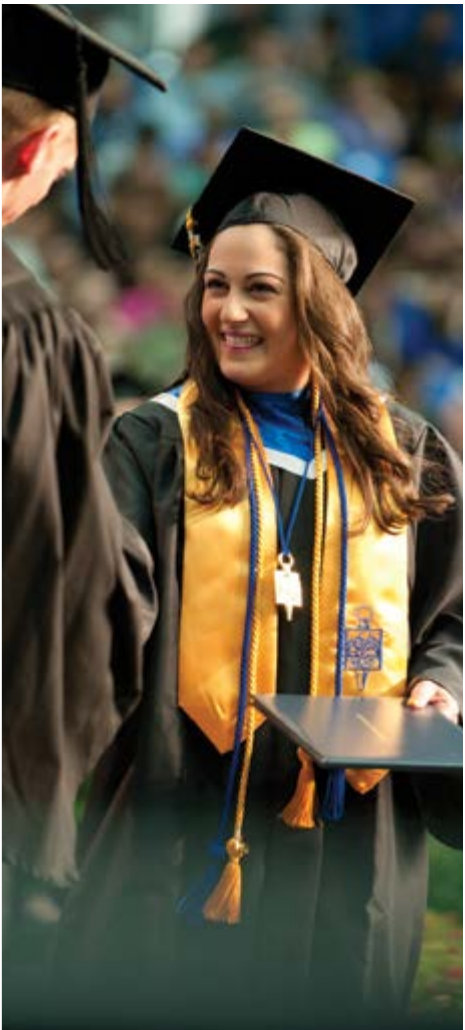


Community College District 509
1700 Spartan Drive, Elgin, IL

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2015



Elgin
Community
College
Bright Choice. Bright Future.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Years Ended
June 30, 2015 and 2014

Prepared by
Finance Department

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials	i
Organizational Chart	ii
Certificate of Achievement for Excellence in Financial Reporting	iii
Letter of Transmittal	iv-xvi
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-3
MANAGEMENT’S DISCUSSION AND ANALYSIS	MD&A 1-12
BASIC FINANCIAL STATEMENTS	
Statements of Net Position	4-5
Statements of Revenues, Expenses and Changes in Net Position	6
Statements of Cash Flows	7-8
Discretely Presented Component Unit	
Elgin Community College Foundation	
Statements of Financial Position	9
Statements of Revenues, Expenses and Changes in Net Position	10
Notes to Financial Statements	11-34
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios	35
SUPPLEMENTARY INFORMATION	
Combining Schedule of Net Position Accounts, by Subfund	36-43
Combining Schedule of Revenues, Expenses and Changes in Net Position, by Subfund	44-47
STATISTICAL SECTION	
Financial Trends	
Net Position by Component	48-49
Changes in Net Position	50-51

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

STATISTICAL SECTION (Continued)

Revenue Capacity	
Assessed Value and Actual Value of Taxable Property	52
Property Tax Rates - Direct and Overlapping Governments	53
Principal Property Taxpayers	54
Property Tax Levies and Collections	55
Enrollment, Tuition and Fee Rates, Credit Hours Claimed and Tuition and Fee Revenue	56
Debt Capacity	
Ratios of Outstanding Debt by Type	57
Ratios of Net General Bonded Debt Outstanding	58
Schedule of Direct and Overlapping Bonded Debt	59-60
Legal Debt Margin Information	61
Demographic and Economic Information	
Personal Income per Capita.....	62
Principal Employers	63
Student Enrollment Demographic Statistics	64
Operating Information	
Full-Time Equivalent Employees and Employee Headcount by Employee Group.....	65
Degrees and Certificates Awarded	66
Capital Assets Statistics	67

SPECIAL REPORTS

SUPPLEMENTAL FINANCIAL INFORMATION

Certificate of Chargeback Reimbursement	68-69
---	-------

UNIFORM FINANCIAL STATEMENTS

All Funds Summary	70-71
Summary of Capital Assets and Debt	72
Operating Funds Revenues and Expenditures.....	73-74
Restricted Purposes Fund Revenues and Expenditures	75-76
Current Funds - Expenditures by Activity	77-78

ILLINOIS COMMUNITY COLLEGE BOARD STATE GRANTS

FINANCIAL - COMPLIANCE SECTION

Independent Auditor's Report.....	79-80
State Adult Education and Family Literacy Restricted Grant Program	
Balance Sheet	81

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

SPECIAL REPORTS (Continued)

ILLINOIS COMMUNITY COLLEGE BOARD STATE GRANTS

FINANCIAL - COMPLIANCE SECTION (Continued)

State Adult Education and Family Literacy Restricted
Grant Program (Continued)

