

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**FINANCIAL AND COMPLIANCE REPORT**

**JUNE 30, 2025 AND 2024**

## TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS <i>(Required Supplementary Information)</i>	4-8
FINANCIAL STATEMENTS	
Statements of Net Position	9-10
Statements of Financial Position - Component Unit	11
Statements of Revenues, Expenses, and Changes in Net Position	12
Statements of Activities - Component Unit	13
Statements of Cash Flows	14-15
Notes to Financial Statements	16-36
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of the College's Proportionate Share of the Net Pension Liability	37
Schedule of the College's Contributions	38
Schedule of the College's Proportionate Share of the Total OPEB Liability	39
Notes to Required Supplementary Information	40
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	41-42



MHP Assurance Services, LLP

## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Gillette Community College District  
Gillette, Wyoming

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the business-type activities of the Gillette Community College District (the College) and its discretely presented component unit, the Gillette College Foundation (the Foundation), as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the College and its discretely presented component unit as of June 30, 2025 and 2024, and the respective changes in their financial position and, where applicable, their cash flows thereof for the years then ended, respectively, in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Foundation as of and for the years ended June 30, 2025 or 2024. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the reports of the other auditors.

#### *Basis for Opinions*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and, except for the Foundation component unit, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal-control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 8, the Schedule of the College's Proportionate Share of the Net Pension Liability on page 37, the Schedule of the College's Contributions on page 38, the Schedule of the College's Proportionate Share of the Total Other Postemployment Benefits Liability on page 39, and the Notes to Required Supplementary Information on page 40 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2025 on our consideration of the College'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 solely 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 effectiveness of the College's 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 College's internal control over financial reporting and compliance.

MHP Assurance Services, LLP

Cheyenne, Wyoming

December 18, 2025

# GILLETTE COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS Fiscal Years 2025 and 2024

This section represents Management's Discussion and Analysis (MD&A) of the Gillette Community College District's (the College) financial activity during the years ended June 30, 2025, 2024 and 2023. The financial statements have been prepared on a generally accepted accounting principles basis, including the Gillette College Foundation as a discretely presented component unit. There are separate Statements of Financial Position and Activities for the Gillette College Foundation. The MD&A was prepared by management and should be read in conjunction with the financial statements and notes to the financial statements. Responsibility for the completeness and fairness of this information rests with the College.

### Using This Annual Report

It is the College's duty to be accountable to the public and provide information that responds to the three primary groups of users of its financial report:

- The citizenry;
- The governing board, the Wyoming Community College Commission, and oversight bodies; and
- Investors and creditors.

Financial reports and accompanying notes provide information useful for assessing financial condition and results of operations; assisting in determining compliance with finance-related laws, rules, and regulations; and evaluating the uses of monetary resources.

The College's annual financial report consists of three components, in accordance with required reporting standards: (1) this MD&A section; (2) the financial statements; and (3) the notes to the financial statements. The College's financial statements include the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows.

The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (assets and deferred outflows of resources, less liabilities and deferred inflows of resources) of the College. This statement combines and consolidates current financial resources with capital assets.

The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross costs and net costs of the College's activities, which are supported mainly by institutional campus course revenue, State of Wyoming (the State) appropriations, local property taxes, and Federal and State grants. This approach is intended to summarize and simplify the user's analysis of the costs of the various services that the College provides to its students and community.

# GILLETTE COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS Fiscal Years 2025 and 2024

### **Statements of Net Position**

At the conclusion of its fourth year of operations, the College had \$55,655,833 of total assets, \$3,645,496 of deferred outflows of resources, \$21,193,645 of total liabilities, \$6,817,890 of deferred inflows of resources, and \$31,289,794 of total net position. At the conclusion of its third year of operations, the College had \$52,564,834 of total assets, \$3,303,991 of deferred outflows of resources, \$20,157,102 of total liabilities, \$4,505,576 of deferred inflows of resources, and \$31,206,147 of total net position. At the conclusion of its second year of operations, the College had \$46,053,006 of total assets, \$1,131,658 of deferred outflows of resources, \$5,066,076 of total liabilities, \$15,010,436 of deferred inflows of resources, and \$27,108,152 of total net position.

The consistency in net position from \$31.2 million in fiscal year 2024 to \$31.3 million at fiscal year-end 2025 reflects strategic investments in personnel and program expansion, positioning the College for long-term growth.

### *Assets and Liabilities*

As of June 30, 2025, the largest portion of current assets relates to cash and cash equivalents and property taxes receivable. The property taxes receivable related to the 3.219 mills of taxes assessed in January 2025. These property taxes are also recognized as deferred inflows of resources as they are not available until collection occurs in fiscal year 2026. The College's mill levy has continued to increase primarily due to the decrease in mill levy value year over year for the past three years, with a small increase in operational programming expenses also contributing to the higher levy in fiscal year 2025. The College previously assessed 2.8 mills and 2.63 mills in 2024 and 2023, respectively. The College has the ability to draw up to four mills for operations but has not had a budgetary need to reach that amount at this time.

The College maintains a strong current asset position, ensuring liquidity for operations. Noncurrent assets include capital assets, net of accumulated depreciation, of \$16,623,302. Note 4 to the financial statements provides details of the capital assets. Additional capital assets are anticipated to be transferred from the City of Gillette and the County of Campbell as the separation continues from the Northern Wyoming Community College District (NWCCD).

Current liabilities of \$14,969,888, \$15,278,334, and \$3,014,168 as of June 30, 2025, 2024 and 2023, respectively, are made up of accounts payable and accrued expenses, payroll and related liabilities, a portion of accrued compensated absences, advance payments, custodial deposits and current maturities on the debt for the College's Student Housing. The final debt payment for student housing was made in July of fiscal year 2026. Advance payments represent mineral ad valorem property taxes, which have been collected and remitted to the College but have not been assessed, and as such, the revenue recognition requirement under accrual accounting has not been satisfied. Additional information regarding the College's current liabilities can be found in Notes 5, 6 and 12 to the financial statements.

# GILLETTE COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS Fiscal Years 2025 and 2024

The College reports a net pension liability related to its participation in the Wyoming Retirement System's Public Employee Pension Plan. The College also reports a total other postemployment benefits liability related to its participation in the State of Wyoming Employee Group Insurance Retiree Health Plan. Notes 5, 6, 8 and 9 to the financial statements provide additional details on the noncurrent liabilities and outstanding debts of the College.

The following table is a summary of the Statements of Net Position:

	2025	2024	2023
<b>ASSETS</b>			
Current Assets	\$ 33,844,838	\$ 35,605,113	\$ 30,257,420
Noncurrent Assets	<b>21,810,995</b>	16,959,721	15,795,586
<b>Total Assets</b>	<b>55,655,833</b>	52,564,834	46,053,006
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>3,645,496</b>	3,303,991	1,131,658
 <b>LIABILITIES</b>			
Current Liabilities	<b>14,969,888</b>	15,278,334	3,014,168
Noncurrent Liabilities	<b>6,223,757</b>	4,878,768	2,051,908
<b>Total Liabilities</b>	<b>21,193,645</b>	20,157,102	5,066,076
 <b>DEFERRED INFLOWS OF RESOURCES</b>	<b>6,817,890</b>	4,505,576	15,010,436
 <b>NET POSITION</b>			
Net Investment in Capital Assets	<b>20,597,046</b>	12,267,343	11,376,320
Restricted	<b>4,091,831</b>	3,812,199	3,513,712
Unrestricted	<b>6,600,917</b>	15,126,605	12,218,120
<b>Total Net Position</b>	<b>\$ 31,289,794</b>	\$ 31,206,147	\$ 27,108,152

# GILLETTE COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS Fiscal Years 2025 and 2024

### Statements of Revenues, Expenses, and Changes in Net Position

Operating revenues are those generated from an exchange transaction. Most Federal and State grants are reported as operating revenues because they are for specifically defined programs and uses, similar to exchange transactions. Also, the Wyoming colleges agreed to define most grants and contracts as operating revenues for consistency purposes. Operating revenues have been on an upward trend in fiscal years 2024 and 2025 as operations continue to build. Primary operating revenue sources included campus course revenue, state and local grants and contracts, auxiliary enterprise charges, and program revenue. Campus course revenue represents revenue from NWCCD for classes held on the College's campus. The allocation of revenue from these courses is based on a written memo from NWCCD. The College received over \$2 million from the State under Wyoming Innovation Partnership grants over the last two fiscal years. Program revenue includes revenues from AREA 59 and Mine Safety and Health Administration (MSHA) classes. Federal grants and contracts also relate to a Federal grant for MSHA.

