

COMPREHENSIVE ANNUAL FINANCIAL REPORT

*For fiscal year ending
June 30, 2013*



MORAINÉ
PARK
TECHNICAL COLLEGE

Driven to do.

**Moraine Park Technical College District
Fond du Lac, Wisconsin**

Comprehensive Annual Financial Report

for the fiscal years ended June 30, 2013 and 2012

Official Issuing Report:

Bonnie Baerwald, CPA
Vice President, Finance and Administrative Services

Report Prepared By:

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Director of Finance

Assisted By:

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Marketing staff
Office Services staff
Schenck, SC

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INTRODUCTORY SECTION

November 27, 2013

To the Citizens and Board of Directors
of the Moraine Park Technical College District

The Comprehensive Annual Financial Report for the Moraine Park Technical College District (hereafter referred to as "College", "MPTC" or "District") for the fiscal year ended June 30, 2013, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge, the enclosed data is accurate and reported in a manner designed to present fairly the financial position and results of operations of the District. We have included all disclosures necessary to enable you to understand the District's financial activities.

The District is required to undergo an annual single audit to conform to the provisions of U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations and the State Single Audit Guidelines issued by the State of Wisconsin. Information related to this single audit, including the schedules of expenditures of federal awards and state awards, schedule of findings and questioned costs and independent auditors' reports on the internal control and compliance with certain provisions of laws, regulations, contracts and grants is included in the single audit section of this report.

This annual report includes all financial activity of the District in conformity with Generally Accepted Accounting Principles (GAAP). This annual report is consistent with legal reporting requirements of the State of Wisconsin. Besides meeting legal reporting requirements, the annual report is intended to present a summary of the significant District financial data in a format which meets the varying needs of District citizens, students, employees, taxpayers, financial institutions, bond rating agencies and intergovernmental agencies, including the Wisconsin Technical College System. We believe this presentation will provide better information to the user of the Comprehensive Annual Financial Report (CAFR).

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

REPORTING ENTITY

The Moraine Park Technical College District (also known as Moraine Park Technical College) is one of 16 districts in the Wisconsin Technical College System. This system began as the first statewide occupational school system in the United States as the result of state legislation passed in 1911. The system continues to receive strong support from organized labor, agriculture and business and industry.

Since 1911, Moraine Park Technical College has been helping people acquire the knowledge and skills necessary to prepare them for a rewarding future in the world of business, industry and service occupations. Our campuses in Fond du Lac, West Bend and Beaver Dam have well-equipped, state-of-the-art educational and computer laboratories, highly experienced instructors and a curricula which is continually updated with assistance from MPTC's advisory committees. Our mission is to ensure that our students will acquire the knowledge and skills to become and remain employable in today's competitive job market.

The main campus and District administrative offices are located on the northeast side of Fond du Lac, while two branch campuses are located in West Bend and Beaver Dam. In addition, MPTC leases facilities for regional centers in Hartford and Ripon.

The District offers a variety of associate of applied science degree programs, two-year and one-year vocational diploma programs, apprenticeship programs, technical certificates and other adult education services. Students who graduated in 2012 from the College's associate degree or technical diploma programs experienced an 88% job placement rate.

The College is accredited by The Higher Learning Commission and a member of the North Central Association. Programs and courses are approved by the Wisconsin Technical College System Board and endorsed by the Veterans Administration, the American Association of Community Colleges and the Wisconsin Board of Nursing and Division of Nurses. Other selected programs are accredited by the National League of Nursing and other professional organizations.

VISION, MISSION, VALUE STATEMENTS AND 2011-16 GOAL STATEMENTS

Vision

Moraine Park Technical College will be a respected and preferred educational leader.

Mission

Innovative education for an evolving workforce and community.

Value Statements

Collaboration – We value collaboration and communication among students, staff and community partners to strengthen our District and communities.

Lifelong Learning – We value learning as a lifelong journey in the pursuit of personal and professional growth.

Innovation – We value innovation and creativity to remain a leader in global technical education.

Integrity – We value fair, honest, respectful and ethical behaviors.

Inclusiveness – We value inclusiveness and respect for all, providing accessible education to diverse learners. We believe that team work is critical, that each member is important to accomplishing our mission.

Student-Centered – We value a responsive and supportive environment providing the rigor and relevance necessary to advance student learning, development and student.

Accountability – We value individual and shared responsibility for our actions and ensuring the future of Moraine Park, both academically and fiscally.

Continuous Improvement – We value informed decisions which promote sustainability, continuous improvement and effective and efficient use of resources.

2011-16 Goal Statements

Achieve Performance Excellence

Promote an environment of continuous improvement and sustainability.

Enhance Student Success

Promote a learning environment dedicated to student achievement.

Strengthen Community Connections

Seek and develop opportunities that positively impact our communities.

2012-13 STRATEGIC PLAN – COLLEGE GOALS AND OUTCOMES

MPTC is an organization where accomplishments flow from its vision and outcome-based strategic plan. Highlights from 2012-13 include the following:

Goal 1: Achieve Performance Excellence

- Implemented a print management accountability solution for staff resulting in a 30% reduction of paper usage and a reduction of 36 printers throughout the District
- Completed the Student Exchange Visitor Program for admission of international students.
- Recognized as a “Military Friendly School” for the 4th year in a row.
- Developed a Crisis Communication Plan.
- Advocacy leader for technical college initiatives through positive partnerships with district legislators and the District Boards Association.
- Designed College branding to create awareness of market mindshare.
- Developed an Employee Handbook.
- Received and managed two manufacturing industry sector grants.
- Developed employee recruitment branding, and enhanced diversity recruitment.

Goal 2: Enhance Student Success

- Launched the College 101 student success course.
- Implemented on-line admission application in January 2013.
- Implemented Early Alert System. Alerts are directly sent to students who have behavioral issues or are potentially going to fail their course work.
- Developed a new student orientation targeted to specific program cohorts, with key message “Just Ask.”
- Implemented Behavior Intervention Team (BIT) software package which streamlines case management and tracking of student conduct cases.
- Implemented Dream Keepers Grant. Assisted 51 students with emergency financial needs. Forty-nine of the 51 registered from fall to spring with the remaining two graduating.
- Developed Disability Resources Team and implemented a student orientation for students with disabilities.
- Created three new student clubs: (1) SAGA (Straight and Gay Alliance) Club, (2) SMARTS (Super Motivated Adults Returning to School), and (3) Student Veteran’s Club.
- Purchased IbyPhone software to automate calling functions related to advising and testing appointment reminders, as well as an effective tool for notifying students of payments.
- Installed web cameras in West Bend and Beaver Dam Student Service areas allowing video calling capabilities for students to provide distance services, e.g., contact with financial aid staff.

Goal 3: Strengthen Community Connections

- Completed capital project enhancements to include the library addition, student life remodel, and Mercury Marine training lab in Beaver Dam; testing center in Fond du Lac; and, the building trades remodel for carpentry, electricity and heating, ventilation and air conditioning programs at the West Bend campus.
- Successfully negotiated a lease for a new regional center in the Village of Jackson.
- Completed additional phases of a multi-year Business Continuity Management program implementation.
- Participated in the Fond du Lac High School Financial Aid Night, College Goal Wisconsin, and the Veteran’s Employment and Veteran’s Benefit fairs.
- Conducted “Call-Out” for military students to provide an opportunity to learn about educational benefits, counselor resources, and other support services available to assist in the transition to college.
- Career Prep rolled out a new feature with the WI Career Pathways Website which links employers to high school students and high school teachers by related career cluster pathways.
- Conducted research to understand why students leave the district to go to other technical colleges, and why students exit the College (first year). Developing a marketing campaign that aims to address those issues (second year).

- Distributed 2011-12 Annual Report, to include the Moraine Park Foundation.
- Participated in WTCS Dual Credit Day at Lomira High School which recognized MPTC as a pioneer of articulation efforts.

FACILITIES AND CAPITAL INITIATIVES

Beaver Dam Campus

The library space that was vacated in 2012 was partially remodeled to expand the Mercury Marine training center. This center houses a national training center for Mercury Marine, the world's leading manufacturer of recreational marine propulsion engines. An additional classroom and expanded space for instructional technology were also included in this remodel.

Other projects included a partial roof replacement (per the rotation plan) on the cold storage building in Beaver Dam.

Fond du Lac Campus

A portion of the Fond du Lac campus library was remodeled to accommodate a new Pearson VUE testing center. The center will allow a new format of testing now mandated by the General Educational Development Testing Service within the Wisconsin Technical College System by January, 2014. Also included in this library remodel were additional group study rooms and new office spaces for library staff.

Other projects included a roof replacement in two sections of the C building and a boiler upgrade serving the E building.

West Bend Campus

A multi-phase project began in May, 2012 to transition all building trades (i.e. construction, electricity, and heating, ventilation, and air-conditioning) into one consolidated area at the West Bend campus with a strong focus on sustainability. Construction was completed on Phase II during 2012-13 and included the remodeling of almost 18,000 square feet related to shop upgrades, extensive lab enhancements, and general classroom space for the building trade programs.

In May 2013, the District began construction of a 9,000 square foot addition for a multi-purpose lab to be shared by all of the building trade programs. This building will have a partial dirt floor for hands-on-training but be large enough to house solar panel instruction and will allow the construction of small buildings within the facility.

Other projects included a condenser replacement in the L building with lighting and exhaust upgrades completed in the Advanced Manufacturing Technology Center.

ACCREDITATION

The Higher Learning Commission of the North Central Association of Colleges and Schools accredits Moraine Park Technical College. The College received a comprehensive evaluation under the Program to Evaluate and Advance Quality (PEAQ) in 1994-95, but later decided the new Academic Quality Improvement Program (AQIP) pathway for accreditation introduced in 1999 was a better match. AQIP is structured around quality improvement principles and processes and involves a structured set of goal-setting, networking, and accountability activities.

Since joining the Higher Learning Commission's Academic Quality Improvement Program (AQIP) in 2001, Moraine Park has participated in the following Accreditation activities:

- Attended three Strategy Forums (2002, 2006, 2010)
Team participated in the following events at the 2010 Strategy Forum:
 - Attended multi-institution collaborative meeting focusing on AQIP lessons learned, current action projects and category review

- Developed the guidelines for the next Action Project
- Outlined critical criteria necessary for the college to consider in order to further develop quality initiatives and integrate a culture of quality
- Reviewed and prioritized action items stemming from the 2009 Systems Portfolio feedback report
- Transitioned to an innovative electronic portfolio and submitted two Systems Portfolios for appraisal (2005, 2009, 2013)
- Hosted first Quality Checkup Site Visit in February 2007 whereby accreditation was reaffirmed through 2014-2015
- Maintained accreditation status in good standing since 2001
- Continues to make progress annually on action projects that are reported to the AQIP review team. Current action projects include:
 - *Implement a new Faculty Advising Model*
 - *Develop a process for using data to enhance decision making through Business Intelligence*
 - *Develop and implement a process to track student progress and achievement*

In the coming months, college teams will continue to devote resources to improving processes identified in recent feedback reports and will review annual update feedback for Action Projects as submitted to the Higher Learning Commission. Additionally, the Systems Portfolio submitted in June 2013 to the Higher Learning Commission prepares the college for its next reaffirmation cycle, with Quality Checkup Site Visits scheduled in late 2013 and the Strategy Forum extending into 2014.

The following programs are individually accredited or approved:

Alcohol and Other Drug Abuse – State of Wisconsin Department of Regulation and Licensing

Automotive Technician – National Automotive Technicians Education Foundation

Barber/Cosmetologist/Nail Technician – State of Wisconsin Department of Regulation and Licensing

Chiropractic Technician – Wisconsin Chiropractic Examining Board

Clinical Laboratory Technician – National Accrediting Agency for Clinical Laboratory Sciences

Culinary Arts – American Culinary Federation

Health Information Technology – Commission on Accreditation for Health Informatics and Information Management Education

Medical Assistant – Commission on Accreditation of Allied Health Educational Programs and American Association of Medical Assistants

Medical Transcription – Association for Healthcare Documentation Integrity

Nursing – National League for Nursing Accrediting Commission, Inc. and Wisconsin Board of Nursing

Radiography – Joint Review Committee on Education in Radiologic Technology

Respiratory Therapist – Committee of Accreditation for Respiratory Care

Surgical Technology – Commission on Accreditation of Allied Health Education Programs in Cooperation with the Accreditation Review Council on Education in Surgical Technology and Surgical Assisting

ECONOMIC CONDITION

The information presented in the financial statements and footnotes is supplemented by information provided below on other factors which may impact financial operations of the College for this year and the future.

State and Local Economy

The Wisconsin economy continues to grow at a moderate pace. The forecast calls for growth in terms of jobs and income for 2013 with the economy gaining steam in 2014. Wisconsin personal income grew 2.7% in 2012 and will increase 1.9% in 2013. In addition, employment in Wisconsin is expected to show positive growth throughout the forecast period, rising 1.1% in 2013 and 1.4% in 2014 (Wisconsin Economic Outlook, Summer 2013).

Property values in Wisconsin continue to drop and the District experienced a drop in values totaling 2.16% for 2010, 1.83% in 2011, and a third year decrease of 3.51% for 2012. However, these declines are less than the statewide average and below the national average for residential property. College administration expects at least continued declines through 2013 before the property values are expected to stabilize.

State Administration

For the 2011-13 biennial budget, Governor Scott Walker approved controversial changes to the bargaining rights of public employees. The approved budget bill required any state and local government employee, not under an existing union contract as of July 1, 2011, to contribute 50% of their Wisconsin Retirement pension payment annually and also to cover premium co-pays up to 12% under the State's insurance plan. The bill also eliminated, for government workers, most collective bargaining rights except for wages. Unions would be unable to seek pay increases for government workers above the inflation rate, unless approved by a voter referendum. Under the bill, unions must also recertify annually and employers are not allowed to collect union dues.

The impact to the Wisconsin Technical College System (WTCS) during the biennium also included the following major items:

- A 30% cut to current general aid funding totaling \$119 million annually
- A freeze in operational levies for the next two years at no more than the dollar amount levied in 2010 – an exception is allowed so that a district could capture additional levy dollars to the extent property values increase (this language did sunset in June, 2013)

These new directives obviously create fiscal challenges in planning for 2012-13. Although the College was able to implement the cost-saving measures for non-represented and support professionals effective July 1, 2011, the faculty union members were under an existing contract until June 30, 2013. Although the tax freeze language sunset in June, 2013, Governor Walker has created a new funding model beginning July 2013. In the new 2013-15 biennial budget, Governor Walker has introduced performance based funding for distribution of all Wisconsin state aids. State office officials and system leaders will fully define and create metrics for WTCS Colleges during 2013-14. In addition, general purpose revenues are now consolidated and will be competitively pursued by the sixteen Wisconsin technical colleges. Finally, the new budget includes the elimination of the \$1.50 operational mill cap. Instead, the District's operational tax levy growth will be limited to net new construction of the District as defined by the Wisconsin Department of Revenue.

Strategic Planning

In the spring of 2010, Moraine Park Technical College embarked on a major planning initiative to set the direction the College would pursue from 2011 to 2016. As the community's technical college, it was important to gather feedback from those the College serves to ensure its direction aligns with the community's needs. Listening sessions were held throughout the District with business and community leaders, students and staff. Additional surveys were held throughout the summer and fall to gather feedback from those not able to attend the listening sessions. Overall, a new 2011-2016 College vision, mission, and value statements were created to direct the College's planning for the next five years.

As part of this new plan, only three college goals were created emphasizing the need to focus annual resources on a few strategic initiatives. Under direction from College leadership, the 2012-13 strategic plan was revised to align outcomes and initiatives with the College's goals.

College reserves remain at approximately 33% of expenditures and are above the board recommended guideline of 25%. However, College officials are unaware of the impact of the new performance based funding model, the restricted growth limited by net new construction, and the revised processes for distribution of general purpose revenues. Until these changes are fully defined and understood, District board members will retain higher than anticipated reserves to smooth any financial disparities. College surpluses are also being used to fund a new Other Post-Employment Benefits Trust (OPEB) created in June, 2010.

Fiscal Planning

Despite the financial restrictions imposed by the State, MPTC maintains a favorable credit rating. In September 2013, Moody's Investors Service assigned an Aaa rating to the District for a general obligation debt sale. The report indicated that "the Aaa rating reflects the District's sizable tax base favorably located near major employment centers; strong financial operations that are supported by healthy reserves; and, average debt burden that is expected to remain manageable" (Global Credit Research 10 Sept 2013).

To address these fiscal challenges, MPTC continually uses the following tools to assist with future directional planning of the College:

- An extensive strategic plan which includes goals and measurable outcomes. All systems utilize this plan to create system-wide and departmental plans which are directly linked to these College goals.
- Annual follow-up studies including graduate placements, employer satisfaction reports, and environmental scanning instruments are used to monitor changes in the labor markets, demographics, technology and academia.
- The College utilizes numerous sources for identifying new program needs. These include the College's annual environmental scan, district employment projections data, business and advisory committee input, and peer institution data.
- Academic staff utilize several program assessment tools to measure various aspects of program viability include FTEs, enrollment, student placement statistics, student persistence and status of assessment measures. Programs not meeting certain measures are suspended and may be terminated in the future.
- The College developed a Facility Master plan in 2006 which is updated annually to create a logical plan for facility building and maintenance projects.
- The Wisconsin Technical College System office requires a three-year facilities plan on an annual basis. This document is updated annually after the master facility plan is reviewed and updated.
- A Technology plan identifies major technology projects for the College within the next three years and is also updated annually. Projects include application development, network services, and user support services.

These challenges in mind, the long-term financial planning established by the College in conjunction with the District Board will allow Moraine Park to effectively meet the financial needs of operations in the future. The overall current financial position is positive, and MPTC is committed to maintaining a positive status in the future.

MANAGEMENT SYSTEMS AND CONTROLS

Moraine Park Technical College is committed to the development of good management systems and controls. Every effort is made to employ qualified personnel. Likewise, systems are conscientiously developed to enable MPTC employees to function effectively, while providing appropriate levels of supervision and segregation of duties.

Accounting System

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

In addition, as a recipient of state and federal financial assistance, the District is responsible for maintaining an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs.

We believe the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary System

The District's annual budget is prepared in accordance with the requirements of the Wisconsin Technical College System Board. Budgetary responsibility is delegated to the managers of various cost centers of MPTC. Each year staff prepare, present and modify budget plans for the forthcoming year.

At the time the District Board adopts the budget, it establishes the dollar amount of the operational tax levy, not the final mill rate, since valuation figures are not available until October. In addition, the Board may adjust the levy amounts prior to setting the tax rates in October based on more current information. Budgeted amounts are controlled by function within fund; modification or changes to the budget require approval by a two-thirds vote of the District Board. The District also maintains an encumbrance system as one technique of accomplishing budgetary control.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

Cash Management

The District Board adopted an overall investment policy delegating investment responsibility to the Vice President, Finance and Administrative Services. The policy permits investments in any instruments allowed within the Wisconsin Administrative Code. Idle cash during the year was invested in certificates of deposit.

During 2011, the College implemented a new cash handling procedure to ensure all employees who handle cash follow specified procedures to safeguard cash and to protect employees from inappropriate charges of mishandling funds by defining employee responsibilities. All employees who handle cash are now required to annually acknowledge and confirm the understanding and compliance with this procedure. This new procedure is expected to increase internal controls related to all aspects of cash management.

Risk Management

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

self-insurance fund which is used to cover the deductible on liability coverage and on small claims for lost or stolen items that fall below the deductible limits.

During 2011–12, the College started the creation of a comprehensive business continuity plan. The entire project is expected to be complete in 2015-16 and will identify gaps within the College that could create severe risk for operational continuity both short and long-term. As the project progresses, MPTC will begin addressing identified needs as part of the annual budget planning process.

Independent Audit

State statutes require an annual audit by independent certified public accountants, in addition to meeting the requirements of OMB Circular A-133 and the State Single Audit Guidelines. The accounting firm of Schenck SC was selected by the District Board to perform the annual audit. The audit report on the basic financial statements is included in the financial section of this report. The auditors' reports that relate specifically to the single audit are included in the single audit section.

EXCELLENCE IN FINANCIAL REPORTING

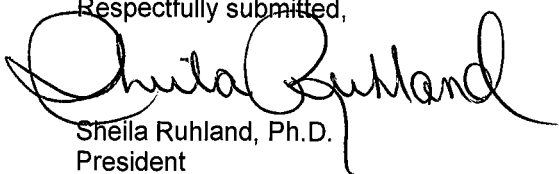
The District will submit this Comprehensive Annual Financial Report to the Government Finance Officers Association (GFOA) for the Certificate of Achievement for Excellence in Financial Reporting. To be awarded this honor, the financial reporting entity must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. This report satisfies both the generally accepted accounting principles and applicable legal requirements.

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to Moraine Park Technical College District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. A Certificate of Achievement is valid for a period of one year only. This is the 19th consecutive year that Moraine Park Technical College District has received a Certificate of Achievement. We believe our current report continues to conform to the program's requirements, and we are submitting it to GFOA to determine its eligibility for a certificate.


ACKNOWLEDGMENT

The timely preparation of this report was accomplished through the cooperative and concerted efforts of MPTC's Accounting/Financial Services, Office Services, and Marketing departments and with the professional services of the District's independent audit firm, Schenck SC. We express our appreciation to our dedicated staff for their many long hours in the preparation of this report. In addition, we convey our appreciation to the MPTC Board of Directors for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,



Sheila Ruhland, Ph.D.
President



Bonnie Baerwald, CPA
Vice President, Finance and Administrative Services



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Moraine Park Technical College
District, Wisconsin**

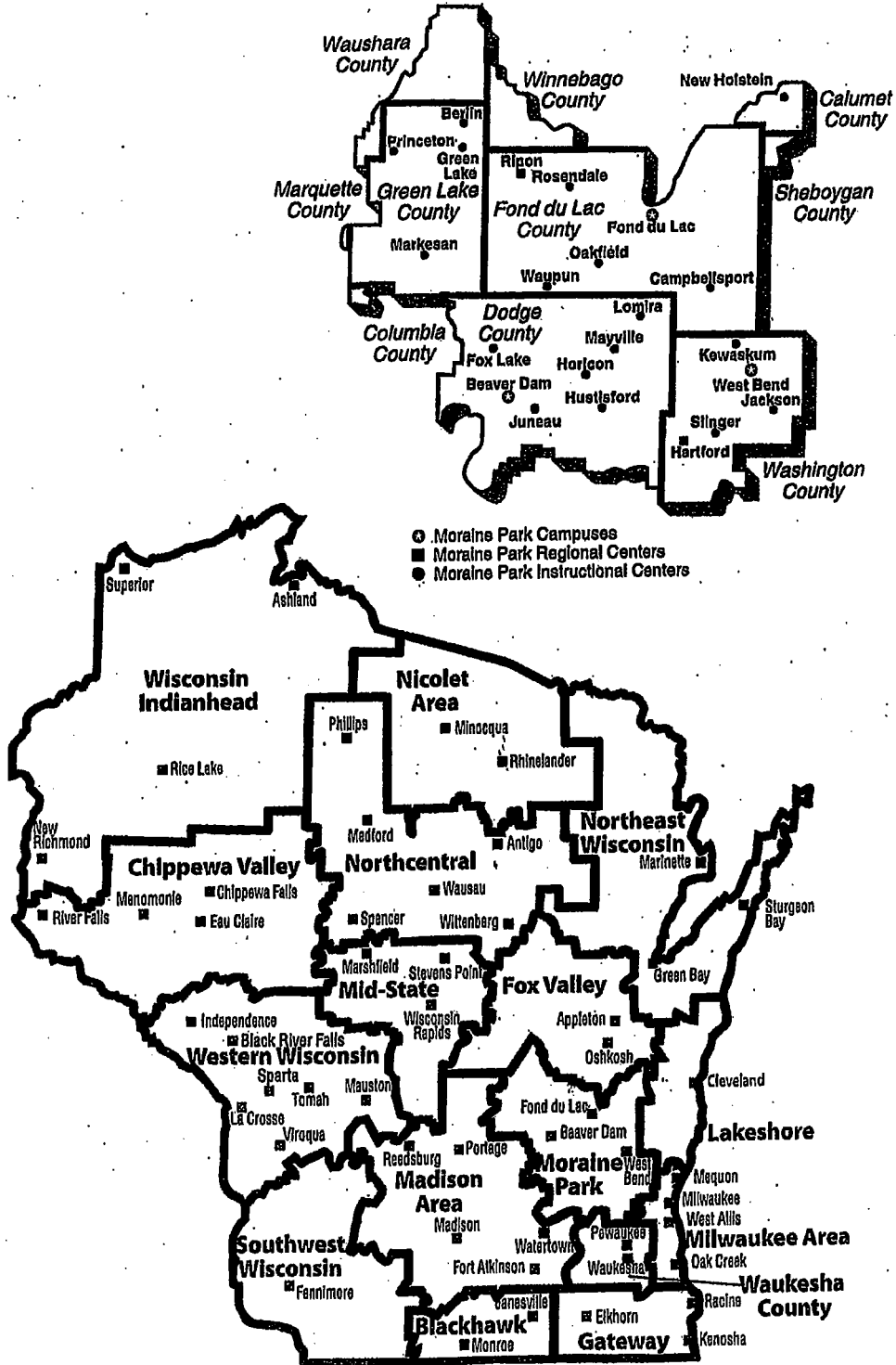
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

MORAIINE PARK TECHNICAL COLLEGE DISTRICT

DISTRICT AND STATE MAPS



MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

BOARD MEMBERSHIP (As of June 30, 2013)

