Payments to employees, including related benefits	(68,046,252)	-	(67,625,995)	-
Payments for materials and services	(41,567,245)	(447,975)	(49,548,989)	(2,165,566)
Auxiliary enterprise revenues received	257,997	-	288,855	-
Other receipts	1,371,399	985,817	1,495,835	1,415,934
Net cash provided (used) for operating activities	(55,315,294)	537,842	(53,958,511)	(749,632)
Cash flows from non-capital financing activities				
Local government property taxes received	60,243,778	-	59,559,526	-
State appropriations received	5,500,112	-	5,489,902	-
Net cash provided by noncapital financing activities	65,743,890	-	65,049,428	-
Cash flows from capital and related financing activities				
State and federal grants received for capital assets	438,882	-	37,592	-
Contributions received for capital assets	164,827	-	1,421,800	-
Proceeds from sale of capital assets	37,692	-	10,427	-
Purchases of capital assets	(9,171,053)	-	(10,261,941)	-
Proceeds from issuance of capital debt	11,000,000	-	12,000,000	-
Premium received on debt issuance	381,404	-	331,774	-
Debt issuance costs paid	(184,085)	-	(239,459)	-
Principal paid on capital debt	(7,425,000)	(99,646)	(7,155,000)	(91,384)
Interest paid on capital debt	(1,379,952)	(24,831)	(1,282,441)	(37,170)
Net cash used for capital and related financing activities	(6,137,285)	(124,477)	(5,137,248)	(128,554)
Cash flows from investing activities				
Investment income received	40,747	272,899	38,735	182,327
Net increase (decrease) in cash and cash equivalents	4,332,058	686,264	5,992,404	(695,859)
Cash and cash equivalents				
Beginning of year	20,277,185	2,942,943	14,284,781	3,638,802
End of year	$ 24,609,243	$ 3,629,207	$ 20,277,185	$ 2,942,943

Reconciliation of cash and cash equivalents to the Statement of Net Position				
Cash and cash equivalents	$ 16,014,021	$ 3,629,207	$ 14,403,512	$ 2,942,943
Restricted assets - cash and cash equivalents	8,595,222	-	5,873,673	-
	$ 24,609,243	$ 3,629,207	$ 20,277,185	$ 2,942,943

The accompanying notes are an integral part of these statements.

GATEWAY TECHNICAL COLLEGE DISTRICT
Statements of Cash Flows (Continued)
For the years ended June 30, 2014 and 2013

	2014		2013	
	District	Foundation	District	Foundation
Reconciliation of operating income (loss) to net cash provided (used) for operating activities:				
Operating income (loss)	$ (61,516,885)	$ 225,655	$ (59,034,377)	$ (789,086)
Adjustment to reconcile operating income (loss) to net cash provided (used) for operating activities:				
Depreciation	4,997,183	28,713	4,543,691	28,713
Changes in assets and liabilities:				
(Increase) decrease				
Receivables	1,484,033	10,810	3,116,188	(9,218)
Prepaid expenses	(190,233)	1,000	(874,204)	2,360
Increase (decrease)				
Accounts payable	(219,491)	271,664	(677,852)	(1,116)
Accrued payroll and benefits	175,777	-	(1,398,917)	-
Accrued vacation	65,760	-	(11,510)	-
Other post employment benefits	209,411	-	224,723	-
Due to student groups/organizations	(34,477)	-	4,165	-
Unearned revenue	(286,372)	-	149,582	-
Net cash provided (used) for operating activities	$ (55,315,294)	$ 537,842	$ (53,958,511)	$ (768,347)

Noncash Capital and Related Financing Activities:				
Donated capital assets	$ 21,000	$ -	$ 11,367	$ -
Notes payable refinanced	-	345,026	-	-

The accompanying notes are an integral part of these statements.

(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, Racine and Sturtevant, as well as an aviation center at the Kenosha airport and learning centers in the surrounding communities. The District is fully accredited by Higher Learning Commission of 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. 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.

(1) Summary of Significant Accounting Policies (continued)

(a) Reporting Entity

In November 2010, GASB issued statement No. 61, *"The Financial Reporting Entity: Omnibus."* This statement amends Statements 14, *"The Financial Reporting Entity"*, and the related financial reporting requirements of Statement 34, *"Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments"* to provide additional guidance to determine whether certain organizations should be reported as component units based on the nature and significance of their relationship with the District. The primary government is financially accountable if it appoints a voting majority of the organization's governing body, or if the organization is fiscally dependent on *and* there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

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.

Under the new standard, effective with fiscal years beginning after June 15, 2012, it has been determined the Foundation's resources are significant to the District as a whole and to exclude would cause the District's financial statements to be incomplete. The Foundation has been reported as a discretely presented component unit in the District's financial statements.

The Foundation's financial statements can be obtained through the Gateway Technical College Foundation, Inc., 3520 30th Avenue, Kenosha, WI 53144-9986.

(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

(1) Summary of Significant Accounting Policies (continued)

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

statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(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 Receivable

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

(1) Summary of Significant Accounting Policies (continued)

(d) Property Tax Receivable (continued)

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. 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.

(e) Student Receivables

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

(f) 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.

(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, intangible assets, 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.

(1) Summary of Significant Accounting Policies (continued)

(h) Capital Assets (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, three to five years for intangible assets, ten to twenty years for land improvements and leasehold improvements, twenty years for the leasehold interest, and ten to forty years for buildings and building improvements.

(i) 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. Employees can carryover 80 vacation hours subsequent to the year in which they are earned. Any vacation benefits in excess of 80 hours 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. The amount of vacation benefits outstanding at June 30, 2014 and 2013 was $588,750 and $522,990 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.

(j) 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.

(k) 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.

(l) Deferred Outflow/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This section, deferred outflows of resources, represents a consumption of net position that applies to a

(1) Summary of Significant Accounting Policies (continued)

(l) Deferred Outflow/Inflows of Resources (continued)

future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District currently does not have any items that qualify for reporting in this category. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflow of resources. This section, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so it will not be recognized as an inflow of resources (revenue) until that time. The District currently does not have any items that qualify for reporting in that category.

The District implemented GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities"* for the year ended June 30, 2013. The impact of implementing this regulation resulted in debt issuance costs no longer being amortized over the life of the debt. Previously the amortized debt issuance cost was reflected as a current and non-current asset. Instead the cost is now expensed in the year it is incurred. As a result of this implementation, the District reflects a Cumulative Effect of Change in Accounting Principle of $282,958 for the year ended June 30, 2013.

(m) 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.

(n) 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.

(1) Summary of Significant Accounting Policies (continued)

(n) Classification of Revenue (continued)

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

(o) Net Position

Net position is classified according to restrictions or availability of net position for satisfaction of District obligations.

Net Investment in capital assets: 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 position: Restricted net position includes resources in which the District is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

- Restricted net position for debt service can only be used to repay debt service costs (principal and interest) as they are levied for that specific purpose.
- Restricted net position for student financial assistance or student organizations can only be used for student financial assistance activities or student organizations respectively.

Unrestricted net position: Unrestricted net position represents 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.

(1) Summary of Significant Accounting Policies (continued)

(p) New Accounting Pronouncement

GASB issued Statement No. 68 *"Accounting and Financial Reporting for Pensions" - an Amendment of GASB Statement No. 27* in June 2012 which will be effective for fiscal years beginning after June 15, 2014. Statement No. 68 requires employers to recognize their proportionate share of the collective net pension liability on the face of their financial statements. It also contains a new measure of pension expense, deferred inflows and outflows and significant new note disclosures and Required Supplementary Information. The District will implement this standard for FY 2014-15.

(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 Statements of Net Position and Statements of Cash Flows as follows:

Cash and Cash Equivalents	2014	2013
Cash on hand	$ 31,181	$ 34,686
Demand deposits	19,136,402	16,482,223
Wisconsin Local Government Investment Pool	5,441,660	3,760,276
Total Cash and Cash Equivalents	$ 24,609,243	$ 20,277,185

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

Restricted for		
Capital Projects	$ 6,628,423	$ 4,186,333
Debt Service	1,966,799	1,687,340
	8,595,222	5,873,673
Unrestricted	16,014,021	14,403,512
Total Cash and Cash Equivalents	$ 24,609,243	$ 20,277,185

Custodial Credit Risk – Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution the District will not be able to recover its deposits or will be not be able to recover collateral securities that are in the possession of an outside party. Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of $250,000 for time and savings deposits and $250,000 for demand deposits per official custodian per depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of $250,000 per official custodian per depository institution. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of $400,000 per public depository above the amount provided by an

(2) Cash and Cash Equivalents (continued)

agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. The cash and demand deposits are fully insured or collateralized by securities being held by the Bank of New York Mellon Trust Company, N.A. in the District's name. The value of the collateral for the deposits as of June 30, 2014 and 2013 was $22,569,492 and $19,026,521 respectively.

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.
- 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:

June 30, 2014	Fair	Investment Maturities (in Years)	
Investment Type	Value	Less than 1	1-2
Wisconsin Local Government Investment Pool	$ 5,441,660	$ 5,441,660	$ -

June 30, 2013	Fair	Investment Maturities (in Years)	
Investment Type	Value	Less than 1	1-2
Wisconsin Local Government Investment Pool	$ 3,706,276	$ 3,706,276	$ -

As of June 30, 2014 and 2013, 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

(2) Cash and Cash Equivalents (continued)

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 investments. The District places no limit on the amount the District may invest in any one issuer. As of June 30, 2014 and June 30, 2013, 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, 2014 and 2013 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, 2014, and 2013, were as follows:

	2014		2013	
	Mill Rate	Amount Levied	Mill Rate	Amount Levied
Operating levy	1.39289	$ 51,161,000	1.33999	$ 51,161,000
Debt service levy	0.24182	8,882,000	0.21673	8,275,000
Total Property Tax Levy		$ 60,043,000		$ 59,436,000

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 $161,347 and $161,556 in state aid revenue in lieu of property tax for the year ended June 30, 2014, and 2013, respectively. Beginning FY 2013-14 the operational limit of $1.50 per $1,000 of equalized valuation previously instituted by state law no longer exists. 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 $60,150,673 and $59,395,806 for the years ended June 30, 2014, and 2013, respectively, which includes the District's property tax levy and miscellaneous other tax collection related adjustments.

(4) Capital Assets

Following are the changes in the District's capital assets for the years ended June 30, 2014 and 2013:

	2014			
	Balance July 1, 2013	Additions	Disposals	Balance June 30, 2014
Capital assets, not being depreciated:				
Land	$ 2,379,913	$ -	$ -	$ 2,379,913
Construction in progress	2,648,921	4,014,219	3,214,001	3,449,139
Total capital assets not depreciated	5,028,834	4,014,219	3,214,001	5,829,052
Capital assets, being depreciated:				
Land improvements	4,823,080	854,499	-	5,677,579
Buildings and improvements	70,398,771	4,109,054	-	74,507,825
Intangible assets	462,154	996,993	-	1,459,147
Equipment	29,069,598	3,031,378	213,632	31,887,344
Leasehold interest	958,193	-	-	958,193
Leasehold improvement	2,549,277	125,093	-	2,674,370
Total capital assets being depreciated	108,261,073	9,117,017	213,632	117,164,458
Total capital assets	113,289,907	13,131,236	3,427,633	122,993,510
Less accumulated depreciation for:				
Land improvements	1,563,059	297,200	-	1,860,259
Buildings and improvements	31,500,470	2,303,482	-	33,803,952
Intangible assets	408,401	164,827	-	573,228
Equipment	17,443,238	2,013,121	191,368	19,264,991
Leasehold interest	470,076	48,812	-	518,888
Leasehold improvement	758,798	169,741	-	928,539
Total accumulated depreciation	52,144,042	4,997,183	191,368	56,949,857
Net capital assets	61,145,865	$ 8,134,053	$ 3,236,265	66,043,653
Plus capital project funds borrowed but not spent	1,620,572			1,214,361
Less capital asset related debt	(41,783,618)			(43,784,296)
Net investment in capital assets	$ 20,982,819			$ 23,473,718

As of July 1, 2013, intangible assets with cost of $462,154 and related accumulated depreciation of $408,401 were reclassified out of equipment. In addition, $259,960 of cost and $23,731 related accumulated depreciation was reclassified from Building Improvements to Leasehold Improvements as of July 1, 2013. There was no net change in total beginning assets as a result of these reclassifications.