Statement of Revenues, Expenditures and Changes in

Fund Balances 82

Schedule of Expenditure Amounts and Percentages for

ICCB Grant Funds Only 83

Career and Technical Education Program Improvement Grant Program

Balance Sheet 84

Statement of Revenues, Expenditures and Changes in

Fund Balance 85

Notes to Financial Statements - State Grant Programs 86-87

Independent Accountant's Report on the Schedule of Enrollment Data

and Other Bases Upon Which Claims are Filed 88

Schedule of Enrollment Data and Other Bases Upon Which

Claims are Filed 89

Reconciliation of Total Semester Credit Hours 90

INTRODUCTORY SECTION

ELGIN COMMUNITY COLLEGE
Community College District No. 509

Principal Officials

BOARD OF TRUSTEES

Members

Donna Redmer, Chairperson
Eleanor MacKinney, Vice Chairperson

Angela Causey

John Duffy

Jeffrey Meyer

Art Saucedo

Clare Ollayos

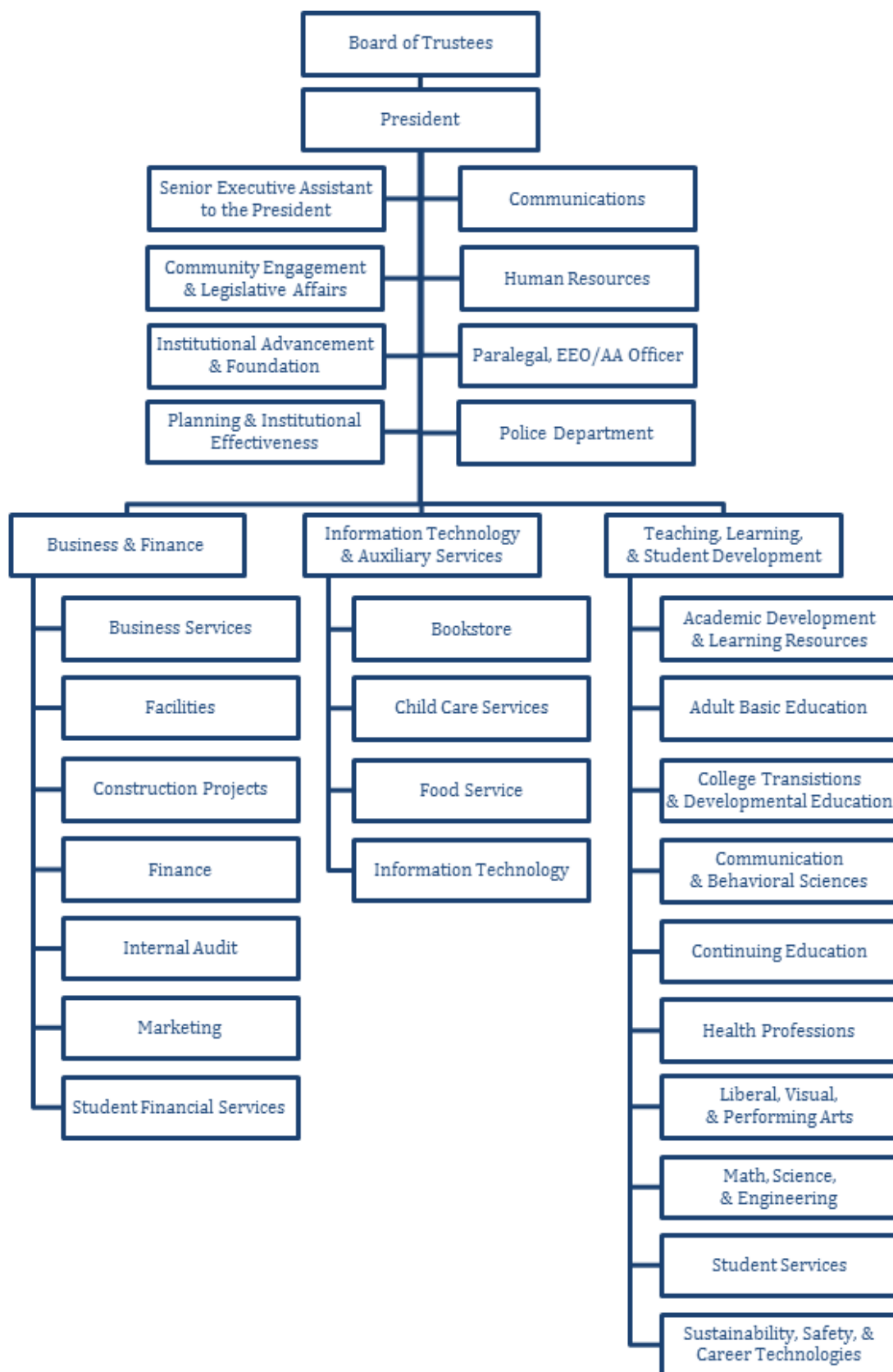
Donna Redmer

Jorge Galvan, Student Member of the Board

David Sam, President

ELGIN COMMUNITY COLLEGE
Community College District No. 509

Organization Chart





Government Finance Officers Association

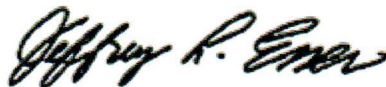
**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Elgin Community College
District 509, Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014



Executive Director/CEO



September 30, 2015

Board of Trustees
Elgin Community College
1700 Spartan Drive
Elgin, Illinois 60123

The comprehensive annual financial report of Elgin Community College (ECC), Community College District No. 509 for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the College. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and changes in financial position of the College. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities have been included.

The comprehensive annual report presents the Management Discussion and Analysis (MD&A), basic financial statements, and information required by the Illinois Community College Board. The MD&A provides an analytical overview of the College's financial activity. This letter of transmittal should be read in conjunction with the MD&A.

Mission, Vision, and Goals

All major directives and initiatives at the College are guided by the institution-wide *ECC Strategic Plan*, a comprehensive and institution-wide plan which is renewed every 3 to 5 years by the Strategic Planning Committee, a cross-functional team of faculty, administrators and support staff members. The plan is divided into several broad components, which include: the mission, vision, shared values, strategic goals and strategic objectives as defined below.

Mission:	The mission describes why the college exists
Vision:	The vision describes our future and where we are headed as a college
Shared Values:	Shared values reflect the core principles and beliefs that guide our work
Goals:	Strategic goals are broad intentions that we expect to accomplish during the life of this plan
Objectives:	Strategic objectives are reportable actions that we expect to accomplish for each strategic goal
Activities:	Activities are tasks, within each objective, that cross-functional committees and/or departments carry out; activities change frequently throughout the life of the plan.

The current strategic plan was approved by the ECC Board of Trustees on August 14, 2012. It contains 6 goals and 23 objectives and will remain in effect until the end of fiscal year 2017 (June 30, 2017). The goals encompass 6 key areas which include: student success (Goals 1 and 2), cultural competency and equity (Goal 3), operational/process improvements (Goal 4), community service goals (Goal 5), and employee training and development (Goal 6). Within these goals, strategic objectives provide specificity on the nature of work to be performed. For example, within Goal 1 (Foster a learning-centered environment), the college commits to expand supplemental instruction techniques, teach student skills in self-assessment, expand active learning pedagogies, ensure consistency between the curricula at the College and area high schools, and build a comprehensive approach to student advising. The strategic plan is as follows:

MISSION

The mission of Elgin Community College is to improve people's lives through learning.

VISION

We pursue our mission by focusing all our efforts on making Elgin Community College one of the best centers of learning in the United States. In recognition of our role as a comprehensive community college, we will strive to create high-quality learning opportunities that respond to the needs of the residents of our district.

SHARED VALUES

Excellence

All college functions and services must strive for the highest level of excellence to successfully achieve our mission. Learning activities must be of the highest quality to help students achieve their goals.

Freedom of Inquiry

We believe a learning community is most engaging and viable when a spirit of free inquiry exists, allowing everyone the freedom to explore new and diverse ideas and to express their interests and attitudes.

Equity

We believe that everyone must have an equal opportunity to grow through learning and pledge to provide all who take part in our learning activities with the opportunities and supports needed for success.

Ethical Practices

As we strive to develop our learning community, we will maintain at all times the highest level of honesty, communication, cooperation and credibility in all relationships.

Accountability

As a public institution, we believe we must assume responsibility for all our decisions and actions, and we must also be open and honest in all our affairs and always ensure that we are making the best use of our resources.

Respect for Diversity

All constituencies are important to achieving our vision. Therefore, we must respect the unique and diverse perspectives each person offers and embrace those differences as the means for developing the strongest learning community possible. We promote individual growth and a positive sense of self-worth for all members of the college community.

Community Engagement

As an active and involved part of our community, we must play an integral role in developing, advancing, and serving the local community.

STRATEGIC GOALS AND OBJECTIVES**GOAL 1: FOSTER A LEARNING-CENTERED ENVIRONMENT**

Objective 1.1: Expand the use of supplemental instruction models

Objective 1.2: Teach students the skills needed to assume responsibility for their own learning

Objective 1.3: Expand the use of active learning pedagogies

Objective 1.4: Ensure consistency among Elgin Community College, high schools (e.g., Common Core State Standards), and senior institutions

Objective 1.5: Build a comprehensive approach to student advising

GOAL 2: PROMOTE STUDENT GOAL COMPLETION

Objective 2.1: Accelerate student progression through coursework

Objective 2.2: Develop coherent and intentional student pathways toward completion

Objective 2.3: Improve success milestones among students with the greatest achievement gaps

Objective 2.4: Improve placement processes to assist and support various student populations

GOAL 3. PROMOTE A CLIMATE OF COLLABORATION, EQUITY AND INCLUSION FOR ALL COLLEGE CONSTITUENCIES

Objective 3.1: Expand cultural competency awareness and skills across campus

Objective 3.2: Implement diverse cross-functional teams to broadly promote equity and enhance decision-making

Objective 3.3: Increase partnerships and programs that encourage interactions with people from diverse backgrounds and cultures

