

Fiscal Year 2021  
**BUDGET DOCUMENT**



WAUKESHA  
COUNTY TECHNICAL  
COLLEGE

Hands-on  
Higher Ed

# WAUKESHA COUNTY AREA TECHNICAL COLLEGE DISTRICT

## Fiscal Year 2021 Budget

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# TABLE OF CONTENTS

Description	Page
Presenters of the Budget	1
Table of Contents	2
A Reader’s Guide to the Budget Document	5
Quick Reference Guide	8
<b>Overview section</b>	
Transmittal Letter	9
Budget Message	10
2020/21 Combining Budget Summary	15
Fiscal Impact Summary	16
Impact on Taxpayer	18
2018 and Beyond Strategic Plan	19
Policies	23
WCTC Organizational Chart	26
Wisconsin and WCTC Map	27
District Profile	28
Board Membership	30
2020/21 Budgetary Statements of Resources, Uses, and Changes in Fund Balance	
General Fund	31
Special Revenue Fund – Operating	32
Special Revenue Fund – Non-Aidable	33
Capital Projects Fund	34
Debt Service Fund	35
Enterprise Fund	36
Internal Service Fund	37
Combined Budget Summary	38
Pro Forma Balance Sheet as of June 30, 2020	39
Pro Forma Balance Sheet as of June 30, 2021	40
Position Summary	41
Revenues	42
Budget Process	54
Financial Structure	56
Accounting Structure	58
Description of Functions	60
<b>General Fund</b>	
Fund Description and Financial Summary	61
Financial Summary by Function and Class	62
Learning Division	63
Office of the President’s Division	65
Student Services Division	66
Strategic Marketing, Innovation, and Effectiveness Division	67
College Operations and Infrastructure Innovations Division	68

Description	Page
<b>Special Revenue Fund</b>	
Fund Description and Financial Summary	69
Special Revenue Fund – Operating Budget Summary	70
Projected Grant Summary	71
Special Revenue Fund – Non-Aidable Budget Summary	72
Student Association	73
Financial Aid	74
Grantor Agencies	75
Projected Grant Summary	75
<b>Capital Projects Fund</b>	
Fund Description and Financial Summary	77
FY 21 Capital Projects Summary	80
Capital Spending Ratios	83
<b>Debt Service Fund</b>	
Fund Description and Financial Summary	84
Schedule of Long-Term Debt as of June 30, 2020	87
Ratio of Annual Debt Service to Total Governmental Expenditures	89
Ratio of Net Debt to Equalized Valuation, Per Capita, and Comparison of Legal Debt Margin	90
Computation of Direct and Overlapping Debt	92
<b>Proprietary Fund</b>	
Internal Service Fund Description and Financial Summary	94
Enterprise Fund Description and Financial Summary	95
Child Development Center	96
Bookstore	97
Classic Room Restaurant	98
Dental Hygiene Clinic	99
Customer Assistance Auto Shop	100
Style and Class Salon	101
Student Accident Insurance	102
Indoor Firing Range and Training Facility	103
<b>Fiduciary Fund</b>	
OPEB Trust	104
<b>Appendix</b>	
Degrees/Diplomas	106
Program Enrollment Statistics – Students attending WCTC	109
Program Enrollment Statistics – Including Dual Enrollment	110
Program Graduates Follow-up Statistics	111
Aidable Cost per FTE WTCS Colleges	112
Tax Rate Comparisons	113

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<b>Description</b>	<b>Page</b>
<b>Appendix (continued)</b>	
Schedule of Budgetary Levy Needs	114
Schedule of Equalized Valuations, Tax Levies, and Mill Rates	115
Property Tax Rates – Direct and Overlapping Governments – Historical Comparisons	116
Principal Taxpayers	117
Property Tax Levy Per Capita	118
Operational Mill Rate vs. Levy Cap	119
Operating Revenue Per Capita	120
Operating Expenditures Per Capita	121
Fund Balance to Operating Expenditures	122
Liquidity	123
2019 Equalized Valuation for 2019/20 Budget	124
Financial Projections	126
<b>Glossary</b>	128

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# READER'S GUIDE TO THE BUDGET DOCUMENT

## Introduction

The Adopted Budget ("Budget") contains a wealth of information about many aspects of Waukesha County Technical College's (WCTC or College) operations. To make this budget document easier to use and read, this Reader's Guide and the Quick Reference Guide have been developed. The Transmittal Letter and Budget Message should assist the reader in understanding many of the key issues within this document.

## What is a budget?

The Budget includes the financial planning and legal authority to obligate public funds. Additionally, the budget informs the reader of significant policy direction and goals established by WCTC. The budget serves four major functions:

- **Policy document:** The Budget functions as a policy document in that the decisions made within the Budget will reflect the general principles or plans that guide the actions taken for the future. As a policy document, the Budget makes specific attempts to link desired goals and policy direction from the Strategic Plan to the actual day-to-day activities of WCTC and the Budget.
- **Operations guide:** The Budget reflects WCTC's operations. Activities of each division have been planned, formalized, and described in the following sections. This process will help to maintain an understanding of the various WCTC operations and how they relate to each other and to the attainment of WCTC's mission and vision. In this effort, the Budget addresses areas that may not be traditional budget document topics (i.e. debt management, staffing levels, long-range planning, capital improvement plans). An Appendix section is added to provide additional information.
- **A link with the general public:** The Budget provides a unique opportunity to allow and encourage public review of WCTC's operations. The Budget describes WCTC's activities, the reason or cause for those activities, future implications, and the direct relationship to the public. An Overview section is included for this purpose.
- **A legally required financial planning tool:** The Budget is a financial planning tool. It is also a statutory requirement for WCTC. The Budget must be adopted as a balanced budget and must be in place prior to July 1 of each year. The Budget is the legal authority to expend public money and controls those expenditures by limiting the amount of the appropriations at the fund and function level. WCTC's revenues are estimated along with available cash carry forwards to indicate funds available for use. The staffs' requests for funds represent the expenditure side of the Budget.

## Why prepare a budget?

The Budget Process affords both an interesting and challenging opportunity to reassess plans and overall goals and objectives in order to achieve the ends established by the WCTC Board. It is through this effort that the Budget becomes an important policy document each year. Much effort is expended to ensure the Budget and Strategic Plan are aligned in order to achieve the overall goals and objectives of WCTC.

The Budget is also a requirement by state law. The Budget, as adopted, constitutes the legal authority for expenditures. WCTC's Budget is adopted at the fund and function level so expenditures may not legally

exceed appropriations at this level without WCTC Board approval. During the year staff may request budget modifications of the Board to reallocate funds between functions within a fund. If new revenue sources become available during the year, staff may request the Board to modify the Budget. All unused appropriations lapse at yearend. Unexpended resources must be re-appropriated in a subsequent year in order for them to be available for use.

## How does the Budget work?

The planning process, in many respects, is an ongoing, year-round activity. The formal strategic planning process begins in July with reviews and updates made to the existing Strategic Plan. Formal budget planning begins in December and ends when the Board adopts the Budget in June. Throughout the year the Board and staff seek input from students, employers, business and industry, customers, taxpayers, and others. Environmental scanning takes place all year long.

The Budget and policies are implemented through individual departments. The Financial Accounting Services Office monitors the accounting controls. The Budget is monitored by a reporting system including reports that are available to staff which compare actual expenditures and revenues with the Budget.

If new sources of funds become available during the year or funds need to be reallocated between funds or between functions, the Financial Accounting Services Office will work with the Board to seek a modification of the Budget. These modifications require a two-thirds vote by the Board.

## How is the Budget structured?

The Budget is divided into eight sections. These sections focus on the following information:

- **Overview section:** This section contains a Transmittal Letter and Budget Message that gives the reader a broad picture of what is happening at WCTC, where WCTC is going, and what its intentions are. This section includes policies and other factors that helped guide the budget development process. This section also gives the reader information about how WCTC is structured and information about WCTC in relationship to the community and other technical colleges. It also gives the reader the big picture of the Budget.
- **General Fund:** Most of WCTC's activities are located in the General Fund. In addition to financial summaries, this section includes the operational plans of the various divisions within WCTC.
- **Special Revenue Fund:** This section contains information about two Special Revenue Funds. The Special Revenue – Operating Fund is used to record and track grant activity that WCTC is involved in. Information about the grants that WCTC expects to receive next year is included. The Special Revenue – Non-Aidable Fund is used to record and track activity where WCTC is either a trustee or fiscal agent for funds of others.
- **Capital Projects Fund:** This section gives the reader information about the capital equipment and capital projects portion of the Budget.
- **Debt Service Fund:** This section gives the reader information about the amount of debt WCTC has outstanding as well as information about its plans to borrow future debt.
- **Proprietary Fund:** This section contains information about the Proprietary Funds WCTC operates. The Enterprise Funds include such activities as the Bookstore, Child Development Center, Classic Room Restaurant, and the Firing Range.

- **Fiduciary Fund:** This section contains information about the OPEB (other post-employment benefits) Trust WCTC has established to fund post-employment benefits for staff and retirees.
- **Appendix section:** This section includes statistical information about WCTC and the community. It also includes a glossary of terms and acronyms used within this document.

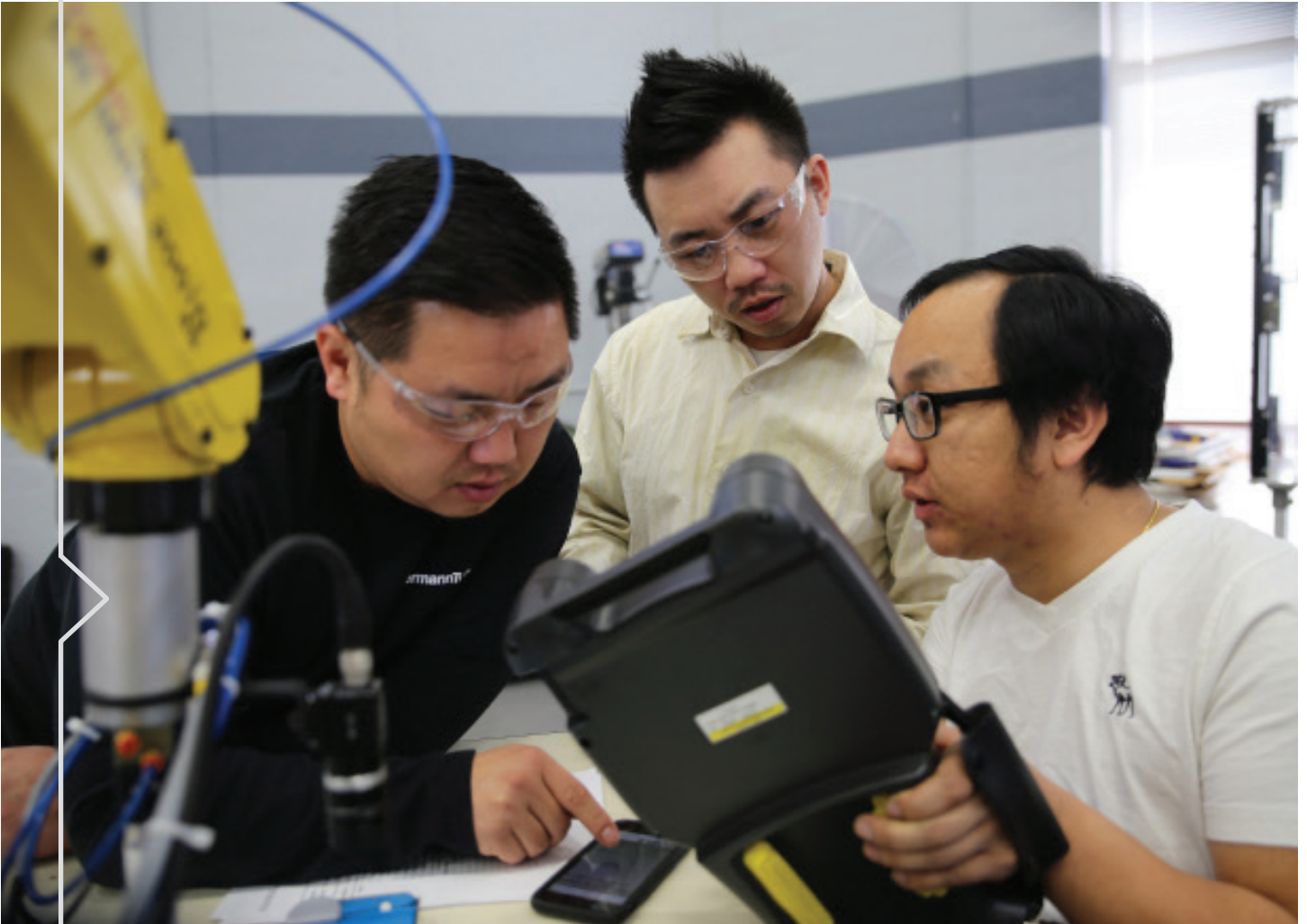


# QUICK REFERENCE GUIDE

The following information should assist the reader with answering some of the more commonly asked questions about the Waukesha County Technical College budget:

<b>To answer these questions</b>	<b>Refer to</b>	<b>Page</b>
What is WCTC's vision and mission?	Strategic Plan	19
What are the major policy issues in the budget?	Budget Message Policies	10 23
What are WCTC's major expenditures?	Combining Budget Summary Combined Budget Summary	15 38
What are WCTC's major revenue sources?	Combining Budget Summary Combined Budget Summary Revenue Analysis	15 38 42
How will the homeowner be impacted?	Impact on Taxpayers	18
How many staff does WCTC employ?	Position Summary	41
How is WCTC organized?	WCTC Organizational Chart	26
What is the population of the district?	Property Tax Levy per Capita	118
Has the tax rate changed over time?	Operational Mill Rate vs. Levy Cap	119
What has been the enrollment history?	Program Enrollment Statistics	109
What programs does WCTC offer?	Degree/diploma Offerings	106
What is the value of property in the district?	Schedule of Equalized Valuation	115
What is the budget development process?	Budget Process	54
How can the reader easily locate information?	Table of Contents	2
What if the reader doesn't understand a term?	Glossary	128
What activities do the divisions perform?	General Fund divisional write-ups	63 - 68
What is WCTC's web address?	<a href="http://www.wctc.edu">http://www.wctc.edu</a>	

Fiscal Year 2021  
**BUDGET DOCUMENT**



Overview



WAUKESHA  
COUNTY TECHNICAL  
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June 9, 2020

To the Taxpayers of Waukesha County Technical College:

The WCTC Board of Trustees is pleased to present the fiscal year 2020/21 (FY 21) Adopted Budget. The Board has kept in mind the needs of the taxpayers, students, and other customers as staff prepared the budget. The FY 21 Budget consists of an expenditure budget of \$113,743,463 (0.2% decrease) and a revenue budget of \$101,431,084 (0.2% decrease). As a college, WCTC plans to issue \$7,750,000 (same as FY 20) in general obligation promissory notes to offset the cost of capital expenditures. The remainder of the budget will be funded with funds remaining from prior years, which WCTC planned on using in FY 21.

The Budget focuses on the following strategic directives: helping students learn, meeting stakeholder needs, valuing employees, planning and leading, and resources stewardship.

The FY 21 budget contains a decreased property tax mill rate from fiscal year 2019/20 (FY 20) with an estimated operational levy increase of \$750,000 and a corresponding debt levy decrease of \$750,000. The mill rate decrease means the average home in Waukesha County, valued at \$270,000 would pay \$93.52 in property tax, which is \$4.23 less than they paid in FY 20.

The WCTC Board is proud of the accomplishments WCTC has made to help move the college forward so it can continue to provide the highly skilled and trained workforce necessary for economic development in WCTC's district. The WCTC Board feels it has been very responsive to the needs of its students and other customers while maintaining fiscal responsibility to you, the taxpayers. It is WCTC's intention to continue providing the quality of service it has done in the past while acknowledging the needs of its students and taxpayers. The WCTC Board appreciates the opportunity to serve you.

Sincerely,

Alan A. Karch  
Board Chairperson

Courtney R. Bauer  
Board Secretary/Treasurer



WAUKESHA  
COUNTY TECHNICAL  
COLLEGE

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Higher Ed

June 9, 2020

To the WCTC Board of Trustees:

We submit this 2020-21 Budget to you for your adoption. This Budget was prepared using Waukesha County Technical College's (WCTC) strategic planning process, which is predicated on informed decision-making and which fosters quality educational and fiscal accountability while keeping the focus on our students. WCTC's definition of accountability is the stewardship responsibility it has to its stakeholders to explain and clearly report its planned use of resources and the results of those efforts to achieve organizational objectives. WCTC focuses on maintaining the quality and integrity of its educational programs and on student learning.

The 2020-21 budget plan reflects the efforts of the WCTC Board of Trustees, administration and staff to allocate resources to support growth in the quality educational programs and services we provide to the residents of the WCTC district. This budget includes a lower mill rate of 0.34636 for 2020-21 than the 0.36016 that was levied for 2019-20.

The following decision making criteria were used in budget planning and resource allocation:

- Student impact
- Program viability (Current & Future)
- Sustainability & Financial viability
- Repairs & Maintenance
- Organizational impact to the college as a whole
- Sustaining current College commitments and investments
- Workload & Staffing
- Reallocate resources whenever possible
- Focus on Core Business with a strategy of Culture + Execution = Results

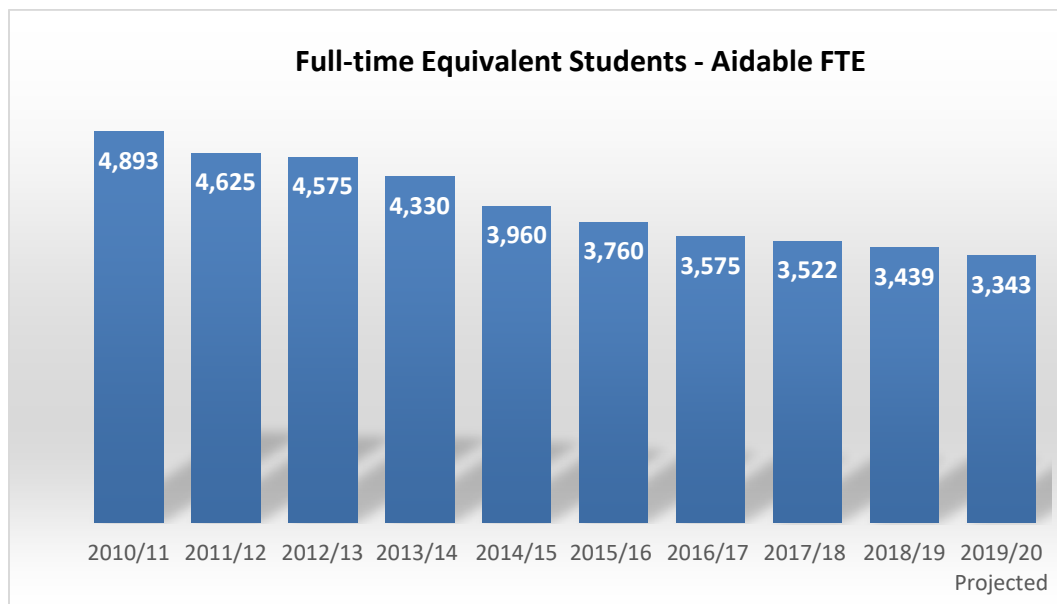
## Challenges

WCTC faced a number of challenges as it prepared the FY 21 Budget. Some of those challenges were:

- **Moving the College Forward:** WCTC is, and must remain, a vibrant and financially sound educational entity focused on students and the College's mission. This focus includes maintaining high quality standards and innovation in programs and services to meet the needs of students and the community. The College examines the viability of educational programs to meet student and employment needs, as well as effectiveness and sustainability of programs and college operations. All this is being done in an environment of declining enrollments, strong competition for students, decreasing high school graduates resulting in fewer potential college students, and stagnant revenues. Specific information regarding WCTC's plan is identified in this document.
- **Enrollment Trends:** Student enrollments for Wisconsin technical colleges are correlated with unemployment rates. When unemployment rates go down, enrollments go down and vice versa. The budget challenge is estimating where enrollments will be in the subsequent year using past trends and year-to-date information along with economic information to predict enrollments.

In addition to unemployment rates affecting enrollments, other factors also impact WCTC enrollments.

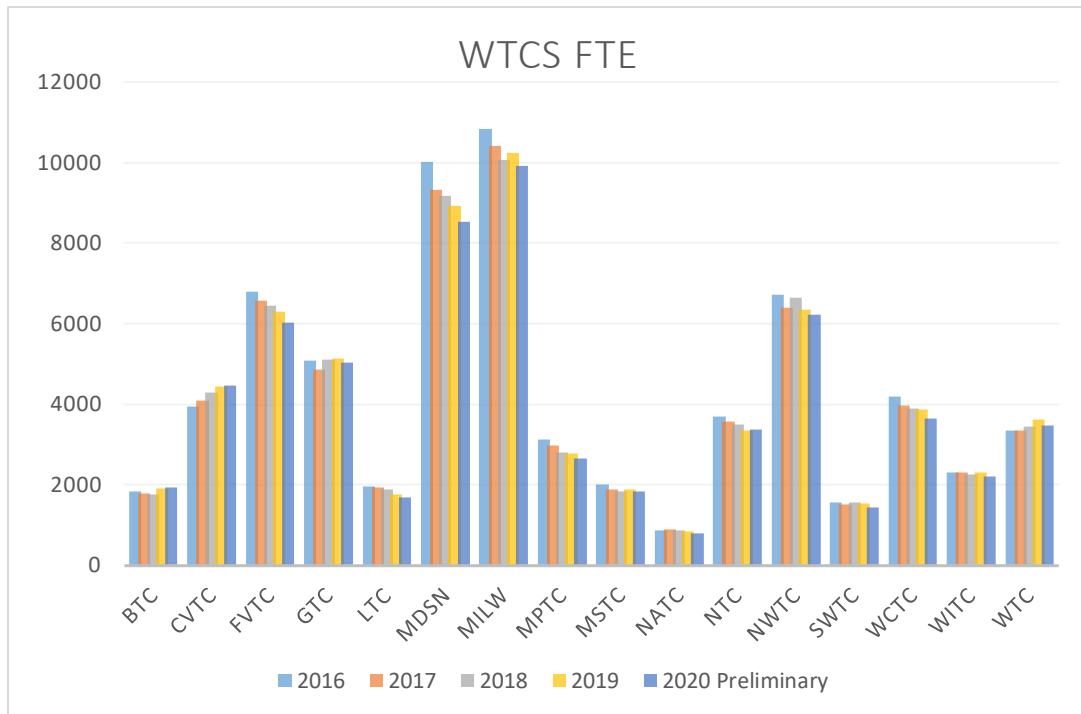
- WCTC is located in Southeastern Wisconsin and is part of the Milwaukee metropolitan area. There are a number of other colleges and universities in the area, providing competition as students have many options to meet their higher education needs.
- Local concern over the COVID-19 virus may impact enrollments as communities sort out changes to employment patterns and exposure risks due to the recent outbreak.
- High school enrollments for the K-12 school districts located within the WCTC district have been declining for a number of years, resulting in fewer students available to come to WCTC or any college or university.



\*The data in the chart above does not include FTEs generated from dual enrollment programs for high school students, or transcribed credit, where the high school student earns high school and WCTC credit for the same class. It only includes FTE that the State of Wisconsin considers when calculating state aid to WCTC.

In order to get ahead of tuition shortfalls, WCTC is conservatively budgeting student FTEs to decrease in FY 21 with the academic goal for FTE's to actually increase. WCTC has added new programs and expansion of existing programs in FY 20 and FY 21. The change from sixteen week semesters to 8 week terms in FY21 may also increase FTE's as students can fit more classes into their schedule each semester under this model.

WCTC is not alone in experiencing declines in FTEs. Some of the other Wisconsin technical colleges and other two- and four-year colleges across the nation have experienced declining enrollments. The chart below depicts trend data related to the Wisconsin technical colleges' student FTEs.



- **Generational Issues:** WCTC serves diverse students from multiple generations. This significantly affects how classes are taught, the technology used, the support services that are needed, how facilities are designed, how students learn, and the perspectives of the students. WCTC manages a broad spectrum of student types by using various teaching methodologies, technology, and facilities to meet diverse student needs.
- **Marketing/Recruitment:** For many years, WCTC’s focus was on the high school population for its marketing and recruitment efforts. The high school population is less than 15% of WCTC’s overall enrollment. In order to more efficiently and effectively utilize its recruitment and marketing resources, WCTC has done or will do the following:
  - Increased marketing and recruitment efforts to segmented populations, such as the adult learner.
  - Implemented a Customer Relations Management (CRM) system in February 2019 that strategically tracks a prospective student from the first contact to the time the student is admitted to a program.
  - Expanded use of social media as a form of communication.
  - Developed a rebranding campaign with new logo and updated look.
- **Stagnant and Declining Revenues:** WCTC has limited funding for operations.
  - With declining enrollments, tuition and fees have declined.
  - WCTC has some limited ability to increase its operational tax levy. This budget does not increase total tax levy from 2019-2020 total dollars levied.

## Major initiatives

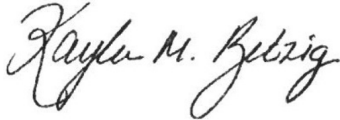
Some of the major initiatives planned for 2020-21 are:

- **Enrollment/Retention/Completion (ERC):** Enrollment, retention, and completion of students has been established as WCTC's bullseye focus for the future. Student ERC is the reason WCTC exists and the focus on increasing ERC is critical to future success within the community. Initiatives focused on improving ERC take high priority as financial and human resources are allocated and reallocated.
- **Flexible Calendar:** To meet the needs of today's students, this initiative involves having classes available when students want to take them, to offer classes in multiple modalities, and at different frequencies to meet student needs throughout the calendar year. Year-round calendaring for class offerings will expand the way we utilize our existing semesters, offering accelerated/compressed mini-terms within semesters, and increasing the utilization of the summer term. In fiscal year 2020-21, WCTC will implement a new academic calendar to improve course success, increase retention, and expedite credential completion. This initiative impacts all staff and many processes and technology systems across campus.
- **Higher Education Regional Alliance (HERA):** WCTC joined with other postsecondary institutions to form HERA in the Southeast region of Wisconsin. HERA has three major goals:
  - ✓ Goal 1: Raise the region's college completion rate.
  - ✓ Goal 2: Increase program innovation, growth and alignment.
  - ✓ Goal 3: Higher Education and Talent Needs Connection - Better connect employers with the talent coming out of the colleges
- **Engage WCTC:** WCTC partnered with Studer Education to intentionally work on cultural transformation and strategy execution to support attainment of WCTC's vision, strategic directives and goals contained within the strategic plan.
- **Diversity, Equity & Inclusion:** WCTC participates in the WTCS Affirmative Action Compliance Review Audit, holds a minority student panel to gain an understanding of their experiences, and obtains feedback from the Studer Employment Engagement Survey annually. Through these initiatives, WCTC is gathering feedback to clarify the focus on Diversity, Equity, and Inclusion (DEI). Guided Pathways supports DEI for students, and we are developing a DEI framework for employees. We are also following the 2019-24 Affirmative Action Plan to guide work in this area.

## Acknowledgements

The preparation of this report was accomplished through the cooperative efforts of all departments at WCTC. We express our appreciation to these staff for their many long hours in the preparation of this report. In addition, we convey our appreciation to the WCTC Board for their interest and support in planning and conducting the financial operations of WCTC in a responsible and progressive manner.

Respectfully submitted,



Kaylen M. Betzig  
President



Dr. Jane L. Kittel  
Vice President of Finance



## COMBINING BUDGET SUMMARY

Fiscal Year July 1, 2020- June 30, 2021

	Governmental					Proprietary		Combined
	Funds					Funds		
	Operating Funds							
	Special Revenue							
			Non-	Capital	Debt	Internal		
	General	Operating	Aidable	Projects	Service	Service	Enterprise	Total
<b>REVENUES</b>								
Local Government	12,470,065	835,000	151,500	-	8,050,000	-	-	21,506,565
State	48,055,760	890,200	1,341,575	-	-	-	-	50,287,535
Program Fees	11,505,340	-	-	-	-	-	-	11,505,340
Material Fees	729,700	3,300	-	-	-	-	-	733,000
Other Student Fees	1,089,250	62,700	615,000	-	-	-	-	1,766,950
Institutional	3,911,890	-	13,000	400,000	175,000	930,000	4,264,171	9,694,061
Federal	-	749,100	5,005,975	-	-	-	40,000	5,795,075
Total Revenues	77,762,005	2,540,300	7,127,050	400,000	8,225,000	930,000	4,304,171	101,288,526
<b>EXPENDITURES</b>								
Instruction	46,446,436	1,582,100	-	1,586,970	-	-	-	49,615,506
Instructional Resources	1,473,932	-	-	-	-	-	-	1,473,932
Student Services	8,930,860	806,800	7,147,050	5,000	-	-	-	16,889,710
General Institutional	15,126,163	151,400	-	40,000	-	-	-	15,317,563
Physical Plant	5,844,614	-	-	7,518,030	8,375,000	-	-	21,737,644
Auxiliary Services	-	-	-	-	-	1,040,880	4,262,102	5,302,982
Total Expenditures	77,822,005	2,540,300	7,147,050	9,150,000	8,375,000	1,040,880	4,262,102	110,337,337
<b>Net Revenue/(Expenditures)</b>	(60,000)	-	(20,000)	(8,750,000)	(150,000)	(110,880)	42,069	(9,048,811)
<b>OTHER SOURCES/(USES)</b>								
Operating Transfer In/(Out)	60,000	-	(40,000)	-	-	-	(20,000)	-
Proceeds from Debt	-	-	-	7,750,000	-	-	-	7,750,000
Total Other Sources/(Uses)	60,000	-	(40,000)	7,750,000	-	-	(20,000)	7,750,000
<b>TRANSFERS TO/(FROM) FUND BALANCE</b>								
Reserve for Capital Outlays	-	-	-	(1,000,000)	-	-	-	(1,000,000)
Reserve for Debt Service	-	-	-	-	(150,000)	-	-	(150,000)
Reserve for Financial Aid	-	-	(60,000)	-	-	-	-	(60,000)
Retained Earnings	-	-	-	-	-	(110,880)	22,069	(88,811)
Total Transfers To/(From) Fund Balance	-	-	(60,000)	(1,000,000)	(150,000)	(110,880)	22,069	(1,298,811)
Beginning Fund Balance	21,085,961	557,491	559,592	16,539,787	1,147,540	2,682,726	598,488	43,171,585
<b>Ending Fund Balance</b>	21,085,961	557,491	499,592	15,539,787	997,540	2,571,846	620,557	41,872,774

# FISCAL IMPACT SUMMARY

## **General Fund**

The General Fund includes \$77.8 million in revenue and \$77.8 million in expenditures, which is up from \$76.0 and \$76.0 million respectively in 2019-20. The increase in revenue is partially due to a property tax levy reallocation based on estimated net new construction within the WCTC district that decreases the debt service tax levy by the exact same dollar amount. The mill rate drops to \$0.35 per \$1,000 of property valuation compared to \$0.36 in fiscal year 2019-20. Expenditure increases are due to normal cost increases and new or expanded initiatives.

## **Special Revenue Fund**

The Special Revenue – Operating Fund includes \$2.5 million in anticipated revenue and expenditures respectively, which is down from \$2.9 million respectively for each in 2019-20. This budget was based on anticipated external federal and state grants to be received in 2020-21.

The Special Revenue – Non-Aidable Fund includes \$7.1 million of revenue and expenditures respectively. This is up from \$7.0 million of revenue and expenditures in 2019-20. The majority of these funds are state and federal financial aid to be disbursed to students to pay for tuition and fees. WCTC also acts as fiscal agent for other agencies. These grants are recorded in this fund since WCTC does not receive state aids for these expenditures, does not provide the services, and needs to isolate these activities from the operating funds.

## **Capital Projects Fund**

The Capital Projects Fund includes \$0.4 million in projected revenue and \$9.1 million in expenditures, which is consistent revenue and a decrease in expenditures from \$13.3 million for 2019-20.

WCTC will fund \$7.75 million of capital expenditures through general obligation promissory notes. Over the next four or five years, WCTC anticipates it will issue the same \$7.75 million annually in debt to fund projects included in its Facility Master Plan as well as other capital needs. WCTC will utilize \$1.0 million of fund balance to cover the remainder of the costs as previously planned.

## **Debt Service Fund**

The Debt Service Fund includes \$8.4 million in revenue and expenditures respectively. Debt repayment schedules are structured to allow a steady tax levy mill rate for this fund.

## **Proprietary Funds**

The Enterprise Fund includes \$4.3 million of revenue and expenditures respectively for 2020-21 compared to \$4.1 million for 2019-20. A transfer of funds from the Student Government Association (SGA) to the Child Development Center helps to offset losses. The Firing Range has also operated under a loss scenario in recent years.

## **Internal Service Fund**

The Internal Service Fund includes \$0.9 million in projected revenue and \$1.0 million in expenditures for self-funded dental insurance. This is an increase from \$0.7 million in revenue and \$0.8 million in expenditures when compared to 2019-20. This activity is consistent year to year.

**One-time Use of Fund Balance:** WCTC does not use fund balance for ongoing operations, which is consistent with Board policy. However, there are times WCTC does utilize fund balance for one-time activities. For 2020-21, WCTC plans on utilizing fund balance for the following one-time activities:

- **Capital Fund:** WCTC plans on utilizing \$1,000,000 of fund balance to fund some of its capital projects.
- **Debt Service Fund:** Debt Service fund balance has built up over recent years as borrowing rates decreased and premiums were paid by lenders to WCTC. WCTC plans on utilizing \$150,000 of fund balance toward its debt service.
- **Internal Service Fund:** The Internal Service Fund balance has built up over time and \$110,880 has been budgeted to be used for wellness and related initiatives to help reduce insurance costs.
- **Special Revenue Fund – Non-Aidable:** \$60,000 of the Special Revenue – Non-Aidable fund balance is budgeted to be used to assist students.

# IMPACT ON TAXPAYER

## How does the budget affect the taxpayer?

WCTC is considered a unit of government by the state of Wisconsin. By statute, it has authority to levy taxes to cover the services it provides. Annually WCTC is required to adopt a balanced budget. During the budget process, it determines how much tax levy is needed to meet the needs of the budget. In October of each budget year the WCTC Board approves the amount of tax levy to be assessed against each municipality within the district.

By state statute, WCTC cannot increase the operational tax levy by more than the percent increase of net new construction for the year plus one-half of one percent of unused operational levy increase from the prior year. There is no limit on the amount that can be assessed for debt service. However, state statutes limit how much debt WCTC can issue without a referendum. In this way, the statutes put controls on the technical colleges for tax levy and borrowing.

WCTC levies tax with the municipalities based on **equalized valuation** as determined by the Wisconsin Department of Revenue. WCTC bills the municipalities based on mill rates. A **mill rate** is the amount of taxes billed per \$1,000 of property valuation. The tax rates shown within this document are based on equalized valuations that are billed to the municipalities, not on assessed property valuations billed to the taxpayer.

The municipalities, in turn, bill the taxpayers of those municipalities based on **assessed valuation**. Therefore, the mill rate assessed by one municipality for taxes due to WCTC can be different than the mill rate assessed by another municipality. These rates may be higher or lower than the mill rate billed to the municipalities by WCTC based on equalized valuation.

Based on a projected average Waukesha County home value of \$270,000 for WCTC's 2020-21 budget, the estimated amount the municipalities within the district will be billed is \$0.22 for operations and \$0.13 for debt for a total of \$0.35 per \$1,000 of equalized valuation. This is based on the assumption that equalized valuation will **increase 4.0%**. For a \$270,000 home the municipality would be billed \$93.50, which is \$4.25 less than in the prior year.

The municipality, in turn, will bill the taxpayer based on assessed valuation. The municipality determines the assessed valuation for properties within the municipality. Equalized valuation is determined by the Wisconsin Department of Revenue based on a formula that standardizes property values across all municipalities within the state.



# STRATEGIC PLAN

## Vision

Waukesha County Technical College is the distinct choice of innovative and transformational education.

## Mission

Waukesha County Technical College provides accessible career and technical education to strengthen our community through life-long learning.

## Strategic Directives

### Strategic Directive #1 – Helping Students Learn

1.1 Students exhibit the technical skills required for employment	Target	2016/17 Actual	2017/18 Actual	2018/19 Actual
Technical Skill Assessment (TSA) pass rate	95.5%	91.9%	96.3%	96.3%

1.2 Students exhibit the Critical Life Skills (CLS) of productive contributors to society	Target	2016/17 Actual	2017/18 Actual	2018/19 Actual
CLS Average Pass Rate – All Programs	>90%	93%	93%	96%
CLS Average Pass Rate – Co-Curricular	>90%	95%	94%	91%

1.3 Students are successful in their fields of study	Target	2016/17 Actual	2017/18 Actual	2018/19 Actual
Fall-Spring Retention	85%	84%	85%	83%
Spring-Fall Retention	82%	79%	81%	80%
Course Success Rate	80%	73%	77%	78%
Graduation Rate*	45%	43%	---	---
Job Placement	79.2%	76.1%	79.8%	---

\*Represents cohort year not reporting year

### Strategic Directive #2 – Meeting Stakeholder Needs

2.1 Provide relevant educational offerings	Target	2016/17 Actual	2017/18 Actual	2018/19 Actual
Average Credits per Student	12.0	9.61	9.77	9.28

2.2 Expand accessibility to the College	Target	2016/17 Actual	2017/18 Actual	2018/19 Actual
Aidable FTE - Total	3,540	3,580	3,522	3,439
Aidable Headcount – Postsecondary Only	8,100	7,941	7,709	7,866
New Program Student Headcount	3,500	3,142	3,289	3,324
Diversity Enrollment	10.8%	17.8%	17.8%	19.4%

### Strategic Directive #3 – Valuing Employees

3.1 Maintain an appropriate workforce to meet present and future needs	Target	2016/17 Actual	2017/18 Actual	2018/19 Actual
Voluntary Termination Rate	<6%	5.8%	4.5%	4.6%

3.2 Engage and develop employees	Target	2016/17 Actual	2017/18 Actual	2018/19 Actual
Employee Diversity	10.8%	---	---	11.8%
Engagement Survey #12: WCTC Invests in my Individual Development	4.0	---	---	3.65
Employee Engagement Survey Overall Mean Score	4.0	---	---	3.93

3.3 Implement Guided Pathway model	Target	2016/17 Actual	2017/18 Actual	2018/19 Actual
Workload – Student Contact Hours	90% > 18 contact hrs/wk	---	---	---
Course Fill Rates	100% @ 80% of capacity	---	---	41.7%

### Strategic Directive #4 – Planning and Leading

4.1 Provide leadership to become the ‘distinct choice’ in innovative and transformative education	Target	2016/17 Actual	2017/18 Actual	2018/19 Actual
Number of Prospects	10,000	---	---	---
Prospect to Applicant (or Application) Conversion Rate	35%	---	---	---
Number Admitted	3,500	3,026	3,103	2,954
Applicant to Admission Conversion Rate	65%	60%	65%	66%
Admitted Applicant to Registered Yield Rate	80%	80%	79%	78%
Prospect to Registered Lead Conversion Yield Rate	30%	---	---	---

4.2 Plan and execute the strategic plan	Target	2016/17 Actual	2017/18 Actual	2018/19 Actual
Set Metrics, Targets, and Benchmarks for College Goals	Yes	---	Yes	Yes

## Strategic Directive #5 – Resource Stewardship

5.1 Effective physical resource stewardship	Target	2016/17 Actual	2017/18 Actual	2018/19 Acal
Annual Required Asset Replacement Spend	>130%	173%	149%	167%
Replacement Cost Ratio	1.5-1.75	1.85	1.75	1.73
Capital asset condition	35-50%	37%	38%	39%

5.2 Effective data resource management	Target	2016/17 Actual	2017/18 Actual	2018/19 Actual
Fund Balance to Operating Expenditures	25%	30%	2.1%	2.1%
% OPEB Funded	100%	106%	105%	121%

## Ends Statements

The ends statements describe the benefits or long-term results that are desired for WCTC students and other customers and define the expectations of WCTC in meeting its mission.

**Students** will obtain the critical life, occupational and technical skills needed to achieve their educational goals at an affordable cost.

**Employers** will be able to develop and maintain a skilled workforce through available and accessible educational offerings.

**Taxpayers** will benefit from customer-driven educational services provided through efficient and effective use of limited resources.

# WCTC Circle of Values

## Commitment

We are dedicated to creating a learning environment that fosters dependability, effectiveness, responsiveness, stewardship and accountability.

## Integrity

We work together promoting a climate characterized by honesty, truthfulness, fairness and trust.

## Relationships

We encourage collaboration through teamwork and respect diversity among our College community.

## Communication

We share information and ideas in an open, honest and timely manner throughout the college.

## Learning

We provide opportunities for learning technical and critical life skills for members of our College community.

## Excellence

We continually improve as we explore innovative, high quality and flexible learning options.





# POLICIES

A number of policies provide the context for planning and developing the budget in any given year. Fiscal policies address the acquisition and general allocation of resources: cash management, reserves, debt service, etc. Programmatic policies focus on what is done with those resources and how it is accomplished. Long-term policies deal with broad goals that vary little from year to year. Short-term policies are specific to the budget year. Policies address the key issues and concerns that frame the task at hand – preparing a balanced budget that effectively achieves WCTC’s priorities within the context of the current and expected economic and political realities.