Operating expenses of \$23,409,904 were incurred in the fourth year of operations. This is an increase from \$18,274,305 in fiscal year 2024 and \$7,189,081 in fiscal year 2023. The increase is primarily driven by expanded academic and student services programs and personnel investments. In fiscal year 2025, 57% of expenses were related to compensation and benefits (consistent with the other seven community colleges in the state), with 37% relating to supplies and services, and 6% relating to depreciation and amortization expense. Fiscal year 2024 was the first year the majority of faculty providing instruction at the College were employed by the College instead of NWCCD. In fiscal year 2024, the allocation was 59%, 34%, and 7%, respectively. Operating expenses of \$7,189,081 were incurred in the second year of operations. In fiscal year 2023, the allocation was 68%, 31%, and 1%, respectively.

Net position was \$31,289,794 at the end of fiscal year 2025. Of this total, \$4,091,831 is restricted as it relates to the permanent endowment funds held by the Gillette College Foundation, \$20,597,046 represents the net investment in capital assets, and the remaining \$6,600,917 is available for use in the operations of the College. Net position was \$31,206,147 at the end of fiscal year 2024. Of this total, \$3,812,199 is restricted as it relates to the permanent endowment funds held by the Gillette College Foundation, \$16,557,687 represents the net investment in capital assets, and the remaining \$10,836,261 is available for use in the operations of the College. Net position was \$27,108,152 at the end of fiscal year 2023. Of this total, \$3,513,712 is restricted as it relates to the permanent endowment funds held by the Gillette College Foundation, \$11,376,320 represents the net investment in capital assets, and the remaining \$12,218,120 is available for use in the operations of the College.

# GILLETTE COMMUNITY COLLEGE DISTRICT

## MANAGEMENT’S DISCUSSION AND ANALYSIS Fiscal Years 2025 and 2024

The following table summarizes the Statements of Revenues, Expenses, and Changes in Net Position:

	2025	2024	2023
Operating Revenues	\$ 6,798,350	\$ 6,479,632	\$ 3,138,066
Operating Expenses	<b>23,409,964</b>	18,274,305	7,189,081
<b>Operating (Loss)</b>	<b>(16,611,614)</b>	(11,794,673)	(4,051,015)
Nonoperating Revenues	<b>16,695,261</b>	15,892,668	12,138,500
Special Item - Transfer of Operations	-	-	15,247,379
	<b>83,647</b>	4,097,995	23,334,864
Net Position, Beginning of Year	<b>31,206,147</b>	27,108,152	3,773,288
Net Position, End of Year	<b>\$ 31,289,794</b>	\$ 31,206,147	\$ 27,108,152

### Other Considerations

The successes of fiscal year 2025 reflect the dedication of the College’s faculty, staff, leadership, and community partners. Of great significance, on our road to accreditation, we submitted our eligibility filing to the Higher Learning Commission (HLC) in November 2024 and were approved to file our Letter of Intent to file for candidacy. To continue to prepare for our accreditation, we set up committees for each of the HLC criteria, and the staff and faculty worked very hard to be in the position to receive a visit from HLC in the second quarter of fiscal year 2026.

Looking ahead, the College will continue to focus on expanding partnerships with local industries, enhancing student support services and retention initiatives, modernizing IT infrastructure and technology, and exploring new funding opportunities to support institutional sustainability. We remain focused on our mission to empower students and strengthen our community through education.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**STATEMENTS OF NET POSITION**

**June 30, 2025 and 2024**

	2025	2024
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents (Note 3)	\$ 13,348,669	\$ 16,716,451
Investments (Note 3)	3,018,474	2,875,000
Accounts receivable	1,096,768	541,788
Due from other government, net of allowance of \$385,000 and \$84,000, respectively	385,311	1,406,434
Right to receive assets (Note 2)	4,129,840	4,290,344
Prepaid expenses	540,674	188,112
Property taxes receivable	11,325,102	9,586,984
<b>Total current assets</b>	<b>33,844,838</b>	<b>35,605,113</b>
Noncurrent Assets		
Capital assets, net of accumulated depreciation (Note 4)	16,623,302	12,735,719
Right-to-use subscription assets, net of accumulated amortization (Note 5)	402,804	411,803
Investments held by others (Note 3)	4,784,889	3,812,199
<b>Total noncurrent assets</b>	<b>21,810,995</b>	<b>16,959,721</b>
<b>Total assets</b>	<b>55,655,833</b>	<b>52,564,834</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension-Related Outflows (Note 8)	3,619,925	3,303,991
OPEB-Related Outflows (Note 9)	25,571	-
<b>Total deferred outflows of resources</b>	<b>3,645,496</b>	<b>3,303,991</b>

*Continued*

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**STATEMENTS OF NET POSITION, *Continued***  
**June 30, 2025 and 2024**

	2025	2024
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 615,412	\$ 726,636
Payroll and related liabilities	420,318	306,018
Due to other government	661,176	-
Accrued compensated absences (Note 6)	5,135	220,816
Advance payments - property taxes	10,453,984	12,138,721
Current maturities of note payable (Note 6)	-	244,916
Current portion of subscription liabilities (Note 5)	131,351	154,630
Custodial deposits (Note 12)	2,682,512	1,486,597
<b>Total current liabilities</b>	<b>14,969,888</b>	<b>15,278,334</b>
Noncurrent Liabilities		
Accrued compensated absences (Note 6)	375,195	73,605
Note payable, less current maturities (Note 6)	-	245,423
Subscription liabilities, less current portion (Note 5)	188,378	235,210
Net pension liability (Note 8)	5,645,430	4,324,530
Total OPEB liability (Note 9)	14,754	-
<b>Total noncurrent liabilities</b>	<b>6,223,757</b>	<b>4,878,768</b>
<b>Total liabilities</b>	<b>21,193,645</b>	<b>20,157,102</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable Property Taxes	6,083,615	4,333,392
Pension-Related Inflows (Note 8)	721,561	172,184
OPEB-Related Inflows (Note 9)	12,714	-
<b>Total deferred inflows of resources</b>	<b>6,817,890</b>	<b>4,505,576</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets	20,597,046	16,557,687
Restricted		
Non-expendable	4,091,831	3,812,199
Unrestricted	6,600,917	10,836,261
<b>Total net position</b>	<b>\$ 31,289,794</b>	<b>\$ 31,206,147</b>

See Notes to Financial Statements.

**GILLETTE COLLEGE FOUNDATION  
(A COMPONENT UNIT OF THE GILLETTE  
COMMUNITY COLLEGE DISTRICT)**

**STATEMENTS OF FINANCIAL POSITION  
June 30, 2025 and 2024**

	2025	2024
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 1,777,458	\$ 1,523,137
Grants Receivable, less allowance for credit losses of \$0 for both years	28,435	47,916
Receivable- related party, less allowance for credit losses of \$0	2,703	-
Prepaid Expenses	8,713	3,760
Promises to Give	138,151	-
Investments	2,102,487	939,586
Land Held for Investment	1,023,500	930,000
Property and Equipment, net	2,825,905	2,877,583
Assets Held in Trust for Others	4,784,889	3,812,199
Endowment		
Promises to give	130,000	94,651
Investments	6,198,851	6,248,325
	<u>\$ 19,021,092</u>	<u>\$ 16,477,157</u>
<b>Total assets</b>		
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable	\$ 204,469	\$ 328,212
Deferred revenue	22,232	19,130
Assets held in trust for others	4,784,889	3,812,199
<b>Total liabilities</b>	<u>5,011,590</u>	<u>4,159,541</u>
Net Assets		
Net assets without donor restrictions:		
Undesignated	6,079,698	4,842,059
Board-designated for operations reserve	112,570	292,451
Net assets with donor restrictions	7,817,234	7,183,106
<b>Total net assets</b>	<u>14,009,502</u>	<u>12,317,616</u>
	<u>\$ 19,021,092</u>	<u>\$ 16,477,157</u>
<b>Total liabilities and net assets</b>		