DISTRICT BOARD

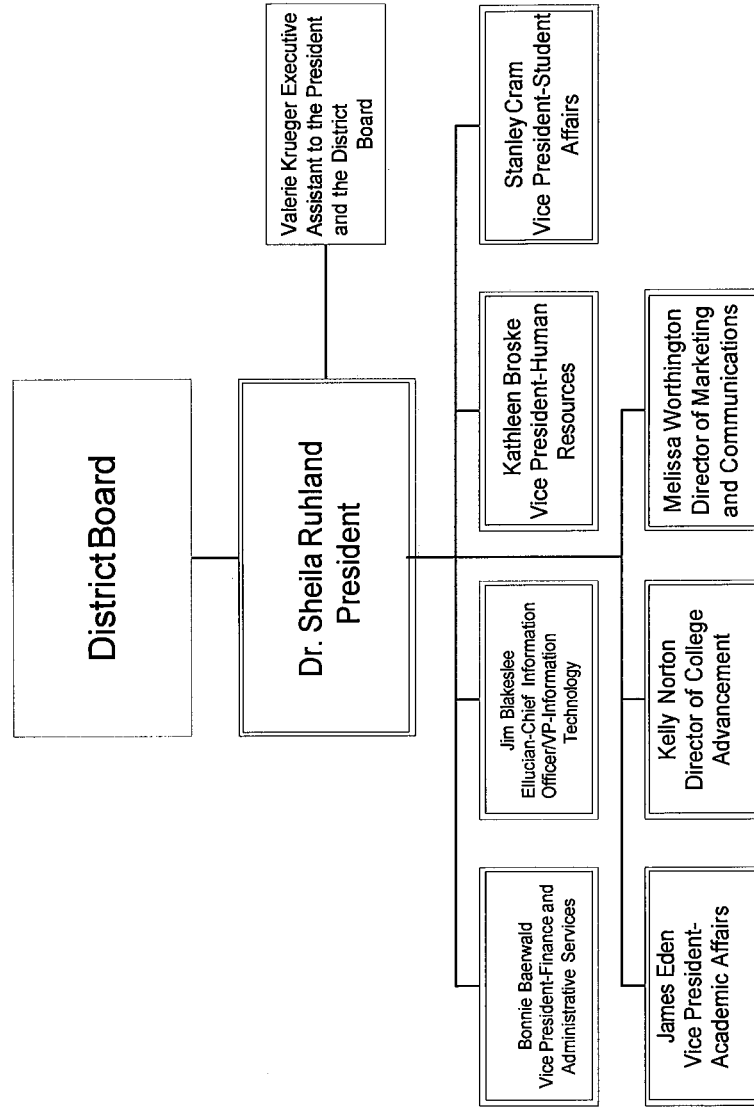
<i>Chairperson</i>	<i>Richard Zimman, Ph.D.</i>	<i>School Administrator</i>
<i>Vice Chairperson</i>	<i>Vernon Jung</i>	<i>Additional Member</i>
<i>Secretary</i>	<i>Mike Miller</i>	<i>Elected Official</i>
<i>Treasurer</i>	<i>Lisa Mader</i>	<i>Additional Member</i>
<i>Member</i>	<i>Jodine Deppisch</i>	<i>Employer Member</i>
<i>Member</i>	<i>Donna Goetz</i>	<i>Employee Member</i>
<i>Member</i>	<i>Mary Kerrigan</i>	<i>Employer Member</i>
<i>Member</i>	<i>Shirley Kitchen</i>	<i>Employee Member</i>
<i>Member</i>	<i>Lowell Prill</i>	<i>Additional Member</i>

BOARD FINANCE COMMITTEE

Lisa Mader, Chairperson

Jodine Deppisch
Donna Goetz
Vernon Jung
Mary Kerrigan
Shirley Kitchen
Mike Miller
Lowell Prill
Richard Zimman, Ph.D.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
 ORGANIZATIONAL CHART
 ORGANIZATIONAL LEADERSHIP SUPPORT SYSTEM
 (As of June 30, 2013)



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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the District Board
Moraine Park Technical College District
Fond du Lac, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the Moraine Park Technical College District, Wisconsin (the "District") as of and for the year ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of June 30, 2013 and 2012, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note A.14 to the financial statements, the District adopted new accounting guidance, GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended June 30, 2013. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress and the schedule of employer contributions on pages 19 through 32 and 60 through 61 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The financial information listed in the table of contents as supplementary information and the other information, such as the introductory, statistical section, and the accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards and schedule of state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration and are also not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Report Issued in Accordance with Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2013, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Certified Public Accountants
Green Bay, Wisconsin
November 27, 2013

MORAINE PARK TECHNICAL COLLEGE DISTRICT Management's Discussion and Analysis

Moraine Park Technical College District's Management's Discussion and Analysis (MD&A) of its financial condition provides an overview of financial activity, identifies changes in financial positions, and assists the reader of the financial statements in focusing on noteworthy financial issues.

While maintaining its financial health is crucial to the long-term viability of the District, the primary mission of a public institution of higher education is to provide education and training. Therefore, net position is accumulated only as required to ensure that there are sufficient reserve funds for future operations and implementation of new programs. The MD&A provides summary level financial information; therefore, it should be read in conjunction with the accompanying financial statements.

This annual report consists of a series of financial statements, prepared in accordance with generally accepted accounting principles, as stated in the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*.

Statement of Revenues, Expenses, and Changes in Net Position

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

The following is a condensed version of the Statement of Revenues, Expenses, and Changes in Net Position for the years ended June 30, 2013, 2012, and 2011 (dollars in thousands):

	2013	2012	Increase (Decrease) 2013-2012	2011	Increase (Decrease) 2012-2011
Revenues					
Operating revenues					
Tuition and fees	\$ 4,536	\$ 4,642	\$ (106)	\$ 5,286	\$ (644)
State and federal grants	14,732	15,680	(948)	16,986	(1,306)
Contract revenue	3,247	2,959	288	2,862	97
Auxiliary revenues	2,412	2,607	(195)	2,962	(355)
Miscellaneous	984	861	123	1,065	(204)
Total operating revenues	25,911	26,749	(838)	29,161	(2,412)
Non-operating revenues					
Property taxes	36,465	35,960	505	36,059	(99)
State operating appropriation	3,024	2,936	88	4,204	(1,268)
Investment income	89	84	5	94	(10)
Total non-operating revenues	39,578	38,980	598	40,357	(1,377)
Capital contributions - state and federal grants					
	111	80	31	185	(105)
Total revenues	65,600	65,809	(209)	69,703	(3,894)

	2013	2012	Increase (Decrease) 2013-2012	2011	Increase (Decrease) 2012-2011
Expenses					
Operating expenses					
Instruction	\$ 26,674	\$ 26,729	\$ (55)	\$ 27,229	\$ (500)
Instructional resources	1,976	2,009	(33)	2,364	(355)
Student services	6,192	6,417	(225)	6,463	(46)
General institutional	11,277	11,180	97	11,188	(8)
Physical plant	4,253	3,847	406	3,854	(7)
Auxiliary enterprise services	2,439	2,615	(176)	2,926	(311)
Depreciation	2,305	2,231	74	2,118	113
Student aid	7,949	8,598	(649)	8,930	(332)
Total operating expenses	63,065	63,626	(561)	65,072	(1,446)
Non-operating expenses					
Loss on disposal of capital assets	241	174	67	593	(419)
Interest expense	599	686	(87)	845	(159)
Total non-operating expenses	840	860	(20)	1,438	(578)
Total expenses	63,905	64,486	(581)	66,510	(2,024)
Increase in net position	1,695	1,323	\$ 372	3,193	\$ (1,870)
Cumulative effect of change in accounting principle	(188)	-	\$ (188)	-	\$ -
Net position – beginning of the year	49,208	47,885		44,692	
Net position – end of the year	\$ 50,715	\$ 49,208		\$ 47,885	

Fiscal Year 2013 Compared to 2012

Operating revenues are the charges for services offered by the District. During 2013, Moraine Park generated more than \$25.9 million of operating revenues. This was a decrease of approximately \$800,000 from the prior year, or 3.1%. Significant items were as follows:

- Tuition and fee income, as reported in the basic financial statements, decreased by \$106,000, or 2.3% from 2012. A combination of a slight decrease in FTE's and an overall 5% reduction in financial aid contributed to the decline. These declines were offset by a tuition rate increase (set by the WTCS system) of 4.5%.
- State and federal grants decreased 6% from 2012. The majority of this decrease was due to federal student financial aid which decreased over 7% from the prior year, the combined effect of lower FTEs and the continued growth in the financial needs of students.
- Contract revenues experienced an increase of almost 10% over the prior year. A significant factor in this was the continued efforts to reach high school students as part of the Career Prep contract.
- Miscellaneous revenue increased compared to 2012 as a result of the Wisconsin Covenant Foundation Grant received during the year to foster a three-year partnership with Wisconsin advanced manufacturing businesses.

Operating expenses are costs related to offering the programs of the District. During 2013, operating expenses decreased over \$600,000 or slightly less than 1% from the prior year. The decrease was primarily due to a combination of the following:

- The new Jackson regional center expansion operational and leasehold improvement costs contribute to the \$4 million, 10.5% increase in the physical plant expenses.

- A decrease in the amount reported as student aid which is calculated for financial statement purposes based on the distribution of 2013 financial aid between amounts applied to fees and amounts refunded to students. The overall decrease in financial aid disbursements of approximately 5% from 2012 was a primary factor in this calculation.

Non-operating revenues and expenses are items not directly related to providing instruction. The most significant components of non-operating revenues and expenses include the following:

- Property taxes levied by the District for 2013 were \$505,000 more than 2012.
- Capital contributions from state and federal grant revenue increased through some new grant initiatives beginning during the 2012 year.
- Non-operating expenses are primarily a function of disposal activity of capital assets and interest paid on the College's long-term debt. During 2013 there was an increase in the amount of major equipment disposals that were not fully depreciated and for which minimal proceeds were received resulting in an increase in the loss on sale of capital assets. Interest expense decreased due in part to lower interest rates.

Overall the net position increased over \$1.6 million as a result of the above activity.

Fiscal Year 2012 Compared to 2011

During 2012, Moraine Park generated more than \$26.7 million of operating revenues. This was a decrease of approximately \$2.4 million from the prior year, or 8.3%. Significant items were as follows:

- Tuition and fee income, as reported in the basic financial statements, decreased by \$644,000, or 12.2%. These fees are reflected net of scholarship allowances, a calculated amount based in part on how much financial aid disbursed to students is applied to fees vs. refunded to the student. Financial aid refunds are issued when the aid disbursement exceeds the balance due on a student's account. Gross fees decreased approximately 10% in 2012 due to a decline in FTEs of over 11% despite a tuition rate increase (set by the WTCS system) of 5.5%. Overall financial aid, and thus scholarship allowances, also decreased during 2012 but by a smaller percentage, all of which combined results in the decrease in reported tuition and fees.
- State and federal revenue decreased 7.7% from 2011. The majority of this decrease was due to state and federal student financial aid which decreased nearly 7.7% from the prior year, the combined effect of lower FTEs and the continued growth in the financial needs of students.
- Contract revenues experienced a modest increase, 3.4%, over the prior year. A significant factor in this was the rebound in offerings and enrollments in the College's annual contract with the Department of Corrections (DOC) as compared to the previous year.
- Auxiliary revenue decreased nearly 12% from 2011-12 primarily as a result of the decrease in FTE's.
- Miscellaneous revenue decreased compared to 2011, the year in which a one-time, class action lawsuit settlement payment was received from Microsoft for nearly \$200,000.

Operating expenses are costs related to offering the programs of the District. During 2012, operating expenses decreased \$1.4 million, or 2.2% from the prior year. The decrease was primarily due to:

- A conscious effort by the College to cut costs and increase efficiency in anticipation of declining FTEs and decreased state appropriations. While the general costs related to doing business continue to increase, the College was successful in reducing overall operating expenses during 2012.
- Wisconsin Act 10 legislation which required employees eligible for the Wisconsin Retirement System (WRS) to pay 50% of their retirement contributions. Prior to this legislation, Moraine Park paid 100% of the contribution for all eligible employees. As such, during 2012 the College had significantly less

WRS expenses than in the prior year. The change did not affect Moraine Park faculty covered by a previously negotiated bargaining agreement in effect until June 30, 2013.

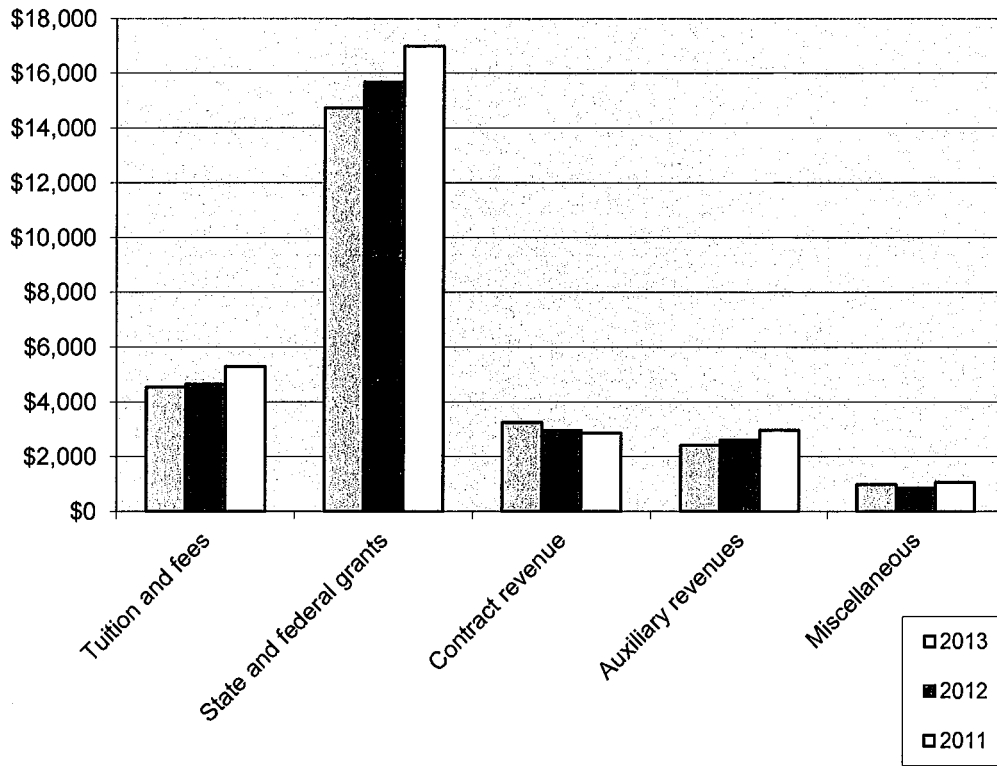
- A decrease in the amount reported as student aid which is calculated for financial statement purposes based on the distribution of 2012 financial aid between amounts applied to fees and amounts refunded to students. The overall decrease in financial aid disbursements, 5.2% from 2011, was a primary factor in this calculation.

Non-operating revenues and expenses are items not directly related to providing instruction. The most significant components of non-operating revenues and expenses include the following:

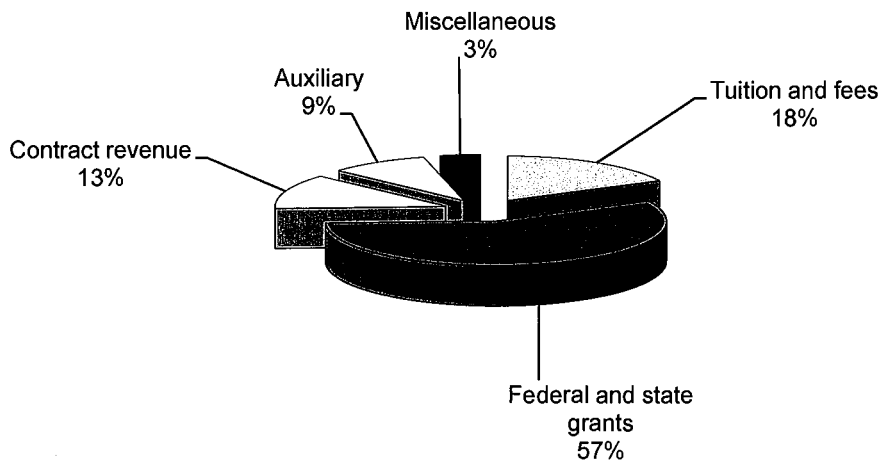
- The District's property tax levy for 2012 was just slightly lower than in 2011 due to a tax levy freeze imposed by the State of Wisconsin coupled with decreasing property values which also explains the small mill rate increase of approximately 1.7%.
- State operating appropriations decreased by over \$1.3 million or 30.2%. The amount of state appropriations the College receives is a factor of enrollments and expenditures as compared to the other 15 technical colleges in Wisconsin.
- The country's slow economic recovery has caused interest rates to remain at historically low levels resulting in a decrease in investment income of approximately 11%. However, the reserve balances continue to remain at a healthy level.
- Capital contributions from state and federal grant revenue decreased rather significantly in 2012 due to the allocation of grant funding between operating and capital items which changes from year to year.
- Non-operating expenses are primarily a function of disposal activity of capital assets and interest paid on the College's long-term debt. During 2012 there was a decrease in the amount of major equipment disposals that were not fully depreciated and for which minimal proceeds were received resulting in a decrease in the loss on sale of capital assets. Interest expense also decreased due in part to the savings resulting from debt refinancing activities during 2011.

Overall the net position increased over \$1.3 million as a result of the above activity.

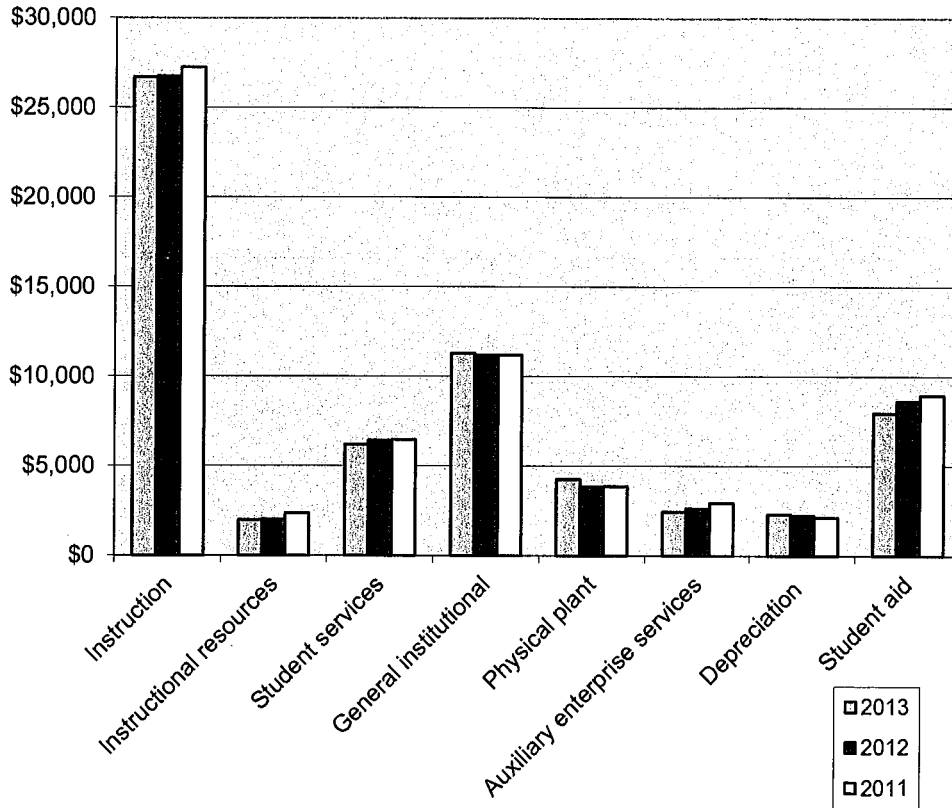
**Comparison of Operating Revenues
For the Years Ended June 30, 2013, 2012, and 2011
(dollars in thousands)**



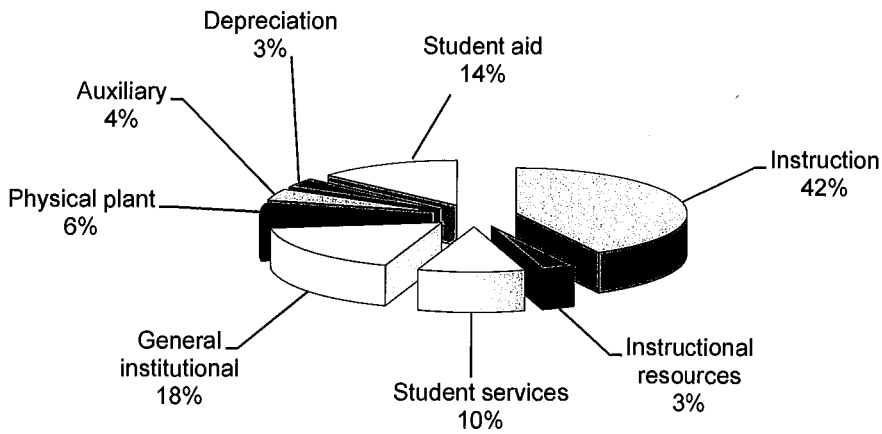
**Operating Revenues
For the Year Ended June 30, 2013**



**Comparison of Operating Expenses
For the Years Ended June 30, 2013, 2012, and 2011
(dollars in thousands)**



**Operating Expenses
For the Year Ended June 30, 2013**



Statement of Cash Flows

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

The following schedule shows the major components of the Statement of Cash Flows for the years ended June 30, 2013, 2012, and 2011.

	2013	2012	Increase (Decrease) 2013-2012	2011	Increase (Decrease) 2012-2011
Net cash used in operating activities	\$ (34,492)	\$ (35,463)	\$ 971	\$ (34,350)	\$ (1,113)
Net cash provided by non-capital financing activities	39,369	39,127	242	40,021	(894)
Net cash used in capital and related financing activities	(3,621)	(4,276)	655	(3,657)	(619)
Net cash provided by investing activities	89	83	6	94	(11)
Net increase (decrease) in cash and cash equivalents	1,345	(529)	<u>\$ 1,874</u>	2,108	<u>\$ (2,637)</u>
Cash and cash equivalents – beginning of the year	18,269	18,798		16,690	
Cash and cash equivalents – end of the year	<u>\$ 19,614</u>	<u>\$ 18,269</u>		<u>\$ 18,798</u>	

Fiscal Year 2013 Compared to 2012

During the fiscal year ended June 30, 2013, the District had a net increase in cash and cash equivalents of approximately \$1.3 million dollars. Factors contributing to the increase included the following:

- As in previous years, the largest component of cash used in operating activities was payments to employees for salaries/wages and benefits. Overall payments in this category decreased almost 3% from the previous year. This is a result of reorganization of resources and staffing throughout the college. Other post-employment benefit (OPEB) also decreased while payroll and benefit related accruals remained consistent with the prior year.
- Another significant component of operating cash flows was payments to suppliers, which increased slightly from 2012. Contributing to the increase was the fluctuation in year-end prepaid expense and accounts payable balances.
- The above cash outflows were offset by cash inflows from operating activities, the largest of these being tuition and fees, state and federal grants and contract revenue. The increase in contract revenue and the reduction of accounts receivable contributes to the overall increase.
- All property taxes received are categorized as cash flows from non-capital financing activities. Cash flow from tax levy was consistent with 2012 as both tax levy revenue and related year-end receivables did not fluctuate significantly from the prior year. The other major item in this category, state appropriations, increased slightly in 2013 based on an allocation formula using FTE and expenditure information for all 16 technical colleges.
- The cash used in capital and related financing activities is primarily made up of two categories of cash flows: purchases of capital assets and debt activity (debt proceeds and principal and interest payments). Capital purchases and proceeds from the issuance of capital debt both increased during the year. Principal payments also increased due to the refunding and early retirement of debt. Further information is provided in Note D. The combined effect of these increases resulted in an overall net decrease in the category of cash used in capital and related financing activities as compared to 2012.

Overall, the District had a net increase in cash and cash equivalents of approximately \$1.3 million.

Fiscal Year 2012 Compared to 2011

During the fiscal year ended June 30, 2012, the District had a net decrease in cash and cash equivalents of approximately \$529,000. Factors contributing to the decrease included the following:

- As in previous years, the largest component of cash used in operating activities was payments to employees for salaries/wages and benefits. Overall payments in this category decreased about 3.4% from the previous year. A large part of the decrease is due to the decrease in the College's WRS expenses as a result of Act 10 legislation discussed earlier. Other post-employment benefit (OPEB) payments also decreased slightly while payroll and benefit related accruals remained consistent with the prior year.
- Another significant component of operating cash flows was payments to suppliers, which increased slightly from 2011. Contributing to the increase was the fluctuation in year-end prepaid expense and accounts payable balances.
- The above cash outflows were offset by cash inflows from operating activities, the largest of these being tuition and fees and state and federal grants. The decrease in tuition rates, FTEs, and student financial aid in 2012 resulted in lower revenue amounts, and thus lower cash inflows, than in 2011. The year-end student receivable and deferred tuition balances remained consistent with the prior year. Cash inflows from state and federal grants were down in 2012 due to decreases in revenue from those sources.
- All property taxes received are categorized as cash flows from non-capital financing activities. Cash flow from tax levy was consistent with 2011 as both tax levy revenue and related year-end receivables did not fluctuate significantly from the prior year. The other major item in this category, state appropriations, decreased significantly in 2012 based on an allocation formula using FTE and expenditure information for all 16 technical colleges.
- The cash used in capital and related financing activities is primarily made up of two categories of cash flows: purchases of capital assets and debt activity (debt proceeds and principal and interest payments). Capital purchases increased in 2012 while proceeds from the issuance of capital debt decreased. Principal and interest payments on existing debt, which are based on the maturity schedules of the College's outstanding debt, also decreased. The combined effect of these changes resulted in an overall increase in the category of cash used in capital and related financing activities as compared to 2011.
- The final category on the cash flow statement, cash provided by investing activities, decreased in 2012 due to continued low interest rates on investment balances at levels consistent with the prior year.

Overall, the District had a net decrease in cash and cash equivalents of approximately \$529,000.

Statement of Net Position

The Statement of Net Position includes all assets (items that the District owns and amounts owed to the District by others), deferred outflows(inflows) of resources and liabilities (amounts owed to others by the District and what has been collected from others for which a service has not yet been performed). This statement is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided, and expenses and liabilities are recognized when others provide the service to the District – regardless of when cash is exchanged.

The following is a condensed version of the Statement of Net Position as of June 30, 2013, 2012, and 2011 (dollars in thousands).