(4) Capital Assets (continued)

	2013			
	Balance July 1, 2012	Additions	Disposals	Balance June 30, 2013
Capital assets, not being depreciated:				
Land	$ 2,379,913	$ -	$ -	$ 2,379,913
Construction in progress	2,634,069	7,450,339	7,435,487	2,648,921
Total capital assets not depreciated	5,013,982	7,450,339	7,435,487	5,028,834
Capital assets, being depreciated:				
Land improvements	4,790,318	32,762	-	4,823,080
Buildings and improvements	62,488,730	8,170,001	-	70,658,731
Equipment	27,226,210	2,351,344	45,802	29,531,752
Leasehold interest	958,193	-	-	958,193
Leasehold improvement	2,289,317	-	-	2,289,317
Total capital assets being depreciated	97,752,768	10,554,107	45,802	108,261,073
Total capital assets	102,766,750	18,004,446	7,481,289	113,289,907
Less accumulated depreciation for:				
Land improvements	1,293,165	269,894	-	1,563,059
Buildings and improvements	29,392,112	2,132,089	-	31,524,201
Equipment	15,932,258	1,952,511	33,130	17,851,639
Leasehold interest	421,265	48,811	-	470,076
Leasehold improvement	594,681	140,386	-	735,067
Total accumulated depreciation	47,633,481	4,543,691	33,130	52,144,042
Net capital assets	55,133,269	$13,460,755	$ 7,448,159	61,145,865
Plus capital project funds borrowed but not spent	3,517,770			1,620,572
Less capital asset related debt	(39,735,000)			(41,783,618)
Net investment in capital assets	$ 18,916,039			$ 20,982,819

(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, 2014, approximately $245,519 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. Through fiscal year ending June 30, 2014 approximately $227,827 of leasehold improvements were added to the building.

(5) Long-Term Obligations

The following is a summary of the changes in long-term obligations for the years ended June 30, 2014 and 2013:

	July 1, 2013	Additions	Reductions	June 30, 2014	Due Within One Year
General Obligation Debt	$ 44,580,000	$ 11,000,000	$ 7,425,000	$ 48,155,000	$ 7,805,000
Debt premium	762,385	381,404	139,401	1,004,388	-
Accrued OPEB obligation	2,613,418	1,712,010	1,502,599	2,822,829	-
Total long-term obligations	47,955,803	13,093,414	9,067,000	51,982,217	7,805,000

	July 1, 2012	Additions	Reductions	June 30, 2013	Due Within One Year
General Obligation Debt	$ 39,735,000	$ 12,000,000	$ 7,155,000	$ 44,580,000	$ 7,300,000
Debt premium	531,293	331,774	100,682	762,385	-
Accrued OPEB obligation	2,388,695	1,584,352	1,359,629	2,613,418	-
Total long-term obligations	42,654,988	13,916,126	8,615,311	47,955,803	7,300,000

(5) Long-Term Obligations (continued)

General obligation debt outstanding at June 30, 2014, and 2013, consists of the following notes:

	2014	2013
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).	$ -0-	120,000
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).	120,000	235,000
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).	250,000	590,000
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).	360,000	530,000
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).	335,000	490,000
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).	1,905,000	2,490,000

(5) Long-Term Obligations (continued)

	2014	2013
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).	$ 465,000	$ 610,000
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).	465,000	610,000
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).	815,000	1,000,000
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).	570,000	700,000
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).	600,000	705,000
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).	595,000	700,000
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).	1,500,000	2,870,000

(5) Long-Term Obligations (continued)

	2014	2013
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).	$ 730,000	$ 865,000
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).	3,055,000	3,820,000
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).	2,035,000	2,550,000
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).	1,305,000	1,500,000
General obligation promissory notes, 2.00% to 3.00%, 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).	1,330,000	1,500,000
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).	1,330,000	1,500,000
General obligation promissory notes, 1.10% to 2.35%, payable in annual installments of $160,000 to $1,100,000, plus interest, to April 1, 2021 (issued for $4,500,000 on September 8, 2011 through UMB Bank, to finance the acquisition of equipment).	3,155,000	4,170,000

(5) Long-Term Obligations (continued)

	2014	2013
General obligation promissory notes, 2.00% to 2.50%, payable in annual installments of $125,000 to $330,000, plus interest, to April 1, 2021 (issued for $2,500,000 on November 15, 2011 through BMO Harris Bank, N.A., to finance the construction of the Pike Creek Horticulture Building and various remodeling projects).	$ 2,110,000	$ 2,375,000
General obligation promissory notes, 1.50%, payable in annual installments of $215,000 to $285,000, plus interest, to April 1, 2021 (issued for $2,000,000 on March 8, 2012 through Northland Securities, Inc., to finance the construction of the Culinary Arts addition and various remodeling projects.)	1,785,000	2,000,000
General obligation promissory notes, 1.75% to 2.50%, payable in annual installments of $110,000 to $145,000, plus interest, to April 1, 2022 (issued for $1,000,000 on May 9, 2012 through BOSC, Inc. to finance the Student Admissions Center remodeling project).	1,000,000	1,000,000
General obligation promissory notes, 2.00% to 4.00%, payable in annual installments of $730,000 to $900,000, plus interest, to April 1, 2022 (issued for $6,500,000 on July 12, 2012 through Hutchinson, Shockey, Erley & Co., to finance the acquisition of equipment, construction on the SC Johnson iMET Center, and various facility remodeling projects.)	6,500,000	6,500,000
General obligation promissory notes, 1.50% to 3.00%, payable in annual installments of $165,000 to $210,000, plus interest, to April 1, 2022 (issued for $1,500,000 on November 8, 2012 through Hutchinson, Shockey, Erley & Co., to finance various facility remodeling projects and acquisition of equipment.)	1,500,000	1,500,000
General obligation promissory notes, 2.00% to 2.40%, payable in annual installments of $130,000 to $160,000, plus interest, to April 1, 2022 (issued for $1,500,000 on December 27, 2012 through Bernardi Securities, Inc., to finance the Racine Campus Learning Success Center relocation and various remodeling projects.)	1,150,000	1,150,000

(5) Long-Term Obligations (continued)

	2014	2013
General obligation promissory notes, 2.00% to 2.50%, payable in annual installments of $135,000 to $165,000, plus interest, to April 1, 2023 (issued for $1,500,000 on April 1, 2013 through R.W. Baird & Co., to finance the SC Johnson iMET parking lot addition and various facility remodeling projects.)	$ 1,365,000	$ 1,500,000
General obligation promissory notes, 2.00% to 2.25%, payable in annual installments of $50,000 to $115,000, plus interest, to April 1, 2023 (issued for $1,000,000 on May 9, 2013 through R.W. Baird & Co., to finance various facility remodeling projects.)	950,000	1,000,000
General obligation promissory notes, 2.00% to 3.00%, payable in annual installments of $775,000 to 930,000, plus interest, to April 1, 2023 (issued for $6,750,000 on July 2, 2013 through R.W. Baird & Co., to finance the Racine boiler and the acquisition of equipment.)	6,750,000	-0-
General obligation promissory notes, 2.00% to 3.00%, payable in annual installments of $150,000 to 190,000, plus interest, to April 1, 2023 (issued for $1,500,000 on August 1, 2013 through R.W. Baird & Co., to finance various facility remodeling projects and signage.)	1,500,000	-0-
General obligation promissory notes, 2.00% to 4.00%, payable in annual installments of $125,000, plus interest, to April 1, 2023 (issued for $1,125,000 on January 8, 2014 through R.W. Baird & Co., to finance various facility remodeling projects.)	1,125,000	-0-
General obligation promissory notes, 2.00% to 3.00%, payable in annual installments of $150,000 to 185,000, plus interest, to April 1, 2023 (issued for $1,500,000 on February 6, 2014 through R.W. Baird & Co., to finance the Kenosha Student Success and Student Life Center expansion.)	1,500,000	-0-
Total General Long-Term Obligation Debt	$ 48,155,000	$ 44,580,000

(5) Long-Term Obligations (continued)

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:

Year Ending June 30	Principal	Interest	Total
2015	$ 7,805,000	$ 1,299,141	$ 9,104,141
2016	8,195,000	1,086,218	9,281,218
2017	7,135,000	867,748	8,002,748
2018	5,660,000	672,345	6,332,345
2019	5,460,000	534,204	5,994,204
2020-2023	13,900,000	826,358	14,726,358
	$ 48,155,000	$ 5,286,014	$ 53,441,014

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, 2014, the 5% limitation was $1,919,905,063 and the District's outstanding general obligation debt (net of resources available to pay principal and interest) was $47,517,374. The 5% limit as of June 30, 2013 was $2,001,255,711, and the District's outstanding general obligation debt (net of resources available to pay principal and interest) was $43,955,133.

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, 2014, the 2% limitation was $767,962,025 and the District's outstanding bonded indebtedness (net of resources available to pay principal and interest) was $0. The 2% limit, as of June 30, 2013, was $800,502,284 and the District's outstanding bonded indebtedness (net of resources available to pay principal and interest) was $0.

(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 (ETF) is the plan administrator.

(6) Retirement System (continued)

All employees initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire, are eligible to participate in the WRS. All employees initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees), and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. Note: Employees hired to work nine or ten months per year, (e.g. teacher contracts), but expected to return year after year are considered to have met the one-year requirement.

Effective the first day of the first pay period on or after June 29, 2011, the employee required contribution was changed to one-half of the actuarially determined contribution rate for General category employees, including Teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. The District's collective bargaining agreements were still in place; therefore the changes in the employee contribution did not take effect until July 1, 2012 for represented personnel. Both the employer and employee contribution rates are 7% and 6.65% each, for 2014 and 2013 respectively.

The payroll for Gateway Technical College employees covered by the WRS for the year ended June 30, 2014 was $45,387,415; the employer's total payroll was $49,863,816. The total required contribution paid for the year ended June 30, 2014 was $6,195,560, which consisted of $3,097,780 for the employer's portion and $3,097,780 for the employees' portion. On a fiscal year basis, the contributions rates for both the employer portion and the employee portion were 6.65% from July 2013 thru December 2013 and 7.0% from January 2014 thru June 2014. Total contributions for the years ended June 30, 2013 and 2012 were $5,601,418 and $5,366,557, 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. A final average earnings is the average of the employee's three highest years' earnings. Employees terminating covered employment and submitting an application before becoming eligible for a retirement benefit may withdraw their application 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. Participants who initially became WRS eligible on or after July 1, 2011 must have five years of creditable service to be 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.

(6) Retirement System (continued)

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.

(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 audited financial report. Membership of the plan at June 30 was as follows:

Participant Count	2014	2013
Active	600	595
Retirees	89	82
Covered spouses of retirees	63	63
Life only Retirees	252	242
Total participants	1,004	982

The District provides post-employment health, dental, and life insurance benefits for eligible employees and their spouses through the District's group medical, dental, and life insurance plans. The District provides health and dental benefits until the eligible retiree reaches age 65 while coverage for the spouse lasts until the retiree or spouse reaches age 65, whichever comes first.

For life insurance, eligible members (retired by June 30, 2012) are covered at one times annual salary to a maximum of $150,000. Retirees after June 30, 2012 are covered to a maximum of $50,000. 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.

Post-employment health and dental benefits have been eliminated for employees hired on or after July 1, 2014.

(b) Funding Policy

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 benefits. If retired between October 1, 2004 and June 30, 2012 retirees pay the amount of monthly contribution they paid immediately prior to retirement and they

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

(b) Funding Policy (continued)

continue to receive health and dental benefits. Long-term care benefits were discontinued as of June 30, 2012. Prior to July 1, 2012 the retiree's contribution amount varied depending on the year they retired. Effective July 1, 2012 new retirees were required to pay the same insurance contribution rates as active employees. Retiree health insurance premiums are no longer frozen at the time of retirement. 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.

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 2014, the District contributed $1,502,599 of which $744,251 paid the current year normal cost and an additional $758,348 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:

Component	2014	2013
Annual required contribution	$ 1,752,794	$ 1,621,629
Interest on net OPEB	104,537	95,548
Adjustment to annual required contribution	(145,321)	(132,825)
Annual OPEB cost (expense)	1,712,010	1,584,352
Contributions made	(1,502,599)	(1,359,629)
Change in net OPEB obligation	209,411	224,723
OPEB obligation - beginning of year	2,613,418	2,388,695
OPEB obligation - end of year	$ 2,822,829	$ 2,613,418

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

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

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
6/30/12	$ 1,751,026	71.0%	$ 2,388,695
6/30/13	$ 1,584,352	85.8%	$ 2,613,418
6/30/14	$ 1,712,010	87.8%	$ 2,822,829

(d) Funded Status and Funding Progress

The funded status as of June 30, 2014, the most recent actuarial valuation date was as follows:

Actuarial accrued liability (AAL)	$ 18,846,313
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	$ 18,846,313
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	$ 41,010,008
Ratio of UAAL to covered payroll	46%

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.

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.

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

(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:

Valuation date	June 30, 2014
Actuarial cost method	Projected Unit Credit
Amortization method	Level ; 30-year open amortization period
Remaining amortization period	30 years
Actuarial assumptions:	
Discount rate	4.00%
Inflation rate	3.00%
Healthcare cost trend rate	10% initial
reduced by decrements to:	6% ultimate rate of return after 9+ years
Dental cost trend rate	5% annually next 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.