See Notes to Financial Statements.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES  
IN NET POSITION**

**Years Ended June 30, 2025 and 2024**

	2025	2024
<b>Operating Revenues</b>		
Campus course revenue	\$ 3,841,138	\$ 2,857,283
Federal grants and contracts	306,445	307,278
State and local grants and contracts	746,100	1,600,824
Auxiliary enterprise charges	1,205,811	1,022,669
Program revenue	592,344	586,348
Other auxiliary revenues	51,914	40,282
Other operating revenues	54,598	64,948
<b>Total operating revenues</b>	<b>6,798,350</b>	<b>6,479,632</b>
<b>Operating Expenses (Note 11)</b>		
Instruction	5,825,754	4,564,818
Research	195,704	20,554
Academic support	427,705	436,238
Student services	4,454,260	3,452,481
Institutional support	5,853,643	4,387,567
Operations and maintenance of plant	3,233,150	1,957,195
Auxiliary enterprises	1,977,228	2,214,641
Depreciation (Notes 2 and 4)	1,299,156	1,164,354
Amortization (Note 5)	143,364	76,457
<b>Total operating expenses</b>	<b>23,409,964</b>	<b>18,274,305</b>
<b>Operating (loss)</b>	<b>(16,611,614)</b>	<b>(11,794,673)</b>
<b>Nonoperating Revenues (Expenses)</b>		
Investment income, net of fees	445,457	300,163
Interest expense	(28,510)	(20,480)
Local appropriations	15,585,256	15,572,985
State match appropriations	693,058	-
Private gifts, grants, and contracts	-	40,000
<b>Total nonoperating revenues</b>	<b>16,695,261</b>	<b>15,892,668</b>
<b>Increase in net position</b>	<b>83,647</b>	<b>4,097,995</b>
<b>Net Position</b>		
Beginning of year	31,206,147	27,108,152
End of year	<b>\$ 31,289,794</b>	<b>\$ 31,206,147</b>

**GILLETTE COLLEGE FOUNDATION  
(A COMPONENT UNIT OF THE GILLETTE  
COMMUNITY COLLEGE DISTRICT)**

**STATEMENTS OF ACTIVITIES  
Years Ended June 30, 2025 and 2024**

	2025	2024
<b>Without Donor Restrictions</b>		
Revenues, gains, and support:		
Contributions	\$ 811,331	\$ 82,834
Grants, Federal	151,908	172,057
Grants, other	150,000	-
In-kind contributions	204,601	195,386
Administrative fee income	199,035	124,879
Net special events	183,868	151,839
Net investment income	132,252	34,402
Net assets released from restriction, satisfaction of program restrictions	1,099,585	565,223
<b>Total revenues, gains, and support</b>	<b>2,932,580</b>	<b>1,326,620</b>
Operating expenses:		
Program services	1,223,227	870,399
Supporting services:		
Management and general	312,116	247,422
Fundraising	326,525	236,791
<b>Total operating expenses</b>	<b>1,861,868</b>	<b>1,354,612</b>
Loss on disposal of asset	12,954	-
<b>Change in net assets without donor restrictions</b>	<b>1,057,758</b>	<b>(27,992)</b>
<b>With Donor Restrictions</b>		
Contributions	865,323	798,703
In-kind contributions	220,000	5,000
Net investment income	648,390	641,966
Net assets released from restriction, satisfaction of program restrictions	(1,099,585)	(565,223)
<b>Change in net assets with donor restrictions</b>	<b>634,128</b>	<b>880,446</b>
<b>Change in net assets</b>	<b>1,691,886</b>	<b>852,454</b>
Net Assets		
Beginning of year	12,317,616	11,465,162
End of year	<b>\$ 14,009,502</b>	<b>\$ 12,317,616</b>

See Notes to Financial Statements.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**STATEMENTS OF CASH FLOWS**

**Years Ended June 30, 2025 and 2024**

	2025	2024
<b>Cash Flows From Operating Activities</b>		
Received from students and customers	\$ 8,268,972	\$ 5,404,638
Received from state and local grants and contracts	746,100	1,600,824
Payments to employees and benefits	(11,638,884)	(9,561,943)
Payments to vendors and suppliers	(9,035,897)	(5,797,832)
Other receipts	106,512	105,230
<b>Net cash (used in) operating activities</b>	<b>(11,553,197)</b>	<b>(8,249,083)</b>
<b>Cash Flows From Noncapital Financing Activities</b>		
Local appropriations	13,912,624	21,868,157
<b>Net cash provided by noncapital financing activities</b>	<b>13,912,624</b>	<b>21,868,157</b>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Purchase of capital assets	(5,026,235)	(1,644,294)
Payment on note principal	(490,339)	(244,915)
Principal payments on subscription liabilities	(204,476)	(42,121)
Interest payments	(28,510)	(20,480)
<b>Net cash (used in) capital and related financing activities</b>	<b>(5,749,560)</b>	<b>(1,951,810)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of investments	-	(2,875,000)
State match appropriations	693,058	-
Investment of State match appropriations	(693,058)	-
Interest on cash and investments	22,351	1,676
<b>Net cash provided by (used in) investing activities</b>	<b>22,351</b>	<b>(2,873,324)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(3,367,782)</b>	<b>8,793,940</b>
<b>Cash and Cash Equivalents</b>		
Beginning of year	16,716,451	7,922,511
End of year	\$ 13,348,669	\$ 16,716,451

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**STATEMENTS OF CASH FLOWS, *Continued***  
**Years Ended June 30, 2025 and 2024**

	<b>2025</b>	<b>2024</b>
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities		
Operating (loss)	<b>\$ (16,611,614)</b>	\$ (11,794,673)
Depreciation	<b>1,299,156</b>	1,164,354
Amortization	<b>143,364</b>	76,457
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:		
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Accounts receivable, net	<b>1,127,319</b>	(676,814)
Prepaid expenses	<b>(352,562)</b>	329,911
Custodial deposits	<b>1,195,915</b>	1,307,874
Accounts payable and accrued expenses	<b>(111,224)</b>	140,851
Accrued compensated absences, and payroll and related liabilities	<b>200,209</b>	290,175
Net pension liability	<b>1,320,900</b>	2,921,823
Deferred outflows - pension	<b>(315,934)</b>	(2,172,333)
Deferred inflows - pension	<b>549,377</b>	163,292
Total OPEB liability	<b>14,754</b>	-
Deferred outflows - OPEB	<b>(25,571)</b>	-
Deferred inflows - OPEB	<b>12,714</b>	-
<b>Net cash (used in) operating activities</b>	<b><u>\$ (11,553,197)</u></b>	<b><u>\$ (8,249,083)</u></b>

Supplemental Schedule of Noncash Investing and Noncapital and Related Financing Activities

Transactions within the investments held by the Foundation and reinvestment in certificate of deposits	<b>\$ 423,106</b>	\$ 298,487
Acquisition of right-to-use subscription assets financed by subscription liabilities (Note 5)	<b>134,365</b>	261,661
Assets received through in-kind donations	-	40,000

# GILLETTE COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Activities and Significant Accounting Policies

**Nature of activities:** The Gillette Community College District (the College) is a public institution of higher education created in 2021. The College's campus is located in Gillette, Wyoming. It is governed by a Board of Trustees comprising seven elected trustees that establish the policies and procedures by which the College is governed. The College is a municipal corporation formed under, and subject to, the requirements of Wyoming State Statutes.

The financial statements of the College have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP), as applicable to colleges and universities, as well as guidance prescribed by the Wyoming Community College Commission (WCCC). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**Reporting entity:** The financial reporting entity, as defined by the GASB, consists of the primary government (the College) and other organizations for which the nature and significance of their relationships with the primary government are such that exclusion could cause the financial statements to be misleading or incomplete.

The financial reporting entity consists of the College and its component unit, the Gillette College Foundation (the Foundation). Following is information related to the College's component unit:

*Foundation:* The Foundation is a legally separate, tax-exempt entity. The Foundation's purpose is to advance and assist in the development, growth, and operation of the College. The Foundation provides, among other things, general support for various College programs. The Foundation also serves as a pass-through entity for certain grants. A copy of the Foundation's financial statements can be obtained by calling (307) 681-6400.