GOAL 4. PROMOTE GREATER TRANSPARENCY, EFFICIENCY AND ACCOUNTABILITY IN COLLEGE PROCESSES AND SYSTEMS

Objective 4.1: Proactively solicit feedback from students, employees, and communities in the evaluation and improvement of processes

Objective 4.2: Make optimal use of student success data to inform future programs and services

Objective 4.3: Develop operational processes that are responsive to the strategic priorities identified in this plan

GOAL 5. STRENGTHEN EDUCATIONAL AND WORKFORCE PARTNERSHIPS TO CREATE A MORE RESPONSIVE AND SUSTAINABLE COMMUNITY

Objective 5.1: Formalize expectations for advisory boards and other sources that inform future curricula, programs and services

Objective 5.2: Leverage community partnerships and legislative advocacy efforts in ways that support learning and student success

Objective 5.3: Effectively communicate results, successes, benefits and offerings to community stakeholders

GOAL 6. ENHANCE ELGIN COMMUNITY COLLEGE AS AN EMPLOYER OF CHOICE

Objective 6.1: Proactively recruit diverse individuals to work at Elgin Community College

Objective 6.2: Improve the efficiency of hiring, onboarding and off-boarding employees

Objective 6.3: Establish career pathways for employees

Objective 6.4: Implement professional development opportunities for all faculty, staff and administrators based on industry best practices

Objective 6.5: Enhance work-life balance

ECONOMIC CONDITION AND LOCAL ECONOMY

The College's district covers a 360 square-mile area in northern Illinois. It encompasses parts of five counties: Cook, DeKalb, DuPage, Kane, and McHenry Counties; and serves 29 incorporated municipalities and substantial unincorporated areas. The main campus of the College is located on 331.2 acres in southwest Elgin. According to the 2010 US Census, ECC District 509 serves an area with approximately 441,671 residents. The city of Elgin has the largest population of the

District's population at 25%, followed by Bartlett at 10%, Streamwood/Hanover Park at 9%, and St. Charles at 8%. The fastest rate of growth comes from communities in the western part of the District, such as the newly incorporated village of Campton Hills and the Village of Hampshire, where the population is expected to more than quintuple by 2030. The total population of the District will continue to grow in the foreseeable future, according to the 2006 report of the Chicago Metropolitan Agency for Planning, making the greater Elgin area one of the fastest growing in the state.

Illinois is and has been historically a destination for immigrants. This influx of immigrants seeking employment in the state brings more need for training in many skill areas, from basic English as a Second Language to technical credentials. As immigration continues to rise, the convenience, affordability, and accessibility of community colleges will be essential to training this new workforce. According to the latest Census estimates, the District is 63% White and 24% Latino; however, the Latino population is not evenly disbursed throughout the District and is much higher in certain communities, such as Carpentersville at 50%, Elgin at 44%, Streamwood/Hanover Park at 33%, and Bartlett at almost 9%. Other racial/ethnic minorities in the District are Asian/Pacific Islander at 8%, Black/African American at almost 4%, and other minorities at 4%.

According to Census estimates, males and females equally represent the district compared to the Illinois state levels of 49% for males and 51% for females. Seventy-seven percent (77%) of district residents are 15 years of age and over, and 25% are between the ages of 15 and 34. The city of Elgin has 72% of residents who are 18 years of age and over, and 30% of residents who are 15 to 34 years of age.

ECC student population is representative of the district. According to data compiled by the American Association of Community Colleges, the average age of a community college student nationwide is 28. ECC's average student is 27 years of age. In addition, 55% of ECC students are women; this is typical of the nation's community colleges, which are on average 57% female. Just over 72% of ECC students have graduated from high school and 10% have earned a bachelor's, graduate, or professional degree (bachelor's degree or higher). Credit students in career-technical and university-transfer programs make up 83% of ECC's student credit population as of fiscal year 2014, while 13% enroll in Adult Basic Education and English as a Second Language programs. In any given year, between 4,000 and 5,000 students enroll in non-credit, continuing education or corporate training courses.

Employment Trends

Like many Illinois communities, the greater Elgin area has traditionally been a region of manufacturing, an industry that continues to support many district residents. Over the years, much of the area's heavy manufacturing has given way to a host of service occupations, the largest of which are in healthcare, architecture/engineering, media/technology and retail. The district's largest employer (in terms of employees) is Sears Holdings Corporation in Hoffman Estates, Illinois. The largest occupations in the area include educational services, healthcare, and social assistance (19%), manufacturing (16%), retail trade (12%) and professional, scientific, management administrative and waste management services (12%).

Industry of Workers

	Kane County
Civilian Employed Population 16 and Over	239,995
Agriculture, Fishing, Hunting, and Mining	0.7%
Construction	6.1%
Manufacturing	16.0%
Wholesale Trade	3.8%
Retail Trade	12.3%
Transportation, Warehousing, and Utilities	5.9%
Information	2.2%
Finance, Insurance, Real Estate, Rental, and Leasing	7.1%
Professional, Scientific, Management, Administrative, and Waste Management Services	12.3%
Educational Services, Healthcare, and Social Assistance	19.4%
Arts, Entertainment, Recreation, Food Services, and Accommodation	7.6%
Other Services (except Public Administration)	3.6%
Public Administration	3.0%

Source: U.S. Census Bureau, 2010.

Like many areas in the nation, unemployment for Kane County has been increasing over the past several years, but recently appears to be declining. According to the US Bureau of Labor Statistics, the unemployment rate for Kane County was 12.4% at the start of 2010 but has fallen to 5.2% as of July 2015, placing it below the state of Illinois and US averages.

STUDENT ENROLLMENT

After reaching an all-time high in credit hours in fiscal year 2011, credit hours continue to level off, with declines in each year from 2012 through 2015. The 2011 climb started in fiscal year 2009 when total claimed credit hours jumped to 180,895 from 164,353 in 2008. Then, in fiscal year 2010, enrollment continued to climb to reach an all-time record of 210,405 credit hours and exceeded 12,000 students in a semester for the first time in the College's history in fall 2010. In 2011, credit hours peaked at 216,117 and declined annually to 195,829 credit hours in 2015. The state of the economy has presumably played a large part in this decrease. The prevailing theory is that community college enrollment correlates inversely to the local economy and unemployment rates. As the local economy worsens and unemployment rises, residents look to community colleges to train and prepare themselves for newer or more advanced jobs. On the other hand, as the economy improves, community members who might have otherwise looked to the College for job training are now working – and thus, fewer students enroll. To that end, the recent enrollment declines that ECC has experienced have been mirrored by the entire Illinois Community College system as a whole.

Student enrollment at the census date (10th day of each term) and end-of-semester total credit hours generated for the last 3 years are contained below:

Fiscal Year	2013	2014	2015
Fall Enrollment	11,554	11,285	10,937
Spring Term Enrollment	11,363	10,852	10,638
Summer Term Enrollment	4,750	5,114	5,157
Annual Unduplicated Enrollment	18,088	17,037	16,598
Total Claimed Credit Hours	207,401	197,309	195,829

Source: ICCB E1 enrollment files, A1 annual enrollment files, SR/SU claim reports.