(8) Risk Management (continued)

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 2014 and 2013, the District paid a premium of $493,673 and $455,864 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.

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.

(8) Risk Management (continued)

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.
- International SOS coverage: $1,000,000 Evacuation and repatriation coverage

(9) Operating Leases

The District leases vehicles, equipment, classroom, office, and aviation facilities under non-cancelable 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 annual lease payments are currently $160,000 per year.

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 were purchased for the college by the Foundation as a demonstration and learning site for sustainability practices. The 10 year lease has annual payments of $31,9.

(9) Operating Leases (continued)

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

Year Ending June 30	Amount
2015	$ 793,491
2016	648,748
2017	516,714
2018	421,785
2019	391,601
2020 - 2024	1,832,690
2025 - 2029	496,082
Total required minimum lease payments	$ 5,101,111

Rental expenses for all operating leases aggregated $734,061 and $826,787 for the years ended June 30, 2014 and 2013, 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, 2014 and June 30, 2013, the cost of the lease assets is $1,089,035 for both years and the accumulated depreciation is $424,766 and $386,149 respectively. Effective with fiscal year 2008/09, the District is leasing facilities furniture (15 year lease) to Racine County Economic Development Corporation at our SC Johnson iMET Center.

Effective with fiscal year 2014/15 the District is leasing antenna space to Business Only Broadband for an initial lease term of five years.

The commitments under the non-cancelable leases provide for future minimum rentals as follows:

(9) Operating Leases (continued)

Year Ending June	Amount
2015	$ 87,240
2016	80,336
2017	11,193
2018	11,479
2019	11,773
2020-2023	7,516
Total future minimum lease revenue	$ 209,537

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, 2014 and 2013 was $159,955 and $198,214 respectively.

(10) Expenses Classification

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

	2014	2013
Salaries and wages	$ 49,927,226	$ 48,806,522
Fringe benefits	18,360,563	17,409,046
Travel, memberships, professional dev.	1,290,745	1,165,200
Supplies and minor equipment	7,550,554	8,935,173
Contract services	4,043,245	3,669,705
Bank/Agency credit/collection fees	110,854	89,929
Rentals	734,061	826,787
Repairs and maintenance	565,631	829,905
Insurance	581,160	524,070
Utilities	1,859,746	1,621,648
Depreciation	4,997,183	4,543,691
Student aid	24,333,329	29,874,262
Student debt write-off	182,380	735,187
Total Operating Expenses	$ 114,536,677	$ 119,031,125

(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, 2014, eight additional technical colleges have joined. As of June 30, 2014 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 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, 2014 and 2013 was $66,305 and $63,312 respectively. The net assets for the joint venture increased, by $3,487 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 30th 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, 2014 the District has commitments outstanding for construction projects of approximately $3,300,692. As of June 30, 2013 the commitments for construction projects were $1,288,688.

(13) Component Unit

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

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

1. Cash and Investments

The Foundation invests funds with Johnson Trust. Investments at June 30, 2014 and 2013 are as follows:

June 30, 2014	Cost	Fair Value	Unrealized Gains
Equity	$ 1,234,792	$ 1,522,311	$ 287,519
Fixed Income	1,400,510	1,446,578	46,068
Total Investments	$ 2,635,302	2,968,889	$ 333,587
Cash & Cash Equivalents		660,318	
Total Cash and Investments		$ 3,629,207	

June 30, 2013	Cost	Fair Value	Unrealized Gains
Equity	$ 953,374	$ 1,133,863	$ 180,489
Fixed Income	984,332	999,095	14,763
Cash & Cash Equivalents	52,461	53,119	658
Total Investments	$ 1,990,167	2,186,077	$ 195,910
Bank Deposits		756,866	
Total Cash and Investments		$ 2,942,943	

Investment income reported in the statement of revenues, expenses and changes in net position totaled $272,899 and $182,327 respectively for the years ended June 30, 2014 and 2013 and consisted of the following:

(13) Component Unit (continued)

1. Cash and Investments (continued)

	FY 2014	FY 2013
Market appreciation	$ 291,903	$ 122,256
Interest and dividend income	2,471	78,786
Investment fees	(21,475)	(18,715)
Investment return	$ 272,899	$ 182,327

2. Capital Assets

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
Capital assets, not being depreciated:				
Land	$ 130,000	$ -	$ -	$ 130,000
Capital assets, being depreciated:				
Buildings	1,119,810	-	-	1,119,810
	1,249,810	-	-	1,249,810
Less accumulated depreciation for:				
Buildings	238,721	28,713	-	267,434
Net capital assets	$ 1,011,089	$ 28,713	$ -	$ 982,376

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
Capital assets, not being depreciated:				
Land	$ 130,000	$ -	$ -	$ 130,000
Capital assets, being depreciated:				
Buildings	1,119,810	-	-	1,119,810
	1,249,810	-	-	1,249,810
Less accumulated depreciation for:				
Buildings	210,008	28,713	-	238,721
Net capital assets	$ 1,039,802	$ 28,713	$ -	$ 1,011,089

(13) Component Unit (continued)

3. Long-term Debt

Long-term debt outstanding at June 30, 2014 and 2013 consists of the following issues:

	FY 2014	FY 2013
$387,953 notes payable to Wells Fargo Bank due in monthly installments of $4,535 including interest of 6.25%, with a final payment due September 1, 2013. This note is unsecured.	$ -	$ 217,762
$200,000 notes payable to Wells Fargo Bank due in monthly installments of $2,128 including interest of 5.00%, with a final payment due July 15, 2014. This note is secured by the real estate purchase.	-	152,284
$210,981 notes payable to Wells Fargo Bank with monthly installments of $4,252 in principal and interest at 3.75%, with final payment due on March 1, 2018. Secured with real estate.	178,487	-
$228,007 notes payable to Johnson Bank, due in monthly installments of $4,252 including interest of 4.00%, with a final payment due May 21, 2018. This note is unsecured.	182,455	224,587
$134,045 notes payable to Wells Fargo Bank with monthly installments of $2,101 in principal and interest at 4.00%, with final payment due on August 15, 2020. Secured with real estate.	134,045	-
Total	494,987	594,633
Less amount due within one year	106,482	100,000
Total long-term debt	$ 388,505	$ 494,633

(13) Component Unit (continued)

3. Long-term Debt (continued)

Long-term debt of $494,987 is expected to mature as follows:

Year Ending June 30,	Amount
2015	$ 106,482
2016	114,065
2017	118,591
2018	103,102
2019	23,527
Thereafter	29,220
Total	$ 494,987

4. Operating Leases

The Foundation leases a building to Every Child's Place, Inc., an unrelated party that expires June 15, 2023, and leases space to Gateway Technical College that expires August 1, 2030. The following is a schedule by years of future minimum lease rentals under the leases as of June 30, 2014.

Year Ending June 30,	Amount
2015	$ 148,216
2016	148,216
2017	148,216
2018	148,216
2019	148,216
Thereafter	799,633
	$ 1,540,713

5. Unrestricted, Temporary and Permanently Restricted Net Assets

Net assets are classified for the following purposes at June 30:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
June 30, 2014	$ 1,286,162	$ 1,951,993	$ 562,335	$ 3,800,490
June 30, 2013	910,829	2,089,938	326,000	3,326,767

(13) Component Unit (continued)

Subsequent Events

On July 31, 2014, the Foundation purchased property located at 3626 – 30th Avenue in Kenosha, Wisconsin.

(14) Subsequent Events

The District Board authorized various expenditure budget revisions for the Special Revenue Fund–Aidable and the Capital Projects fund. The purpose of these revisions was to appropriately eliminate all negative budget variances by function. These revisions were accomplished by reallocating among various budget functions without affecting the total budgeted expenditures.

Subsequent to June 30, 2014 the District issued $12,815,000 in General Obligation Promissory Notes as follows:

Date	Interest Rate	Amount	Purpose
7/8/2014	1.5% - 3%	$ 7,000,000	Proceeds to be used for $5,500,000 in equipment and $1,500,000 for various facility remodeling projects.
8/4/2014	2% - 3%	1,500,000	Proceeds to be used for various facility remodeling projects.
9/8/2014	2% - 3%	1,500,000	Proceeds to be used for various facility remodeling projects.
10/8/2014	2% - 3%	2,815,000	Proceeds to be used for $1,500,000 in various facility remodeling projects and $1,315,000 for advanced refunding of outstanding debt obligations.
		$ 12,815,000	

REQUIRED SUPPLEMENTARY INFORMATION

GATEWAY TECHNICAL COLLEGE DISTRICT

Schedules of Other Post-Employment Benefit Plan Information
June 30, 2014

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/10	$ -	$ 17,118,156	$ 17,118,156	0%	39,110,194	44%
6/30/11	$ -	$ 17,438,807	$ 17,438,807	0%	41,151,310	42%
6/30/12	$ -	$ 17,861,024	$ 17,861,024	0%	42,051,198	42%
6/30/13	$ -	$ 18,137,351	$ 18,137,351	0%	41,193,580	44%
6/30/14	$ -	$ 18,846,313	$ 18,846,313	0%	41,010,008	46%

Schedule of Employer Contributions

Fiscal Year Ended	Annual Required Contribution (ARC)	Employer Contribution	Percentage of ARC Contributed	Net OPEB Obligation
6/30/10	$ 1,670,281	$ 970,503	58.1%	$1,238,128
6/30/11	$ 1,776,169	$ 1,114,687	62.8%	$1,880,288
6/30/12	$ 1,780,369	$ 1,242,619	69.8%	$2,388,695
6/30/13	$ 1,621,629	$ 1,359,629	83.8%	$2,613,418
6/30/14	$ 1,752,794	$ 1,502,599	85.7%	$2,822,829

See Notes to Required Supplementary Information

GATEWAY TECHNICAL COLLEGE DISTRICT

Notes to Required Supplementary Information
June 30, 2014

Note A - Governmental Accounting Standards Board Statement No. 45

The District implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers Postemployment Benefits Other Than Pensions" for the fiscal year ended June 30, 2009. Information for prior years is not available.

Note B - Schedule of Funding Progress

There have been no changes in actuarial assumptions that have a significant effect on the amounts presented in the schedule of funding progress for one year compared to the information presented for prior years.

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, 2014

	Budget Amounts		Actual on a Budgetary	Variance with
	Original	Final	Basis	Final Budget
Revenues				
Local government - tax levy	$ 48,830,000	$ 48,830,000	$ 48,885,297	$ 55,297
Intergovernmental revenue:				
State	5,265,000	5,265,000	5,616,805	351,805
Federal	30,000	30,000	29,544	(456)
Tuition and fees:				
Statutory program fees	17,923,000	17,923,000	16,376,974	(1,546,026)
Material fees	841,000	841,000	764,658	(76,342)
Other student fees	1,855,000	1,855,000	1,774,454	(80,546)
Miscellaneous - institutional revenue	3,515,000	3,515,000	3,110,928	(404,072)
Total revenues	78,259,000	78,259,000	76,558,660	(1,700,340)
Expenditures				
Instruction	51,223,000	51,223,000	49,744,636	1,478,364
Instructional resources	1,194,000	1,194,000	1,144,165	49,835
Student services	10,162,000	10,162,000	8,851,793	1,310,207
General institutional	7,951,000	7,951,000	7,400,666	550,334
Physical plant	7,729,000	7,729,000	7,548,672	180,328
Total expenditures	78,259,000	78,259,000	74,689,932	3,569,068
Revenues over expenditures	-	-	1,868,728	1,868,728
Other financing uses				
Transfers out	(1,000,000)	(2,113,000)	(2,113,000)	-
Net change in fund balance	(1,000,000)	(2,113,000)	(244,272)	1,868,728
Fund balance				
Beginning of year	24,730,001	24,730,001	24,730,001	-
End of year	$ 23,730,001	$ 22,617,001	$ 24,485,729	$ 1,868,728

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, 2014

	Budget Amounts		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Local government - tax levy	$ 2,286,000	$ 2,286,000	$ 2,338,376	$ 52,376
Intergovernmental revenue:				
State	913,000	913,000	716,398	(196,602)
Federal	4,689,000	4,689,000	3,578,342	(1,110,658)
Miscellaneous - institutional revenue	517,000	517,000	366,202	(150,798)
Total revenues	8,405,000	8,405,000	6,999,318	(1,405,682)
Expenditures				
Instruction	5,938,000	5,903,000	4,096,731	1,806,269
Student services	1,600,000	1,600,000	1,586,525	13,475
General institutional	532,000	532,000	431,908	100,092
Physical plant	-	13,000	12,952	48
Public services	335,000	357,000	356,065	935
Total expenditures	8,405,000	8,405,000	6,484,181	1,920,819
Revenues over expenditures	-	-	515,137	515,137
Other financing uses				
Transfers out	(1,000,000)	(1,000,000)	(1,000,000)	-
Net change in fund balance	(1,000,000)	(1,000,000)	(484,863)	515,137
Fund balance				
Beginning of year	3,360,915	3,360,915	3,360,915	-
End of year	$ 2,360,915	$ 2,360,915	$ 2,876,052	$ 515,137