## Fiscal policies

### Debt management

The WCTC Board has taxing powers and may incur long-term debt obligations. By statute WCTC cannot have bonded indebtedness greater than 2% of equalized valuation and aggregate indebtedness greater than 5% of equalized valuation. WCTC structures its debt in such a way as to maintain a stable tax levy requirement in the Debt Service Fund. WCTC also structures its debt to be repaid over a five to ten year period or less for any bond or note issue that is not part of a referendum. Referendum-related issues may be paid off over a ten to twenty year period, depending on the size of the referendum. WCTC annually borrows funds to pay for new construction, land improvements, building improvements, site improvements, and capital equipment that are budgeted in the Capital Projects Fund. WCTC does not borrow funds short-term for operations.

### Long-term liabilities

Responsible financial management means looking beyond the next fiscal year to potential liabilities that can impact WCTC in the future. Post-employment sick pay and other post-employment benefits are long-term costs that have been addressed. Annually WCTC has an actuarial calculation done of its post-employment benefits liability to document the financial impact of this benefit. Beginning in FY 07, WCTC created an irrevocable OPEB trust to fund its post-employment benefits and continued to fund the trust to reduce and, eventually, eliminate this liability. It also made changes to its post-employment benefits in order to significantly reduce the liability.

### Accounting systems

WCTC is committed to the development of good management systems and controls. Significant efforts are made to employ qualified personnel. Likewise, systems are conscientiously developed within which WCTC employees can function effectively and which provide appropriate levels of supervision, internal controls, and segregation of job duties.

### Internal control

In developing and modifying WCTC’s accounting system, consideration is given to the adequacy of internal controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets.

### Cash management

WCTC has adopted an investment policy, which restricts investments to time deposits that mature in not more than one year, US treasury obligations, repurchase agreements, US instrumentalities, and other high-grade securities that comply with Wisconsin statute 66.04(a). WCTC structures its investments to ensure sufficient funds are available to meet all obligations when due and to provide for safety, liquidity, return, and diversification – in that order.

## Revenue estimates

In order to maintain good fiscal integrity, WCTC uses conservative estimates when forecasting revenues so that actual revenues equal or exceed the budgeted revenues.

## Balanced budget

State statutes require WCTC to prepare an annual budget. The WCTC Board controls the budget by controlling the rate of growth to the tax levy. WCTC staff must present a balanced budget to the Board that meets the budget guidelines as established by the Board. The budget is balanced when revenues plus other sources equals expenditures plus other uses.

Balanced Budget	
Total Revenues	101,288,526
Proceeds from Debt	7,750,000
Use of Fund Balance	1,298,811
Total Sources of Funds	110,337,337
Total Expenditures	110,337,337
Variance	-

## Maintenance of fund balance

State statutes prohibit the technical colleges from maintaining any unreserved and undesignated fund balances. WCTC maintains fund balances to cover prepaid expenditures and inventories, operations, post-employment sick pay, capital projects, debt service, student organizations, student financial assistance, retained earnings, and funds designated for subsequent year(s). WCTC does not utilize fund balance to fund ongoing operations. Any use of fund balance is for one-time-only expenditures and emergencies. For Proprietary Funds whose retained earnings have exceeded planned levels, WCTC may implement a planned, gradual drawdown of those funds.

Proceeds from issuance of general obligation promissory notes are not always spent in the year the funds are received. As a result, WCTC's budget may include re-appropriating some of these funds in future years.

When WCTC creates the Debt Service budget, it knows the principal and interest that is due on debt that is already issued. It anticipates when it will issue debt and whether or not any principal and interest on the new debt will need to be repaid in the budget year. It also estimates how much might be earned on the levy funds between the time they are received and when payment needs to be made. When differences occur between actual and projected, WCTC may have additional funds in its fund balance. WCTC will re-appropriate these funds in future years to help repay debt in those years in order to keep the levy amount low and stable.

## Contingencies

WCTC maintains a Designated for Operations account in its fund balance in the General Fund that can be accessed for emergencies and to help with cash flow in order to avoid short-term borrowing. A similar account is maintained in the Special Revenue – Operating Fund to be used for additional match for grants if the budgeted levy for the year is insufficient for new grants that may become available during the year.

## Bond rating

WCTC values fiscal integrity and strives to retain its Aaa bond rating with each debt issue.

## Risk management

WCTC maintains a risk management program that includes a risk manager, a comprehensive insurance program designed to meet WCTC's needs, active security and safety committees and programs oriented to the identification and avoidance of risk, as well as regular meetings with employees covering risk management.

### **Independent audit**

WCTC hires a certified public accounting firm to conduct an independent audit of its accounting records in compliance with generally accepted accounting and auditing standards and in compliance with the Single Audit Act requirements. WCTC Board policy and state law require an annual audit of the financial statements of WCTC by an independent certified public accountant. WCTC does not maintain an internal audit staff; however, internal audit and operation review services are purchased on an as-needed basis from an independent auditor.

## **Planning processes**

WCTC integrates a number of planning processes into its daily activities. These processes are also integrated into the resource allocation processes, which include financial, human, and capital resources.

### **Strategic planning**

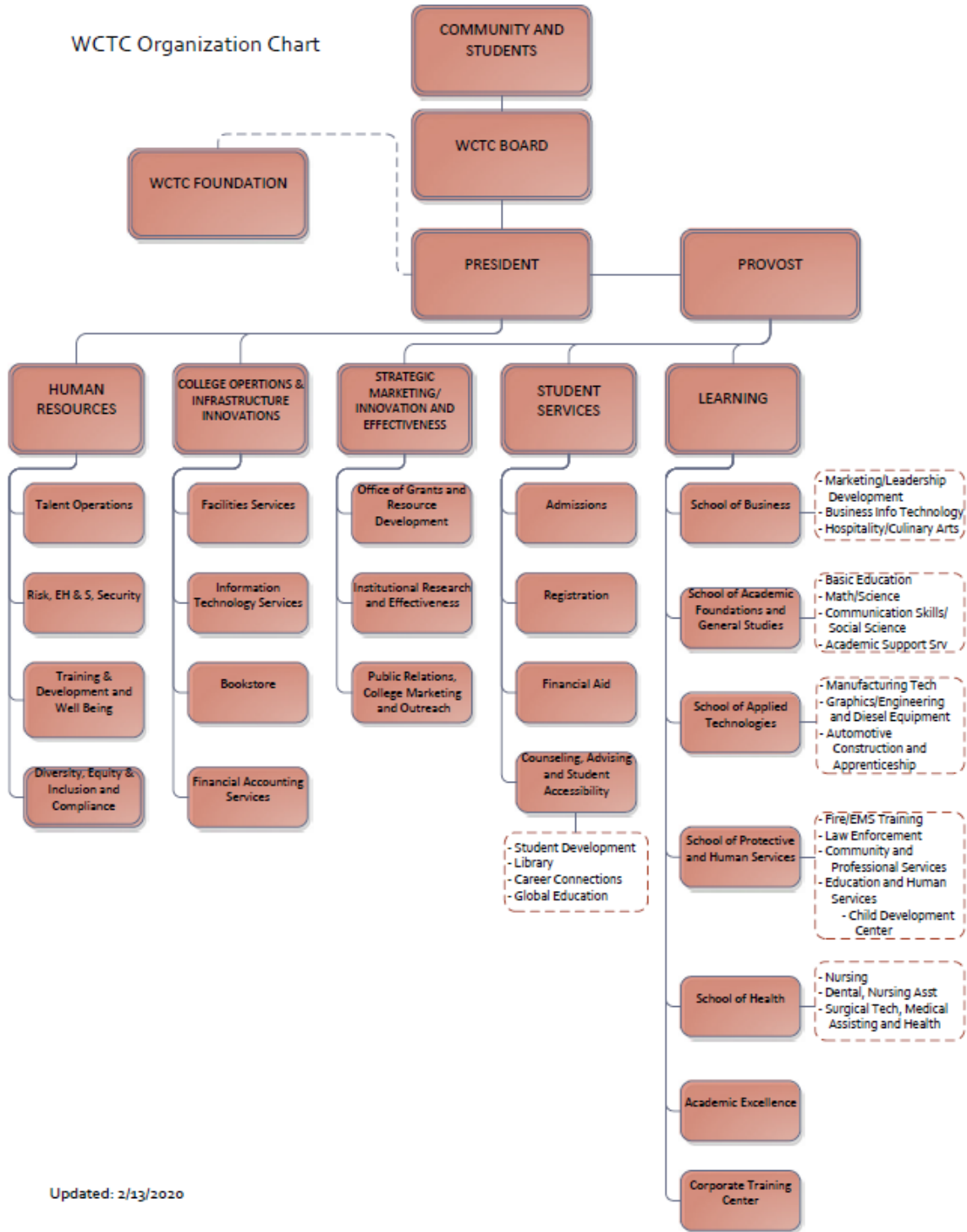
Strategic planning provides a clear focus and direction. The strategic planning process is fully integrated with other planning processes such as academic planning, budgeting, technology planning, resource allocation, capital improvement planning, program planning, etc.

WCTC's strategic planning process includes the development of vision and mission statements which helps steer WCTC on the desired path. The ends statements describe the benefits or long-term results that are desired for WCTC students and other customers and define the expectations of WCTC in meeting its mission. The development of strategic goals helps guide WCTC in achieving its mission, vision, and ends statements.

Annually WCTC reviews this framework and modifies the above documents as necessary. Once the Strategic Plan has been reviewed and updated, the various divisions within WCTC develop action plans that align to WCTC's strategic goals.

These action plans are prepared throughout the fiscal year. Resource allocation, which includes economic, human, facilities, and equipment resources, are allocated based on needs identified in these plans. The budget is one component of the resource allocation process. Budget development responds to the planning guidelines established in the various planning processes.

# WCTC Organization Chart



Updated: 2/13/2020

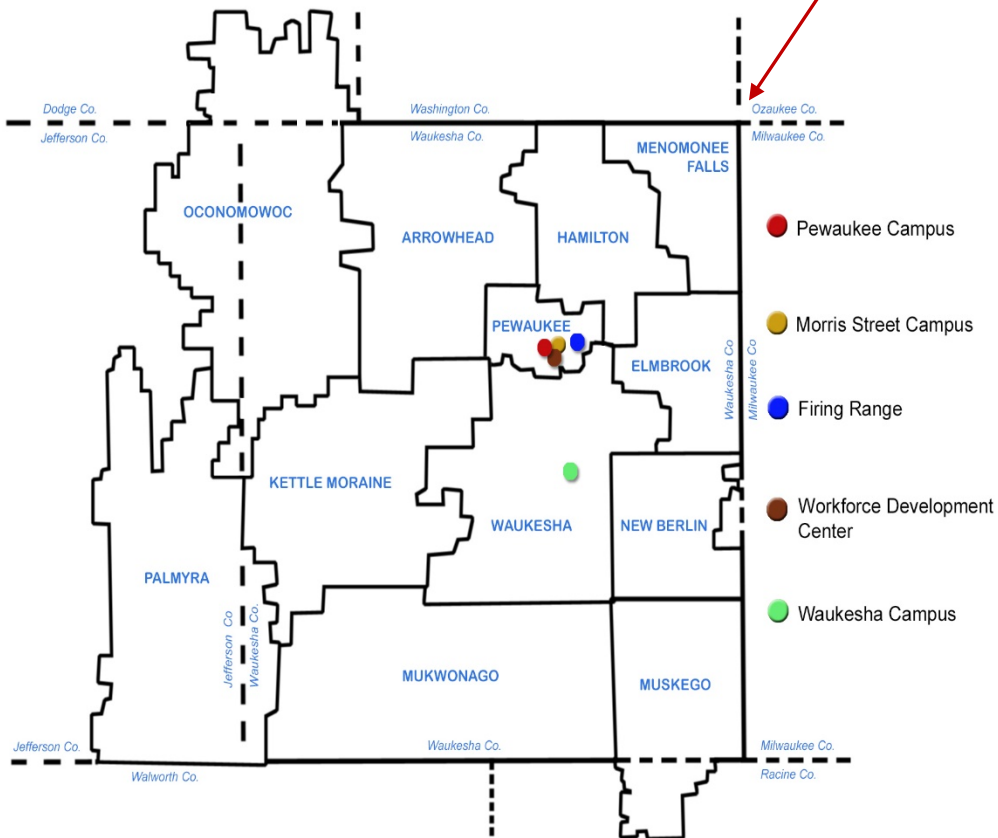


### WTCS Technical Colleges

WCTC is one of sixteen technical colleges in Wisconsin. The technical college boundaries are determined by the K-12 school districts. WCTC's district is composed of twelve K-12 school districts.



### WCTC District Map



# DISTRICT PROFILE

## Taxing district

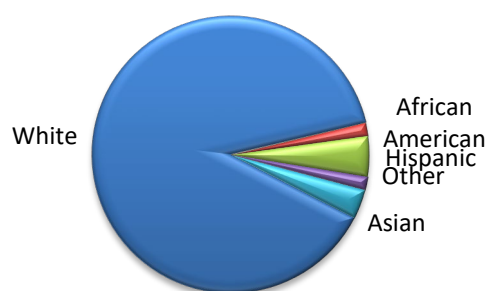
Located in Pewaukee, Wisconsin, WCTC's main campus is 20 miles west of the City of Milwaukee and approximately 60 miles east of the state capitol in Madison. WCTC's boundaries encompass approximately 600 square miles which includes 95% of Waukesha County, 2% of Jefferson County, 1% of Dodge County, and 3% of Racine County and the local municipalities (7 cities, 19 towns, and 21 villages) located therein.

- WCTC was organized as a Waukesha city institution in 1923.
- Between 1923 and 1963 WCTC's programs served apprentices, adults, full-time compulsory-age students and employed part-time students attending school one day per week under a work permit.
- In 1967 WCTC dropped its status as a city institution and became a county-based district known as the Waukesha County Technical Institute.
- In 1973 WCTC's legal name was officially changed to the Waukesha County Area Vocational, Technical and Adult Education District.
- In 1987 WCTC became known as Waukesha County Technical College based on action taken by the WCTC Board and the Wisconsin Technical College System Board; however, its legal name still remained the same.
- In July 1994 WCTC's legal name was officially changed to Waukesha County Area Technical College District. The primary purpose of the name change was to communicate more clearly the higher education nature of its offerings. WCTC's mission and legislative authority have not changed. WCTC's authority includes granting associate of applied science degrees and offering basic skills training.

### Gender



### Ethnicity



## Our students

Students enrolled in credit classes range in age from 11 - 76 with a median age of 25 and represent diversified socio-economic backgrounds. For all students taking classes, ages range from 9 - 92 with a median age of 27. Following graduation, 63% of WCTC's former students reside and 56% work in WCTC's taxing district and 86% are employed in the Milwaukee Metropolitan area. Eighty four percent of employed graduates are employed in jobs related to their education. Annually more than 20,000 citizens take advantage of educational opportunities offered by WCTC.

## Our campuses

In addition to the main campus in Pewaukee, WCTC operates other campuses where full-time staff is assigned. Campus locations and square footages are summarized as follows:

- **Pewaukee campus**, 800 Main Street, Pewaukee – 710,308 square feet
- **Waukesha campus**, 327 E Broadway, Waukesha – 45,010 square feet
- **Workforce Development Center**, 892 Main Street, Pewaukee – 30,685 square feet
- **Protective Services Center (a.k.a. Morris Street)**, 357 Morris Street, Pewaukee – 20,529 square feet (leased space)
- **WCTC Firing Range and Training Facility**, 1228 Hickory Street, Pewaukee – 19,800 square feet (leased space)

Below is an aerial view of the Pewaukee campus taken when school was not in session. Behind the campus is Pewaukee High School, surrounding neighborhoods, and Pewaukee Lake.



# BOARD MEMBERSHIP

Board members are qualified to serve and provide a critical balancing perspective on WCTC's vision and direction. The membership consists of two employers, two employees, three citizen members, one public school administrator, and one elected official. Board members are appointed by an Appointment Committee consisting of the chair of each of the four County Boards in the district. Members of the Board serve three-year terms. Regular Board meetings are held once per month and are open to the public. If necessary, additional periodic meetings are scheduled as well. Board members receive no compensation for their services, but are reimbursed for actual and necessary expenses in the performance of their duties.

- **Courtney R. Bauer** is a Special Agent/Deputy State Fire Marshall with the Wisconsin Department of Justice – Division of Criminal Investigation, lives in the Town of Lisbon, and has been a Board member since 2016.
- **Brian K. Baumgartner** is the Business Representative Glaziers Local 1204/941 of the International Union of Painters and Allied Trades District Council 7 (IUPAT DC7), lives in the Town of Lisbon, and was appointed to the Board in September 2018.
- **Joe Garza** is the Superintendent of the School District of New Berlin, lives in New Berlin and was appointed to the Board in July 2018.
- **Alan A. Karch, Chairperson**, is the Manufacturing Plant Manager at Bruno Independent Living Aids, lives in the City of Delafield, and has been a Board member since 2013.
- **David L. Lancaster, Secretary/Treasurer**, is the Executive Vice President, Employee Benefits, at R & R Insurance Services, lives in the Town of Delafield, and has been a Board member since 2016.
- **Julie Valadez**, is the President & CEO of the Hispanic Collaborative Network and Insurance Associate with Thrivent Financial, and has been a Board member since 2019.
- **Mary S. Wehrheim, Vice Chairperson**, is the retired President and former Owner/Consultant of Stanek Tool Corporation, lives in the City of Pewaukee, and has been a Board member since 2008.
- **Michael M. Wiebe** is the Chief Operating Officer and Head of International Operations and Services/North America/Central America/Caribbean, with Kronos, Inc., lives in the City of New Berlin, and has been a Board member since 2017.



**GENERAL FUND**  
**2020/21 Budgetary Statement of**  
**Resources, Uses, and Changes in Fund Balance**

	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Modified</b>	<b>Estimate</b>	<b>Budget</b>
<b>REVENUES</b>					
Local Government	10,712,511	11,048,797	11,601,871	11,601,871	12,470,065
State Aids	47,588,988	47,588,730	47,905,760	47,905,760	48,055,760
Program Fees	12,087,549	12,152,940	12,152,940	12,000,000	11,505,340
Material Fees	783,124	770,800	770,800	750,000	729,700
Other Student Fees	1,090,484	1,150,550	1,150,550	875,000	1,089,250
Institutional	3,986,368	3,911,890	3,951,890	2,900,000	3,911,890
Federal	10,370	-	-	-	-
Total Revenue	76,259,394	76,623,707	77,533,811	76,032,631	77,762,005
<b>EXPENDITURES</b>					
Instruction	43,559,051	46,484,961	46,984,961	44,500,000	46,446,436
Instructional Resources	1,411,095	1,541,420	1,541,420	1,475,000	1,473,932
Student Services	7,687,293	8,814,963	9,014,963	8,500,000	8,930,860
General Institutional	12,481,056	14,148,052	14,318,156	14,250,000	15,126,163
Physical Plant	6,397,630	5,634,311	5,674,311	5,674,000	5,844,614
Total Expenditures	71,536,125	76,623,707	77,533,811	74,399,000	77,822,005
<b>Net Revenue/(Expenditures)</b>	4,723,269	-	-	1,633,631	(60,000)
<b>OTHER SOURCES/(USES)</b>					
Operating Transfer In/(Out)	(4,170,000)	-	(4,574,000)	(4,574,000)	60,000
Total Other Sources/(Uses)	(4,170,000)	-	(4,574,000)	(4,574,000)	60,000
Total Resources/(Uses)	553,269	-	(4,574,000)	(2,940,369)	-
<b>TRANSFERS TO/(FROM) FUND BALANCE</b>					
Reserve for Prepays & Inventories	35,649	-	-	-	-
Designated for Operations	132,517	-	-	1,633,631	-
Reserve for Post-Employment Sick Pay	(38,897)	-	-	-	-
Designated for Subsequent Year	424,000	-	(4,574,000)	(4,574,000)	-
Total Transfers To/(From) Fund Balance	553,269	-	(4,574,000)	(2,940,369)	-
Beginning Fund Balance	23,473,061	19,909,188	24,026,330	24,026,330	21,085,961
<b>Ending Fund Balance</b>	<b>24,026,330</b>	<b>19,909,188</b>	<b>19,452,330</b>	<b>21,085,961</b>	<b>21,085,961</b>

\*Actual is presented on a budgetary basis

\*\*Estimate is based upon 9 months of actual and 3 months of estimate

**SPECIAL REVENUE FUND - OPERATING**  
**2020/21 Budgetary Statement of**  
**Resources, Uses, and Changes in Fund Balance**

	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Modified</b>	<b>Estimate</b>	<b>Budget</b>
<b>REVENUES</b>					
Local Government	925,470	963,400	963,400	963,400	835,000
State Aids	997,104	1,350,800	1,350,800	1,200,000	890,200
Program Fees	-	-	-	-	-
Material Fees	-	5,700	5,700	-	3,300
Other Student Fees	52,641	107,800	107,800	67,271	62,700
Institutional	240,868	30,000	30,000	30,000	-
Federal	801,997	689,900	689,900	650,000	749,100
Total Revenue	3,018,080	3,147,600	3,147,600	2,910,671	2,540,300
<b>EXPENDITURES</b>					
Instruction	1,971,545	2,149,400	2,149,400	2,000,000	1,582,100
Instructional Resources	-	-	-	-	-
Student Services	956,457	890,300	890,300	800,000	806,800
General Institutional	94,576	107,900	107,900	105,000	151,400
Physical Plant	-	-	-	-	-
Total Expenditures	3,022,578	3,147,600	3,147,600	2,905,000	2,540,300
<b>Net Revenue/(Expenditures)</b>	(4,498)	-	-	5,671	-
<b>OTHER SOURCES/(USES)</b>					
Operating Transfer In/(Out)	-	-	-	-	-
Total Other Sources/(Uses)	-	-	-	-	-
Total Resources/(Uses)	(4,498)	-	-	5,671	-
<b>TRANSFERS TO/(FROM) FUND BALANCE</b>					
Reserve for Prepays & Inventories	-	-	-	-	-
Designated for Operations	(4,498)	-	-	5,671	-
Total Transfers To/(From) Fund Balance	(4,498)	-	-	5,671	-
Beginning Fund Balance	556,318	426,978	551,820	551,820	557,491
<b>Ending Fund Balance</b>	551,820	426,978	551,820	557,491	557,491

\*Actual is presented on a budgetary basis

\*\*Estimate is based upon 9 months of actual and 3 months of estimate

**SPECIAL REVENUE FUND - NON-AIDABLE**  
**2020/21 Budgetary Statement of**  
**Resources, Uses, and Changes in Fund Balance**

	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Modified</b>	<b>Estimate</b>	<b>Budget</b>
<b>REVENUES</b>					
Local Government	137,500	151,500	151,500	151,500	151,500
State Aids	1,251,688	1,292,220	1,292,220	1,200,000	1,341,575
Other Student Fees	616,145	625,000	625,000	600,000	615,000
Institutional	13,802	13,000	13,000	13,000	13,000
Federal	4,287,560	5,007,818	5,007,818	4,015,000	5,005,975
Total Revenue	6,306,695	7,089,538	7,089,538	5,979,500	7,127,050
<b>EXPENDITURES</b>					
Instruction	-	-	12,000	12,000	-
Student Services	6,301,399	7,109,538	7,137,538	6,000,000	7,147,050
General Institutional	-	-	-	-	-
Total Expenditures	6,301,399	7,109,538	7,149,538	6,012,000	7,147,050
<b>Net Revenue/(Expenditures)</b>	5,296	(20,000)	(60,000)	(32,500)	(20,000)
<b>OTHER SOURCES/(USES)</b>					
Operating Transfer In/(Out)	20,000	20,000	20,000	20,000	(40,000)
Total Other Sources/(Uses)	20,000	20,000	20,000	20,000	(40,000)
Total Resources/(Uses)	25,296	-	(40,000)	(12,500)	(60,000)
<b>TRANSFERS TO/(FROM) FUND BALANCE</b>					
Reserve for Financial Aids	(5,624)	-	-	22,500	(60,000)
Reserve for Student Organizations	30,920	-	(40,000)	(35,000)	-
Total Transfers To/(From) Fund Balance	25,296	-	(40,000)	(12,500)	(60,000)
Beginning Fund Balance	546,796	642,240	572,092	572,092	559,592
<b>Ending Fund Balance</b>	572,092	642,240	532,092	559,592	499,592

\*Actual is presented on a budgetary basis

\*\*Estimate is based upon 9 months of actual and 3 months of estimate

**CAPITAL PROJECTS FUND**  
**2020/21 Budgetary Statement of**  
**Resources, Uses, and Changes in Fund Balance**

	2018/19	2019/20	2019/20	2019/20	2020/21
	Actual	Adopted	Modified	Estimate	Budget
<b>REVENUES</b>					
Local Government	-	-	-	-	-
State	78,171	-	69,000	82,000	-
Institutional	3,534,191	380,000	380,000	475,000	400,000
Federal	-	-	-	-	-
Total Revenue	3,612,362	380,000	449,000	557,000	400,000
<b>EXPENDITURES</b>					
Instruction	3,405,553	3,523,020	3,702,020	3,500,000	1,586,970
Instructional Resources	190,682	84,074	84,074	70,000	-
Student Services	-	6,000	29,000	29,000	5,000
General Institutional	274,967	1,331,000	1,506,000	1,500,000	40,000
Physical Plant	10,317,577	7,771,215	8,521,215	8,250,000	7,518,030
Total Expenditures	14,188,779	12,715,309	13,842,309	13,349,000	9,150,000
<b>Net Revenue/(Expenditures)</b>	(10,576,417)	(12,335,309)	(13,393,309)	(12,792,000)	(8,750,000)
<b>OTHER SOURCES/(USES)</b>					
Proceeds from Debt	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000
Operating Transfer In/(Out)	4,170,000	-	4,574,000	4,574,000	-
Total Other Sources/(Uses)	11,920,000	7,750,000	12,324,000	12,324,000	7,750,000
Total Resources/(Uses)	1,343,583	(4,585,309)	(1,069,309)	(468,000)	(1,000,000)
<b>TRANSFERS TO/(FROM) FUND BALANCE</b>					
Reserve for Capital Projects	1,343,583	(4,585,309)	(1,069,309)	(468,000)	(1,000,000)
Total Transfers To/(From) Fund Balance	1,343,583	(4,585,309)	(1,069,309)	(468,000)	(1,000,000)
Beginning Fund Balance	15,664,204	15,557,704	17,007,787	17,007,787	16,539,787
<b>Ending Fund Balance</b>	17,007,787	10,972,395	15,938,478	16,539,787	15,539,787

\*Actual is presented on a budgetary basis

\*\*Estimate is based upon 9 months of actual and 3 months of estimate

**DEBT SERVICE FUND**  
**2020/21 Budgetary Statement of**  
**Resources, Uses, and Changes in Fund Balance**

	2018/19	2019/20	2019/20	2019/20	2020/21
	Actual	Adopted	Modified	Estimate	Budget
<b>REVENUES</b>					
Local Government	8,792,794	8,792,794	8,792,794	8,792,794	8,050,000
Institutional	168,320	100,000	100,000	390,000	175,000
Total Revenue	8,961,114	8,892,794	8,892,794	9,182,794	8,225,000
<b>EXPENDITURES</b>					
Physical Plant	8,825,630	8,892,794	8,892,794	8,800,074	8,375,000
Total Expenditures	8,825,630	8,892,794	8,892,794	8,800,074	8,375,000
<b>Net Revenue/(Expenditures)</b>	135,484	-	-	382,720	(150,000)
<b>OTHER SOURCES/(USES)</b>					
Operating Transfer In/(Out)	-	-	-	-	-
Total Other Sources/(Uses)	-	-	-	-	-
Total Resources/(Uses)	135,484	-	-	382,720	(150,000)
<b>TRANSFERS TO/(FROM) FUND BALANCE</b>					
Reserve for Debt Service	135,484	-	-	382,720	(150,000)
Total Transfers To/(From) Fund Balance	135,484	-	-	382,720	(150,000)
Beginning Fund Balance	629,336	756,001	764,820	764,820	1,147,540
<b>Ending Fund Balance</b>	764,820	756,001	764,820	1,147,540	997,540

\*Actual is presented on a budgetary basis

\*\*Estimate is based upon 9 months of actual and 3 months of estimate

**ENTERPRISE FUND**  
**2020/21 Budgetary Statement of**  
**Resources, Uses, and Changes in Fund Balance**

	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Modified</b>	<b>Estimate</b>	<b>Budget</b>
<b>REVENUES</b>					
Institutional	4,178,966	4,385,445	4,385,445	3,868,009	4,264,171
Federal	28,335	40,000	40,000	40,000	40,000
Total Revenue	4,207,301	4,425,445	4,425,445	3,908,009	4,304,171
<b>EXPENDITURES</b>					
Auxiliary Services	4,476,083	4,321,843	4,321,843	4,068,944	4,262,102
Total Expenditures	4,476,083	4,321,843	4,321,843	4,068,944	4,262,102
<b>Net Revenue/(Expenditures)</b>	(268,782)	103,602	103,602	(160,935)	42,069
<b>OTHER SOURCES/(USES)</b>					
Operating Transfer In/(Out)	283,640	(20,000)	(20,000)	(20,000)	(20,000)
Total Other Sources/(Uses)	283,640	(20,000)	(20,000)	(20,000)	(20,000)
Total Resources/(Uses)	14,858	83,602	83,602	(180,935)	22,069
<b>TRANSFERS TO/(FROM) FUND BALANCE</b>					
Retained Earnings	14,858	83,602	83,602	(180,935)	22,069
Total Transfers To/(From) Fund Balance	14,858	83,602	83,602	(180,935)	22,069
Beginning Fund Balance	764,565	396,764	779,423	779,423	598,488
<b>Ending Fund Balance</b>	<b>779,423</b>	<b>480,366</b>	<b>863,025</b>	<b>598,488</b>	<b>620,557</b>

\*Actual is presented on a budgetary basis

\*\*Estimate is based upon 9 months of actual and 3 months of estimate

**INTERNAL SERVICE FUND**  
**2020/21 Budgetary Statement of**  
**Resources, Uses, and Changes in Fund Balance**

	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Modified</b>	<b>Estimate</b>	<b>Budget</b>
<b>REVENUES</b>					
Institutional	643,466	1,072,000	1,072,000	720,000	930,000
Federal	-	-	-	-	-
Total Revenue	643,466	1,072,000	1,072,000	720,000	930,000
<b>EXPENDITURES</b>					
Auxiliary Services	775,509	1,132,672	1,132,672	800,000	1,040,880
Total Expenditures	775,509	1,132,672	1,132,672	800,000	1,040,880
<b>Net Revenue/(Expenditures)</b>	(132,043)	(60,672)	(60,672)	(80,000)	(110,880)
<b>OTHER SOURCES/(USES)</b>					
Operating Transfer In/(Out)	-	-	-	-	-
Total Other Sources/(Uses)	-	-	-	-	-
Total Resources/(Uses)	(132,043)	(60,672)	(60,672)	(80,000)	(110,880)
<b>TRANSFERS TO/(FROM) FUND BALANCE</b>					
Retained Earnings	(132,043)	(60,672)	(60,672)	(80,000)	(110,880)
Total Transfers To/(From) Fund Balance	(132,043)	(60,672)	(60,672)	(80,000)	(110,880)
Beginning Fund Balance	2,894,769	2,738,769	2,762,726	2,762,726	2,682,726
<b>Ending Fund Balance</b>	2,762,726	2,678,097	2,702,054	2,682,726	2,571,846

\*Actual is presented on a budgetary basis

\*\*Estimate is based upon 9 months of actual and 3 months of estimate

**COMBINED BUDGET SUMMARY**  
**2020/21 Budgetary Statement of**  
**Resources, Uses, and Changes in Fund Balance**

	2018/19	2019/20	2019/20	2019/20	2020/21
	Actual	Adopted	Modified	Estimate	Budget
<b>REVENUES</b>					
Local Government	20,568,275	20,956,491	21,509,565	21,509,565	21,506,565
State Aids	49,915,951	50,231,750	50,617,780	50,387,760	50,287,535
Program Fees	12,087,549	12,152,940	12,152,940	12,000,000	11,505,340
Material Fees	783,124	776,500	776,500	750,000	733,000
Other Student Fees	1,759,270	1,883,350	1,883,350	1,542,271	1,766,950
Institutional	12,765,981	9,892,335	9,932,335	8,396,009	9,694,061
Federal	5,128,262	5,737,718	5,737,718	4,705,000	5,795,075
Total Revenue	103,008,412	101,631,084	102,610,188	99,290,605	101,288,526
<b>EXPENDITURES</b>					
Instruction	48,936,149	52,157,381	52,848,381	50,012,000	49,615,506
Instructional Resources	1,601,777	1,625,494	1,625,494	1,545,000	1,473,932
Student Services	14,945,149	16,820,801	17,071,801	15,329,000	16,889,710
General Institutional	12,850,599	15,586,952	15,932,056	15,855,000	15,317,563
Physical Plant	25,540,837	22,298,320	23,088,320	22,724,074	21,737,644
Auxiliary Services	5,251,592	5,454,515	5,454,515	4,868,944	5,302,982
Total Expenditures	109,126,103	113,943,463	116,020,567	110,334,018	110,337,337
<b>Net Revenue/(Expenditures)</b>	(6,117,691)	(12,312,379)	(13,410,379)	(11,043,413)	(9,048,811)
<b>OTHER SOURCES/(USES)</b>					
Proceeds from Debt	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000
Operating Transfer In/(Out)	303,640	-	-	-	-
Total Other Sources/(Uses)	8,053,640	7,750,000	7,750,000	7,750,000	7,750,000
Total Resources/(Uses)	1,935,949	(4,562,379)	(5,660,379)	(3,293,413)	(1,298,811)
<b>TRANSFERS TO/(FROM) FUND BALANCE</b>					
Reserve for Prepays & Inventories	35,649	-	-	-	-
Reserve for Post-Employment Sick Pa	(38,897)	-	-	-	-
Reserve for Capital Outlays	1,343,583	(4,585,309)	(1,069,309)	(468,000)	(1,000,000)
Reserve for Debt Service	135,484	-	-	382,720	(150,000)
Reserve for Financial Aid	(5,624)	-	-	22,500	(60,000)
Reserve for Student Organizations	30,920	-	(40,000)	(35,000)	-
Retained Earnings	(117,185)	22,930	22,930	(260,935)	(88,811)
Designated for State Aid Fluctuations	-	-	-	-	-
Designated for Operations	128,019	-	-	1,639,302	-
Designated for Subsequent Years	-	-	-	-	-
Designated for Subsequent Year	424,000	-	(4,574,000)	(4,574,000)	-
Total Transfers To/(From) Fund Balance	1,935,949	(4,562,379)	(5,660,379)	(3,293,413)	(1,298,811)
Beginning Fund Balance	44,529,049	40,427,644	46,464,998	46,464,998	43,171,585
<b>Ending Fund Balance</b>	46,464,998	35,865,265	40,804,619	43,171,585	41,872,774

\*Actual is presented on a budgetary basis

\*\*Estimate is based upon 9 months of actual & 3 months of estimate



**PRO FORMA BALANCE SHEET**  
**As of June 30, 2020**

	Governmental					Proprietary	
	Fund Type					Fund Type	
	General	Special Revenue		Capital	Debt	Internal	
Operating		Non-aidable	Projects	Service	Service	Enterprise	
<b>ASSETS</b>							
Cash & investments	24,575,306	-	500	19,564,787	1,147,540	2,525,726	-
Receivables	11,000,000	350,000	14,000	-	-	-	100,000
Due from other funds	-	357,491	780,092	-	-	-	85,000
Inventories & prepaids	200,000	-	-	-	-	252,000	400,000
Capital assets	-	-	-	-	-	-	470,000
Total assets	35,775,306	707,491	794,592	19,564,787	1,147,540	2,777,726	1,055,000
<b>LIABILITIES</b>							
Accounts payable	400,000	30,000	5,000	3,000,000	-	60,000	90,000
Due to other funds	1,222,583	-	-	-	-	-	-
Employer-related payables & deferred revenue	11,700,000	120,000	230,000	25,000	-	35,000	310,000
Total liabilities	13,322,583	150,000	235,000	3,025,000	-	95,000	400,000
<b>FUND BALANCE</b>							
Retained earnings	-	-	-	-	-	2,682,726	598,488
Reserve for:							
Capital projects	-	-	-	16,539,787	-	-	-
Debt service	-	-	-	-	1,147,540	-	-
Post-employment benefits	-	-	-	-	-	-	-
Post-employment sick pay	1,366,762	-	-	-	-	-	-
Prepaid expenses	200,000	-	-	-	-	-	-
Student organizations	-	-	411,837	-	-	-	-
Financial aid	-	-	147,755	-	-	-	-
Unreserved:							
Designated for:							
Operations	20,885,961	557,491	-	-	-	-	-
Subsequent years	-	-	-	-	-	-	-
Subsequent year	-	-	-	-	-	-	-
Total fund balance	22,452,723	557,491	559,592	16,539,787	1,147,540	2,682,726	598,488
<b>Total liabilities and fund balance</b>	35,775,306	707,491	794,592	19,564,787	1,147,540	2,777,726	998,488

**PRO FORMA BALANCE SHEET**  
**As of June 30, 2021**

	Governmental					Proprietary	
	Fund Type					Fund Type	
	General	Special Revenue		Capital	Debt	Internal	Enterprise
	Operating	Non-aidable	Projects	Service	Service	Enterprise	
<b>ASSETS</b>							
Cash & investments	24,645,863	-	500	18,564,787	997,540	2,414,846	-
Receivables	11,000,000	300,000	14,000	-	-	-	100,000
Due from other funds	-	407,491	780,092	-	-	-	105,557
Inventories & prepaids	200,000	-	-	-	-	252,000	400,000
Capital assets	-	-	-	-	-	-	445,000
Total assets	35,845,863	707,491	794,592	18,564,787	997,540	2,666,846	1,050,557
<b>LIABILITIES</b>							
Accounts payable	400,000	30,000	5,000	3,000,000	-	60,000	100,000
Due to other funds	1,293,140	-	-	-	-	-	-
Employer-related payables & deferred revenue	11,700,000	120,000	230,000	25,000	-	35,000	330,000
Total liabilities	13,393,140	150,000	235,000	3,025,000	-	95,000	430,000
<b>FUND BALANCE</b>							
Retained earnings	-	-	-	-	-	2,571,846	620,557
Reserve for:							
Capital projects	-	-	-	15,539,787	-	-	-
Debt service	-	-	-	-	997,540	-	-
Post-employment benefits	-	-	-	-	-	-	-
Post-employment sick pay	1,366,762	-	-	-	-	-	-
Prepaid expenses	200,000	-	-	-	-	-	-
Student organizations	-	-	411,837	-	-	-	-
Financial aid	-	-	147,755	-	-	-	-
Unreserved:							
Designated for:							
Operations	20,885,961	557,491	-	-	-	-	-
Subsequent years	-	-	-	-	-	-	-
Subsequent year	-	-	-	-	-	-	-
Total fund balance	22,452,723	557,491	559,592	15,539,787	997,540	2,571,846	620,557
<b>Total liabilities and fund balance</b>	35,845,863	707,491	794,592	18,564,787	997,540	2,666,846	1,050,557

# POSITION SUMMARY

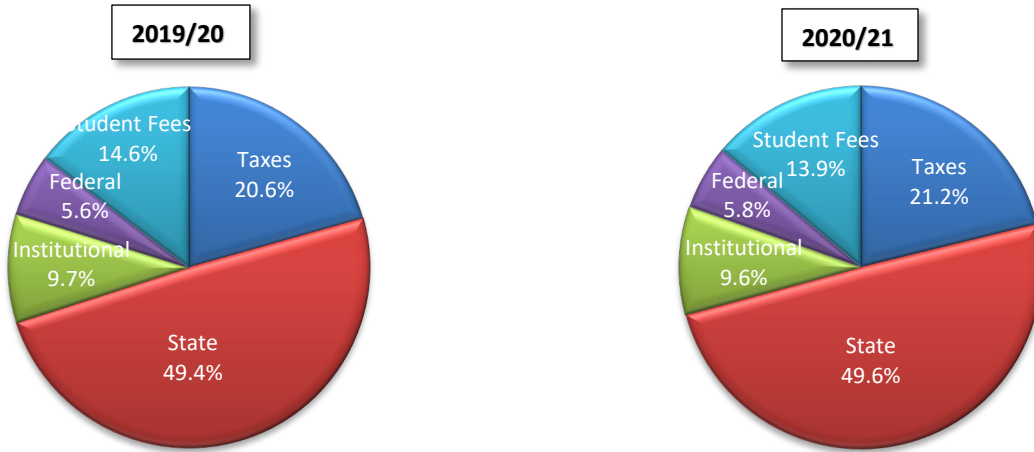
## FTE Basis

Position Type	2017/18 Actual	2018/19 Actual	2019/20 Budget*	2020/21 Budget						Change Amount
				General Fund	Special Revenue Fund - Operating	Special Revenue Fund Non- Aidable	Enterprise Fund	Internal Service Fund	Total Budget	
<b>Administrator</b>										
Administrator	12.0	12.0	12.0	12.0	-	-	-	-	12.0	-
<b>Total Administrators</b>	12.0	12.0	12.0	12.0	-	-	-	-	12.0	-
<b>Instructional Supervisor</b>										
Instructional Supervisor	19.0	19.0	17.0	16.5	0.5	-	-	-	17.0	-
<b>Total Supervisors</b>	19.0	19.0	17.0	16.5	0.5	-	-	-	17.0	-
<b>Faculty</b>										
Instructors	211.3	213.4	213.0	209.3	4.7	-	-	-	214.0	1.0
<b>Total Faculty</b>	211.3	213.4	213.0	209.3	4.7	-	-	-	214.0	1.0
<b>Specialists</b>										
Counselors	3.4	3.4	3.4	2.5	1.2	-	-	-	3.7	0.3
Librarian	2.4	2.4	2.5	2.5	-	-	-	-	2.5	-
Instructional Specialist	1.5	1.5	1.5	2.5	-	-	-	-	2.5	1.0
<b>Total Specialists</b>	7.3	7.3	7.4	7.5	1.2	-	-	-	8.7	1.3
<b>Other Staff</b>										
Non-instructional Supervisor	39.1	33.6	32.6	32.0	1.0	0.1	2.6	-	35.7	3.1
Professional Non-Faculty	50.8	56.9	57.8	52.2	3.7	0.5	-	-	56.4	(1.4)
Clerical/Secretarial	89.6	81.1	77.2	72.8	0.6	0.4	4.6	-	78.4	1.2
Technical/Paraprofessional	61.8	56.2	61.5	58.3	1.5	-	5.0	0.6	65.4	3.9
Skilled Craft	7.0	7.0	7.0	7.0	-	-	-	-	7.0	-
Service/Maintenance	14.5	14.6	14.6	12.0	-	-	2.6	-	14.6	-
<b>Total Other Staff</b>	262.8	249.4	250.7	234.3	6.8	1.0	14.8	0.6	257.5	6.8
<b>Total Positions</b>	512.4	501.1	500.1	479.6	13.2	1.0	14.8	0.6	509.2	9.1

The above schedule includes regular funded and authorized positions. It does not include full-time equivalent information for temporary, casual, students, adjunct instructors, and limited-term grant-funded positions, which can fluctuate from year to year and are controlled by individual department needs based on enrollment.