Through its Planning and Institutional Effectiveness office, the College analyzes trends, current data, and the environment to establish a plan and goals for monitoring student success. Some of the focus areas of the current strategic plan are recruitment efforts in under-represented populations within the College, managing enrollment and retention efforts to retain students who are at risk, to engage faculty in the retention efforts of those students, and to promote learning communities to integrate learning experiences across disciplines for a common cohort of students. A key commitment of the current strategic plan is to improve reporting practices throughout the College, so that they are data-driven and integrated with decision-making processes related to student success.

STRATEGIC INITIATIVES & TARGETS FOR FISCAL YEAR 2016

Stemming from the *ECC Strategic Plan*, several important initiatives planned for fiscal year 2016 include: student success projects, academic advising, employee professional development, campus facilities, and technology initiatives. Following is a brief description of plans in each area.

Student Success Projects

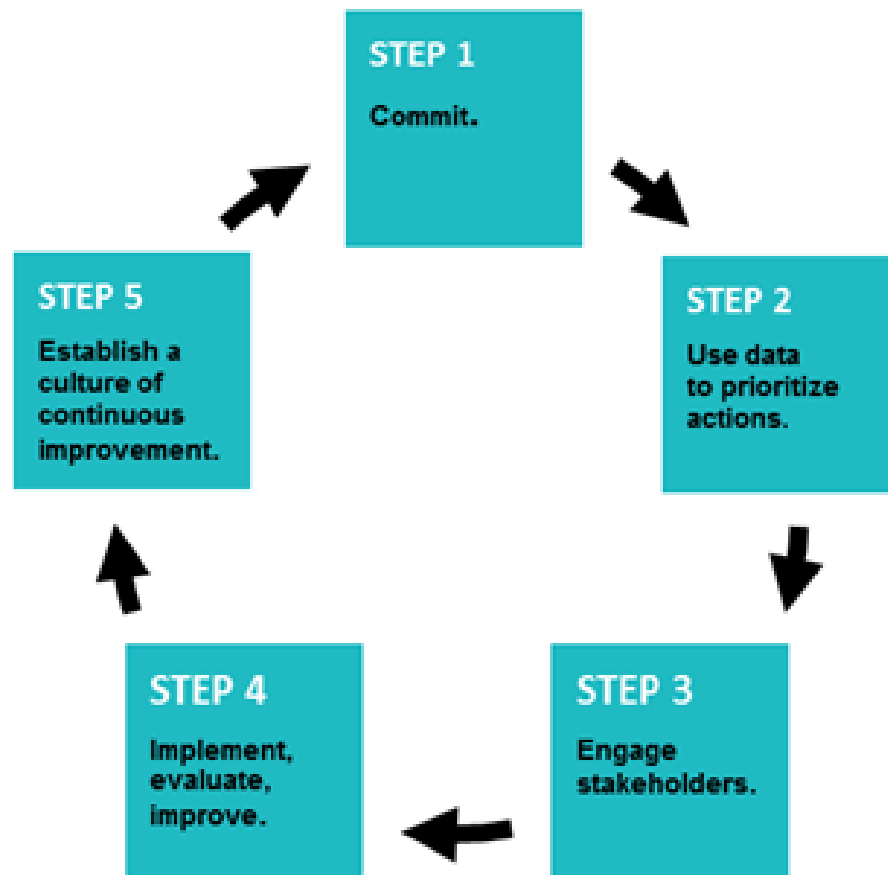
ECC's efforts to promote student success are carried out in accordance with an established framework developed by Achieving the Dream, a national program designed to promote student success in community colleges. A member of this organization since 2009, ECC has engaged its faculty, staff, and administrators in a process of continuous inquiry, using data to identify gaps in student achievement and implementing college-wide strategies for improving student success. In 2012, the College was honored by this organization as a Leader College for reporting consistent, measurable, and specific progress on metrics for three or more years. This is an important recognition that affords the College access to special grants and other honors. In 2014, ECC was again recognized as an Aspen Top 150 College (by the Aspen Institute) for excellence in success outcomes reporting.

Current student success strategies at ECC are aimed at improving success rates among low-income students, first-time students, students of color, and students who are pre-college (i.e., at developmental or remedial standing). Research from Achieving the Dream has shown that, as colleges concentrate on such populations, success rates improve for all students overall, and for 2016, ECC is targeting four (4) strategies for these students, each of which aligns to specific *ECC Strategic Plan* goals: embracing diverse cultures (Goal 3); expanding community and workforce outreach (Goal 5); improving student resources (Goal 1); and advancing developmental education efforts (Goal 2).

Since 2012, the College has used a Student Success Infrastructure to unite all efforts in this area. The Infrastructure is an organizational and operational framework that provides a formal system for launching, testing, implementing, reporting and prioritizing student success projects. This model is advocated by Achieving the Dream (see figure below) and consists of assessments at important checkpoints as projects are undertaken. Within the Infrastructure, a cross-functional Equity Coordinating Council of administrators and faculty oversees these checkpoints and guides the work of four teams, each working on one of the strategies listed above. Each team is co-led by a faculty member and administrator, who together oversee the work of volunteer faculty, administrators, and staff.

As we continue implementation of the Infrastructure, we are collecting feedback from teams, and from that feedback, we are making minor refinements in order to customize the process for our campus. The College participates actively in professional development in data management and faculty outreach, and Infrastructure members annually attend the DREAM conference of the national Achieving the Dream organization. The College also funds the professional services of two (2) Achieving the Dream leadership coaches, who visit campus twice annually to provide ongoing guidance and evaluation.

The Achieving the Dream Five-Step Process for Increasing Student Success through Institutional Improvement



Performance of the Infrastructure and ECC's student success strategies is assessed annually by comparing performance metrics from one year to the next. Various measures are used to gauge progress, such as successful completion of developmental classes and persistence from semester to semester. Measures are summarized annually in the college's Performance Report of key effectiveness indicators, which is posted publically on our website each fall. Across a variety of performance measures, ECC's efforts at student success appear to be paying off. For example, the percentage of full-time students who persist from one fall semester to the next has increased from 72% in fall 2010 to 77% in fall 2012, and the persistence of part-time students has also increased from 50% in fall 2012 to 53% in fall 2012. Further, the percentage of new, first-time students who start and graduate within 4 years of has increased markedly. Among new students who started in fall 2006, 13% had graduated by spring 2010, but among those who started in fall 2009, a much higher percentage of 26% had graduated by spring 2013. These results bode well for ECC, given the State of Illinois' and President Obama's renewed emphasis on outcome measures.

Over the past year, the College has been focusing its efforts on preparing an assurance argument for re-accreditation with the Higher Learning Commission (HLC). Accreditation ensures that the education provided by an institution meets acceptable levels of quality and is engaged in continuous improvement. Accreditation is important for the acceptance and transfers of college credit from one institution to another and is revisited on a ten year cycle. Re-accreditation entails a comprehensive evaluation by peer reviewers of the policies and adherence to set criterion provided by the HLC.

Along with the assurance argument, re-accreditation requires the College to complete a quality initiative project. The College has been working on purposeful budgeting as its quality initiative project for the last three years. The goals of the project were to provide greater transparency in the overall budgeting process, reconnect the budgeting process to the strategic goals, and to realign resources appropriately with the implementation of zero based budgeting. The College will continue to redefine its budgeting process to address the strategic needs of the College. In the fall of 2016, Higher Learning Commission will conduct a site visit to review the assurance argument and quality initiative of the College.