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, 2014

	Budget Amounts Original	Budget Amounts Final	Actual on a Budgetary Basis	Variance with Final Budget
Revenues				
Intergovernmental revenue:				
State	$ 2,563,000	$ 2,563,000	$ 2,438,363	$ (124,637)
Federal	41,197,000	41,197,000	33,048,398	(8,148,602)
Tuition and fees - other student fees	925,000	925,000	878,911	(46,089)
Miscellaneous - institutional revenue	5,669,000	5,669,000	4,623,360	(1,045,640)
Total revenues	50,354,000	50,354,000	40,989,032	(9,364,968)
Expenditures				
Student services	49,590,000	49,590,000	40,119,384	9,470,616
General institutional	764,000	764,000	588,949	175,051
Total expenditures	50,354,000	50,354,000	40,708,333	9,645,667
Net change in fund balance	-	-	280,699	280,699
Fund balance				
Beginning of year	1,815,970	1,815,970	1,815,970	-
End of year	$ 1,815,970	$ 1,815,970	$ 2,096,669	$ 280,699

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, 2014

	Budget Amounts		Actual on a Budgetary Basis	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenue:				
State	$ 70,000	$ 70,000	$ 53,508	$ (16,492)
Federal	5,000	5,000	244,190	239,190
Miscellaneous - institutional revenue	75,000	75,000	214,303	139,303
Total revenues	150,000	150,000	512,001	362,001
Expenditures				
Instruction	4,000,000	4,563,000	4,500,801	62,199
Instructional resources	50,000	55,000	37,037	17,963
Student services	750,000	260,000	166,924	93,076
General institutional	2,000,000	1,475,000	1,416,359	58,641
Physical plant	7,500,000	8,750,000	8,357,342	392,658
Public services	25,000	10,000	1,372	8,628
Total expenditures	14,325,000	15,113,000	14,479,835	633,165
Revenues over (under) expenditures	(14,175,000)	(14,963,000)	(13,967,834)	995,166
Other financing sources				
Long-term debt issued	11,000,000	11,000,000	11,000,000	-
Transfers in	2,000,000	3,113,000	3,113,000	-
Total other financing sources	13,000,000	14,113,000	14,113,000	-
Net change in fund balance	(1,175,000)	(850,000)	145,166	995,166
Fund balance				
Beginning of year	2,600,488	2,600,488	2,600,488	-
End of year	$ 1,425,488	$ 1,750,488	$ 2,745,654	$ 995,166

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, 2014

	Budget Amounts		Actual on a Budgetary	Variance with
	Original	Final	Basis	Final Budget
Revenues				
Local government - tax levy	$ 8,882,000	$ 8,882,000	$ 8,882,000	$ -
Miscellaneous - institutional revenue	150,000	-	5,092	5,092
Total revenues	9,032,000	8,882,000	8,887,092	5,092
Expenditures				
Physical plant	9,000,000	9,000,000	8,989,037	10,963
Revenues over (under) expenditures	32,000	(118,000)	(101,945)	16,055
Other financing sources				
Proceeds of debt premium	-	150,000	381,404	231,404
Net change in fund balance	32,000	32,000	279,459	247,459
Fund balance				
Beginning of year	1,687,340	1,687,340	1,687,340	-
End of year	$ 1,719,340	$ 1,719,340	$ 1,966,799	$ 247,459

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 Fund Schedule of Revenues, Expenses, and Changes in Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2014

	Budget Amounts Original	Budget Amounts Final	Actual on a Budgetary Basis	Variance with Final Budget
Operating Revenues				
Local government - tax levy	$ 45,000	$ 45,000	$ 45,000	$ -
Tuition and fees - other student fees	215,000	215,000	201,539	(13,461)
Miscellaneous - institutional revenue	340,000	340,000	284,570	(55,430)
Total revenues	600,000	600,000	531,109	(68,891)
Operating Expenses				
Auxiliary services	600,000	600,000	440,292	159,708
Change in Net Position	-	-	90,817	90,817
Net Position				
Beginning of year	832,023	832,023	832,023	-
End of year	$ 832,023	$ 832,023	$ 922,840	$ 90,817

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 Statements of Net Position
June 30, 2014

	General	Special Revenue Funds		Capital	Debt	Enterprise		Reconciling	Statements of
ASSETS	Fund	Operating	Non-Aidable	Projects Fund	Service Fund	Funds	Total	Items	Net Position
Assets									
Cash and cash equivalents	$ 16,014,021	$ -	$ -	$ 6,628,423	$ 1,966,799	$ -	$ 24,609,243	$ -	$ 24,609,243
Receivables:									
Property taxes	16,873,600	-	-	-	-	-	16,873,600	-	16,873,600
Accounts, net of reserve of $ 443,000	1,000,450	55,301	35,069	-	-	-	1,090,820	-	1,090,820
Federal and state aid	237,830	1,981,804	130,366	-	-	-	2,350,000	-	2,350,000
Due from other funds	-	1,093,320	1,939,700	-	-	935,365	3,968,385	(3,968,385)	-
Prepaid expenditures	1,624,547	-	-	-	-	-	1,624,547	-	1,624,547
Capital assets	-	-	-	-	-	-	-	122,993,510	122,993,510
Less: accumulated depreciation	-	-	-	-	-	-	-	(56,949,857)	(56,949,857)
Total Assets	$ 35,750,448	$ 3,130,425	$ 2,105,135	$ 6,628,423	$ 1,966,799	$ 935,365	$ 50,516,595	$ 62,075,268	$ 112,591,863
LIABILITIES AND FUND EQUITY									
Liabilities									
Accounts payable	$ 2,754,968	$ 11,731	$ -	$ -	$ -	$ 11,720	$ 2,778,419	$ -	$ 2,778,419
Accrued payroll and benefits	1,022,842	35,571	8,466	-	-	805	1,067,684	-	1,067,684
Accrued vacation	588,750	-	-	-	-	-	588,750	-	588,750
Accrued interest payable	-	-	-	-	-	-	-	324,785	324,785
Due to other funds	3,968,385	-	-	-	-	-	3,968,385	(3,968,385)	-
Due to students groups/organizations	-	-	-	-	-	-	-	388,751	388,751
Deferred revenues	2,898,996	197,581	-	140,000	-	-	3,236,577	(1,480,032)	1,756,545
Long-term liabilities	-	-	-	-	-	-	-	52,670,771	52,670,771
Total liabilities	11,233,941	244,883	8,466	140,000	-	12,525	11,639,815	47,935,890	59,575,705
Fund balances / net position									
Net investment in capital assets	-	-	-	-	-	-	-	23,473,718	23,473,718
Net position									
Unreserved/unrestricted	-	-	-	-	-	922,840	922,840	26,274,056	27,196,896
Fund balances:									
Reserved for prepaid expenditures	1,624,547	-	-	-	-	-	1,624,547	(1,624,547)	-
Reserved for student organizations	-	-	1,701,115	-	-	-	1,701,115	(388,751)	1,312,364
Reserved for student financial assistance	-	-	395,554	-	-	-	395,554	-	395,554
Reserved for capital projects	-	-	-	2,745,654	-	-	2,745,654	(2,745,654)	-
Reserved for debt service	-	-	-	-	1,966,799	-	1,966,799	(1,329,173)	637,626
Reserved for OPEB - Other post employment benefits	1,240,000	-	-	-	-	-	1,240,000	(1,240,000)	-
Unreserved - Designated for:									
Operations	21,621,182	2,876,052	-	-	-	-	24,497,234	(24,497,234)	-
Total fund balances / net position	24,485,729	2,876,052	2,096,669	2,745,654	1,966,799	922,840	35,093,743	17,922,415	53,016,158
Reserve for encumbrances	30,778	9,490	-	3,742,769	-	-	3,783,037	(3,783,037)	-
Total Liabilities and Fund Equity	$ 35,750,448	$ 3,130,425	$ 2,105,135	$ 6,628,423	$ 1,966,799	$ 935,365	$ 50,516,595	$ 62,075,268	$ 112,591,863

GATEWAY TECHNICAL COLLEGE DISTRICT

Schedule to Reconcile the Budgetary (Non-GAAP) Basis Financial Statements
to the Statements of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2014

	General Fund	Special Revenue Funds Operating	Special Revenue Funds Non-Aidable	Capital Projects Fund	Debt Service Fund	Enterprise Funds	Total	Reconciling Items	Statement of Revenues, Expenses and Changes in Net Position	
Revenues										
Local government - tax levy	$ 48,885,297	$ 2,338,376	$ -	$ -	$ 8,882,000	$ 45,000	$ 60,150,673	$ -	$ 60,150,673	
Intergovernmental revenue:										
State	5,616,805	716,398	2,438,363	53,508	-	-	8,825,074	-	8,825,074	(1)
Federal	29,544	3,578,342	33,048,398	244,190	-	-	36,900,474	-	36,900,474	(2)
Tuition and fees:										
Statutory program fees	16,376,974	-	-	-	-	-	16,376,974	(8,801,906)	7,575,068	
Material fees	764,658	-	-	-	-	-	764,658	(414,763)	349,895	
Other student fees	1,774,454	-	878,911	-	-	201,539	2,854,904	(1,537,765)	1,317,139	
Miscellaneous - institutional revenue	3,110,928	366,202	4,623,360	214,303	5,092	284,570	8,604,455	(4,528,138)	4,076,317	(3)
Total revenues	76,558,660	6,999,318	40,989,032	512,001	8,887,092	531,109	134,477,212	(15,282,572)	119,194,640	
Expenditures										
Instruction	49,744,636	4,096,731	-	4,500,801	-	-	58,342,168	(2,538,779)	55,803,389	
Instructional resources	1,144,165	-	-	37,037	-	-	1,181,202	-	1,181,202	
Student services	8,851,793	1,586,525	40,119,384	166,924	-	-	50,724,626	(39,195,484)	11,529,142	
General institutional	7,400,666	431,908	588,949	1,416,359	-	-	9,837,882	(1,453,151)	8,384,731	
Physical plant	7,548,672	12,952	-	8,357,342	-	-	15,918,966	(8,408,994)	7,509,972	
Student aid	-	-	-	-	-	-	-	24,333,329	24,333,329	
Public services	-	356,065	-	1,372	-	-	357,437	-	357,437	
Depreciation	-	-	-	-	-	-	-	4,997,183	4,997,183	
Auxiliary services	-	-	-	-	-	440,292	440,292	-	440,292	
Debt Service:										
Principal	-	-	-	-	7,425,000	-	7,425,000	(7,425,000)	-	
Interest and debt issuance costs	-	-	-	-	1,564,037	-	1,564,037	(114,706)	1,449,331	
Total expenditures	74,689,932	6,484,181	40,708,333	14,479,835	8,989,037	440,292	145,791,610	(29,805,602)	115,986,008	
Revenues over (under) expenditures	1,868,728	515,137	280,699	(13,967,834)	(101,945)	90,817	(11,314,398)	14,523,030	3,208,632	
Other financing sources (uses)										
Long-term debt issued	-	-	-	11,000,000	-	-	11,000,000	(11,000,000)	-	
Debt premium	-	-	-	-	381,404	-	381,404	(381,404)	-	
Gain on disposal of capital assets	-	-	-	-	-	-	-	35,400	35,400	
Transfers in	-	-	-	3,113,000	-	-	3,113,000	(3,113,000)	-	
Transfers out	(2,113,000)	(1,000,000)	-	-	-	-	(3,113,000)	3,113,000	-	
Total other financing sources (uses)	(2,113,000)	(1,000,000)	-	14,113,000	381,404	-	11,381,404	(11,346,004)	35,400	
Net Change in Fund Balances	(244,272)	(484,863)	280,699	145,166	279,459	90,817	67,006	3,177,026	3,244,032	
Fund balances/net position										
Beginning of year	24,730,001	3,360,915	1,815,970	2,600,488	1,687,340	832,023	35,026,737	14,745,389	49,772,126	(4)
End of year	$ 24,485,729	$ 2,876,052	$ 2,096,669	$ 2,745,654	$ 1,966,799	$ 922,840	$ 35,093,743	$ 17,922,415	$ 53,016,158	

GATEWAY TECHNICAL COLLEGE DISTRICT

Schedule to Reconcile the Budgetary (Non-GAAP) Basis Financial Statements
to the Statements of Revenues, Expenses and Changes in Net Position (Continued)
June 30, 2014

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

Operating	$ 3,271,663
Non-operating - State Appropriations	5,499,903
Non-operating - Capital Grants	53,508
Total	$ 8,825,074

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

Operating	$ 36,656,284
Non-operating - Capital Grants	244,190
	$ 36,900,474

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

Contract revenue	$ 2,149,357
Auxiliary enterprise revenues	257,997
Miscellaneous revenue	1,442,389
Investment income	40,747
Contributions	164,827
Donated capital assets	21,000
Total	$ 4,076,317

(4) Reconciliation of budgetary basis fund balance/net position as presented in the basic financial statements:

	2014	2013
Budgetary basis fund equity	$ 35,093,743	$ 35,026,737
Capital assets capitalized - cost	122,993,510	113,289,907
Accumulated depreciation on capital assets	(56,949,857)	(52,144,042)
General obligation debt	(48,155,000)	(44,580,000)
Other post employment benefits	(2,822,829)	(2,613,418)
Accrued interest on long-term debt	(324,785)	(300,088)
Summer school tuition and fees	1,551,772	1,476,874
Unamortized debt premium	(1,004,388)	(762,385)
Deferred revenue for govt-wide basis	(760,294)	(832,034)
Encumbrances	3,783,037	1,633,803
Reclass fiduciary funds to liability	(388,751)	(423,228)
Net position per basic financial statements	$ 53,016,158	$ 49,772,126

Statistical Section

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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.