# REVENUES

WCTC has a diversified funding base composed of property taxes, state aid, student fees, federal and state grants, and institutionally generated revenues. WCTC believes this diversity, the strength of the local economy and its fiscal management will continue to provide the resources required to fulfill its mission now and in the future.



## Property taxes

Prior to FY 15, WCTC's major revenue source was local property taxes. In March 2014, the Wisconsin State Legislature approved a major change to the funding structure of the Wisconsin Technical College System. The State replaced \$406 million of operational property tax levy with property tax relief aid from the state, which resulted in the mill rate decreasing \$0.89. In addition to making this shift, the State excluded the property tax relief aid portion from the state aid in lieu of computer taxes calculation. Beginning with FY 19, the Wisconsin Legislature also approved shifting personal property from the property tax levy and replacing it with state aids in lieu of personal property taxes.

The property tax relief aid payment is made the third week in February of each fiscal year, which results in more cash flow during the fiscal year once the payment is received and less outstanding receivable at year-end since the last levy payments are not received until August following year-end. It also results in the college needing to have additional cash flow available at the end of a fiscal year to carry the college through until February (eight months into the new fiscal year) instead of January (seven months) in order to avoid short-term borrowing since this is the largest funding source for the college. Annually WCTC will receive \$43,219,314 of property tax relief funds. This amount will not change unless the legislature either increases or decreases the \$406 million amount.

Year	Increase
14/15	-69.23%
15/16	0.00%
16/17	0.00%
17/18	3.97%
18/19	1.27%
19/20	2.45%
20/21	0.00%

As part of Wisconsin's FY 14/FY 15 State Biennial Budget, the Legislature included a cap on the operational portion of the levy amount. The operational portion of the levy may not increase more than the percent of net new construction for the year, which is not known until October of the budget year. This calculation does include the property tax relief aid and personal property relief aid portions in the formula. The calculation of net new construction would use the total levy needs above (\$64,864,647) less the debt service levy (\$8,050,000) less state aid in lieu of personal property taxes (\$138,768) for a total of \$56,675,879.

If a college does not utilize all of this levy authority in one year, it may use up to one-half of one percent the following year. In the event the Legislature would decrease the \$406 million, colleges are allowed to increase their operational levy amount by the amount of the reduction. No cap exists on the debt service portion of the levy amount.

Per discussions with staff at Waukesha County, a reasonable projection for net new construction without tax incremental financing (TIF) districts included is 1.4%. More net new construction is occurring in TIF districts, but that growth is not included in the allowable calculation.

**OPERATIONAL LEVY LIMIT CALCULATION**

Fiscal Year	Net New Construction	Allowed Increase	Unused 0.5%	Total Allowed	Estimated Amount budgeted
2017/18	0.0180914	\$970,391	\$268,191	\$1,238,582	\$763,466
2018/19	0.0156126	\$849,352	\$272,009	\$1,121,361	\$615,128
2019/20	0.0146454	\$805,744	\$234,224	\$1,039,968	\$501,930
2020/21	0.0140000	\$770,236	\$0	\$770,236	\$742,794

In October, the property tax levy is billed to municipalities within WCTC’s boundaries based on the equalized value of taxable property, excluding tax incremental financing districts. The local municipalities act as assessors and collection agencies. All delinquencies are assumed by the respective counties, thus WCTC will receive the full amount of its levy.

The total of WCTC’s tax levy and property tax relief aid was the same for FY 11 through FY 17. An operational levy increase was included in the FY 18, FY 19, and FY 20 budget due to need.

In FY 2000 the State removed the value of personal computers from the property tax assessment and provided a state aid payment in lieu of computer taxes to all governmental entities based on the WCTC’s total levy needs. Total levy need was the sum of its property tax levy plus state aid in lieu of computer taxes. The amount of state aid in lieu of computer taxes was the mill rate for property taxes times the equalized value of personal computers.

Beginning with FY 18, the Legislature changed the formula for state aids in lieu of computer taxes. The equalized valuation of personal computer values remains at the FY 17 value of \$294,872,000. The FY 18 amount is the FY 17 amount increased by a factor of 1.0147% ( $\$108,626 * 1.0147 = \$110,223$ ). The FY 19 amount was the \$110,223 amount increased by a CPI factor of 2.2% ( $\$110,223 * 1.022 = \$112,648$ ). This payment will remain constant at this FY 19 level for future years unless the Legislature makes a change.

Prior to the economic downturn, housing values within WCTC’s boundaries were averaging in the high single digits. Because of the economic downturn, WCTC’s values were negative for five years. In FY 15 the valuations finally turned around and began to increase. WCTC is conservatively projecting valuations to increase 4.0% in FY 20. Information received from Waukesha County projects valuations to increase around 4.0%. WCTC’s change in value is always close to Waukesha County’s increase since most of WCTC’s boundaries are similar to Waukesha County’s boundaries.

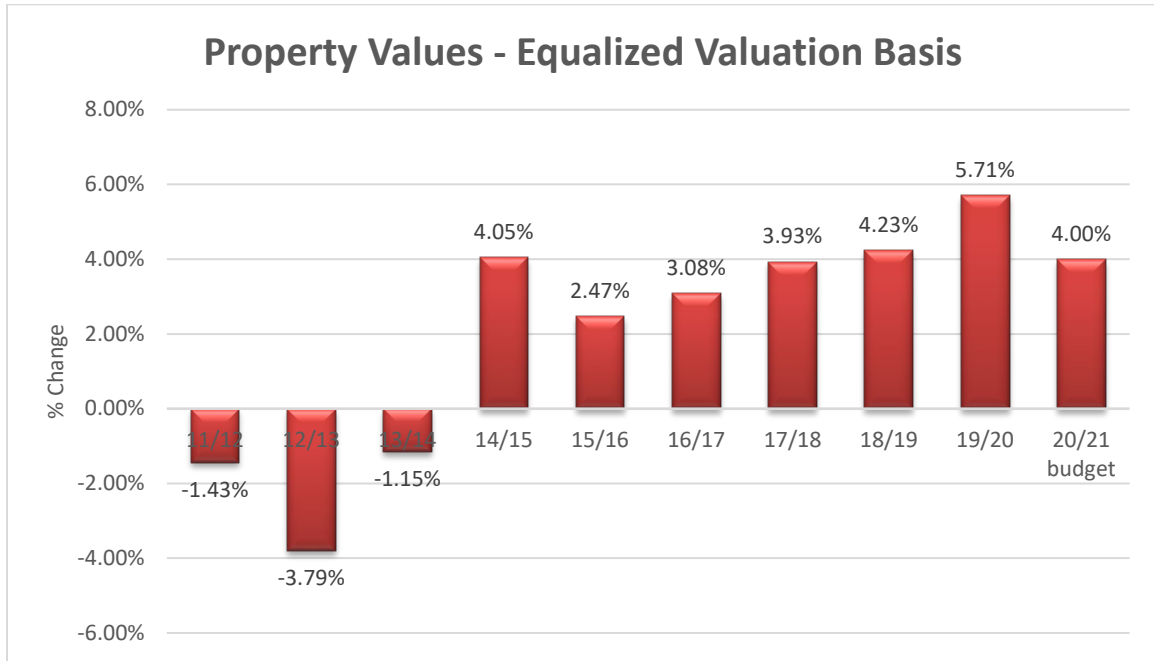
When equalized valuation is greater than the tax levy increase, the mill rate is reduced. The mill rate increased in FY 10 through FY 14 due to valuation declines even though WCTC did not raise its total levy in those years. FY 15 saw a significant decline in the mill rate due to the shift in funding and valuations

Description	Levy limit formula		Mill rate impact	
	FY 20	FY 21	FY 20	FY 21
Property tax relief aid	43,358,082	43,358,082		
Operational levy	12,713,771	13,456,565	12,713,771	13,456,565
Total operational	56,071,853	56,814,647		
Debt service levy	8,792,794	8,050,000	8,792,794	8,050,000
Total 'levy'	64,864,647	64,864,647	21,506,565	21,506,565
Percent change		0.00%		0.00%
Mill rate			0.36016	0.34630

increasing. For FY 21 valuations are expected to increase and WCTC plans to levy the same dollars as FY 20 thus decreasing the projected mill rate from \$0.36016 in FY 20 to \$0.34630 in FY 21 as shown in this table.

The mill rate is a factor of the tax levy amount divided by the equalized valuation (divided by \$1,000). The mill rate, as stated, equals the amount of taxes paid per \$1,000 of equalized valuation. For consistency purposes, the State of Wisconsin Department of Revenue requires all technical colleges within Wisconsin to bill municipalities for their share of the tax levy assessed by the technical colleges on the basis of *equalized valuation* since their district boundaries cross multiple taxing jurisdictions. The municipalities, in turn, bill their constituents on the basis of *assessed valuation* since they are sending out bills for one taxing jurisdiction only.

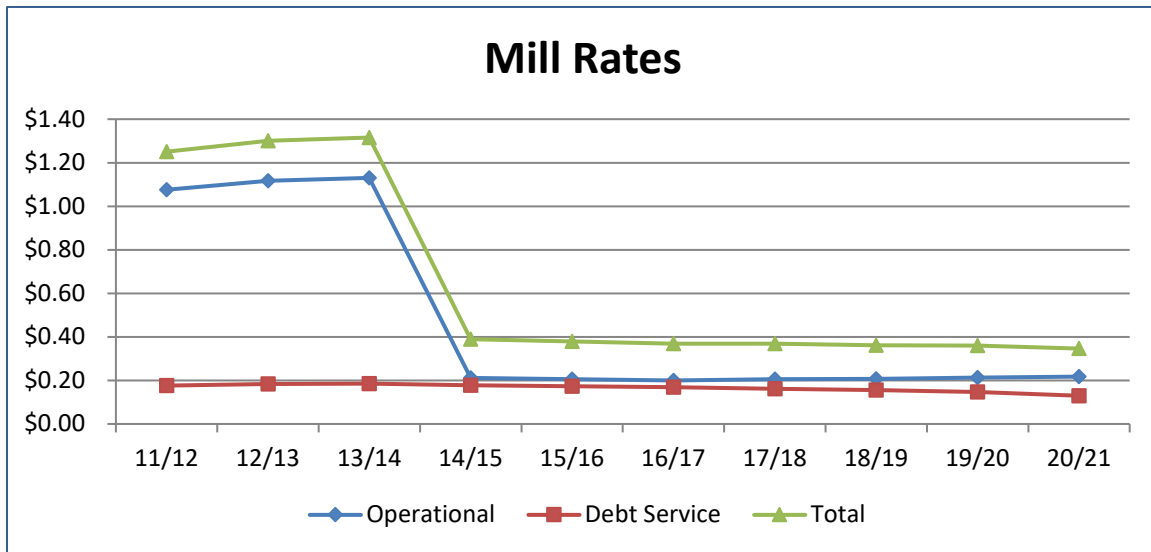
The next chart shows the change in equalized valuation of property over the past ten years.



The technical colleges have two components to their mill rate: operational mill rate and debt service mill rate.

- The **debt service mill rate** can only be used to cover that portion of the tax levy assessed to repay the general obligation promissory notes or bonds WCTC issues to cover its capital needs. There is no cap on the debt service mill rate; however, there are state statutes limiting the amount of building construction a college can do without a referendum and how much can be borrowed per debt issue.
- The **operational mill rate** covers the balance of the tax levy assessed. By state statute the operational mill rate may not increase more than the percent of net new construction each year plus 0.5% carryover of unused taxing authority from the prior year.
  - WCTC has elected to increase its operational levy in FY 21 by levying less in debt service. Thus, leaving the total tax levy the same as prior year (FY 20).
  - The official percent of net new construction growth to be used to calculate taxes will not be received from the Department of Revenue until October 2020, but currently is conservatively projected to be around 1.5%.

Year	Mill Rate	Mill Rate	Mill Rate
16/17	\$ 0.19978	\$ 0.16860	\$ 0.36838
17/18	\$ 0.20632	\$ 0.16223	\$ 0.36855
18/19	\$ 0.20638	\$ 0.15565	\$ 0.36203
19/20	\$ 0.21291	\$ 0.14725	\$ 0.36016
20/21	\$ 0.21668	\$ 0.12962	\$ 0.34630



## State funds

WCTC receives state funds from different sources: general state aids, property tax relief aid, state aids in lieu of computer taxes, personal property tax relief aid, and grants. Grant funding may be used in either of the Special Revenue Funds or the Capital Projects Fund. Discussion regarding property tax relief aid, personal property tax relief aid, and state aids in lieu of computer taxes was included in the discussion on property taxes. As a result, those state funds will not be discussed here.

### Grant funding

The amounts budgeted for state grants are based on proposals submitted to the various funding agencies. These amounts may fluctuate greatly between years. During the year, WCTC may be required to amend its budget if the fluctuation is different than what was included in the budget process. Examples of state grants are General Purpose Revenues (GPR), which funds such activities as career pathways, capacity building, and new markets. These grants are competitive in nature and budgeted in one of the two Special Revenue Funds, depending on whether or not WCTC actively manages and oversees the grant or if it is only acting as a fiscal agent or trustee of the funds.

WCTC also acts as a trustee for state financial aid funds such as Wisconsin Higher Education Grants (WHEG). These are recorded in the Special Revenue—Non-Aidable Fund.

Year	Special Revenue Fund		Capital
	Operating (in 000's)	Non-Aidable (in 000's)	Projects (in 000's)
11/12	\$ 1,229	\$ 747	\$ 19
12/13	\$ 1,474	\$ 837	\$ 33
13/14	\$ 1,304	\$ 967	\$ 53
14/15	\$ 1,823	\$ 934	\$ 16
15/16	\$ 1,987	\$ 1,006	\$ 207
16/17	\$ 896	\$ 1,071	\$ 66
17/18	\$ 924	\$ 1,126	\$ 66
18/19	\$ 997	\$ 1,252	\$ 78
19/20 est	\$ 1,200	\$ 1,200	\$ 82
20/21 est	\$ 890	\$ 1,342	\$ -

### General state aid funding

The sixteen technical colleges in Wisconsin receive funding from the state called general state aids to be used to offset the operational costs of the colleges. This is a segment of GPR funds and is recorded in the General Fund.

In the 2014-2015 State Biennium Budget, the Legislature phased in outcome-based funding starting with 10% of state aids funding in FY 15 and increasing the percentage 10% each year through FY 17 for a total of 30% being outcome-based funding for FY 17 and future years.

Year	Aidable	State	Based
	FTE's	Aids (in 000's)	Funding (in 000's)
11/12	4,590	\$ 2,983	\$ -
12/13	4,538	\$ 3,070	\$ -
13/14	4,297	\$ 2,999	\$ -
14/15	3,935	\$ 2,878	\$ 614
15/16	3,723	\$ 2,506	\$ 1,252
16/17	3,538	\$ 2,186	\$ 1,869
17/18	3,489	\$ 2,206	\$ 1,847
18/19	3,408	\$ 2,179	\$ 1,913
19/20 est	3,343	\$ 2,500	\$ 1,900
20/21 est	3,143	\$ 2,500	\$ 1,900

The following criteria are used to distribute outcome-based funding. Beginning in FY 15, the colleges annually selected seven of the nine criteria to receive funding on. A tenth criteria was added during the 2015 – 2017 State Biennium Budget process – credit for prior learning. Since an equalized valuation index is not part of the formula, WCTC receives more funding from outcome-based funding than it lost in state-aid funding. Annually, WCTC selects seven of the following ten criteria to receive funding on.



**Total Funding for the Wisconsin Technical College System**

- Job placement
- High demand fields
- Industry-validated curriculum
- ABE (adult basic education) transition
- ABE services and successes
- Dual enrollment
- Workforce training
- Collaboration
- Special populations
- Credit for prior learning

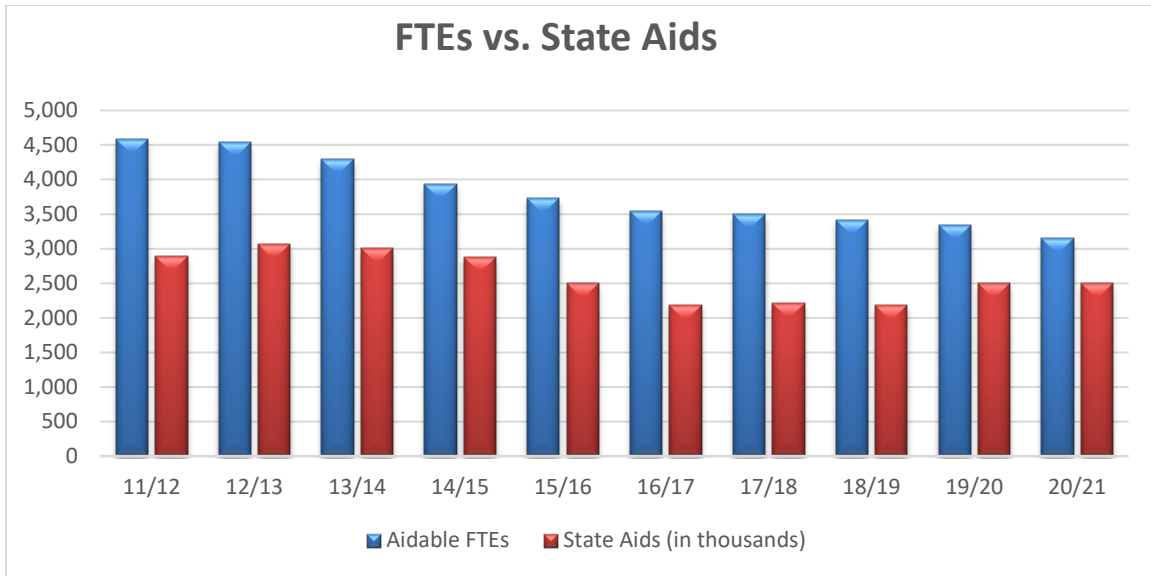
Fiscal Year	State-aid Funding	Outcome-Based Funding	Total Funding
2011/12	\$83,534,900	\$0	\$83,534,900
2012/13	\$83,534,900	\$0	\$83,534,900
2013/14	\$83,534,900	\$0	\$83,534,900
2014/15	\$79,681,410	\$8,853,490	\$88,534,900
2015/16	\$70,827,920	\$17,706,980	\$88,534,900
2016/17	\$61,974,430	\$26,560,470	\$88,534,900
2017/18	\$61,974,400	\$26,560,470	\$88,534,900
2018/19	\$61,974,400	\$26,560,470	\$88,534,900
2019/20	\$61,974,400	\$30,310,470	\$92,284,870
2020/21	\$70,724,400	\$30,310,470	\$101,034,870

The current state aid formula distributes general state aids to the sixteen technical colleges based on a complicated, expenditure-driven, formula equalized for tax-levying ability that takes into consideration student full-time equivalent (FTE) enrollments, aidable operational costs, an equalized valuation index, and a sum-certain allocation at the state level. It is difficult to pinpoint exactly what each college will annually receive in state aids. The total amount available to the system in FY 21 will be \$70,724,400. A simplified version of the formula is:

$$\text{((Total General Fund and Special Revenue Fund—Operating expenditures less all non-property tax or interest income revenue) plus Debt Service Fund expenditures) times (state average of taxable property per full-time equivalent student divided by WCTC's taxable property per full-time equivalent student)}$$

This simplified formula does not take into consideration the effect of FTEs and operational costs of the other fifteen technical colleges, which can greatly affect the estimates. During the year the technical colleges are required to submit projected cost allocation reports to the state. Based on these projections, the state attempts to estimate the amount of state aids each college will receive. The information is only as good as the projections received from each college. The amount each college may earn is then pro-rated based on the total amount available at the state level to be distributed. Final allocations do not occur until five months after the fiscal year end or later. There can be wide fluctuation between the estimates during the year and the final allocation.

Due to the timing of when WCTC prepares its budget and when information is available on how much state aid it received for the prior year as well as the uncertainty in the estimates, there may be a material difference between the budgeted state aid amount and what is actually received from the state for that fiscal year. Because WCTC receives a small portion of its revenue in the form of state aids, the variation has been manageable during the fiscal year. WCTC is very conservative and budgets for state aids on the lower end of estimated revenue.



## Student fees

Fees are collected from students for tuition, materials, and miscellaneous items. Program fees consist of tuition paid for students taking classes. These fees may be paid by the student, a relative, an employer, financial aid, a grant, or some other source. State statutes require that the technical colleges may not waive tuition and fees unless specifically stated in a state statute (i.e. grant covers the cost of a course and thus tuition may not be charged to the student). If a student drops a course within a certain timeframe, a credit of 60%, 80%, or 100% of the tuition and fees is given.

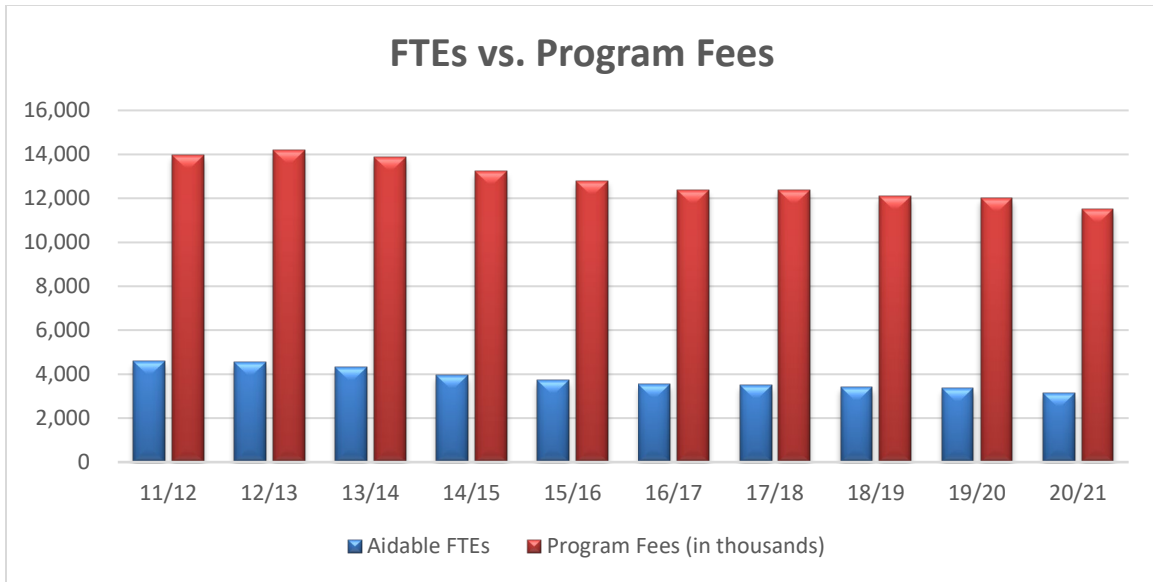
WCTC estimates the amount of tuition to be received based on projected enrollments, an estimated amount to be credited due to drops, Veterans remissions, and projected change to tuition rates. The tuition rates per credit for associate degree, technical, apprentice, and vocational adult programs are set by the Wisconsin

Year	Credit	FTE's	Fees, Net
11/12	\$ 111.85	4,590	\$ 13,953,790
12/13	\$ 116.90	4,538	\$ 14,195,474
13/14	\$ 122.20	4,297	\$ 13,887,633
14/15	\$ 125.85	3,935	\$ 13,220,791
15/16	\$ 128.40	2,723	\$ 12,795,755
16/17	\$ 130.35	3,538	\$ 12,366,091
17/18	\$ 132.20	3,489	\$ 12,376,216
18/19	\$ 134.20	3,408	\$ 12,087,549
19/20	\$ 136.20	3,343	\$ 12,000,000
20/21	\$ 138.90	3,143	\$ 11,505,340

Technical College System Board and are not able to be changed by WCTC. The WTCS Board normally approves the tuition rates at their Board meeting in March of each year.

Program (tuition) fees may be recorded in the General Fund and Special Revenue—Operating Fund only.

When setting the tuition rates, the Wisconsin Technical College System Board and fiscal staff look at how much the state is funding, how much comes from the homeowner, and how much the students pay for tuition and fees with an ideal split being one-third each. With the shift in FY 15 to the state funding \$406 million previously funded by taxpayers, the state is now funding the largest portion of costs instead of the property taxpayer.



Material fees are rates charged to cover the cost of supplies used by the students in the classroom (i.e. welding rods for a welding class). These rates are set by the state using information provided by all sixteen colleges. The FY 20 and FY 21 rate was \$4.50. The multiplier rate was \$3.50 per credit.

Miscellaneous student fees include such fees as:

- Out-of-state tuition rates, which are set by the state at 150% of the tuition rate.
- Group dynamic course fee rates, which are set by the state.
- Testing, application, and graduation fees, which are set by WCTC.

WCTC sets the fee rates it controls based on the cost to provide the service and what the market will bear if market rates are allowed. The state allows WCTC to recover its costs for most of these services, but not to make a profit. The revenue budgets for these fees are based on past trend information and projected levels of activities. There is no increase anticipated for miscellaneous student fees.

Students taking credit courses also get charged a student activity fee unless their class has been exempted from the fee. These fees are recorded in the Special Revenue—Operating Fund and are used by Student Government to provide services to students. This fee is equal to 6% of the tuition rate rounded to the nearest \$0.05. The students determine how they would like these funds to be spent. This fee is determined after the WTCS State Board sets the tuition rate. The rate was \$8.20 for FY 20 and will increase to \$8.35 for FY 21.

## Institutional revenues

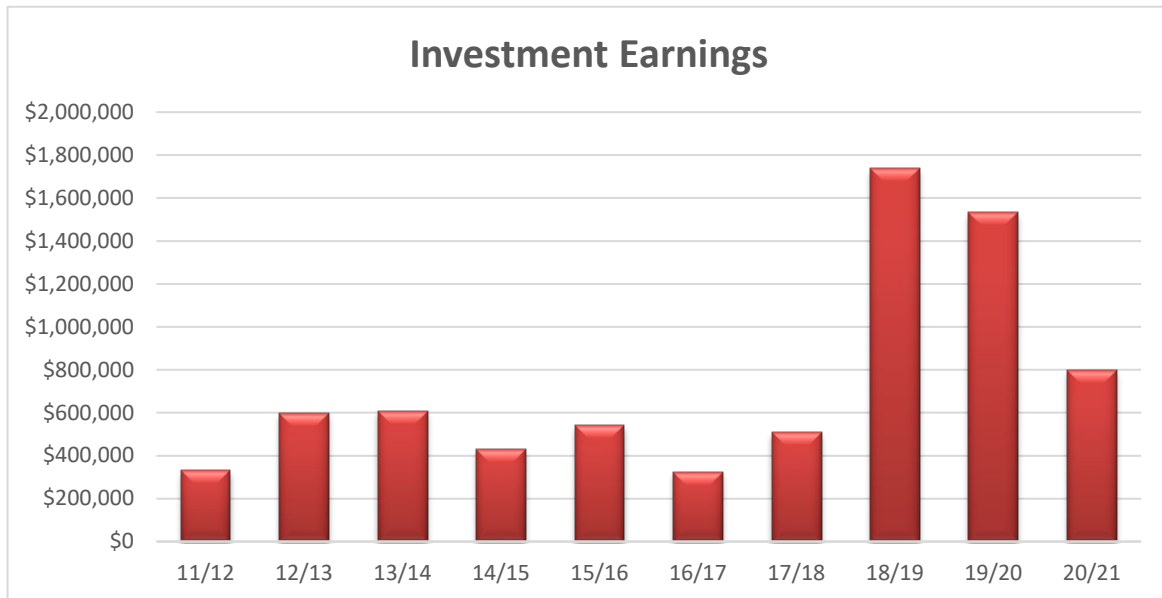
WCTC has a number of revenue sources that are classified as institutional revenue. Some of the major categories of institutional revenues are investment earnings, sales of goods and services from Enterprise activities, revenues generated from contracts with business and industry for customized instruction and technical assistance, and revenues from high schools for instructional services.

### Investment earnings

WCTC records most of its cash in the General Fund. Proceeds from issuing general obligation promissory notes are recorded in the Capital Projects Fund. Cash received for tax levy payments relating to debt service are recorded in the Debt Service Fund. WCTC receives earnings on these cash and cash equivalent investments.

Year	Amount
11/12	\$ 330,660
12/13	\$ 595,647
13/14	\$ 608,391
14/15	\$ 428,279
15/16	\$ 540,367
16/17	\$ 323,630
17/18	\$ 508,624
18/19	\$ 1,739,113
19/20	\$ 1,533,000
20/21	\$ 800,000

The impact of the recession on the financial markets significantly affected investment earnings over the past few years, while markets have shown signs of recovery they continue to be volatile, and investment earnings can vary widely from year to year.



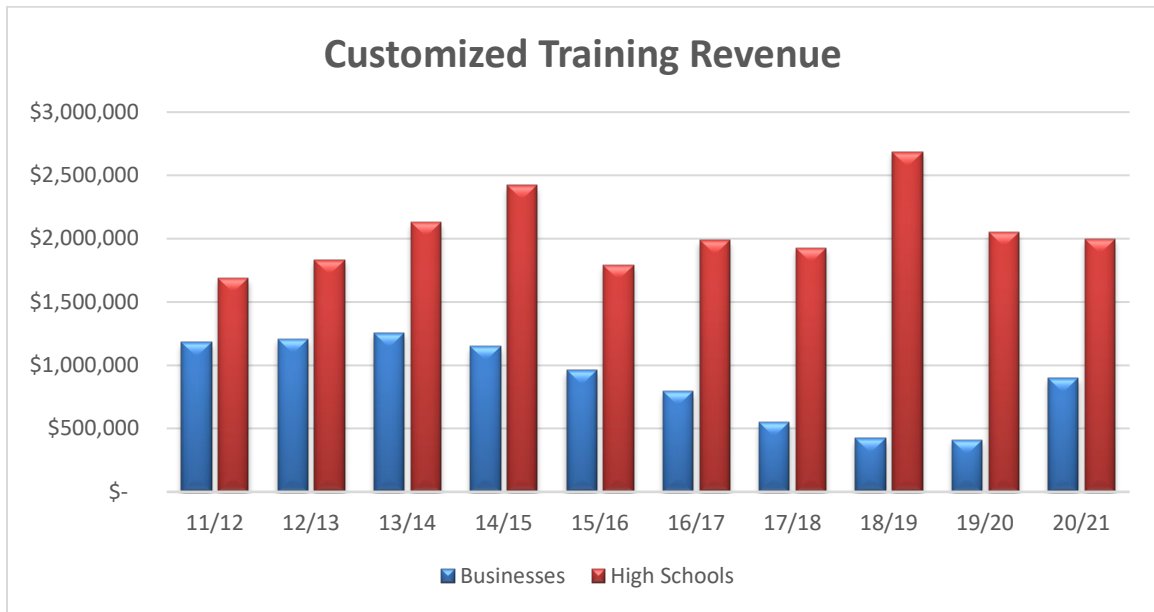
### Customized instruction and technical assistance

Wisconsin state statute 38.14 allows the technical colleges to contract with business and industry to provide customized training to meet their educational needs (i.e. providing Six Sigma training for employees of XYZ Company). In addition, this statute allows the technical colleges to contract with businesses for technical assistance (i.e. a new business needs help in setting up their accounting system). Normal tuition and fees are not charged for this type of activity. Instead, there are other formulas used to set the contract price

that takes into consideration the direct and indirect costs of providing the services. The revenue on these contracts need to meet or exceed tuition and fee revenue and be market based.

Wisconsin state statutes 38.14 and 118 (transcripted credit) requires the technical colleges to provide certain types of services to high school students whereby the high school student, while still attending high school, can also receive technical college credit for the same class. When high school students meet the criteria for this statute, WCTC bills the high school for the cost of the service based on the funding rates allowed. The student does not pay tuition and fees for this service.

Year	With Businesses	High School Students
11/12	\$ 1,180,469	\$ 1,684,800
12/13	\$ 1,208,509	\$ 1,833,267
13/14	\$ 1,254,303	\$ 2,130,063
14/15	\$ 1,151,218	\$ 2,419,996
15/16	\$ 957,633	\$ 1,791,579
16/17	\$ 792,212	\$ 1,983,073
17/18	\$ 549,841	\$ 1,928,434
18/19	\$ 503,494	\$ 2,686,917
19/20	\$ 411,326	\$ 2,051,438
20/21	\$ 900,000	\$ 2,000,000



In addition to providing customized instruction to business and industry, state statute 38.24 allows WCTC to provide seminars and workshops if they meet certain criteria with this revenue included in other student fees. WCTC is allowed to charge a market rate for these services.

The majority of the 38.14 and 118 contract activity takes place in the General Fund. The FY 21 budget was built using an estimate based on projected sales volume and contract rate pricing. WCTC has been serving an increasing number of high school students through its transcripted credit program each year. The decrease occurred for FY 16 when Project Lead the Way classes were no longer considered transcripted credit.

**Sales of goods and services**

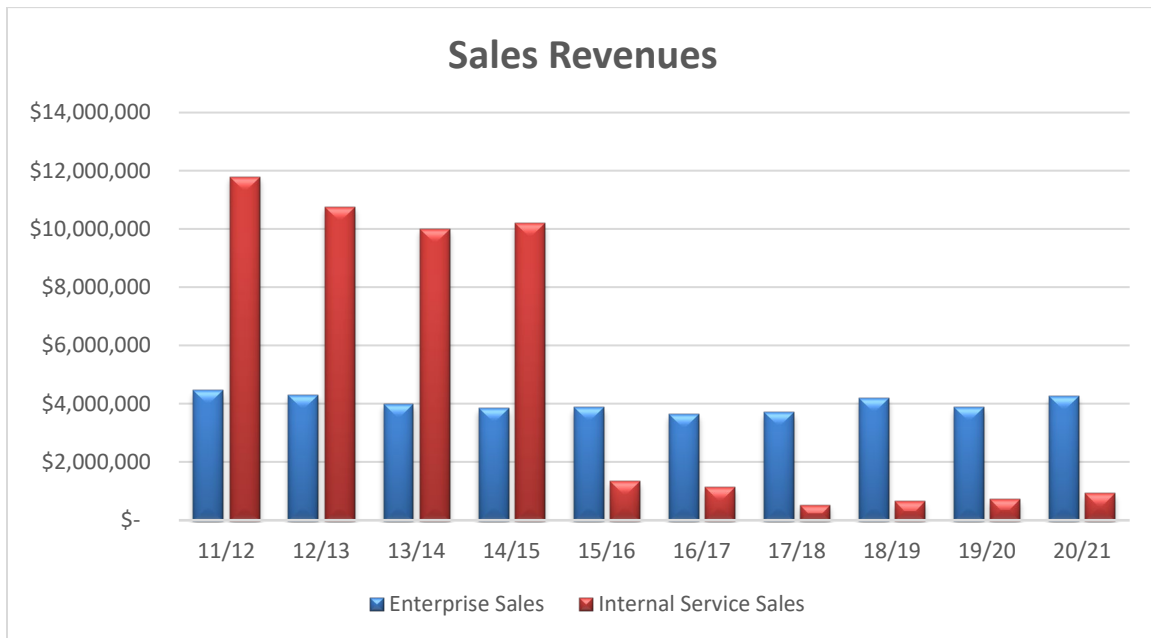
WCTC operates a number of enterprise activities. These enterprise activities are run like a private business and sell goods and services to the public through an Enterprise Fund. The main enterprise activities are the Bookstore, Child Development Center, Classic Room, and Firing Range. The goal of these enterprises is to break even or to make a small profit.

The Bookstore strives for a small profit margin each year. The Bookstore Manager continues to look for ways to keep the price of resources reasonable for the student. In spring 2016, the Bookstore and Learning piloted the use of digital books in a few classes at significant cost savings for students. Expansion of digital books continues. The Bookstore received approval to become an Apple-certified store in FY 18. Enrollment declines have negatively affected Bookstore textbook sales.

Year	Enterprise Sales	Service Sales
11/12	\$ 4,454,526	\$ 11,787,974
12/13	\$ 4,302,634	\$ 10,759,332
13/14	\$ 3,990,072	\$ 10,004,280
14/15	\$ 3,842,172	\$ 10,188,371
15/16	\$ 3,871,477	\$ 1,340,369
16/17	\$ 3,634,152	\$ 1,132,641
17/18	\$ 3,708,128	\$ 526,276
18/19	\$ 4,178,966	\$ 643,466
19/20	\$ 3,868,009	\$ 720,000
20/21	\$ 4,264,171	\$ 930,000

The Bookstore strives for a small profit margin each year. The Bookstore Manager continues to look for ways to keep the price of resources reasonable for the student. In spring 2016, the Bookstore and Learning piloted the use of digital books in a few classes at significant cost savings for students. Expansion of digital books continues. The Bookstore received approval to become an Apple-certified store in FY 18. Enrollment declines have negatively affected Bookstore textbook sales.

The Child Development Center strives to break even. In FY 14 WCTC opened an indoor firing range, which is available to the public when not needed for training purposes and which is also striving to break even. The Bookstore transfers funds to these two enterprise operations at year end if the operation sustains a loss in that year since neither have available retained earnings to offset a loss. No property tax levy is used in these operations.



In June 2002, WCTC became self-insured for health and dental. These revenues are recorded in an Internal Service Fund. A goal of three months' claims cost was set for retained earnings and WCTC exceeded that goal. In January 2013, WCTC transitioned retirees from the self-insurance fund to a Medicare Advantage plan that reduced costs and revenues in this fund since that point in time.

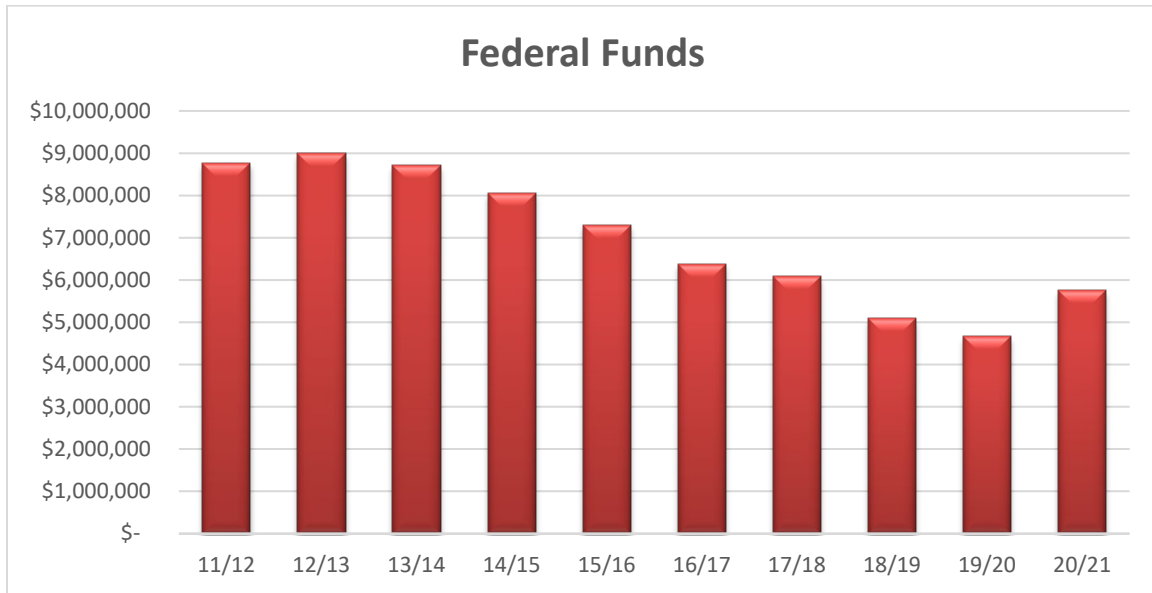
In FY 16, the Internal Service Fund sales were significantly reduced due to transitioning health and dental insurance to the Wisconsin Technical College Employee Benefit Consortium. Health and dental insurance transactions are no longer processed through the Internal Service Fund.