In addition to the focus on re-accreditation, in fiscal year 2016, the College will continue its efforts to promote student success. The developmental education division will continue to expand and improve efforts for the placement of incoming students into college level courses through various efforts. Some examples of these efforts include:

Interventions that focus on particular at risk populations in high schools prior to entering college to help them become college ready. For example, the transition academy reaches out to at-risk high school students (grades 9 through 12) deemed to have high ability (based on high school teachers' ratings) but low performance (as indicated by test scores and course grades). Meeting once monthly for 6 hours, TA students are cohorted by grade and participate in a guided curriculum designed to increase affective learning, motivation, and STEM skills. Each class is team taught by a high school and college instructor, and volunteer community mentors help with college and career preparation. Additionally, each cohort includes an area business partner. Parents of students also participate in workshops on affect and motivation, college financial aid, and career planning. In just two years (2103 to 2014), the TA has grown from 8 to 10 high schools; from 49 to 110 students; and from 36 to 44 mentors.

Accelerated Learning Program (ALP) enables student who place into developmental English the opportunity to enroll in developmental and college-level English concurrently; thus allowing them to complete both courses in one semester.

The Alliance for College is a collaborative partnership between the College and public school districts with the goals of improving student success, ensuring all high school graduates are college ready regardless of where they continue their postsecondary education, and increasing the regional college-going rate. The Alliance has a summer bridge program that helps students prepare for placement exams enabling them to place into the level more appropriate for them.

Student financial literacy continues to be an important initiative within the College. Currently the Financial Literacy Program includes 75 events and activities – an online education module which is incorporated into College 101 courses and TRIO’s financial literacy requirement; a College and Community Smart Fair to promote education on financing college; and the *How to Win at Life* game; the Federal Reserve Bank’s *Money Smart Week*; College Goal Sunday; parent events; and FAFSA completion workshops. In fiscal year 2016, the College is launching Massive Open Online Courses (MOOCs) on “How to Pay for College”, “Financial Aid Basics”, and “Scholarships” for anyone who needs assistance navigating the process to afford college in a fee, accessible format. Educating the students and their families on financial literacy has helped students plan for and attend college. These online courses will allow the College to educate more students on financial literacy.

Employee Professional Development

In 2013 two separate departments, each focused on employee professional development, were centralized at ECC: (1) non-faculty employee training delivered through the Human Resources; and (2) learning-related content delivered for ECC faculty through the Center for Excellence in Teaching and Learning. Continuing into 2016, the Professional Development Office is concentrating efforts around both fronts simultaneously. In addition, the office is focused cultural competency, campus safety, and supervisor and skill development.

Within cultural competency, the College has been working diligently to offer professional workshops for ECC employees in culture, equity, diversity and inclusion. In 2014, the College was honored with the Equity and Diversity Award from the Illinois Community College Trustee Association and is a regional nominee in this area for the Association of Community College Trustees Congress. As the College’s students, employees and service region continues to grow and diversify, professional development in cultural competency and multiculturalism remains an important goal. In 2016, one of the areas of training is integration of cultural competence in the search process to help recruit and hire culturally competent personnel.

Campus safety, disaster preparedness, risk assessment and risk management are critical areas which ensure the College’s readiness for unforeseen disasters and its ability to manage risk and assess contingencies should incidences occur. The College is obligated through contracts with faculty and support staff to implement full-scale training for safety on campus. Further, institutions of higher education are required by law to carry out what is mandated by the Federal Emergency Management Agency (FEMA) and the State of Illinois relative to emergency management/preparedness, prevention and mitigation and also business continuity. More

specialized educational series, such as Mental Health First Aid, will be outsourced through training consultants.

Facilities Master Plan

An updated facilities master plan was adopted in July 2012. The 2012 campus plan contains plans for general site improvements as well as physical and deferred maintenance projects, and includes the development and construction of the Public Safety Training Center in Burlington, Illinois.

As of August 2015, the major construction projects associated with bond proceeds from the successful April 2009 referendum have been completed with the exception of the construction of the Public Safety Training Center, parking lot improvements, and renovations and updates to the interior finishes and aging mechanical systems in buildings G and H. Construction of the Public Safety Training Center is underway with classes expected to start in the spring of 2016.

The most recent projects completed include the renovation of the landscaping, walkways, and lighting on the lakeside of campus, the renovation of building M, and roof top units and chiller replacements. The College has now updated all of the aging roofs on campus and replaced roof top units and chillers that were in need of replacement.

As the referendum projects come to an end, the College is analyzing and prioritizing the remaining deferred maintenance needs on campus and will start the process to update the deferred maintenance plan for the next five to ten years.

Technology Initiatives

Fiscal year 2016 will bring several important upgrades to the computing infrastructure at the College. Windows 8.1 will continue to be deployed throughout the academic and administrative user environments with substantial reliability and manageability improvements.. Access to key systems for students and administrative users will become more streamlined as we continue to consolidate our computing environments and move to single sign-on.

The Colleague system will continue to see new self-service functionality for both students and employees. The Student Planning functionality will continue to expand in fiscal year 2016 to support more complete student education plans, provide better self-advising tools for students, and help with students with career planning. The Go! mobile application will continue to provide additional functionality to smartphone and tablet users.

LONG-TERM FINANCIAL PLANNING

The Board has adopted a policy to maintain working capital equal to four months of operating expenses. The College remains conservative with working capital levels as it plans for increased operating costs due to the construction of new buildings, the related future deferred maintenance costs of those buildings as well as maintaining the existing buildings on campus. The College has been able to achieve and maintain the four months of operating capital requirement through fiscal responsibility and conservative budgeting.

Public Act 89-1 places limitations on the annual growth of property tax collections of most local

governments, including the College; however, the College has the capacity to meet revenue shortfall as a result of this cap through increased tuition rates. State law does, however, limit tuition and mandatory fees to one-third of the College's per capita costs.

RELEVANT FINANCIAL POLICIES

The Board of Trustees has established Board Policies for administration to follow relating to Budgeting, Financial Condition, and Asset Protection. Administration has established administrative procedures to establish direction for revenues, investing, purchasing, operating reserve levels, accounting for capital assets, tuition and fees, and other pertinent financial matters. These procedures are used as the basis for decision making within the College in accordance with the Board Policies. The College also follows the Illinois Compiled Statutes as they relate to Illinois Community Colleges and reports to the Illinois Community College Board as required by the Statutes.

Management of the College is responsible for establishing and maintaining internal controls designed to ensure that the assets of the College are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

OTHER INFORMATION

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to Elgin Community College for its comprehensive annual financial report for the fiscal year ended June 30, 2014. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR) whose contents conform to program standards. Such a CAFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We are proud to announce that we received our first Certificate of Achievement award for the fiscal year ended June 30, 2003 and each subsequent year through 2014. We believe our current report for the fiscal year ended June 30, 2015 continues to meet the stringent program requirements for the Certificate of Achievement and will be submitted to GFOA.

In addition, Elgin Community College also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated June 10, 2014 for the fiscal year ending June 30, 2015. This is the sixth budget award the College has received. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications

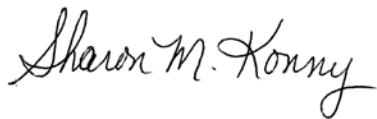
device. The fiscal year 2016 budget has been submitted to GFOA for the Distinguished Budget Presentation Award. We believe the budget continues to meet the program requirements.