Contents

Financial Trends

These schedules contain trend information to assist the reader in understanding and assessing how the District's financial position has changed over time.

Revenue Capacity

These schedules contain information to assist the reader in assessing the District's most significant local revenue source, the property tax.

Debt Capacity

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.

Demographic and Economic Information

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.

Operating Information

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.

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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Net Investment in Capital Assets	$ 23,473,718	$ 20,982,819	$ 18,916,039	$ 19,615,422	$ 17,579,877	$ 16,438,878	$ 16,228,195	$ 14,108,750	$ 13,302,497	$ 12,834,119
Restricted-expendable	2,345,544	2,017,609	2,392,284	2,095,849	1,887,662	1,741,196	1,624,629	1,390,446	1,714,082	1,331,530
Restricted-nonexpendable	-	-	-	-	-	11,000	11,000	11,000	11,000	11,000
Unrestricted	27,196,896	26,771,698	22,754,631	22,552,555	21,188,982	18,598,688	17,032,962	17,166,821	16,234,066	15,741,589
Total Net Position	$ 53,016,158	$ 49,772,126	$ 44,062,954	$ 44,263,826	$ 40,656,521	$ 36,789,762	$ 34,896,786	$ 32,677,017	$ 31,261,645	$ 29,918,238

GATEWAY TECHNICAL COLLEGE DISTRICT

Changes in Net Position
Last Ten Fiscal Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Operating Revenues										
Student tuition and program fees, net of scholarship allowances[1]	$ 9,242,102	$ 9,361,252	$ 10,409,936	$ 14,010,675	$ 11,602,472	$ 10,761,259	$ 9,209,849	$ 9,204,502	$ 8,540,801	$ 8,835,736
Federal grants	36,656,284	42,989,817	42,666,119	43,428,693	25,323,977	16,575,978	13,092,509	12,791,779	13,584,444	7,955,313
State grants	3,271,663	3,521,173	3,520,742	3,860,476	2,971,504	3,044,816	2,692,464	2,706,640	2,554,174	2,255,096
Contract revenue	2,149,357	2,177,349	2,256,918	2,231,194	1,924,763	2,053,234	2,526,471	2,161,695	2,189,500	2,431,502
Auxiliary enterprise revenues	257,997	288,855	256,823	286,282	725,250	823,449	853,017	558,428	462,974	505,014
Miscellaneous - institutional revenue	1,442,389	1,658,302	1,203,156	1,503,587	1,247,461	925,416	838,262	885,364	800,678	678,927
Total operating revenues	53,019,792	59,996,748	60,313,694	65,320,907	43,795,427	34,184,152	29,212,572	28,308,408	28,132,571	22,661,588
Operating Expenses										
Instruction	55,803,389	56,214,432	60,869,404	58,458,128	54,075,497	51,672,106	48,269,277	47,587,891	45,931,954	45,544,656
Instructional resources	1,181,202	1,137,133	1,426,902	1,300,576	1,214,433	1,070,094	1,017,882	1,225,491	1,227,300	1,050,064
Student services[1]	11,529,142	10,747,472	10,087,038	9,831,728	9,328,200	8,611,661	8,521,160	8,775,637	7,656,716	7,773,264
General institutional	8,384,731	8,183,287	8,373,179	8,089,118	7,675,036	7,242,051	6,574,419	6,893,336	7,115,812	6,820,544
Physical plant	7,509,972	7,465,411	7,718,475	8,004,016	7,364,494	6,939,730	6,471,693	6,237,124	5,911,484	5,795,086
Student aid[1]	24,333,329	29,874,262	30,725,417	36,245,389	18,489,556	11,842,905	9,151,817	8,919,036	9,784,156	5,146,925
Public services	357,437	357,714	344,410	337,025	252,494	384,102	335,213	317,558	300,708	297,502
Auxiliary services	440,292	507,723	574,483	580,525	1,198,058	1,149,043	1,298,310	993,729	891,585	976,406
Depreciation	4,997,183	4,543,691	4,307,822	3,950,810	3,543,647	3,186,169	2,897,941	2,583,246	2,501,129	2,281,202
Total operating expenses	114,536,677	119,031,125	124,427,130	126,797,315	103,141,415	92,097,861	84,537,712	83,533,048	81,320,844	75,685,649
Operating loss	(61,516,885)	(59,034,377)	(64,113,436)	(61,476,408)	(59,345,988)	(57,913,709)	(55,325,140)	(55,224,640)	(53,188,273)	(53,024,061)
Non-operating revenues (expenses)										
Property Taxes	60,150,673	59,395,806	59,003,731	58,328,021	56,248,873	53,910,836	51,079,902	49,101,201	47,291,043	45,118,323
State appropriations	5,499,903	5,485,937	6,081,694	7,265,517	7,518,927	6,825,727	6,627,536	7,131,956	7,464,990	7,621,031
Gain (loss) on sale of capital assets	35,400	(2,245)	(13,933)	(43,980)	(14,631)	52,927	53996	535,930	-	53,250
Investment income	40,747	38,735	33,320	76,959	69,363	210,390	617,039	911,205	714,778	412,183
Interest expense and debt issuance costs	(1,449,331)	(1,518,828)	(1,263,110)	(1,264,089)	(1,280,020)	(1,269,463)	(1,133,864)	(1,048,180)	(1,085,376)	(1,045,601)
Total non-operating revenues(expenses)	64,277,392	63,399,405	63,841,702	64,362,428	62,542,512	59,730,417	57,244,609	56,632,112	54,385,435	52,159,186
Capital Contributions										
State and federal capital appropriations	297,698	193,935	35,183	532,561	25,235	4,066	19,247	7,900	3,035	11,429
Contributions	164,827	1,421,800	35,679	41,002	538,267	44,202	15,639	-	143,210	32,687
Donated capital assets	21,000	11,367	-	147,722	106,733	28,000	265,414	-	-	-
Total capital contributions	483,525	1,627,102	70,862	721,285	670,235	76,268	300,300	7,900	146,245	44,116
Cumulative effect of change in accounting priniciple[2]	-	(282,958)	-	-	-	-	-	-	-	-
Increase/(Decrease) in Net Position	$ 3,244,032	$ 5,709,172	$ (200,872)	$ 3,607,305	$ 3,866,759	$ 1,892,976	$ 2,219,769	$ 1,415,372	$ 1,343,407	$ (820,759)

(1) Effective with FY 2005/06 the prior years' numbers were restated to conform to the current presentation.
(2) The college implemented GASB 65 beginning with fiscal year ended June 30, 2013.

GATEWAY TECHNICAL COLLEGE

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

Expense Classifications	2014	% of Total	2013	% of Total	2012	% of Total	2011	% of Total	2010	% of Total	2009	% of Total	2008	% of Total	2007	% of Total	2006	% of Total	2005	% of Total
Salaries and wages	$ 49,927,226	43.1%	$ 48,806,522	40.5%	$ 49,060,461	39.0%	$ 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%
Fringe benefits	18,360,563	15.8%	17,409,046	14.4%	23,133,387	18.4%	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%
Travel, memberships and subscriptions	1,290,745	1.1%	1,165,200	1.0%	957,520	0.8%	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%
Supplies and minor equipment	7,550,554	6.5%	8,935,173	7.4%	8,724,938	6.9%	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%
Contract services	4,043,245	3.5%	3,669,705	3.0%	3,207,743	2.6%	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%
Bank/Agency credit/collection fees	110,854	0.1%	89,929	0.1%	87,761	0.1%	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%
Rentals	734,061	0.6%	826,787	0.7%	958,089	0.8%	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%
Repairs and maintenance	565,631	0.5%	829,905	0.7%	709,408	0.6%	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%
Insurance	581,160	0.5%	524,070	0.4%	574,587	0.5%	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%
Utilities	1,859,746	1.6%	1,621,648	1.3%	1,618,643	1.3%	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%
Depreciation	4,997,183	4.3%	4,543,691	3.8%	4,307,822	3.4%	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%
Student aid	24,333,329	21.0%	29,874,262	24.8%	30,725,417	24.4%	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%
Student debt writeoff	182,380	0.2%	735,187	0.6%	361,354	0.3%	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%
Total operating expenses	114,536,677	98.8%	119,031,125	98.7%	124,427,130	99.0%	126,797,315	99.0%	103,141,425	98.8%	92,097,861	98.6%	84,537,712	98.7%	83,533,048	98.8%	81,320,844	98.7%	75,685,649	98.6%
Interest expense & debt issuance costs(1)	1,449,331	1.2%	1,518,828	1.3%	1,263,110	1.0%	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%
(Gain)/Loss on disposal of assets	(35,400)	0.0%	2,245	0.0%	13,933	0.0%	43,980	0.0%	14,631	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.1%
Total non-operating expenses	1,413,931	1.2%	1,521,073	1.3%	1,277,043	1.0%	1,308,069	1.0%	1,294,681	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	1.5%
Total Expenses	$115,950,608	100.0%	$120,552,198	100.0%	$125,704,173	100.0%	$128,105,384	100.0%	$ 104,436,106	100.0%	$93,367,324	100.0%	$85,671,576	100.0%	$84,581,228	100.0%	$82,406,220	100.0%	$76,731,250	100.0%

(1) The college implemented GASB 63/65 beginning with the fiscal year ended June 30, 2013.

GATEWAY TECHNICAL COLLEGE DISTRICT

Equalized Value and Tax Levy Distribution by Municipality
Fiscal Year 2014

County	Municipality	Taxable equalized valuation	Percent of total	Total tax levy
Kenosha	Town of:			
	Brighton	$ 163,688,600	0.445652 %	267,583
	Paris	206,692,400	0.562732	337,881
	Randall	445,124,800	1.211878	727,648
	Salem	958,976,300	2.610868	1,567,643
	Somers	773,269,300	2.105270	1,264,067
	Wheatland	288,741,800	0.786116	472,008
	Village of:			
	Bristol	501,460,100	1.365254	819,739
	Genoa City	246,600	0.000671	403
	Paddock Lake	216,646,300	0.589832	354,153
	Pleasant Prairie	2,133,662,000	5.809017	3,487,908
	Silver Lake	167,386,600	0.455720	273,628
	Twin Lakes	686,585,800	1.869269	1,122,365
	City of Kenosha	4,902,224,200	13.346586	8,013,691
Racine	Town of:			
	Burlington	608,486,500	1.656639	994,696
	Dover	319,823,300	0.870737	522,817
	Norway	303,893,153	0.827366	496,776
	Raymond	430,726,800	1.172678	704,111
	Waterford	708,435,700	1.928757	1,158,083
	Yorkville	472,676,800	1.286890	772,687
	Village of:			
	Caledonia	1,918,184,300	5.222367	3,135,666
	Elmwood Park	35,041,000	0.095401	57,282
	Mount Pleasant	2,253,733,100	6.135917	3,684,189
	North Bay	33,674,700	0.091681	55,048
	Rochester	342,976,000	0.933772	560,665
	Sturtevant	304,597,500	0.829284	497,927
	Union Grove	275,405,500	0.749807	450,207
	Waterford	376,867,600	1.026044	616,067
	Wind Point	223,640,300	0.608874	365,586
	City of:			
	Burlington	635,288,900	1.729610	1,038,510
	Racine	3,139,701,950	8.548018	5,132,487

GATEWAY TECHNICAL COLLEGE DISTRICT

Equalized Value and Tax Levy Distribution by Municipality (continued)
Fiscal Year 2014