The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the College in support of its programs. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources held and support received by the Foundation is restricted to the activities of the College. Because of these restrictions, the Foundation is considered a component unit of the College.

The Foundation is a private not-for-profit organization that reports its financial results under the Financial Reporting for Not-for-Profit Organizations and Accounting for Contributions Received and Contributions Made Topics of the Financial Accounting Standards Board Accounting Standards Codification. As such, certain presentation features are different from the GASB's presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences; however, significant note disclosures to the Foundation's financial statements have been incorporated into the College's notes to the financial statements.

### **Jointly governed organizations (not included in the College's reporting entity):**

*Board of Cooperative Higher Educational Services (BOCHES):* Effective July 1, 2023, the College joined Campbell County School District as a member of the BOCHES. The BOCHES was created to provide post-secondary education services under the authority of Wyoming State Statute 21-20-102 as that term is defined in Wyoming State Statute 21-20-103(a)(iii).

## GILLETTE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

**Basis of accounting:** For financial statement reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Non-exchange transactions, in which the College receives value without directly giving equal value in return, include property taxes, most private gifts and grants, state appropriations, and other contributions. On the accrual basis, revenue from property taxes is recognized in the period the levy is intended to finance. Revenue from grants, state appropriations, and other contributions is recognized in the year all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year the resources are required to be used or the fiscal year in which their use is first permitted; matching requirements, in which the College must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

**Cash and cash equivalents:** For purposes of the Statements of Cash Flows, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

**Investments and investment income:** Investments in non-negotiable certificates of deposit are carried at cost plus accrued interest and are not subject to the leveling requirements.

The College accounts for its investments in debt securities at fair value, as determined by quoted market prices. Changes in the unrealized gain (loss) on the carrying value of investments are reported as a component of net investment (loss) in the Statements of Revenues, Expenses, and Changes in Net Position.

**Fair value measurements:** The College categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

The College has the following recurring fair value measurements as of June 30, 2025 and 2024:

- Investments held by the Foundation of \$4,784,889 and \$3,812,199, respectively, are valued using significant other observable inputs (Level 2 inputs).

**Accounts receivable:** Accounts receivable consist of course charges to students and organizations. Accounts receivable also include amounts due from the Federal government, state and local governments, and private sources in connection with the reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

**Property taxes receivable:** Property taxes receivable include delinquent property tax receivable and property taxes assessed during the year, which will be levied and billed in the subsequent year.

# GILLETTE COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

**Capital assets:** Capital assets include property, plant, equipment, and infrastructure assets, such as roads, curbs and gutters, sidewalks, and lighting systems. The College's capitalization policy conforms to the policy adopted by the WCCC. The policy is as follows: infrastructure assets with initial costs that equal or exceed \$50,000 are capitalized, expenditures for buildings and improvements having a useful life greater than five years and a value greater than \$50,000 are capitalized, and expenditures for other capital items having a useful life greater than one year and a value greater than \$5,000 are capitalized. Individual items having a lesser value may be capitalized if they are purchased in a group.

Capital assets are recorded at historical cost, if the cost is known, or estimated historical cost. Estimates are made by College personnel. Donated capital assets are recorded at acquisition value at the date of donation. Capital assets obtained through the transfer of operations are recorded at the net book value of the transferor. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is expensed as incurred.

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	10-40 years
Furniture and equipment	3-15 years
Vehicles	5-10 years
Library books	5-10 years

**Right-to-use subscription assets:** The College capitalizes right-to-use subscription-based information technology (IT) assets obtained under contracts in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The assets are calculated utilizing the value of the contract liability plus any contract prepayments made for future periods, as well as any direct ancillary costs necessary to place the assets into service. The assets will be amortized over the years remaining on the contracts. The College utilized the sample capitalization thresholds utilized for capital and intangible assets.

**Impairment:** The College evaluates prominent events or changes in circumstances that affect capital and intangible assets to determine whether impairment of an asset has occurred. Such events or changes in circumstances that may be indicative of impairment include evidence of physical damage; the enactment or approval of laws, regulations or other changes in environmental factors; technological changes or evidence of obsolescence; and changes in the matter or duration of use of an asset. The College will consider an asset impaired if both the decline in service utility of the asset is large in magnitude and the event or change in circumstance is outside of the normal life cycle of the asset. The College will recognize an impairment loss when the College considers an asset impaired and will recognize the capital or intangible asset at the lower of the carrying value or fair value.

**Compensated absences:** It is the College's policy to provide full-time and eligible part-time staff with sick leave and vacation. Accrued vacation is payable to employees upon the separation from service. Accrued sick leave is not payable to employees upon the separation from service. Both vacation and leave sick are accrued as incurred, and a liability for these amounts is reported in compliance with GASB Statement No. 101, *Compensated Absences*. The College reviews historical patterns related to the separation from service and the usage of prior-year accruals in estimating the portion of this liability that is current and due within one year.

# GILLETTE COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

**Unavailable property taxes:** Unavailable property taxes consist of amounts recognized for property taxes assessed during the year, which will be levied and recognized as revenue in the subsequent year.

**Noncurrent liabilities:** Noncurrent liabilities include estimated amounts for accrued compensated absences, the note payable, the net pension liability, and other liabilities that will not be paid within the next fiscal year.

**Deferred outflows of resources and deferred inflows of resources:** The College reports the consumption of net position that is applicable to a future period as deferred outflows of resources. Deferred outflows of resources as of June 30, 2025 and 2024 consist of items related to the College's pension and other postemployment benefits (OPEB) plans.

The College reports an acquisition of net position that is applicable to a future period as deferred inflows of resources. Deferred inflows of resources as of June 30, 2025 and 2024 consist of unavailable property taxes and items related to the College's pension and OPEB plans.

**Net position:** The College's net position is classified as follows:

*Net investment in capital assets:* This represents the College's total investment in capital and right-to-use subscription assets, net of accumulated depreciation and amortization and debt related to the purchase or construction of those assets, including accounts payable and retentions payable.

*Restricted net position - non-expendable:* This represents net assets subject to externally imposed stipulations that they be maintained permanently by the College. Such assets include permanent endowment funds.

*Unrestricted net position:* This includes resources derived from campus course revenue, state appropriations, local general-use taxes and fees, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the governing board to meet current expenses for any purpose.

When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first and then unrestricted resources as needed.

**Classification of revenues:** The College classifies its revenues as either operating or nonoperating revenues according to the following criteria:

*Operating revenues:* Operating revenues include activities that have the characteristics of exchange transactions, such as (1) campus course revenues, net of allowances; (2) sales and services of auxiliary enterprises, net of allowances; (3) some Federal, state, and local grants and contracts, and Federal appropriations; and (4) most payments from public broadcasting entities.

*Nonoperating revenues:* Nonoperating revenues include activities that have the characteristics of non-exchange transactions, such as (1) local property taxes; (2) state appropriations; (3) some Federal, state, and local grants and contracts, and Federal appropriations; and (4) gifts and contributions.

# GILLETTE COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

---

### Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

**Property taxes:** The College's property taxes are assessed as of January 1 and levied at the county level on September 1 of each year. The county assessors in Campbell County are responsible for the assessment of all taxable real property. The county treasurer computes the annual tax for each parcel of real property and prepares tax books that are used as the basis for issuing tax bills to all taxpayers in the county. Property taxes are collected by the county treasurer who remits to each unit its respective share of the collections. Provided that the payments are timely, the tax can be paid in two equal installments in November and May or paid in full on December 31. Mineral ad valorem taxes are collected monthly by the State of Wyoming Department of Revenue and remitted to the county treasurer in order to distribute accordingly. Mineral ad valorem taxes collected prior to assessment are recorded as advance payments. Property taxes are recorded on the accrual basis of accounting.

**Accounting estimates:** The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Defined benefit pensions:** For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wyoming Retirement System (WRS) and additions to/deductions from the WRS's fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**OPEB:** The total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense associated with the State of Wyoming Employee Group Insurance Retiree Health Plan have been determined on the same basis as they are reported by the State of Wyoming. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

### **Recent pronouncements:**

*Adopted:* In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for fiscal years beginning after December 15, 2023 and all reporting periods thereafter. The College implemented GASB Statement No. 101 for the fiscal year ended June 30, 2025 and retroactively applied the effects to all years presented. The statement did not have a material impact on the College's financial statements, with the biggest impact being a change in the percentage of the total liability being considered current and due within one year.