	2013	2012	Increase (Decrease) 2013-2012	2011	Increase (Decrease) 2012-2011
Assets					
Cash and cash equivalents	\$ 19,614	\$ 18,269	\$ 1,345	\$ 18,798	\$ (529)
Net capital assets	44,058	43,014	1,044	41,833	1,181
Other assets	20,171	21,528	(1,357)	21,134	394
Total assets	83,843	82,811	1,032	81,765	1,046
Liabilities					
Current liabilities	\$ 15,323	\$ 15,212	\$ 111	\$ 15,115	\$ 97
Long-term liabilities	17,805	18,095	(290)	18,450	(355)
Total liabilities	33,128	33,307	(179)	33,565	(258)
Deferred Inflows of Resources					
Property Taxes	-	296	(296)	315	(19)
Net Position					
Net investment in capital assets	25,031	23,815	1,216	22,393	1,422
Restricted for debt service	349	258	91	135	123
Unrestricted	25,335	25,135	200	25,357	(222)
Total net position	\$ 50,715	\$ 49,208	\$ 1,507	\$ 47,885	\$ 1,323

Fiscal Year 2013 Compared to 2012

Details of the changes in assets, deferred inflows of resources, liabilities, and net position between 2013 and 2012 include the following:

- Assets increased over \$1 million, or 1.2%, during 2013.
 - Cash and cash equivalents increased approximately \$1.3 million as a result of the factors discussed in the Statement of Cash Flows above.
 - Net capital assets increased slightly as a result of net 2013 asset additions exceeding depreciation for the year.
 - The other assets category is largely made up of receivable balances, the largest of these being property taxes at \$9.6 million at June 30, 2013. Overall year-end receivable balances decreased due to a significant change in the Accounts Receivable asset related to the timing of the Department of Corrections contract year end payment.
 - Another item included in other assets for 2013 is a long-term other post-employment benefits asset of over \$3.2 million which represents the cumulative difference between the annual other post-employment benefits (OPEB) cost and Moraine Park's contributions toward these costs. OPEB is discussed in more detail in Note F.
- Liabilities and deferred inflows of resources decreased by \$475,000, over 1%, from 2012 to 2013.

- Current liabilities increased slightly from the prior year. This is a result of a combination of decreases and increases. A significant decrease in accrued health, dental and vision insurance claims is due to timing of claims. An increase in the current portion of long-term debt due within the next year is reflective of the debt refunding and is discussed further in Note D. A reduction of the accounts payable liability offset's the increase. Other current liability categories remained relatively comparable to last year.
- Long-term debt decreased minimally from the previous year. The decrease is the net effect of the \$6.9 million in new debt incurred in 2012-13 and the debt principal payments of approximately \$6 million made during the year based on the maturity schedules of the debt issued by the District over the last 10 years as reflected in the Note D.
- Net position increased approximately \$1.5 million, or 3% from 2012 to 2013.
 - Net investment in capital assets increased by \$261,000 due to the increase in capital assets and repayment of general obligation notes payable used to finance capital acquisitions.
 - Restricted for debt service increased considerably as a result of borrowing for refunding of debt. The funds were borrowed in June but not used for repayment until July.
 - Unrestricted net position remained consistent with the prior year (increasing less than 1%) reflecting the efforts for astute financial management of District funds despite significant decreases in state funding and FTEs.

Fiscal Year 2012 Compared to 2011

Details of the changes in assets, liabilities, and net position between 2012 and 2011 include the following:

- Assets increased over \$1.0 million, or 1.3%, during 2012.
 - Cash and cash equivalents decreased approximately \$529,000 as a result of the factors discussed in the Statement of Cash Flows above.
 - Net capital assets increased slightly as a result of net 2012 asset additions exceeding depreciation for the year.
 - The other assets category is largely made up of receivable balances, the largest of these being property taxes at \$9.8 million at June 30, 2012. Overall year-end receivable balances remained consistent with the prior year decreasing less than 3.3%.
 - Another item included in other assets for 2012 is a long-term other post-employment benefits asset of over \$2.9 million which represents the cumulative difference between the annual other post-employment benefits (OPEB) cost and Moraine Park's contributions toward these costs. At June 30, 2011, the cumulative difference was \$2 million. OPEB is discussed in more detail in Note F.
- Liabilities and deferred inflows of resources decreased by \$277,000, less than 1%, from 2011 to 2012.
 - Current liabilities remained consistent with the prior year, a result of the offsetting effects of a significant increase in accrued health, dental and vision insurance claims, an increase in the portion of long-term debt due within the next year, and small to moderate decreases in a number of the other current liability categories.
 - Long-term debt decreased minimally from the previous year. The decrease is the net effect of the \$4.7 million in new debt incurred in 2011-12 and the debt principal payments of approximately \$5 million made during the year based on the maturity schedules of the debt issued by the District over the last 10 years.

- Net position increased approximately \$1.3 million, or 2.8% from 2011 to 2012.
 - Net investment in capital assets increased by \$1.4 million due to the increase in capital assets and repayment of general obligation notes payable used to finance capital acquisitions.
 - Restricted for debt service increased as a result of a larger fund balance in the debt service fund and lower accrued interest on long-term debt as compared to the previous year-end amounts.
 - Unrestricted net position remained consistent with the prior year (decreasing less than 1%) reflecting the efforts for astute financial management of District funds despite significant decreases in state funding and FTEs.

Capital Assets and Debt Administration

The District's investment in capital assets as of June 30, 2013 and 2012 was \$44,058,192 and \$43,014,194 (net of accumulated depreciation), respectively. This includes land and land improvements, buildings and improvements, and moveable equipment. Significant building projects capitalized in fiscal year 2013 included repurposing the vacant library at the Beaver Dam campus and the second phase of a three year Building/Trades addition and remodeling project at the West Bend campus. Fiscal year 2012's activities included the addition of a new library and remodeled student life/cafeteria space at the Beaver Dam campus and the initial phase of the three year Building/Trades addition and remodeling project at the West Bend campus. Additional information on the District's capital assets can be found in Note C.

At the end of the 2013 and 2012 fiscal years, the District had total general obligation debt outstanding of \$23,295,000 and \$22,485,000, respectively. The District bonds and notes maintained a rating of Aaa as awarded by Moody's Investors Services, and the District has continued to meet all of its debt service requirements. During 2013 the District issued, refunded and paid off general obligation promissory notes. All general obligation debt for equipment is repaid in five years, while debt related to building and remodeling is repaid in 10 years. The debt is secured by the full faith and credit of the unlimited taxing powers of the District. The current debt adequately replaces and expands the equipment and facility needs of the District. Additional information on the District's long-term debt can be found in Note D.

Financial Position

The District continued to improve its financial position during the year ended June 30, 2013 evidenced by an increase in net position of \$1.5 million. The District does not anticipate having to obtain short-term borrowing for cash flow purposes, which is consistent with previous years. The District also has diversified sources of revenues consisting of property taxes, state aid, student fees, federal and state grants, and other sources to meet the expenses of the District. With a diversity of revenues and the fourth lowest mill rate in the technical college system, Moraine Park will continue to obtain the resources to adequately finance normal enrollment over the next decade.

Economic Factors

The Wisconsin Department of Revenue indicates that the economy continues to grow at a moderate pace with the forecast calling for growth in terms of jobs and income for 2013. Employment in Wisconsin is expected to show positive growth through 2016. In 2013, Wisconsin employment will increase at a modest pace. However, many factors will keep growth subdued: the federal sequester, weakness in the global economy, weaker exports, persistent unemployment, and tight credit. The three largest employment sectors in Wisconsin are trade, transportation and utilities; manufacturing; and, education and health services. All three sectors are projected to grow within the next three years averaging slightly less than 2% annually (Wisconsin Economic Outlook, Summer 2013).

The unemployment rate in Wisconsin was 7.1% in April 2013, lower than the national unemployment rate of 7.5%. The state has seen a progressive decline in the unemployment rate as a result of moderate job gains seen in the current recovery as well as a decline in labor force participation since 2011. The forecast calls for an unemployment rate of 6.9% in 2013 and 6.4% in 2014. By the end of 2016, the Wisconsin unemployment rate is expected to be 5.2%, almost a full percentage point lower than the national unemployment rate of 6.1% (Wisconsin Economic Outlook, Summer 2013).

The housing section is showing signs of a recovery at the state and national levels. National forecasters predict double-digit growth rates for housing starts between 2013 and 2015. This trend is evident in Wisconsin with building permits in Wisconsin increasing 10.6% in 2012. This trend is expected through 2015 before slowing down again (Wisconsin Economic Outlook, Summer 2013).

Finally, the report also indicates that Wisconsin personal income rose 2.7% in 2012. This is slower than growth in 2011, when state personal incomes rose 4.5%. Wages and salaries, which are the biggest component of personal income, rose 2.1%. Nationally, personal incomes were up 3.6% in 2012. Personal income is projected to increase 1.9% in 2013 followed by faster growth in 2014.

Since College enrollments are countercyclical to the economy, preliminary data indicates that laid off workers are returning to work after retraining opportunities or when job training dollars expire. College officials saw a decrease of 3.3%, 11.0% and 3.1% in the past three years following a significant 12.8% increase of 3,648 FTEs during the 2010 recession peak. Officials are expecting to stabilize enrollments in 2013-2014 and are working on action plans to increase retention and enrollment growth for 2014-15 and beyond. In addition to decreases in enrollment, there are some other challenges and critical concerns that the College has identified:

- The state's 2013-15 biennium budget eliminated the operating rate cap and replaced the rate cap with strict levy limits, allowing for levy growth associated with net new construction only. Since the District had historically levied well below the cap of 1.5 mills, it lost retained millage and has foregone any growth related to appreciation of property values. Pending future construction efforts, fiscal challenges will be significant as tax levy revenues support over 63% of the operational expenditures. College officials will continue to educate state representatives on the importance of local control and fiscal growth to meet the ever-changing needs of Wisconsin's workforce.
- The state's new budget also included the transition of state aids to a new performance-based funding model. State office representatives are currently defining the criteria, but state aid distributions will now be dispersed on competitive criteria for service areas that are distinctly different throughout the state.
- Slow growth in the number of high school graduates throughout the District will mean significant competition for these students as it relates to post-secondary education.
- Today's students are ill-prepared for the modern world of work. Many possess a strong tech savvy background, but lack the basic human "soft skills" needed to function in a global workforce. As such, the College consistently needs to train students on "soft skills" throughout their academic curricula.
- Unfunded or partially-reimbursed mandates related to remedial services, veteran remissions, and senior discounts will continue to erode District resources as these services are growing exponentially.
- The mandate for other post-employment benefits reporting and new GASB disclosures on pension plans will prompt additional financial planning and funding to offset the long-term financial impact.
- Health insurance costs in comparison to economic growth will continue to rise. These increases will force changes to benefit packages creating more competition for new hires.
- Continuing efforts to introduce sustainability components to all building projects and services at the College will increase up-front costs. Although return on investment is substantiated, resources for the initial investment may be significant.
- The recession has drastically impacted investment revenue and minimized opportunity to use investment income as an alternative revenue stream.

- The impact of technology and resulting productivity of employers in the market require continuous improvement of the College's existing infrastructure and programs including the development of new programs in response to evolving occupations and advancing technology.
- The need to remain current with expanding technology is great. Technology-related expenses to include mobile technology applications are a key requirement in providing a competitive, top-notch education.

Despite these challenges, the staff members continually work to improve the financial condition of the College by working on existing and new opportunities as indicated below:

- Expand articulation agreements and joint efforts with college members of the UW System and private colleges to provide seamless transition for students as they continue to pursue advanced degrees.
- The College has been a statewide leader in dual credit offerings to high school students within the District; these offerings allow high school students the opportunity to earn both high school and college credit through these efforts - thereby saving taxpayer dollars.
- The College is also a leader in business and industry training. Efforts continue to meet with local officials and business leaders to not only provide customized training, but also to create strategic partnerships by competing for and receiving Wisconsin Advanced Training grants offered by the State of Wisconsin.
- The College continues to take advantage of state and federal funding opportunities that make sense for fiscal viability within the goal of enhancing student success.
- Staff members constantly review programs and services in order to meet the demands of the District and the State's workforce demands. Strong emphasis is placed on the retention efforts, recruitment of part-time adult learners, second career training for baby boomer retirees and assessing the success of each student.
- Retirement studies conducted in Fond du Lac County, Washington County and for healthcare workers throughout the Fox Valley region indicate a mass exodus of workers is upon us, and will continue for the next 15 years. Moraine Park has an excellent opportunity to engage with external partners to develop solutions for training an incoming middle-skilled workforce.
- Moraine Park's primary counties have significantly higher numbers of residents age 25 and older with an educational attainment of high school or equivalent. Clearly, the College has opportunities to grow the educational attainment level in the District's adult market.
- Joining statewide efforts within the Wisconsin Technical College System to save resources as demonstrated by the following:
 - State purchasing consortium group – efforts have generated more than \$261,000 in savings alone for the College during 2012-13
 - Districts Mutual Insurance Company – an insurance company created by the sixteen technical colleges in Wisconsin to provide all services related to full risk management services including administration of general liability, property, auto, worker's compensation, and educator's legal liability insurance lines; projected savings since inception in 2004 equates to more than \$10 million
 - Joint library consortium that allows all members to access centralized databases and electronic subscriptions at significantly reduced costs

Overall, the College is confident that its long-term financial condition is stable. The operational mill rate for 2012-13 was \$1.28490 – well below the statutory cap of \$1.50. Operational reserves are strong and for 2012-13 represent over 33% of operational expenses on a budgetary basis. Finally, the debt burden is reasonable and is structured to be paid back in a relatively short, aggressive timeframe. The College is

positioned to maintain a positive financial structure within this slow economic recovery and for several years in the foreseeable future.

Contacting the District's Financial Management

The financial report is designed to provide a general overview of the District's finances. Questions concerning the information provided in this report or requests for additional information should be addressed to the Vice President – Finance and Administrative Services, 235 N. National Avenue, Fond du Lac, WI 54935.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
STATEMENTS OF NET POSITION
As of June 30, 2013 and 2012

	2013	2012
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 14,492,685	\$ 15,648,745
Accounts receivable	687,784	2,369,707
Property taxes receivable	9,633,973	9,810,269
Federal and state aid receivable	693,357	652,141
Student fees receivable	4,498,994	4,279,661
Inventories	629,494	602,114
Prepaid expenses	779,711	687,234
Debt issuance costs	-	47,702
Total current assets	31,415,998	34,097,573
Non-current Assets		
Restricted cash and cash equivalents	5,121,702	2,620,588
Debt issuance costs	-	140,433
Other post-employment benefits	3,247,287	2,938,052
Capital assets	78,202,350	75,827,300
Less accumulated depreciation	(34,144,158)	(32,813,106)
Total non-current assets	52,427,181	48,713,267
TOTAL ASSETS	83,843,179	82,810,840
LIABILITIES		
Current Liabilities		
Accounts payable	2,262,041	2,893,925
Accrued payroll, payroll taxes, and retirement	1,879,153	1,835,283
Accrued vacation	466,337	448,800
Accrued health, dental and vision claims	455,669	940,974
Accrued interest	124,675	149,639
Unearned revenue - student fees	4,322,892	4,257,201
Other unearned revenue	48,259	32,952
Due to other organizations	26,794	26,794
Due to student organizations	247,633	236,488
General obligation debt - current portion	5,490,000	4,390,000
Total current liabilities	15,323,453	15,212,056
Long-term Liabilities		
General obligation debt	17,805,000	18,095,000
TOTAL LIABILITIES	33,128,453	33,307,056
DEFERRED INFLOWS OF RESOURCES		
Property taxes	-	295,833
NET POSITION		
Net investment in capital assets	25,986,176	23,815,330
Restricted for debt service	348,351	257,862
Unrestricted	24,380,199	25,134,759
TOTAL NET POSITION	\$ 50,714,726	\$ 49,207,951

The accompanying notes are an integral part of these statements.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the years ended June 30, 2013 and 2012

	2013	2012
Operating Revenues		
Student program fees, net of scholarship allowances of \$4,097,735 and \$4,122,054 for 2013 and 2012, respectively	\$ 3,840,830	\$ 3,910,248
Student material fees, net of scholarship allowances of \$230,415 and \$234,054 for 2013 and 2012, respectively	215,970	222,027
Other student fees, net of scholarship allowances of \$510,884 and \$537,570 for 2013 and 2012, respectively	478,855	509,948
Federal grants	12,786,015	14,078,300
State grants	1,946,266	1,602,153
Contract revenue	3,247,325	2,959,294
Auxiliary enterprise revenues	2,412,418	2,606,817
Miscellaneous	983,655	860,502
Total operating revenues	25,911,334	26,749,289
Operating expenses		
Instruction	26,673,506	26,729,423
Instructional resources	1,976,114	2,008,717
Student services	6,192,271	6,416,632
General institutional	11,276,809	11,180,309
Physical plant	4,252,271	3,846,962
Auxiliary enterprise services	2,439,387	2,614,739
Depreciation	2,305,394	2,230,649
Student aid	7,948,743	8,598,564
Total operating expenses	63,064,495	63,625,995
Operating loss	(37,153,161)	(36,876,706)
Non-operating revenues (expenses)		
Property taxes	36,465,081	35,959,981
State operating appropriations	3,023,949	2,935,635
Loss on disposal of capital assets	(241,381)	(173,901)
Investment income earned	88,969	83,418
Interest expense	(599,067)	(685,715)
Total non-operating revenues (expenses)	38,737,551	38,119,418
Income before contributions	1,584,390	1,242,712
Capital contributions - state and federal grants	110,520	80,002
CHANGE IN NET POSITION	1,694,910	1,322,714
Cumulative effect of change in accounting principle	(188,135)	-
Net position - beginning of the year	49,207,951	47,885,237
Net position - end of the year	\$ 50,714,726	\$ 49,207,951

The accompanying notes are an integral part of these statements.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
STATEMENTS OF CASH FLOWS
For the years ended June 30, 2013 and 2012

	2013	2012
Cash flows from operating activities		
Tuition and fees received	\$ 4,382,013	\$ 4,503,868
Federal and state grants received	14,691,065	15,814,769
Contract revenue received	4,857,615	3,331,231
Payments to employees	(36,804,995)	(38,285,840)
Payments to suppliers	(25,100,316)	(24,148,117)
Auxiliary enterprise revenue received	2,486,833	2,629,690
Other receipts	996,180	691,023
	(34,491,605)	(35,463,376)
Net cash used in operating activities		
Cash flows from non-capital financing activities		
Property taxes received	36,345,544	36,191,778
State appropriations received	3,023,949	2,935,635
	39,369,493	39,127,413
Net cash provided by non-capital financing activities		
Cash flows from capital and related financing activities		
Federal and state appropriations received for capital assets	110,520	80,002
Purchases of capital assets	(3,936,842)	(3,353,091)
Proceeds on sale of capital assets	18,550	22,685
Proceeds from issuance of capital debt	6,855,000	4,735,000
Debt issuance costs capitalized	-	(53,785)
Principal paid on capital debt	(6,045,000)	(5,040,000)
Interest paid on capital debt	(624,031)	(667,268)
	(3,621,803)	(4,276,457)
Net cash used in capital and related financing activities		
Cash flows from investing activities		
Investment income received	88,969	83,418
	88,969	83,418
Net increase (decrease) in cash and cash equivalents	1,345,054	(529,002)
Cash and cash equivalents - beginning of the year	18,269,333	18,798,335
Cash and cash equivalents - end of the year	\$ 19,614,387	\$ 18,269,333
Reconciliation of cash and cash equivalents to the statement of net position		
Cash and cash equivalents	\$ 14,492,685	\$ 15,648,745
Restricted cash and cash equivalents	5,121,702	2,620,588
	\$ 19,614,387	\$ 18,269,333
Total cash and cash equivalents	\$ 19,614,387	\$ 18,269,333

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
STATEMENTS OF CASH FLOWS - CONTINUED
For the years ended June 30, 2013 and 2012

	2013	2012
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	\$ (37,153,161)	\$ (36,876,706)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation	2,305,394	2,230,649
Changes in assets and liabilities:		
Accounts receivable	1,681,923	243,116
Federal and state aid receivable	(41,216)	134,316
Student fees receivable	(219,333)	(48,706)
Inventories	(27,380)	33,557
Prepaid expenses	(92,477)	(63,487)
Accounts payable	(304,365)	(492,696)
Accrued payroll, payroll taxes, and retirement	43,870	(118,570)
Accrued vacation	17,537	(4,951)
Accrued health, dental and vision claims	(485,305)	554,250
Unearned revenue - student fees	65,691	(89,649)
Other unearned revenue	15,307	(17,785)
Due to other organizations	-	(3,121)
Due to student organizations	11,145	(6,096)
Other post-employment benefits	(309,235)	(937,497)
	\$ (34,491,605)	\$ (35,463,376)
Net cash used in operating activities	\$ (34,491,605)	\$ (35,463,376)

The accompanying notes are an integral part of these statements.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
STATEMENTS OF FIDUCIARY NET POSITION
POST-EMPLOYMENT BENEFITS TRUST
As of June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,009	\$ 10,604
Non-current Assets		
Investments	<u>4,539,397</u>	<u>3,881,080</u>
TOTAL ASSETS	<u>4,540,406</u>	<u>3,891,684</u>
NET POSITION		
Held in Trust for post-employment benefits	<u>4,540,406</u>	<u>3,891,684</u>
TOTAL NET POSITION	<u><u>\$ 4,540,406</u></u>	<u><u>\$ 3,891,684</u></u>

The accompanying notes are an integral part of these statements.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
POST-EMPLOYMENT BENEFITS TRUST
For the years ended June 30, 2013 and 2012

	2013	2012
ADDITIONS		
Contributions		
MPTC	\$ 200,000	\$ 925,000
Investment Income		
Interest	3	-
Dividends	126,131	103,246
Net change in fair value of investments	343,544	(27,102)
Total investment income	469,678	76,144
Total additions	669,678	1,001,144
 DEDUCTIONS		
Administrative expenses	20,956	16,520
Total deductions	20,956	16,520
 Change in Net Position	648,722	984,624
 NET POSITION HELD IN TRUST FOR POST-EMPLOYMENT BENEFITS:		
Beginning of year	3,891,684	2,907,060
End of year	\$ 4,540,406	\$ 3,891,684

The accompanying notes are an integral part of these statements.

MORaine PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2013 and 2012

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Moraine Park Technical College was organized in 1911. In 1967 MPTC dropped its status as a city institution and became an area district under the Wisconsin Vocational, Technical and Adult Education system. In April 1994 Moraine Park Technical College became officially known as the Moraine Park Technical College District. Three campuses located at West Bend, Beaver Dam, and Fond du Lac, two regional centers in Hartford and Ripon, as well as several centers throughout the District offer associate degree programs in technical education, vocational programs and a wide range of courses in adult education.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to public colleges and universities as well as those prescribed by the Wisconsin Technical College System Board (WTCSB). The following is a summary of the significant accounting policies:

1. Reporting Entity

The District Board (Board) oversees the operations of the District under provisions of Chapter 38 of the Wisconsin Statutes. The District includes all of Fond du Lac and Green Lake counties, major portions of Dodge and Washington counties, and parts of Calumet, Sheboygan, Waushara, Winnebago, Marquette, and Columbia counties. The Board consists of nine members appointed by county board chairpersons of the ten counties within the service area. As the District's governing authority, the Board's powers include:

Authority to borrow money and levy taxes;

Budgetary authority; and

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

In November 2010, GASB issued statement No. 61, "The Financial Reporting Entity: Omnibus." This statement amends GASB issued Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 14, "The Financial Reporting Entity," to provide additional guidance to determine whether certain organizations for which the District is not financially accountable should be reported as component units based on the nature and significance of their relationship with the District. Generally, it requires reporting as a component unit when an organization that raises and holds economic resources for the direct benefit of a governmental unit.

The Moraine Park Foundation, Inc. (Foundation) is a not-for-profit corporation whose purpose is to solicit, hold, manage, invest and expend endowment funds and other gifts, grants and bequests exclusively for the maintenance and benefit of the District and its students. The Foundation has an independent board and is not fiscally accountable to the District. The financial resources of the Foundation are not significant to the District as a whole and accordingly, financial information related to the Foundation is not presented in these financial statements.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2. Basis of Accounting and Financial Statement Presentation

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

3. Accounting Estimates

The preparation of basic financial statements in conformity with GAAP requires the District to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

4. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all investments with an original maturity of three months or less to be cash equivalents. To facilitate cash management, cash is combined in common operating accounts.

Investments are stated at cost, which approximates fair value.

5. Property Tax and Taxes Receivable

The District disseminates its property tax levy to city, village, and town clerks in October of the fiscal year for which the taxes are levied. Property taxes are recognized as District revenue when it is measurable and available. Installment payments associated with principal and interest due on general obligation notes and bonds payable after June 30 are considered deferred revenue. The following dates are pertinent to the District's tax calendar:

Levy date	October 31
Assessment date	January 1
Due dates	January 31 (full) January 31 and July 31 (installments)
Lien date	August 31
Settlement dates	February and August

The District recognizes the property tax levy as revenue in the fiscal year for which the taxes were levied, except for tax levy collections applicable to debt service funding for the subsequent year. These collections do not meet the revenue recognition criteria and are reported as deferred property taxes at June 30, 2013.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
 June 30, 2013 and 2012

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Under Section 38.16 of the Wisconsin Statutes, the District Board may levy a tax not to exceed a rate of \$1.50 per \$1,000 of the full equalized value of taxable property within the area served by the District for the purposes of making capital improvements, acquiring equipment, and operating and maintaining schools. The mill rate limitation is not applicable to taxes levied for the purposes of paying principal and interest on general obligation notes and bonds payable issued by the District. For the years ended June 30, 2013 and 2012, the District levied taxes at the following mill rates:

	<u>Year ended June 30, 2013</u>	<u>Year ended June 30, 2012</u>
Operating purposes	\$ 1.28490	\$ 1.24206
Debt service requirements	<u>.25572</u>	<u>.23896</u>
Total	<u>\$ 1.54062</u>	<u>\$ 1.48102</u>

The 2012 tax levy used to finance the fiscal year ended June 30, 2013 was \$36,147,317. The 2011 tax levy used to finance the prior year was \$35,947,317.

6. Inventories

Inventories are valued at the lower of cost (first-in, first-out basis) or market. Such inventories consist of the contents of the bookstore, food service supplies, auto parts, and certain other supplies. Instructional and administrative inventories are recorded as expenses when purchased.

7. Prepaid Expenses

Prepaid expenses represent payments made by the District for which benefits extend beyond June 30.

8. Capital Assets

Capital assets are valued at the historical cost or estimated historical cost if actual cost history is not available. Donated capital assets are valued at their estimated fair value on the date donated.