County	Municipality	Taxable equalized valuation	Percent of total		Total tax levy
Walworth	Town of:				
	Bloomfield	$ 101,424,300	0.276133	%	$ 165,799
	Darien	191,605,200	0.521656		$ 313,218
	Delavan	897,250,800	2.442817		$ 1,466,740
	East Troy	700,442,700	1.906995		$ 1,145,017
	Geneva	823,956,100	2.243268		$ 1,346,925
	Lafayette	243,389,500	0.662642		$ 397,870
	LaGrange	739,597,300	2.013596		$ 1,209,023
	Linn	1,573,454,400	4.283820		$ 2,572,134
	Lyons	355,975,500	0.969164		$ 581,915
	Richmond	235,381,500	0.640840		$ 384,779
	Sharon	77,676,500	0.211479		$ 126,978
	Spring Prairie	235,455,200	0.641040		$ 384,900
	Sugar Creek	350,497,600	0.954250		$ 572,960
	Troy	248,885,900	0.677606		$ 406,855
	Walworth	219,465,800	0.597508		$ 358,762
	Whitewater	307,666,100	0.837639		$ 502,943
	Village of:				
	Bloomfield	324,345,100	0.883048		$ 530,209
	Darien	83,887,700	0.228389		$ 137,132
	East Troy	299,994,100	0.816751		$ 490,402
	Fontana	1,099,609,600	2.993750		$ 1,797,537
	Genoa City	151,882,500	0.413509		$ 248,283
	Mukwonago	12,492,200	0.034011		$ 20,421
	Sharon	72,023,500	0.196088		$ 117,737
	Walworth	194,987,600	0.530865		$ 318,747
	Williams Bay	694,342,500	1.890387		$ 1,135,045
	City of:				
	Burlington	525,800	0.001432		$ 860
	Delavan	540,932,600	1.472720		$ 884,265
	Elkhorn	586,997,200	1.598133		$ 959,567
	Lake Geneva	1,038,740,300	2.828030		$ 1,698,034
	Whitewater	499,430,800	1.359729		$ 816,422
	Totals	$ 36,730,173,803	100	%	$ 60,043,000

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 June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Year	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
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	17,024,318	58,338,000	100.00
2012	58,895,000	41,764,575	70.91	17,130,425	58,895,000	100.00
2013	59,436,000	42,469,295	71.45	16,966,705	59,436,000	100.00
2014	60,043,000	43,169,400	71.90	-	43,169,400	71.90

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
2013 Equalized Valuation and Tax Levy

Municipality	County	Equalized value	Tax levy	Percentage of total tax levy
City of Kenosha	Kenosha	$ 4,902,224,200	$ 8,013,691	13.35 %
City of Racine	Racine	3,139,701,950	5,132,487	8.55
Village of Mount Pleasant	Racine	2,253,733,100	3,684,189	6.14
Village of Pleasant Prairie	Kenosha	2,133,662,000	3,487,908	5.81
Village of Caledonia	Racine	1,918,184,300	3,135,666	5.22
Town of Linn	Walworth	1,573,454,400	2,572,134	4.28
Village of Fontana	Walworth	1,099,609,600	1,797,537	2.99
City of Lake Geneva	Walworth	1,038,740,300	1,698,034	2.83
Town of Salem	Kenosha	958,976,300	1,567,643	2.61
Town of Delavan	Walworth	897,250,800	1,466,740	2.44
Total principal taxing districts		$ 19,915,536,950	$ 32,556,029	54.22 %
County:				
Racine		$ 12,383,153,103	$ 20,242,803	33.71 %
Kenosha		11,444,704,800	18,708,717	31.16
Walworth		12,902,315,900	21,091,481	35.13
		$ 36,730,173,803	$ 60,043,000	100.00 %

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, 2014: 2013 Equalized Valuation	Rank	Percent of District equalized valuation	Year Ended June 30, 2005: 2004 Equalized Valuation	Rank	Percent of District equalized valuation
Racine	S. C. Johnson & Son, Inc.	Manfacturing	$ 112,768,521	1	0.31 %	$ 109,978,739	1	0.34 %
	Racine Joint Venture (Regency Mall)	Shopping center	109,249,687	2	0.30	66,174,039	2	0.21
	Centerpoint Properties Trust(2)	Insurance	73,773,470	3	0.20	-		-
	Continental 81 Fund LLC	Retail-Wal-Mart Stores	44,120,047	4	0.12	21,376,250	7	0.07
	All Saints Health Care	Health care services	42,651,730	5	0.12	36,217,518	4	0.11
	Aurora Medical Group	Health care provider	33,100,358	6	0.09	25,494,784	6	0.08
	CNH Global(1)	Manufacturing	31,965,685	7	0.09	34,952,507	5	0.11
	Inland Southeast Mount Pleasant	Village Center strip mall	25,449,344	8	0.07	37,666,880	3	0.12
	Bombardier Motor Corp	Manufacturing	19,300,538	9	0.05	20,856,278	8	0.07
	High Ridge Improvements	DLC Management Corp	15,834,701	10	0.04	16,799,081	9	0.05
	American National Insurance	Insurance	-		-	16,761,016	10	0.05
Racine county total			$ 508,214,081		1.38 %	$ 386,277,092		1.21 %
(1) Formerly known as J.I. Case Corporation (2)Formerly American National Insurance								
Kenosha (1)	Route 165 LLC	Commerical	$ 95,249,886	1	0.26 %	$ -		- %
	Prime Outlets at Pleasant Prairie	Retail Mall	74,828,326	2	0.20	-		-
	Affliated Foods Midwest Coop.	Manufacturing	52,030,938	3	0.14	29,838,612	4	0.09
	Centerpoint Properties Trust	Commerical	70,041,659	4	0.19	40,107,976	2	0.13
	Chicagoland DC 2008 LLC	Commerical	45,095,673	5	0.12	-		-
	Southport Plaza Ltd. Partners	Commercial Real Estate	35,817,888	6	0.10	-		-
	CV II Lakeview LLC	Commercial	47,613,757	7	0.13	38,225,112	3	0.12
	Edward Rose Assoc. Apartments	Apartments	28,013,634	8	0.08	27,894,650	5	0.09
	Inland Diversified Pleasant Prairie	Commercial	33,488,209	9	0.09	26,360,822	6	0.08
	Ohiocubco (Meijer Distribution, Inc.)	Commercial	32,261,471	10	0.09	-		-
	Cabot Acquisitions LLC	Manufacturing	-		-	40,827,713	1	0.13
	Petretti Realty et Al.	Developer/Builder	-		-	25,910,382	7	0.08
	Diamler-Chrysler Corp.	Manufacturing	-		-	23,828,444	8	0.07
	VillaRoyale Apartments	Multi-family	-		-	22,743,851	9	0.07
	Dairyland Greyhound Park	Recreation/dog track	-		-	21,558,044	10	0.07
Kenosha county total			$ 514,441,441		1.40 %	$ 297,295,606		0.93 %
(1) Estimated								
Walworth	DLK Enterprises, Inc.	Farm/Real Estate	$ 29,840,800	1	0.08 %	$ 35,808,410	2	0.11 %
	Grand Geneva Resort	Resort	29,295,600	2	0.08	39,077,392	1	0.12
	Art Mortgage Borrower	Mortgage	28,271,200	3	0.08	-		-
	Kikkoman Foods Inc.	Factory	21,264,600	4	0.06	17,542,714	6	0.05
	Wal-Mart Associates	Retail	13,661,900	5	0.04	26,566,117	3	0.08
	Paloma Geneva National, LLC	Golf course/Country Club	13,564,800	6	0.04	16,573,050	7	0.05
	Lake Geneva Shopping Center	Retail	13,301,100	7	0.04	-		-
	Lake Geneva Investors LLC	Investor	13,251,100	8	0.04	-		-
	Honey Creek of East Troy, LLP	Real Estate	11,500,000	9	0.03	-		-
	Lowes Home Centers	Retail	8,922,300	10	0.02			
	Geneva Project	Development	-		-	22,846,279	4	0.07
	Lake Lawn Lodge	Resort	-		0.00	17,854,135	5	0.06
	Geneva Lakes Cold Storage	Private business	-		-	15,421,770	9	0.05
	ABKA (The Abbey)	Resort	-		-	15,823,122	8	0.05
	Home Depot	Retail store	-		-	12,131,547	10	0.04
Walworth county total			$ 182,873,400		0.50 %	$ 219,644,536		0.69 %
Grand total			$ 1,205,528,922		3.28 %	$ 903,217,234		2.82 %
Total District Equalized Valuation			$ 36,730,173,803			$ 32,011,436,858		

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

GATEWAY TECHNICAL COLLEGE DISTRICT

Property Tax Rates[1] - All Overlapping Governments
(Per $1,000 of General Property Full Values of Taxable Property)
Calendar Year Taxes are Payable 2005-2014

County	Year	Gateway District Direct Rates: Operational[2]	Debt Service	Direct Rate	School districts elementary/ secondary	Local tax[3]	County tax	Other taxes[4]	Total property tax	State tax relief	Net total
Racine	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
	2012	1.24	0.19	1.43	9.80	6.85	3.53	1.23	22.84	(1.54)	21.30
	2013	1.34	0.22	1.56	10.70	7.65	3.78	1.45	25.14	(1.66)	23.48
	2014	1.39	0.24	1.63	10.80	8.09	3.99	1.44	25.95	(1.76)	24.19
Kenosha	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
	2012	1.24	0.19	1.43	11.02	6.27	4.60	1.74	25.06	(1.73)	23.33
	2013	1.34	0.22	1.56	11.95	7.06	5.01	2.03	27.61	(1.90)	25.71
	2014	1.39	0.24	1.63	12.41	7.40	5.29	2.15	28.88	(1.98)	26.90
Walworth	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
	2012	1.24	0.19	1.43	8.81	3.01	4.27	0.88	18.40	(1.51)	16.89
	2013	1.34	0.22	1.56	9.59	3.26	4.56	1.00	19.97	(1.61)	18.36
	2014	1.39	0.24	1.63	9.88	3.45	4.72	0.84	20.52	(1.67)	18.85

(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. Effective FY 2013-14, this limit no longer exists.

(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[1]
Calendar Years 2004-2013
(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
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	79.7%	14.4%	2.5%	0.2%	0.3%	1.4%	1.5%			
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	79.4%	14.7%	2.4%	0.2%	0.3%	1.4%	1.6%			
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	78.3%	15.7%	2.4%	0.2%	0.3%	1.4%	1.6%			
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	77.6%	16.2%	2.4%	0.2%	0.3%	1.5%	1.8%			
2011	33,676,562	7,065,832	1,026,690	93,688	153,901	644,843	759,781	43,421,297	41,111,929	1.43255
% of Total	77.6%	16.3%	2.4%	0.2%	0.4%	1.5%	1.7%			
2012	30,890,678	6,943,049	1,027,116	91,285	161,365	622,065	758,543	40,494,101	38,180,224	1.55672
% of Total	76.3%	17.1%	2.5%	0.2%	0.4%	1.5%	1.9%			
2013	29,672,937	6,520,623	1,030,748	87,647	182,408	609,307	754,730	38,858,400	36,730,173	1.63471
% of Total	76.4%	16.8%	2.7%	0.2%	0.5%	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 2005-2014

						Net debt[5]			
	Population[1]	Personal Income[2]	Equalized Value-TID in[3]	Gross Debt[4]	Debt Service Net Assets Available	Amount	Ratio to equalized valuation	Ratio to Personal Income	Per Capita
	(Dollars in thousands, except per capita)								
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	16,707,802	45,905,855	33,145	1,101	32,044	0.07	0.19	69
2011	464,342	17,076,214	43,959,559	36,135	1,062	35,073	0.08	0.21	76
2012	464,739	18,156,777	42,914,419	39,735	1,202	38,533	0.09	0.21	83
2013	464,688	(6)	40,025,114	44,580	625	43,955	0.11	(6)	95
2014	465,556	(6)	38,398,101	48,155	638	47,517	0.12	(6)	102

(1) Wisconsin Department of Administration, Demographic Services Center. (2014 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) Details regarding the District's outstanding debt can be found in the notes to the basic financial statements.

(6) Information not yet available.