# GILLETTE COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This statement defines concentrations and constraints, notes that concentrations and constraints may limit a government's ability to acquire resources or control spending, and requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. However, management has determined that no event or events associated with a concentration or constraint meet the criteria outlined above.

*Upcoming:* In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. In order to enhance the effectiveness in providing information that is essential for decision-making and assessing a government's accountability, this statement establishes new accounting and financial reporting requirements, or modifies existing requirements, related to management's discussion and analysis; unusual or infrequent items; the presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The requirements of this statement are effective for fiscal years beginning after June 15, 2025. The College is currently evaluating the impact that the provisions of this statement will have on its financial statements.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures, including lease assets, intangible right-to-use assets, and subscription assets. Other intangible assets are also required to be disclosed separately by major class. This statement also requires additional disclosures for capital assets held for sale. A capital asset is held for sale if (a) the government has decided to pursue the sale of the capital asset, and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. The requirements of this statement are effective for fiscal years beginning after June 15, 2025. The College is currently evaluating the impact that the provisions of this statement will have on its financial statements.

## GILLETTE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS

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#### **Note 2. Transfer of Operations**

The College previously operated as a campus of the Northern Wyoming Community College District (NWCCD). On August 31, 2020, the Campbell County commissioners submitted an application to the WCCC requesting the formation of a community college district in Campbell County. This request was approved by the WCCC on November 20, 2020. During the 2021 General Session, Senate File 83, adopted on April 6, 2021, approved the formation of the College, subject to the approval of voters within the district. A special election in Campbell County was held on August 17, 2021, and the formation of the College, including a property tax of up to four mills, was approved by voters.

On December 3, 2021, the College signed a Memorandum of Understanding with NWCCD, which included the transfer of \$975,862 of NWCCD's fund balance and all obligations owed by NWCCD for the payment of indebtedness of \$980,126 pertaining to the Gillette College Student Housing (Inspiration Hall). This assumed debt is discussed further in Note 6. As of June 30, 2023, Inspiration Hall was still held by NWCCD. The parties also agreed that any remaining funds at June 30, 2022 and every subsequent year-end would be transferred in the same manner.

As of June 30, 2025, these assets still have not transferred ownership to the College and are reflected in the Statements of Net Position as a right to receive assets. During the years ended June 30, 2025 and 2024, there was \$160,504 of depreciation expense recorded by NWCCD on these assets.

#### **Note 3. Cash and Investments**

**College:** Wyoming State Statute 9-4-817 authorizes agencies of the State of Wyoming to deposit public funds in financial institutions authorized to do business in the state. These deposits must be fully insured by the Federal Deposit Insurance Corporation or secured by a pledge of assets, including any bonds, debentures, and other securities in which the Wyoming State Treasurer may, by law, invest, or a depository may pledge conventional real estate mortgages and notes connected with mortgages at a ratio of 1.5:1 of the value of public funds secured by the securities. The College has elected to invest cash in excess of immediate needs in certificates of deposit.

**Bank deposits:** At June 30, 2025 and 2024, the carrying amount of the College's bank deposits was \$13,348,669 and \$16,716,451, respectively, and the bank balance was \$13,851,993 and \$17,230,758, respectively, which is covered by Federal depository insurance and collateral held for safekeeping by third-party trustees.

#### **Investments:**

*Interest rate risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College does not have a formal policy addressing interest rate risk.

As of June 30, 2025 and 2024, the College had \$3,018,474 and \$2,875,000, respectively, of unrestricted investments within non-negotiable certificates of deposit with maturities within the year.

# GILLETTE COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

### Note 3. Cash and Investments, *Continued*

*Custodial credit risk:* Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the College will not be able to recover the value of its investments or its collateral securities that are in the possession of an outside party. The College does not have a formal investment policy for custodial credit risk. Investments are held for safekeeping by external custodians in the College's name.

*Concentration of credit risk:* Concentration of credit risk is the risk of loss attributed to the magnitude of the College's investment in a single issuer. Concentration of credit risk is not formally addressed in the College's investment policy.

**Investments held by others:** It is the policy of the College to invest endowment funds under a memorandum of agreement with the Foundation. The balance of investments held by others was \$4,784,889 and \$3,812,199 for the years ended June 30, 2025 and 2024, respectively.

### Note 4. Capital Assets

Capital asset activity for the years ended June 30, 2025 and 2024 is as follows:

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
Nondepreciable capital assets:				
Construction in process	\$ 15,513	\$ 1,084,741	\$ -	\$ 1,100,254
Land	-	2,400,268	-	2,400,268
<b>Total nondepreciable capital assets</b>	<b>15,513</b>	<b>3,485,009</b>	<b>-</b>	<b>3,500,522</b>
Depreciable capital assets:				
Buildings and improvements	10,158,391	484,557	-	10,642,948
Furniture and equipment	3,329,412	992,919	-	4,322,331
Vehicles	220,569	55,850	-	276,419
Library books	59,271	7,900	-	67,171
<b>Total depreciable capital assets</b>	<b>13,767,643</b>	<b>1,541,226</b>	<b>-</b>	<b>15,308,869</b>
<b>Total capital assets</b>	<b>13,783,156</b>	<b>5,026,235</b>	<b>-</b>	<b>18,809,391</b>
Less accumulated depreciation for:				
Buildings and improvements	402,479	373,652	-	776,131
Furniture and equipment	569,418	694,767	-	1,264,185
Vehicles	60,527	57,268	-	117,795
Library books	15,013	12,965	-	27,978
<b>Total accumulated depreciation</b>	<b>1,047,437</b>	<b>1,138,652</b>	<b>-</b>	<b>2,186,089</b>
<b>Capital assets, net</b>	<b>\$ 12,735,719</b>	<b>\$ 3,887,583</b>	<b>\$ -</b>	<b>\$ 16,623,302</b>

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**Note 4. Capital Assets, Continued**

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024
Nondepreciable capital assets:				
Construction in process	\$ -	\$ 15,513	\$ -	\$ 15,513
<b>Total nondepreciable capital assets</b>	<b>-</b>	<b>15,513</b>	<b>-</b>	<b>15,513</b>
Depreciable capital assets:				
Buildings and improvements	10,158,391	-	-	10,158,391
Furniture and equipment	1,748,632	1,580,780	-	3,329,412
Vehicles	132,569	88,000	-	220,569
Library books	59,271	-	-	59,271
<b>Total depreciable capital assets</b>	<b>12,098,863</b>	<b>1,668,780</b>	<b>-</b>	<b>13,767,643</b>
<b>Total capital assets</b>	<b>12,098,863</b>	<b>1,684,293</b>	<b>-</b>	<b>13,783,156</b>
Less accumulated depreciation for:				
Buildings and improvements	31,089	371,390	-	402,479
Furniture and equipment	667	568,751	-	569,418
Vehicles	11,832	48,695	-	60,527
Library books	-	15,013	-	15,013
<b>Total accumulated depreciation</b>	<b>43,588</b>	<b>1,003,849</b>	<b>-</b>	<b>1,047,437</b>
<b>Capital assets, net</b>	<b>\$ 12,055,275</b>	<b>\$ 680,444</b>	<b>\$ -</b>	<b>\$ 12,735,719</b>

**Note 5. Right-to-Use Subscription Assets and Related Subscription Liabilities**

The College has subscription-based information technology arrangements (SBITA) related to various right-to-use subscription assets, including video conferencing software and campus-wide computer software subscriptions. Subscription terms utilized in the calculation include all initial periods plus periods covered by an option to extend, which the College is reasonably certain to exercise. Terms range from three to five years, with end dates ranging from September 2025 to December 2028. The College recognized right-to-use subscription assets of \$633,354 and \$504,910, and accumulated amortization of \$230,550 and \$93,107, at June 30, 2025 and 2024, respectively, using the prime rate in effect at the commencement of the SBITAs. During the years ended June 30, 2025 and 2024, there were no significant outflows of resources recognized for other payments, including termination penalties, not previously included in the measurement of the subscription liabilities.