Independent Audit. State statutes require an annual audit by an independent certified public accountant. The accounting firm of Sikich LLP is the College's auditor. The auditor's report on the basic financial statements and schedules is included in the financial section of this report. The College was subject to the requirements of the federal Single Audit Act of 1996 and related OMB Circular A-133. The single audit is available under separate cover.

Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report.

Furthermore, a special thanks to the College President and College Board of Trustees for their leadership and support.

Sincerely,

A handwritten signature in black ink that reads "Sharon M. Konny". The signature is written in a cursive, flowing style.

Sharon M. Konny
Vice President of Business and Finance

FINANCIAL SECTION



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Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Trustees
Elgin Community College
District Number 509
Elgin, Illinois

We have audited the accompanying basic financial statements of the business-type activities of Elgin Community College District Number 509 (the District) and the discretely presented component unit, Elgin Community College Foundation (the Foundation), as of and for the years ended June 30, 2015 and 2014, and the notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the accompanying table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion

In our opinion, the basic financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Elgin Community College District Number 509 and the discretely presented component unit, Elgin Community College Foundation, as of June 30, 2015 and 2014, and the changes in financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The District adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, during the year ended June 30, 2015. The implementation of this guidance resulted in changes to the pension-related expense, notes presented in the notes to financial statements and to the required supplementary information. The data of the June 30, 2014 fiscal year end was not restated as the required information was not available. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise the District's financial statements as a whole. The introductory section and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information, supplemental financial information and uniform financial statements as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements

and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Naperville, Illinois
September 25, 2015

A handwritten signature in dark ink, appearing to be 'M. D. S.', is located to the right of the date.

Elgin Community College

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

As management of Elgin Community College, we offer readers of Elgin Community College's financial statements this narrative overview and analysis of the financial activities of Elgin Community College for fiscal years ended June 30, 2015; June 30, 2014; and June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information available in our letter of transmittal and the College's basic financial statements.

Using This Annual Report

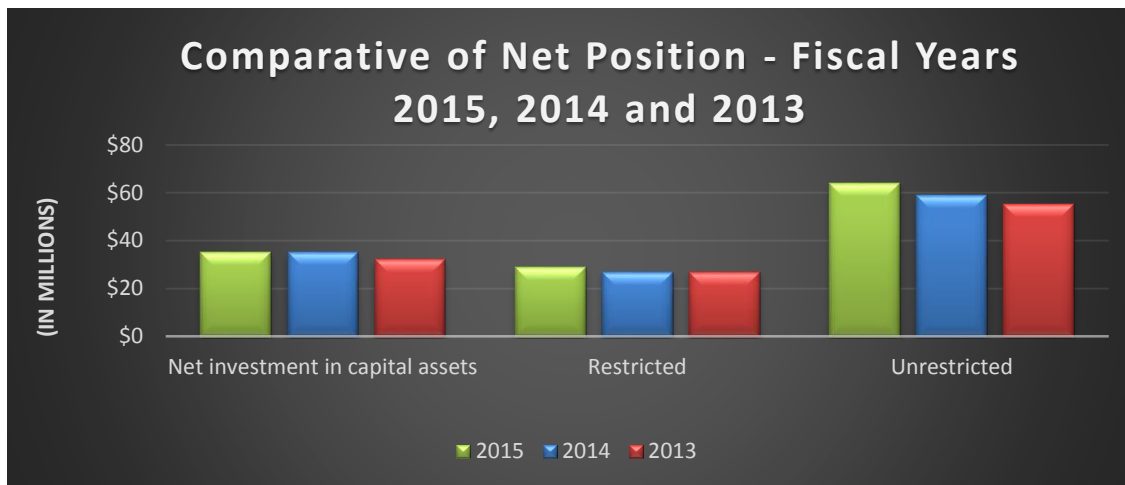
These financial statements focus on the College as a whole. The College's basic financial statements are intended to provide a clear picture of the College as a single, unified entity, in a manner similar to a private-sector business. The focus of the Statement of Net Position is designed to be similar to bottom line results for the College. This statement combines and consolidates current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus. The Statement of Revenues, Expenses, and Changes in Net Position focus on operating revenues and expenses which report primarily exchange transactions such as tuition revenue and the direct costs of providing services to the constituency while nonoperating revenues and expenses report revenues from non-exchange transactions such as property taxes and state and federal grants. This approach is intended to summarize and simplify the user's analysis for the cost of various College services to students and the public.

Financial Highlights

The College's financial position remained stable during fiscal year ended June 30, 2015. At the end of fiscal year 2015, the College's net position increased 5.5 percent, or \$6.7 million, from fiscal year ended June 30, 2014, and increased 5.3 percent, or \$6.0million, from fiscal ended year June 30, 2013.

Breakdown of Net Position – By Category

The following chart provides a graphical breakdown of net position by category for the fiscal years ended June 30, 2015; June 30, 2014; and June 30, 2013:



The Statement of Net Position

The College's financial position remained stable during fiscal year ended June 30, 2015. As indicated, total net position increased by 5.5 percent, or approximately \$6.7 million, from the previous year. From this amount, \$4.7 million was attributed to an increase in the unrestricted net position and \$2.1 million was attributed to an increase in the restricted for capital projects.

The College's total assets and deferred outflows of resources at fiscal year-end were \$375 million, an increase of 0.58 percent or \$2.1 million. In fiscal years 2014 and 2013, total assets and deferred outflows of resources were \$372.8 and \$370.9 million, respectively.

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector institutions. All of the current year's revenue and expenses are recognized as incurred. The following is a comparison of the major components of the net position of the College as of June 30, 2015; June 30, 2014; and June 30, 2013:

Statement of Net Position
As of June 30,

			Inc/(Dec)	
	2015	2014	2015/2014	2013
Current assets	\$ 146,925, 599	\$ 134,523,085	\$ 12,402,514	\$ 127,570,241
Restricted assets	19,449,146	36,864,666	(17,415,520)	51,987,400
Total current assets	166,374,745	171,387,751	(5,013,006)	179,557,641
Non-current assets				
Capital assets, net of depreciation	208,265,757	201,225,767	7,039,990	191,133,352
Total non-current assets	208,265,757	201,225,767	7,039,990	191,133,352
Deferred outflows of resources	368,637	231,036	137,601	259,040
Total assets and deferred outflows of resources	375,009,141	372,844,554	2,164,585	370,950,033
Current liabilities	32,515,752	30,795,508	1,720,244	28,858,404
Non-current liabilities	185,159,413	191,657,590	(6,498,177)	198,409,519
Deferred inflows of resources	29,803,022	29,521,358	281,664	28,855,921
Total liabilities and deferred inflows of resources	247,478,187	251,974,456	(4,496,269)	256,123,844
Net Position				
Net investment in capital assets	35,206,436	34,543,852	662,584	32,352,291
Restricted for:				
Capital projects	13,832,563	11,960,223	1,872,340	10,999,277
Debt service	4,435,843	4,610,459	(174,616)	5,419,398
Specific purposes	6,216,059	6,831,512	(615,453)	6,728,355
Working cash	4,014,363	4,014,363	-	4,353,938
Unrestricted	63,825,688	58,909,689	4,915,999	54,972,930
Total net position	\$ 127,530,952	\$ 120,870,098	\$ 6,660,854	\$ 114,826,189

Net Position as of June 30

Net position is comprised of three major categories. Net invested in capital assets represents the College's total investment in capital assets, net of accumulated depreciation, and net of any long-term liabilities incurred to construct or purchase capital assets. Restricted net position is resources the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. Unrestricted net position is resources derived from student tuition and fees, state appropriations, and auxiliary enterprises.