## Federal funds

WCTC receives federal grants for specific projects and for student financial aid. Some federal grants are recorded in the Special Revenue—Operating Fund. These grants include Carl D Perkins Career and Technical Education, Adult Education Act, and other federal funds. Other federal grants where WCTC acts as a trustee are recorded in the Special Revenue—Non-Aidable Fund. WCTC acts as a trustee for financial aid funds such as Pell, Student Employment Opportunity Grant (SEOG), and College Work Study (CWS).

Year	Received
11/12	\$ 8,759,580
12/13	\$ 8,988,499
13/14	\$ 8,717,077
14/15	\$ 8,065,163
15/16	\$ 7,305,774
16/17	\$ 6,384,111
17/18	\$ 6,081,875
18/19	\$ 5,089,557
19/20	\$ 4,665,000
20/21	\$ 5,755,075

Federal funding levels may fluctuate greatly from year to year based on the availability of federal funds and the amount projected to be awarded to WCTC. The budget is based on known information during the budget process. Any deviations from this information may result in a budget amendment being taken to the WCTC Board to modify the budget. The receipt of federal funds increased during the recession years as more students enrolled and were eligible for financial aid. The amount of federal financial aid to be received and disbursed will fluctuate based on increases or decreases in enrollment due to a high correlation between the two factors.



# BUDGET PROCESS

## Budget process

Annually WCTC is required to prepare a budget document and budget summary in accordance with section 65.90 of the Wisconsin state statutes and the rules contained in TCS (Technical College System) 7 of the Wisconsin Administrative Code as established by the Wisconsin Technical College System Board under section 38.04(11)(a) of the statutes.

Throughout the year the WCTC Board members and staff continuously seek input from customers, students, taxpayers, and others for the services to be provided by WCTC using methods such as:

- Each program area has an advisory committee made up of members from business and industry working in that field of expertise that meet twice per year and make recommendations.
- The WCTC Board members and staff meet regularly with various businesses throughout the district to seek input about their needs.
- Focus group meetings are held with various businesses, students, and staff in order to seek information about the needs of students and businesses.

Staff and the WCTC Board review and update the Strategic Plan. WCTC has updated its Strategic Plan this past winter of 2020.

During the budget process the WCTC Board and President set the guidelines for the development of the budget. Administrative staff uses the Board's guidelines to create more restrictive criteria to be used by organizational units when developing the divisional budgets so the final budget falls within the Board's guidelines. The budget has been developed using a zero-based budgeting approach.

In early December budget workshops are held whereby staff is given instructions for preparing the next year's budget, including the restrictions they must work within. Department heads have until mid-January to input their budget requests into the budget module. Division managers are then allowed two weeks to modify these requests. The Vice President of Finance works with the divisions to make sure they are in compliance with the guidelines and make any necessary adjustments. During the month of February the Vice President of Finance and the Controller develop the salary and benefit budgeting for regular staff as well as adding rate increases for temporary and part-time staff. During January and February the Vice President of Finance works with the President's Executive Cabinet to finalize all budget decisions to the extent possible with known information.

Between March and May staff present the budget to the WCTC Board. By this point in time, the budget is balanced and meets the Board's guidelines.

WCTC is required to hold a public hearing prior to adoption of the budget with a Class 1 legal notice being published fifteen days prior to the hearing. This public hearing is held in May. The budget is adopted in May or June. From March through May any necessary modifications are made to the budget.

Prior to July 1 the WCTC Board must legally adopt a budget at the fund and function level. It requires a majority vote to adopt the budget. Copies of the adopted budget and legal notice must be forwarded to the Wisconsin Technical College System by June 30.

In October of the budget year, the WCTC Board certifies the WCTC tax levy amount based on the adopted budget unless the adopted budget levy was subsequently modified by the Board prior to approving the tax bills. Property taxes are then levied on the various taxing municipalities located within the district based



on their portion of equalized valuation (excluding tax incremental financing districts) as established by the Wisconsin Department of Revenue. Because the taxes for the budget year are not levied until six months into the fiscal year, it is important that WCTC maintains adequate reserves to have sufficient cash available to meet its cash flow needs during the first seven months of the fiscal year.

## Budget amendments

According to Wisconsin statutes, budget transfers between funds and functional areas within funds require WCTC Board approval. Increases or decreases in the overall budget by fund level, such as new revenues being received, require WCTC Board approval. These approvals require a two-thirds vote of the entire WCTC Board, publishing a Class I legal notice in the official college newspaper within ten days, and reporting the change to the WTC State Office within thirty days of approval. Budget modifications do not require re-issuance of the budget document.

Management has the ability to modify the budget by account number within a function within a fund without Board approval. Management exercises control over budgeted expenditures by fund and function as presented in the accompanying financial statements. Expenditures may not legally exceed the adopted or modified appropriations at the functional level within a fund. Unused appropriations lapse at the end of each fiscal year.

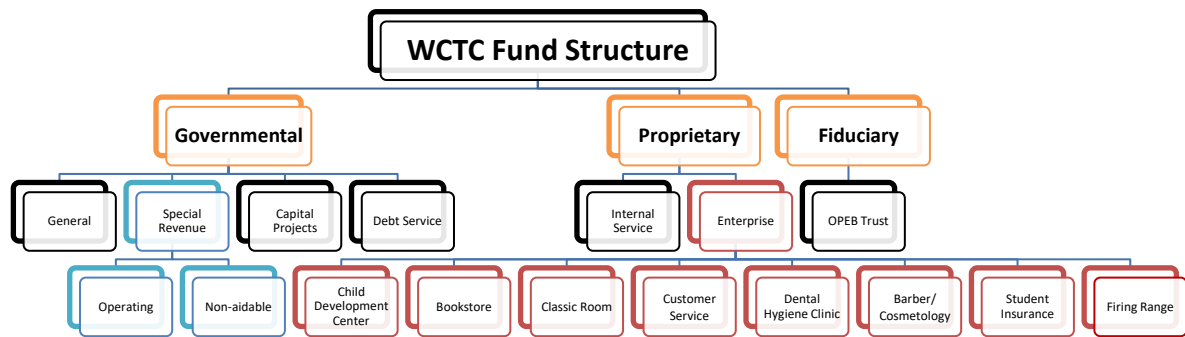
<b>Month</b>	<b>Activity</b>
<b>Quarterly</b>	Strategic Plan reviewed and measures updated
<b>Fall</b>	Budget and levy limit guidelines established
<b>October</b>	Capital requests submitted New position requests submitted New and expanded activity requests submitted
<b>December</b>	Budget workshops held Staff begins developing their budgets Capital project requests reviewed and approved
<b>January</b>	Staff completes inputting their budgets Grant budgets developed Divisional managers finalize their budgets New position requests reviewed and prioritized Capital requests reviewed and prioritized New and expanded activity requests reviewed and prioritized
<b>February</b>	Salary and benefit budgets calculated and inputted Revenue budgets calculated and inputted Grant budgets finalized
<b>Spring</b>	Budget presented to the WCTC Board WCTC Board establishes final budget parameters
<b>April/May</b>	Public hearing notice published Public hearing held
<b>May/June</b>	WCTC Board adopts the budget Budget submitted to the state
<b>October</b>	WCTC Board approves the tax levy bills and mill rates Certified tax bills mailed to municipalities
<b>Year long</b>	Input sought from customers, students, staff, and taxpayers Operating budgets monitored by budget responsible managers

# FINANCIAL STRUCTURE

The WCTC Board is the governing authority of this reporting entity. By state statute, the County Board Chairs of Waukesha, Jefferson, Dodge, and Racine counties appoint WCTC Board members. These elected county officials do not maintain a continuing relationship with the WCTC Board with respect to carrying out its important public functions. As WCTC’s governing authority, the WCTC Board powers include authority to:

- Borrow money and levy taxes.
- Establish a budget.
- Execute contracts, exercise control over facilities and properties, determine the outcome or disposition of matters affecting the receipt of the services being provided, and approve the hiring or retention of key management personnel who implement board policies and directives.

The accounts of WCTC are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. WCTC’s resources are allocated to and accounted for in individual funds, based on the purpose for which they are to be spent and the means by which spending activities are controlled. In this budget document the various funds are grouped into fund types and three broad fund categories as follows:



## Governmental funds

Governmental funds are those funds through which most functions of WCTC are financed. The acquisitions, uses, and balances of WCTC’s expendable financial resources and related liabilities, except those accounted for in Proprietary funds, are accounted for through Governmental funds. The measurement focus is based on the determination of changes in financial position rather than on determination of net income. WCTC maintains the following Governmental funds:

- **General Fund:** The General Fund is the principal operating fund and accounts for all financial activities not required to be accounted for in another fund.
- **Special Revenue Fund:** The Special Revenue Fund is used to account for the proceeds and related financial activities of specific revenue sources that are legally restricted to expenditures for specified purposes or where WCTC acts as a trustee or fiscal agent for the funds of others.

- ✓ **Operating:** The Special Revenue – Operating Fund is used to account for the proceeds and related financial activities of specific revenue sources that are legally restricted to expenditures for specified purposes and which are within the mission of WCTC.
- ✓ **Non-aidable:** The Special Revenue – Non-Aidable Fund is used to account for assets held by WCTC in a trustee capacity, primarily for student activities, financial aid, and funds from various state and federal grantor agencies where WCTC is acting as a fiscal agent and the scope of activities is not within WCTC’s mission. This fund is also used to account for assets held by WCTC as fiscal agent, such as student club funds and the Banner Consortium. No budgets are included for those activities where WCTC acts as a fiscal agent only. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations.
- **Capital Projects Fund:** The Capital Projects Fund accounts for financial resources used for the acquisition or construction of capital assets and remodeling other than those financed by Enterprise Funds.
- **Debt Service Fund:** The Debt Service Fund is used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest, and related costs.

## Proprietary funds

Proprietary Funds are used to account for ongoing activities that are similar to those often found in the private sector. The measurement focus is based on the determination of income. These funds are maintained on the accrual basis of accounting.

- **Internal Service Fund:** The Internal Service Fund is used to account for the financing and related financial activities of goods and services provided by one department of the college to another department of the college or to other governmental units on a cost-reimbursement basis.
- **Enterprise funds:** The Enterprise Fund is used to record revenues and expenses related to rendering services to students, faculty, staff, and the community. These funds are intended to be self-supporting and are operated in a manner similar to private business where the intent is that all costs, including depreciation expense, of providing goods and services to students and other aforementioned parties is recovered primarily through user charges. These services complement the educational and general objectives of WCTC.

## Fiduciary funds

Fiduciary Funds are used to report assets held in an irrevocable trust on behalf of others and which, therefore, cannot be used to support WCTC’s own programs. Fiduciary Funds are not included in WCTC’s adopted budget. Budgetary information is provided for information purposes only.

- **OPEB Trust:** The Other Post-Employment Benefit (OPEB) Trust Fund is a fund created to track the activities of the irrevocable trust established by WCTC with a third-party. This trust was established to hold assets to cover the post-employment benefits earned by current and former WCTC staff until the benefit is paid out on behalf of the retiree.

# ACCOUNTING STRUCTURE

## Basis of accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The financial statements are prepared on an accrual basis, whereby all revenues are recognized when earned and all expenses are recorded as liabilities when incurred. This basis of accounting requires depreciation expense be recorded for all capitalized assets to spread the cost of those assets to the estimated period benefiting from them. Principal still owing on long-term debt is recorded as a liability.

In December 1998 the Governmental Accounting Standards Board (GASB) released Statement No. 33, *“Accounting and Financial Reporting for Non-Exchange Transactions,”* which revised reporting requirements for property tax revenue. In June 1999, GASB approved Statement No. 34, *“Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments,”* followed by Statement No. 35, *“Basic Financial Statements and Management’s Discussion and Analysis for Public Colleges and Universities,”* which changed the financial statement presentation requirements for WCTC. The change in financial statement presentation provides a comprehensive one-page look at the total college and requires capitalization of assets and the recording of depreciation. These statements were implemented by WCTC for the fiscal year ended June 30, 2002.

The significant changes in these financial statements included the recording and depreciation of capital assets, the elimination of internal revenue and expense charges, the removal of capital-related items from revenues and expenditures, the reporting of summer school revenues and expenses on a pro rata basis between fiscal years rather than in one fiscal year, the recording of all revenues and expenditures on an accrual basis rather than a modified accrual basis, the recognition of accrued interest on outstanding debt, and the elimination of two account groups.

Under these new regulations, WCTC reports its financial statements using the business-type activities model, whereby the financial statements will be presented in a manner similar to private industry.

## Basis of budgeting

WCTC adopts an annual operating budget, which is prepared on substantially the same basis as the financial statements, which are prepared in accordance with generally accepted accounting principles (GAAP), with the following exceptions:

- WCTC uses encumbrance accounting in its budgetary basis. Encumbrances are not included in the accounting basis.
- WCTC records purchases of capital assets as an expenditure on a budgetary basis. Under the accounting basis, these costs are recorded as an asset with depreciation expense.
- WCTC records the principal and interest payment on debt as an expenditure on a budgetary basis for the year in which it is paid. Under the accounting basis, the principal portion is recorded as a liability and the interest portion is recorded as an expense in the year it is due.

- WCTC records some of its revenues on the accrual basis and some on the modified accrual basis for the budgetary basis. Under the accounting basis, all revenues are recorded using the accrual basis.
- WCTC utilizes the various funds described in the previous section to record transactions for budgetary purposes. For accounting purposes, these funds are consolidated into one column in the annual financial statements since WCTC uses the business-type activities method of reporting.

The Governmental Funds are accounted for on a modified accrual basis. Under the modified accrual basis of accounting, transactions are recorded in the following manner:

- Revenues are recognized when they become both measurable and available (susceptible to accrual). All revenues are considered susceptible to accrual except summer school tuition and fees.
- Expenditures are recognized when the liability is incurred, except for interest and principal on general long-term obligation debt, which are recognized as expenditures when due. Expenditures for claims and judgments are recognized when it becomes probable that an asset has been impaired or a liability has been incurred.
- Expenditures for compensated absences, including vacation and sick leave, are recognized when the liability is incurred for past services of an employee that vest and accumulate.
- Capital assets are recorded as capital outlays and expensed at the time of purchase.
- Proceeds of long-term debt obligations are treated as a financing source when received.

The Proprietary Funds are accounted for on an accrual basis, whereby revenues are recognized when measurable and earned and expenses are recorded as liabilities when incurred and, where applicable, depreciation expenses are also included.

# DESCRIPTION OF FUNCTIONS

## Instruction

This function includes teaching, academic administration and related clerical support, and other activities related directly to the teaching of students, such as guiding the students in the educational programs, coordination and improvement of teaching.

## Instructional resources

This function includes all learning resource activities such as the Library and audio-visual aids center, learning resource center, Center for Academic Performance Excellence, instructional media center, instructional resources administration, and related clerical support.

## Student services

This function includes those non-instructional services provided for the student body, such as student recruitment; student services administration and related clerical support; admissions; registration; counseling, including testing and evaluation; health services; financial aids; placement; and follow up. Non-instructional athletics, such as inter-mural and intercollegiate athletics, are also included.

## General institution

This function includes costs related to general administrative functions, including the WCTC Board, the Office of the President, the Business Office, and general clerical support for administrative offices serving all functions of WCTC. Administrators of specific functions are not recorded under this function. This function also includes all services benefiting the entire college, exclusive of those chargeable directly to other functional categories. Examples of this type of expenditures are legal fees, external audit fees, general liability insurance, interest on operational borrowing, and public information. General personnel, employment relations, and affirmative action programs are included in this function.

## Physical plant

This function includes all services required for the operation and maintenance of the physical facilities. Principal and interest on long-term debt obligations are included under this function as are general utilities, such as heat, light, and power.

## Auxiliary services

This function includes commercial-type activities, such as the Bookstore, the Classic Room, and Child Development Center.

Fiscal Year 2021  
**BUDGET DOCUMENT**



General Fund



WAUKESHA  
COUNTY TECHNICAL  
COLLEGE

Hands-on  
Higher Ed

# GENERAL FUND

The General Fund is the principal operating fund and accounts for all financial activities not required to be accounted for in another fund.

## General Fund Budget Summary

	2018/19 Actual	2019/20		2020/21 Budget	Change from 2019/20 Modified Budget	
		Adopted	Modified		\$	%
<b>Revenues</b>						
Local government	\$10,712,511	\$ 11,048,797	\$ 11,601,871	\$ 12,470,065	\$ 868,194	7.5%
State aids	47,588,988	\$ 47,588,730	\$ 47,905,760	\$ 48,055,760	150,000	0.3%
Program fees	12,087,549	\$ 12,152,940	\$ 12,152,940	\$ 11,505,340	(647,600)	-5.3%
Material fees	783,124	\$ 770,800	\$ 770,800	\$ 729,700	(41,100)	-5.3%
Other student fees	1,090,484	\$ 1,150,550	\$ 1,150,550	\$ 1,089,250	(61,300)	-5.3%
Institutional	3,986,368	\$ 3,911,890	\$ 3,951,890	\$ 3,911,890	(40,000)	-1.0%
Federal	10,370	-	-	-	-	0.0%
<b>Total revenue</b>	<b>\$76,259,394</b>	<b>\$ 76,623,707</b>	<b>\$ 77,533,811</b>	<b>\$ 77,762,005</b>	<b>\$ 228,194</b>	<b>0.3%</b>
<b>Expenditures</b>						
Salaries	\$41,003,957	\$ 42,141,368	\$ 42,141,368	\$ 42,154,160	\$ 12,792	0.0%
Benefits	14,498,525	16,183,903	16,183,903	16,241,628	57,725	0.4%
Operating expenditures	16,033,643	18,298,436	19,208,540	19,426,217	217,677	1.1%
<b>Total expenditures</b>	<b>\$71,536,125</b>	<b>\$ 76,623,707</b>	<b>\$ 77,533,811</b>	<b>\$ 77,822,005</b>	<b>\$ 288,194</b>	<b>0.4%</b>
Net Revenue/(Expenditures)	4,723,269	-	-	(60,000)		
<b>Other sources/(uses)</b>						
Operating Transfer In/(Out)	\$ (4,170,000)	\$ -	\$ (4,574,000)	\$ 60,000		
<b>Total Resources/(Uses)</b>	<b>\$ 553,269</b>	<b>\$ -</b>	<b>\$ (4,574,000)</b>	<b>\$ -</b>		
Beginning Fund Balance	23,473,061	19,909,188	24,026,330	21,085,961		
Ending Fund Balance	\$24,026,330	\$ 19,909,188	\$ 19,452,330	\$ 21,085,961		

The FY 14/FY 15 Wisconsin State Biennium Budget included language that capped operational levy increases at net new construction growth. If the allowed increase was not levied in a budget year, a college could use up to one-half of one percent of the unused portion in the next budget year.

WCTC plans to increase the operational tax levy \$742,794, with a corresponding decrease to the debt service tax levy resulting in 0.00% increase in total tax levy. The projected allowable operational levy increase from net new construction is 1.4%. WCTC strives to utilize resources efficiently and minimize the impact on the individual taxpayer whenever possible. In the prior 10 years, a levy increase has occurred only 3 times.



## Financial summary by function and class

By state statute, the WCTC Board controls the budget at the fund and function level. The expenditure functions in the General Fund are:

- Instruction
- Instructional resources
- Student services
- General institutional
- Physical plant

In addition, WCTC staff also looks at expenditures in the following class categories:

- Salaries
- Benefits
- Operating expenditures

The following table displays the FY 21 General Fund budget by function and class categories.

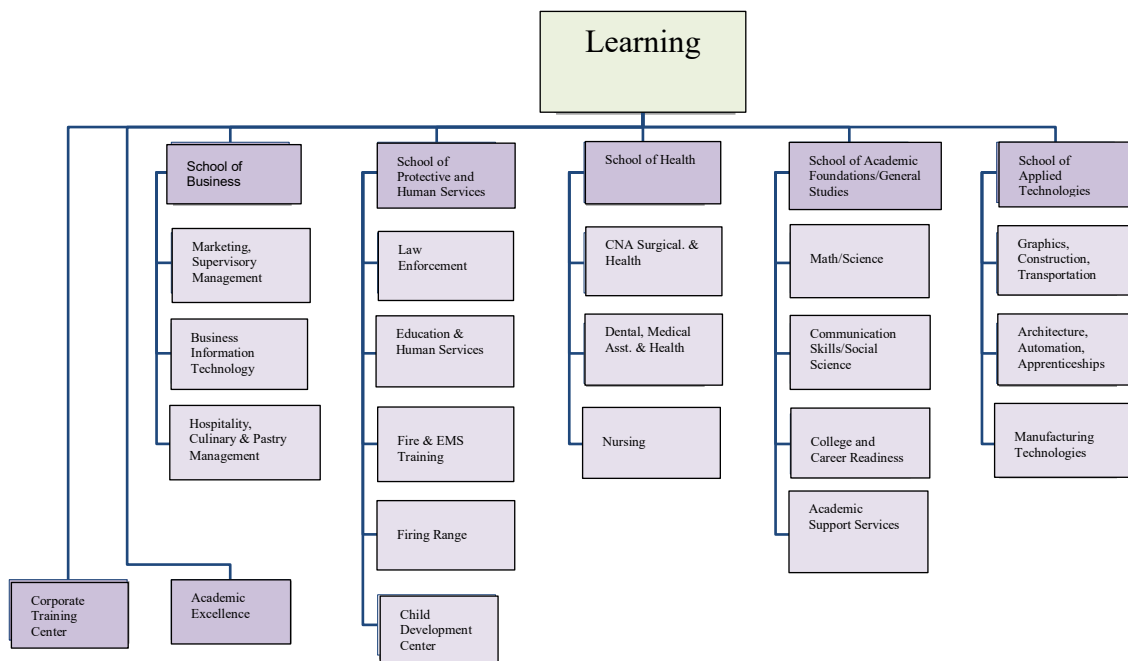
Function	Salaries	Benefits	Current Operating	Total
Instruction	\$ 28,407,980	\$ 10,119,696	\$ 7,918,760	\$ 46,446,436
Instructional resources	807,742	328,039	338,151	1,473,932
Student services	4,964,736	2,246,008	1,720,116	8,930,860
General administration	6,464,306	2,891,457	5,770,400	15,126,163
Physical plant	1,509,396	656,428	3,678,790	5,844,614
<b>Total</b>	<b>\$ 42,154,160</b>	<b>\$ 16,241,628</b>	<b>\$ 19,426,217</b>	<b>\$ 77,822,005</b>

The following narratives describe activities, goals, and achievements of the various divisional units at WCTC. Each section includes the following:

- Financial summary
- Divisional activities
- Organization chart

# LEARNING DIVISION

	Change from 2019/20					
	2018/19	2019/20		2020/21	Modified Budget	
	Actual	Adopted	Modified	Budget	\$	%
Salaries	\$ 28,246,271	\$ 28,801,862	\$ 28,801,862	\$ 27,971,079	\$ (830,783)	-2.9%
Benefits	9,470,546	10,021,978	10,021,978	10,155,885	133,907	1.3%
Operating expenditures	<u>4,231,053</u>	<u>4,991,717</u>	<u>5,491,717</u>	<u>5,105,812</u>	<u>(385,905)</u>	<u>-7.0%</u>
Total expenditures	\$ 41,947,870	\$ 43,815,557	\$ 44,315,557	\$ 43,232,776	\$(1,082,781)	-2.4%



## Activities

**Learning** is responsible for providing all direct educational services to its customers. Educational activities include associate of applied science degrees, technical diploma programs, continuing education, community and family education, advanced technical certificates (ATC), apprenticeship education, technical studies journey worker, basic education, adult high school, English as a second language (ESL), school to work, youth apprenticeship, and distance learning – shared programming, hybrid courses, and on-line.

The **School of Academic Foundations/General Studies Division** prepares a culturally diverse population with basic education and critical life skills that will enable individuals to successfully identify, enter, and succeed in occupational programs, to be successful lifelong learners, to be productive members of the workforce, and to become contributing members of the community.

The **School of Business**, through a learner-centered focus, provides entry-level, advanced technical training, customized contract training, and continuing education for learners. This division spans the fields of human resources, accounting, management, information technology, global business, marketing, and office operations. Specialized certificates are also available in entrepreneurship, information technology, real estate, customer service, quality tools, management, global business, assessor, mortgage lending, advertising, and leadership.

The **School of Applied Technologies** provides a comprehensive series of technical/occupational programs to fulfill the educational and training needs of area employers and employees. The division spans the fields of construction, electronics technology, architecture, mechanical design, manufacturing, automation systems, printing, graphic design, and transportation. Practical, application-oriented instruction is offered in well-equipped laboratory facilities. Many program areas feature cooperative work experience with related industry employers.

The **School of Protective and Human Services** accomplishes its vision/mission and that of WCTC through its educational programs and services. The division offers community services, continuing education, and specially funded or certificate programs in the fields of education, interior design, human services, protective services, barber/cosmetology, and emergency medical.

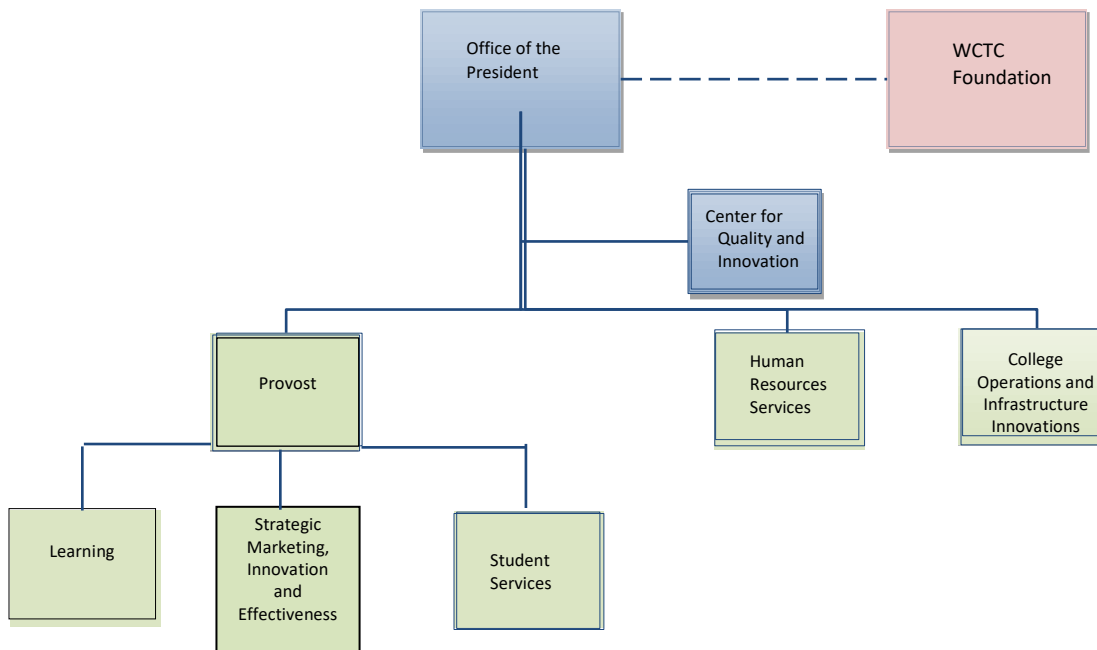
The **School of Health** accomplishes its vision/mission and that of WCTC through its educational programs and services. The division offers community services, continuing education, and specially funded or certificate programs in the fields of nursing, dental hygiene, health information technology, health office operations, pharmacy, surgical technology, and physical therapy.

The **Corporate Training Center** builds and maintains lasting relationships between Waukesha County Technical College and business, industry and governmental agencies in Waukesha County, including small business. WCTC's customers embrace the use of WCTC's innovative and customized occupational, technical and professional development training and technical assistance. A value-added customer service approach leads to increased customer organizational performance and economic development.

The **Academic Excellence Department** provides support to instructional staff and students through support of learning management software, online learning, and the Center for Academic and Professional Excellence. The curriculum staff promotes, supports, and trains others in the development and implementation of competency-based curriculum, integration of critical life skills, assessment of student learning outcomes, and analysis of occupations for developing new programs and improving existing programs. The Early College Opportunities staff work closely with K-12 school districts to transition students from high schools to WCTC and dual credit programs, such as transcribed credit and the Dual Enrollment Academy program.

# OFFICE OF THE PRESIDENT'S DIVISION

General Fund	Change from 2019/20					
	2018/19	2019/20		2020/21	Modified Budget	
	Actual	Adopted	Modified	Budget	\$	%
Salaries	\$ 2,157,051	\$ 2,113,758	\$ 2,113,758	\$ 2,251,858	\$ 138,100	6.5%
Benefits	\$ 644,988	\$ 666,401	\$ 666,401	\$ 727,574	\$ 61,173	9.2%
Operating expenditures	<u>1,821,848</u>	<u>2,188,388</u>	<u>2,188,388</u>	<u>2,297,577</u>	<u>109,189</u>	<u>5.0%</u>
Total expenditures	\$ 4,623,887	\$ 4,968,547	\$ 4,968,547	\$ 5,277,009	\$ 308,462	6.2%



## Activities

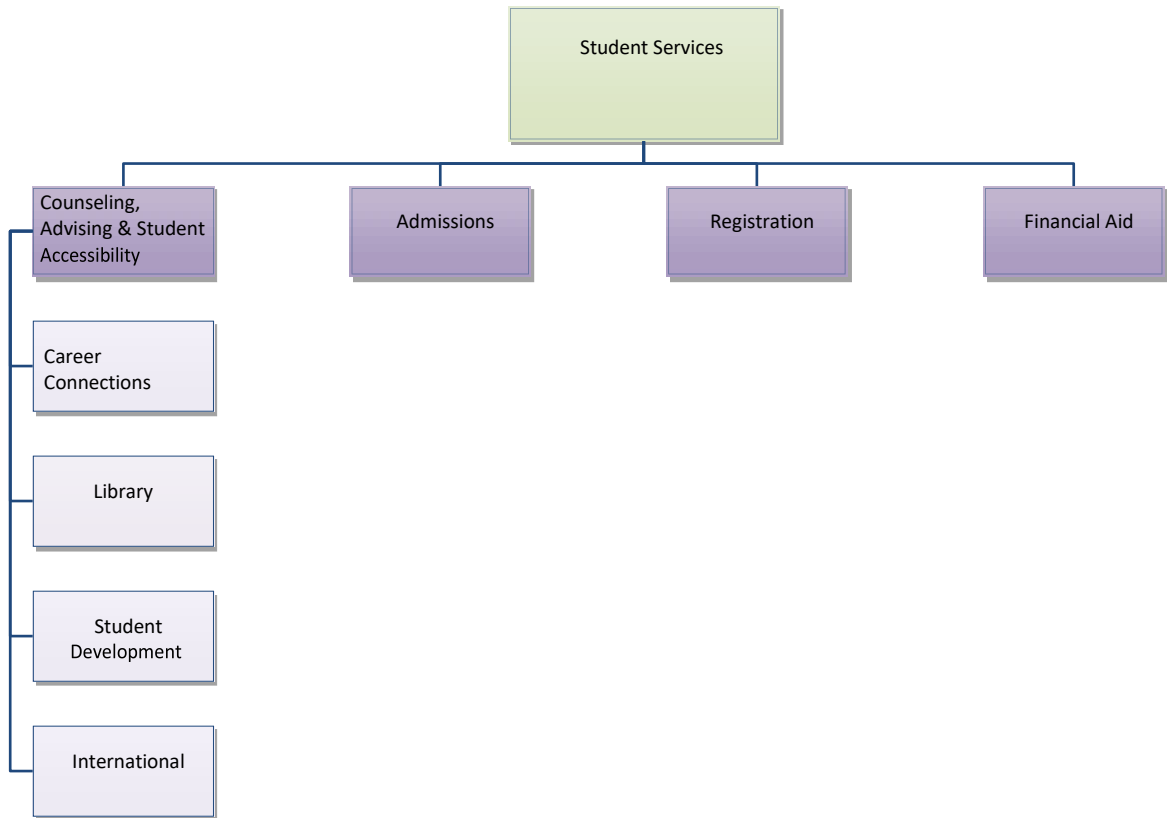
The **Office of the President** provides support for the WCTC Board, overall college leadership, and educational programming, legislative activities, and revenue development.

**Human Resources Services** provides services that include recruitment selection and employment, compensation and benefit programs, administration, employee orientation, training and development, personnel records and position control, faculty credentialing, diversity, affirmative action, risk management, environmental health and safety office, and wellness programs.

The **Center for Quality and Innovation (CQI)** provides coaching and facilitation to staff for the continuous improvement of teaching, learning, and working throughout the college and provides training related to quality improvement processes and tools, including appreciative inquiry, systems thinking, leadership, teambuilding, and student assessment.

# STUDENT SERVICES DIVISION

General Fund	Change from 2019/20					
	2018/19	2019/20		2020/21	Modified Budget	
	Actual	Adopted	Modified	Budget	\$	%
Salaries	\$ 4,563,412	\$ 4,845,993	\$ 4,845,993	\$ 4,952,168	\$ 106,175	2.2%
Benefits	1,923,301	2,228,400	2,228,400	2,218,166	(10,234)	-0.5%
Operating expenditures	861,355	1,063,625	1,263,625	1,194,352	(69,273)	-5.5%
<b>Total expenditures</b>	<b>\$ 7,348,068</b>	<b>\$ 8,138,018</b>	<b>\$ 8,338,018</b>	<b>\$ 8,364,686</b>	<b>\$ 26,668</b>	<b>0.3%</b>

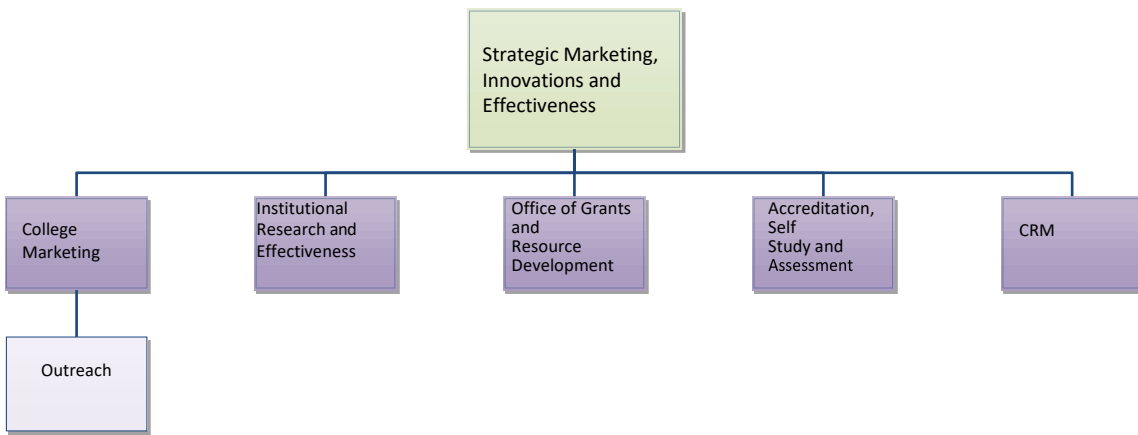


## Activities

The **Student Services** Division provides admissions, assessment, career development, job search, registration, student records management, financial aid, counseling, advising, student development, and student accessibility. Other services and activities include international student admission and advising, student government, student activities and organizations, student orientation, leadership development, multicultural student resources, and student conduct. The Library acquires resources that support programs and courses, offers Library orientation and instructional workshops, subscribes to the interlibrary loan (ILL) services and makes referrals to outside resources.

# STRATEGIC MARKETING, INNOVATIONS, AND EFFECTIVENESS DIVISION

General Fund	Change from 2019/20					
	2018/19	2019/20		2020/21	Modified Budget	
	Actual	Adopted	Modified	Budget	\$	%
Salaries	\$ 1,880,672	\$ 1,897,971	\$ 1,897,971	\$ 1,874,002	\$ (23,969)	-1.3%
Benefits	700,311	751,872	751,872	754,261	2,389	0.3%
Operating expenditures	846,724	1,029,809	1,129,809	1,042,865	(86,944)	-7.7%
<b>Total expenditures</b>	<b>\$ 3,427,707</b>	<b>\$ 3,679,652</b>	<b>\$ 3,779,652</b>	<b>\$ 3,671,128</b>	<b>\$ (108,524)</b>	<b>-2.9%</b>



## Activities

The **Strategic Marketing, Planning, and Innovation** Department provides leadership, expertise, and oversight for strategic planning, Higher Learning Commission accreditation, and student assessment.

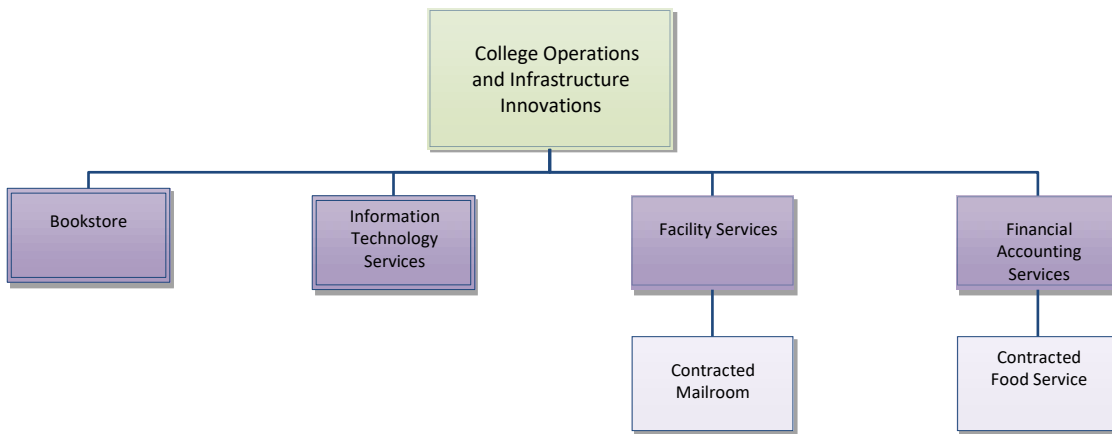
The **Institutional Research and Effectiveness (IRE)** Department provides leadership and expertise in planning, designing and conducting research and developing academic offerings and in ensuring quality by administering and coordinating the college’s accreditation and evaluation processes.

The **Office of Grants and Resource Development (OGRD)** provides support to the college community on development of externally funded grants and contracts. Activities include; identification of funding sources, writing and submission of all grant applications; federal and state compliance monitoring, sub-grant approval and audits, and project performance reporting; oversight of college grants, contracts, and grant reporting systems to comply with WTCS reporting requirements; and grant budget development support.

**College Marketing** provides marketing, advertising, and communications services designed to promote and foster a positive image and to communicate effectively to WCTC’s internal and external stakeholders. It promotes WCTC to potential students, their parents, and the community using a variety of methods, such as open houses and meetings with students at the high schools with the goal of potential recruits becoming WCTC students.

# COLLEGE OPERATIONS AND INFRASTRUCTURE INNOVATIONS DIVISION

General Fund	Change from 2019/20					
	2018/19	2019/20		2020/21	Modified Budget	
	Actual	Adopted	Modified	Budget	\$	%
Salaries	\$ 4,156,551	\$ 4,481,784	\$ 4,481,784	\$ 5,105,053	\$ 623,269	13.9%
Benefits	1,759,379	2,515,252	2,515,252	2,385,742	(129,510)	-5.1%
Operating expenditures	<u>8,272,663</u>	<u>9,024,897</u>	<u>9,135,001</u>	<u>9,785,611</u>	<u>650,610</u>	<u>7.1%</u>
Total expenditures	\$ 14,188,593	\$ 16,021,933	\$ 16,132,037	\$ 17,276,406	\$ 1,144,369	7.1%



## Activities

**Facility Services** provides services that include planning, budgeting, operating, and maintaining college facilities; remodeling, renovating, and constructing facilities; facility master planning; campus infrastructure maintenance; custodial services for buildings and grounds; property leasing agent services; outreach campus administration; education center management; print shop services; and mailroom services.

**Financial Accounting Services (FAS)** is responsible for all financial activities and related records of the college, including accounts payable, payroll, grant and financial aid management and billing, budgeting, cash management, debt management, accounting, internal controls, auditing, accounts receivable and collections, capital asset tracking and monitoring, and procurement. This department also provides accounting services to the WCTC Foundation and oversees on-campus food service and vending contracts.

**Information Technology Services (ITS)** provides college-wide network support for administrative and instructional applications; college-wide telecommunications and voice mail administration; database administration, information systems development; telecommunications support for distance learning; student computing support; WTCS reporting coordination; service desk support for college-wide applications; computer equipment consulting and maintenance; telecommunications equipment consulting and maintenance; Workforce Development Center network and telecommunications systems support; instructional technology consultation; media services, liaison for statewide technology initiatives and agreements; and college-wide software license agreements monitoring.

The **Bookstore** is a retail shop with online web sales component that provides textbooks and other products that students need to be successful at WCTC. The Bookstore is a certified Apple Store that also facilitates technology sales and device rental to students.

Fiscal Year 2021  
**BUDGET DOCUMENT**



Special Revenue Fund



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# SPECIAL REVENUE FUND

The Special Revenue Fund is used to account for the proceeds and related financial activities of specific revenue sources that are legally restricted to expenditures for specified purposes or where WCTC acts as a trustee or fiscal agent for the funds of others.