Future minimum subscription-based payments under the arrangements as of June 30, 2025 are as follows:

	Principal	Interest	Total
Years ending June 30:			
2026	\$ 131,351	\$ 24,209	\$ 155,560
2027	142,438	13,053	155,491
2028	45,940	2,101	48,041
	<b>\$ 319,729</b>	<b>\$ 39,363</b>	<b>\$ 359,092</b>

# GILLETTE COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### Note 5. Right-to-Use Subscription Assets and Related Subscription Liabilities, *Continued*

There were no significant commitments under the SBITAs that existed before the commencement of the subscription term or significant losses associated with impairment.

### Note 6. Long-Term Liabilities

**Note payable:** In 2017, NWCCD and the City of Gillette finalized an agreement establishing the final ownership and operation of Phase I and Phase II of Inspiration Hall. As a result of this agreement, upon the completion of Inspiration Hall, NWCCD would begin making contributions to the outstanding debt that the City of Gillette incurred related to the housing. NWCCD was responsible for 17% of the total outstanding debt, which corresponds to the ownership that NWCCD will have over Phase I and Phase II. The construction associated with the two phases was completed in 2017, and NWCCD began payments at this time.

On December 3, 2021, the College signed a Memorandum of Understanding with NWCCD to assume all obligations pertaining to Inspiration Hall with the City of Gillette. The final payment was made during the year ended June 30, 2025.

As of June 30, 2025, NWCCD had not been fully released from all obligations relating to the note payable with the City of Gillette. In addition, NWCCD had not transferred its ownership interest in Inspiration Hall to the College.

Long-term liability activity, other than the note payable, for the years ended June 30, 2025 and 2024 is as follows:

	<b>Balance</b>		<b>Balance</b>	<b>Amount Due</b>
	<b>June 30, 2024</b>	<b>Net Additions</b>	<b>June 30, 2025</b>	<b>Within One Year</b>
Other liabilities:				
Accrued compensated absences	\$ 294,421	\$ 85,909	\$ 380,330	\$ 5,135
<b>Total other liabilities</b>	<b>\$ 294,421</b>	<b>\$ 85,909</b>	<b>\$ 380,330</b>	<b>\$ 5,135</b>
	<b>Balance</b>		<b>Balance</b>	<b>Amount Due</b>
	<b>June 30, 2023</b>	<b>Additions</b>	<b>June 30, 2024</b>	<b>Within One Year</b>
Other liabilities:				
Accrued compensated absences	\$ 177,243	\$ 117,178	\$ 294,421	\$ 220,816
<b>Total other liabilities</b>	<b>\$ 177,243</b>	<b>\$ 117,178</b>	<b>\$ 294,421</b>	<b>\$ 220,816</b>

## GILLETTE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS

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#### **Note 7. Retirement Commitment - Teachers Insurance and Annuity Association of America (TIAA)**

The College offers a retirement benefit to all permanent full-time employees that is equal to 17.37% of each employee's monthly salary. Eligible College employees may participate in one of two pension plans offered by the College: the WRS (see Note 8) or TIAA. TIAA is a private defined contribution retirement plan that is portable to other institutions and states. For the years ended June 30, 2025 and 2024, the College's contributions to TIAA were \$296,069 and \$259,247, respectively.

#### **Note 8. Retirement Commitment - WRS**

**Plan description:** Substantially all employees of the College, excluding those participating in TIAA, are provided with pensions through the Public Employee Pension Plan, a statewide cost-sharing, multiple-employer defined benefit contributory retirement plan administered by the WRS. The authority to establish and amend benefits and contribution rates rests with the Wyoming State Legislature. The WRS is granted the authority to administer the plan by Wyoming State Statutes 9-3-401 through 432. The WRS issues a publicly available financial report that can be obtained at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

**Benefits provided:** The determination of retirement benefits is dependent upon each employee's initial employment date.

*Service Retirement Tier 1:* Full retirement at age 60 or qualifies for the Rule of 85. Early retirement is permitted at age 50 or 25 years of service. The formula for retirement equals 2.125% times the number of years of service times the three-year highest average salary for the first 15 years and 2.25% times the number of years of service times the three-year highest average salary after 15 years.

*Service Retirement Tier 2:* Full retirement at age 65 or qualifies for the Rule of 85. Early retirement is permitted at age 55 or 25 years of service. The formula for retirement equals 2% times the number of years of service times the five-year highest average salary.

*Disability benefits:* Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his/her duties. To qualify, the member must have at least 10 years of service and be "in service" at the time of application for disability retirement. Upon retirement for a partial disability, the member receives a monthly disability retirement benefit for the period of his/her disability equal to 50% of the normal benefit payable to the member, as if the member was eligible for normal retirement benefits. Upon retirement for a total disability, the member receives a monthly disability benefit equal to 100% of his/her service retirement benefit, as if the member was eligible for normal retirement benefits. Disability benefits are payable for the life of the member or until death.

*Survivor's benefits:* Certain surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased, as well as the benefit option selected by the member at the date of retirement.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 8. Retirement Commitment - WRS, *Continued***

**Contributions:** Per Titles 9-3-412 and 413 of Wyoming State Statutes, effective July 1, 2021, member and employer contributions were required to be 9.25% and 9.37% of compensation, respectively. In accordance with Title 9-3-412(c)(ii) of Wyoming State Statutes, the College has elected to pay 8% of the member’s contribution for the years ended June 30, 2025 and 2024, in addition to the employer’s contribution. Total contributions to the pension plan from the College were \$1,077,164 and \$890,188 for the years ended June 30, 2025 and 2024, respectively.

**Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions:** At June 30, 2025 and 2024, the College reported a liability of \$5,645,430 and \$4,324,530, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024 and 2023, respectively, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of January 1, 2024 and 2023, respectively. There were no assumption changes for the 2024 and 2023 actuarial valuations. The College’s proportion of the net pension liability was based on the relationship of the College’s total contributions to the plan for the years ended December 31, 2024 and 2023 to the contributions of all participating employers for the same period. At December 31, 2024, the College’s proportion was 0.2707%, which was an increase from its December 31, 2023 proportion of 0.1905%.

For the years ended June 30, 2025 and 2024, the College recognized pension expense of \$2,142,752 and \$1,398,055, respectively. At June 30, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2025		2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 366,057	\$ 6,796	\$ 83,550	\$ 18,892
Changes in assumptions	-	-	44,391	-
Net difference between projected and actual earnings on pension plan investments	-	714,765	-	153,292
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,952,714	-	2,918,008	-
Contributions subsequent to the measurement date	301,154	-	258,042	-
	<b>\$ 3,619,925</b>	<b>\$ 721,561</b>	<b>\$ 3,303,991</b>	<b>\$ 172,184</b>

# GILLETTE COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### Note 8. Retirement Commitment - WRS, *Continued*

The amount of \$301,154 at June 30, 2025, reported as deferred outflows of resources related to pensions resulting from the College's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2025 will be recognized in pension expense, as follows:

Years ending June 30:	
2026	\$ 1,462,864
2027	1,435,107
2028	(120,129)
2029	<u>(180,632)</u>
	<u>\$ 2,597,210</u>

**Actuarial assumptions:** The total pension liability in the January 1, 2024 and 2023 actuarial valuations was determined using the following actuarial assumptions adopted by the WRS Board, effective at its November 17, 2021 and February 17, 2022 meetings, and applied to the December 31, 2024 and 2023 measurement dates:

Inflation	2.25%
Salary Increases	2.50%-6.50%, including inflation
Payroll Growth Rate	2.50%
Cost of Living Increase	0.00%
Investment Rate of Return	6.80%, net of pension plan investment expense, including inflation
Post-Retirement Mortality	Mortality rates were based on the PUB-2010 General Healthy Annuitant Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males had no setback, with a multiplier of 100%, and females had no setback, with a multiplier of 103%.
Pre-Retirement Mortality	Mortality rates were based on the PUB-2010 General Active Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males had no setback, with a multiplier of 100%, and females had no setback, with a multiplier of 100%.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 8. Retirement Commitment - WRS, Continued**

**Long-term expected rate of return:** The long-term expected rate of return on pension plan investments was determined using a building-block method, in which expected future real rates of return (expected arithmetic returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Each major asset class is included in the pension plan’s target asset allocation as of January 1, 2024 and 2023. These best estimates are summarized in the following tables:

Asset Class	2024		
	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	0.50%	0.41%	0.40%
Gold	1.50%	2.33%	0.90%
Fixed income	20.00%	3.79%	4.22%
Equity	51.50%	6.51%	8.19%
Marketable alternatives	16.00%	4.54%	5.38%
Private real assets	10.50%	6.23%	7.74%
	<u>100.00%</u>		

Asset Class	2023		
	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	0.50%	-0.30%	-0.30%
Gold	1.50%	2.13%	0.70%
Fixed income	20.00%	3.38%	3.80%
Equity	51.50%	6.52%	8.20%
Marketable alternatives	16.00%	4.39%	5.23%
Private real assets	10.50%	5.97%	7.48%
	<u>100.00%</u>		

**Experience analysis:** An experience study was conducted on behalf of all WRS plans covering the five-year period ended December 31, 2020. That study provided a detailed analysis concerning the development of the long-term inflation rate, real rate of return and discount rate. The study also analyzed each major actuarial assumption (e.g., mortality, salary increases, retirement, termination, and disability) and proposed assumptions consistent with the findings.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 8. Retirement Commitment - WRS, Continued**

**Discount rate:** The discount rate used to measure the total pension liability as of December 31, 2024 and 2023 was 6.80%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the current contribution rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the College’s proportionate share of the net pension liability to changes in the discount rate:** The following presents the College’s proportionate share of the net pension liability as of June 30, 2025, calculated using the discount rate of 6.80%, as well as what the College’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Proportionate share of the net pension liability	\$ 9,404,095	\$ 5,645,430	\$ 2,532,785

**Pension plan fiduciary net position:** Detailed information about the pension plan’s fiduciary net position is available in the separately issued WRS financial report, which may be accessed through the WRS website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

**Note 9. OPEB Commitment**

**General information about the OPEB plan:**

*Plan description:* Eligible employees of the College are provided with OPEB through the State of Wyoming Employee Group Insurance Retiree Health Plan (the Plan), a multiple-employer defined benefit OPEB plan administered by the State of Wyoming Employee Group Insurance (EGI). Any employee of a participating employer is eligible for retiree coverage under the Plan at premium rates established by EGI, provided that:

1. The employee had coverage in effect under the Plan for at least one year just prior to retirement; and
2. The employee is eligible to receive a retirement benefit under the WRS or the Teachers Insurance and Annuity Association of America and either:
  - a. Has reached age 50 with at least four years of service credit as an employee of one of the employing entities participating in the Plan; or
  - b. Has at least 20 years of service credit as an employee of one of the employing entities participating in the Plan.

Retirement eligibility varies under the WRS. The Public Employee Pension Plan, which is the Plan applicable to the College, requires 25 years of service credit.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 9. OPEB Commitment, Continued**

The Wyoming State Legislature has the authority to establish and amend the benefit terms of the Plan. The Plan does not issue a separate report; however, additional Plan information can be obtained from the State of Wyoming’s Annual Comprehensive Financial Report, which may be obtained from its website at <http://sao.wyo.gov/publications>.

*Benefits provided:* The Plan provides medical and prescription drug benefits for retirees and their dependents through payment of insurance premiums for life. Surviving spouses are allowed to continue coverage after the retiree’s death, provided they were covered at the time of death.

*Funding policy:* The State of Wyoming finances this program on a pay-as-you-go basis, and there are no assets held in trust for pre-funding the obligations of the Plan. The Wyoming State Legislature has the authority for establishing and amending the funding policy.

**OPEB liability, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB:** At June 30, 2025, the College reported a liability of \$14,754 for its proportionate share of the collective total OPEB liability. The collective total OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the collective total OPEB liability was determined by an actuarial valuation as of June 30, 2025. For the year ended June 30, 2025, the College’s proportion of the collective total OPEB liability was based on a projection of the College’s explicit premium subsidies relative to all Plan participants. At June 30, 2025, the College’s proportion was 0.0020%.

For the year ended June 30, 2025, the College recognized OPEB expense of \$1,897. At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,242	\$ 2,375
Changes in assumptions	3,055	10,339
Change in proportionate share of expected payments	20,692	-
Expected benefit payments subsequent to the measurement date	582	-
	<u>\$ 25,571</u>	<u>\$ 12,714</u>

The amount of \$582 at June 30, 2025, reported as deferred outflows of resources related to OPEB resulting from expected benefit payments subsequent to the measurement date, will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2026.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 9. OPEB Commitment, *Continued***

The other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB at June 30, 2025 will be recognized in the College’s OPEB expense, as follows:

Years ending June 30:		
2026	\$	1,591
2027		1,805
2028		1,464
2029		1,701
2030		1,919
Thereafter		<u>3,795</u>
	\$	<u><u>12,275</u></u>

**Actuarial assumptions:** The total OPEB liability was determined by an actuarial valuation as of June 30, 2025 using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	June 30, 2024 (based on census data as of June 30, 2023)
Inflation	2.25%
Salary Increases	2.50%-6.50%
Mortality Rates	
Pre-Retirement:	General: Headcount-Weighted PUB-2010 General Employee, projected generationally with two-dimensional Scale MP-2020.  Safety: Headcount-Weighted PUB-2010 Safety Employee, projected generationally with two-dimensional Scale MP-2020.
Post-Retirement:	General: Headcount-Weighted PUB-2010 Non-Safety Healthy Retiree with 103% multiplier for females, projected generationally with two-dimensional Scale MP-2020.  Safety: Headcount-Weighted PUB-2010 Safety Healthy Retiree, projected generationally with two-dimensional Scale MP-2020.
Disabled:	General: Headcount-Weighted PUB-2010 General Disabled, projected generationally with two-dimensional Scale MP-2020.  Safety: Headcount-Weighted PUB-2010 Safety Disabled, projected generationally with two-dimensional Scale MP-2020.

## GILLETTE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS

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#### Note 9. OPEB Commitment, *Continued*

Healthcare Cost Trend Rates	Pre-Medicare: 7.75%, decreasing annually until reaching the ultimate trend rate of 4.50%.  Medicare: 17.25%, then 7.50% decreasing annually until reaching the ultimate trend rate of 4.50%.
Participation Rate	55% will elect coverage, and 30% will cover a spouse.
Spouse Age Differential	Males are assumed to be two years older than females.
Cost Method	Entry age normal. Under this method, the actuarial accrued liability is based on a prorated portion of the present value of all benefits earned to date over the expected future working lifetime, as defined by the GASB. The proration is determined so that the cost, with respect to the service accrued from the date of hire, is recognized as a level percentage of pay over the year. The normal cost is equal to the prorated cost for the year of the valuation.
Benefits Excluded	Benefits related to retiree dental and life insurance have been excluded from this valuation.

The healthcare cost trend rate assumptions were developed using Segal's internal guidelines, which are established each year using data sources such as the Segal Health Trend Survey, internal client results, trends from other published surveys prepared by the Standard & Poor's Dow Jones Indices, consulting firms and brokers, and Consumer Price Index statistics published by the Bureau of Labor Statistics.

Significant demographic and economic assumptions are based on an experience study that covered a five-year period ended December 31, 2020. Significant assumptions varied within the various retirement plans in the WRS. The remaining demographic assumptions were based on Plan experience and professional judgment.

**Discount rate:** The discount rate used to measure the total OPEB liability was 3.93% at June 30, 2024. As the Plan is unfunded, the Plan has no fiduciary net position from which to make future benefit payments. Therefore, the discount rate is based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 9. OPEB Commitment, Continued**

**Sensitivity of the College’s proportionate share of the collective total OPEB liability to changes in the discount rate:** The table below presents the College’s proportionate share of the collective total OPEB liability calculated using the discount rate of 3.93%, as well as what the College’s proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Proportionate share of the collective total OPEB liability	\$ 17,671	\$ 14,754	\$ 12,466

**Sensitivity of the College’s proportionate share of the collective total OPEB liability to changes in the healthcare cost trend rates:** The table below presents the College’s proportionate share of the collective total OPEB liability, as well as what the College’s proportionate share of the collective total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Pre-Medicare	6.75%	7.75%	8.75%
Medicare	16.25%	17.25%	18.25%
Proportionate share of the collective total OPEB liability	\$ 12,602	\$ 14,754	\$ 17,575

**Note 10. Risk Management**

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the years ended June 30, 2025 and 2024, the College contracted with various insurance companies for property insurance (including machinery), general liability insurance, professional insurance, and vehicle insurance. The coverage under each type of insurance policy varies in amounts and deductibles.