GATEWAY TECHNICAL COLLEGE DISTRICT

Legal Debt Margin Information[(1)]
Last Ten Fiscal Years

Calculation of Legal Debt Margin for Fiscal Year 2014

2013 Equalized Valuation - TID In		$ 38,398,101,253
		x 5%
Total debt limit - 5% of total equalized valuation		1,919,905,063
Debt applicable to limit:		
Total gross indebtedness (includes general obligation notes and bonds)	$ 48,155,000	
Less Net Position Restricted for Debt Service (GAAP basis)	(637,626)	
Total amount of debt applicable to debt limit		47,517,374
Legal debt margin		$ 1,872,387,689

Legal Debt Margin, Last Ten Fiscal Years

			Debt Applicable to Limit (Dollars in thousands)					
Fiscal Year	Equalized Valuation TID In	Legal Debt Limit 5%	General Obligation Bonds	General Obligation Notes	Less Net Position Available	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to Debt Limit
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
2012	42,914,419	2,145,721	-	39,735	1,202	38,533	2,107,188	1.80
2013	40,025,114	2,001,256	-	44,580	625	43,955	1,957,301	2.20
2014	38,398,101	1,919,905	-	48,155	638	47,517	1,872,388	2.47

(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, 2014

Jurisdiction[1]	Net Debt Outstanding	Applicable to Gateway Technical College District Percentage [2]	Applicable to Gateway Technical College District Amount
District:			
Gateway Technical College District	$ 48,155,000	100%	$ 48,155,000
Towns:			
Racine County[3]	1,740,917	varies	2,573,579
Kenosha County	51,649,724	100%	51,649,724
Walworth County	3,306,040	100%	3,306,040
Town Total	56,696,681		57,529,343
Villages:			
Racine County	85,930,187	100%	85,930,187
Kenosha County	94,933,896	100%	94,933,896
Walworth County	77,439,295	100%	77,439,295
Village Total	258,303,378		258,303,378
Cities:			
Racine County	125,870,000	100%	125,870,000
Kenosha County	185,715,021	100%	185,715,021
Walworth County	63,469,012	100%	63,469,012
City Total	375,054,033		375,054,033
Counties:			
Racine County	59,640,000	96.57%	57,594,348
Kenosha County	92,550,000	100%	92,550,000
Walworth County	22,565,000	100%	22,565,000
County Total	174,755,000		172,709,348
School Districts:			
Racine County	105,498,056	96.57%	101,879,473
Kenosha County	209,169,154	100%	209,169,154
Walworth County	89,388,782	100%	89,388,782
School District Total	404,055,992		400,437,409
Sanitary Districts Total	47,446,600	varies	43,572,061
Total Direct and Overlapping debt	$ 1,364,466,684		$ 1,355,760,572

Source: Survey of each governmental unit-June 2014. (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 governement 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 39.77% in the Gateway District

GATEWAY TECHNICAL COLLEGE DISTRICT

Demographic Statistics for Kenosha, Racine, and Walworth Counties
Historical Comparisons
2005-2014

Year	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)
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	202,983	16,707,802	35,609	9.5%	87,266
2011	464,342	203,365	17,076,214	36,340	8.8%	86,767
2012	464,739	203,752	18,156,777	38,698	8.7%	86,827
2013	464,688	204,062	(6)	(6)	7.2%	85,490
2014	465,556	(6)	(6)	(6)	7.0%	85,616

(1) Wisconsin Department of Administration, Demographic Services Center. (2014 is a preliminary estimate)
(2) U.S. Department of Commerce Bureau of Economic Anyalysis.
(3) U.S. Department of Commerce Bureau of Economic Anyalysis. (Amounts in thousands.)
(4) Wisconsin Department of Workforce Development, Office of Economic Advisors.
(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, 2014 Number of Employees	Rank	Percent of District Population		Year Ended June 30, 2005 Number of Employees	Rank	Percent of District Population	
Racine	S. C. Johnson & Son, Inc.	Manufacturing, commerical & institutional cleaning products	2,720	1	0.58	%	2,593	4	0.58	%
	All Saints Health Care	Health care services	2,701	2	0.58		3,700	1	0.82	
	Racine School District	Education	2,625	3	0.56		2,659	3	0.59	
	CNH Global[1]	Manufacturing, agricultural & construction equipment	2,208	4	0.47		2,367	5	0.53	
	Gateway Technical College[2]	Education	1,160	5	0.25		1,148	8	0.26	
	Racine County	Government	1,147	6	0.25		1,207	7	0.27	
	City of Racine[2]	Government	1,110	7	0.24		1,337	6	0.30	
	Wheaton Franciscan Healthcare	Hospital	1,079	8	0.23		-		-	
	In-Sink-Erator Division	Manufacturer of disposer systems, hot water dispensers	1,000	9	0.21		1,000	9	0.22	
	Cree, Inc	Manufactures industrial, commercial & residential; lighting fixtures	1,000	10	0.21		-		-	
	Regency Mall	Retail shopping center	-		0.00		2,800	2	0.62	
	Modine Manufacturing	Heat exchanger manufacturing	-		0.00		900	10	0.20	
(1)Formerly known as J.I. Case Corporation		Racine county sub-total	16,750		3.60	%	19,711		4.38	%
(2)Includes full-time and part-time employees.										
Kenosha	Kenosha Unified School District No. 1[1]	Education	2,233	1	0.48	%	2,496	1	0.55	%
	Kenosha Memorial Hospital	Health care services	2,000	2	0.43		1,650	2	0.37	
	Aurora Medical Center	Health care services	1,200	3	0.26		-		-	
	Kenosha County	Government	1,180	4	0.25		998	4	0.22	
	Kenosha Beef	Beef & ground beef processing	750	5	0.16		510	8	0.11	
	City of Kenosha[2]	Government	739	6	0.16		773	5	0.17	
	Snap-On Tools Corporation	Manufacturer, hand tools & electronics	600	7	0.13		527	7	0.12	
	University of Wisconsin-Parkside	Education	506	8	0.11		685	6	0.15	
	Jockey International	Manufacturer, clothing	350	9	0.08		-		-	
	Ocean Spray Cranberries	Manufacturers cranberry & other fruit products	275	10	0.06		-		-	
	Daimler-Chrysler Corp.	Manufacturer, jeep engines	-		-		1,460	3	0.32	
	Dairyland Greyhound Park	Greyhound racing	-		-		350	9	0.08	
	Carthage College	Education	-		-		200	10	0.04	
(1)Regular full-time only.		Kenosha county sub-total	9,833		2.11	%	9,649		2.14	%
(2)Full-time only.										
Walworth	Grand Geneva, Timber Ridge Lodge	Resort	1,100	1	0.24	%	1,010	3	0.22	%
	University of Wisconsin-Whitewater	College	1,018	2	0.22		2,500	1	0.56	
	Pentair, Inc.	Water & fluid power pumps	900	3	0.19		-		-	
	Walworth County	Government agency	812	4	0.17		1,150	2	0.26	
	Miniature Precision Components	Automotive industry parts supplier	500	5	0.11		450	9	0.10	
	Aurora Health Care	Medical Facilities	500	6	0.11		583	7	0.13	
	Wal-Mart	Retail	500	7	0.11		-		-	
	Abbey Resort	Resort	490	8	0.11		-		-	
	Elkhorn Area School District	Elementary/Secondary school	362	9	0.08		-		-	
	Birds Eye Foods LLC	Manufacturer, fruits & vegetables	350	10	0.08		-		-	
	Sta-Rite Industries	Manufacturer, pumps & plastic products	-		-		1,000	4	0.22	
	Marcus Hotels & Resorts	Resort	-		-		780	5	0.17	
	Lakeland Medical Center	Nursing home	-		-		764	6	0.17	
	Lake Lawn Resort	Resort	-		-		550	8	0.12	
	Trostel Ltd.	Packaging seals & assemblies	-		-		350	10	0.08	
		Walworth county sub-total[3]	6,532		1.40	%	9,137		2.03	%
Source: Robert W. Baird reports		Total	33,115		7.11	%	38,497		8.56	%

GATEWAY TECHNICAL COLLEGE DISTRICT

Employment Trends by Equal Employment Opportunity Categories
Historical Comparisons
2004-2013

Category	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Administrative/Managerial:	56	55	54	53	54	52	55	60	71	79
Female percent	54	58	59	62	59	62	62	65	68	48
Minority percent	12	9	9	8	7	10	7	8	11	16
Faculty:	264	266	266	263	265	265	266	268	265	252
Female percent	56	57	57	57	58	58	59	58	59	49
Minority percent	8	8	9	9	10	11	10	11	12	12
Professional/Noninstructional:	39	35	34	34	33	32	33	32	35	33
Female percent	67	83	71	71	73	75	76	78	80	64
Minority percent	18	20	21	24	24	25	24	22	31	30
Secretarial/Clerical:	113	110	106	106	104	96	108	98	91	89
Female percent	96	97	88	99	99	99	99	97	93	80
Minority percent	19	18	22	21	23	23	23	22	20	28
Technical/Paraprofessional:	109	108	104	104	101	97	105	103	120	122
Female percent	62	62	62	62	61	61	59	55	57	42
Minority percent	26	25	26	37	24	23	25	22	22	20
Service/Maintenance:	35	35	36	35	38	37	39	38	40	40
Female percent	17	14	11	11	8	8	10	11	18	10
Minority percent	37	34	36	34	34	35	33	32	35	33
Total:	616	609	600	595	595	579	606	599	622	615
Female percent	63	64	62	64	64	64	64	63	63	50
Minority percent	16	15	16	16	17	17	17	17	17	16

Information provided by the Human Resources Department.

GATEWAY TECHNICAL COLLEGE DISTRICT

Enrollment Statistics
Historical Comparisons
Last Ten Fiscal Years

Student Enrollment [1]

	Aidable				Non-Aidable	
Fiscal year ended June 30	Associate degree	Technical Diploma	Vocational Adult	Non-post-secondary (ABE)	Community service program	Unduplicated Total
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
2012	12,823	4,787	7,069	5,976	0	23,703
2013	11,320	2,357	5,952	5,284	0	21,130
2014	10,704	2,409	5,902	4,863	0	20,142

Full-Time Equivalents [2]

	Aidable				Non-Aidable	
Fiscal year ended June 30	Associate degree	Technical Diploma	Vocational Adult	Non-post-secondary (ABE)	Community service program	Total
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
2012	5,075	455	139	548	0	6,217
2013	4,751	467	124	471	0	5,813
2014	4,313	498	128	479	0	5,418

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.
WTCS Portal System Data (CLI620C)

(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. (CLI620C)

GATEWAY TECHNICAL COLLEGE DISTRICT

Per Credit Course Fee History
Last Ten Fiscal Years

	Post Secondary/ Vocational Adult[1]				Non-Aidable[2]	
Year	Resident Program Fees	Percent change	Out of State Program Fees[3]	Percent change	Avocational programs	Percent change
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
2012	111.85	5.5	55.95	5.6	150.15	5.0
2013	116.90	4.5	58.45	4.5	150.15	0.0
2014	122.20	4.5	61.10	4.5	150.15	0.0

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 charges 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[1]
Historical Comparisons
Last Ten Fiscal Years

Year	Number of graduates	Number of respondents	Total number in labor force	Percent employed	Percent employed in related occupation	Percent employed in District	Average Hourly Salary[2]	Percent Satisfied with Training
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
2011	2,308	1,808	1,449	85	55	74	16.84	96
2012	2,271	1,887	1,475	86	58	75	16.69	97
2013	2,174	1,779	1,308	85	59	75	17.46	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