## **Operating**

The Operating Fund is used to account for the proceeds and related financial activities of specific revenue sources that are legally restricted to expenditures for specified purposes. The majority of the federal and state grants WCTC receives are recorded in this fund.

## **Non-Aidable**

The Non-Aidable Fund is used to account for assets held in trust by WCTC in a trustee capacity, primarily for student activities, financial aid, and federal and state grants. This fund is also used to account for assets held in trust by WCTC as a fiscal agent, such as the Other Post Employment Benefit (OPEB) Trust. No budgets are included for those activities where WCTC acts as a fiscal agent only. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operation.

- Student Association
- Financial Aid
- Grantor Agencies

## Special Revenue Fund – Operating Budget Summary

	2018/19	2019/20		2020/21	Change from 2019/20	
	Actual	Adopted	Modified	Budget	Modified Budget	
					\$	%
<b>Revenues</b>						
Local government	\$ 925,470	\$ 963,400	\$ 963,400	\$ 835,000	\$ (128,400)	-13.3%
State funds	997,104	1,350,800	1,350,800	890,200	(460,600)	-34.1%
Program fees	-	-	-	-	-	0.0%
Material fees	-	5,700	5,700	3,300	(2,400)	0.0%
Other student fees	52,641	107,800	107,800	62,700	(45,100)	0.0%
Institutional	240,868	30,000	30,000	-	(30,000)	0.0%
Federal funds	801,997	689,900	689,900	749,100	59,200	8.6%
Total revenue	<u>\$ 3,018,080</u>	<u>\$ 3,147,600</u>	<u>\$ 3,147,600</u>	<u>\$ 2,540,300</u>	<u>\$ (607,300)</u>	<u>-19.3%</u>
<b>Expenditures</b>						
Salaries	\$ 1,780,682	\$ -	\$ -	\$ -	\$ -	0.0%
Benefits	591,301	-	-	-	-	0.0%
Operating expenditures	650,595	3,147,600	3,147,600	2,540,300	(607,300)	-19.3%
Total expenditures	<u>\$ 3,022,578</u>	<u>\$ 3,147,600</u>	<u>\$ 3,147,600</u>	<u>\$ 2,540,300</u>	<u>\$ (607,300)</u>	<u>-19.3%</u>
Net Revenue/(Expenditures)	(4,498)	-	-	-		
<b>Other sources/(uses)</b>						
Operating Transfer In/(Out)	\$ -	\$ -	\$ -	\$ -		
<b>Total Resources/(Uses)</b>	<u>\$ (4,498)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
Beginning Fund Balance	556,318	426,978	551,820	557,491		
Ending Fund Balance	<u>\$ 551,820</u>	<u>\$ 426,978</u>	<u>\$ 551,820</u>	<u>\$ 557,491</u>		

The Special Revenue - Operating Fund is used to account for the proceeds and related financial activities of specific revenue sources that are legally restricted to expenditures for specified purposes, mainly state and federal funds.

When preparing this fund, staff submits proposed budgets based on projected grants to be received. The financial summary shown in this section identifies the projected grants to be received. When preparing the expenditure side of the grants, the expenditure budget is placed into a segregated pool account. As the award letters are received for each grant, a budget transfer is done transferring the funds from the segregated pool account to the appropriate expenditure account(s) for each grant.

If a grant is discontinued, WCTC needs to make a decision whether or not to continue with the service. If the service is continued, the activity would be transferred to the General Fund where it will need to be fully funded with tax levy and other revenues in the General Fund.

This fund was budgeted based on the projected grants to be received and calculating the necessary match with the match portion not exceeding the available tax levy. If additional match funds are needed during the year as a result of applying for more grants, WCTC would seek WCTC Board approval to modify its budget and re-appropriate funds from fund balance for the match funds. This would be a one-time transfer.

Based on the fluctuation of which grants may be received and the funding source, there can be wide variations in the amounts budgeted in this fund from one year to another.

Projected grants to be received in FY 21 are:

GRANT	FEDERAL FUNDS	STATE FUNDS	EXTERNAL FUNDING	IN KIND	TUITION & FEES	LEVY FUNDS	TOTAL FUNDS
<b>Carl D Perkins Career and Technical Education (CTEA)</b>							
Strengthening Metal Fab/Welding	80,100	-	-	-	-	-	80,100
Assuring Access & Participation in Non-Tradition	20,000	-	-	-	-	-	20,000
Student Success	300,000	-	-	-	-	185,000	485,000
Waukesha County Career Prep	48,250	-	-	-	-	-	48,250
Equity and Inclusion	65,250	-	-	-	-	-	65,250
<b>Adult Education &amp; Family Literacy Act (AEFL)</b>							
Adult Basic Education / GOAL	217,800	-	-	-	-	408,000	625,800
Integrated English Literacy and Civics Education	4,500	-	-	-	-	10,000	14,500
Institutionalized Individuals	13,200	-	-	-	-	29,000	42,200
<b>General Purpose Revenue (GPR)</b>							
Career Pathways - ECE	-	62,020	-	-	-	20,700	82,720
Firefighter & EMT DEA Career Pathways	-	179,610	-	-	-	60,000	239,610
Professional Growth	-	66,340	-	-	-	33,300	99,640
Completion	-	225,000	-	-	-	75,000	300,000
Developing Markets - Electricity TD	-	100,000	-	-	-	-	100,000
Developing Markets - Construction AAS	-	100,000	-	-	-	-	100,000
Emergency Assistance	-	11,335	-	-	-	-	11,335
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Other State</b>							
Motorcycle Safety BRC	-	48,265	-	-	56,800	-	105,065
Motorcycle Safety BRC2	-	880	-	-	4,200	-	5,080
Motorcycle Safety UBBRC	-	1,300	-	-	5,000	-	6,300
Department of Justice TBD	-	9,750	-	-	-	-	9,750
Youth Apprenticeship	-	65,000	-	-	-	14,000	79,000
DWD You're Hired!	-	20,700	-	-	-	-	20,700
<b>Other External Funds</b>							
None For FY21	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$749,100</b>	<b>\$890,200</b>	<b>\$0</b>	<b>\$0</b>	<b>\$66,000</b>	<b>\$835,000</b>	<b>\$2,540,300</b>

**Special Revenue Fund – Non-Aidable  
Budget Summary**

	2018/19		2019/20		2020/21		Change from 2019/20	
	Actual	Adopted	Modified	Budget	Modified Budget		\$	%
<b>Revenues</b>								
Local government	\$ 137,500	\$ 151,500	\$ 151,500	\$ 151,500	\$ -			0.0%
State funds	1,251,688	1,292,220	1,292,220	1,341,575	49,355			3.8%
Other student fees	616,145	625,000	625,000	615,000	(10,000)			-1.6%
Institutional	13,802	13,000	13,000	13,000	-			0.0%
Federal funds	4,287,560	5,007,818	5,007,818	5,005,975	(1,843)			0.0%
Total revenue	<u>\$ 6,306,695</u>	<u>\$ 7,089,538</u>	<u>\$ 7,089,538</u>	<u>\$ 7,127,050</u>	<u>\$ 37,512</u>			<u>0.5%</u>
<b>Expenditures</b>								
Salaries	\$ 189,398	\$ 214,600	\$ 214,600	\$ 219,650	\$ 5,050			2.4%
Benefits	31,798	30,638	30,638	28,740	(1,898)			-6.2%
Operating expenditures	6,080,203	6,864,300	6,904,300	6,898,660	(5,640)			-0.1%
Total expenditures	<u>\$ 6,301,399</u>	<u>\$ 7,109,538</u>	<u>\$ 7,149,538</u>	<u>\$ 7,147,050</u>	<u>\$ (2,488)</u>			<u>0.0%</u>
Net Revenue/(Expenditures)	5,296	(20,000)	(60,000)	(20,000)				
<b>Other sources/(uses)</b>								
Operating Transfer In/(Out)	\$ 20,000	\$ 20,000	\$ 20,000	\$ (40,000)				
<b>Total Resources/(Uses)</b>	<u>\$ 25,296</u>	<u>\$ -</u>	<u>\$ (40,000)</u>	<u>\$ (60,000)</u>				
Beginning Fund Balance	546,796	642,240	572,092	559,592				
Ending Fund Balance	<u>\$ 572,092</u>	<u>\$ 642,240</u>	<u>\$ 532,092</u>	<u>\$ 499,592</u>				

The Special Revenue - Non-Aidable Fund is used to account for assets held by WCTC in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

WCTC acts as a trustee for student government, some financial aid programs, and some federal and state grantor agencies. These are included as part of the adopted budget.

WCTC acts as an agent for the Banner Consortium, Southeast Wisconsin Certification Consortium, Workforce Development Center, and student clubs. These activities are not included in the adopted budget.

## Student Association Budget Summary

	2018/19		2019/20		2020/21	Change from 2019/20	
	Actual	Adopted	Modified	Budget	Modified Budget		
					\$	%	
Other student fees	\$ 616,145	\$ 625,000	\$ 625,000	\$ 615,000	\$ (10,000)	-1.6%	
Institutional	13,802	13,000	13,000	13,000	-	0.0%	
Total revenue	\$ 629,947	\$ 638,000	\$ 638,000	\$ 628,000	\$ (10,000)	-1.6%	
Salaries	\$ 116,329	\$ 102,300	\$ 102,300	\$ 107,350	\$ 5,050	4.9%	
Benefits	31,593	28,438	28,438	28,740	302	1.1%	
Operating expenditures	451,105	507,262	547,262	491,910	(55,352)	-10.1%	
Total expenditures	\$ 599,027	\$ 638,000	\$ 678,000	\$ 628,000	\$ (50,000)	-7.4%	

When students register for credit classes, they are charged an activity fee per credit. The activity fee is equal to 6% of the tuition rate rounded to the nearest nickel. This activity fee is collected on behalf of Student Association. The fees are placed into this fund for Student Association to use with the approval of WCTC's management. With the assistance and guidance of staff, Student Association determines how they would like to spend these funds to improve student life on campus. WCTC acts as a trustee of these funds.

## Financial Aid Budget Summary

	Change from 2019/20					
	2018/19	2019/20		2020/21	Modified Budget	
	Actual	Adopted	Modified	Budget	\$	%
Local government	\$ 137,500	\$ 151,500	\$ 151,500	\$ 151,500	\$ -	0.0%
State funds	1,029,876	1,092,220	1,092,220	1,090,500	(1,720)	-0.2%
Institutional	-	-	-	-	-	100.0%
Federal funds	4,271,304	4,990,000	4,990,000	4,987,800	(2,200)	0.0%
Total revenue	\$ 5,438,680	\$ 6,233,720	\$ 6,233,720	\$ 6,229,800	\$ (3,920)	-0.1%
Salaries	\$ 73,069	\$ 112,300	\$ 112,300	\$ 112,300	\$ -	0.0%
Benefits	205	2,200	2,200	-	(2,200)	0.0%
Operating expenditures	5,391,030	6,139,220	6,139,220	6,137,500	(1,720)	0.0%
Total expenditures	\$ 5,464,304	\$ 6,253,720	\$ 6,253,720	\$ 6,249,800	\$ (3,920)	-0.1%

WCTC is a trustee for some financial aid programs such as SEOG, WHEG, Pell, and Federal College Work Study.

WCTC is a fiscal agent for other financial aid programs such as Direct Loans. WCTC does not prepare a budget for those funds where it is fiscal agent. Agency funds use only balance sheet accounts (assets, liabilities, and fund balance). As a result, no budget needs to be established.

Each year the Bookstore transfers \$20,000 of its retained earnings to be used for scholarships for students. These funds are used to meet student needs not met through traditional scholarships, such as the purchase of textbooks. These funds are administered by the Financial Aid Department.

Federal College Work Study and SEOG funds have a 25% match requirement and the HEAB Technical Assistance funds have a 50% match requirement. As a result, WCTC uses property tax levy funds for that purpose.

## Grantor Agencies Budget Summary

	2018/19		2019/20		2020/21	Change from 2019/20	
	Actual	Adopted	Modified	Budget	Modified Budget		
					\$	%	
State funds	\$ 221,812	\$ 200,000	\$ 200,000	\$ 251,075	\$ 51,075	0.0%	
Institutional revenues	-	-	-	-	-	0.0%	
Federal funds	16,256	17,818	17,818	18,175	357	2.0%	
Total revenue	\$ 238,068	\$ 217,818	\$ 217,818	\$ 269,250	\$ 51,432	23.6%	
Operating expenditures	\$ 238,068	\$ 217,818	\$ 217,818	\$ 269,250	\$ 51,432	23.6%	
Total expenditures	\$ 238,068	\$ 217,818	\$ 217,818	\$ 269,250	\$ 51,432	23.6%	

Periodically WCTC is asked to act as a fiscal agent for receipt of state or federal grants where the work is done by some agency other than WCTC. These grant activities are recorded in this fund instead of the Special Revenue – Operating Fund. There can be fluctuations between years as a result.

GRANT	FEDERAL FUNDS	STATE FUNDS	EXTERNAL FUNDING	IN KIND	TUITION & FEES	LEVY FUNDS	TOTAL FUNDS
<b>Career and Technical Education (CTEA)</b>							
Waukesha County Career Prep	\$18,175	\$0	\$0	\$0	\$0	\$0	\$18,175
Youth Apprenticeship	\$0	\$200,000	\$0	\$0	\$0	\$0	\$200,000
DWD You're Hired!		51,075	-	-	-	-	\$51,075
<b>TOTAL</b>	<b>\$18,175</b>	<b>\$251,075</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$269,250</b>

No matter the season, the campus is always a sight to behold.





Fiscal Year 2021  
**BUDGET DOCUMENT**



Capital Projects Fund



WAUKESHA  
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# CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for financial resources used for the acquisition or construction of capital assets and remodeling other than those financed by Proprietary Funds.

WCTC has two components that make up its Capital Projects Fund. They are:

- Capital projects budget (new construction, building remodeling, site improvements)
- Capital equipment budget

## Capital Projects Fund Budget Summary

	2018/19		2019/20		2020/21		Change from 2019/20	
	Actual	Adopted	Modified	Budget	Modified Budget		\$	%
Local Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
State	78,171	-	69,000	-	-	(69,000)		0.0%
Institutional	3,534,191	380,000	380,000	400,000	20,000			5.3%
Federal	-	-	-	-	-	-		0.0%
<b>Total revenue</b>	<b>\$ 3,612,362</b>	<b>\$ 380,000</b>	<b>\$ 449,000</b>	<b>\$ 400,000</b>	<b>\$ (49,000)</b>			<b>-10.9%</b>
Capital equipment	\$ 4,347,560	\$ 6,375,309	\$ 7,252,309	\$ 3,338,770	\$ (3,913,539)			-54.0%
Capital projects	9,841,219	6,340,000	6,590,000	5,811,230	(778,770)			-11.8%
<b>Total expenditures</b>	<b>\$ 14,188,779</b>	<b>\$ 12,715,309</b>	<b>\$ 13,842,309</b>	<b>\$ 9,150,000</b>	<b>\$ (4,692,309)</b>			<b>-33.9%</b>

WCTC issued \$7,750,000 in general obligation promissory notes to offset fiscal year 2019/20 capital costs. For fiscal year 2020/21, WCTC plans to issue \$7,750,000 of general obligation promissory notes. WCTC will use \$1,000,000 of fund balance to cover the remaining costs. These funds have accumulated for this purpose.

## Definitions

**Capital equipment** is defined as furniture or equipment with a value of \$5,000 or more and a useful life greater than 12 months. Capital equipment is capitalized as an asset in the Capital Projects Fund of WCTC.

**Capital projects** consist of the following and are defined by the Wisconsin Technical College System (WTCS) Board as:

- **New construction** – Adding additional square footage to an existing building or constructing a new building.
- **Land purchases** – Purchase of additional land for WCTC.
- **Building improvements** – This consists of the following:
  - ✓ **Infrastructure** – Improvements made to a building to extend the useful life (i.e. roof replacement) of that building.
  - ✓ **Retrofitting** – Changing the configuration of a room or building to extend the useful life of the asset and to meet the changing needs of WCTC and its students.
- **Site improvements** – Improvements made to the land (i.e. roads, sidewalks, and underground piping) to extend the useful life of the assets.

## Statutory limitations

The following statutory limits apply:

- New construction, building additions, and land purchases are limited to no more than \$1,500,000 in expenditures every two years without passing a referendum. New construction, building additions, and land purchases also require approval by the WTCS Board.
- Debt issues for site improvements are limited to \$1,500,000 per issue unless approved through a referendum.
- Debt issues for building improvements are limited to \$1,500,000 per issue unless approved through a referendum.

## Capital budgeting – planning policy

WCTC has a capital planning process that consists of a Facility Master Plan, equipment replacement schedules, and identification of new capital equipment needs in future years. These plans are reviewed and updated annually, concurrent with the Strategic Plan, budgeting process, and Academic Master Plan to ensure alignment of all plans and processes.

Below is a schedule of planned capital spending and the year of planned implementation. All amounts are in millions.

	2021	2022	2023	2024	2025	2026
Master facility plan (MFP)	4.505	4.650	4.100	2.950	3.000	3.000
Classroom/facility renovations	0.456	0.500	0.500	0.500	0.500	0.500
Infrastructure projects	0.850	0.850	0.900	0.900	0.950	0.950
Equipment	1.992	2.500	2.500	2.500	2.500	2.500
Technology purchases	1.169	2.000	2.000	2.000	2.000	2.000
Other capital equip/IT	0.178	0.150	0.150	0.150	0.150	0.150
<b>Total</b>	<b>9.150</b>	<b>10.650</b>	<b>10.150</b>	<b>9.000</b>	<b>9.100</b>	<b>9.100</b>

Funding (in millions) for these projected expenditures is expected to come from the following sources:

	2021	2022	2023	2024	2025	2026
General obligation promissory notes	7.750	7.750	7.750	7.750	7.750	7.750
Investment earnings	0.325	0.200	0.200	0.200	0.200	0.200
Other revenues	0.075	0.075	0.075	0.075	0.075	0.075
Use of fund balance	1.000	2.625	2.125	0.975	1.075	1.075
<b>Total</b>	<b>9.150</b>	<b>10.650</b>	<b>10.150</b>	<b>9.000</b>	<b>9.100</b>	<b>9.100</b>

Not included in the above schedules for future years are capital purchases relating to any federal or state grants, which may or may not be received in a particular fiscal year. These are generally small in nature and are to start up or expand an academic program. Revenue from such grants equals expenditures.

In recent years, WCTC has transferred some excess fund balance from the General Fund to the Capital Projects Fund to help fund capital projects and related capital costs that are needed now rather than in the future. By doing this, WCTC has been able to limit its debt borrowing to \$7.75 million per year, has not needed to increase the debt service levy amount. WCTC is utilizing these funds over a number of years to help fund its capital needs.

## Funding of capital projects and equipment

WCTC issues general obligation promissory notes to provide funds for capital equipment and capital projects. The proceeds of these notes are recorded in the Capital Projects Fund and the payment of the principal and interest is recorded in the Debt Service Fund. WCTC may also receive grant funds to cover the cost of some capital equipment items. These grants are recorded in this fund. Any investment earnings from the proceeds of the debt issuance are also recorded in this fund.

## Operating impacts

**Capital equipment and technology** – Operating impacts are generally minimal, if any. Operating impacts may consist of maintenance agreements, utility costs, supplies, fuel, staffing, etc. Many of the capital equipment purchases are replacements and the operating costs are already built into the base of the budget so new additional funds are not necessary.

The operating impact is shown on the following pages with the related capital expenditure.

**New construction** – New construction will always result in an impact to operational costs. However, sometimes these costs are minimized at the time of construction due to the following situations:

- Previously leased space to conduct the program prior to adding the new space; the leased space costs will be eliminated once the new space is available.
- Positions have already been created to conduct the program in the leased space.
- Utility costs will be added for the new construction.

**Building and site improvements** – Operating impacts are generally minimal, if any. WCTC tries to maintain its facilities and land in good shape in order to keep repairs at a minimum. These improvements may result in a reduction of repair and maintenance costs and/or energy savings. Since many of these remodeling projects are to repurpose a space, there generally are no operating impacts.

## Capital Expenditures Budget Summary

Type of Expenditure	Amount
Capital projects	
• Master Facility Plan	\$4,505,000
• Facility Infrastructure Projects	850,000
• Classroom and facility Renovations	456,230
Capital equipment	
• Equipment - Master Facility Plan	367,050
• Equipment - Learning	1,106,535
• Equipment - Infrastructure	518,000
• Technology - Master Facility Plan	327,980
• Technology – Learning	50,705
• Technology - Infrastructure	790,000
• Other capital equipment/IT	178,500
<b>Total Capital Expenditures</b>	<b>\$9,150,000</b>
<b>Funding for Capital Expenditures</b>	<b>Amount</b>
Debt Issuance	\$7,750,000
Investment Earnings	325,000
Equipment Sales	75,000
Fund balance	1,000,000
<b>Total Funding</b>	<b>\$9,150,000</b>

## Fiscal Year 2021 Capital Projects Summary

The following Master Facility Plan projects are budgeted in the **Capital Projects Fund**.

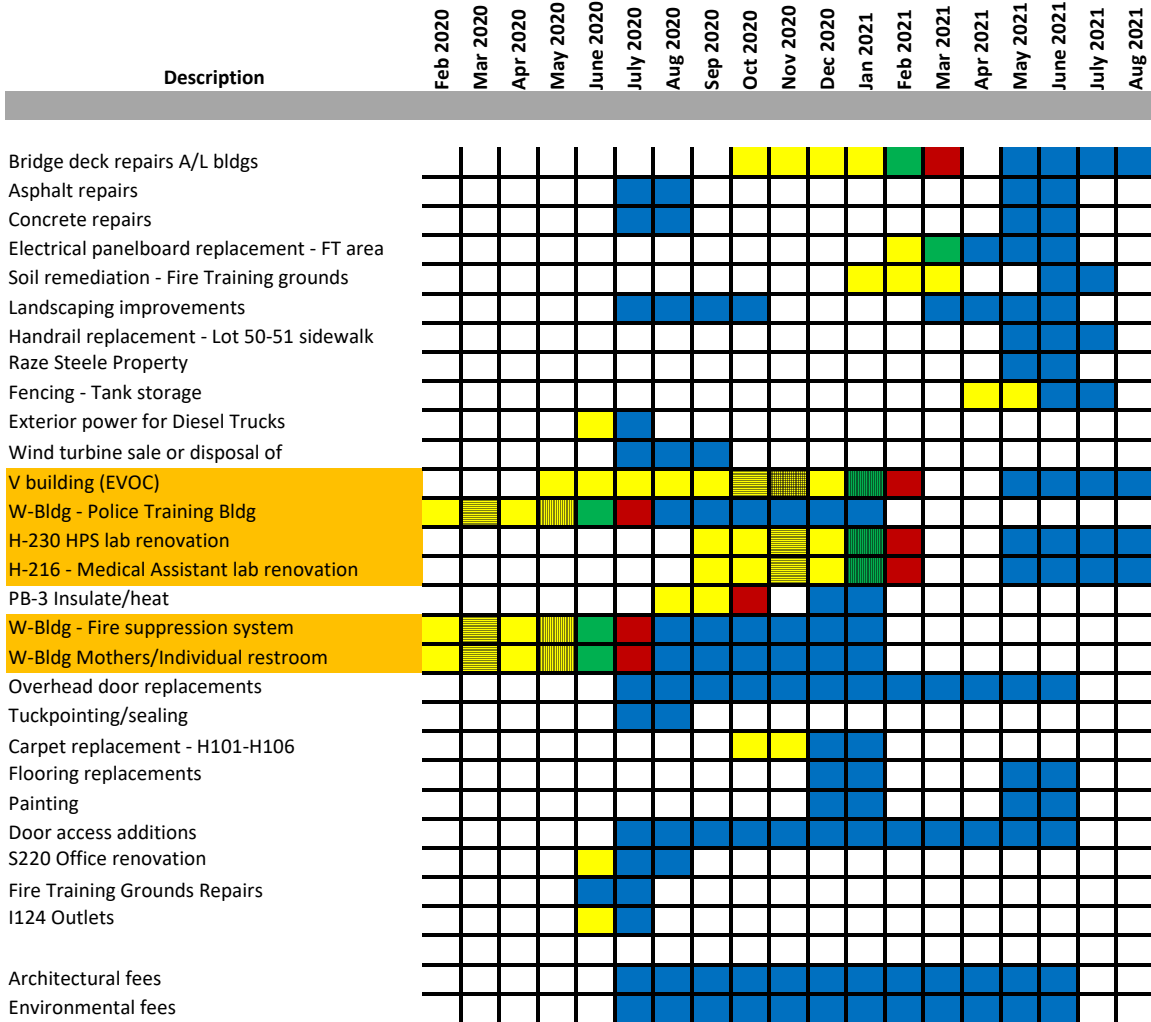
Project	Description	Capital Project Costs	Capital Equipment Costs	Capital Technology Costs
Medical Assistant Lab Project	Remodel and update Medical Assistant Lab area	350,000	107,050	18,000
Human Patient Simulation Lab Expansion	Expand the HPS lab to create additional simulator room	500,000	-	-
New Building	Creation of V building by the lots 50-51	1,500,000	100,000	42,600
Pole barn reconfiguration (I-Bldg barn)	Remodel pole barns into educational facility	250,000	-	58,580
W-Building Remodel	Remodel into Police Training Building	1,500,000	160,000	208,800
W-Building Wet Sprinkler System	Install wet sprinkler system during remodel	250,000	-	-
W-Bldg Mothers/Individual restroom	Creation of mothers room in the W-Building	125,000	-	-
Architectural fees	Costs associated with current and future projects	30,000	-	-
		\$ 4,505,000	\$ 367,050	\$ 327,980

## Future Years' Proposed Capital Projects

<b>2021/22</b>	
Remodel Shop areas in Industrial building	1,500,000
Electrical Infrastructure upgrade - phase III	750,000
Add Individual restroom and mothers room in the H-Bldg	150,000
Install sprinkler system in the H-Bldg	300,000
Create two new computer labs in L-130	550,000
Convert S-201 into Kitchen/bath Interior Design lab/S-201 office staff to S-220	200,000
Refresh the RTA Center	750,000
Floors in the I-Bldg	200,000
I-144 Metalurgy lab	250,000
<b>Total</b>	<b>4,650,000</b>
<b>2022/23</b>	
Remove the Fire Training tower	100,000
Rebuild the Burn Building	500,000
Build new Burn structure - phase I	1,500,000
Add Individual restroom and mothers room in the E-Bldg	250,000
Purchase the Firing Range building, continue to lease, or end lease and return to previous conditions	1,500,000
Parking lot 1	250,000
<b>Total</b>	<b>4,100,000</b>
<b>2023/24</b>	
Raze the burn building after new Fire Training structure is built	150,000
Electrical Infrastructure upgrade - phase IV	1,000,000
Renovate I-156 office complex	500,000
Renovate I-203 office complex	500,000
Individual restrooms and mothers room by C-198	300,000
Remodel A-010 into chocolate lab - if not room still needs work	250,000
Remodel A-016 into Brewery lab - if not room still needs work	250,000
<b>Total</b>	<b>2,950,000</b>
<b>2024/25</b>	
Expand the Burn structure - phase II	1,500,000
Additional projects to be determined	1,500,000
<b>Total</b>	<b>3,000,000</b>
<b>2025/26</b>	
Projects to be determined	<b>3,000,000</b>

# Fiscal Year 2020/21 Capital Projects Timeline

## Capital Projects Summary Fiscal Year 2021



**Color Key:**  
 Planning process  
 Projects requiring State board approval  
 Construction phase  
 Construction bids  
 WCTC Board construction approval



WCTC Board Presentation  
 Under \$5000 - FAS building funds  
 WCTC Board Resolution approval  
 State Board approval  
 Village Plan commission

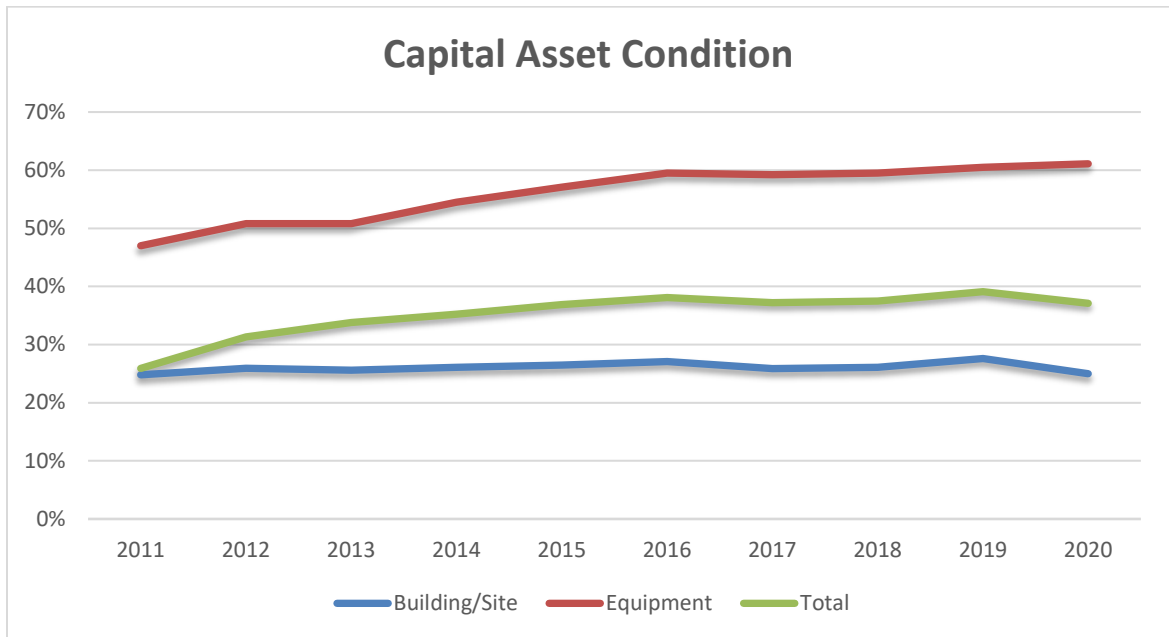


## CAPITAL SPENDING RATIOS

These indicators help determine whether or not WCTC is spending enough in capital so that its physical assets can meet the needs of the college and its students and other customers.

- The Capital Asset Condition Ratio looks at accumulated depreciation in comparison to capital asset values.
- The Replacement Cost Ratio, also known as the Capital Spend Ratio, looks at replacement cost in comparison to original cost.
- The Annual Required Asset Replacement Spend calculation looks at the annual depreciation amount times the Capital Spend Ratio to determine how much the college should be spending annually for capital. This calculation would then be compared to actual spend levels.

Fiscal Year	Capital Asset Condition			Replacement Cost Ratio		Annual Required Asset Replacement Spend	
	Building/ Site	Equipment	Total	Building/ Site	Equipment	Building/ Site	Equipment
2011	24.8%	47.0%	25.9%	2.43	1.94	\$3,169,233	\$5,165,494
2012	25.9%	50.8%	31.3%	2.24	1.94	\$2,924,071	\$5,153,885
2013	25.6%	50.8%	33.8%	2.27	2.15	\$3,017,420	\$4,734,114
2014	26.1%	54.5%	35.2%	2.15	1.75	\$2,965,113	\$4,489,016
2015	26.5%	57.1%	36.9%	2.15	1.71	\$3,019,349	\$4,627,398
2016	27.1%	59.5%	38.1%	2.08	1.65	\$3,619,313	\$4,396,794
2017	25.9%	59.3%	37.2%	1.98	1.58	\$3,057,499	\$5,063,142
2018	26.1%	59.5%	37.5%	1.88	1.49	\$3,240,616	\$4,271,498
2019	27.6%	60.5%	39.1%	1.95	1.50	\$3,615,331	\$3,644,864
2020	25.0%	61.1%	37.1%	1.82	1.45	\$3,507,943	\$3,853,981





# Fiscal Year 2021 **BUDGET DOCUMENT**



Debt Service Fund



WAUKESHA  
COUNTY TECHNICAL  
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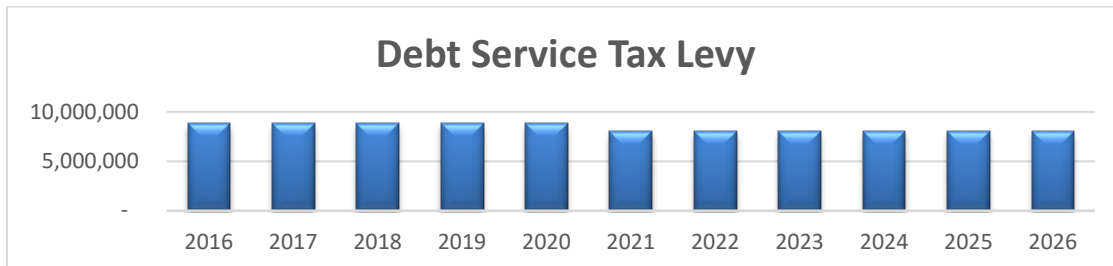
# DEBT SERVICE FUND

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

## Debt Service Fund Budget Summary

	2018/19		2019/20		2020/21	Change from 2019/20	
	Actual	Adopted	Modified	Budget	Modified Budget	\$	%
<b>Revenues</b>							
Local government	\$ 8,792,794	\$ 8,792,794	\$ 8,792,794	\$ 8,050,000	\$ (742,794)	-8.4%	
Investment income	168,320	100,000	100,000	175,000	75,000	75.0%	
<b>Total revenue</b>	<b>\$ 8,961,114</b>	<b>\$ 8,892,794</b>	<b>\$ 8,892,794</b>	<b>\$ 8,225,000</b>	<b>\$ (667,794)</b>	<b>-7.5%</b>	
<b>Expenditures</b>							
Principal	\$ 8,322,933	\$ 8,310,000	\$ 8,310,000	\$ 7,800,000	\$ (510,000)	-6.1%	
Interest	425,572	495,760	495,760	490,000	(5,760)	-1.2%	
Other expenditures	77,125	87,034	87,034	85,000	(2,034)	-2.3%	
<b>Total expenditures</b>	<b>\$ 8,825,630</b>	<b>\$ 8,892,794</b>	<b>\$ 8,892,794</b>	<b>\$ 8,375,000</b>	<b>\$ (517,794)</b>	<b>-5.8%</b>	
Net Revenue/(Expendit	135,484	-	-	(150,000)			
<b>Other sources/(uses)</b>							
Operating Transfer In/(	\$ -	\$ -	\$ -	\$ -			
<b>Total Resources/(Uses)</b>	<b>\$ 135,484</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (150,000)</b>			
Beginning Fund Balance	629,336	756,001	764,820	1,147,540			
<b>Ending Fund Balance</b>	<b>\$ 764,820</b>	<b>\$ 756,001</b>	<b>\$ 764,820</b>	<b>\$ 997,540</b>			

WCTC has scheduled its debt service repayments in order to keep a stable or decreasing tax levy in the Debt Service Fund. Based on WCTC's current debt levels, historical premiums received, planned future borrowings, and the amount of fund balance currently available, WCTC decreased the amount of property tax levy in fiscal year 2020/21. Based on its current borrowing plans, the debt service levy is projected to remain flat for the next few years as shown in the graph below.



## Debt service policy

WCTC issues general obligation promissory notes to pay for capital projects (new construction, remodeling, and site improvements) and capital equipment purchases only. WCTC structures its debt to maintain a stable tax levy within the Debt Service Fund. WCTC looks to repay its debt within three to seven years for capital equipment borrowings and five to ten years for capital project borrowings.

## What is a capital purchase?

Prior to July 1, 2017, equipment with a value of \$500 and a life of greater than 12 months was capital. Effective July 1, 2017, equipment with a value of \$5,000 and a life greater than 12 months is capital. Capital projects consist of new construction, building remodeling, site improvements, land purchases, and land improvements. A capitalization threshold of \$100,000 has been set for internally generated software and \$15,000 for capital projects. The Wisconsin Technical College System has set these capitalization limits.

All purchases meeting the definition of capital are budgeted in the Capital Projects Fund unless they relate to an Enterprise Fund. The college capitalizes these assets and records depreciation in its annual audited financial statement in compliance with GASB 34 and 35 accounting regulations.

## Restrictions on borrowing and capital projects

For each general obligation bond or promissory note issued without a referendum, WCTC cannot:

- Issue more than \$1,500,000 per issuance for building improvements.
- Issue more than \$1,500,000 per issuance for site improvements.
- Issue more than \$1,500,000 for new construction or land purchases within a two-year period per campus location with campus location defined by the Wisconsin Technical College System.

The Wisconsin Technical College System Board must approve all new construction projects and major building remodeling projects prior to any issuance of general obligation bonds or promissory notes, regardless of a referendum.

There is no limit on the amount of capital equipment that can be included in a borrowing; however WCTC borrows \$5,000,000 or less per calendar year in order to maintain the College's status as a small issuer.

Because of the above limitations, it is necessary for WCTC structure multiple debt issues in each fiscal year.

## Financial accountability

WCTC is fiscally strong and has been able to maintain a Aaa bond rating from Moody's Investor Service since 1994, because of its fiscal policies, its sound financial position, its long-range plans, and low tax levy.

## Legal debt margin

Per Wisconsin state statute 67.03(1), WCTC's aggregate indebtedness may not exceed 5% of the equalized value of the taxable property located in WCTC's taxing district and its bonded indebtedness may not exceed 2% of equalized valuation. The maximum indebtedness of WCTC for FY 21 will be \$26,330,000 compared to the 5% limit, based on a projected 4.0% change in equalized valuation, of approximately \$2,388,579,284. WCTC is currently utilizing less than 1.0% of its maximum total indebtedness potential. WCTC does not have any bonded debt outstanding.

Below is the calculation for the legal debt limit the college must comply with.

Gross total debt includes general obligation promissory notes and bonds, which are included in WCTC's general obligation indebtedness.

Total general obligation indebtedness may not exceed 5% of equalized valuation. For FY 21, the projected computation of legal debt margin is as follows:

FY 20 Equalized Valuation		\$59,714,493,716
Projected Change in Valuation		<u>X 104.00%</u>
FY 21 Projected Equalized Valuation		62,103,073,000
Debt Limit Percent		<u>X 5%</u>
Debt Limit		3,105,153,650
Gross Indebtedness Applicable to Debt Limit	\$26,330,000	
Less Projected Assets Available	<u>997,540</u>	
Total Amount of Debt Applicable to Debt Limit		<u>25,332,460</u>
Legal Debt Margin		\$ 3,079,821,190

Additionally, total bonded debt, which is a component of general obligation debt, may not exceed 2% of equalized valuation. For FY 21, the computation of legal debt margin is as follows:

FY 21 Projected Equalized Valuation		\$62,103,073,000
Debt Limit Percent		<u>X 2.00%</u>
Debt Limit		1,242,061,460
Gross Indebtedness Applicable to Debt Limit	\$0	
Less Projected Assets Available	<u>0</u>	
Total Amount of Debt Applicable to Debt Limit		<u>0</u>
Legal Debt Margin		\$ 1,242,061,460

## Current year debt status

For FY 20 WCTC borrowed \$7,750,000 for building improvements and capital equipment, which matches the amount it planned to borrow.

## Budget year debt planning

WCTC plans on borrowing \$7,750,000 in general obligation promissory notes to pay for capital projects and capital equipment in FY 21. These capital projects are part of WCTC's Facility Master Plan.

The debt repayment schedules are structured to fit into the existing debt structure in order to keep a stable rate in the property tax levy requirements for the Debt Service Fund. Equalized valuations of **property are projected to increase 4.00%**. The FY 21 debt service levy was decreased based on expected payment schedules, favorable rates, and reserves available within the fund. As a result of the decreased levy along with the expected increase in equalized values, property owners should see **a decrease** in their property taxes relating to debt service for FY 21 on an equalized valuation basis for the same priced house.