The costs of maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operations as incurred. Equipment assets having a cost of \$5,000 or more per unit and building or remodeling projects of \$15,000 or more are capitalized. Depreciation on capital assets is provided in amounts sufficient to relate the cost of the depreciable assets to operations on the straight-line basis over the estimated service lives, which range from 5 to 15 years for equipment, 20 years for land improvements, and 50 years for buildings and improvements.

9. Accumulated Unpaid Vacation, Income Protection, and Other Employee Benefit Amounts

Vacation:

District employees are granted vacation in varying amounts based on length of contract or hours worked. Vacation earned is forfeited if not taken within six months following the end of the fiscal year in which it was earned. Vacation pay is accrued when earned.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Income Protection:

As provided in the applicable negotiated contracts and District procedures, income protection is granted to employees based on a formula. Income protection allows employees to take paid leave for personal illnesses, deaths in the family, attendance at funerals, temporary medical disabilities, or other personal obligations. The amount of days credited to an employee's account is based on negotiated formulas and District procedures. Any unused portion is allowed to accumulate to a maximum number of days, but is lost upon retirement or termination. Accumulated unpaid amounts are not accrued.

Retirement Plan:

The District has a retirement plan covering substantially all of its employees which is funded through contributions to the Wisconsin Retirement System. All contributions made by the District on behalf of its employees are reported as expenses when incurred.

Post-retirement health, dental and life benefits:

Upon retirement, District employees meeting a minimum age and length of service requirement may participate in the District's group health and dental insurance plans. The District pays 70% of the health premiums and 90% of the dental premiums (100% for persons who retired prior to July 1, 2006) until age 65. If a retiree and spouse participate in a health risk assessment or complete an annual physical with blood work, the District pays 90% of the health premiums. At age 65, a dental plan is available through COBRA continuation for 18 months. A vision plan is available for 18 months after retirement through COBRA continuation. Life insurance premiums are paid in full by the District for employees who retired prior to July 1, 2009 until a death benefit is paid. At June 30, 2013 and 2012, the District had 214 and 206 retirees receiving benefits, respectively. Additional information regarding the District's other post-employment benefits is included in Note F.

10. Tuition and Fees and Student Accounts Receivable

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

The District's student fees receivable is stated at amounts due from students, net of an allowance for doubtful accounts, if appropriate. Amounts outstanding longer than the agreed upon payment terms are considered past due. The District determines its allowance for doubtful accounts by considering a number of factors including length of time amounts are past due, the District's previous loss history, and the student's ability to pay his or her obligation. The District writes off receivables when they become uncollectible. At June 30, 2013, the District has determined that an allowance for doubtful accounts is not necessary based on the above criteria, which is consistent with the prior year.

11. State and Federal Revenues

The District receives funding pursuant to various federal and state contracts and grants. Some of these revenues are earned over fiscal periods different than that of the District and are subject to the Federal and State Single Audit Act guidelines.

12. Unearned Revenues

Unearned revenues include amounts received for tuition and fees prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

13. Scholarship Allowances and Student Financial Aid

All financial aid awarded to students, including loans and private scholarships, is reflected in the financial statements as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expenses represents the portion of aid that was provided to students in the form of cash. Scholarship allowances represent the portion of aid provided to students in the form of reduced tuition.

14. Deferred Outflows/Inflows of Resources

The District implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Revenues, Deferred Inflows of Resources, and Net Position* and GASB Statement no. 65, *Items Previously Reported as Assets and Liabilities* for the year ended June 30, 2013. In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District current does not have any items that qualify for reporting in this category.

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

15. Net Position

Net position is classified according to restrictions or availability of assets for satisfaction of District obligations. Restricted net position is resources which the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Net investment in capital assets represent the net value of capital assets (property, plant, and equipment) less the debt incurred to acquire or construct the assets plus borrowed resources not yet expended, but restricted for capital purchases. Restricted net position for debt service can only be used to repay debt service costs (principal and interest) as they are levied for that specific purpose. All remaining net position is unrestricted for legal purposes, but may be designated for specific purposes.

When an expense is incurred that can be paid using either restricted or unrestricted resources, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

16. Classification of Revenue and Expense

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

Operating revenues and expenses include activities that have the characteristics of exchange transactions to provide goods or services related to the District's principal ongoing operations. Operating revenues include student tuition and fees, net of scholarship allowances, sales and services of auxiliary enterprises, and most federal, state, and local grants and contracts. Operating expenses include the cost of providing educational services, student aid, administrative expenses, and depreciation on capital assets.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
 June 30, 2013 and 2012

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Non-operating revenues and expenses include activities that have the characteristics of non-exchange transactions. Nonoperating revenues are classified as defined by GASB Statement No. 9, *Reporting Cash Flow of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. These revenues include the local property tax levy, state appropriations, investment income, and any grants and contracts not classified as operating revenue or restricted by the grantor to be used exclusively for capital expenses. Nonoperating expenses include interest on long-term obligations and losses on the disposal of capital assets.

NOTE B: CASH AND INVESTMENTS

Cash and investments of the District consist of deposits and investments that are restricted by the Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool. Investments in the post-employment benefit trust fund may be invested in other types of investments as authorized under Wisconsin Statute 881.01, "*Uniform Prudent Investor Act*".

The carrying amount of the District's cash and investments totaled \$24,154,793 and \$22,161,017 as of June 30, 2013 and 2012, respectively, as summarized below:

	2013	2012
Petty cash funds	\$ 13,432	\$ 13,432
Interest bearing demand deposits	10,100,955	13,255,901
Certificates of deposit	9,500,000	5,000,000
Investments		
Money market mutual fund	1,009	10,604
Mutual funds – equity	2,853,978	2,243,155
Mutual funds – fixed income	1,685,419	1,637,925
	<u>\$ 24,154,793</u>	<u>\$ 22,161,017</u>

Reconciliation to the basic financial statements:

	2013	2012
Statements of net position		
Cash and cash equivalents	\$ 14,492,685	\$ 15,648,745
Restricted cash and cash equivalents	5,121,702	2,620,588
Fiduciary fund statements of net position		
Post-employment benefits trust	4,540,406	3,891,684
	<u>\$ 24,154,793</u>	<u>\$ 22,161,017</u>

Deposits and investments of the District are subject to various risks. Presented below is a discussion of specific risks and the District's policy related to the risk.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
 June 30, 2013 and 2012

NOTE B: CASH AND INVESTMENTS - CONTINUED

Custodial Credit Risk: Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's investment policy minimizes credit risk by limiting investments to the safest type of securities.

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for time and savings deposits and \$250,000 for demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State or Wisconsin are insured by the FDIC in the amount of \$250,000 per official custodian per depository institution. In addition, non-interest bearing transaction accounts are fully insured through December 31, 2012. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of June 30, 2013 and 2012, \$19,062,811 and \$18,291,611 of the District's deposits with financial institutions were in excess of federal and state depository insurance limits and uncollateralized (or collateralized with securities held by the pledging financial institution or its trust department or agent but not in the District's name).

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of June 30, 2013 for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
Money market mutual fund	\$ 1,009	\$ -	\$ 1,009	\$ -	\$ -
Mutual funds - equity	2,853,978	-	-	-	2,853,978
Mutual funds - fixed income	1,685,419	-	-	-	1,685,419
Totals	\$ 4,540,406	\$ -	\$ 1,009	\$ -	\$ 4,539,397

Presented below is the actual rating as of June 30, 2012 for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
Money market mutual fund	\$ 10,604	\$ -	\$ 10,604	\$ -	\$ -
Mutual funds - equity	2,243,155	-	-	-	2,243,155
Mutual funds - fixed income	1,637,925	-	-	-	1,637,925
Totals	\$ 3,891,684	\$ -	\$ 10,604	\$ -	\$ 3,881,080

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE B: CASH AND INVESTMENTS - CONTINUED

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy limits the maturity of any security to no more than one year from the date of purchase. Presented below are the maturities as of June 30, 2013 for each investment type.

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Money market mutual fund	\$ 1,009	\$ 1,009	\$ -	\$ -	\$ -
Mutual funds - fixed income	1,685,419	1,685,419	-	-	-
Totals	\$ 1,686,428	\$ 1,686,428	\$ -	\$ -	\$ -

Presented below are the maturities as of June 30, 2012 for each investment type.

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Money market mutual fund	\$ 10,604	\$ 10,604	\$ -	\$ -	\$ -
Mutual funds - fixed income	1,637,925	1,637,925	-	-	-
Totals	\$ 1,648,529	\$ 1,648,529	\$ -	\$ -	\$ -

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE C: CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2013:

	<u>Balance July 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2013</u>
Non-depreciable capital assets				
Land	\$ 830,602	\$ -	\$ -	\$ 830,602
Total non-depreciable capital assets	<u>830,602</u>	<u>-</u>	<u>-</u>	<u>830,602</u>
Depreciable capital assets				
Land improvements	1,646,195	-	-	1,646,195
Buildings and improvements	55,642,676	1,862,931	-	57,505,607
Equipment	17,707,827	1,746,392	1,234,273	18,219,946
Total depreciable capital assets	<u>74,996,698</u>	<u>3,609,323</u>	<u>1,234,273</u>	<u>77,371,748</u>
Total cost of capital assets	75,827,300	3,609,323	1,234,273	78,202,350
Less accumulated depreciation for				
Land improvements	704,318	76,949	-	781,267
Buildings and improvements	19,096,959	1,208,136	-	20,305,095
Equipment	13,011,829	1,020,309	974,342	13,057,796
Total accumulated depreciation	<u>32,813,106</u>	<u>2,305,394</u>	<u>974,342</u>	<u>34,144,158</u>
Net capital assets	43,014,194	<u>\$ 1,303,929</u>	<u>\$ 259,931</u>	44,058,192
Less related long-term debt outstanding (net of available debt proceeds of \$3,286,136 and \$4,267,984 as of July 1, 2012 and June 30, 2013, respectively)	<u>(19,198,864)</u>			<u>(19,027,016)</u>
Net investment in capital assets	<u>\$ 23,815,330</u>			<u>\$25,031,176</u>

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE C: CAPITAL ASSETS - CONTINUED

The following is a summary of changes in capital assets for the year ended June 30, 2012:

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012
Non-depreciable capital assets				
Land	\$ 830,602	\$ -	\$ -	\$ 830,602
Total non-depreciable capital assets	<u>830,602</u>	<u>-</u>	<u>-</u>	<u>830,602</u>
Depreciable capital assets				
Land improvements	1,308,989	337,206	-	1,646,195
Buildings and improvements	53,357,502	2,328,104	42,930	55,642,676
Equipment	17,674,411	942,913	909,497	17,707,827
Total depreciable capital assets	<u>72,340,902</u>	<u>3,608,223</u>	<u>952,427</u>	<u>74,996,698</u>
Total cost of capital assets	73,171,504	3,608,223	952,427	75,827,300
Less accumulated depreciation for				
Land improvements	602,079	102,239	-	704,318
Buildings and improvements	18,014,368	1,113,103	30,512	19,096,959
Equipment	<u>12,721,851</u>	<u>1,015,307</u>	<u>725,329</u>	<u>13,011,829</u>
Total accumulated depreciation	<u>31,338,298</u>	<u>2,230,649</u>	<u>755,841</u>	<u>32,813,106</u>
Net capital assets	41,833,206	<u>\$ 1,377,574</u>	<u>\$ 196,586</u>	43,014,194
Less related long-term debt outstanding (net of available debt proceeds of \$3,349,321 and \$3,286,136 as of July 1, 2011 and June 30, 2012, respectively)	<u>(19,440,679)</u>			<u>(19,198,864)</u>
Net investment in capital assets	<u>\$ 22,392,527</u>			<u>\$ 23,815,330</u>

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE D: GENERAL LONG-TERM OBLIGATIONS

Long-term obligations of the District consist of general obligation notes payable. Changes in these liabilities during the years ended June 30, 2013 and 2012 are summarized below:

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2013</u>	<u>Due within one year</u>
General obligation notes payable	<u>\$ 22,485,000</u>	<u>\$ 6,855,000</u>	<u>\$ 6,045,000</u>	<u>\$ 23,295,000</u>	<u>\$ 5,490,000</u>

	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance June 30, 2012</u>	<u>Due within one year</u>
General obligation notes payable	<u>\$ 22,790,000</u>	<u>\$ 4,735,000</u>	<u>\$ 5,040,000</u>	<u>\$ 22,485,000</u>	<u>\$ 4,390,000</u>

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the District. General long-term debt obligations at June 30, 2013 and 2012 are comprised of the following individual issues:

	<u>Balance June 30, 2013</u>	<u>Balance June 30, 2012</u>
\$1,780,000 general obligation promissory notes dated April 1, 2004 to R.W. Baird & Co., Inc. for building remodeling and improvement projects. Semi-annual interest payments ranging from 2.5% to 3.5% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2014.	\$ 210,000	\$ 410,000
\$3,450,000 general obligation promissory notes dated September 1, 2004 to R.W. Baird & Co., Inc. for building remodeling and improvement projects. Semi-annual interest payments ranging from 3.0% to 3.65% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2014.	65,000	130,000
\$1,850,000 general obligation promissory notes dated May 1, 2005 to Harris Trust and Savings Bank for building expansion, remodeling and improvement projects and acquisition of moveable equipment. Semi-annual interest payments ranging from 3.0% to 3.75% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2015.	335,000	490,000

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE D: GENERAL LONG-TERM OBLIGATIONS – CONTINUED

	Balance June 30, 2013	Balance June 30, 2012
<p>\$3,000,000 general obligation promissory notes dated October 1, 2005 to Piper Jaffray, Inc. for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 3.3% to 3.65% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2015.</p>	\$ 200,000	\$ 300,000
<p>\$2,600,000 general obligation promissory notes dated May 1, 2006 to JP Morgan for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 3.75% to 4.25% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Refinanced in June 2013; payment settled in July 2013.</p>	375,000	985,000
<p>\$1,400,000 general obligation promissory notes dated June 30, 2006 to Harris Trust and Savings Bank for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 4.0% to 4.4% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Paid in advance in June, 2013.</p>	-	490,000
<p>\$2,970,000 general obligation promissory notes dated October 11, 2006 to Bankers' Bank for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 3.7% to 3.8% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Refinanced in June 2013; payment settled in July 2013.</p>	580,000	755,000
<p>\$1,830,000 general obligation promissory notes dated May 9, 2007 to R.W. Baird & Co., Inc. for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments of 4.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2017.</p>	800,000	980,000
<p>\$2,745,000 general obligation promissory notes dated October 10, 2007 to R.W. Baird & Co., Inc. for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 3.75% to 4.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2017.</p>	815,000	995,000
<p>\$1,500,000 general obligation promissory notes dated June 10, 2008 to R.W. Baird & Co., Inc. for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments of 4.5% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2018.</p>	835,000	980,000

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE D: GENERAL LONG-TERM OBLIGATIONS – CONTINUED

	Balance June 30, 2013	Balance June 30, 2012
<p>\$2,365,000 general obligation promissory notes dated October 8, 2008 to Bankers Bank for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments of 3.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2018.</p>	\$ 455,000	\$ 870,000
<p>\$3,425,000 general obligation promissory notes dated May 6, 2009 to R.W. Baird & Co., Inc. for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments of 2.7% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2019.</p>	2,260,000	2,570,000
<p>\$2,315,000 general obligation promissory notes dated October 8, 2009 to R.W. Baird & Co., Inc. for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 2.0% to 2.5% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2015.</p>	750,000	1,165,000
<p>\$2,615,000 general obligation promissory notes dated May 12, 2010 to R.W. Baird & Co., Inc. for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 2.0% to 3.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2020.</p>	1,810,000	2,030,000
<p>\$1,905,000 general obligation promissory notes dated October 6, 2010 to R.W. Baird & Co., Inc. for building remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 1.0% to 2.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2015.</p>	675,000	995,000
<p>\$4,935,000 general obligation promissory notes dated June 8, 2011 to R.W. Baird & Co., Inc. for building expansion, remodeling and improvement projects, the acquisition of moveable equipment and the refunding of bonds issued in 2001. Semi-annual interest payments ranging from 2.0% to 3.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2021.</p>	3,655,000	4,305,000
<p>\$1,830,000 general obligation promissory notes dated September 7, 2011 to R.W. Baird & Co., for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 1.0% to 2.0% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2016.</p>	860,000	1,130,000

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE D: GENERAL LONG-TERM OBLIGATIONS – CONTINUED

	Balance June 30, 2013	Balance June 30, 2012
<p>\$2,905,000 general obligation promissory notes dated June 6, 2012 to UMB Bank N.A., for building expansion, remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 1.25% to 1.85% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2022.</p>	\$ 2,660,000	\$ 2,905,000
<p>\$4,000,000 general obligation promissory notes dated October 10, 2012 to UMB Bank N.A., for remodeling and improvement projects and the acquisition of moveable equipment. Semi-annual interest payments ranging from 1.00% to 1.65% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2022.</p>	3,100,000	-
<p>\$2,855,000 general obligation promissory notes dated June 27, 2013 to UMB Bank N.A., for building expansion, the acquisition of moveable equipment and the refunding of notes issued in 2006 and 2007. Semi-annual interest payments ranging from 1.25% to 2.20% are to be made on October 1 and April 1 of each year. Varying principal payments are due annually on April 1. Final maturity in April 2023.</p>	2,855,000	-
<p>Total general long-term debt obligations</p>	\$ 23,295,000	\$ 22,485,000

Aggregate maturities of principal and interest of the general obligation debt are as follows:

Years ending June 30,	Principal	Interest	Total
2014	\$ 5,490,000	\$ 498,698	\$ 5,988,698
2015	4,315,000	395,727	4,710,727
2016	3,485,000	297,259	3,782,259
2017	2,525,000	221,098	2,746,098
2018	2,025,000	159,719	2,184,719
2019-2023	5,455,000	255,420	5,710,420
	\$ 23,295,000	\$ 1,827,921	\$ 25,122,921

The District issued general obligation notes of \$2,855,000 on June 27, 2013 to finance capital projects, purchase equipment, and refund \$955,000 of general obligation promissory notes dated June 30, 2006 and October 11, 2006. The District retired the refunded debt in July of 2013. In addition, the District paid off the general obligation promissory note dated May 1, 2006. The refunding and early retirement of debt reduced future debt service payments (interest) by approximately \$98,000.

Wisconsin State Statutes limit the total general obligation debt of Moraine Park Technical College District to 5% of the equalized valuation of taxable property within the District and further limit the District's bonded indebtedness to 2% of equalized valuation.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
 June 30, 2013 and 2012

NOTE D: GENERAL LONG-TERM OBLIGATIONS - CONTINUED

At June 30, 2013, the District's aggregate general obligation debt and aggregate bonded indebtedness (net of resources available to fund the debts) was \$23,295,000 and \$0, respectively. The 5% and 2% limits as of June 30, 2013 were \$1,214,583,118 and \$485,833,247.

At June 30, 2012, the District's aggregate general obligation debt and aggregate bonded indebtedness (net of resources available to fund the debts) was \$22,485,000 and \$0. The 5% and 2% limits as of June 30, 2012 were \$1,255,792,062 and \$502,316,825 respectively.

NOTE E: RETIREMENT PLAN

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

Effective the first day of the first pay period on or after June 29, 2011 the employees required contribution was changed to one-half of the actuarially determined contribution rate for General category employees, including Teachers, and Executives and Elected Officials. Required contributions for protective contributions are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. Contribution rates are as follows:

	<u>2012</u>		<u>2013</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	5.9%	5.9%	6.65%	6.65%
Executives & Elected Officials	7.05%	7.05%	7.0%	7.0%
Protective with Social Security	5.9%	9.0%	6.65%	9.75%
Protective without Social Security	5.9%	11.3%	6.65%	12.35%

The payroll for District employees covered by the WRS for the year ended June 30, 2013 was \$25,131,912; the District's total payroll was \$26,350,814. The total required contribution for the year ended June 30, 2013 was \$3,155,002, which consisted of \$1,784,888 for the employer portion (5.9% from July 2012 thru December 2012 and 6.65% from January 2013 thru June 2013) and \$1,370,114 for the employee portion (5.9% from July 2012 thru December 2012 and 6.65% from January 2013 thru June 2013). Total contributions for the years ending June 30, 2013, 2012, and 2011 were \$3,155,002, \$2,902,405, and \$2,877,086, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. A final average earnings is the average of the employee's three highest years' earnings. Employees terminating covered employment and submitting

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
 June 30, 2013 and 2012

NOTE E: RETIREMENT PLAN - CONTINUED

application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 and prior to July 1, 2011 are immediately vested. Participants who initially become WRS eligible on or after July 1, 2011 must have five years of creditable service to be vested.

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits are determined under Chapter 40 of Wisconsin Statutes. The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

NOTE F: OTHER POST-EMPLOYMENT BENEFITS

Annual Other Post-Employment Benefits (OPEB) Cost and Net OPEB Obligation:

The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with GASB Statement No. 45, for this single-employer defined benefit plan. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a closed amortization period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation (asset).

	2013	2012
Annual required contribution	\$ 664,944	\$ 908,580
Interest on net OPEB	(176,283)	(120,033)
Adjustment to annual required contribution	201,364	137,111
Annual OPEB cost (expense)	690,025	925,658
Contributions made	(999,260)	(1,863,155)
Change in net OPEB obligation	(309,235)	(937,497)
OPEB obligation (asset) – beginning of the year	(2,938,052)	(2,000,555)
OPEB obligation (asset) – end of the year	\$ (3,247,287)	\$ (2,938,052)

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations. Additional information as of the latest actuarial valuation follows:

Valuation date	June 30, 2013
Actuarial cost method	Projected Unit Credit
Amortization method	Level Dollar, 30 year open amortization
Remaining amortization period	30 years
Actuarial assumptions:	
Investment rate of return	6.0%
Healthcare cost trend rate (medical)	10.0% (initial) 5.0% (ultimate)
Healthcare cost trend rate (dental)	4.0% (initial) 4.0% (ultimate)

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
 June 30, 2013 and 2012

NOTE F: OTHER POST-EMPLOYMENT BENEFITS - CONTINUED

Trend Information:

The District's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for the past four years is as follows:

Fiscal Year Ended	Annual OPEB Cost	Annual Required Contribution (ARC)	Percentage of Annual OPEB Cost Contributed	Percentage of ARC Contributed	Net OPEB Obligation (Asset)
June 30, 2010	\$ 994,942	\$ 996,984	207.7%	207.3%	\$ (901,239)
June 30, 2011	928,101	920,407	218.4%	220.3%	(2,000,555)
June 30, 2012	925,658	908,580	201.3%	205.1%	(2,938,052)
June 30, 2013	690,025	664,944	144.8%	150.3%	(3,247,287)

Funded Status:

The funded status of the plan for the past four years is shown below.

Fiscal Year Ended	Valuation Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
June 30, 2010	\$1,250,000	\$ 9,238,644	\$ 7,988,644	13.5%	\$ 23,088,470	34.60%
June 30, 2011	2,920,488	9,343,150	6,422,662	31.3%	23,609,312	27.20%
June 30, 2012	3,891,684	9,188,265	5,296,581	42.4%	22,246,471	23.81%
June 30, 2013	4,540,406	6,980,733	2,440,327	65.0%	21,664,596	11.26%

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

An irrevocable trust, the MPTC Post-Employment Benefits Trust, was created in June 2010 to begin funding this liability. During 2012-13 the College transferred \$200,000 into the trust. Total net position held in the trust at June 30, 2013 was \$4,540,406. A separate audited post-employment benefit plan report has not been prepared.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE G: RISK MANAGEMENT

Self Insurance

The District is exposed to various risks of loss related to employee health, dental, and vision care, for which the District is self-insured. The accrued liability for insurance claims represents an estimate of the eventual loss on claims arising prior to year end, including claims incurred but not yet reported. It is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The amount of the liability is estimated by the District's third party administrator based on prior experience and actual claims submitted subsequent to year end. Changes in the claims liability for the 2012-13 and 2011-12 fiscal years were:

	2013	2012
Accrued claims - beginning of year	\$ 940,974	\$ 386,724
Current year claims and changes in estimate	5,056,309	7,124,161
Claim payments	(5,541,614)	(6,569,911)
Accrued claims – end of year	\$ 455,669	\$ 940,974

Districts Mutual Insurance Company

In July 2004 all sixteen WTCS technical colleges created Districts Mutual Insurance Company (DMI). DMI is a fully-assessable mutual company authorized under Wisconsin statute 611 to provide property, casualty, and liability insurance and risk management services to its members. The scope of insurance protection provided by DMI is broad, covering property at \$350,000,000 per occurrence; general liability, auto, and educators' legal liability at \$5,000,000 per occurrence; and workers' compensation at the statutorily required limits.

At this time, settled claims have not approached the coverage limits as identified above. The District's exposure in its layer of insurance is limited to between \$2,500 and \$100,000 per occurrence depending on the type of coverage; DMI purchases reinsurance for losses in excess of its retained layer of coverage.

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

During 2004-2008, all member colleges were assessed an annual premium that included a capitalization component to establish reserves for the company. Since inception, members have provided capital contributions of \$4,484,665. Future premiums will be based on relevant rating exposure bases as well as the historical loss experience by members. DMI's ongoing operational expenses, other than loss adjustment expenses, are allocated to participants based on equity interest in the company.

For the year ended June 30, 2013, the District paid a total premium of \$286,046, which included no capitalization component. For 2012 total premiums were \$266,417 which included no capitalization component.

Audited financial statements for DMI can be obtained from Districts Mutual Insurance Company, 212 W. Pinehurst Trail, Dakota Dunes, SD 57049.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE G: RISK MANAGEMENT – CONTINUED

Supplemental Insurance

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

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

- Foreign liability: \$1,000,000 aggregate general; \$1,000,000 auto per accident; \$1,000,000 employee benefits; includes benefit for accidental death and dismemberment, repatriation, and medical expenses; \$1,000 deductible for employee benefits.
- Crime: \$750,000 coverage for employee dishonesty, forgery, computer fraud and funds transfer fraud; \$500,000 coverage for theft, robbery, burglary, disappearance and destruction of money and securities; \$25,000 coverage for investigation expenses; \$2,500 deductible for investigation; \$10,000 deductible for employee dishonesty, forgery, and fraud.