The College pays a premium into the State Workers’ Compensation System for hazardous employees based on a rate per covered payroll. This annual rate is calculated based on accident history and administrative costs.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**Note 11. Natural Classifications With Functional Classifications**

The College’s operating expenses by natural classification were as follows for the years ended June 30:

	2025			
	Natural Classification			
	Compensation and Benefits	Supplies and Services	Depreciation and Amortization	Total
Functional classification:				
Instruction	\$ 5,205,965	\$ 619,789	\$ -	\$ 5,825,754
Research	192,462	3,242	-	195,704
Academic support	347,560	80,145		427,705
Student services	2,350,858	2,103,402	-	4,454,260
Institutional support	2,898,866	2,954,777	-	5,853,643
Operations and maintenance of plant	1,705,236	1,527,914	-	3,233,150
Auxiliary enterprises	694,386	1,282,842	-	1,977,228
Depreciation	-	-	1,299,156	1,299,156
Amortization	-	-	143,364	143,364
<b>Total expenses</b>	<b>\$ 13,395,333</b>	<b>\$ 8,572,111</b>	<b>\$ 1,442,520</b>	<b>\$ 23,409,964</b>
	2024			
	Natural Classification			
	Compensation and Benefits	Supplies and Services	Depreciation and Amortization	Total
Functional classification:				
Instruction	\$ 4,173,902	\$ 390,916	\$ -	\$ 4,564,818
Research	18,984	1,570	-	20,554
Academic support	394,509	41,729	-	436,238
Student services	1,709,134	1,743,347	-	3,452,481
Institutional support	2,474,912	1,912,655	-	4,387,567
Operations and maintenance of plant	1,311,172	646,023	-	1,957,195
Auxiliary enterprises	682,287	1,532,354	-	2,214,641
Depreciation	-	-	1,164,354	1,164,354
Amortization	-	-	76,457	76,457
<b>Total expenses</b>	<b>\$ 10,764,900</b>	<b>\$ 6,268,594</b>	<b>\$ 1,240,811</b>	<b>\$ 18,274,305</b>

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 12. Custodial Deposits**

The College holds funds collected by various student groups and the BOCHES. A liability for these funds is included in current liabilities in the accompanying Statements of Net Position. In addition, designated student activity fees collected by the College are also recorded within the College's custodial accounts. The following summarizes activity within the Student Activity Funds during the years ended June 30:

	<u>2025</u>	<u>2024</u>
Beginning of year	\$ 1,486,597	\$ 178,723
Additions:		
BOCHES appropriations	2,688,000	2,718,396
State and local grants and contracts	92,000	600,000
Dual enrollment	-	70,589
Student fees	152,907	565,567
<b>Total additions</b>	<u>2,932,907</u>	<u>3,954,552</u>
Deductions:		
BOCHES expense	1,129,211	1,815,208
Scholarships	539,882	461,844
Administrative expenditures and other noncapital expenditures	67,899	369,626
<b>Total deductions</b>	<u>1,736,992</u>	<u>2,646,678</u>
End of year	<u>\$ 2,682,512</u>	<u>\$ 1,486,597</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF THE COLLEGE’S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY**

**Public Employee Pension Plan  
Last Four Fiscal Years\***

	College’s Proportion of the Net Pension Liability	College’s Proportionate Share of the Net Pension Liability	College’s Covered Payroll	College’s Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2022	0.001761193%	\$ 26,853	\$ 31,665	84.80%	86.03%
2023	0.051328300%	1,402,707	964,155	145.49%	75.47%
2024	0.190492700%	4,324,530	3,831,447	112.87%	80.19%
<b>2025</b>	<b>0.270689600%</b>	<b>5,645,430</b>	<b>5,741,189</b>	<b>98.33%</b>	<b>82.46%</b>

*\* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This schedule is to be built prospectively until it contains 10 years of data.*

See Note to Required Supplementary Information.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF THE COLLEGE’S CONTRIBUTIONS  
Public Employee Pension Plan  
Last Four Fiscal Years\***

	Statorily Required Contribution	Contributions in Relation to the Statorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll Pension Liability
2022	\$ 19,167	\$ 19,167	\$ -	\$ 204,557	9.37%
2023	210,992	210,992	-	2,251,778	9.37%
2024	480,199	480,199	-	5,124,858	9.37%
<b>2025</b>	<b>581,061</b>	<b>581,061</b>	<b>-</b>	<b>6,201,287</b>	<b>9.37%</b>

*\* This schedule is to be built prospectively until it contains 10 years of data.*

See Note to Required Supplementary Information.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF THE COLLEGE'S PROPORTIONATE  
SHARE OF THE TOTAL OPEB LIABILITY**

**Public Employee Pension Plan  
Last Fiscal Year\***

	College's Proportion of the Total OPEB Liability	College's Proportionate Share of the Total OPEB Liability	College's Covered Payroll	College's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2025	0.00200%	\$ 14,754	N/A	N/A	0.00%

*\* This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

**GILLETTE COMMUNITY COLLEGE DISTRICT**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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**Note 1. Retirement Commitment - Wyoming Retirement System (WRS)**

**Changes in benefit terms:** There were no changes in benefit terms between the initial measurement date reflected below and the December 31, 2024 measurement date.

**Changes in assumptions:** Healthcare trend rates were updated, along with the assumptions relating to mortality rates, retirement rates, withdrawal rates, disability rates, and salary increase rates, based on the WRS’s December 31, 2020 actuarial experience study. Further, there have been various assumption changes in discount rates, investment rates of return, inflation rates, and payroll growth rates from the initial measurement date through the December 31, 2024 measurement date, as indicated in the table below:

Measurement Date (Plan Year-End)	Discount Rate	Inflation Rate	Salary Increase Rate	Payroll Growth Rate	Investment Rate of Return	Cost of Living Increases
2014	7.75%	3.25%	4.25%-6.00%	4.25%	7.75%	0.00%
2015	7.75%	3.25%	4.25%-6.00%	4.25%	7.75%	0.00%
2016	7.75%	3.25%	4.25%-6.00%	4.25%	7.75%	0.00%
2017	7.75%	3.25%	4.25%-6.00%	4.25%	7.75%	0.00%
2018	7.00%	2.25%	2.50%-6.50%	2.50%	7.00%	0.00%
2019	7.00%	2.25%	2.50%-6.50%	2.50%	7.00%	0.00%
2020	7.00%	2.25%	2.50%-6.50%	2.50%	7.00%	0.00%
2021	6.80%	2.25%	2.50%-6.50%	2.50%	6.80%	0.00%
2022	6.80%	2.25%	2.50%-6.50%	2.50%	6.80%	0.00%
2023	6.80%	2.25%	2.50%-6.50%	2.50%	6.80%	0.00%
<b>2024</b>	<b>6.80%</b>	<b>2.25%</b>	<b>2.50%-6.50%</b>	<b>2.50%</b>	<b>6.80%</b>	<b>0.00%</b>

**Note 2. Other Postemployment Benefits (OPEB) Commitment**

**Changes in benefit terms:** There were no changes in benefit terms between the June 30, 2016 and June 30, 2024 measurement dates.

**Changes in assumptions:** The OPEB plan has experienced the following changes in assumptions:

Measurement Date (Year Ended)	Discount Rate	Inflation Rate	Salary Increase Rate	Pre-Medicare HTC*	Medicare HTC*
2024	3.93%	2.25%	2.50%-6.50%	7.75%	17.25%

\* Healthcare trend rate.



MHP Assurance Services, LLP

**INDEPENDENT AUDITOR'S 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**

To the Board of Trustees  
Gillette Community College District  
Gillette, Wyoming

We have audited, 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 (*Government Auditing Standards*), the financial statements of the Gillette Community College District's (the College) business-type activities and its discretely presented component unit, the Gillette College Foundation, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon, dated December 18, 2025. Our report includes a reference to other auditors who audited the financial statements of the Gillette College Foundation, as described in our report on the College's financial statements. The financial statements of the Gillette College Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, the report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Gillette College Foundation.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the College'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 a material weakness. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the College's financial statements are free from 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 financial statements. 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 the College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MHP Assurance Services, LLP

Cheyenne, Wyoming  
December 18, 2025