County	Location	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Racine	Racine Campus										
	Lincoln Building[1]	10,880	10,880	10,880	10,880	10,880	16,115	16,115	16,115	16,115	16,115
	Lake Building	81,127	81,127	79,172	79,172	79,172	76,362	76,362	76,362	76,362	76,362
	Tech Building	87,605	87,605	87,605	85,589	85,589	109,336	109,336	109,336	109,336	109,336
	Racine Building	68,786	68,786	68,786	68,786	68,786	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	251,668	251,668	249,713	247,697	247,697	274,573	274,573	274,573	274,573	274,573
	iMET (formerly CATI)	53,370	53,370	37,370	37,370	37,370	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
	Racine County Job Center (Leased)	-	-	-	-	-	-	-	-	-	1,440
	Racine County Sub-Total	306,478	306,478	288,523	286,507	286,507	318,199	318,199	318,199	318,199	319,639
Kenosha	Kenosha Campus										
	Administration Building	17,772	17,772	17,772	17,772	17,772	17,353	17,353	17,353	17,353	17,353
	Conference Building	29,954	29,954	29,954	29,954	29,954	29,365	29,365	29,365	29,365	29,365
	Bioscience Building	28,352	28,352	28,352	28,352	28,352	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	18,085	18,085
	Academic Building	88,000	88,000	88,000	88,000	88,000	113,965	113,965	113,965	113,965	113,965
	Horticultural Buildings[2]	15,648	14,233	14,233	6,502	6,502	5,873	5,873	5,873	5,873	5,873
	Science Building	41,302	41,302	41,302	41,302	41,302	55,992	55,992	55,992	55,992	55,992
	Student Commons	17,130	17,130	17,130	17,130	17,130	13,456	13,456	13,456	13,456	13,456
	Storage Buildings	4,550	4,550	4,550	4,550	4,550	2,350	2,350	2,350	2,350	2,350
	Technical Building	49,480	49,480	49,480	49,480	49,480	63,634	63,634	63,634	63,634	63,634
	Kenosha Campus Sub-Total	310,273	308,858	308,858	301,127	301,127	350,478	350,478	350,478	350,478	350,478
	Leased Facilities:										
	Center for Sustainable Living	1,844	1,844	1,844	-	-	-	-	-	-	-
	Horizon Center (Aviation - land lease)	38,755	38,755	38,755	38,755	38,755	24,277	24,277	24,277	23,477	23,477
	Horizon Center Storage Bldg	1,800	1,800	1,800	1,800	1,800	-	-	-	-	-
	Lakeview Technology Center	14,000	14,000	14,000	14,000	14,000	23,200	23,200	23,200	23,200	23,200
	Kenosha County Job Center	1,026	1,162	1,162	1,162	1,162	1,026	1,026	1,026	1,026	1,026
	Gateway Medical Park - East	4,724	-	-	-	-	-	-	-	-	-
	Kenosha County Sub-Total	372,422	366,419	366,419	356,844	356,844	398,981	398,981	398,981	398,181	398,181
Walworth	Elkhorn Campus										
	Alternative High School	7,600	7,600	7,600	7,600	7,600	7,474	7,474	7,474	7,474	7,474
	South Building	39,072	39,072	39,072	39,072	39,072	38,596	38,596	38,596	38,596	38,596
	North Building	49,341	49,341	49,341	42,241	42,241	42,230	42,230	42,230	42,230	42,230
	Job Center Building	6,468	6,468	6,468	6,468	6,468	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	104,154	104,154	104,154	97,054	97,054	96,473	96,473	96,473	96,473	96,473
	Burlington Campus (Leased)										
	380 Building	19,694	19,694	19,694	19,694	9,439	9,439	9,439	9,439	12,000	12,000
	496 Building	33,512	33,512	33,512	33,512	33,512	33,000	33,000	33,000	33,000	33,000
	Walworth County Sub-Total	157,360	157,360	157,360	150,260	140,005	138,912	138,912	138,912	141,473	141,473
	Total District Square Footage	836,260	830,257	812,302	793,611	783,356	856,092	856,092	856,092	857,853	859,293

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

(1) Renamed from Main to Lincoln, correction made to total for FY 2010 - 2013.

(2) Updated for storage bldg not prev included and new addition

GATEWAY TECHNICAL COLLEGE DISTRICT

CAFR - FY14 - INSURANCE SUMMARY

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Property Coverage	**DMI**	**7/1/13 - 6/30/14**	Covers all real and personal property, all risk; $25,000 Deductible		**$ 84,771**
			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)	25,000,000	
			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	2,500,000	
			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	
			Soft Costs	500,000	
			Royalties	250,000	

Equipment Breakdown	**DMI**	**7/1/13 - 6/30/14**	Comprehensive coverage; $25,000 deductible	$ 100,000,000	**$ 4,572**
			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	
			Green Upgrade	25,000	
			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)

Workers' Compensation	**DMI**	**7/1/13 - 6/30/14**	**Workers' Compensation - Wisconsin Benefits**	Statutory	**$ 318,114**
		Employer's Liability	- Bodily injury by accident, each accident	100,000	
			- Bodily injury by disease, policy limit	500,000	
			- Bodily injury by disease, each employee	100,000	

General Liability	**DMI**	**7/1/13 - 6/30/14**	Each occurrence limit ($5,000 deductible)	5,000,000	**$ 84,662**
(Includes Professional, Automobile and Educators Legal Liability)			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...) - Comprehensive deductible (each customer auto/each event) - Collision deductible (each customer auto)	350,000 500/2,500 500	
			Policy Deductible	5,000	
			Automobile Physical Damage Deductible	2,500	
Educators Legal Liability (includes, Directors & Officers,			Employment Practices, and Employee Benefits Liability) - Per Wrongful Act and Aggregate Limit - Fiduciary Liability Deductible per Claim - Per Wrongful Act and Aggregate Deductible	 5,000,000 1,000 100,000	

GATEWAY TECHNICAL COLLEGE DISTRICT

CAFR - FY14 - INSURANCE SUMMARY

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Campus Violent Acts*	**DMI**	**7/1/13 - 6/30/14**	Policy Aggregate Limit	250,000	**$ 1,554**
			Policy Deductible	25,000	
			Equipment or Property Improvements	25,000	

TOTAL ANNUAL INSURANCE PREMIUMS PAID TO DISTRICT MUTUAL INSURANCE: $ 493,673

Insurance Coverages Purchased through Wisconsin Technical College Insurance Trust

Crime	**Travelers Casualty and Surety Company**	**7/1/13 - 6/30/14**	Employee Theft	750,000	**$ 4,300**
			Forgery or Alteration	750,000	
			Inside the Premises - Theft of Money & Securities	750,000	
			Inside the Premises - Robbery or Safe Burglary of Other Property	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	15,000	

Foreign Travel Liability*	**ACE American Insurance Company**	**7/1/13 - 6/30/14**	Foreign general liability - Each occurrence	1,000,000	**$ 2,893**
(Year 1 of 3 year premium)			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	

Business Travel Accident (for Local Boards of Director Members)	**CIGNA**	**7/1/13 - 6/30/14**	Principal Sum	100,000	**$ 284**
			- 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: $ 7,477

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

Multimedia Liability WGTD 91.1 FM	**Arthur J. Gallagher** Executive Risk Indemnity Policy No. 8177-2134	**7/1/13 - 6/30/14**	Errors and Omissions		**$ 4,525**
			Maximum Limit of liability for each claim	5,000,000	
			Retentions each and every claim	10,000	
International SOS Coverage		**7/1/13 - 6/30/14**	Global Traveler features:		**$ 6,855**
			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.: $ 11,380

Aviation Insurance Coverages Purchased through Wenk Insurance Agency

Aviation Insurance	**Wenk Aviation Insurance Agencies**	**7/1/13 - 6/30/14**	Liability Coverage		**$ 23,154**
	Coverages & Premiums renewed with Old Republic Insurance through Phoenix Aviation Managers Policy AVC 1037 08		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: $ 23,154

TOTAL ANNUAL PREMIUMS: $ 535,684

CAMPUS/CENTER LOCATIONS

2014-2015 Gateway Technical College Associate Degree Programs

(current as of date printed)
Most programs may be started on any campus.

ASSOCIATE DEGREES

Elkhorn Campus	Burlington Center	HERO Center	Kenosha Campus	Horizon Center	Lakeview Center	Racine Campus	iMET Center	Online		Program	Length of Program (full time)
■			■			■		■		Accounting (10-101-1)	2 Years
■			■			■		■		Administrative Professional (10-106-6)	2 Years
				■						Aeronautics – Pilot Training (10-402-1)	2 Years
			■							Air Conditioning, Heating, and Refrigeration Technology (10-601-1A)	2 Years
										Geothermal Technician (Concentration Area 10-601-1B)	1 Year
							■			Architectural – Structural Engineering Technician (10-614-6)	2 Years
■					■					Automated Manufacturing Systems Technology (10-628-3)	2 Years
				■						Automotive Technology (10-602-3)	2 Years
■			■			■		■		Business Management (10-102-3)	2 Years
							■			Civil Engineering Technology – Highway Technology (10-607-4)	2 Years
							■			Civil Engineering Technology – Fresh Water Resources (10-607-9)	2 Years
■			■			■				Criminal Justice - Law Enforcement (10-504-1)	2 Years
						■				Culinary Arts (10-316-1)	2 Years
				■						Diesel Equipment Technology (10-412-1)	2 Years
						■				Early Childhood Education (10-307-1)	2 Years
							■			Electrical Engineering Technology (10-662-1A)	2 Years
										Biomedical Engineering Technology (Concentration Area 10-662-1B)	
										Sustainable Energy Systems (Concentration Area 10-662-1C)	
■					■					Electro - Mechanical Technology (10-620-1)	2 Years
							■			Electronics (10-605-1)	2 Years
		■				■				Fire Medic (10-531-2)	2 Years
■						■		■		Graphic Communications (10-204-3)	2 Years
						■			+	Health Information Technology (10-530-1)	2 Years
			■							Horticulture (10-001-1)	2 Years
										Greenhouse and Floral (Concentration Area 10-001-1A)	
										Landscape (Concentration Area 10-001-1B)	
■			■			■				Human Service Associate (10-520-3)	2 Years
									+	Individualized Technical Studies (10-825-1)	2 Years
										Technical Studies – Journeyworker (10-499-5)	
						■				Industrial Mechanical Technician (10-462-1)	2 Years
■			■							Information Technology – Computer Support Specialist (10-154-3)	2 Years
■						■				Information Technology – Network Specialist (10-150-2A)	2 Years
										Security Analyst (Concentration Area 10-150-2B)	
			■							Information Technology – Software Developer (10-152-1)	2 Years
								■		Information Technology – Web Developer (10-152-3)	2 Years
								■		Instructional Assistant – Associate Degree (10-522-2)	2 Years
			■							Interior Design (10-304-1)	2 Years
							■			Land Survey Technician (10-607-7)	2 Years
■			■			■		■		Marketing (10-104-3)	2 Years
										General Marketing (Concentration Area 10-104-3A)	
										Business to Business (Concentration Area 10-104-3B)	
										Marketing Communications (Concentration Area 10-104-3D)	
■							■			Mechanical Design Technology (10-606-1)	2 Years
										Mechanical Engineering Tech (Concentration Area 10-606-1A)	
										Mechatronics (Concentration Area 10-606-1B)	
	■		■						+	Nursing – Associate Degree (ADN/RN) (10-543-1)	2 Years
		■								Paramedic Technician (10-531-1)	2 Years
			■						+	Physical Therapist Assistant (10-524-1)	2 Years
						■		■		Professional Communications (10-699-1)	2 Years
■						■		■		Supervisory Management (10-196-1)	2 Years
			■						+	Surgical Technology (10-512-1)	2 Years

■ Most program courses taught at this location – some travel may be required to other locations.
General Studies courses are offered on all campuses.
+ Special Conditions; Contact Student Services
* Shared program

2014-2015 Gateway Technical College
Technical Diploma Programs

(current as of date printed)
Most programs may be started on any campus.

TECHNICAL DIPLOMAS

Elkhorn Campus	Burlington Center	HERO Center	Kenosha Campus	Horizon Center	Lakeview Center	Racine Campus	iMET Center	Online		Program	Length of Program (full time)
		■								Advanced EMT (30-531-6)	20 Weeks
				■						Automotive Maintenance Technician (31-404-3)	1 Year
			■							Barber Technologist (30-502-5)	1 Year
						■				CNC Production Technician (31-444-2)	1 Year
■						■			+	Community Pharmacy Technician (30-536-1)	18 Weeks
						■				Cosmetology (31-502-1)	1 Year
			■							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 (30-531-3)	20 Weeks
		■								EMT-Paramedic (31-531-1)	1 Year
			■							Facilities Maintenance (31-443-2)	1 Year
						■			+	Health Unit Coordinator (30-510-2)	1 Year
■						■			+	Medical Assistant (31-509-1)	1 Year
■	■		■			■				Nursing Assistant (30-543-1)	6 Weeks
■			■			■		■		Office Assistant (31-106-1)	1 Year
■			■						+	Practical Nursing (31-543-1) (Listed on Nursing (10-543-1) Curriculum Sheet)	1 Year
			■					■		Small Business Entrepreneurship (31-145-1)	1 Year
						■				Tool and Die Technician (31-439-1)	1 Year
■						■				Welding (31-442-1) Robotics (Concentration Area 31-442-1A) Advanced Welding (Concentration Area 31-442-1B) Pipe Welding (Concentration Area 31-442-1C)	1 Year
■						■				Welding/Maintenance and Fabrication (30-442-2)	18 Weeks

2014-2015 Gateway Technical College
Advanced Technical Certificates

(current as of date printed)
Contact Student Services for enrollment information.

Elkhorn Campus	Burlington Center	HERO Center	Kenosha Campus	Horizon Center	Lakeview Center	Racine Campus	iMET Center	Online	Program
			■						Game Programming (10-810-16)
	■		■						Gerontological and Rehabilitative Nursing Care (10-810-21)
			■						IBM Enterprise Programming and Administration (10-810-11)
			■						Mobile Applications Development (10-810-22)
						■			Oracle (10-810-4)
			■						Urban Farming (10-810-20)

■ Most program courses taught at this location – some travel may be required to other locations.
General Studies courses are offered on all campuses.
+ Special Conditions; Contact Student Services
* Shared program

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

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

SC Johnson iMET Center
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 53105-3622
262.767.5204

Horizon Center for Transportation Technology
4940 - 88th Avenue (Highway H)
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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