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

NOTE H: JOINT VENTURE

The District has implemented a computerized library database through a joint venture with Gateway and Waukesha County (WCTC) Technical Colleges by forming the Wisconsin Public Access Library System (WisPALS) in the fall of 1989. Since 1997 and as of June 30, 2013, eight additional technical colleges have joined. WisPALS is governed by the eleven colleges' presidents and librarians with each college having an equal vote. Through the joint venture each college owns one-eleventh of the computer hardware and software that comprises WisPALS; however, the computer hardware and software is permanently housed at WCTC's Pewaukee campus.

The District's share of the operating costs was \$65,861 and \$54,399 for the years ended June 30, 2013 and 2012, respectively. The fund balance for the joint venture increased \$8,361 in the current year. WisPALS has no joint venture debt outstanding.

The WisPALS financial statements can be obtained through Gateway Technical College District, 3520 30th Avenue, Racine, WI 53144.

NOTE I: COMMITMENTS AND CONTINGENCIES

Intergovernmental awards received by the District are subject to audit and adjustment by the funding agency or their representatives. If grant revenues are received for expenditures which are subsequently disallowed, the District may be required to repay the revenues to the funding agency. In the opinion of management, liabilities resulting from such disallowed expenditures, if any, will not be material to the accompanying financial statements at June 30, 2013.

The District has commitments for capital projects as of June 30, 2013 totaling \$2,384,108. As of June 30, 2012, the commitments for capital projects were \$1,276,932.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2013 and 2012

NOTE I: COMMITMENTS AND CONTINGENCIES - CONTINUED

The District has operating leases which are year-to-year agreements for instructional facilities and equipment. Rent expense under all operating leases for the years ended June 30, 2013 and 2012 was \$82,003 and \$49,959, respectively.

In March, 2013, the District entered into an operational lease with Delaney Group, LLC to lease a portion of a building for a new Jackson Regional Center. For the first four months, leasehold improvements were made to the building and lease payments began July 1, 2013. The base term of the lease extends for five years with five additional one-year optional extensions. The base rent for years one and two is \$38,944 annually and increases 2% annually thereafter. Additionally, the District will pay actual costs related to real estate taxes and common area maintenance costs estimated at approximately \$15,600 annually.

NOTE J: EXPENSE CLASSIFICATION

Expenses on the Statements of Revenues, Expenses, and Changes in Net Position are classified by function. Alternatively, the expenses could also be shown by type of expense as follows for the years ended June 30, 2013 and June 30, 2012:

	2013	2012
Salaries and wages	\$ 26,307,633	\$ 26,025,400
Fringe benefits	9,764,229	11,753,672
Travel, memberships, and subscriptions	571,633	630,340
Supplies	6,037,413	4,952,460
Contracted services	8,569,419	7,879,784
Rentals – facilities and equipment	81,953	49,959
Credit	183,457	187,413
Insurance	348,241	396,537
Utilities	856,178	842,859
Depreciation	2,305,394	2,230,649
Student aid	7,948,743	8,598,564
Other expenses	90,202	78,358
	\$ 63,064,495	\$ 63,625,995

NOTE K: SUBSEQUENT EVENTS

On August 14, 2013, the Board of Directors authorized the issuance of \$3,975,000 in general obligation promissory notes for the purpose of financing building remodeling and improvement projects and the acquisition of moveable equipment. The notes were issued October 10, 2013.

NOTE L: CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE

The District has adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which requires debt issuance costs to be expensed in the period incurred, rather than recorded as assets and amortized over the life of the related debt issue. Financial statements for the year ended June 30, 2012, have not been restated. The cumulative effect of this change was to decrease the June 30, 2013 net position of the District by \$188,135.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFIT PLAN
For the year ended June 30, 2013

Actuarial Valuation Date June 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL) (2 - 1)	Funded Ratio (1 / 2)	(3) Covered Payroll	UAAL as a % of Covered Payroll ((2 - 1) / 3)
2009	\$ -	\$ 9,828,010	\$ 9,828,010	0.00%	(a)	-
2010	1,250,000	9,238,644	7,988,644	13.53%	23,088,470	34.60%
2011	2,920,488	9,343,150	6,422,662	31.26%	23,609,312	27.20%
2012	3,891,684	9,188,265	5,296,581	42.36%	22,246,471	23.81%
2013	4,540,406	6,980,733	2,440,327	65.04%	21,664,596	11.26%

(a) Information not available.

See Notes to Required Supplementary Information.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFIT PLAN
For the year ended June 30, 2013

<u>Year Ended June 30,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2009	\$ 1,011,349	\$ 1,182,157	85.6%
2010	2,066,989	996,984	207.3%
2011	2,027,417	920,407	220.3%
2012	1,863,155	908,580	205.1%
2013	999,260	664,944	150.3%

See Notes to Required Supplementary Information.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the year ended June 30, 2013

NOTE A: GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 45

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

NOTE B: SCHEDULE OF FUNDING PROGRESS

The decrease in the Actuarial Accrued Liability between the 2012 and 2013 actuarial valuations is due to changes in benefit terms including increases in deductibles and employee contributions towards benefits.

GENERAL FUND

The General Fund is the operating fund of the District. It is used to account for all financial resources, except those accounted for in another fund.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
GENERAL FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
For the year ended June 30, 2013

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	\$ 29,777,317	\$ 29,767,317	\$ 29,799,248	\$ -	\$ 29,799,248	\$ 31,931
Intergovernmental revenue						
State	2,825,508	2,925,500	3,131,488	-	3,131,488	205,988
Federal	2,500	20,000	21,534	-	21,534	1,534
Tuition and fees						
Statutory program fees	8,394,350	8,240,000	7,938,565	-	7,938,565	(301,435)
Material fees	455,000	455,000	446,385	-	446,385	(8,615)
Other student fees	1,089,325	1,058,900	989,739	-	989,739	(69,161)
Institutional	<u>3,405,200</u>	<u>3,222,208</u>	<u>3,591,504</u>	-	<u>3,591,504</u>	<u>369,296</u>
Total revenues	45,949,200	45,688,925	45,918,463	-	45,918,463	229,538
Expenditures						
Instruction	24,741,914	24,482,991	24,425,113	759	24,425,872	57,119
Instructional resources	2,132,822	2,135,795	1,854,850	-	1,854,850	280,945
Student services	5,562,840	5,425,267	5,217,870	28,300	5,246,170	179,097
General institutional	11,647,214	11,783,544	11,214,559	(119,413)	11,095,146	688,398
Physical plant	<u>3,114,410</u>	<u>3,111,328</u>	<u>3,091,766</u>	(600)	<u>3,091,166</u>	<u>20,162</u>
Total expenditures	<u>47,199,200</u>	<u>46,938,925</u>	<u>45,804,158</u>	(90,954)	<u>45,713,204</u>	<u>1,225,721</u>
Excess (deficiency) of revenues over expenditures	(1,250,000)	(1,250,000)	114,305	90,954	205,259	1,455,259
Other financing sources (uses)						
Transfers in (out)	<u>250,000</u>	<u>(500,000)</u>	<u>(500,000)</u>	-	<u>(500,000)</u>	<u>-</u>
Net change in fund balance	(1,000,000)	(1,750,000)	(385,695)	90,954	(294,741)	1,455,259
Fund balance at July 1, 2012	<u>15,220,240</u>	<u>15,641,295</u>	<u>15,798,232</u>	(156,937)	<u>15,641,295</u>	<u>-</u>
Fund balance at June 30, 2013	<u>\$ 14,220,240</u>	<u>\$ 13,891,295</u>	<u>\$ 15,412,537</u>	\$ (65,983)	<u>\$ 15,346,554</u>	<u>\$ 1,455,259</u>
Fund balance						
Reserved for encumbrances			\$ 65,983			
Reserved for prepaid items			422,256			
Unreserved fund balance						
Designated for state aid fluctuations			282,000			
Designated for operations			<u>14,642,298</u>			
			<u>\$ 15,412,537</u>			

SPECIAL REVENUE AIDABLE FUND

The Special Revenue Aidable Fund is used to account for the proceeds and related financial activities of specific revenue sources (other than debt service, major capital projects, or expendable trusts) that are restricted to expenditures for designated purposes because of legal or regulatory provisions.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
SPECIAL REVENUE AIDABLE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
For the year ended June 30, 2013

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	\$ 370,000	\$ 370,000	\$ 370,000	\$ -	\$ 370,000	\$ -
Intergovernmental revenue						
State	706,542	1,106,403	1,020,520	-	1,020,520	(85,883)
Federal	1,024,192	1,112,960	1,181,987	-	1,181,987	69,027
Institutional	-	254,440	226,292	-	226,292	(28,148)
Total revenues	2,100,734	2,843,803	2,798,799	-	2,798,799	(45,004)
Expenditures						
Instruction	1,233,368	1,680,545	1,680,545	-	1,680,545	-
Student services	1,012,107	1,055,911	1,055,654	-	1,055,654	257
General institutional	96,400	95,038	75,753	-	75,753	19,285
Physical plant	9,775	9,775	3,775	-	3,775	6,000
Total expenditures	2,351,650	2,841,269	2,815,727	-	2,815,727	25,542
Net change in fund balance	(250,916)	2,534	(16,928)	-	(16,928)	(19,462)
Fund balance at July 1, 2012	524,254	465,870	465,870	-	465,870	-
Fund balance at June 30, 2013	\$ 273,338	\$ 468,404	\$ 448,942	\$ -	\$ 448,942	\$ (19,462)
Fund balance						
Reserved for prepaid items			\$ 1,300			
Unreserved fund balance			447,642			
Designated for subsequent year			<u>447,642</u>			
			<u>\$ 448,942</u>			

SPECIAL REVENUE NON-AIDABLE FUND

The Special Revenue Non-Aidable Fund is used to account for expendable trust funds held by the District in a trustee/agent capacity, primarily for student activities and financial aid.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
SPECIAL REVENUE NON-AIDABLE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
For the year ended June 30, 2013

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Intergovernmental revenue						
State	\$ 672,300	\$ 672,300	\$ 818,207	\$ -	\$ 818,207	\$ 145,907
Federal	13,045,250	13,045,250	11,582,494	-	11,582,494	(1,462,756)
Institutional	308,000	308,000	350,859	-	350,859	42,859
Total revenues	14,025,550	14,025,550	12,751,560	-	12,751,560	(1,273,990)
Expenditures						
Student services	14,045,575	14,045,575	12,787,776	-	12,787,776	1,257,799
Net change in fund balance	(20,025)	(20,025)	(36,216)	-	(36,216)	(16,191)
Fund balance at July 1, 2012	89,950	84,652	84,652	-	84,652	-
Fund balance at June 30, 2013	<u>\$ 69,925</u>	<u>\$ 64,627</u>	<u>\$ 48,436</u>	<u>\$ -</u>	<u>\$ 48,436</u>	<u>\$ (16,191)</u>
Fund balance						
Reserved for student financial assistance			<u>\$ 48,436</u>			

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of capital facilities and major equipment other than those financed by the Enterprise and Internal Service funds.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
For the year ended June 30, 2013

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Intergovernmental revenue						
State	\$ 58,520	\$ 30,420	\$ 45,634	\$ -	\$ 45,634	\$ 15,214
Federal	17,760	61,279	64,886	-	64,886	3,607
Institutional	25,000	99,000	141,568	-	141,568	42,568
Total revenues	101,280	190,699	252,088	-	252,088	61,389
Expenditures						
Instruction	1,624,627	2,425,846	2,066,711	359,135	2,425,846	-
Instructional resources	477,475	360,000	343,628	12,281	355,909	4,091
Student services	37,200	89,582	76,548	13,034	89,582	-
General institutional	1,205,784	898,000	942,323	(44,445)	897,878	122
Physical plant	2,990,888	3,463,201	2,696,030	767,171	3,463,201	-
Total expenditures	6,335,974	7,236,629	6,125,240	1,107,176	7,232,416	4,213
Excess (deficiency) of revenues over expenditures	(6,234,694)	(7,045,930)	(5,873,152)	(1,107,176)	(6,980,328)	65,602
Other financing sources						
Long term debt issued	5,900,000	5,900,000	5,900,000	-	5,900,000	-
Net change in fund balance	(334,694)	(1,145,930)	26,848	(1,107,176)	(1,080,328)	65,602
Fund balance at July 1, 2012	1,879,235	2,009,204	3,286,136	(1,276,932)	2,009,204	-
Fund balance at June 30, 2013	<u>\$ 1,544,541</u>	<u>\$ 863,274</u>	<u>\$ 3,312,984</u>	<u>\$ (2,384,108)</u>	<u>\$ 928,876</u>	<u>\$ 65,602</u>
Fund balance						
Reserved for encumbrances			\$ 2,384,108			
Reserved for prepaid items			118,014			
Reserved for capital projects			810,862			
			<u>\$ 3,312,984</u>			

DEBT SERVICE FUND

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

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
For the year ended June 30, 2013

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Local government - tax levy	\$ 6,000,000	\$ 6,000,000	\$ 6,295,833	\$ (295,833)	\$ 6,000,000	\$ -
Institutional	25,000	25,000	6,130	-	6,130	(18,870)
Total revenues	6,025,000	6,025,000	6,301,963	(295,833)	6,006,130	(18,870)
Expenditures						
Physical plant	5,995,117	6,736,438	6,736,438	-	6,736,438	-
Excess (deficiency) of revenues over expenditures	29,883	(711,438)	(434,475)	(295,833)	(730,308)	(18,870)
Other financing sources						
Transfers in	-	500,000	500,000	-	500,000	-
Long term debt issued	-	955,000	955,000	-	955,000	-
Total other financing sources	-	1,455,000	1,455,000	-	1,455,000	-
Net change in fund balance	29,883	743,562	1,020,525	(295,833)	724,692	(18,870)
Fund balance at July 1, 2012	717,142	703,334	407,501	295,833	703,334	-
Fund balance at June 30, 2013	\$ 747,025	\$ 1,446,896	\$ 1,428,026	\$ -	\$ 1,428,026	\$ (18,870)
Fund balance						
Reserved for debt refinancing			955,000			
Reserved for debt service			473,026			
			<u>\$ 1,428,026</u>			

ENTERPRISE FUNDS

The Enterprise Funds are used to account for operations that provide services which are financed primarily by user charges or activities where periodic measurement of net income is appropriate for capital maintenance, public policy, management control, or other purposes. The District's enterprise funds are used to account for the operations of the bookstore, vending machines, parts department, and other activities.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
ENTERPRISE FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
For the year ended June 30, 2013

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Auxiliary revenue	\$ 2,672,100	\$ 2,672,100	\$ 2,412,418	\$ -	\$ 2,412,418	\$ (259,682)
Expenditures						
Auxiliary services	2,691,496	2,691,496	2,445,885	-	2,445,885	245,611
Excess (deficiency) of revenues over expenditures	(19,396)	(19,396)	(33,467)	-	(33,467)	(14,071)
Other financing uses						
Transfers out	(250,000)	(250,000)	-	-	-	250,000
Net change in position	(269,396)	(269,396)	(33,467)	-	(33,467)	235,929
Net position at July 1, 2012	890,791	967,278	967,278	-	967,278	-
Net position at June 30, 2013	<u>\$ 621,395</u>	<u>\$ 697,882</u>	<u>\$ 933,811</u>	<u>\$ -</u>	<u>\$ 933,811</u>	<u>\$ 235,929</u>
Net position						
Unrestricted			<u>\$ 933,811</u>			

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District on a cost reimbursement basis. At present, the District has two Internal Service Funds. One is used to account for the transactions of the District's self-insured employee health, dental, and vision coverage programs. The other accounts for all costs associated with copiers and usage by District departments.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
INTERNAL SERVICE FUNDS SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
For the year ended June 30, 2013

	Original Budget	Amended Budget	Actual	Adjustment to Budgetary Basis	Actual on a Budgetary Basis	Variance
Revenues						
Auxiliary revenue	\$ 6,990,400	\$ 6,990,400	\$ 6,792,985	\$ -	\$ 6,792,985	\$ (197,415)
Expenditures						
Auxiliary services	7,923,565	7,923,565	6,262,028	-	6,262,028	1,661,537
Net change in position	(933,165)	(933,165)	530,957	-	530,957	1,464,122
Net position at July 1, 2012	6,368,296	4,899,211	4,899,211	-	4,899,211	-
Net position at June 30, 2013	<u>\$ 5,435,131</u>	<u>\$ 3,966,046</u>	<u>\$ 5,430,168</u>	<u>\$ -</u>	<u>\$ 5,430,168</u>	<u>\$ 1,464,122</u>
Net position						
Unrestricted			<u>\$ 5,430,168</u>			

MORAINE PARK TECHNICAL COLLEGE DISTRICT
SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS
FINANCIAL STATEMENTS TO BASIC FINANCIAL STATEMENTS
For the year ended June 30, 2013

	General Fund	Special Revenue Aidable Fund	Special Revenue Non-Aidable Fund	Capital Projects Fund
Revenues				
Local government - tax levy	\$ 29,799,248	\$ 370,000	\$ -	\$ -
Intergovernmental revenue				
State	3,131,488	1,020,520	818,207	45,634
Federal	21,534	1,181,987	11,582,494	64,886
Tuition and fees				
Statutory program fees	7,938,565	-	-	-
Material fees	446,385	-	-	-
Other student fees	989,739	-	-	-
Institutional	3,591,504	226,292	350,859	141,568
Auxiliary revenue	-	-	-	-
Total revenues	45,918,463	2,798,799	12,751,560	252,088
Expenditures				
Instruction	24,425,872	1,680,545	-	2,425,846
Instructional resources	1,854,850	-	-	355,909
Student services	5,246,170	1,055,654	12,787,776	89,582
General institutional	11,095,146	75,753	-	897,878
Physical plant	3,091,166	3,775	-	3,463,201
Auxiliary services	-	-	-	-
Depreciation	-	-	-	-
Student aid	-	-	-	-
Total expenditures	45,713,204	2,815,727	12,787,776	7,232,416
Excess (deficiency) of revenues over expenditures	205,259	(16,928)	(36,216)	(6,980,328)
Other financing sources (uses)				
Transfers in (out)	(500,000)	-	-	-
Long term debt issued	-	-	-	5,900,000
Total other financing sources (uses)	(500,000)	-	-	5,900,000
Net change in fund balance/net position	(294,741)	(16,928)	(36,216)	(1,080,328)
Cumulative effect of change in accounting principle	-	-	-	-
Fund balance/net position at July 1, 2012	15,641,295	465,870	84,652	2,009,204
Fund balance/net position at June 30, 2013	\$ 15,346,554	\$ 448,942	\$ 48,436	\$ 928,876

Debt Service Fund	Enterprise Funds	Internal Service Funds	Total	Reconciling Items	Statement of revenues, expenses, and changes in net position
\$ 6,000,000	\$ -	\$ -	\$ 36,169,248	\$ 295,833	\$ 36,465,081
-	-	-	5,015,849	-	5,015,849 (1)
-	-	-	12,850,901	-	12,850,901 (2)
-	-	-	7,938,565	(4,097,735)	3,840,830
-	-	-	446,385	(230,415)	215,970
-	-	-	989,739	(510,884)	478,855
6,130	-	-	4,316,353	(237,785)	4,078,568 (3)
-	2,412,418	6,792,985	9,205,403	(6,792,985)	2,412,418
6,006,130	2,412,418	6,792,985	76,932,443	(11,573,971)	65,358,472
-	-	-	28,532,263	(1,858,757)	26,673,506
-	-	-	2,210,759	(234,645)	1,976,114
-	-	-	19,179,182	(12,986,911)	6,192,271
-	-	-	12,068,777	(791,968)	11,276,809
6,736,438	-	-	13,294,580	(8,443,242)	4,851,338 (4)
-	2,445,885	6,262,028	8,707,913	(6,268,526)	2,439,387
-	-	-	-	2,305,394	2,305,394
-	-	-	-	7,948,743	7,948,743
6,736,438	2,445,885	6,262,028	83,993,474	(20,329,912)	63,663,562
(730,308)	(33,467)	530,957	(7,061,031)	8,755,941	1,694,910
500,000	-	-	-	-	-
955,000	-	-	6,855,000	(6,855,000)	-
1,455,000	-	-	6,855,000	(6,855,000)	-
724,692	(33,467)	530,957	(206,031)	1,900,941	1,694,910
-	-	-	-	(188,135)	(188,135)
703,334	967,278	4,899,211	24,770,844	24,437,107	49,207,951
\$ 1,428,026	\$ 933,811	\$ 5,430,168	\$ 24,564,813	\$ 26,338,048	\$ 50,714,726 (5)

MORAINE PARK TECHNICAL COLLEGE DISTRICT
SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS FINANCIAL
STATEMENTS TO BASIC FINANCIAL STATEMENTS – CONTINUED
For the year ended June 30, 2013

BUDGETS AND BUDGETARY ACCOUNTING

The District's fund structure used in preparing the basic financial statements is different than the fund structure used for budgetary accounting. Annual budgets are adopted for all funds in accordance with the requirements of the Wisconsin Technical College System Board. The District follows the procedures listed below in adopting annual budgets for all funds in accordance with legal requirements.

- Annual budget requests by departments are submitted to the President's Cabinet during January. After all the requests are reviewed, the President submits the proposed budget to the District Board.
- Public hearings are conducted on the proposed budget prior to District Board approval.
- In accordance with State Statute 38.12, the budget is legally enacted through approval by the District Board prior to July 1.
- Budget amendments made during the year are legally authorized by the District Board. Budget transfers (between funds and functional areas within funds) and changes in budgeted revenues and expenditures (appropriations) require approval by a vote of two-thirds of the entire membership of the District Board and public notice published in the District's official newspaper within 10 days according to Wisconsin Statutes.
- Management exercises control over budgeted expenditures by fund and function (e.g., instruction, instructional resources, student services, etc.), as presented in the accompanying financial statements. Expenditures may not exceed funds available or appropriated. Unused appropriations lapse at the end of each fiscal year.

Formal budgetary integration is employed as a planning device for all funds. MPTC adopts an annual operating budget that is prepared on a different basis from the basic financial statements. The budget differs from GAAP by recognizing encumbrances as expenditures and property taxes levied that relate to debt service funding for the subsequent year as revenue. Also, the budget does not incorporate changes related to GASB Statement Nos. 34, 35, 37, and 38 as listed previously in Note A to the financial statements.

(1) State grants revenue is presented on the basic financial statements as follows:

Operating	\$ 1,946,266
Non-operating	
State operating appropriations	3,023,949
Capital contributions (state portion)	<u>45,634*</u>
	<u>\$ 5,015,849</u>

(2) Federal grants revenue is presented on the basic financial statements as follows:

Operating	\$ 12,786,015
Capital contributions (federal portion)	<u>64,886*</u>
	<u>\$ 12,850,901</u>

* Shown as one line item totaling \$110,520 on basic financial statements.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
SCHEDULE TO RECONCILE BUDGET (NON-GAAP BUDGETARY) BASIS FINANCIAL
STATEMENTS TO BASIC FINANCIAL STATEMENTS – CONTINUED
For the year ended June 30, 2013

- (3) Institutional revenue is reported as four separate line items on the basic financial statements:

Contract revenue	\$ 3,247,325
Miscellaneous	983,655
Loss on disposal of capital assets	(241,381)
Investment income earned	<u>88,969</u>
	<u>\$ 4,078,568</u>

- (4) Interest expense is reported as a component of physical plant on the budgetary statements:

Physical plant	\$ 4,252,271
Interest expense	<u>599,067</u>
	<u>\$ 4,851,338</u>

- (5) Reconciliation of budgetary basis fund balance and net position as presented in the basic financial statements:

Budgetary basis fund balance/net position	\$ 24,564,813
General capital assets capitalized – cost	77,853,605
Accumulated depreciation on general capital assets	(33,981,395)
General obligation notes payable	(23,295,000)
Accrued interest on notes payable	(124,675)
Long-term OPEB asset	3,247,287
Encumbrances outstanding at year end	<u>2,450,091</u>
Net position per basic financial statements	<u>\$ 50,714,726</u>

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STATISTICAL SECTION

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

The statistical section contains information related to the following categories:

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed.