Statement of Revenue, Expenses and Changes in Net Position

Following is a comparison of the major components of operating results of the College for the years ended June 30, 2015; June 30, 2014; and June 30, 2013:

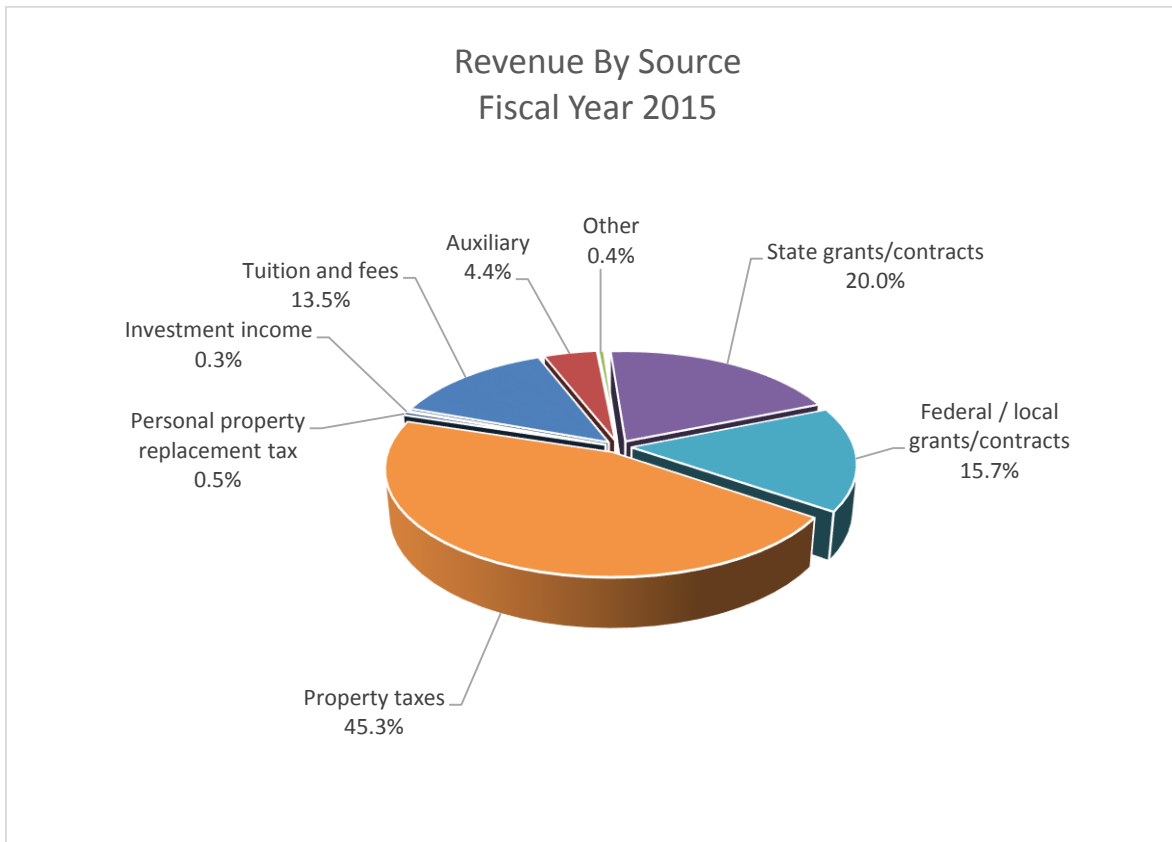
Operating Results For Years Ended June 30,

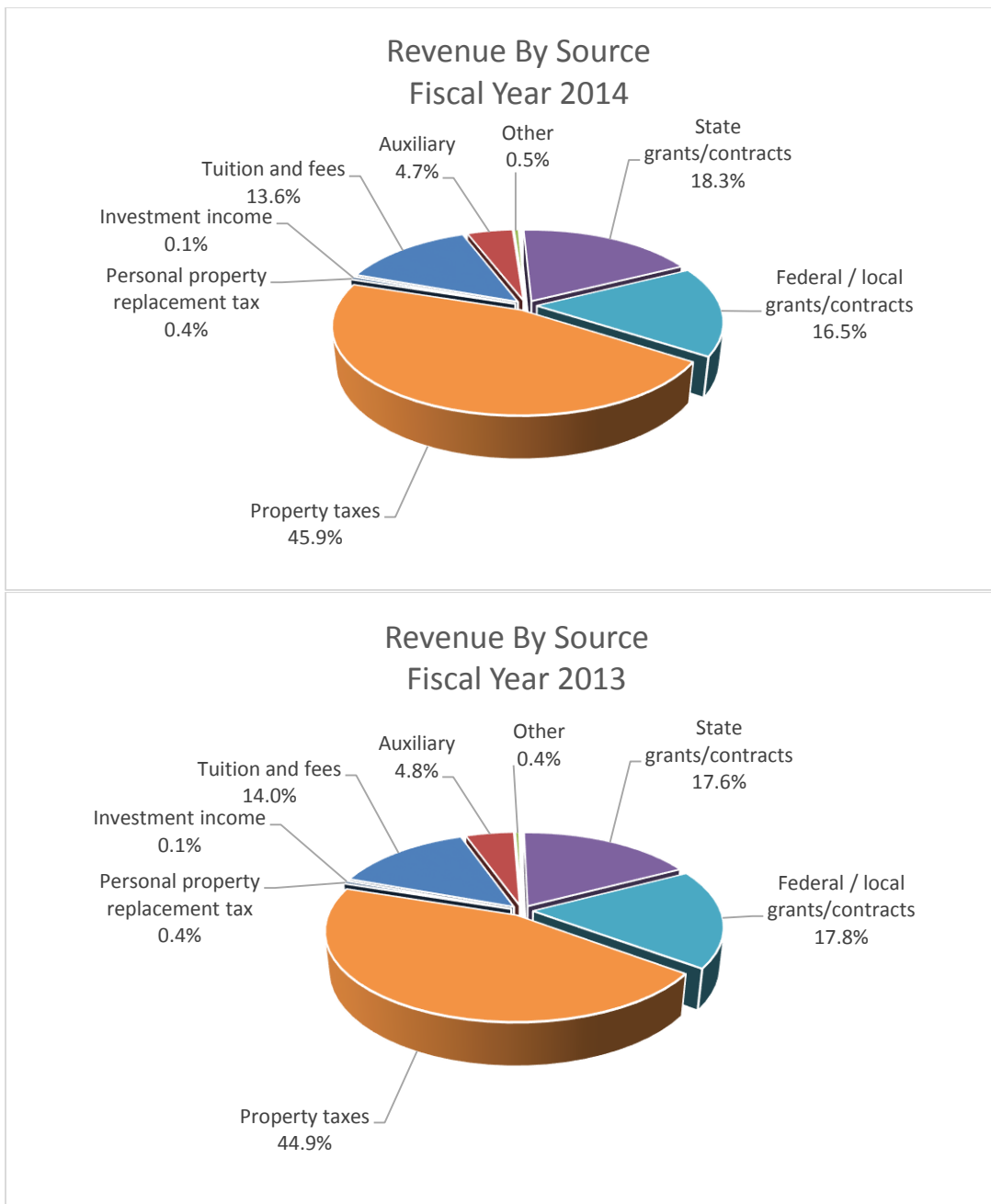
	2015	2014	Inc/(Dec) 2015/2014	2013
Operating Revenues				
Tuition and fees	\$ 17,874,796	\$ 17,605,917	\$ 268,879	\$ 17,816,191
Auxiliary enterprises revenue	5,842,478	6,058,778	(216,300)	6,190,318
Other operating revenue	572,867	587,439	(14,572)	484,396
Total operating revenues	24,290,141	24,252,134	38,007	24,490,905
Non-Operating Revenues				
State grants and contracts	26,494,242	23,680,818	2,813,424	22,465,643
Federal and local grants and contracts	20,798,694	21,371,205	(572,511)	22,703,589
Property taxes	60,113,167	59,334,287	778,880	57,315,417
Personal property replacement tax	599,265	572,570	26,695	546,332
Investment income	334,156	164,601	169,555	127,201
Total non-operating revenues	108,339,524	105,123,481	3,216,043	103,158,182
Total Revenues	132,629,665	129,375,615	3,254,050	127,649,087
Operating Expenses				
Instruction	41,133,232	40,342,156	791,076	38,138,301
Academic support	10,541,916	9,729,192	812,724	9,390,437
Student services	9,840,585	9,858,311	(17,726)	9,603,280
Public services	637,014	585,054	51,960	548,452
Auxiliary services	7,640,447	8,033,825	(393,378)	8,132,120
Scholarships and student grants	8,465,310	9,529,773	(1,064,463)	10,842,872
Operation and maintenance of plant	11,020,170	11,088,637	(68,467)	10,495,422
Institutional support	20,478,735	18,053,287	2,425,448	19,733,213
Depreciation	7,849,474	7,141,073	708,401	6,614,370
Total operating expenses	117,606,883	114,361,308	3,245,575	113,498,467
Non-Operating Expenses				
Interest expense	8,977,871	9,296,498	(318,627)	8,247,538
Sale of Capital Assets	-	-	-	413,297
Total non-operating expenses	8,977,871	9,296,498	(318,627)	8,660,835
Total Expenses	126,584,754	123,657,806	2,926,948	122,159,302
Change in net position before capital contributions	6,044,911	5,717,809	327,102	5,489,785
Capital contribution	615,944	326,100	289,844	-
Change in Net Position	6,660,855	6,043,909	616,946	5,489,785
Net position at beginning of year	120,870,098	114,826,189	6,043,909	109,336,404
Net position at end of year	\$ 127,530,953	\$ 120,870,098	\$ 6,660,855	\$ 114,826,189