## Long-term debt planning

WCTC anticipates the need to issue the following amounts of general obligation promissory notes over the next seven years:

2020/21	7,750,000
2021/22	7,750,000
2022/23	7,750,000
2023/24	7,750,000
2024/25	7,750,000
2025/26	7,750,000
2026/27	7,750,000
<b>Total</b>	<b>\$54,250,000</b>

## Long-term debt schedule as of June 30, 2020

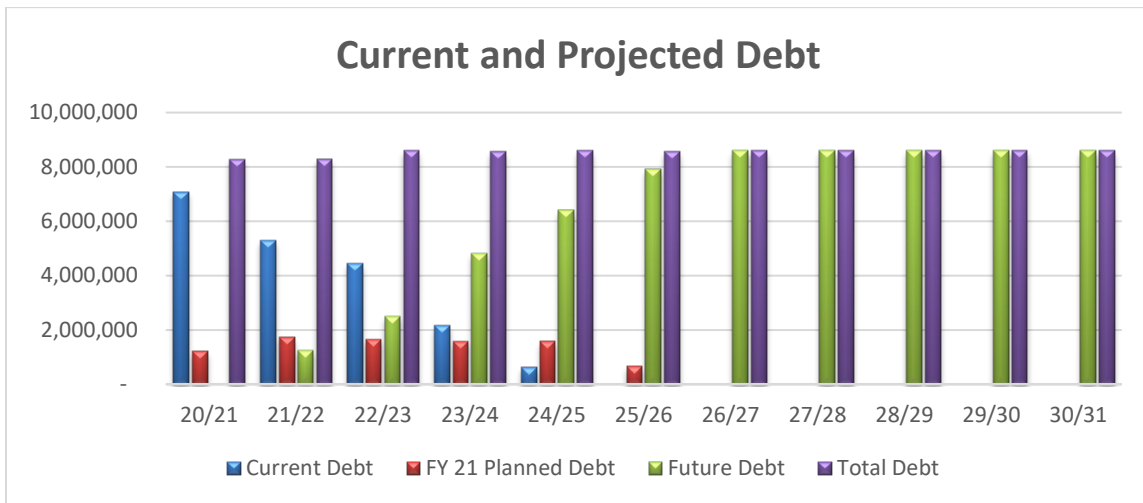
<b>Issuance Description</b>	<b>Total Outstanding</b>
General obligation promissory notes (\$5,600,000) issued to finance FY 17 building remodeling (\$1,500,000) and capital equipment (\$4,100,000) over 5 years at 1.00% - 1.50% interest with BOK Financial Securities, Inc.:	1,180,000
General obligation promissory notes (\$2,150,000) issued to finance FY 17 building remodeling (\$1,500,000) and capital equipment (\$650,000) over 4 years at 1.50% - 2.00% interest with Bankers' Bank:	560,000
General obligation promissory notes (\$3,850,000) issued to finance FY 18 building improvements (\$500,000) and capital equipment (\$3,350,000) over 5 years at 1.50% to 1.75% interest with BOK Financial Securities, Inc.:	1,700,000
General obligation promissory notes (\$2,400,000) issued to finance FY 18 building (\$1,500,000) and site improvements (\$900,000) over 5 years at 2.00 - 2.50% interest with Piper Jaffray:	1,485,000
General obligation promissory notes (\$1,500,000) issued to finance FY 18 building improvements over 5 years at 2.00% to 2.25% interest with BOK Financial Services, Inc.:	930,000
General obligation promissory notes (\$5,600,000) issued to finance FY 19 building remodeling (\$1,500,000) and capital equipment (\$4,100,000) over 5 years at 2.00% - 3.00% interest with Hutchinson, Shockey, Erley & Co.:	4,055,000
General obligation promissory notes (\$2,150,000) issued to finance FY 19 building remodeling (\$1,500,000) and construction of the second phase of the EVOC track (\$650,000) over 5 years at 2.25% - 2.50% interest with Hutchinson, Shockey, Erley & Co.:	1,750,000
General obligation promissory notes (\$4,850,000) issued to finance FY 20 building remodeling (\$1,500,000), site improvements (\$460,000), and capital equipment (\$2,890,000) over 5 years at 2.0% - 3.0% interest with Hutchinson, Shockey, Erley & Co.:	4,020,000
General obligation promissory notes (\$2,900,000) issued to finance FY 20 site improvements (\$900,000), and capital equipment (\$2,000,000) over 5 years at 2.0% - 3.0% interest with Hutchinson, Shockey, Erley & Co.:	2,900,000
<b>Current Debt Totals</b>	<b>18,580,000</b>

## Projected 2020/21 general obligation promissory notes to be issued

Issuance Description	Total Outstanding
General obligation promissory notes (\$4,500,000) issued to finance FY 21 building remodeling, site improvements, and capital equipment over 5 years at 3% interest	4,500,000
General obligation promissory notes (\$3,250,000) issued to finance FY 21 new construction, building remodeling, and capital equipment over 5 years at 3%	3,250,000
<b>Projected 2020/21 Debt Totals</b>	<b>\$ 7,750,000</b>

## Long-term debt summary as of June 30, 2021 (includes debt to be issued between now and June 30, 2021 as shown above)

	Principal	Interest	Total
2020/21	7,750,000	539,539	8,289,539
2021/22	6,480,000	549,288	7,029,288
2022/23	5,750,000	344,625	6,094,625
2023/24	3,585,000	182,200	3,767,200
2024/25	2,115,000	79,450	2,194,450
2025/26	650,000	19,500	669,500
<b>Total</b>	<b>\$ 25,680,000</b>	<b>\$ 1,695,102</b>	<b>\$ 28,044,602</b>



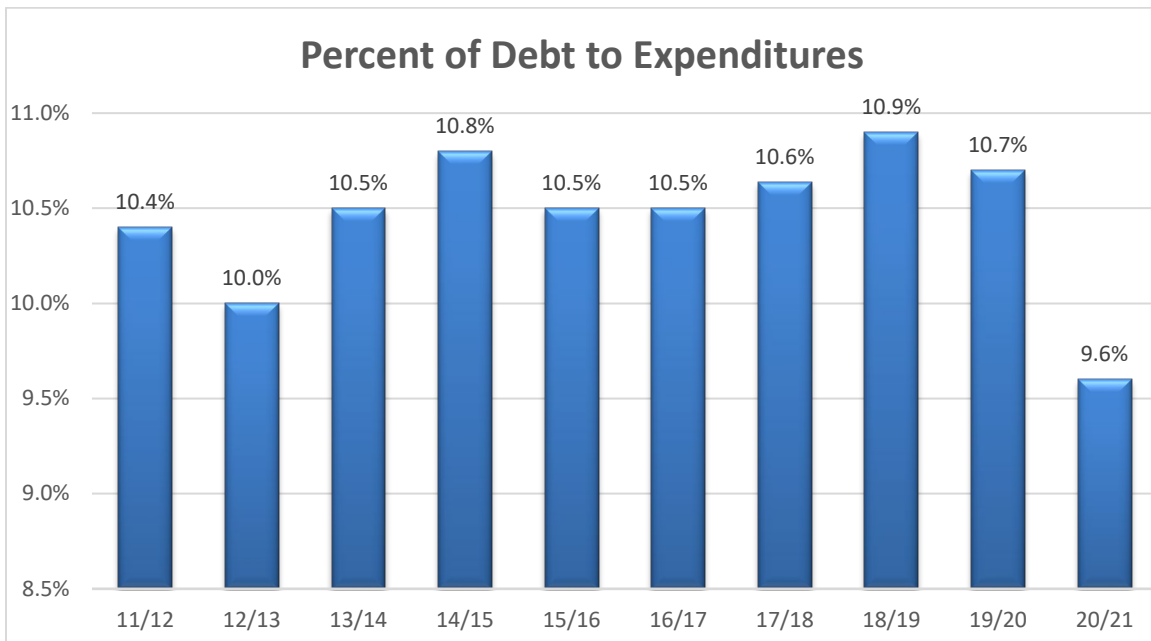
# RATIO OF ANNUAL DEBT SERVICE TO TOTAL GOVERNMENTAL EXPENDITURES

## HISTORICAL COMPARISONS

(Amounts in Thousands)

Debt service includes principal and interest payments on general debt obligations of WCTC that were issued to pay for capital expenditures. Debt service payments are compared to governmental operating expenditures, which include the General Fund and Special Revenue – Operating Funds, in order to assess the amount of risk WCTC is undertaking. As a fixed cost, debt service can reduce expenditure flexibility. To mitigate this, WCTC strives to keep the ratio of debt service to governmental operating expenditures as low as possible, but going too low shows WCTC would not be keeping its facilities and equipment up to date. WCTC’s debt service has remained stable in proportion to increases in expenditures.

Year	Total Debt		Total	Total Governmental Operating Expenditures	Ratio of Debt Service to Operating Expenditures	
	Principal	Interest & Related Charges			Bonded Debt Service	Total Debt Service
11/12	\$8,080	\$919	\$8,999	\$86,340	0.0%	10.4%
12/13	\$8,255	\$769	\$9,024	\$90,263	0.0%	10.0%
13/14	\$8,000	\$611	\$8,611	\$81,962	0.0%	10.5%
14/15	\$9,060	\$537	\$9,597	\$88,838	0.0%	10.8%
15/16	\$8,695	\$484	\$9,179	\$87,723	0.0%	10.5%
16/17	\$8,370	\$458	\$8,828	\$83,728	0.0%	10.5%
17/18	\$8,390	\$461	\$8,851	\$83,217	0.0%	10.6%
18/19	\$8,323	\$503	\$8,826	\$80,860	0.0%	10.9%
19/20 est	\$8,310	\$583	\$8,893	\$83,316	0.0%	10.7%
20/21 est	\$7,800	\$575	\$8,375	\$87,503	0.0%	9.6%



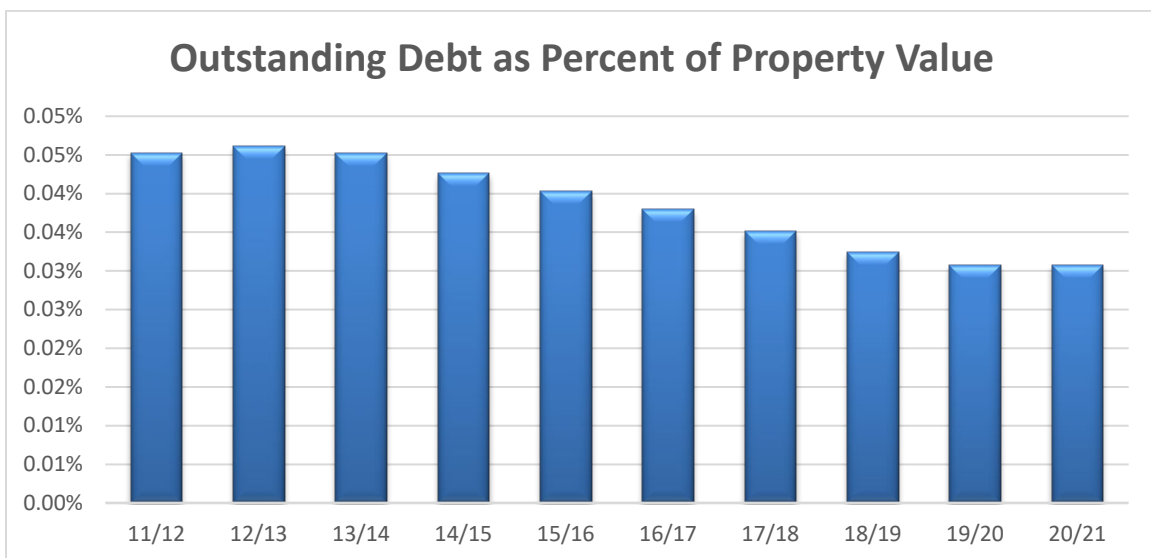
# RATIO OF NET DEBT TO EQUALIZED VALUATION, PER CAPITA, AND COMPARISON OF LEGAL DEBT MARGIN

## HISTORICAL COMPARISONS (Amounts in Thousands except Per Capita)

Year	Population	Equalized Valuation	Gross Total Debt Amount	Debt Service Fund Assets Available	Net Total Debt		
					Amount	Ratio to Equalized Valuation	Per Capita
11/12	404,507	\$49,890,024	\$23,860	\$1,282	\$22,578	0.05%	\$56
12/13	405,194	\$48,001,095	\$23,445	\$1,264	\$22,181	0.05%	\$55
13/14	405,794	\$47,450,464	\$23,195	\$1,598	\$21,597	0.05%	\$53
14/15	407,150	\$49,372,912	\$21,885	\$855	\$21,030	0.04%	\$52
15/16	408,359	\$50,592,374	\$20,940	\$559	\$20,381	0.04%	\$50
16/17	410,919	\$52,151,418	\$20,320	\$612	\$19,708	0.04%	\$48
17/18	412,747	\$54,199,834	\$19,680	\$629	\$19,051	0.04%	\$46
18/19	416,057	\$56,491,051	\$19,110	\$764	\$18,346	0.03%	\$44
19/20 est	420,620	\$59,714,494	\$18,580	\$1,148	\$17,432	0.03%	\$41
20/21 est	423,000	\$62,103,073	\$18,580	\$998	\$17,582	0.03%	\$42

Source—Population and equalized valuation received from Wisconsin Department of Revenue

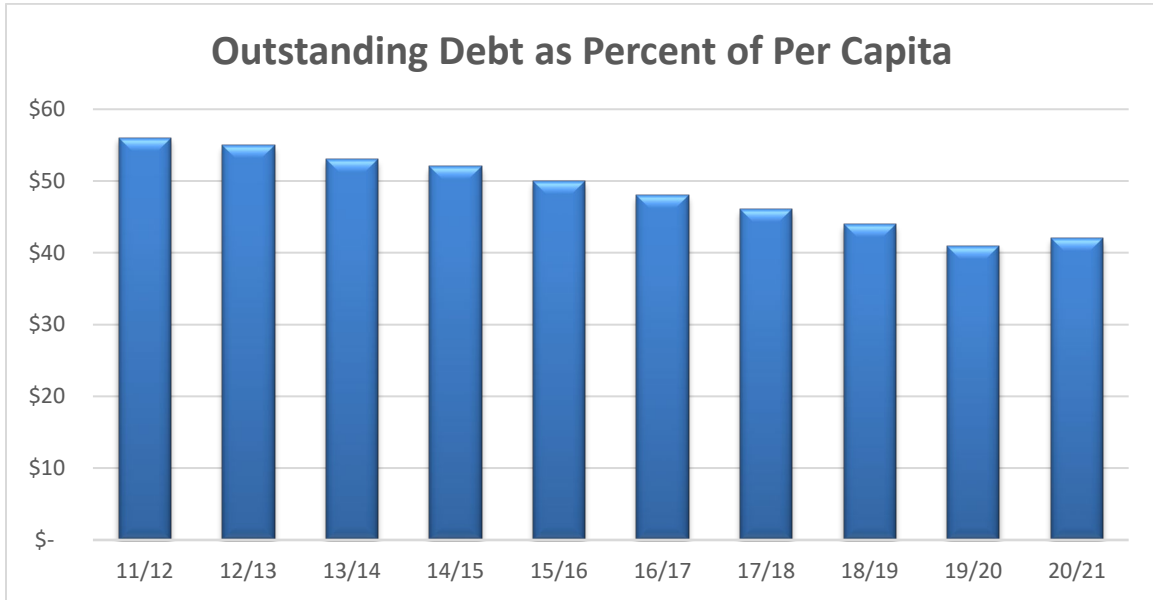
Outstanding debt is defined as the remaining principal on general obligation promissory notes or bonds, which WCTC has pledged its full faith and credit and unlimited taxing power to repay. With the property tax as the major revenue source, long-term debt is analyzed by looking at the debt service as a percent of equalized valuation. By statute, WCTC is restricted to 5% of the value of all property in the district for total debt and 2% of the value of all property in the district for bonded debt. At this point in time, WCTC is well below both of these restrictions with outstanding debt being less than 1/10<sup>th</sup> of a percent of value.





## Per Capita

Dividing outstanding debt by the current population is another indicator of the burden on the community of the general obligation debt that has been issued. The lower the per capita amount, the less the burden is on the taxpayer. If the debt per capita is too low, it would show WCTC is not keeping up its facilities and equipment and this ratio would need to be monitored.



# COMPUTATION OF DIRECT AND OVERLAPPING DEBT

For the Year Ended June 30, 2019

JURISDICTION	Net Debt Outstanding	Percentage Applicable to WCTC	Amount Applicable to WCTC
<b>DIRECT DEBT</b>			
WCTC	\$ 19,311,015	100 %	\$ 19,311,015
<b>TOTAL DIRECT DEBT</b>			<b><u>\$ 19,311,015</u></b>
<b>OVERLAPPING DEBT</b>			
County of			
Dodge	26,740,000	2	534,800
Jefferson	13,590,512	10	1,359,051
Racine	193,360,000	2	3,867,200
Waukesha	73,412,913	99	72,678,784
<b>Total All Counties</b>			<b><u>\$ 78,439,835</u></b>
City of			
Brookfield	99,023,578	100	99,023,578
Delafield	16,228,189	100	16,228,189
Muskego	44,962,534	100	44,962,534
New Berlin	46,205,344	93	42,970,970
Oconomowoc	10,632,382	100	10,632,382
Pewaukee	8,927,198	100	8,927,198
Waukesha	279,890,716	100	279,890,716
<b>Total All Cities</b>			<b><u>\$ 502,635,567</u></b>
Town of			
Ashippun	26,787	68	18,215
Brookfield	318,965	100	318,965
Cold Spring	-	1	-
Concord	195,826	31	60,706
Delafield	3,187,670	100	3,187,670
Eagle	431,890	100	431,890
Genesee	87,287	100	87,287
Ixonia	1,445,751	72	1,040,941
Lebanon	254,374	4	10,175
Lisbon	10,504,613	100	10,504,613
Merton	568,368	100	568,368
Mukwonago	3,708,050	100	3,708,050
Norway	982,677	58	569,953
Oconomowoc	7,187,643	100	7,187,643
Ottawa	-	100	-
Palmyra	122,166	98	119,723
Sullivan	529,911	47	249,058
Vernon	958,994	100	958,994
Waukesha	16,602	100	16,602
<b>Total All Towns</b>			<b><u>\$ 29,038,852</u></b>

<b>JURISDICTION</b>	<b>Net Debt Outstanding</b>	<b>Percentage Applicable to WCTC</b>	<b>Amount Applicable to WCTC</b>
Village of			
Big Bend	\$ 4,857,369	100 %	\$ 4,857,369
Butler	4,325,706	100	4,325,706
Chenequa	-	100	-
Dousman	9,269,795	100	9,269,795
Eagle	101,015	100	101,015
Elm Grove	5,500,000	100	5,500,000
Hartland	17,261,756	100	17,261,756
Lac La Belle - Jefferson County	5,165	100	5,165
Lac La Belle - Waukesha County	1,514,112	100	1,514,112
Lannon	1,554,126	100	1,554,126
Menomonee Falls	88,169,737	100	88,169,737
Merton	2,580,844	100	2,580,844
Mukwonago	26,666,269	100	26,666,269
Nashotah	306,053	100	306,053
North Prairie	446,532	100	446,532
Oconomowoc Lake	453,343	100	453,343
Palmyra	1,115,308	100	1,115,308
Pewaukee	9,300,353	100	9,300,353
Summit	11,149,253	100	11,149,253
Sussex	54,802,207	100	54,802,207
Wales	6,312,348	100	6,312,348
<b>Total All Villages</b>			<b>\$ 245,691,291</b>
School district of			
Arrowhead	2,309,005	100	2,309,005
Elmbrook	49,445,000	100	49,445,000
Hamilton	56,805,000	100	56,805,000
Kettle Moraine	36,985,000	100	36,985,000
Menomonee Falls	44,915,000	100	44,915,000
Mukwonago	34,657,933	100	34,657,933
Muskego – Norway	46,855,000	100	46,855,000
New Berlin	43,963,475	100	43,963,475
Oconomowoc	88,195,000	100	88,195,000
Palmyra-Eagle	12,659,894	100	12,659,894
Pewaukee	60,491,000	100	60,491,000
Waukesha	3,115,000	100	3,115,000
<b>Total All School Districts</b>			<b>\$ 480,396,307</b>
<b>TOTAL OVERLAPPING DEBT</b>			<b>\$ 1,336,201,852</b>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>			<b>\$ 1,355,512,867</b>

WCTC's boundaries comprise the boundaries of twelve K-12 school districts and the towns, villages, cities, and county property that are contained within those school districts. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses located within WCTC's boundaries. This process recognizes that, when considering WCTC's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. This does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping government. The percentage of overlapping debt applicable to WCTC is the equalized property value of property of the overlapping government located within WCTC's boundaries as a percentage of total equalized value of all property for the overlapping government.

Fiscal Year 2021  
**BUDGET DOCUMENT**



Proprietary Fund



WAUKESHA  
COUNTY TECHNICAL  
COLLEGE

Hands-on  
Higher Ed

# PROPRIETARY FUNDS

Proprietary Funds are used to account for ongoing activities, which are similar to those often found in the private sector. The measurement focus is based on the determination of income. These funds are maintained on the accrual basis of accounting. Two types of Proprietary Funds exist. They are:

- Internal Service Fund
- Enterprise Fund

## Internal Service Fund

The Internal Service Fund is used to account for the financing and related financial activities of goods and services provided by one department of WCTC to another department(s) of WCTC or to other governmental units on a cost-reimbursement basis. WCTC is self-insured for dental insurance coverage. Because of this, it utilizes an Internal Service Fund to track this activity.

### Internal Service Fund Budget Summary

	2018/19 Actual	2019/20		2020/21 Budget	Change from 2019/20 Modified Budget	
		Adopted	Modified		\$	%
Sales	\$ 643,466	\$ 1,072,000	\$ 1,072,000	\$ 930,000	\$ (142,000)	-13.2%
Federal	-	-	-	-	-	100.0%
<b>Total revenue</b>	<b>\$ 643,466</b>	<b>\$ 1,072,000</b>	<b>\$ 1,072,000</b>	<b>\$ 930,000</b>	<b>\$ (142,000)</b>	<b>-13.2%</b>
Salary	\$ 33,443	\$ 34,408	\$ 34,408	\$ 34,405	\$ (3)	100.0%
Benefits	15,592	16,264	16,264	16,475	211	100.0%
Operating expenses	31,154	40,000	40,000	40,000	-	0.0%
Cost of goods sold	695,320	1,042,000	1,042,000	950,000	(92,000)	-8.8%
<b>Total expenditures</b>	<b>\$ 775,509</b>	<b>\$ 1,132,672</b>	<b>\$ 1,132,672</b>	<b>\$ 1,040,880</b>	<b>\$ (91,792)</b>	<b>-8.1%</b>

Effective June 1, 2002, WCTC became self-insured for health and dental and created an Internal Service Fund to track this activity. Effective July 1, 2015, WCTC joined the Wisconsin Technical Colleges Employee Benefit Consortium for health insurance. This change left self-funded dental insurance as the only remaining internal service fund activity.

## Enterprise Funds

The Enterprise Funds are used to record revenues and expenses related to rendering services to students, faculty, staff, and the community. These funds are intended to be self-supporting and are operated in a manner similar to private business where the intent is that all costs, including depreciation expense, of providing goods and services to students and other aforementioned parties is recovered, primarily through user charges. These services complement the educational and general objectives of WCTC.

- Child Development Center
- Bookstore
- Classic Room Restaurant
- Customer Assistance Auto Shop
- Dental Hygiene Clinic
- Style and Class Salon
- Indoor Firing Range and Training Center
- Student Accident Insurance

### Enterprise Fund Budget Summary

	2018/19		2019/20		2020/21		Change from 2019/20	
	Actual	Adopted	Modified	Budget	Modified Budget		\$	%
Sales	\$ 4,178,966	\$ 4,385,445	\$ 4,385,445	\$ 4,264,171	\$ (121,274)	-2.8%		
Federal	28,335	40,000	40,000	40,000	-	100.0%		
<b>Total revenue</b>	<b>\$ 4,207,301</b>	<b>\$ 4,425,445</b>	<b>\$ 4,425,445</b>	<b>\$ 4,304,171</b>	<b>\$ (121,274)</b>	<b>-2.7%</b>		
Salaries	\$ 975,786	\$ 976,050	\$ 976,050	\$ 958,511	\$ (17,539)	-1.8%		
Benefits	329,214	323,289	323,289	358,987	35,698	11.0%		
Cost of goods sold	2,617,938	2,735,194	2,735,194	2,623,094	(112,100)	-4.1%		
Operating expenditures	553,145	287,310	287,310	321,510	34,200	11.9%		
<b>Total expenditures</b>	<b>\$ 4,476,083</b>	<b>\$ 4,321,843</b>	<b>\$ 4,321,843</b>	<b>\$ 4,262,102</b>	<b>\$ (59,741)</b>	<b>-1.4%</b>		

This budget is built on projected activity levels. The Bookstore has exceeded its planned retained earnings target and has been transferring funds annually to other enterprise funds that do not cover their costs and to other funds for scholarship purposes. In fiscal year 2020/21 the Bookstore plans on transferring \$20,000 for student scholarships and \$65,750 to assist other enterprise funds.

Totals presented for 2018/19 actual includes activity for the Auto Body fund. This program, and the related enterprise was suspended May 2018 and the related fund was closed at the end of fiscal year 2018/19.

## Child Development Center Budget Summary

	2018/19		2019/20		2020/21	Change from 2019/20	
	Actual	Adopted	Modified	Budget	Modified Budget		
					\$	%	
Sales	\$ 659,591	\$ 649,285	\$ 649,285	\$ 691,411	\$ 42,126	6.5%	
Federal	28,335	40,000	40,000	40,000	-	100.0%	
<b>Total revenue</b>	<b>\$ 687,926</b>	<b>\$ 689,285</b>	<b>\$ 689,285</b>	<b>\$ 731,411</b>	<b>\$ 42,126</b>	<b>6.1%</b>	
Salaries	\$ 489,759	\$ 485,537	\$ 485,537	\$ 475,186	\$ (10,351)	-2.1%	
Benefits	178,611	174,319	174,319	205,642	31,323	18.0%	
Cost of goods sold	42,324	39,434	39,434	39,434	-	0.0%	
Operating expenditures	6,311	7,010	7,010	5,410	(1,600)	-22.8%	
<b>Total expenditures</b>	<b>\$ 717,005</b>	<b>\$ 706,300</b>	<b>\$ 706,300</b>	<b>\$ 725,672</b>	<b>\$ 19,372</b>	<b>2.7%</b>	

The Child Development Center is a childcare center operated by WCTC in order to give students in the Early Childhood Program on-the-job experience in a childcare setting and to give WCTC students a place to leave their children when they are in class. Students and staff may enroll their children in the Center. This childcare center is also open to the public, if there are openings. Staff at the Center constantly look for ways to improve the services and staffing patterns in order to break even. The Center has received the YoungStar accreditation for a number of years.

The Center sets its rates to be affordable for WCTC students, but at the same time keeps in mind rates of other child care centers to avoid unfairly competing with private industry. Unlike many childcare centers, students are allowed to use the Center for the hours they are in class rather than the entire day. This creates staffing challenges since there are peaks and valleys throughout the day in the number of children at the Center.

The Center is not always able to cover its own expenses every year. Funds from the Bookstore's retained earnings have been transferred in to offset the shortfalls, when needed. In fiscal year 2018/19 the Bookstore transferred \$29,079, which was less than the \$40,304 planned due to greater than expected revenues. For fiscal year 2020/21, no transfer from the Bookstore is planned due to increased funding obtained from the Student Government Association. The Child Development Center is in the process of reevaluating their business model with a goal of financial self-sustainment.

## Bookstore Budget Summary

	2018/19		2019/20		2020/21		Change from 2019/20	
	Actual	Adopted	Modified	Budget	Modified Budget		\$	%
Sales	\$ 3,123,577	\$ 3,334,700	\$ 3,334,700	\$ 3,170,700	\$ (164,000)		-4.9%	
Total revenue	\$ 3,123,577	\$ 3,334,700	\$ 3,334,700	\$ 3,170,700	\$ (164,000)		-4.9%	
Salaries	\$ 333,440	\$ 355,038	\$ 355,038	\$ 337,850	\$ (17,188)		-4.8%	
Benefits	127,500	135,635	135,635	135,570	(65)		0.0%	
Cost of goods sold	2,451,832	2,549,700	2,549,700	2,441,500	(108,200)		-4.2%	
Operating expenditures	327,564	116,000	116,000	153,700	37,700		32.5%	
Total expenditures	\$ 3,240,336	\$ 3,156,373	\$ 3,156,373	\$ 3,068,620	\$ (87,753)		-2.8%	

The Bookstore is available to students, staff, and others who desire to purchase books for classes, supplies and other items available from the Bookstore. The Bookstore budget was developed with a projected profit of \$102,080.

In March 2017, the Bookstore received approval to become an Apple store retailer beginning fall 2017. Staffing includes a Bookstore Technician position. Sales of Apple products and related accessories have continued to increase each year. For fiscal year 2021 the Bookstore is implementing a pilot rental program where students can rent needed technology for the semester, and also have the option to buy out the lease at the end of the agreement.

WCTC determined an appropriate level of retained earnings for the Bookstore is between \$250,000 and \$500,000 plus an amount to cover net capital assets. As of June 30, 2019, the Bookstore had retained earnings of \$52,482, net of capital. The fund balance decreased from June 30, 2018 falling under the targeted threshold due to significant capital improvements completed during fiscal year 2019. It is expected that the reserve balance will be built back up over the course of the next few years.

- In fiscal year 2018/19, WCTC transferred \$132,303 to other funds of which \$112,303 was to other enterprise funds – Child Development Center and Indoor Firing Range and Training Facility to offset shortfalls.
- In fiscal year 2019/20, WCTC planned to transfer \$94,725 to other funds of which \$74,725 was to other enterprise funds – Child Development Center and Indoor Firing Range and Training Facility to offset projected shortfalls. Due to the pandemic situation relating to COVID-19 losses within the CDC and Firing Range and Training Facility are expected to be much more significant, and will not be funded through a transfer.
- In fiscal year 2020/21, WCTC plans to transfer \$20,000 to other funds. Transfers to other enterprise funds are not expected. The Child Development Center is undertaking a business model evaluation with the expectation that operations will be self sustaining. WCTC expects to discontinue publically operating the Firing Range and Training Facility.

Funds transferred to non-Enterprise Funds will be used to provide scholarships to help meet student needs.



## Classic Room Restaurant Budget Summary

	2018/19		2019/20		2020/21	Change from 2019/20	
	Actual	Adopted	Modified	Budget	Modified Budget		
					\$	%	
Sales	\$ 49,898	\$ 40,060	\$ 40,060	\$ 40,060	\$ -	0.0%	
Total revenue	\$ 49,898	\$ 40,060	\$ 40,060	\$ 40,060	\$ -	0.0%	
Salaries	\$ 15,005	\$ -	\$ -	\$ -	\$ -	0.0%	
Benefits	7,662	-	-	-	-	0.0%	
Cost of goods sold	23,562	32,060	32,060	33,060	1,000	3.1%	
Operating expenditures	3,669	8,000	8,000	7,000	(1,000)	-12.5%	
Total expenditures	\$ 49,898	\$ 40,060	\$ 40,060	\$ 40,060	\$ -	0.0%	

The Classic Room is a restaurant-type operation, which allows students in the Hospitality and Culinary Arts programs to get on-the-job experience running a food service operation. During the semester, the Classic Room is open a few days per week for lunch and dinner for staff, students, and the public to enjoy a fine-dining meal prepared by students to give the students an opportunity to improve their skills through hands-on-learning.

The Classic Café is also open for a quick deli-type meal that gives the students another opportunity to practice their skills as a barista.

Excess food made through the learning process is sold to staff, students, and others on campus through the Food Outlet Store in order to generate revenues to offset the cost of the materials used to produce the foods made by students.

## Dental Hygiene Clinic Budget Summary

	2018/19		2019/20		2020/21 Budget	Change from 2019/20	
	Actual		Adopted	Modified		Modified Budget	
						\$	%
Sales	\$ 19,549	\$	17,000	\$ 17,000	\$ 17,000	\$ -	0.0%
Total revenue	\$ 19,549	\$	17,000	\$ 17,000	\$ 17,000	\$ -	0.0%
Salaries	\$ 10,866	\$	-	\$ -	\$ -	\$ -	0.0%
Benefits	5,482		-	-	-	-	0.0%
Cost of goods sold	1,944		15,500	15,500	15,500	-	0.0%
Operating expenditures	1,298		1,500	1,500	1,500	-	0.0%
Total expenditures	\$ 19,590	\$	17,000	\$ 17,000	\$ 17,000	\$ -	0.0%

The Dental Hygiene Clinic provides students on-the-job experience providing dental care to customers of the clinic. The clinic provides another opportunity for the students to meet the requirement of a clinical experience as part of their program.

## Customer Assistance Auto Shop Budget Summary

	2018/19		2019/20		2020/21		Change from 2019/20	
	Actual		Adopted	Modified	Budget		Modified Budget	
							\$	%
Sales	\$ 11,716	\$	15,000	\$ 15,000	\$ 15,000	\$	-	0.0%
Total revenue	\$ 11,716	\$	15,000	\$ 15,000	\$ 15,000	\$	-	0.0%
Cost of goods sold	\$ 10,136	\$	13,500	\$ 13,500	\$ 13,500	\$	-	0.0%
Operating expenditures	46,557		1,500	1,500	1,500		-	0.0%
Total expenditures	\$ 56,693	\$	15,000	\$ 15,000	\$ 15,000	\$	-	0.0%

The Customer Assistance operation provides students on-the-job experience repairing customer cars that have been brought in to the Customer Assistance Auto Shop.

## Style and Class Salon Budget Summary

	2018/19		2019/20		2020/21 Budget	Change from 2019/20	
	Actual		Adopted	Modified		Modified Budget	
						\$	%
Sales	\$ 69,655	\$	\$ 81,400	\$ 81,400	\$ 80,000	\$ (1,400)	100.0%
Total revenue	\$ 69,655	\$	\$ 81,400	\$ 81,400	\$ 80,000	\$ (1,400)	100.0%
Salaries	\$ -	\$	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	100.0%
Benefis	-		3,500	3,500	3,500	-	100.0%
Cost of goods sold	61,583		65,000	65,000	62,100	(2,900)	100.0%
Operating expenditures	2,774		2,900	2,900	4,400	1,500	100.0%
Total expenditures	\$ 64,357	\$	\$ 81,400	\$ 81,400	\$ 80,000	\$ (1,400)	100.0%

Students in the Cosmetology program are required to have hands-on experience with various salon services provided. During fiscal year 2018/19 WCTC launched a Master Aesthetician program, which will require students to have hands on experience with related services provided. Beginning with the 2019/20 budget The Style and Class Salon provides the students an opportunity to gain this necessary on-the-job experience for both the Cosmetology and Aesthetician programs.

## Student Accident Insurance Budget Summary

	2018/19		2019/20		2020/21 Budget	Change from 2019/20 Modified Budget	
	Actual	Adopted	Modified	\$		%	
	Sales	\$ 72,647	\$ 85,000	\$ 85,000		\$ 85,000	\$ -
Total revenue	\$ 72,647	\$ 85,000	\$ 85,000	\$ 85,000	\$ -	100.0%	
Operating expenditures	\$ 72,647	\$ 85,000	\$ 85,000	\$ 85,000	\$ -	100.0%	
Total expenditures	\$ 72,647	\$ 85,000	\$ 85,000	\$ 85,000	\$ -	100.0%	

Through the Wisconsin Technical College System's insurance company, Districts Mutual Insurance, students taking credit courses are able to obtain student accident insurance coverage at minimal cost per semester. The WTCS State Office has identified this coverage is to be processed as an Enterprise Fund activity.

## Indoor Firing Range and Training Facility Budget Summary

	2018/19		2019/20		2020/21 Budget	Change from 2019/20 Modified Budget	
	Actual		Adopted	Modified		\$	%
Sales	\$ 172,333	\$ 163,000	\$ 163,000	\$ 165,000	\$ 2,000	100.0%	
Total revenue	\$ 172,333	\$ 163,000	\$ 163,000	\$ 165,000	\$ 2,000	100.0%	
Salaries	\$ 126,716	\$ 125,475	\$ 125,475	\$ 135,475	\$ 10,000	100.0%	
Benefis	9,959	9,835	9,835	14,275	4,440	100.0%	
Cost of goods sold	26,557	20,000	20,000	18,000	(2,000)	100.0%	
Operating expenditures	92,325	65,400	65,400	63,000	(2,400)	100.0%	
Total expenditures	\$ 255,557	\$ 220,710	\$ 220,710	\$ 230,750	\$ 10,040	100.0%	

In April 2013, WCTC leased a warehouse for an indoor firing range and training center, which opened February 2014. This range gives WCTC an opportunity to enhance the training it provides to law enforcement agencies throughout the district to better meet their training needs and to keep their skills current.

Since the current training needs of law enforcement does not utilize the facility 100% of the time, the range is open to the public during certain hours to generate revenues to help offset costs. Customers using the center will be required to have a background check prior to any use and to abide by the rules established by WCTC for this center. This public use will also allow law enforcement personnel additional opportunities to practice their skills. This Enterprise Fund was established to track the activities of the public use portion of the range.

The Range has experienced losses each year it has been opened. Annually the Bookstore has transferred funds to the Range to offset the loss. In fiscal year 18/19, the Bookstore transferred \$83,224.

WCTC has decided to terminate public firing range operations based on the overall performance of the enterprise fund over the years. Fiscal Year 21 is expected to be the last full year of operations.

Fiscal Year 2021  
**BUDGET DOCUMENT**



Fiduciary Fund



WAUKESHA  
COUNTY TECHNICAL  
COLLEGE

Hands-on  
Higher Ed

# FIDUCIARY FUND

The Fiduciary Fund is used to report assets held in a trustee or agency capacity for others and which, therefore, cannot be used to support WCTC's own programs.

## Other Post-Employment Benefits (OPEB) Trust Fund

The OPEB Trust Fund is used to record the transactions of the OPEB Trust that was established for post-employment benefit assets. WCTC has placed assets into this irrevocable trust to be used for the purpose of post-employment benefits for employees and retirees who have earned those benefits and will receive the benefits in a future year. A budget is not required for this trust, however, for internal purposes, WCTC has created a budget. **Please note that this fund is not part of the legally adopted budget for WCTC.**

### OPEB Trust Budget Summary

	2018/19 Actual	2019/20		2020/21 Budget	Change from 2019/20 Modified Budget	
		Adopted	Modified		\$	%
Institutional Revenue	\$ 4,410,565	\$ 2,250,000	\$ 2,250,000	\$ 1,800,000	\$ (450,000)	-20.0%
Total revenue	\$ 4,410,565	\$ 2,250,000	\$ 2,250,000	\$ 1,800,000	\$ (450,000)	-20.0%
Operating Costs	\$ 3,467,990	\$ 4,015,000	\$ 4,015,000	\$ 4,146,500	\$ 131,500	3.3%
Total expenditures	\$ 3,467,990	\$ 4,015,000	\$ 4,015,000	\$ 4,146,500	\$ 131,500	3.3%

**This budget is for information purposes only. The state does not require this fund to be part of WCTC's adopted budget.**

During fiscal year 2006/07, WCTC created an irrevocable OPEB (Other Post-Employment Benefits) Trust in order to begin funding its post-employment benefits by placing \$21.5 million dollars into the trust from its fund balance.

In fiscal year 2007/08, WCTC implemented GASB 43/45, which required governmental entities to recognize this liability on its financial statements. The only way to reduce the liability was to either pay the benefit out on behalf of retirees or place assets into an irrevocable OPEB Trust.

Since that time and until fully funded, WCTC placed an amount equivalent to the annual required contribution (ARC) or higher into the trust each year. The trust pays the post-employment benefit costs for retirees when they become due.

As of June 30, 2019, WCTC was fully funded with 121.09% of planned expenditures placed in the trust based on healthcare claims experience plus a reduction in eligible members.

Due to this trust being fully funded, WCTC did not place any additional funds into the trust in fiscal year 2019/20. Likewise, no additional funds are budgeted to be placed into this trust for fiscal year 2020/21. The plan status will be monitored annually to determine if additional funds need to be added to the trust in any future year.

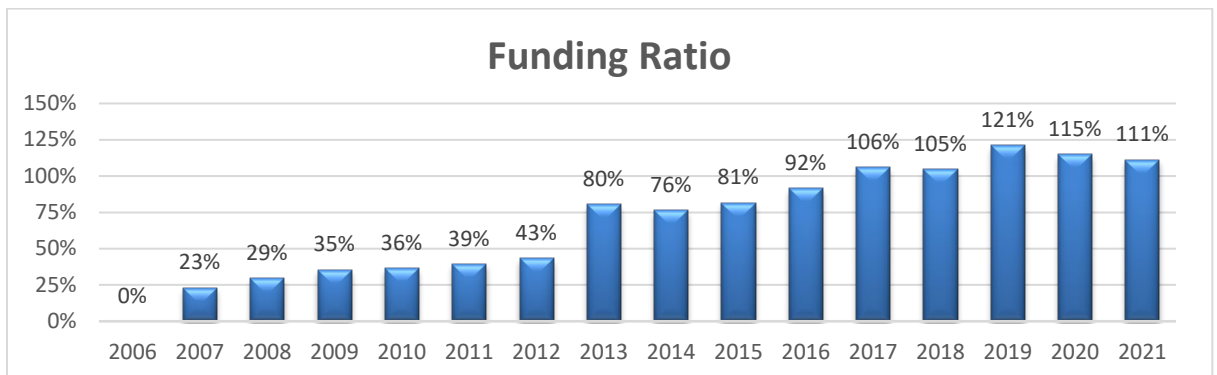
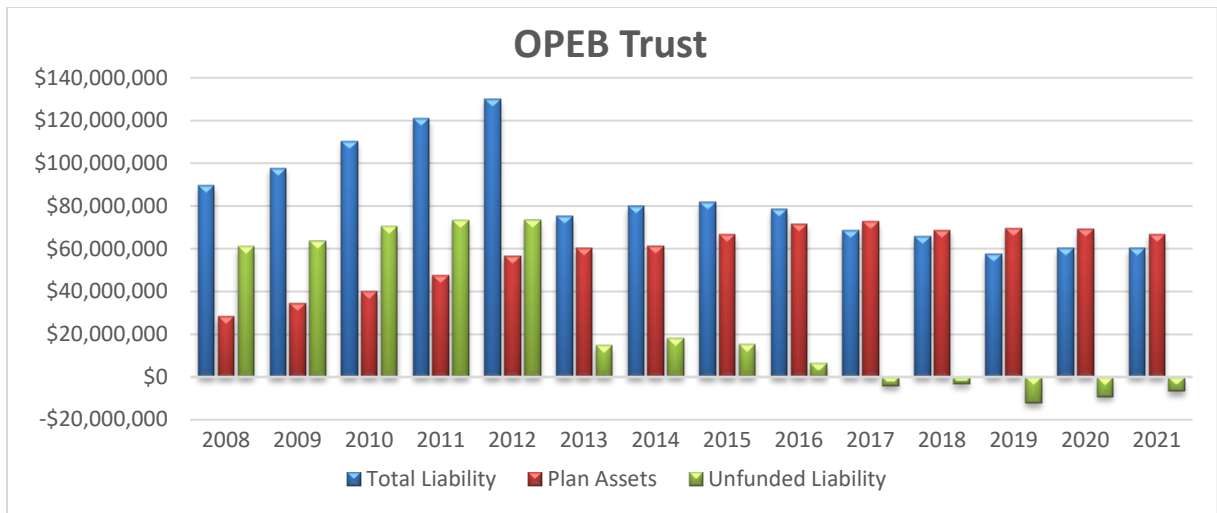


## Other Post-Employment Benefit Liability Status

WCTC has been very proactive in funding its liabilities. Below is information about WCTC's post-employment benefits liability and how quickly it became fully funded.