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

NET POSITION BY COMPONENT
 Last Ten Fiscal Years
 (accrual basis of accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Net investment in capital assets	\$25,031,176	\$ 23,815,330	\$ 22,392,527	\$ 21,169,867	\$ 20,433,749	\$ 18,846,368	\$ 17,442,598	\$ 17,539,006	\$ 18,517,952	\$ 18,819,056
Restricted for debt service	348,351	257,862	135,494	200,811	60,491	171,867	389,162	173,182	64,738	60,577
Unrestricted	25,335,199	25,134,759	25,357,216	23,321,996	19,673,843	17,731,354	14,994,957	12,985,319	10,095,279	7,103,567
Total Net Position	\$ 50,714,726	\$ 49,207,951	\$ 47,885,237	\$ 44,692,674	\$ 40,168,083	\$ 36,749,589	\$ 32,826,717	\$ 30,697,507	\$ 28,677,969	\$ 25,983,200

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

CHANGES IN NET POSITION
Last Ten Fiscal Years

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Operating Revenues										
Student program fees, net of scholarship allowances	\$ 3,840,830	\$ 3,910,248	\$ 4,443,515	\$ 5,043,326	\$ 4,445,699	\$ 3,568,597	\$ 2,688,721	\$ 3,581,464	\$ 3,392,118	\$ 3,059,236
Student material fees, net of scholarship allowances	215,970	222,027	254,516	290,024	269,795	211,695	166,770	235,090	265,281	260,555
Other student fees, net of scholarship allowances	478,855	509,948	587,976	717,727	621,989	543,994	387,013	411,425	415,425	344,050
Federal grants	12,786,015	14,078,300	15,390,614	12,577,041	8,461,436	7,362,268	6,649,353	6,534,329	6,136,267	5,411,562
State grants	1,946,266	1,602,153	1,594,831	1,649,303	1,609,053	1,371,697	1,371,697	1,512,399	1,439,247	1,145,490
Contract revenue	3,247,325	2,959,294	2,861,942	3,024,552	3,304,784	3,313,553	3,214,444	2,941,047	2,489,951	2,247,471
Auxiliary enterprise revenues	2,412,418	2,606,817	2,961,871	3,241,917	2,766,754	2,518,154	2,460,663	2,469,942	2,445,691	2,335,984
Miscellaneous	983,655	860,502	1,065,326	709,701	662,027	540,425	704,695	422,709	321,407	301,402
Total operating revenues	25,911,334	26,749,289	29,160,591	27,253,591	22,141,537	19,440,040	17,643,376	18,108,204	16,805,387	15,105,750
Operating expenses										
Instruction	26,673,506	26,729,423	27,228,728	26,909,652	25,388,159	24,324,920	24,034,908	22,963,130	22,502,838	21,564,390
Instructional resources	1,976,114	2,008,717	2,363,444	2,117,607	1,932,608	2,074,652	2,022,672	1,887,566	1,803,014	1,461,804
Student services	6,192,271	6,416,632	6,463,390	5,528,914	5,295,808	4,748,804	4,426,438	4,124,639	3,655,919	3,537,136
General institutional	11,276,809	11,180,309	11,188,398	11,395,594	10,955,635	9,872,114	10,239,128	9,170,863	7,701,519	6,514,631
Physical plant	4,252,271	3,846,962	3,854,442	4,158,279	3,436,545	3,366,545	3,757,623	3,856,601	3,264,295	3,034,650
Auxiliary enterprise services	2,439,387	2,614,739	2,925,760	2,941,473	2,692,247	2,464,624	2,468,609	2,524,529	2,398,804	2,266,221
Depreciation	2,305,394	2,230,649	2,117,849	2,028,612	1,959,415	1,815,504	1,722,739	1,972,332	2,510,031	2,791,545
Student aid	7,948,743	8,598,564	8,930,216	7,130,490	4,851,847	3,909,936	2,832,629	4,010,350	3,369,368	2,730,905
Total operating expenses	63,084,495	63,625,995	65,072,227	62,210,621	56,512,648	52,577,099	51,504,746	50,510,010	47,205,788	43,901,282
Operating loss	(37,153,161)	(36,876,706)	(35,911,636)	(34,957,030)	(34,371,111)	(33,137,059)	(33,861,370)	(32,401,806)	(30,400,401)	(28,795,532)
Non-operating revenues (expenses)										
Property taxes	36,465,081	35,959,981	36,059,442	35,073,334	33,701,800	32,394,755	31,154,753	29,671,623	28,346,706	27,239,173
State operating appropriations	3,023,949	2,935,635	4,203,845	4,697,471	4,717,435	4,867,628	4,840,047	5,163,811	5,374,802	5,032,905
Gain/(loss) on sale of capital assets	(241,381)	(173,901)	(593,068)	(34,205)	(142,802)	(57,888)	(3,227)	(46,376)	(18,255)	(404,982)
Investment income earned	88,969	83,418	94,368	112,259	241,898	610,604	777,886	505,136	243,480	92,272
Interest expense	(599,067)	(685,715)	(845,018)	(883,834)	(929,746)	(988,517)	(979,757)	(906,254)	(898,271)	(928,690)
Total non-operating revenues	38,737,551	38,119,418	38,919,569	38,965,025	37,588,585	36,826,582	35,789,702	34,387,940	33,048,462	31,030,678
Income before capital contributions	1,584,390	1,242,712	3,007,933	4,007,995	3,217,474	3,689,523	1,928,332	1,986,134	2,648,061	2,235,146
Capital contributions - state and federal grants	110,520	80,002	184,630	516,596	201,020	233,349	200,878	33,404	46,708	20,458
Change in net position before special item	\$ 1,694,910	\$ 1,322,714	\$ 3,192,563	\$ 4,524,591	\$ 3,418,494	\$ 3,922,872	\$ 2,129,210	\$ 2,019,538	\$ 2,694,769	\$ 2,255,604
Cumulative effect of change in accounting principle (1)	(188,135)									
CHANGE IN NET POSITION	\$ 1,506,775	\$ 1,322,714	\$ 3,192,563	\$ 4,524,591	\$ 3,418,494	\$ 3,922,872	\$ 2,129,210	\$ 2,019,538	\$ 2,694,769	\$ 2,255,604

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

MORAINE PARK TECHNICAL COLLEGE DISTRICT

**DISTRIBUTION OF REAL PROPERTY ON AN EQUALIZED VALUE BASIS
DODGE, FOND DU LAC, GREEN LAKE, AND WASHINGTON COUNTIES (1)
Last Ten Calendar Years (Jan. 1 to Dec. 31)**

(Amounts in thousands)

Year	Residential	Commercial	Manufacturing	Agricultural and Other	Undeveloped	Forest	Personal Property	Total	District Equalized Valuation (2)	Total Direct Tax Rate
2003	15,740,796.9	2,856,223.0	768,039.8	1,004,995.1	222,723.1	157,999.8	487,894.1	21,238,671.8	17,316,630.2	1.52560
% of Total	74.3%	13.4%	3.6%	4.7%	1.0%	0.7%	2.3%			
2004	17,217,395.4	3,043,120.2	785,351.3	1,045,782.6	126,810.2	179,349.4	479,152.7	22,248,725.2	18,691,985.7	1.47345
% of Total	77.3%	13.7%	3.5%	4.7%	0.6%	0.8%	2.2%			
2005	18,850,881.0	3,261,925.4	791,022.6	1,145,038.6	160,361.5	101,008.6	498,736.3	24,808,974.0	20,228,965.2	1.42791
% of Total	76.1%	13.1%	3.2%	4.6%	0.6%	0.4%	2.0%			
2006	20,712,650.3	3,613,206.9	804,390.8	1,216,541.0	189,718.7	87,951.2	529,168.9	27,153,627.8	22,118,648.6	1.36957
% of Total	76.3%	13.3%	3.0%	4.5%	0.7%	0.3%	1.9%			
2007	21,967,110.3	3,858,810.8	834,029.4	1,262,537.1	200,164.2	81,816.6	583,132.5	28,787,600.9	23,503,676.7	1.34014
% of Total	76.3%	13.4%	2.9%	4.4%	0.7%	0.3%	2.0%			
2008	22,626,696.4	4,198,481.9	860,230.4	1,268,923.2	192,994.3	80,637.5	645,916.6	29,873,880.3	24,401,644.4	1.34277
% of Total	75.7%	14.1%	2.9%	4.2%	0.6%	0.3%	2.2%			
2009	22,636,229.0	4,375,567.3	886,378.7	1,269,118.4	189,435.8	76,674.2	672,636.6	30,106,040.0	24,599,146.1	1.38568
% of Total	75.3%	14.5%	2.9%	4.2%	0.6%	0.3%	2.2%			
2010	22,144,570.5	4,235,850.4	886,502.6	1,261,611.6	182,828.8	70,938.4	644,506.6	29,426,808.9	24,060,945.2	1.45589
% of Total	75.3%	14.4%	3.0%	4.3%	0.6%	0.2%	2.2%			
2011	21,722,216.8	4,203,614.0	888,321.6	1,246,917.2	181,011.5	68,958.4	617,015.0	28,928,054.5	23,617,193.7	1.48102
% of Total	75.2%	14.5%	3.1%	4.3%	0.6%	0.2%	2.1%			
2012	20,715,776.6	4,161,536.3	903,592.6	1,249,239.5	186,358.1	63,584.9	637,151.1	27,917,239.1	22,821,371.0	1.54062
% of Total	74.2%	14.9%	3.2%	4.5%	0.7%	0.2%	2.3%			

Source: Wisconsin Department of Revenue, Bureau of Local Financial Assistance.

Notes:

(1) The District is comprised of all or the majority of four counties (Dodge, Fond du Lac, Green Lake, and Washington), which make up over 97% of the District's equalized valuation, and parts of six other counties (Calumet, Columbia, Marquette, Sheboygan, Waushara, and Winnebago). Real property values are presented for all of Dodge, Fond du Lac, Green Lake, and Washington counties. Therefore, the above total column will be greater than the District Equalized Valuation column which includes only the in-District valuation for the four counties.

(2) Due to varying assessment policies in the municipalities contained in the District, the District uses equalized value of taxable property for tax levy purposes. The equalized value of property approximates estimated actual (full) value of taxable property in the State of Wisconsin. The District Equalized Valuation is the equalized value of property, excluding tax incremental financing districts, within the District. Amount shown is for the four counties listed only.

MORaine PARK TECHNICAL COLLEGE DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
 Last Ten Years
 (Rate per \$1,000 of Equalized Value)

District direct rates	Calendar Year Taxes are Payable									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Operational	\$ 1,28490	\$ 1,24206	\$ 1,21929	\$ 1,15715	\$ 1,10184	\$ 1,09180	\$ 1,10228	\$ 1,15469	\$ 1,18375	\$ 1,20767
Debt Service	0.25572	0.23896	0.2366	0.22853	0.24093	0.24834	0.26729	0.27322	0.2897	0.31793
Total Direct Rate	1.54062	1.48102	1.45589	1.38568	1.34277	1.34014	1.36957	1.42791	1.47345	1.52560
Calumet County										
T Brothertown	21.39	20.48	20.11	19.31	18.46	18.20	18.03	18.52	20.59	21.54
T Charlestown	21.49	20.16	19.88	19.19	18.38	18.27	18.09	18.51	20.53	21.18
T New Holstein	18.14	17.65	17.60	16.69	15.70	15.54	15.20	15.67	17.17	17.53
C New Holstein	25.82	25.11	24.78	23.95	22.62	21.80	21.90	21.70	23.48	23.76
Columbia County										
T Marcellon	19.62	19.21	18.52	17.61	15.67	15.22	14.40	15.21	16.14	15.69
T Scott	19.41	19.24	18.66	17.33	15.86	15.92	15.66	15.81	17.53	17.68
Dodge County										
T Ashippun	20.77	19.66	19.15	18.27	16.76	16.51	16.63	17.36	19.59	20.43
T Beaver Dam	17.71	17.41	18.11	16.76	16.07	15.94	16.19	17.47	18.73	19.38
T Burnett	20.08	20.01	19.94	19.02	18.04	18.07	17.71	18.74	20.48	20.13
T Calamus	20.04	20.16	20.21	18.75	17.66	17.93	18.32	18.64	21.20	21.59
T Chester	19.90	19.11	19.17	17.32	16.48	16.67	16.47	17.70	19.46	18.89
T Clyman	21.43	21.14	21.12	19.99	18.87	19.79	19.85	20.73	21.78	22.03
T Elba	20.85	20.17	19.48	18.01	17.24	17.96	17.86	18.53	20.48	20.37
T Fox Lake	20.95	20.03	20.02	18.09	17.25	17.54	17.62	19.07	21.05	21.22
T Herman	21.02	20.58	20.50	19.00	17.92	19.26	19.25	20.07	24.21	24.83
T Hubbard	19.57	19.15	18.91	18.10	17.14	17.50	17.35	18.63	19.99	20.35
T Hustisford	19.91	19.20	19.12	18.38	17.79	18.71	18.94	20.19	20.94	22.14
T Lebanon	21.30	20.49	19.84	18.62	17.83	18.03	18.01	18.87	20.88	21.19
T Leroy	21.11	21.00	20.26	18.68	18.00	19.17	19.16	20.69	21.90	21.36
T Lomira	19.20	19.74	19.23	18.07	17.33	17.32	16.75	18.91	20.60	20.97
T Lowell	22.12	22.00	22.22	21.46	19.78	20.56	20.35	21.32	22.64	23.35
T Oak Grove	20.91	20.85	20.99	20.03	18.96	19.51	19.43	20.36	21.46	22.10
T Rubicon	19.52	19.27	19.74	18.62	17.80	18.04	18.32	18.73	20.93	20.69
T Shields	20.73	20.47	19.48	18.01	17.23	16.71	16.75	17.70	19.81	19.14
T Theresa	20.14	20.51	19.90	18.53	17.46	17.83	17.52	17.83	20.80	21.09
T Trenton	19.38	18.85	19.30	17.81	17.03	17.07	17.14	18.61	20.18	20.43
T Westford	18.56	18.13	18.28	17.05	16.07	16.34	16.77	18.10	19.27	20.11
T Williamstown	15.41	15.40	14.73	13.80	13.25	13.81	13.42	14.71	18.60	18.26
V Brownsville	21.61	21.77	21.23	19.72	18.40	20.27	19.81	21.80	23.57	23.37
V Clyman	30.26	29.74	30.13	28.32	25.52	26.55	26.25	27.35	28.33	29.39

MORaine PARK TECHNICAL COLLEGE DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Years

(Rate per \$1,000 of Equalized Value)

	Calendar Year Taxes are Payable									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
V Hustisford	25.33	23.77	23.35	22.61	21.69	22.48	22.50	23.69	24.92	26.43
V of Iron Ridge	21.87	21.72	21.39	20.93	19.94	19.84	19.44	20.63	22.43	21.81
V Kekoskee	18.04	17.79	17.18	16.35	15.95	15.80	15.54	17.16	18.24	17.99
V Lomira	21.95	22.81	22.01	20.43	19.08	19.11	17.73	19.62	21.26	21.83
V Lowell	27.74	27.50	25.94	26.68	23.72	25.20	25.44	26.63	28.55	31.57
V Neosho	21.61	21.11	20.61	19.86	19.39	19.54	19.53	23.28	23.10	23.10
V Reeseville	23.81	23.56	23.56	22.31	21.09	21.97	22.03	22.68	23.37	24.58
V Theresa	20.95	21.31	20.55	19.04	18.01	18.38	18.35	20.27	22.01	22.92
C Beaver Dam	25.16	24.32	24.64	22.41	21.51	21.40	22.26	24.05	25.49	26.73
C Fox Lake	29.58	28.55	26.51	24.17	23.47	24.09	24.06	25.24	27.06	26.77
C Hartford	24.51	23.81	24.51	22.99	21.78	22.16	22.93	23.50	25.62	26.32
C Horton	25.90	26.39	25.66	24.40	23.00	23.23	23.04	24.41	26.18	25.41
C Juneau	28.96	28.72	27.68	26.20	24.84	25.83	25.52	27.04	27.47	28.95
C Mayville	25.59	24.85	24.07	22.74	21.82	21.46	21.15	22.86	23.90	24.04
C Waupun	24.41	23.40	23.63	21.68	20.81	21.30	21.28	22.73	24.44	24.06
Fond du Lac County										
T Alto	21.46	22.40	21.06	19.18	18.14	17.88	17.63	18.66	19.82	19.90
T Ashford	19.96	18.96	18.58	17.78	17.52	16.67	16.51	17.31	17.41	17.70
T Auburn	19.47	18.28	18.08	17.35	16.92	16.33	16.02	16.90	17.23	17.40
T Byron	19.93	19.48	19.08	17.63	16.38	16.48	16.76	17.09	18.15	18.38
T Calumet	18.85	18.38	18.34	17.59	16.28	15.83	15.20	15.89	17.17	17.23
T Eden	19.87	18.86	18.58	17.79	17.68	17.49	17.67	18.23	18.35	18.36
T El dorado	21.57	19.37	20.55	20.03	18.72	18.89	18.89	20.69	20.76	20.76
T Empire	19.66	18.69	18.33	17.42	16.84	16.63	16.28	16.92	17.49	17.46
T Fond du Lac	20.70	19.97	19.95	18.50	17.66	16.78	16.49	17.18	17.84	17.70
T Forest	19.06	18.02	17.71	17.02	16.83	16.31	15.68	16.64	16.70	16.87
T Friendship	18.15	17.61	16.88	15.52	15.68	15.39	15.08	15.95	16.55	15.93
T Lamartine	21.69	20.08	20.53	19.23	18.62	18.75	19.43	19.69	20.57	20.94
T Marshfield	18.47	18.05	17.95	17.13	15.94	15.81	15.20	15.79	16.30	16.16
T Metomen	21.76	20.93	21.14	20.34	18.89	19.01	19.44	20.32	21.54	21.03
T Oakfield	22.32	21.41	20.85	19.12	19.17	19.21	20.59	19.22	20.86	21.69
T Osceola	19.22	18.21	17.90	17.02	16.87	16.01	15.50	15.98	15.97	15.83
T Ripon	23.45	23.32	22.99	21.84	20.09	19.13	19.95	19.88	21.04	20.92
T Rosendale	21.70	20.75	21.25	20.65	19.33	19.38	19.67	20.87	21.68	21.61
T Springvale	20.82	19.44	20.99	20.08	18.65	18.87	18.88	20.46	20.75	20.75
T Taycheedah	19.78	18.49	18.38	17.32	16.36	16.38	15.89	16.43	17.13	17.07
T Waupun	20.84	19.94	20.06	18.08	17.19	17.10	16.84	17.76	18.85	18.30
V Brandon	26.41	24.65	26.47	25.60	23.23	23.24	23.08	24.94	25.03	24.36
V Campbellsport	26.00	24.57	23.93	23.12	22.31	21.41	21.44	22.46	22.39	21.31

Legend: T - Town, V - Village, C - City

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES
 Last Ten Years
 (Rate per \$1,000 of Equalized Value)

	Calendar Year Taxes are Payable									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
V of Eden	18.59	17.56	17.26	16.48	16.33	15.46	15.15	15.75	15.74	15.88
V Fairwater	26.51	25.13	24.53	21.14	20.25	20.15	18.74	19.24	20.69	21.24
V Mount Calvary	18.93	18.51	18.53	17.92	16.44	14.63	13.91	14.44	15.63	15.94
V North Fond du Lac	25.31	24.62	23.55	22.13	22.14	21.88	21.65	23.68	23.52	22.75
V Oakfield	26.45	25.33	25.75	23.53	23.55	23.30	24.49	23.08	24.25	25.59
V Rosendale	21.93	20.26	22.13	21.54	20.16	20.30	20.09	21.73	21.77	21.69
V Saint Cloud	22.21	21.63	21.52	21.34	19.24	18.72	18.13	18.93	20.15	19.91
C Fond du Lac	25.39	24.29	23.76	22.47	21.68	21.87	21.70	22.50	23.11	22.87
C Ripon	26.07	25.91	24.62	23.73	22.11	22.52	23.30	23.50	25.55	25.45
C Waupun	24.59	23.54	23.78	21.67	20.72	21.02	20.89	22.04	23.32	22.94
Green Lake County										
T Berlin	17.04	16.01	15.71	15.27	14.23	14.37	14.70	15.85	16.81	16.88
T Brooklyn	15.13	14.15	13.98	13.34	12.91	13.44	13.73	15.29	16.13	17.00
T Green Lake	19.15	17.50	16.96	15.84	15.26	15.86	15.32	16.59	17.98	19.23
T Kingston	23.70	21.95	21.32	20.00	19.23	19.69	18.51	19.54	21.23	22.00
T Mackford	23.94	22.25	21.67	20.18	19.50	20.23	19.51	20.20	22.20	23.40
T Manchester	22.69	20.97	20.36	18.84	18.21	18.71	17.62	18.45	20.09	20.58
T Marquette	21.85	20.07	19.47	18.34	17.67	17.95	16.55	17.50	18.88	19.81
T Princeton	18.05	16.26	15.64	15.29	14.99	15.00	14.70	15.55	16.64	17.36
T Saint Marie	19.20	17.51	16.91	16.53	16.22	16.14	15.84	16.59	17.74	18.08
T Seneca	19.54	18.45	18.14	17.67	16.60	16.82	16.91	18.08	19.11	19.01
V Kingston	24.36	22.73	22.03	20.59	19.69	20.15	18.87	20.01	21.75	22.73
V Marquette	23.18	21.49	20.16	19.00	18.04	18.52	17.46	18.19	19.96	21.08
C Berlin	25.97	24.58	24.31	23.80	22.73	22.45	22.72	24.19	25.08	24.63
C Green Lake	17.94	17.28	17.34	16.62	16.25	17.27	17.67	19.12	19.99	21.41
C Markesan	28.00	26.57	25.20	23.75	23.33	23.61	22.63	23.93	25.58	26.53
C Princeton	28.29	26.03	24.40	23.50	22.99	19.12	18.77	19.62	20.79	24.97
Marquette County										
T Buffalo	18.65	17.55	17.17	17.45	16.49	15.91	15.43	16.19	17.04	17.44
T Mecan	18.71	17.61	17.20	17.36	16.49	15.91	15.49	16.17	17.12	17.38
T Montello	18.57	17.59	17.21	17.40	16.44	15.87	15.30	16.03	16.96	16.95
T Neshkoro	19.24	18.11	18.23	16.63	15.75	16.01	15.70	16.91	17.48	17.86
Sheboygan County										
T Greenbush	17.26	16.46	16.23	15.15	14.39	14.71	15.01	16.08	16.54	16.89
T Russell	18.23	17.92	18.03	17.50	16.53	16.83	17.26	17.70	19.17	19.46
Washington County										
T Addison	17.34	16.70	16.65	15.89	15.42	15.27	15.43	16.14	17.85	17.62
T Barton	16.06	15.63	15.61	14.49	13.62	13.60	13.42	13.99	15.07	15.25

Legend: T - Town, V - Village, C - City

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES
 Last Ten Years
 (Rate per \$1,000 of Equalized Value)

	Calendar Year Taxes are Payable									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
T Erin	15.94	15.79	16.42	15.67	14.99	14.97	14.95	15.57	17.10	17.37
T Farmington	15.59	14.64	14.81	14.25	13.60	13.65	13.17	14.36	14.90	15.42
T Hartford	17.00	16.57	16.54	15.72	14.77	14.90	15.01	15.45	17.03	17.77
T Jackson	16.56	16.12	16.24	15.16	13.98	13.74	13.72	14.41	15.43	16.26
T Kewaskum	16.89	15.97	16.08	15.51	14.70	14.72	14.37	15.67	16.29	16.98
T Polk	15.17	14.58	14.66	14.03	13.58	13.40	13.41	14.17	15.66	15.59
T Richfield (now V of Richfield)	-	-	-	-	-	15.26	15.34	16.24	17.48	18.14
T Trenton	15.60	15.22	15.11	13.92	12.99	12.88	12.74	13.14	14.29	14.69
T Wayne	15.69	14.71	14.85	14.33	13.56	13.71	13.45	14.69	15.35	15.94
T West Bend	15.24	14.72	14.80	13.82	13.15	13.02	12.95	13.43	14.77	14.88
V Jackson	21.30	20.56	20.16	18.71	17.57	16.84	16.55	16.97	18.34	19.17
V Kewaskum	20.97	19.57	19.58	19.02	17.89	17.95	17.49	18.98	19.83	20.47
V Newburg	19.17	19.13	18.55	17.53	16.23	16.07	15.72	16.15	17.38	17.96
V Richfield (formerly T of Richfield)	16.87	16.69	17.03	16.18	15.47	-	-	-	-	-
V Slinger	21.05	20.25	20.20	19.11	18.52	18.48	18.50	19.71	21.35	21.22
C Hartford	21.67	21.13	21.05	19.74	18.51	19.01	19.34	19.83	21.88	23.58
C West Bend	21.77	21.16	21.26	19.73	18.83	18.77	18.55	18.93	20.34	20.98
Waushara County										
T Aurora	19.63	18.99	18.58	18.07	16.72	16.93	17.25	18.32	19.01	18.88
T Bloomfield	18.96	17.79	17.53	17.49	15.98	16.69	16.51	17.11	18.20	18.19
T Leon	18.57	18.08	17.41	17.12	15.64	16.20	16.37	17.24	18.17	18.23
T Marion	18.55	18.09	17.01	16.93	15.26	15.78	15.80	16.82	17.53	18.11
T Poy Sippi	19.33	18.72	18.30	17.76	16.40	16.64	16.98	18.07	18.91	18.74
T Saxeville	18.90	18.35	17.85	17.47	16.15	16.68	17.01	17.77	19.10	18.73
T Warren	19.45	18.87	18.18	17.85	16.29	16.78	16.96	18.04	18.77	18.78
C Berlin	26.17	25.23	24.86	24.29	22.94	22.67	22.94	24.28	25.05	24.25
Winnebago County										
T Nekimi	18.81	18.28	18.58	17.41	16.62	16.86	16.64	16.63	17.49	17.39
T Nepeuskun	22.00	21.65	21.47	20.89	19.79	19.16	19.35	19.78	21.22	21.21
T Rushford	20.87	20.68	19.80	18.82	18.21	18.88	18.15	18.30	20.89	19.91
T Utica	21.82	21.35	20.06	18.89	18.26	17.31	17.05	18.15	18.55	19.57

Source: Town, Village, and City Taxes, Wisconsin Department of Revenue.

- Notes:
- (1) The operational property tax levies for all District funds except the debt service fund. By state statutes, the operational rate may not exceed \$1.50.
 - (2) Tax rates shown for overlapping governments are the Full Value Rates - Gross. This rate is the total property tax divided by the full value of all taxable general property in the municipality, excluding tax incremental financing (TIF) districts. Total property tax includes state taxes and special charges on counties and tax districts, state trust fund loans, general county and county special purpose taxes, local taxes, county special charges, special purpose district taxes, and school taxes (elementary, secondary, and technical college). It reflects the amount of surplus funds applied (if any) by a tax district to reduce any of the above appointments or charges. It does not include special assessments and charges to individuals, delinquent taxes, omitted taxes, forest crop taxes, managed forest land taxes, or occupational taxes.

MORAINE PARK TECHNICAL COLLEGE DISTRICT

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
		Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy
2004	\$ 27,215,732	\$ 20,185,492	74.17%	\$ 7,030,240		\$ 27,215,732	100.00%
2005	28,336,008	21,156,408	74.66%	7,179,600		28,336,008	100.00%
2006	29,707,291	22,223,699	74.81%	7,483,592		29,707,291	100.00%
2007	31,132,841	22,997,196	73.87%	8,135,645		31,132,841	100.00%
2008	32,378,155	23,789,394	73.47%	8,588,761		32,378,155	100.00%
2009	33,673,281	24,319,177	72.22%	9,354,104		33,673,281	100.00%
2010	35,016,845	25,123,660	71.75%	9,893,185		35,016,845	100.00%
2011	35,997,317	25,935,809	72.05%	10,061,508		35,997,317	100.00%
2012	35,947,317	26,137,048	72.71%	9,810,269		35,947,317	100.00%
2013	36,147,317	26,513,344	73.35%	-		26,513,344	73.35%

Note: Under Wisconsin law, personal property taxes and first installment real estate taxes are collected by city, village, and town treasurers/clerks, who then make settlement with the county treasurer for certain purposes. Second installment real estate taxes and delinquent taxes are collected by the county treasurer who then makes settlement with city, village, and town treasurers/clerks before retaining any for county purposes. In practice, any delinquent real estate taxes are withheld from the county's share. Therefore, the District will receive 100% of its levy upon receipt of the final settlement from the county treasurer.

MORaine PARK TECHNICAL COLLEGE DISTRICT

PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

Name of Business	Type of Business	Year Ended June 30, 2013			Year Ended June 30, 2004		
		2012 Equalized Valuation	Rank	Percent of MPTC Total Equalized Valuation	2003 Equalized Valuation	Rank	Percent of MPTC Total Equalized Valuation
Wal-Mart Real Estate	Commercial development, leasing, construction	\$ 83,985,860	1	0.35%	\$ -	-	- %
Quad/Graphics Inc. (Dodge County)	Commercial lithographic printing	69,650,140	2	0.29	56,018,186	1	0.31
West Bend Mutual Insurance Co.	Insurance	63,055,200	3	0.26	-	-	-
Mercury Marine/Brunswick	Manufacturer of marine motors, parts	38,381,464	4	0.16	36,515,425	2	0.20
Agnesian Healthcare	Health care	33,875,891	5	0.14	16,569,856	8	0.09
Cabela's Retail Inc.	Retail store	27,956,100	6	0.12	-	-	-
John Deere	Manufacturer of lawn tractors	27,002,463	7	0.11	25,135,330	3	0.14
Michels Pipeline Construction	Pipeline construction	26,309,534	8	0.11	-	-	-
John Mark Apartment Complexes	Apartment buildings	25,166,816	9	0.10	22,338,403	4	0.13
Mayville Engineering Co.	Custom stamping	22,810,192	10	0.09	-	-	-
Sysco Foods	Frozen foods	-	-	-	20,690,200	5	0.12
Valley Realty LLC	Commercial warehousing	-	-	-	20,308,888	6	0.11
Simon Property	Commercial property - mail	-	-	-	17,615,327	7	0.10
Paradise Development	Multi-family housing	-	-	-	16,289,500	9	0.09
Regal Ware, Inc.	Manufacturer - cookware and appliances	-	-	-	15,709,600	10	0.09
Total		\$ 418,193,660		1.72%	\$ 247,190,715		1.39%

Source: RW Baird & Co.

MORAINE PARK TECHNICAL COLLEGE DISTRICT

ENROLLMENT STATISTICS
Last Ten Fiscal Years

Student Enrollment (1)

Year Ended <u>June 30,</u>	Associate <u>Degree</u>	Technical <u>Diploma</u>	Vocational <u>Adult</u>	Community <u>Service</u>	Non-Post <u>Secondary</u>	<u>Total</u>	Unduplicated <u>Total</u>
2004	31,115	8,652	14,217	49	8,325	62,358	22,756
2005	31,207	8,124	13,289	59	7,915	60,594	21,500
2006	32,032	8,153	13,331	29	7,728	61,273	22,305
2007	28,053	7,785	13,132	6	7,687	56,663	20,516
2008	27,637	7,638	13,175	8	8,522	56,980	20,020
2009	29,102	7,885	12,167	49	8,361	57,564	18,490
2010	33,133	7,911	11,513	1,445	9,984	63,986	18,784
2011	32,459	7,135	10,930	1,325	9,163	61,012	18,712
2012	27,951	7,570	9,446	1,652	8,483	55,102	17,279
2013	27,172	7,131	7,989	2,279	9,797	54,368	16,223

Full-time Equivalent (2)

Year Ended <u>June 30,</u>	Associate <u>Degree</u>	Technical <u>Diploma</u>	Vocational <u>Adult</u>	Community <u>Service</u>	Non-Post <u>Secondary</u>	<u>Total</u>
2004	2,166	695	135	-	265	3,261
2005	2,247	648	124	-	230	3,249
2006	2,245	665	125	-	228	3,263
2007	2,133	642	124	-	222	3,121
2008	2,086	634	130	-	244	3,094
2009	2,240	647	109	-	237	3,233
2010	2,620	642	108	9	269	3,648
2011	2,571	593	100	8	254	3,526
2012	2,205	609	84	7	233	3,138
2013	2,129	559	76	9	269	3,042

Notes:

- (1) Student enrollment represents the duplicated count of citizens enrolled in District courses per the Student Headcount Summary by Aid Category and Instructional Division (VE215572) report from the WTCS client reporting system. The unduplicated total is per the Student Headcount Summary by Course Aid Category (VE215512) report.
- (2) Full-time equivalent data per the FTE Student Summary by Aid Category and Instructional Division (VE215570A) report from the WTCS client reporting system. A full-time equivalent is basically equal to 30 annual student credits based on a mathematical calculation which varies somewhat by program and which is subject to state approval and audit of student and course data.

MORAINE PARK TECHNICAL COLLEGE DISTRICT

**SCHEDULE OF PER CREDIT PROGRAM FEES CHARGED
Last Ten Fiscal Years**

<u>Year</u>	<u>Post Secondary Vocational Adult</u>		<u>Non-Aidable (2)</u>
	<u>Resident</u>	<u>Out of State (1)</u>	
2003-04	\$ 70.00	\$ 489.75	65.00
2004-05	76.00	488.10	65.00
2005-06	80.50	510.30	65.00
2006-07	87.00	536.30	65.00
2007-08	92.05	570.55	65.00
2008-09	97.05	497.20	80.00
2009-10	101.40	505.45	175.00
2010-11	106.00	53.00	180.00
2011-12	111.85	55.95	195.00
2012-13	116.90	58.45	202.00

Additional Per Credit Fees

Material Fees

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

Supplemental Fees

A supplemental fee is charged to all students enrolling in post secondary courses. This fee supports Student Senate, clubs and associations, and the College Life department. The fee was set at 5% of program fees for the 2012-13 academic year.

Notes:

- (1) Out-of-state tuition excludes those students covered by reciprocal agreements.
- (2) During 2009-10 the WTCS evaluated the utilization of professional development and avocational courses, requiring that many courses be transitioned to the avocational category which operates under different pricing regulations whereby fees are not set by the WTCS. Previous to this time, Moraine Park had not run avocational courses in many years and had not evaluated appropriate pricing until required by the State to transition courses and price appropriately.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Year ended June 30,	District Population (1)	Equalized Valuation - TID In	General Obligation Notes	General Obligation Bonds	Debt Service Fund Assets Available	Net Total Debt (2)		
						Amount	Percent of Equalized Valuation	Per Capita
2004	294,776	\$ 18,454,700,019	\$ 16,445,000	\$ 4,305,000	\$ 60,577	\$ 20,689,423	0.11%	\$ 70
2005	297,263	19,859,334,477	17,265,000	4,050,000	64,738	21,250,262	0.11	71
2006	300,232	21,503,125,449	19,810,000	3,780,000	173,182	23,416,818	0.11	78
2007	302,625	23,523,243,255	19,970,000	3,490,000	389,162	23,070,838	0.10	76
2008	304,520	24,944,655,971	19,225,000	3,185,000	171,867	22,238,133	0.09	73
2009	306,507	25,919,263,048	20,095,000	2,860,000	60,491	22,894,509	0.09	75
2010	307,917	26,124,030,330	20,580,000	2,515,000	200,811	22,894,189	0.09	74
2011	308,423	25,560,469,384	22,790,000	-	-	22,790,000	0.09	73
2012	307,008	25,115,841,233	22,485,000	-	111,668	22,373,332	0.09	73
2013	301,626	24,291,662,323	23,295,000	-	222,883	23,072,117	0.09	76

Notes:

(1) Source: Wisconsin Department of Administration. Figures represent population estimates available from the prior calendar year end. For example, year ended June 30, 2013 population estimates are calendar year 2012 population estimates.

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

MORAINE PARK TECHNICAL COLLEGE DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
For the Year Ended June 30, 2013

Name of Entity (1)	Net Debt Outstanding	Percent Applicable to District (2)	Outstanding Debt Applicable to District
Calumet County	\$ 7,035,000	8.65%	\$ 608,528
Columbia County	22,720,000	0.10	22,720
Dodge County	41,980,000	79.15	33,227,170
Fond du Lac County	69,970,000	100	69,970,000
Green Lake County	20,538,710	100	20,538,710
Marquette County	12,647,237	1.96	247,886
Sheboygan County	18,900,000	0.09	17,010
Washington County	17,120,000	77.28	13,230,336
Waushara County	5,975,000	8.49	507,278
Winnebago County	46,469,519	0.95	441,460
Total Cities	240,970,114	Varies	240,970,114
Total Towns	9,417,993	Varies	8,520,162
Total Villages	53,169,952	100	53,169,952
Total School Districts	205,034,070	Varies	200,310,852
Total Sanitary Districts	5,899,489	100	5,899,489
Subtotal, overlapping debt			647,681,667
District Direct Debt			
General Obligation Notes			23,295,000
General Obligation Bonds			-
Subtotal, District direct debt			23,295,000
Total direct and overlapping debt			<u>\$ 670,976,667</u>

Statistical Summary

2012 Equalized Valuation - TID In	<u>\$ 24,291,662,363</u>
Direct District Indebtedness	23,295,000
Overlapping and Underlying Indebtedness	<u>647,681,667</u>
Total Direct, Overlapping and Underlying Indebtedness	<u>\$ 670,976,667</u>
Direct, Overlapping and Underlying Indebtedness as a Percentage of Equalized Value	2.76%
Population of District	301,626
Direct, Overlapping and Underlying Indebtedness - Per Capita	<u>\$ 2,224.53</u>

Source: R.W. Baird & Co.

Notes:

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

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
LEGAL DEBT MARGIN INFORMATION

Legal Debt Margin Calculations for Fiscal year 2013

2012 Equalized Valuation - TID In	<u>\$ 24,291,662,363</u>	
<u>Total Debt</u>		
Total debt limit (5% of equalized valuation)	\$ 1,214,583,118	\$ 485,833,247
Debt applicable to limit:		
General obligation notes	23,295,000	
General obligation bonds	-	
Less: debt service funds available (GAAP Basis)	<u>222,883</u>	
Total amount of debt applicable to debt limit	<u>23,072,117</u>	
Legal total debt margin	<u>\$ 1,191,511,001</u>	<u>\$ 485,833,247</u>

Legal Debt Margin, Last Ten Fiscal Years

<u>Total Debt</u>			<u>Bonded Indebtedness</u>		
Year	Debt Limit	Total net debt applicable to the limit	Year	Debt Limit	Total net debt applicable to the limit as a percentage of debt limit
2004	\$ 922,735,001	\$ 20,689,423	2004	\$ 369,094,000	1.15%
2005	992,966,724	21,250,262	2005	397,186,690	1.00
2006	1,075,156,272	23,416,818	2006	430,062,509	0.87
2007	1,176,162,163	23,070,838	2007	470,464,865	0.73
2008	1,247,232,799	22,238,133	2008	498,893,119	0.63
2009	1,295,963,152	22,894,509	2009	518,385,261	0.55
2010	1,306,201,517	22,894,189	2010	522,480,607	0.48
2011	1,278,023,469	22,790,000	2011	511,209,388	-
2012	1,255,792,062	22,373,332	2012	502,316,825	-
2013	1,214,583,118	23,072,117	2013	485,833,247	-

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

DEMOGRAPHIC STATISTICS FOR DODGE, FOND DU LAC, GREEN LAKE, AND WASHINGTON COUNTIES (1)
For the Calendar Years Ended June 30, 2003 to 2012

Year	Dodge County					Fond du Lac County				
	Population (2)	Personal Income (3) (000's)	Per Capita Personal Income (4)	Unemployment Rate (5)	Public School Enrollment (6)	Population (2)	Personal Income (3) (000's)	Per Capita Personal Income (4)	Unemployment Rate (5)	Public School Enrollment (6)
2003	87,589	\$ 2,284,426	\$ 26,078	5.9%	8,447	99,205	\$ 2,952,326	\$ 29,760	5.3%	15,707
2004	88,285	2,366,770	26,808	5.3%	8,354	99,608	3,088,374	31,005	4.7%	15,634
2005	88,748	2,463,875	27,763	5.0%	8,028	100,180	3,215,463	32,097	4.7%	15,043
2006	89,063	2,522,272	28,320	5.0%	8,176	100,716	3,250,875	32,278	4.7%	15,854
2007	89,225	2,697,765	30,236	5.1%	8,123	101,174	3,475,319	34,350	4.8%	15,771
2008	89,810	2,877,980	32,045	4.9%	8,216	101,740	3,649,137	35,867	4.7%	15,772
2009	90,022	2,818,366	31,308	9.3%	8,382	102,151	3,541,333	34,668	8.9%	15,668
2010	89,962	2,927,502	32,542	8.9%	8,406	102,385	3,765,312	36,776	8.2%	15,393
2011	88,789	3,110,733	35,035	7.8%	8,429	101,740	3,766,440	37,020	7.2%	15,270
2012	88,692	(7)	(7)	7.3%	8,496	101,955	(7)	(7)	6.6%	15,415

Year	Green Lake County					Washington County				
	Population (2)	Personal Income (3) (000's)	Per Capita Personal Income (4)	Unemployment Rate (5)	Public School Enrollment (6)	Population (2)	Personal Income (3) (000's)	Per Capita Personal Income (4)	Unemployment Rate (5)	Public School Enrollment (6)
2003	19,250	\$ 516,034	\$ 26,807	6.9%	3,410	121,929	\$ 4,223,083	\$ 34,636	5.2%	19,670
2004	19,344	558,102	28,851	5.8%	3,395	123,587	4,485,117	36,291	4.4%	19,700
2005	19,375	582,401	30,059	5.8%	3,277	125,940	4,740,197	37,639	4.2%	19,348
2006	19,353	597,655	30,882	5.5%	3,288	127,871	5,038,068	39,400	4.2%	19,817
2007	19,446	623,121	32,044	5.5%	3,230	129,316	5,295,779	40,952	4.3%	19,917
2008	19,416	655,216	33,746	5.4%	3,171	130,493	5,601,414	42,925	4.2%	19,913
2009	19,728	645,746	32,732	9.5%	3,038	131,066	5,336,197	40,714	8.6%	20,147
2010	19,772	644,162	32,580	9.3%	3,085	131,343	5,666,106	43,140	8.0%	20,074
2011	19,091	724,819	37,967	8.1%	3,167	132,206	5,978,473	45,221	6.9%	20,215
2012	19,106	(7)	(7)	7.6%	3,164	132,482	(7)	(7)	6.4%	20,173

Notes:

- (1) Dodge, Fond du Lac, Green Lake, and Washington comprise over 97% of the District's total equalized valuation. The District includes all or the majority of these four counties and parts of six other counties (Calumet, Columbia, Marquette, Sheboygan, Waushara, and Winnebago).
- (2) Source: Wisconsin Department of Administration compiled by Institutional Research Department of the District.
- (3) Source: US Department of Commerce, Bureau of Economic Analysis.
- (4) Calculated value: Population / Personal Income.
- (5) Source: Wisconsin Department of Workforce Development.
- (6) Source: Wisconsin Department of Public Instruction.
- (7) Information not yet available.

MORAINE PARK TECHNICAL COLLEGE DISTRICT

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Name of Business	Type of Business	Year Ended June 30, 2013			Year Ended June 30, 2004		
		Number of Employees	Rank	Percent of District Population	Number of Employees	Rank	Percent of District Population
Agnesian Health Care	Health care	2,730	1	.91%	2,300	3	0.78%
Mercury Marine/Brunswick	Manufacturer of marine motors, parts	2,300	2	0.76	3,300	1	1.12
Alliance Laundry Systems	Manufacturer of wash machines and dryers	1,415	3	0.47	1,000	8	0.34
Wal-Mart Stores	Retail	1,150	4	0.38	-	-	-
Aurora Medical Center	Health care	1,053	5	0.35	-	-	-
Quad/Graphics Inc. (Dodge and Washington Counties) (1)	Commercial lithographic printing	1,000	6	0.33	2,635	2	0.89
Wisconsin Department of Corrections (2)	Dodge, Waupun, Fox Lake, Fond du Lac, and	1,000	7	0.33	1,523	4	0.52
Fond du Lac County	Government	900	8	-	1,058	7	0.36
West Bend Joint School District No. 1	Education	882	9	0.29	1,000	9	0.34
Fond du Lac School District	Education	803	10	0.27	-	-	-
John Deere	Manufacturer of lawn tractors	-	-	0.00	1,415	5	0.48
Beaver Dam Community Hospital	Nursing home and hospital	-	-	0.00	985	10	0.33
Moraine Park Technical College	Education	-	-	-	1,113	6	0.38
Total		13,233		4.38%	16,329		5.54%

Source: RW Baird & Co.

Notes:

(1) Included only Dodge County in 2004.

(2) Included only Dodge, Waupun, and Fox Lake Correctional Facilities in 2004.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

FULL TIME EMPLOYEES BY EQUAL EMPLOYMENT OPPORTUNITY CLASSIFICATION
Last Ten Fiscal Years

	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
<u>Administrative/Managerial</u>		47	50	43	42	37	38	39	41
Number of females		30	30	30	27	25	24	28	27
Percent females		63.83%	60.00%	69.77%	64.29%	67.57%	63.16%	71.79%	65.85%
Number of minorities		3	3	1	1	1	1	1	1
Percent minorities		6.38%	6.00%	2.33%	2.38%	2.70%	2.63%	2.56%	2.44%
<u>Faculty</u>	141	144	144	145	142	143	140	139	136
Number of females	74	75	74	76	75	76	72	71	67
Percent females	52.48%	52.08%	51.39%	52.41%	52.80%	53.15%	50.71%	51.00%	49.26%
Number of minorities	3	4	6	6	6	6	6	6	6
Percent minorities	2.13%	2.78%	4.17%	4.14%	4.22%	4.20%	4.29%	4.32%	4.41%
<u>Professional/Noninstruction</u>		46	39	41	38	37	41	40	49
Number of females		33	28	28	29	28	30	27	33
Percent females		71.74%	71.79%	68.29%	76.32%	75.68%	73.17%	67.50%	67.35%
Number of minorities		2	2	2	2	2	2	3	3
Percent minorities		4.35%	7.14%	4.88%	5.26%	5.41%	4.88%	7.50%	6.12%
<u>Secretarial/Clerical</u>		68	103	106	102	103	97	95	102
Number of females		65	98	96	95	98	91	90	98
Percent females		95.59%	95.15%	90.57%	93.18%	95.15%	93.81%	94.74%	96.08%
Number of minorities		1	0	0	0	1	1	1	2
Percent minorities		1.47%	0.00%	0.00%	0.00%	0.97%	1.03%	1.05%	1.96%
<u>Technical/Para-professional</u>		43	16	18	12	10	12	12	13
Number of females		38	12	14	8	7	9	9	9
Percent females		88.37%	75.00%	77.78%	66.66%	70.00%	75.00%	75.00%	69.23%
Number of minorities		0	0	0	0	0	0	0	0
Percent minorities		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<u>Skilled Trades</u>		1	1	1	1	0	0	0	0
Number of females		0	0	0	0	0	0	0	0
Percent females		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Number of minorities		0	0	0	0	0	0	0	0
Percent minorities		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<u>Service/Maintenance</u>		21	23	28	26	27	26	26	27
Number of females		9	9	24	13	13	13	13	14
Percent females		42.86%	39.13%	85.71%	50.00%	48.15%	50.00%	50.00%	51.85%
Number of minorities		0	0	0	0	0	0	0	0
Percent minorities		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<u>Library Technicians</u>	3								
Number of females	3								
Percent females	100%								
Number of minorities	1								
Percent minorities	33%								
<u>Librarians</u>	3								
Number of females	0								
Percent females	0								
Number of minorities	1								
Percent minorities	33%								
<u>Other Teachers & Instructional Support Staff</u>	22								
Number of females	17								
Percent females	77%								
Number of minorities	2								
Percent minorities	9%								
<u>Management</u>	36								
Number of females	23								
Percent females	64%								
Number of minorities	1								
Percent minorities	3%								

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

FULL TIME EMPLOYEES BY EQUAL EMPLOYMENT OPPORTUNITY CLASSIFICATION - CONTINUED
Last Ten Fiscal Years

	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
<u>Business & Financial Operations</u>	13								
Number of females	11								
Percent females	85%								
Number of minorities	0								
Percent minorities	0%								
<u>Computer, Engineering & Science</u>	19								
Number of females	6								
Percent females	32%								
Number of minorities	0								
Percent minorities	0%								
<u>Community Service, Legal, Arts & Media</u>	11								
Number of females	6								
Percent females	55%								
Number of minorities	1								
Percent minorities	9%								
<u>Service</u>	18								
Number of females	10								
Percent females	56%								
Number of minorities	0								
Percent minorities	0%								
<u>Sales & Related</u>	4								
Number of females	4								
Percent females	100%								
Number of minorities	0								
Percent minorities	0%								
<u>Office & Administrative Support</u>	101								
Number of females	92								
Percent females	91%								
Number of minorities	0								
Percent minorities	0%								
<u>Natural Resources, Construction & Maintenance</u>	5								
Number of females	0								
Percent females	0%								
Number of minorities	0								
Percent minorities	0%								
<u>Production, Transportation, and Material Moving</u>	1								
Number of females	0								
Percent females	0%								
Number of minorities	0								
Percent minorities	0%								
<u>Total</u>	377	370	378	382	363	357	354	351	368
Number of females	246	250	251	268	247	247	239	238	248
Percent females	65.25%	67.57%	66.40%	70.16%	68.04%	69.19%	67.51%	67.78%	67.39%
Number of minorities	9	10	11	9	9	10	10	11	12
Percent minorities	2.39%	2.70%	2.91%	2.36%	2.48%	2.80%	2.82%	3.13%	3.26%

Source: IPEDS report. Categories changed to match standard occupational classifications in 2013 from 7 to 13 categories.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

**OPERATIONAL EXPENDITURES PER FULL-TIME EQUIVALENT (FTE) STUDENT
Last Ten Fiscal Years**

Year	Operational Expenditures (1)		Student Enrollments		Expenditures per FTE	
	Amount 000's	Percent Increase (Decrease)	FTE's	Percent Increase (Decrease)	Per FTE	Percent Increase (Decrease)
2004	\$ 35,542		3,261		\$ 10,899	
		7.07%		-0.37%		8.06%
2005	38,268		3,249		11,778	
		4.58		0.43		4.13
2006	40,020		3,263		12,265	
		3.73		(4.35)		8.45
2007	41,514		3,121		13,301	
		2.46		(0.87)		3.35
2008	42,534		3,094		13,747	
		2.46		4.49		3.16
2009	45,851		3,233		14,182	
		7.65		12.84		(4.60)
2010	49,359		3,648		13,530	
		2.70		(3.34)		6.26
2011	50,692		3,526		14,377	
		(5.75)		(11.00)		5.91
2012	47,779		3,138		15,226	
		1.57		(3.06)		4.77
2013	48,529		3,042		15,953	

Notes:

- (1) For the purposes of this compilation, operational expenditures is based on the budgetary expenditures from the District's General and Special Revenue Aidable funds.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

**PROGRAM GRADUATE FOLLOW-UP STATISTICS (1)
Last Ten Fiscal Years**

<u>Year</u>	<u>Number of Graduates</u>	<u>Number of Follow-up Respondents</u>	<u>Number Available for Employment</u>	<u>Percent Employed</u>	<u>Percent Employed in Related Occupations</u>	<u>Percent Employed in District</u>	<u>Average Monthly Salary</u>
2003	876	609	423	91.5%	78.6%	62.0%	\$ 2,529
2004	986	716	369	94.0	81.0	61.0	2,418
2005	1,091	764	469	92.0	83.3	62.0	2,511
2006	1,106	847	549	90.0	76.0	59.0	2,613
2007	1,163	904	532	93.0	81.0	56.0	2,930
2008	1,172	721	405	89.0	83.0	55.0	2,970
2009	986	644	453	83.0	78.5	50.0	3,041
2010	1,030	742	548	94.0	68.3	58.0	2,879
2011	1,080	781	573	89.0	74.0	57.0	2,864
2012	1,110	895	255	88.0	77.0	56.0	2,873

Notes:

- (1) Schedule is based on a survey of MPTC graduates conducted approximately six months after graduation. Therefore, 2012-13 statistics are not available. Statistics include graduates of the District's postsecondary vocational-technical programs. The data does not reflect the activities of students who complete only portions of their program.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT

SQUARE FOOTAGE OF DISTRICT FACILITIES
Last Ten Fiscal Years

Campus	Address	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Beaver Dam	700 Gould Street Beaver Dam, WI 53916-1994	69,072	61,889	61,889	60,768	53,968	53,968	49,668	47,698	47,698	40,287
Fond du Lac	235 N National Avenue Fond du Lac, WI 54936-1940	302,055	302,055	302,055	301,814	301,814	301,814	301,814	301,814	296,814	296,814
District Office Building	235 N National Avenue Fond du Lac, WI 54936-1940	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600	8,600
West Bend	2151 North Main Street West Bend, WI 53095-1598	156,491	147,541	140,035	131,554	131,554	125,054	125,054	125,054	125,054	125,054
Hartford Regional Center (leased)	805 Cedar Street Hartford, WI 53027										
Ripon Regional Center (leased)	850 Tiger Drive Ripon, WI 54971-0313										

----- Not Available -----
----- Not Available -----

Source: MPTC Facilities department.