Fiscal Year	Total Liability	Plan Assets	Unfunded Liability
2008	89,430,527	28,367,939	61,062,588
2009	97,896,026	34,681,028	63,214,998
2010	110,418,346	40,041,887	70,376,459
2011	120,961,664	47,625,611	73,336,053
2012	129,726,932	56,315,619	73,411,313
2013	75,189,563	60,328,346	14,861,217
2014	80,102,451	61,163,399	18,243,282
2015	81,855,502	66,703,989	15,151,513
2016	78,182,383	71,677,999	6,504,384
2017	68,513,729	72,647,482	(4,133,753)
2018	65,794,021	68,799,358	(3,005,337)
2019	57,594,827	69,741,933	(12,147,106)
2020 est	60,000,000	69,000,000	(9,000,000)
2021 est	60,000,000	66,650,000	(6,650,000)

\*Major changes to eligibility were made in FY 13, significantly decreasing the liability.



Fiscal Year 2021  
**BUDGET DOCUMENT**



Appendix



WAUKESHA  
COUNTY TECHNICAL  
COLLEGE

Hands-on  
Higher Ed

# DEGREES/DIPLOMAS

Our offerings cover a wide spectrum in post-secondary education from adult basic education to associate degree programs and many areas in between. We offer the following programs:

## Associate Degree of Applied Science

Accounting	Human Services Associate
Administrative Professional	Information Technology – Computer Support Specialist
Architectural Drafting/Construction Technology	Information Technology – Database Specialist
Automation Systems Technology	Information Technology – Network Security Specialist
Automotive Technology	Information Technology – Network Specialist
Automotive Technology – GM ASEP	Information Technology – Web and Software Developer
Baking and Pastry Management	Interior Design
Business Management	Leadership Development
Construction Management Technology	Manufacturing Engineering Technology
Criminal Justice Studies	Marketing
Culinary Management	Mechanical Design Technology
Dental Hygienist	Mechanical Engineering Technology
Diesel Equipment Technology	Metal Fabrication/Welding Advanced
Early Childhood Education	Nursing
Electrical Engineering Technology	Paramedic Technician
Electronics Technology	Quality Management
Fire Medic	Real Estate
Fire Protection Technician	Surgical Technology
Foundations of Teacher Education	Technical Studies – Journeyworker
Global Business	Web and Digital Media Design
Graphic Design	
Health Information Technology	
Hospitality Management	
Human Resources	

## Technical Diplomas

Advanced EMT	Food Service Production
Auto Collision Repair and Refinishing Technician	Industrial Maintenance Technician
Autism Technician	Language Interpreter for Health Services
Baking and Pastry Production	Machine Tool Operation
Building Trades – Carpentry	Medical Assistant
Central Service Technician	Medical Coding Specialist
Cosmetology	Metal Fabrication/Welding
Criminal Justice – Law Enforcement Academy (not available to general public)	Nursing Assistant
Electricity	Office Technology Assistant
Dental Assistant	Phlebotomy Technician
EMS Leadership & Management	Practical Nursing
Emergency Medical Technician	Refrigeration, Air Conditioning, and Heating
Facilities Maintenance	Tool and Die Making
	Truck Driving

## Apprenticeships

ABC Electrician	Maintenance Mechanic/Millwright
Concrete Finishing - ABC	Maintenance Technician
Industrial Electrician	Mechatronics
Industrial Manufacturing Technician	Plumbing – ABC

Injection Mold Setup (Plastic)  
Machinist

Tool and Die  
Welder/Fabricator

## Embedded Technical Diploma

Auto Maintenance Technician  
Automotive Maintenance and Light Repair  
CNC Set-up Technician  
Desktop Support Technician  
Hospitality Specialist  
Human Resources Professional

Import/Export Specialist  
IT Software Development Specialist  
Network Enterprise Administrator  
Organizational Leadership  
Paramedic Technician  
Welding Technician

## WCTC Technical Certificates

Accounting in Healthcare  
Automation 1  
Automation 2  
Automation 3  
Automation 4 Industrial PLC  
Automation 5 Control and Interface  
Baking/Pastry  
CAE2Y Cyber Security  
Change Management  
Child Care Administrator Credential  
Cisco – CCNA  
CNC Operator  
Communication  
Compensation and Benefits Specialist  
Computerized Accounting Specialist  
Customer Service Assistant – Level I  
Customer Service Assistant – Level II  
Cyber Security Specialist  
Developmental Disabilities  
Digital Photography  
Digital Production/DTP  
Enterprise Support Technician  
Entrepreneurship  
Excellence in Leadership  
Facilities Maintenance I  
Facilities Maintenance 2  
FCAW/Fabricator  
General Clerical Assistant  
Global Business Communication  
Global Marketing  
Global Supply Chain Management  
Global Trade Finance  
GMAW/Fabricator  
Healthcare Lean Sigma  
Inclusion

Industrial Laser Operator  
Infant Toddler Credential  
Instructional Strategies  
Introduction to Health Career  
IT Network Support Specialist  
IT Security Administrator  
IT Service Desk Technician  
IT Support Technician  
Java Programming  
Lean Enterprise  
Management of Supply Chain Effectiveness  
Maintenance Technician Level 1  
Maintenance Technician Level 2  
Maintenance Technician Level 3  
Marketing Leadership and Innovation  
Marketing Management  
Marketing Media  
Mechatronics for Electron Technician  
Mechatronics for Mechanical Design  
Mortgage Lending  
Nail Technician  
Office Leadership  
Office Lean Specialist  
Preschool Credential  
Property Assessment  
Property Management  
Refrigeration Service  
Six Sigma Black Belt  
Six Sigma Green Belt  
Social Media Marketing  
Speaking Emphasis Communication  
Storage and Visualization Administrator  
Web Design  
Writing Emphasis Communication  
Youth Care Counselor

## Dual Enrollment Programs

Automation Systems (Robotics)  
Hospitality Specialist  
IT Systems Specialist

Tool and Die  
Welding Fabrication

## Shared Programming (originating college shown after program)

Bio-Medical Electronics (Milwaukee Area Technical College)

Physical Therapist Assistant (Blackhawk Technical College)

Radiography (Milwaukee Area Technical College)

Students enjoy state-of-art equipment and hands-on experience.



# ENROLLMENT STATISTICS – Students Attending WCTC

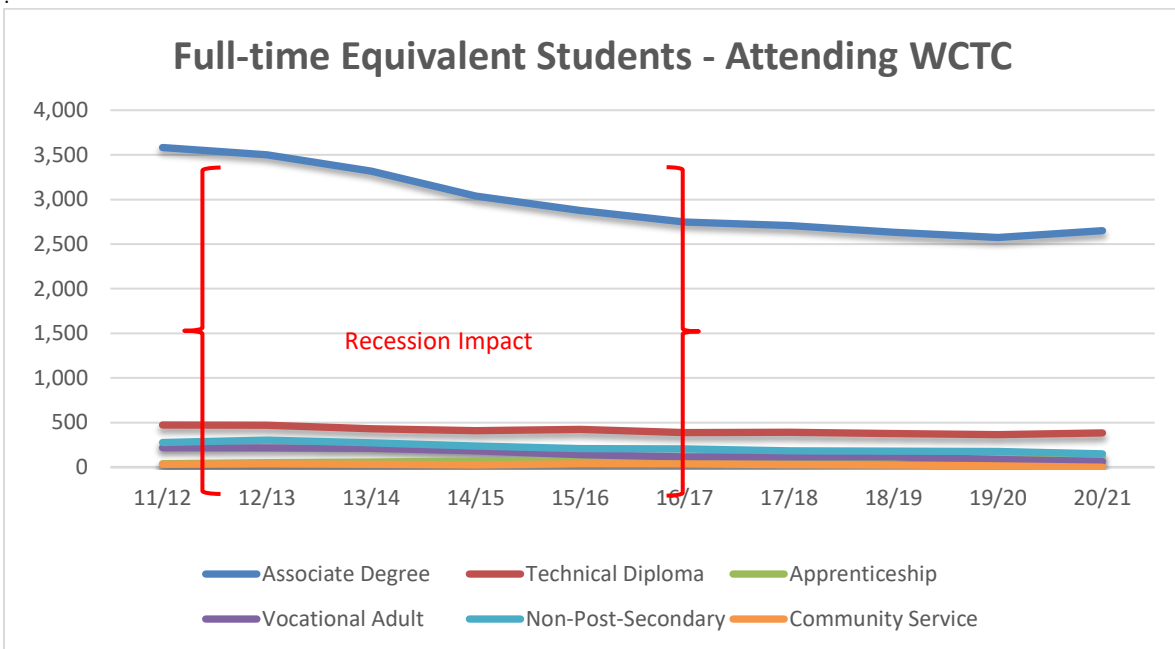
## Students Served

Year	Associate Degree	Technical Diploma	Apprentice	Vocational Adult	Non-Post-Secondary	Community Service	Total
11/12	8,183	1,719	227	10,448	1,677	1,237	23,491
12/13	8,359	1,601	262	9,934	1,690	1,587	23,433
13/14	7,816	1,514	279	10,067	1,529	1,551	22,756
14/15	6,994	1,520	346	10,044	1,278	1,004	21,186
15/16	6,450	1,351	371	8,094	1,179	1,761	19,206
16/17	6,321	1,201	419	6,904	1,260	1,938	18,043
17/18	6,056	1,171	482	6,579	1,067	1,536	16,891
18/19	6,153	1,147	566	6,445	930	1,306	16,547
19/20 est	6,019	1,079	656	5,400	940	690	14,784
20/21 prj.	6,100	1,100	575	4,750	900	0	13,425

## Full-time Equivalent Students

Year	Associate Degree	Technical Diploma	Apprentice	Vocational Adult	Non-Post-Secondary	Community Service	Total
11/12	3,582	473	39	219	277	34	4,625
12/13	3,500	469	50	215	304	37	4,575
13/14	3,319	432	58	213	274	34	4,330
14/15	3,038	408	68	182	239	25	3,960
15/16	2,877	423	72	141	209	38	3,760
16/17	2,747	389	82	116	204	37	3,575
17/18	2,707	390	92	116	186	31	3,522
18/19	2,633	377	109	114	179	27	3,439
19/20 est	2,574	365	126	88	175	14	3,343
20/21 prj.	2,650	385	110	65	150	0	3,360

A full-time equivalent (FTE) is equal to 30 student credits. This chart shows only those credits taken by students at WCTC and does not include dual credits taken by high school students. This method of calculating student FTEs is used in the calculation of state aids



# ENROLLMENT STATISTICS – Includes Dual Enrollment

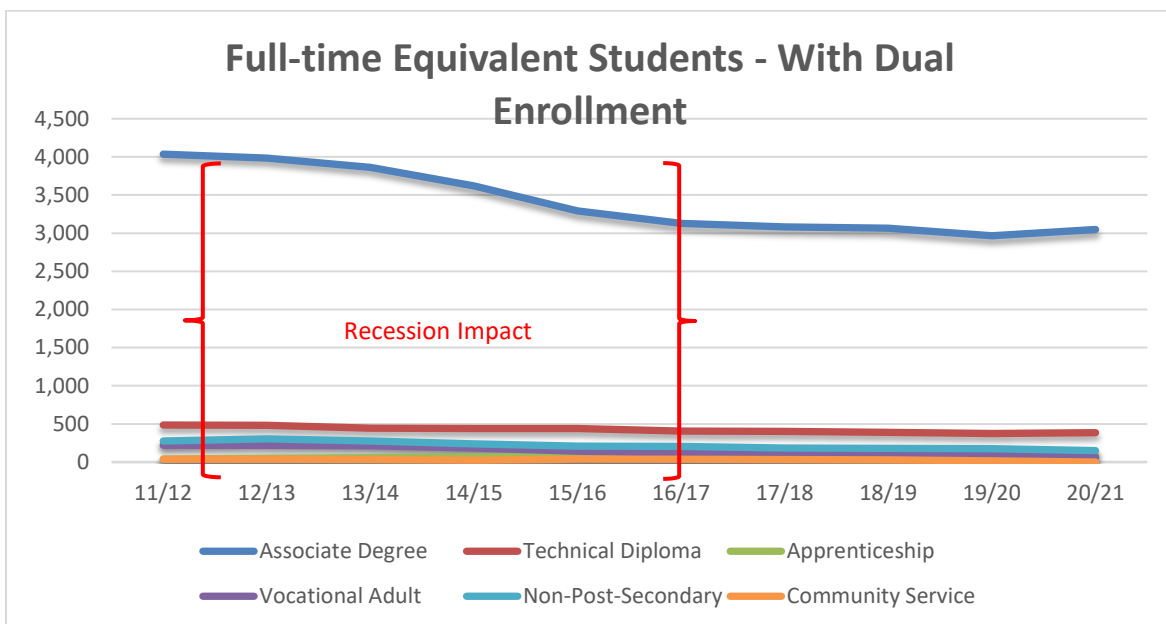
## Students Served

Year	Associate Degree	Technical Diploma	Apprentice	Vocational Adult	Non-Post-Secondary	Community Service	Transcripted Credit	Total
11/12	8,183	1,719	227	10,448	1,677	1,237	4,053	27,546
12/13	8,359	1,601	262	9,934	1,690	1,587	4,320	27,752
13/14	7,816	1,514	279	10,067	1,529	1,551	4,723	27,480
14/15	6,994	1,520	346	10,044	1,278	1,004	4,933	26,153
15/16	6,450	1,351	371	8,094	1,179	1,761	3,536	22,742
16/17	6,321	1,201	419	6,904	1,260	1,938	3,258	21,301
17/18	6,056	1,171	482	6,579	1,067	1,536	3,207	20,098
18/19	6,153	1,147	566	6,445	930	1,306	3,599	20,146
19/20 est	6,019	1,079	656	5,400	940	690	3,377	18,161
20/21 prj.	6,100	1,100	575	4,750	900	0	3,300	16,725

## Full-time Equivalent Students

Year	Associate Degree	Technical Diploma	Apprentice	Vocational Adult	Non-Post-Secondary	Community Service	Total
11/12	4,036	485	39	219	277	35	5,090
12/13	3,985	482	50	215	304	37	5,073
13/14	3,863	444	58	213	274	34	4,885
14/15	3,618	429	68	182	239	25	4,561
15/16	3,293	441	72	142	209	38	4,195
16/17	3,128	406	82	116	204	37	3,973
17/18	3,081	401	92	116	185	31	3,907
18/19	3,065	387	109	114	179	27	3,880
19/20 est	2,966	374	126	88	175	14	3,774
20/21 prj.	3,050	385	110	65	150	0	3,760

A full-time equivalent (FTE) is equal to 30 student credits. Effective July 1, 2015, the state included transcripted credit/dual enrollment counts in FTEs. The FTE table above has been restated to reflect the impact of this change. The Associate Degree and Technical Diploma categories were impacted by this change.

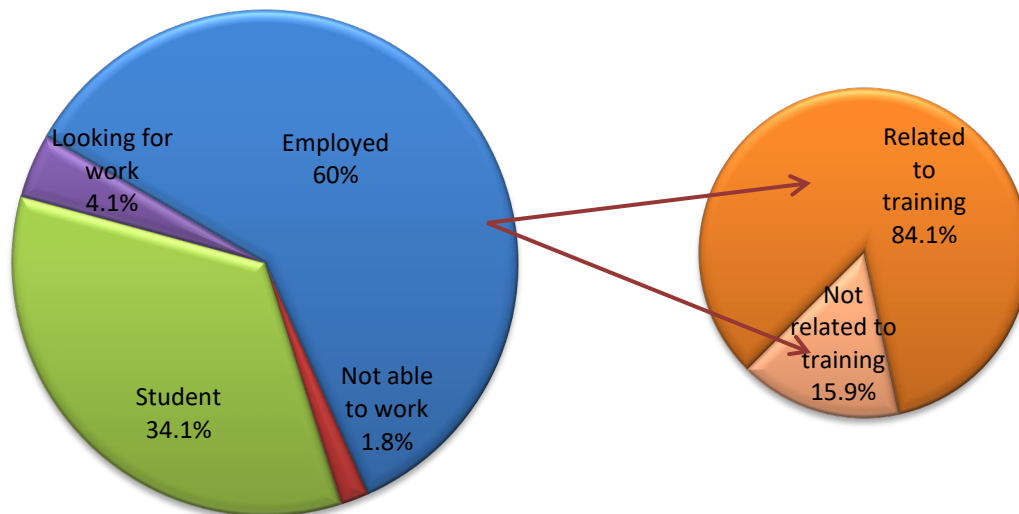


## PROGRAM GRADUATES FOLLOW-UP STATISTICS

Year	Number of Degrees Awarded	Number of Follow-Up Respondents	Percent Employed In Related Occupations	Median Annual Salary	Percent Residing In District	Percent Employed In District	Percent Employed in Milwaukee Metro Area
09/10	1,690	859	73%	\$33,254	71%	58%	89%
10/11	1,863	859	73%	\$32,444	70%	61%	91%
11/12	1,810	912	79%	\$33,000	68%	57%	89%
12/13	1,786	825	76%	\$36,450	69%	56%	90%
13/14	1,814	1,044	79%	\$37,440	67%	56%	88%
14/15	1,894	1,142	80%	\$36,372	68%	51%	88%
15/16	1,918	895	83%	\$38,508	66%	53%	87%
16/17	2,136*	982	80%	\$42,088	65%	58%	87%
17/18	2,039	939	81%	\$42,000	68%	55%	89%
18/19	1,800	829	84%	\$47,803	63%	56%	86%

\*Statistics are based on a survey of WCTC's graduates conducted approximately six months after graduation, therefore, 19/20 statistics are not available; 18/19 data is still in draft mode. Statistics include graduates of WCTC's post-secondary, vocational, and technical programs. This data does not reflect the activities of students who complete only portions of their program.

### 2018/19 Job Placement

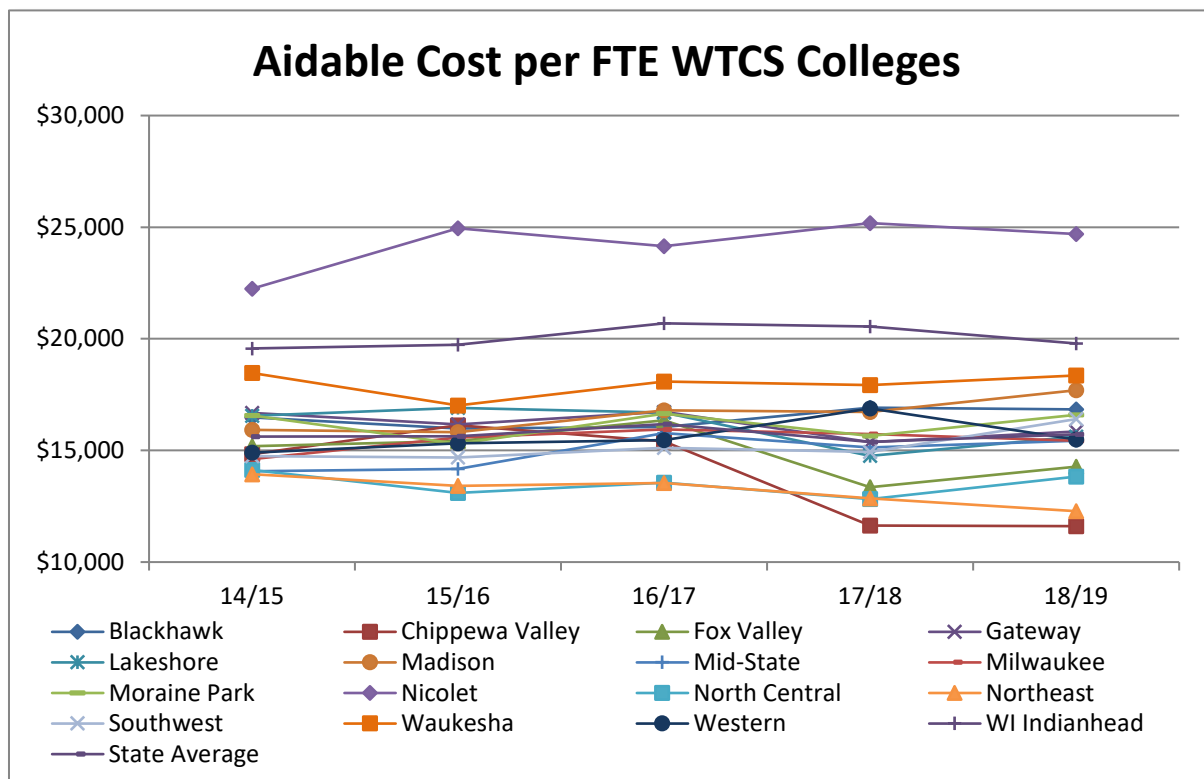




## AIDABLE COST PER FTE WTCS COLLEGES

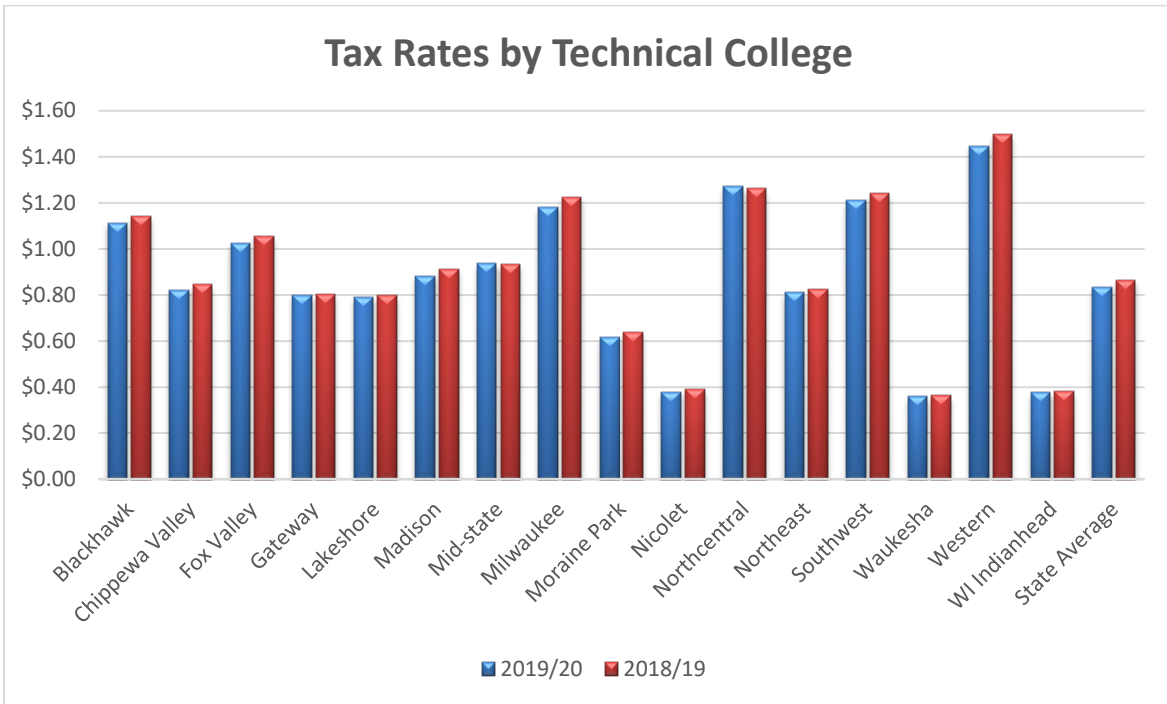
College	2014/15	2015/16	2016/17	2017/18	2018/19	Percent Change from 2017/18	Percent Change from 2014/15
Blackhawk	\$16,486	\$15,983	\$16,048	\$16,916	\$16,839	(0.5%)	2.1%
Chippewa Valley	\$14,839	\$16,128	\$15,401	\$11,638	\$11,609	(0.2%)	(21.8%)
Fox Valley	\$15,191	\$15,425	\$16,351	\$13,353	\$14,271	6.9%	(6.1%)
Gateway	\$16,684	\$16,158	\$16,731	\$15,374	\$15,849	3.1%	(5.0%)
Lakeshore	\$16,545	\$16,905	\$16,695	\$14,756	\$15,626	5.9%	(5.6%)
Madison Area	\$15,923	\$15,818	\$16,796	\$16,723	\$17,697	5.8%	11.1%
Mid-State	\$14,068	\$14,171	\$15,777	\$15,136	\$15,437	2.0%	9.7%
Milwaukee Area	\$14,611	\$15,573	\$15,942	\$15,734	\$15,432	(1.9%)	5.6%
Moraine Park	\$16,571	\$15,297	\$16,648	\$15,645	\$16,601	6.1%	0.2%
Nicolet	\$22,243	\$24,954	\$24,145	\$25,183	\$24,691	(2.0%)	11.0%
North Central	\$14,123	\$13,092	\$13,557	\$12,821	\$13,824	7.8%	(2.1%)
Northeast	\$13,936	\$13,413	\$13,543	\$12,848	\$13,280	3.4%	(4.7%)
Southwest	\$14,741	\$14,683	\$15,123	\$14,926	\$16,404	9.9%	11.3%
Waukesha Area	\$18,469	\$17,015	\$18,079	\$17,927	\$18,362	2.4%	(0.6%)
Western	\$14,900	\$15,316	\$15,457	\$16,880	\$15,488	(8.2%)	3.9%
Wisconsin Indianhead	\$19,569	\$19,733	\$20,693	\$20,547	\$19,785	(3.7%)	1.1%
Statewide Average	\$15,618	\$15,634	\$16,181	\$15,381	\$15,715	2.2%	0.6%

NOTE: Aidable Cost per FTE is a function of aidable operational costs (from General Fund and Special Revenue Fund – Operating only) divided by aidable FTE's



# TAX RATE COMPARISONS

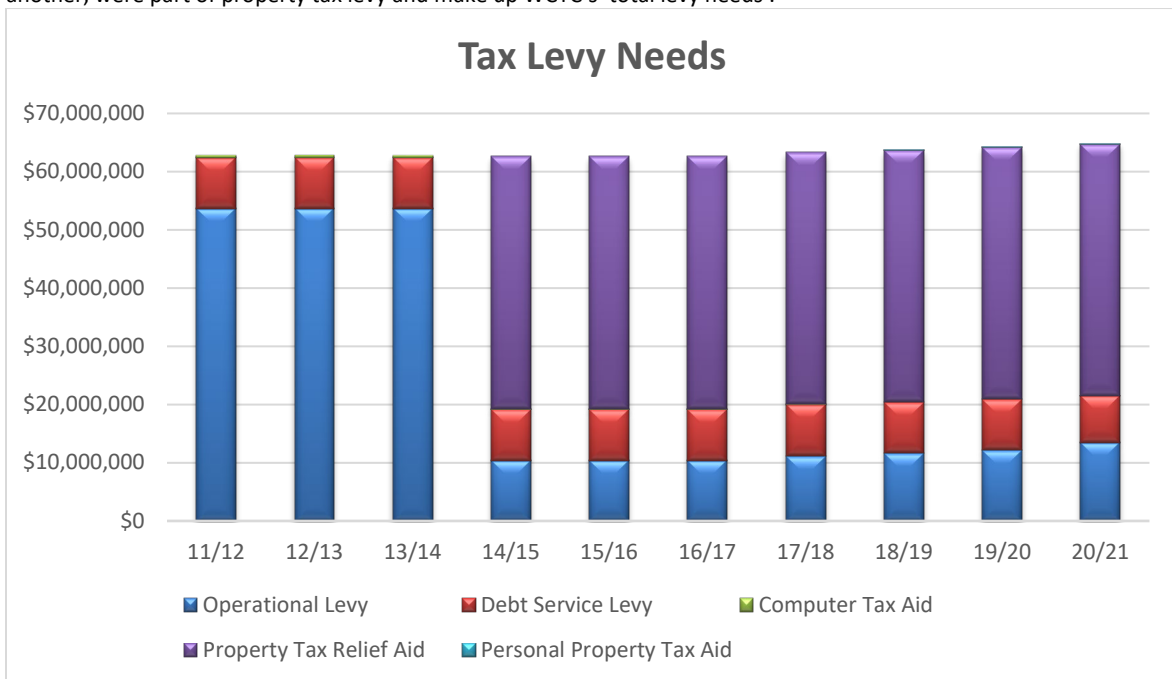
College	2019/20 Tax Rates				2018/19 Tax Rates			
	Operating Mill Rate	Debt Mill Rate	Total Mill Rate	Rank	Operating Mill Rate	Debt Mill Rate	Total Mill Rate	Rank
Blackhawk	0.52512	0.58751	1.11263	12	0.54260	0.60033	1.14293	12
Chippewa Valley	0.56086	0.25883	0.81969	8	0.57142	0.27504	0.84646	8
Fox Valley	0.60804	0.41521	1.02325	11	0.61891	0.43737	1.05628	11
Gateway	0.49909	0.29903	0.79812	6	0.50793	0.29640	0.80433	6
Lakeshore	0.45713	0.33516	0.79229	5	0.46405	0.33364	0.79769	5
Madison	0.49768	0.38522	0.88290	9	0.50348	0.40612	0.90960	9
Mid-state	0.50133	0.43563	0.93696	10	0.50640	0.42699	0.93339	10
Milwaukee	0.64175	0.54145	1.18320	13	0.65076	0.57481	1.22557	13
Moraine Park	0.42170	0.19524	0.61694	4	0.42945	0.20626	0.63571	4
Nicolet	0.22967	0.14910	0.37877	3	0.22912	0.16042	0.38954	3
Northcentral	0.63192	0.63817	1.27009	15	0.63237	0.63005	1.26242	15
Northeast	0.38287	0.42804	0.81091	7	0.38209	0.44234	0.82443	7
Southwest	0.60249	0.60762	1.21011	14	0.61086	0.63132	1.24218	14
Waukesha	0.21291	0.14725	0.36016	1	0.20638	0.15565	0.36203	1
Western	0.58338	0.86288	1.44626	16	0.59096	0.90642	1.49738	16
WI Indianhead	0.17830	0.19942	0.37772	2	0.17543	0.20479	0.38022	2
State Average	0.46528	0.36919	0.83447		0.47013	0.39489	0.86502	



## SCHEDULE OF BUDGETARY LEVY NEEDS

Year	Operational Tax Levy	Debt Service Tax Levy	State Aid In Lieu of Computer Taxes	Property Tax Relief Aid	State Aid in Lieu of Personal Property Tax	Total Needs
11/12	\$53,638,255		\$434,987	\$0	\$0	\$62,866,036
12/13	\$53,638,255	\$8,792,794	\$390,114	\$0	\$0	\$62,821,163
13/14	\$53,638,255	\$8,792,794	\$374,577	\$0	\$0	\$62,805,626
14/15	\$10,418,941	\$8,792,794	\$102,932	\$43,219,314	\$0	\$62,533,981
15/16	\$10,418,941	\$8,792,794	\$102,665	\$43,219,314	\$0	\$62,533,714
16/17	\$10,418,941	\$8,792,794	\$108,626	\$43,219,314	\$0	\$62,539,675
17/18	\$11,182,407	\$8,792,794	\$110,223	\$43,219,314	\$0	\$63,304,738
18/19	\$11,658,767	\$8,792,794	\$0	\$43,219,314	\$138,768	\$63,809,643
19/20	\$12,713,771	\$8,792,794	\$0	\$43,219,314	\$138,768	\$64,864,647
20/21	\$13,456,565	\$8,050,000	\$0	\$43,219,314	\$138,768	\$64,864,647

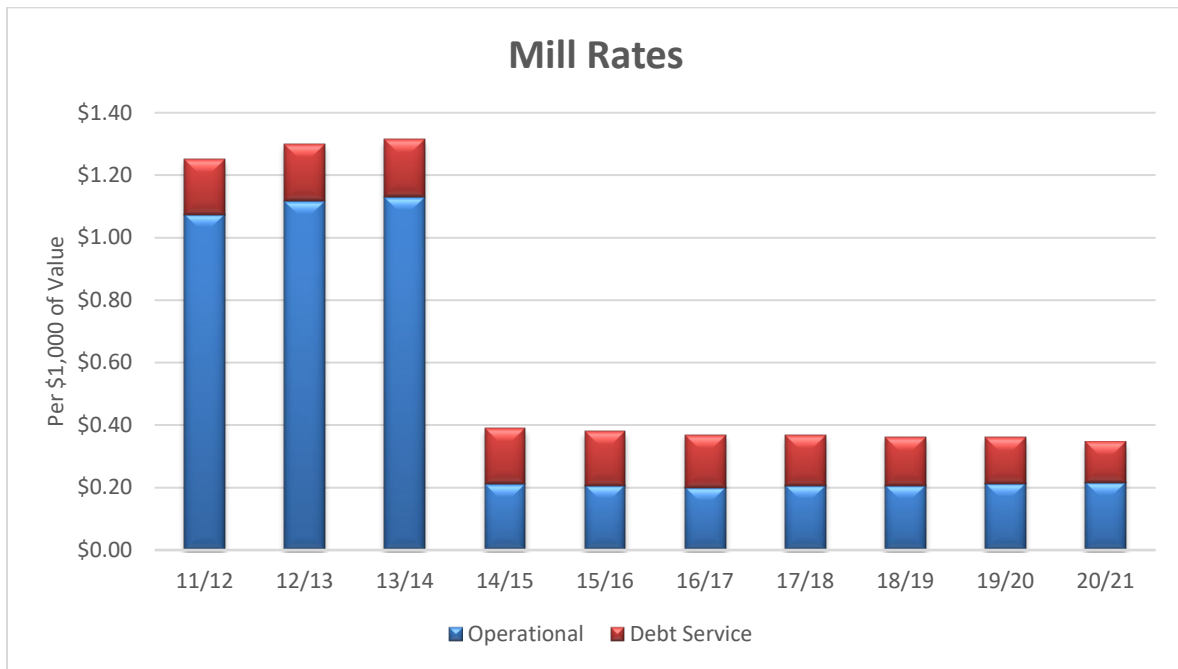
For the 2014 property tax bills, the State Legislature replaced \$406 million of property tax levy with state funds in the form of property tax relief aid. Because of this shift, the state no longer pays state aids in lieu of computer taxes on this portion. Effective 2018, personal property tax will be replaced with state aids. All amounts in blue, at one time or another, were part of property tax levy and make up WCTC's 'total levy needs'.



# SCHEDULE OF EQUALIZED VALUATIONS, TAX LEVIES, AND MILL RATES

Year	Equalized Valuation	Tax Levies		Mill Rates Per \$1,000 of Property Value		
		Operational	Debt Service	Operational	Debt Service	Total
2011/12	\$49,890,023,774	\$53,638,255	\$8,792,794	\$1.07513	\$0.17624	\$1.25137
2012/13	\$48,001,095,149	\$53,638,255	\$8,792,794	\$1.11743	\$0.18318	\$1.30061
2013/14	\$47,450,463,938	\$53,638,255	\$8,792,794	\$1.13041	\$0.18530	\$1.31571
2014/15	\$49,372,912,220	\$10,418,941	\$8,792,794	\$0.21102	\$0.17809	\$0.38911
2015/16	\$50,592,374,084	\$10,418,941	\$8,792,794	\$0.20594	\$0.17380	\$0.37974
2016/17	\$52,151,418,030	\$10,418,941	\$8,792,794	\$0.19978	\$0.16860	\$0.36838
2017/18	\$54,199,833,643	\$11,182,407	\$8,792,794	\$0.20632	\$0.16223	\$0.36855
2018/19	\$56,491,051,260	\$11,658,767	\$8,792,794	\$0.20638	\$0.15565	\$0.36203
2019/20	\$59,714,493,716	\$12,713,771	\$8,792,794	\$0.21291	\$0.14725	\$0.36016
2020/21 est.	\$62,103,073,465	\$13,456,565	\$8,050,000	\$0.21668	\$0.12962	\$0.34630

2020/21 mill rate may change based on final property tax valuations within the WCTC District, obtained from the Wisconsin Department of Revenue in September or October of 2020.



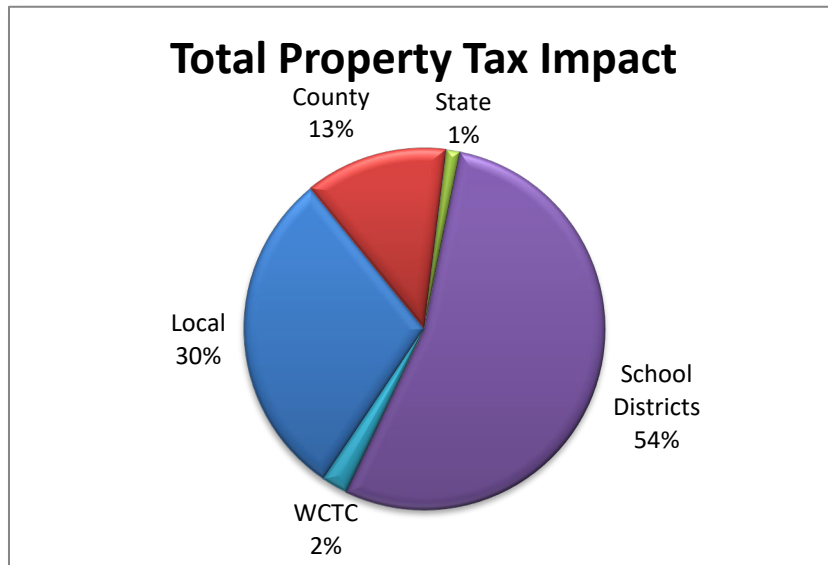
**PROPERTY TAX RATES – DIRECT AND OVERLAPPING  
GOVERNMENTS - HISTORICAL COMPARISONS**  
(Per \$1,000 of Equalized Value of Taxable Property)

Year	WCTC			Other School Districts	Local	County	State	Gross Total	State Tax Relief	Net Total
	Operational	Debt Service	Total							
08/09	\$0.95	\$0.16	\$1.11	\$8.79	\$4.44	\$2.02	\$0.20	\$16.56	(\$1.70)	\$14.86
09/10	\$1.00	\$0.16	\$1.16	\$9.57	\$4.80	\$2.14	\$0.20	\$17.87	(\$1.74)	\$16.13
10/11	\$1.06	\$0.17	\$1.23	\$10.00	\$4.87	\$2.22	\$0.20	\$18.52	(\$1.76)	\$16.76
11/12	\$1.07	\$0.18	\$1.25	\$9.88	\$4.95	\$2.27	\$0.20	\$18.55	(\$1.77)	\$16.78
12/13	\$1.12	\$0.18	\$1.30	\$10.27	\$5.24	\$2.36	\$0.20	\$19.37	(\$1.82)	\$17.55
13/14	\$1.13	\$0.19	\$1.32	\$10.19	\$5.31	\$2.38	\$0.20	\$19.40	(\$1.81)	\$17.59
14/15	\$0.21	\$0.18	\$0.39	\$10.00	\$5.22	\$2.35	\$0.20	\$18.16	(\$1.74)	\$16.42
15/16	\$0.21	\$0.17	\$0.38	\$10.18	\$5.05	\$2.37	\$0.20	\$18.18	(\$1.96)	\$16.22
16/17	\$0.20	\$0.17	\$0.37	\$9.63	\$5.21	\$2.25	\$0.20	\$17.66	(\$1.82)	\$15.84
17/18	\$0.21	\$0.15	\$0.36	\$9.29	\$5.04	\$2.17	\$0.20	\$17.07	(\$1.91)	\$15.16
18/19	\$0.22	\$0.13	\$0.35	\$8.92	\$4.92	\$2.11	\$0.20	\$16.54	(\$1.82)	\$14.72

Source—Wisconsin Department of Revenue Division of State and Local Finance Bureau of Local Financial Assistance. The rates shown represent tax rates based on full equalized values.

Local includes cities, towns, villages, and other special taxing districts (i.e. sewer districts).

Fiscal year 19/20 data is not available at this time.