Note: The College also offers classes at numerous Instructional Centers throughout the District.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT INSURANCE COVERAGE SUMMARY

Fiscal Year 2012-13

(Unaudited)

Type of Coverage Property Coverage	Insurance Company DMI	Policy Period 7/1/12 - 6/30/13	Details of Coverage	Limits of Coverage	Annual Premium
			Covers all real and personal property, all risk, \$25,000 Deductible		
			Blanket Property Limit (Per Occurrence)	\$ 350,000,000	\$ 47,762
			Certified Terrorism	350,000,000	
			Non-Certified Terrorism	350,000,000	
			Accounts Receivable	15,000,000	
			Fine Arts	15,000,000	
			Valuable Papers and Records	15,000,000	
			Extra Expense	20,000,000	
			Electronic Data Processing Equipment	20,000,000	
			Miscellaneous Unnamed Locations	15,000,000	
			Newly Acquired Property (180 days reporting)	25,000,000	
			Building Ordinance Including Demolition & ICC & Increased Time to Rebuild	25,000,000	
			Debris Removal - the greater of 25% of the loss or \$15,000,000	15,000,000	
			Earth Movement and Volcanic Action (Annual Aggregate)	25,000,000	
			Flood and Water Damage (Annual Aggregate)	25,000,000	
			Flood in FEMA Zones designated using letters A or V (Annual Aggregate)	25,000,000	
			Property in the Course of Construction	20,000,000	
			Transit	2,500,000	
			Ingress/Egress (1 mile limitation, 30 days limitation)	5,000,000	
			Interruption by Civil Authority (1 mile radius limitation, 30 day limitation)	5,000,000	
			Leasehold Interest	2,500,000	
			Service Interruption - Property Damage & Time Element	10,000,000	
			Combined (Water, Communication including overhead transmission lines, Power including overhead transmission lines)		
			Mobile Equipment	1,000,000	
			Expediting Expenses	5,000,000	
			Pollutant Clean-Up and Removal (Annual Aggregate)	475,000	
			Claims Preparation Expenses (Subject to max. 5% of combined PD & TE Loss)	250,000	
			Defense Costs	250,000	
			Exhibition, Exposition, Fair or Trade Show	325,000	
			Fire Department Service Charges	325,000	
			Protection of Property	325,000	
			Radioactive Contamination	250,000	
			Royalties	250,000	

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
INSURANCE COVERAGE SUMMARY

Fiscal Year 2012-13
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Equipment Breakdown	DMI	7/1/12 - 6/30/13	Comprehensive coverage, \$25,000 deductible	\$ 100,000,000	\$ 2,495
			Combined property/time element	1,000,000	
			Property Damage	Included	
			Off-Premises Property Damage	25,000	
			Business Income	Included	
			Extra Expense	Included	
			Service Interruption	1,000,000	
			Contingent Business Income	25,000	
			Perishable Goods (Spoilage/Ammonia Contamination)	250,000	
			Data Restoration	250,000	
			Demolition	1,000,000	
			Ordinance or Law	1,000,000	
			Expediting Expenses	250,000	
			Hazardous Substances	250,000	
			Newly Acquired Locations (365 days)	15,000,000	
			Broad Comprehensive Coverage (Including Production Machines, Computer Equipment)	Included	
			Repair or Replacement	Yes	
Workers' Compensation	DMI	7/1/12 - 6/30/13	Workers' Compensation - Wisconsin Benefits	Statutory	167,416
			- Bodily injury by accident, each accident	\$ 100,000	
			- Bodily injury by disease, policy limit	500,000	
			- Bodily injury by disease, each employee	100,000	
General Liability	DMI	7/1/12 - 6/30/13	Each occurrence limit	\$ 5,000,000	\$ 61,082
(Includes Professional, Automobile and Educators Legal Liability)			Fire Damage limit (any one fire)	\$ 500,000	
			Limited Above Ground Pollution Liability		
			- Each Claim and Policy Aggregate	1,000,000	
			Under/Uninsured motorists	100,000	
			Garagekeepers Legal Liability (ACV up to \$350,000)	350,000	
			- Comprehensive deductible (each customer auto/each event)	500/2,500	
			- Collision deductible (each customer auto)	500	
			Policy Deductible	5,000	
			Automobile Physical Damage Deductible	2,500	
Educators Legal Liability (includes, Directors & Officers, Employment Practices, and Employee Benefits Liability)	DMI	7/1/12 - 6/30/13	- Per Wrongful act and aggregate limit	\$ 5,000,000	
			- Per wrongful act and aggregate deductible	100,000	
Campus Violent Acts	DMI	7/1/12 - 6/30/13	Policy Aggregate Limit	250,000	\$ 882
			Policy Deductible	25,000	
			Equipment or Property Improvements	25,000	

**MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
INSURANCE COVERAGE SUMMARY**

Fiscal Year 2012-13
(Unaudited)

Type of Coverage	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage	Annual Premium
Crime	Travelers Casualty and Surety Company	7/1/12 - 6/30/13	Employee Theft Forgery or Alteration ERISA Fidelity On Premises/In-Transit Computer Fraud Computer Program and Electronic Data Restoration Funds Transfer Fraud Personal Accounts Forgery or Alteration Identity Fraud Expense Reimbursement Claim Expense Employee Dishonesty per Incidence Deductible	\$ 750,000 750,000 750,000 500,000 750,000 100,000 750,000 750,000 25,000 25,000	\$ 3,628
Foreign Travel Liability	ACE American Insurance Company	7/1/12 - 6/30/13	Foreign general liability - Each occurrence Products - Completed Operations - Aggregate Personal and Advertising Injury - Aggregate Premises Damage Limit - Each Occurrence Medical Expense Limit - Any one person Contingent Auto Liability - Combined Single Limit - Each Accident Foreign Hired/Auto Physical Damage - Any One Accident - Any one policy period Foreign Employee Benefits Liability (\$1,000 Deductible) - Each Claim - Aggregate Foreign Voluntary Workers' Compensation - State of Hire Benefits - North American - Third Country Nationals - Local Nationals Foreign Employers Liability - Bodily injury by accident, each accident - Bodily injury by disease, each employee - Bodily injury by disease, policy limit Executive Assistance (per covered person) Kidnap and Extortion (per cause of loss)	\$ 1,000,000 2,000,000 1,000,000 1,000,000 10,000 1,000,000 25,000 25,000 1,000,000 1,000,000 Statutory State of Hire Benefits Country of Origin Country of Origin	\$ 2,500
Business Travel Accident (for local Boards of Director Members)	CIGNA	7/1/12 - 6/30/13	Principle Sum - Loss of Life - Other Covered Losses as scheduled	100,000	\$ 281
TOTAL ANNUAL PREMIUMS					\$ 286,046

SINGLE AUDIT SECTION

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the year ended June 30, 2013

Assistance Program	Federal Catalog Number	Dst/Lcl Grant Number	Grant Period	Federal Grant Amount	Federal		Match	Total Expenditures
					Revenue	Expenditures		
U.S. Department of the Interior, Bureau of Indian Affairs:								
INDIAN EMPLOYMENT ASSISTANCE	15.108		7/1/12 - 6/30/13	-	16,149	16,149	-	16,149
Bureau of Indian Affairs Grants				-	16,149	16,149	-	16,149
Total 15.108								
U.S. Department of Labor:								
WIA Cluster								
WIA ADULT PROGRAM	17.258		7/1/12 - 6/30/13	33,000	33,000	33,000	103	33,103
Passed through Workforce Development Board of South Central Wisconsin				33,000	33,000	33,000	103	33,103
Basic Skills								
Total WIA Cluster and 17.258								
COMMUNITY BASED JOB TRAINING GRANTS								
Community Based Job Training	17.269	CB182270960A55	2/15/09 - 2/14/13	1,707,828	189,434	189,434	(7,527)	181,907
COMPETITIVE GRANTS FOR TRAINING AND PLACEMENT IN HIGH GROWTH AND EMERGING INDUSTRY SECTORS								
Passed through Workforce Development Board of South Central Wisconsin	17.275		4/1/12 - 11/30/12	49,126	26,198	26,198	-	26,198
Sector Alliance for the Green Economy Project (SAGE)			5/8/13 - 6/28/13	7,200	5,095	5,095	-	5,095
Sector Alliance for the Green Economy Project (SAGE)				56,326	31,293	31,293	-	31,293
Total 17.275								
TRADE ADJUSTMENT ASSISTANCE COMMUNITY COLLEGE CAREER AND TRAINING GRANTS (TAA CCCT)								
Passed through Northeast Wisconsin Technical College	17.282		10/1/12-9/30/16	647,000	24,340	24,340	70,455	94,795
TAA Welding				647,000	24,340	24,340	70,455	94,795
Total 17.282								
U.S. Department Transportation:								
INTERAGENCY HAZARDOUS MATERIALS PUBLIC SECTOR TRAINING AND PLANNING GRANTS	20.703		7/1/12 - 6/30/13	-	5,641	5,641	-	5,641
Passed through Wisconsin Technical College System Board				-	5,641	5,641	-	5,641
Hazardous Materials Training								
Total 20.703								
National Science Foundation:								
EDUCATION AND HUMAN RESOURCES	47.076		8/15/08 - 7/31/13	520,824	102,507	102,489	(18)	102,489
Science, Technology, Engineering and Mathematics (STEM) Scholars Program		0807035	2/1/11 - 1/31/14	192,830	31,240	27,293	(3,947)	27,293
Interactive Media Design Program		1103972						
Passed through University of Wisconsin System								
Manufacturing and Engineering Technology and Technician Education (METTE) Project		369K154	10/1/12 - 8/31/13	10,000	10,000	10,000	22	10,022
Total 47.076				723,654	143,747	139,782	(3,943)	139,804
U.S. Department of Energy:								
RENEWABLE ENERGY RESEARCH AND DEVELOPMENT POWER - Purposeful Partnerships Coordinating	81.087	DE-EE0000637	12/1/09 - 11/30/12	16,490	2,339	2,339	-	2,339
Passed through Lakeshore Technical College				16,490	2,339	2,339	-	2,339
Wind Education Resources								
Total 81.087								

MORaine PARK TECHNICAL COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED
 For the year ended June 30, 2013

Assistance Program	Federal Catalog Number	Dst/Lcl Grant Number	Grant Period	Federal Grant Amount	Federal		Match	Total Expenditures
					Revenue	Expenditures		
U.S. Department of Education:								
Student Financial Aid Cluster								
FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (SEOG)								
SEOG Grants								
Total 84.007				\$ 67,779	\$ 76,685	\$ 76,685	\$ 25,562	\$ 102,247
FEDERAL WORK-STUDY PROGRAM								
Federal Work Study Program								
Federal Work Study Program Administration								
Total 84.033								
FEDERAL PELL GRANT PROGRAM								
PELL								
PELL								
PELL Administration								
Total 84.063								
FEDERAL DIRECT STUDENT LOANS								
Direct Loans								
Direct Loans								
Total 84.268								
Veterans Administration - Reporting Fee								
Total Student Financial Aid Cluster								
TRIO Cluster								
TRIO Student Support Services								
Total TRIO Cluster								
ADULT EDUCATION- BASIC GRANTS TO STATES								
Passed through Wisconsin Technical College System Board								
Adult Basic Education								
EL/Civics								
Institutionalized Individuals								
Total 84.002								
CAREER AND TECHNICAL EDUCATION - BASIC GRANTS TO STATES								
Passed through Wisconsin Technical College System Board								
Career Prep								
Strengthening Career and Technical Education Programs								
Student Success								
Increasing Enrollment & Retention of Students in Nontraditional Occupations								
Total 84.048								
TOTAL FEDERAL AWARDS				\$ 30,114,633	\$ 12,850,901	\$ 12,846,936	\$ 503,595	\$ 13,354,496

See Notes to Schedule of Expenditures of Federal Awards

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2013

NOTE A: SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting.

NOTE B: RECONCILIATION OF FEDERAL REVENUE

A schedule reconciling total federal awards as reported on the Schedule of Expenditures of Federal Awards to the amounts as reported in the Basic Financial Statements follows:

	Federal Revenue	Match	Total Expenditures
Schedule of Expenditures of Federal Awards	\$ 12,850,901	\$ 503,595	\$ 13,354,496
Basic Financial Statements	\$ 12,850,901 ⁽¹⁾	\$ 503,595	\$ 13,354,496

The District had no subrecipients for federal revenues during the fiscal year ended June 30, 2013.

(1) Federal grant revenue is presented on the basic financial statements as follows:

Operating	\$ 12,786,015
Capital contributions (federal portion)	64,886
	\$ 12,850,901

NOTE C: OVERSIGHT AGENCY

The U.S. Department of Education has been designated as the Federal oversight agency for the District.

MORAINE PARK TECHNICAL COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
 For the year ended June 30, 2013

Assistance Program	State Catalog Number	Dst/Lcl Grant Number	Grant Period	State Grant Amount	State		Match	Total Expenditures
					Revenue	Expenditures		
Wisconsin Department of Transportation:								
Beginning Motorcycle Drivers Education	20.395(4)(aq)	M/C-10-10-665-V	4/1/12 - 11/1/12	\$ 1,004	\$ 1,004	\$ 1,004	\$ 19,215	\$ 20,219
Beginning Motorcycle Drivers Education	20.395(4)(aq)	M/C-10-10-665-V	4/1/13 - 11/1/13	-	-	-	15,278	15,278
Total 20.395(4)(aq)				1,004	1,004	1,004	34,493	35,497
Wisconsin Higher Education Board:								
Wisconsin Higher Education Grant	235.102		7/1/12 - 6/30/13	756,990	756,990	-	-	756,990
Remission of Fees for Veterans and Dependents	235.105		7/1/12 - 6/30/13	70,068	70,068	-	-	70,068
Minority Undergraduate Retention Grant	235.107		7/1/11 - 6/30/12	1,340	1,340	-	-	1,340
Covenant Scholars	235.108		7/1/11 - 6/30/12	8,688	8,688	-	-	8,688
Talent Incentive Program	235.114		7/1/12 - 6/30/13	25,700	25,700	-	-	25,700
Nursing Student Stipend Loan	235.117		7/1/11 - 6/30/12	12,000	12,000	-	-	12,000
Covenant Foundation	235.131		7/1/11 - 6/30/12	13,489	13,489	-	-	13,489
Total 235.102-131				888,275	888,275	-	-	888,275
Wisconsin Department of Public Instruction:								
PreCollege Scholarship Program	255.903		7/1/12 - 6/30/13	3,498	3,498	-	21,304	24,802
Wisconsin Technical College System:								
Occupational Competency Program	292.104		7/1/12 - 6/30/13	5,012	4,305	4,305	4,305	8,610
State Aids for Vocational, Technical and Adult Education	292.105		7/1/12 - 6/30/13	2,845,103	2,862,342	36,029,066	36,029,066	38,891,408
Minority/Students of Color Participation and Retention	292.109	10-201-109-113	7/1/12 - 6/30/13	49,730	49,730	16,604	16,604	66,334
INCENTIVE GRANTS	292.112							
AODA/Human Services AODA Concentration Programs TSA		10-102-112-153	7/1/12-6/30/13	16,000	14,488	-	-	14,488
Basic Skills		10-320-112-123	7/1/12 - 6/30/13	102,612	102,590	43,286	43,286	145,876
Adult Literacy: Bridge to Entry Level Automotive Technician		10-336-112-163	7/1/12 - 6/30/13	16,687	16,687	5,584	5,584	22,271
Adult Literacy: Workplace Adult Basic Education for Three Work Sites		10-337-112-163	7/1/12-6/30/13	28,571	28,571	9,683	9,683	38,254
Interactive Media Design Program		10-426-112-133	7/1/12-6/30/13	112,362	112,362	37,453	37,453	149,815
Carpentry Apprenticeship		10-837-112-182	7/1/12 - 6/30/13	15,000	15,000	53	53	15,053
Passed through Northeast Wisconsin Technical College		13-552-112-113	7/1/12 - 6/30/13	20,000	18,247	-	-	18,247
Total 292.112				295,232	307,945	96,059	96,059	404,004
Transition Specialist	292.115	10-350-115-113	7/1/12 - 6/30/13	23,638	23,638	7,968	7,968	31,606

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS - CONTINUED
For the year ended June 30, 2013

Assistance Program	State Catalog Number	Dst/Lcl Grant Number	Grant Period	State Grant Amount	State		Match	Total Expenditures
					Revenue	Expenditures		
WORKFORCE ADVANCEMENT TRAINING GRANTS	292.116							
Advanced Manufacturing Industrial Skill Development		10-780-116-112	7/1/11 - 8/31/12	11,305	11,980	11,980	-	11,980
Leadership Training Consortium Project		10-782-116-113	7/1/12 - 12/31/12	31,136	17,766	17,766	7	17,773
MAG Fond du Lac Efficiency Enhancement Project		10-783-116-113	7/1/12 - 8/31/13	15,294	3,786	3,786	-	3,786
Del Monte Foods Compliance and New Supervisor Development		10-785-116-112	7/1/11 - 8/31/12	13,716	189	189	-	189
Small Business Competitiveness Project		10-786-116-113	7/1/12 - 12/31/12	6,242	6,242	6,242	513	6,755
Advanced Manufacturing CNC Skills Development Project		10-789-116-113	7/1/12 - 8/31/13	76,678	45,594	45,594	-	45,594
Advanced Manufacturing Industrial Maintenance Project		10-790-116-113	7/1/12 - 8/31/13	45,810	35,963	35,963	-	35,963
Advanced Manufacturing Leadership Project		10-791-116-113	7/1/12 - 8/31/13	90,230	69,117	69,117	13,738	82,855
Advanced Manufacturing Welding Skills Project		10-792-116-113	7/1/12 - 8/31/13	50,365	20,332	20,332	-	20,332
Continuous Improvement Skills Development Project		10-793-116-113	7/1/12 - 8/31/13	69,370	55,198	55,198	-	55,198
Ripon Printers Print Technologies Project		10-794-116-113	7/1/12 - 6/30/13	12,093	12,093	12,093	452	12,545
Total 292.116				522,239	278,260	278,260	14,710	292,970
FACULTY DEVELOPMENT PROGRAM	292.123							
Faculty Development Program		10-340-123-113	7/1/12 - 6/30/13	47,600	47,600	47,600	1,299	48,899
Faculty Development Program - Match		10-341-123-113	7/1/12 - 6/30/13	-	-	-	48,762	48,762
Total 292.123				47,600	47,600	47,600	50,061	97,661
Fire Fighter Training 2%	292.137							
HEALTH CARE EDUCATION GRANTS	292.161							
Targeted Advising for Health Science Programs		10-448-161-113	7/1/12 - 6/30/13	92,729	90,640	90,640	60,425	151,065
Nursing Student Retention and Support		10-449-161-113	7/1/12 - 6/30/13	158,663	158,663	158,663	317	158,980
Nursing Assistant Program Section Increase		10-450-161-113	7/1/12 - 6/30/13	104,370	104,370	104,370	743	105,113
Total 292.161				355,762	353,673	353,673	61,484	415,157
Wisconsin Department of Natural Resources:								
Aids in Lieu of Taxes	370.503		7/1/12 - 6/30/13	49,432	49,432	49,432	-	49,432
Wisconsin Department of Revenue:								
State Aid - Computers	835.109		7/1/12 - 6/30/13	112,175	112,175	112,175	-	112,175
TOTAL STATE AWARDS				\$ 5,198,700	\$ 5,015,849	\$ 5,024,042	\$ 36,336,054	\$ 41,351,903

See Notes to Schedule of Expenditures of State Awards

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the year ended June 30, 2013

NOTE A: SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of State Awards is prepared on the accrual basis of accounting.

NOTE B: RECONCILIATION OF STATE REVENUE

A schedule reconciling total state awards as reported on the Schedule of Expenditures of State Awards to the amounts as reported in the Basic Financial Statements follows:

	State Revenue	Match	Total Expenditures
Schedule of Expenditures of State Awards	\$ 5,015,849	\$ 36,336,054	\$ 41,351,903
Basic Financial Statements	\$ 5,015,849 ⁽¹⁾	\$ 36,336,054	\$ 41,351,903

The District had no subrecipients for state revenues during the fiscal year ended June 30, 2012.

(1) State grant revenue is presented on the basic financial statements as follows:

Operating	\$ 1,946,266
Non-operating	
State operating appropriations	3,023,949
Capital contributions (state portion)	45,634
	\$ 5,015,849

NOTE C: OVERSIGHT AGENCY

The Wisconsin Technical College System Board has been designated as the state oversight agency for the District.

MORAIN PARK TECHNICAL COLLEGE DISTRICT
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2013

Section I - Summary of Auditors' Results

Basic Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None Reported
Noncompliance material to basic financial statements noted?	No

Federal Awards and State Financial Assistance

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None Reported
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	Yes
Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ?	No
Identification of major federal and state programs:	

CFDA Number	Name of Federal Programs or Cluster
	Student Financial Aid Program Cluster
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal College Work Study Program
84.063	Federal Pell Grant Program
84.268	Federal Direct Loans

State ID Number	Name of State Programs
235.102	Wisconsin Higher Education Grant
292.105	State Aids for Vocational, Technical and Adult Education
292.161	Increase Program Capacity Grants

Audit threshold used to determine between A and Type B programs:	
Federal	\$300,000
State	\$100,000
Audit qualified as a low-risk auditee	Yes

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
 Schedule of Findings and Questioned Costs (Continued)
 For the Year Ended June 30, 2013

Section II - Basic Financial Statement Findings as Required by Government Auditing Standards

Finding Number	Internal Control Finding
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There were no findings required to be reported in accordance with generally accepted governmental auditing standards.

Section III - Federal Award and State Financial Assistance Findings and Questioned Costs

Finding Number	OMB Circular A-133 Findings
----------------	-----------------------------

2013-01 Special Tests and Provisions – Enrollment Reporting

**Direct Loan Program (CFDA No. 84.268)
 U.S. Department of Education**

Criteria: 34 CFR 685.309 requires that unless the institution expects to submit its next student status confirmation report within 60 days, the institution is required to notify the lender or the guaranty agency within 30 days, if it discovers that a student who received a loan either did not enroll or ceased to be enrolled on at least a half-time basis.

Condition: For two of the students in our sample population, the institution discovered that the student enrollment status had changed, but failed to report the change in enrollment status in a timely manner.

Effect: We noted that both student status changes were subsequently reported; therefore, there are no questioned costs calculated or reported.

Questioned Costs: Not able to determine.

Cause: The Registrar's Office is responsible for identifying and reporting changes in student status on a timely basis. The Registrar's Office did update and report the changes in enrollment status, but the changes were not reported timely.

Recommendation: We recommend that the Registrar's Office review procedures for identifying and reporting changes in student status and verify that procedures are properly designed and implemented to ensure that all enrollment reporting requirements are met.

Finding Number	<i>State Single Audit Guidelines Findings</i>	Questioned Costs
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There were no findings required to be reported in accordance with the *State Single Audit Guidelines*.

MORAINÉ PARK TECHNICAL COLLEGE DISTRICT
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2013

Section IV - Other Issues

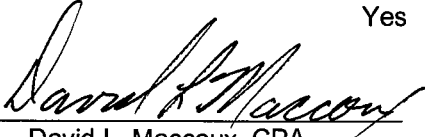
Does the auditors' report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? No

Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned costs, material weakness, reportable condition, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*?

Wisconsin Department of Public Instruction	No
Wisconsin Technical College System Board	No
Wisconsin Department of Natural Resources	No
Wisconsin Department of Transportation	No
Wisconsin Higher Education Aids Board	No
Wisconsin Department of Revenue	No

Was a Management Letter or other document conveying audit comments issued as a result of this audit? Yes

Name and signature of Shareholder



David L. Maccoux, CPA

Date of report

November 27, 2013

MORAINE PARK TECHNICAL COLLEGE DISTRICT
Corrective Action Plan
For the Year Ended June 30, 2013

Corrective Action Plan for Audit Findings

Finding Number	Corrective Action Plan
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2013-01

Special Tests and Provisions - Enrollment Reporting

Moraine Park Technical College updated the procedure for submission of graduate information to the National Student Clearinghouse to meet compliance requirements. The data was previously submitted once per semester, but the report will now be generated and submitted monthly by the Registrar. The new procedure was tested and placed into production December, 2013.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Independent Auditors' Report

To the District Board
Moraine Park Technical College District
Fond du Lac, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Moraine Park Technical College District, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Moraine Park Technical College District's basic financial statements, and have issued our report thereon which included an emphasis of matter paragraph as indicated on page 18 dated November 27, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Moraine Park Technical College District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Moraine Park Technical College District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Moraine Park Technical College District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Moraine Park Technical College District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Moraine Park Technical College District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Moraine Park Technical College District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Green Bay, Wisconsin
November 27, 2013

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT GUIDELINES**

Independent Auditors' Report

To the District Board
Moraine Park Technical College District
Fond du Lac, Wisconsin

Report on Compliance for Each Major Federal and State Program

We have audited Moraine Park Technical College District's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of Moraine Park Technical College District's major federal and state programs for the year ended June 30, 2013. Moraine Park Technical College District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Moraine Park Technical College District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, OMB Circular A-133 and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Moraine Park Technical College District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of Moraine Park Technical College District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, Moraine Park Technical College District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as items 2013-01.

Report on Internal Control Over Compliance

Management of Moraine Park Technical College District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Moraine Park Technical College District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Moraine Park Technical College District's internal control over compliance.

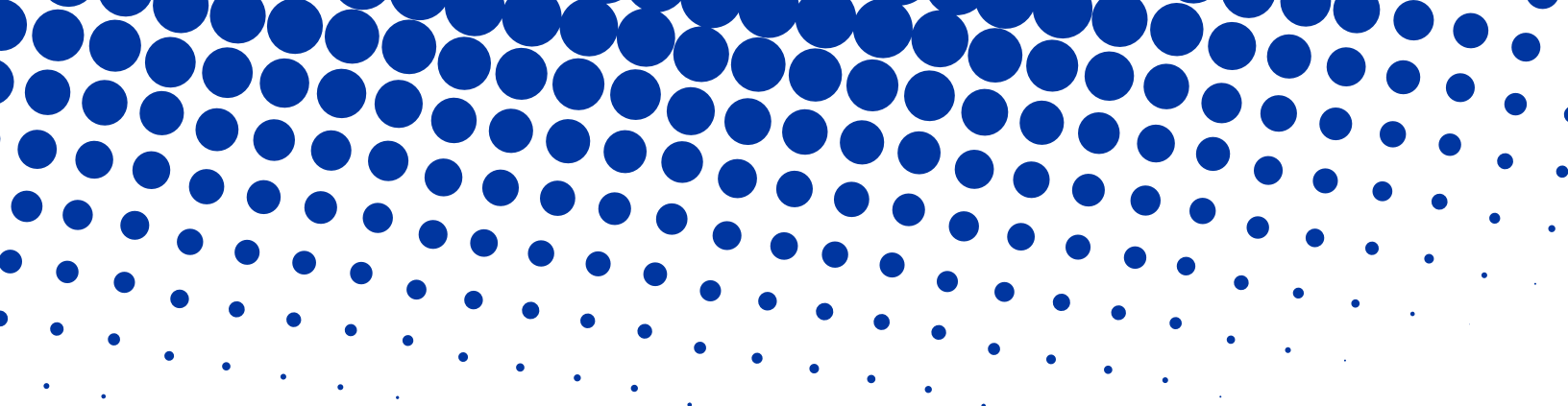
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountants
Green Bay, Wisconsin
November 27, 2013



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