## PRINCIPAL TAXPAYERS

Employer*	Type of Business	Number of Employees
Kohl's Department Stores	Retail/Headquarters	5,722
Pro Health Care	Health Services	4,741
Froedtert Community Memorial Hospital	Health Services	3,772
Quad Graphics, Inc.	Printing/Headquarters	3,423
Aurora Health Care	Health Services	2,767
Roundy's (subsidiary of Kroger)	Food Wholesale/Retail	2,473
GE Healthcare (a)	Medical Equipment/Training	2,369
Target Corporation	Retail/Distribution Center	1,830
Wal-Mart Corporation	Retail	1,647
Waukesha School District	Education	1,610

Source—Waukesha County Department of Administration, 2019 employer inquiry updates

\*Does not include locations outside of Waukesha County

(a) Includes GE Power/Water and Capital Operations

Taxpayer	Type of Business	2018 Equalized Valuation
Brookfield Square	Retail	\$227,218,000
The Corners of Brookfield	Retail/Residential	\$199,699,500
Kohl's Department Stores	Retail/Headquarters	\$159,728,090
Individual	Mixed Use Real Estate	\$146,007,400
Wimmer Brothers	Rental Properties/Construction	\$144,033,500
Aurora	Health Care	\$120,777,600
Pro Health Care	Health Care	\$115,629,457
Target Corporation	Retail/Distribution Center	\$109,889,200
Pabst Farms	Mixed Use Real Estate	\$99,760,045
Bielinski Homes	Rental Properties/Construction	\$99,170,600

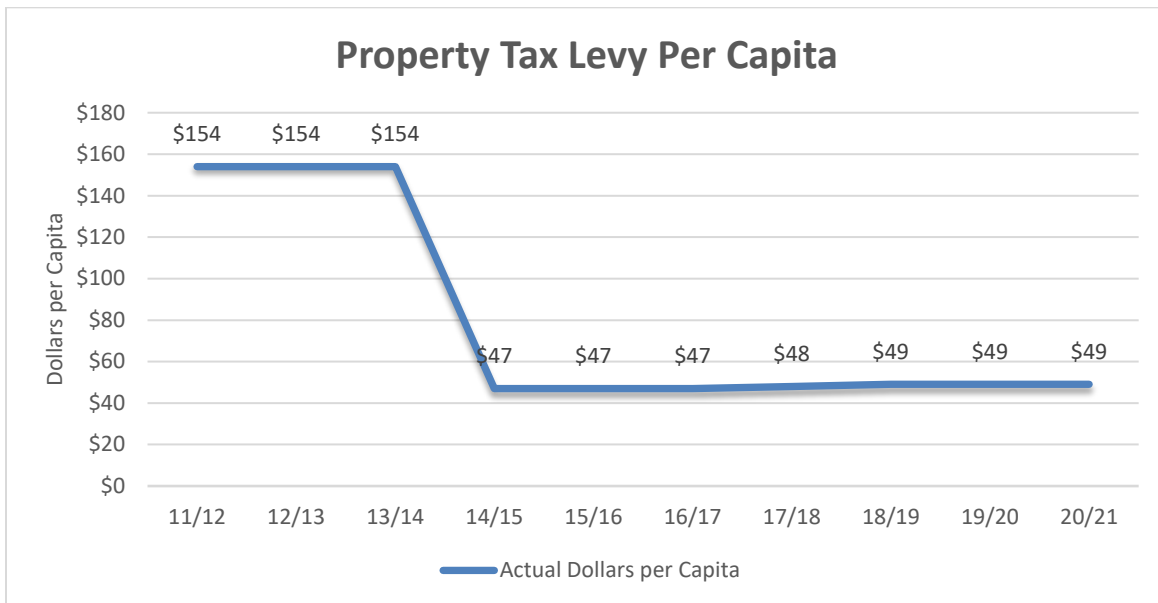
Source—Waukesha County Department of Administration

Total Waukesha County valuation with TID in is \$57,824,084,260 – This represents 2.46% of the total.

# PROPERTY TAX LEVY PER CAPITA

Property taxes per capita reflect changes relative to changes in population.

Year	Property Tax Levy	Population	Property Tax levy per Capita
2011/12	\$62,431,049	404,507	\$154
2012/13	\$62,431,049	405,194	\$154
2013/14	\$62,431,049	405,794	\$154
2014/15	\$19,211,735	407,150	\$47
2015/16	\$19,211,735	408,359	\$47
2016/17	\$19,211,735	410,919	\$47
2017/18	\$19,975,201	412,747	\$48
2018/19	\$20,451,561	413,300	\$49
2019/20	\$20,506,565	416,057	\$49
2020/21	\$20,506,565	420,620	\$49

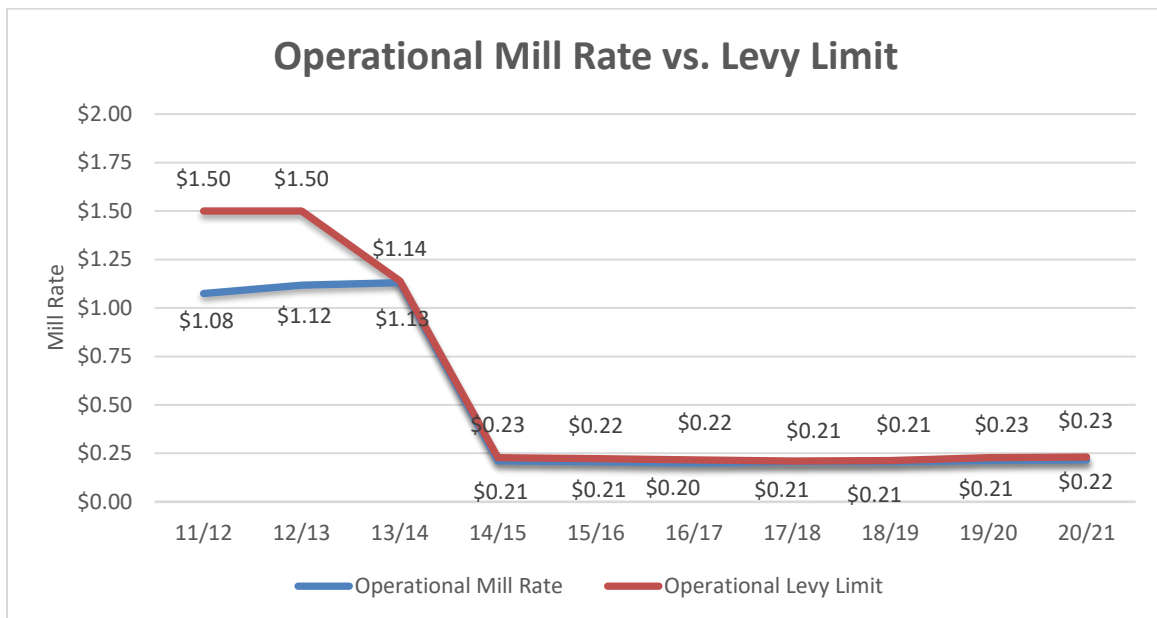


## OPERATIONAL MILL RATE VS. LEVY CAP

Wisconsin statutes limit the technical colleges' operational levy amount to the growth in net new construction effective 2013/14. Prior to that, the operational mill rate could not be more than \$1.50 per \$1,000 of equalized valuation. This chart and graph shows where WCTC's operational mill rate is in relation to the levy limit.

Year	WCTC's Operational Mill Rate	Operational Mill Rate Cap
2011/12	\$1.07513	\$1.50000
2012/13	\$1.11743	\$1.50000
2013/14	\$1.13041	\$1.13853
2014/15	\$0.21102	\$0.22770
2015/16	\$0.20594	\$0.22240
2016/17	\$0.19978	\$0.21652
2017/18	\$0.20632	\$0.21043
2018/19	\$0.20638	\$0.21292
2019/20	\$0.21291	\$0.22755
2020/21 est.	\$0.21668	\$0.23068

\*Effective FY 14, \$1.50 levy cap has been removed and **levy amount** can only increase by percent of net new construction. One-half of one percent carryover of unused levy from the prior year is allowed. The above rates do not factor in allowable carryover provision.

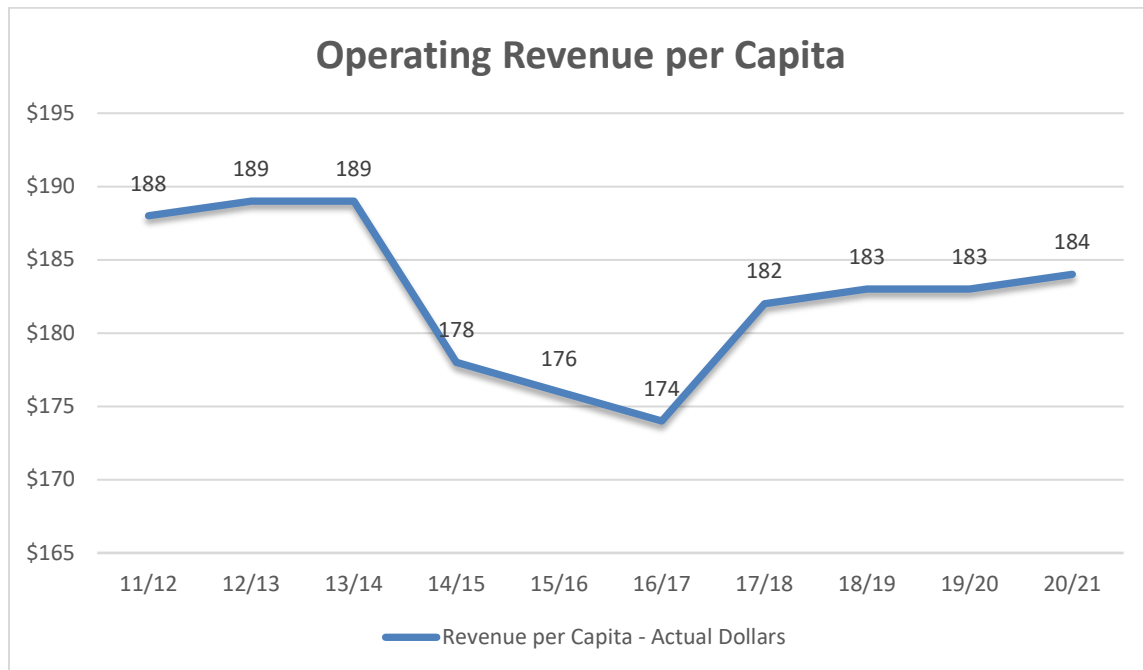




## OPERATING REVENUE PER CAPITA

Operating revenue per capita reflect how much revenue is received per population to offset operational costs of WCTC in the General Fund. This trend information should be analyzed in conjunction with operating expenditures per capita before decisions can be made on the fiscal health of WCTC.

Year	Operating Revenue	Population	Operating Revenue per Capita
2011/12	\$75,886,673	404,507	\$188
2012/13	\$76,629,792	405,194	\$189
2013/14	\$76,794,517	405,794	\$189
2014/15	\$72,565,150	407,150	\$178
2015/16	\$72,164,521	408,359	\$176
2016/17	\$71,703,088	410,919	\$174
2017/18	\$75,109,305	412,747	\$182
2018/19	\$76,249,024	413,300	\$183
2019/20 est	\$76,032,631	416,057	\$183
2020/21 prj.	\$77,762,005	420,620	\$184

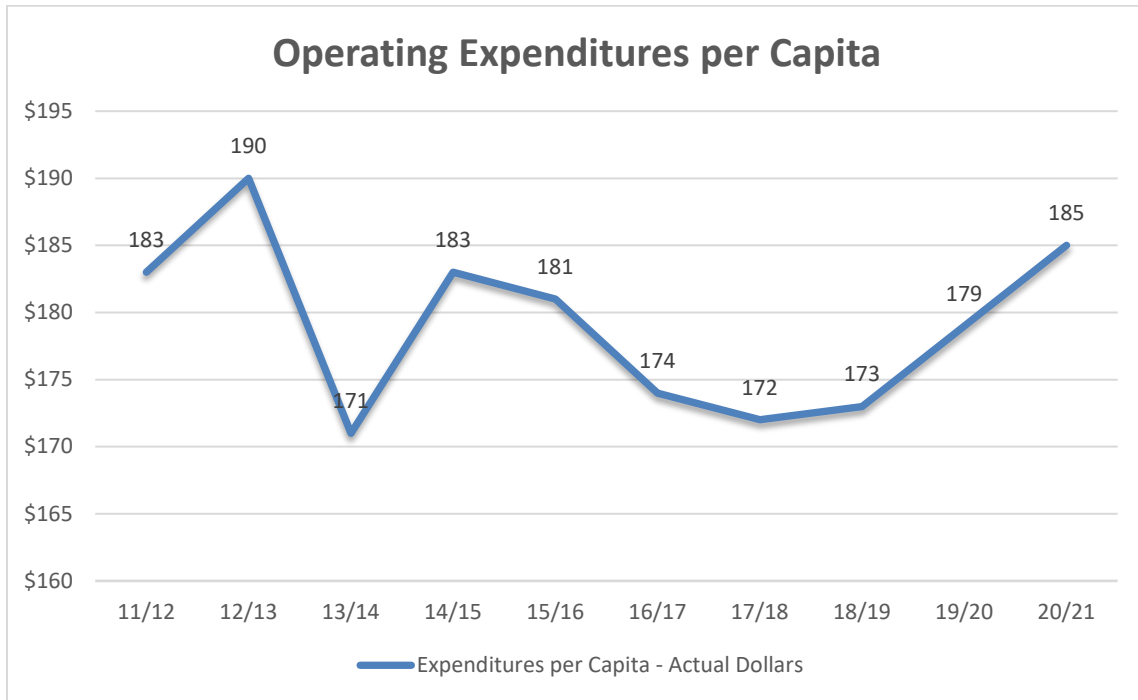


## OPERATING EXPENDITURES PER CAPITA

Operating expenditures per capita reflect how much is spent per population for operational costs in the General Fund by WCTC. This trend information should be analyzed in conjunction with operating revenue per capita before decisions can be made on the fiscal health of WCTC.

Year	Operating Expenditures	Population	Operating Expenditures per Capita
2011/12	\$73,851,155	404,507	\$183
2012/13	\$76,989,421*	405,194	\$190
2013/14	\$69,288,462	405,794	\$171
2014/15	\$74,548,579	407,150	\$183
2015/16	\$73,828,243	408,359	\$181
2016/17	\$71,518,889	410,919	\$174
2017/18	\$71,050,806	412,747	\$172
2018/19	\$71,536,125	413,300	\$173
2019/20 est	\$74,399,000	416,057	\$179
2020/21 prj.	\$77,822,005	420,620	\$185

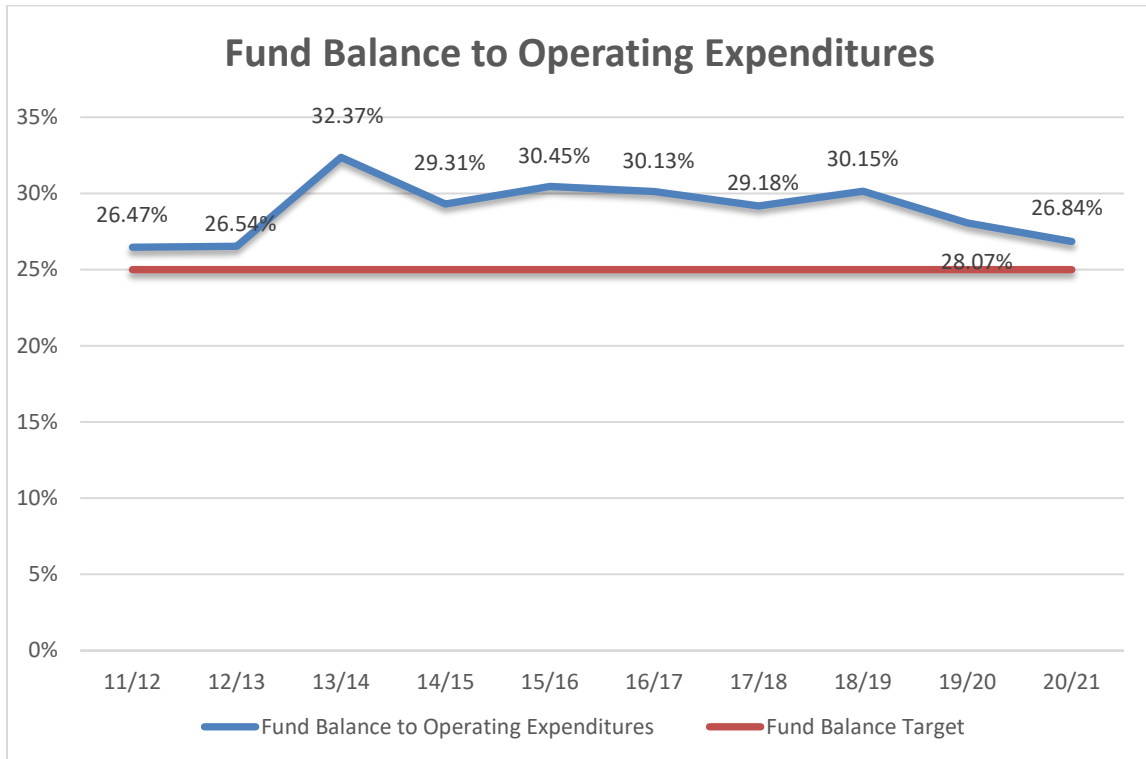
\*In FY 13 WCTC modified its post-employment benefits, which resulted in a one-time increase in expenditures in FY 13 in order to reduce the overall post-employment liability by \$54 million.



## FUND BALANCE TO OPERATING EXPENDITURES

This indicator compares the portion of fund balance available for cash flow purposes to the total expenditures in the General Fund. This analysis looks at the ratio based on actual expenditures as of June 30. WCTC's policy is based on the next year's budgeted expenditures. This portion of WCTC's General Fund is the portion titled Designated for Operations and Designated for Subsequent Year(s). This indicator measures WCTC's ability to withstand financial emergencies and meets its cash flow needs. The current goal is to have a balance equal to 25% of operating costs, which WCTC has been exceeding in recent years.

Year	Unreserved Fund Balance	Operating Expenditures
2011/12	\$19,551,936	\$73,851,155
2012/13	\$20,433,387	\$76,989,421
2013/14	\$22,426,900	\$69,288,462
2014/15	\$21,851,320	\$74,548,579
2015/16	\$22,483,841	\$73,828,243
2016/17	\$21,550,857	\$71,518,889
2017/18	\$21,901,384	\$75,050,806
2018/19	\$21,565,625	\$71,536,125
2019/20 est	\$20,885,961	\$74,399,000
2020/21 prj.	\$20,885,961	\$77,822,005

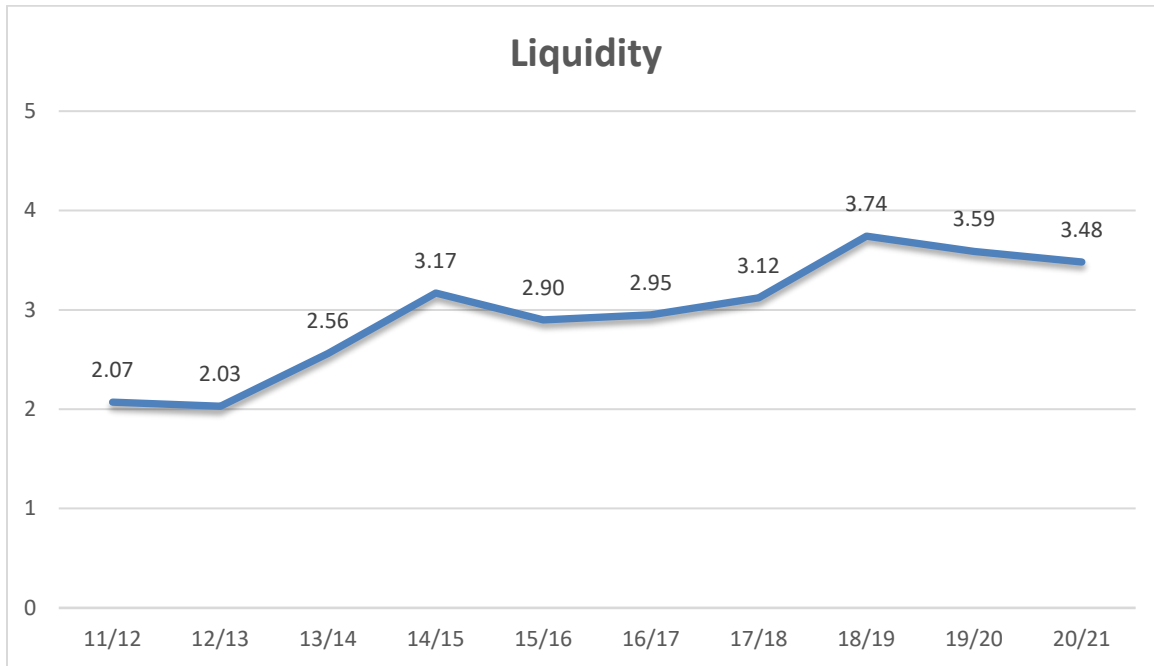


# LIQUIDITY

This indicator measures the ability to pay debts when they come due. This indicator compares total cash and investments on a budgetary basis to total liabilities on a budgetary basis.

Year	Cash and Investments	Total Liabilities
2010/11	\$31,089,133	\$15,917,468
2011/12	\$36,466,697	\$17,655,239
2012/13	\$35,407,643	\$17,475,992
2013/14	\$43,317,941	\$16,948,429
2014/15	\$51,926,462	\$16,356,056
2015/16	\$46,558,711	\$16,038,386
2016/17	\$45,700,588	\$15,480,367
2017/18	\$50,191,360	\$16,097,253
2018/19	\$55,240,437	\$14,762,846
2019/20 est	\$47,813,859	\$13,322,583
2020/21 prj.	\$46,623,536	\$13,393,140

WCTC built up its Designated for Operations account as it drew down its Reserve for Post-employment Benefits account in order to maintain adequate liquidity. When WCTC exceeds its fund balance target of 25%, it utilizes this excess in during the next fiscal year for one-time expenditures.



## 2019 EQUALIZED VALUATION FOR 2019/20 BUDGET

	2019 Equalized Valuation	Percent Of Total	2019/20 Tax Levy
<b>Waukesha County</b>			
Town of:			
Brookfield	\$ 1,166,574,300	1.953586520%	\$420,149.35
Delafield	1,679,035,200	2.811771641%	604,715.50
Eagle	534,058,700	0.894353559%	192,344.73
Genesee	1,066,199,900	1.785496005%	383,998.86
Lisbon	1,322,314,000	2.214393722%	476,240.03
Merton	1,726,933,900	2.892084974%	621,988.13
Mukwonago	946,972,700	1.585833926%	341,058.40
Oconomowoc	1,741,003,000	2.915545107%	627,033.60
Ottawa	625,666,800	1.047763719%	225,337.99
Vernon	1,004,010,900	1.681352110%	361,601.08
Waukesha	1,139,752,000	1.908668950%	410,489.13
Village of:			
Big Bend	186,982,700	0.313127833%	67,343.04
Butler	247,158,600	0.413900520%	89,015.78
Chenequa	491,901,800	0.823756126%	177,161.65
Dousman	216,275,600	0.362182758%	77,893.07
Eagle	195,934,300	0.328118498%	70,567.02
Elm Grove	1,214,228,700	2.033390262%	437,312.40
Hartland	1,382,156,300	2.314607751%	497,792.62
LacLaBelle	119,541,900	0.200189087%	43,053.80
Lannon	141,017,000	0.236152048%	50,788.19
Menomonee Falls	5,118,611,700	8.571807917%	1,843,501.44
Merton	474,341,100	0.794348357%	170,837.05
Mukwonago	833,978,200	1.396609346%	300,362.70
Nashotah	204,636,700	0.342234669%	73,602.92
North Prairie	253,592,500	0.424674956%	91,333.00
Oconomowoc Lake	366,396,100	0.613579848%	131,959.95
Pewaukee	1,056,953,100	1.770010988%	380,668.56
Summit	1,090,022,600	1.825390340%	392,578.76
Sussex	1,389,435,700	2.326798091%	500,414.34
Wales	381,869,000	0.639491313%	137,532.61
City of:			
Brookfield	7,433,255,000	12.447991329%	2,677,135.35
Delafield	1,545,273,200	2.587769072%	556,540.24
Muskego	3,182,851,400	5.330115357%	1,146,324.72
New Berlin	5,355,601,431	8.968679290%	1,928,854.84
Oconomowoc	2,383,150,300	3.990907654%	858,307.15
Pewaukee	3,333,311,300	5.582080819%	1,200,513.84
Waukesha	6,449,153,000	10.799979366%	2,322,704.58

	2019 Equalized Valuation	Percent Of Total	2019/20 Tax Levy
<b>Dodge County</b>			
Town of:			
Ashippun	\$ 207,328,469	0.347199576%	\$ 74,670.70
Lebanon	4,511,111	0.007554466%	1,624.71
<b>Jefferson County</b>			
Town of:			
Cold Spring	137,719	0.000230629%	49.60
Concord	62,522,078	0.104701680%	22,517.73
Ixonía	40,337,189	0.720657854%	154,988.75
Palmyra	220,599,228	0.369423258%	79,450.25
Sullivan	100,155,135	0.167723326%	36,071.53
Village of:			
LacLaBelle	415,000	0.000694974%	149.46
Palmyra	120,297,000	0.201453605%	43,325.75
<b>Racine County</b>			
Town of:			
Norway	568,253,156	0.951616803%	204,660.09
<b>Total</b>	<b>\$59,714,493,716</b>	<b>100.000000000%</b>	<b>\$21,506,565.00</b>

# FINANCIAL PROJECTIONS

<b>General Fund</b>					
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Tax levy	11,601,871	12,470,065	12,970,065	13,470,065	13,970,065
Other revenues	65,574,910	65,574,910	65,574,910	65,574,910	65,574,910
<b>Total revenues</b>	<b>77,176,781</b>	<b>78,044,975</b>	<b>78,544,975</b>	<b>79,044,975</b>	<b>79,544,975</b>
Transfers In	-	-	-	-	-
<b>Total funds available</b>	<b>77,176,781</b>	<b>78,044,975</b>	<b>78,544,975</b>	<b>79,044,975</b>	<b>79,544,975</b>
<b>Expenditures</b>	<b>77,176,781</b>	<b>78,044,975</b>	<b>78,544,975</b>	<b>79,044,975</b>	<b>79,544,975</b>
Net needs	-	-	-	-	-
One time transfer from					
Fund Balance	-	-	-	-	-
Increased levy needs	-	-	-	-	-

## Assumptions

- WCTC has been experiencing enrollment declines. For 2020/21, a 6% decline in Full-Time Equivalent (FTE) student enrollment has been budgeted. Stabilization of enrollment is estimated for 2021/22 with the implementation of a new academic calendar which includes compressed 8 week semesters.
- Since fiscal year 2017/18, the WCTC Board has increased the operational levy a portion of the allowable levy limit based on net new construction within the district boundaries. The Board sets the tax levy amount and strives to keep increases low.
- WCTC will continue to make hard decisions necessary to provide a quality budget that will continue to move the college forward, yet stay within its limited revenues. This means adding or expanding instructional programs, reducing or suspending programs when appropriate, and looking at new and innovative ways of doing this to transform and move the college forward. It also means making sure the right staff are in the right positions at the right time, and relying on data to make decisions.

<b>Capital Projects Fund</b>					
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Other revenue	380,000	305,000	305,000	305,000	305,000
Debt proceeds	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000
Total revenues	8,130,000	8,055,000	8,055,000	8,055,000	8,055,000
Expenditures	13,842,309	9,150,000	10,650,000	10,150,000	9,000,000
Net needs	(5,712,309)	(1,095,000)	(2,595,000)	(2,095,000)	(945,000)
Planned use of fund balance	5,712,309	1,095,000	2,595,000	2,095,000	945,000
Funding shortfall	-	-	-	-	-

#### **Assumptions**

- Annually, if the college exceeds its fund balance target in the General Fund, some of the excess funds will be transferred to the Capital Projects Fund to further help fund capital needs.
- Capital spending will be limited to available resources. WCTC plans on issuing \$7.75 million of debt per year with the remaining funding coming from other sources, such as planned use of fund balance and investment earnings.

<b>Debt Service Fund</b>					
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Tax levy	8,792,794	8,792,794	8,792,794	8,792,794	8,792,794
Other revenue	75,000	100,000	100,000	100,000	100,000
Total revenues	8,867,794	8,892,794	8,892,794	8,892,794	8,892,794
Expenditures	8,867,794	8,892,794	8,892,794	8,892,794	8,892,794
Net needs	-	-	-	-	-
Planned use of fund balance	-	-	-	-	-
Funding shortfall	-	-	-	-	-

#### **Assumptions**

- WCTC will maintain a stable debt service levy amount and capital expenditures will be based on available resources.

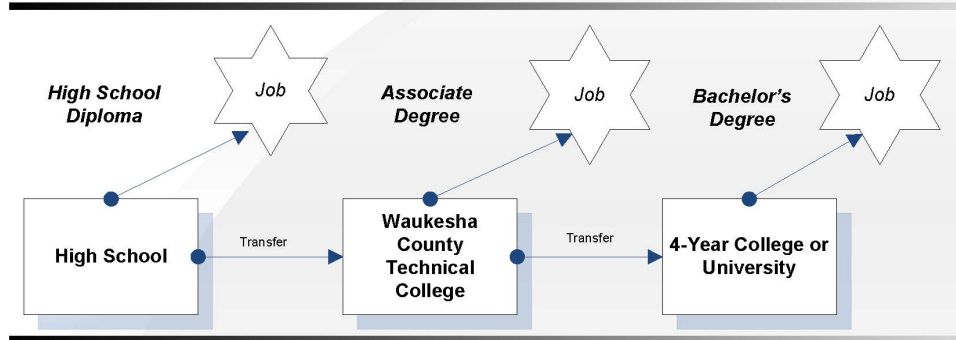


# GLOSSARY

**2+2 program:** A transfer articulation agreement between an area high school and WCTC whereby the student receives college credit while at high school and then attends WCTC for two years and receives his/her associate degree or an agreement between WCTC and a four-year college or university whereby the student attends WCTC for two years and the four-year college for an additional two years and earns his/her bachelor's degree.

**2+2+2 program:** A transfer articulation agreement between an area high school, WCTC, and a four-year college or university whereby the student receives college credit while at high school, attends WCTC for two years, and attends a four-year college, with junior standing, for two years and earns his/her bachelor's degree.

## 2+2+2 Programs



**38.14 contracts:** Wisconsin state statute 38.14 allows the college to contract with business and industry to provide customized training to meet the company's training needs.

**AAS:** Associate of applied science

**ABE:** Adult Basic Education

**ACA:** Affordable Care Act

**ACT:** American college testing

**ADA:** Americans with Disability Act

**AEFL:** Adult Education/Family Literacy Act

**Agency fund:** An agency fund is used to record resources received, held and disbursed as custodial or fiscal agent for others rather than as an owner. Revenues and expenditures of agency funds are not institutional revenues and expenditures and should be reported separately.

**AODA:** Alcohol and other drug abuse

**Appropriations:** An authorization, granted by a legislative body (i.e. WCTC Board), to make expenditures and to incur obligations for specified purposes. WCTC controls expenditures at the functional level within a fund.

**AQIP:** Academic quality improvement project

**Articulation agreement:** An agreement between WCTC and a four-year college or university that identifies the credit transferability rules between the two institutions.

**ASSET:** ASSET is an assessment tool used by the Admission's Department to help assess whether the student needs any remedial training before taking program courses.

**Assets:** Property and resources owned or held that have monetary value.

**ATC:** Advanced technical certificate

**ATC:** Applied technology center

**Auxiliary services:** The expenditure function used to record costs for all activities of a commercial enterprise or of a proprietary nature such as the bookstore, childcare, and Classic Room operations.

**Balance sheet:** A statement that discloses the assets, liabilities, reserves, and equities of a fund or account group at a specific date to exhibit financial position.

**Banner:** The College's integrated information system.

**Benefits:** Compensation in addition to regular salary or wages provided to an employee. This includes health insurance, life insurance, dental insurance, Social Security, Wisconsin Retirement System pension plan, and disability insurance.

**Blended Options:** Short, manageable segments of a program that meet once per week to accommodate students' work and family schedules that lead to a credential. The format offers technology-proficient students who have prior academic and work experience the chance to earn an Associate of Applied Science degree in two years or less while maintaining their current work and family life.

**Bond:** A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

**Bond rating:** A level of risk assigned to general obligation promissory notes assessed by Moody's Investor Service or one of the other rating agencies. The higher the rating, the less risky the notes are. WCTC has a Aaa bond rating from Moody's Investor Service, which represents the lowest risk it is possible to obtain. The higher the rating, the lower the risk, the lower the interest rate charged on bonds issued.

**Bonded debt:** The portion of outstanding indebtedness that includes general obligation bonds that are backed by approved, irrevocable future tax levies for debt service. General obligation promissory notes are not included in the calculation of bonded debt.

**Budget:** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

**Budgetary control:** The control or management of a governmental unit in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorization. WCTC controls at the function level within a fund.

**CAFR:** Comprehensive Annual Financial Report

**CAPE:** Center for Academic Performance Excellence - This is a place where instructors can go to get resources and practice on new technology that can be used in the classroom.

**CAPP:** Curriculum advising and program planning

**CBO:** Community-based organization

**CBRF:** Community-based residential facility

**Classic Room:** In order to properly train the hospitality and culinary arts students in the proper way to operate a restaurant, WCTC created its own restaurant called the Classic Room. During the semester, the students will cook the entrees on that day's menu and serve them to the patrons who have made reservations for that day.

**CLS:** Critical life skills

**CNA:** Certified nursing assistant

**COMPASS:** COMPASS is an assessment tool used by the Admission's Department to help assess whether the student needs any remedial training before taking program courses.

**Contingency funds:** Assets or other resources set aside to provide for unforeseen expenditures or for anticipated expenditures of uncertain amounts.

**College:** Waukesha County Technical College

**Co-op:** Co-op is similar to an internship for a four-year college. This is an opportunity for students to work in a business setting in their field of study while earning college credit. The employer evaluates the student in this setting and provides feedback.

**CTC:** Corporate Training Center, previously known as Center for Business Performance Solutions

**DACUM:** Developing a curriculum.

**Debt:** An obligation resulting from borrowing money. Debts of school systems include bonds, time warrants, notes, and floating debt.

**Debt limit:** The maximum amount of gross or net debt legally permitted.

**Debt service:** Expenditures for the retirement of debt as well as the interest payment on that debt.

**Deficiency:** A general term indicating the amount by which actual levels of activities fall short of budget or expectation. The term should not be used without qualification.

**Deficit:** The excess of expenditures/uses over revenues/resources.

**Designated for subsequent year(s):** A portion of this year’s unreserved fund balance to provide for the excess of expenditure and other financial uses over revenues and other financial sources budgeted in the next year(s).

**District:** Waukesha County Technical College

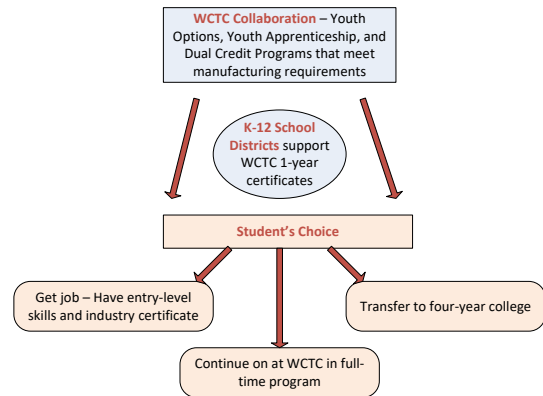
**DMI:** Districts Mutual Insurance – This is the insurance company formed by the 16 technical colleges in order to reduce overall property and casualty insurance costs for the colleges.

**DNR:** Wisconsin Department of Natural Resources

**DOA:** Wisconsin Department of Administration

**DOR:** Wisconsin Department of Revenue

**Dual Enrollment Academy:** Allows high school students to be dual enrolled at the high school and WCTC in their senior year whereby the student earns high school credit and a WCTC one-year certificate in the area of study and can graduate with both at the same time.



**EMS:** Emergency Medical Services

**EMT:** Emergency Medical Technician

**Encumbrances:** Obligations in the form of purchase orders, contracts, or salary commitments that is chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is established.

**Equalized valuation:** The full value of the taxable property in a district as determined by the Wisconsin Department of Revenue. Full value less the value of tax incremental financing districts (TIF) is used for allocation of tax levy to municipalities in a taxing district.

**Equity:** The excess of assets over liabilities generally referred to as fund balance.

**ESL:** English as a second language

**FAM:** Financial Accounting Manual

**FAFSA:** Free application for federal student aid

**Financial Accounting Manual:** Accounting regulations that technical colleges within Wisconsin must follow.

**Fiscal year:** A twelve-month period to which the annual operating budget applies and at the end of which a governmental unit determines its financial position and the results of its operations. WCTC uses a July 1 to June 30 fiscal year.

**FTE:** Full-time equivalent

**Function:** A group of related activities aimed at accomplishing a major service or activity for which a governmental unit is responsible, such as instruction or student services.

**Fund:** An independent fiscal and accounting entity with a self-balancing set of accounts, including assets, liabilities, and fund balances, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**Fund balance:** The excess of assets over liabilities. They may be:

- **Reserved:** A portion of fund balance that is not available for other expenditures and is legally segregated for a specific future use.
  
- **Unreserved:**
  - ✓ **Designated:** A portion of fund balance established to indicate tentative plans for financial resource utilization in a future period. Such plans are subject to change and may never be legally authorized or result in expenditures such as designation for operations and for subsequently budgeted expenditures.
  
  - ✓ **Undesignated:** The remainder of fund balance that is neither reserved nor designated. By statute, WCTC cannot have any unreserved and undesignated reserves.

**GAAP:** Generally accepted accounting principles

**GED:** General Education Diploma

**GPR:** General-purpose revenues

**HEAB:** Higher Education Accreditation Board

**HLC:** Higher Learning Commission of North Central Accreditation

**HSED:** High School Equivalency Degree

**HVAC:** Heating, ventilation and air conditioning

**IROC:** Instructor Responsibility Under Open Campus

**K – 12:** Kindergarten through twelfth grade

**Levy:** The total amount of taxes or special assessments imposed by a governmental unit.

**Liabilities:** Debt or other legal obligations arising out of transactions for goods or services received in the past, which are owed but not necessarily due.

**Learning Place:** The Learning Place is a lab where students can go to receive remedial training to assist them in basic education type courses, such as reading and math, so that they can be successful in their program courses.

**LPN:** Licensed Practical Nurse

**Mill rate:** Tax rate (taxation) in mills (\$.001) per dollar of valuation. Mill rates are usually expressed in mills per \$1,000 of valuation. WCTC has two components to its mill rate—operation and debt service. By statute, the operational component cannot exceed the increase in net new construction.

**MSOE:** Milwaukee School of Engineering

**Obligations:** Amounts which a governmental unit may be required to legally meet out of its resources, including both liabilities and unliquidated encumbrances.

**Operating budget:** Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled. State laws generally require annual operating budgets. Even when not required by law, annual operating budgets are essential for sound financial management and should be adopted by every government.

**Operating transfers:** All interfund (between fund) transfers other than residual equity transfers (e.g. legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended).

**Other financing sources:** Funds received from general long-term debt proceeds, transfers in, and reserves re-appropriated from fund balance. Such amounts are classified separately from revenues.

**Other financing uses:** Funds used for operating transfers out. Such amounts are classified separately from expenditures.

**Overlapping debt:** The proportionate share of the debts of local governments located wholly or in part within the limits of the reporting government, which must be borne by property within each government.

**Portal:** A web-based information interface that provides secure and customizable access based on a user's identity.

**Pro forma balance sheet:** A statement that projects the college's balance sheet for a future period.

**QRP:** Quality review process

**Reserve:** An account used to earmark a specific portion of fund balance to indicate that it is not available for other expenditures, but is designated for a specific purpose.

**Retained earnings:** An equity account reflecting the accumulated earnings of a proprietary (enterprise) fund.

**RN:** Registered nurse

**SLE :** Student Learning Evidence

**SOA :** Student Outcomes Assessment

**Special populations:** Includes the following customer base: academically disadvantaged, economically disadvantaged, single parents, displaced homemakers, students with disabilities, limited English proficient, and non-traditional students.

**State aid:** Funds made available by the legislature for distribution to each technical college based on a prescribed formula of distribution to offset some of the college's operational expenses.

**Statements:** Presentation of financial data that shows the financial position and the results of financial operations of a fund, a group of accounts, or an entire entity for a particular accounting period.

**Statute:** A written law enacted by a duly organized and constituted legislative body.

**Student Assistance Program:** This program assists students recovering from alcohol or other drug abuse, are experiencing problems with someone else's abuse, or have other personal problems they need assistance with.

**Student Outcomes Assessment:** This is a system of assessing student's program pre, post, and during their time at WCTC.

**TABE:** Tests of adult basic education

**Tax incremental financing district (TIF):** Property within a municipality whose incremental growth in equalized valuation is excluded from the equalized valuation calculation when determining the amount of taxes to assess a municipality. Special statutes govern the creation of TIF districts.

**Tax rate:** The amount of tax stated in terms of the unit of the tax base (mill rates).

**Tax rate limit:** The maximum rate at which a governmental unit may levy a tax.

**Taxes:** Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.

**TBD:** To be determined

**UW:** University of Wisconsin

**WCTC:** Waukesha County Technical College, Waukesha County Area Technical College District

**WFDC:** Workforce Development Center

**WIA:** Workforce Investment Act

**WIDS:** Worldwide instructional design system

**WISPALS:** Wisconsin project for automated libraries

**WTCS:** Wisconsin Technical College System

Fiscal Year 2021  
**BUDGET DOCUMENT**



WAUKESHA  
COUNTY TECHNICAL  
COLLEGE

Hands-on  
Higher Ed

*WCTC prohibits discrimination or harassment based on any status protected by applicable state or federal law.*

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