This schedule is prepared from the College's statement of revenues, expenses and changes in net position which is presented on an accrual basis of accounting.

Internally, the College accounts for its activities using fund accounting, which is then reorganized into operating and non-operating components for the audited financial statements. The College accounts for its operating revenues through student tuition and fees, chargeback revenue, auxiliary enterprises and other operating revenue. The College as a whole is primarily financed through the following sources of revenue - property taxes, state grants and contracts, federal and local grants and contracts, and tuition and fees.

The following charts show the percentage of these sources of revenues as they were for the years ended June 30, 2015, June 30, 2014 and June 30, 2013:





The College's main source of revenue is derived from local property taxes, which accounted for 45.3 percent of total revenues in fiscal year 2015; 45.9 percent of total revenues in fiscal year 2014; and 44.9 percent in fiscal year 2013. State grants and local grants and contracts are the second largest source of income for the College, followed by Federal and local grants and contracts. State grants and local contracts made up 20 percent of total revenue for fiscal year 2015; 18.3 percent of total revenue for fiscal year 2014; and 17.6 percent of total revenues in fiscal year 2013. The third largest source of income for the College is Federal and local grants and contracts which made up 15.7 percent of total revenues in fiscal year 2015; 16.5 percent of total revenues in fiscal year 2014; and 17.8 percent in fiscal year 2013.

Fiscal year 2015

For the College as a whole, total revenue increased \$3.3 million when compared to fiscal year 2014, and \$5.0 million when compared to fiscal year 2013.

- Property tax revenue increased \$0.7 million compared to fiscal year 2014 and increased \$2.8 million when compared to fiscal year 2013. The increase was due to the debt service extension as well as the increase allowed under the Property Tax Limitation Law (PTELL) which was CPI of 1.5 percent for the 2014 levy and 1.7 percent for the 2013 levy.
- State grants and contracts increased \$2.8 million in fiscal year 2015 when compared to fiscal year 2014 and increased \$4.0 million when compared to fiscal year 2013. This was due to the \$2.4 million increase in the revenue recognized to offset the pension expense for the cost of providing pension benefits to College employees by the State to the State University Retirement System (SURS) under a special funding situation whereby the State of Illinois is responsible for funding on behalf of the College. The revenue recognized increased to \$19.4 million in fiscal year 2015, \$17 million in 2014, and \$16.1 million in 2013. The increase in contributions is offset by the same increase in expenses for SURS retirement costs incurred by the State on behalf of the College.
- Federal and local grants and contracts remained relatively flat when compared to fiscal year 2014 and were down \$2 million from fiscal year 2013. In fiscal year 2015, PELL awards decreased approximately \$0.8 million compared to fiscal year ended June 30, 2014, and \$1.0 million compared to fiscal year ended June 30, 2013. In fiscal year 2015, fewer students at all schools are qualifying to receive PELL. For year ended June 30, 2015 the College awarded PELL to 4,151 students compared to June 30, 2014 where the College awarded PELL to 4,458 students. The College's direct loans awarded also decreased by \$0.7 million when compared to fiscal year 2014. In fiscal year 2015, the number of direct loan students amounted to 1,038 where in fiscal year 2014 it was 1,236 students. It is a positive that direct loans are decreasing as it indicates that our efforts to proactively counsel student recipients of financial aid on an individual basis is helping to show students what it means to take out a student loan and how it will impact their future.
- Tuitions and fees revenue for fiscal year 2015 remained relatively flat when compared to fiscal year 2014. There was a slight increase in 2015 of 1.53 percent from 2014 and up about 0.33 percent from 2013. As of fiscal year 2015, total claimed credit hours were down .7 percent from fiscal year 2014 and down 5.5 percent from fiscal year 2013.

Fiscal Year 2014

For the College as a whole, total revenue increased \$1.7 million when compared to fiscal year 2013, and \$5.2 million when compared to fiscal year 2012.

- Property taxes in fiscal year 2014 increased \$2.0 million compared to fiscal year 2013 and increased \$2.8 million when compared to fiscal year 2012. The increase was due to the debt service extension as well as the increase allowed under the Property Tax Limitation Law (PTELL) which was CPI of 1.7 percent for the 2013 levy and 3.0 percent for the 2012 levy.

- State grants and contracts increased \$1.2 million in fiscal year 2014 when compared to fiscal year 2013 and \$5.7 million when compared to fiscal year 2012. This increase was due to the \$1.1 million increase in contributions by the State to the State University Retirement System (SURS) on behalf of the College. The contributions increased to \$17 million in fiscal year 2014, \$16 million in 2013, and \$11 million in 2012. The increase in contributions is offset by the same increase in expenses for SURS retirement contributions made by the State on behalf of the College. In 2014, the College received an additional \$0.14 million from ICCB for Adult Education from fiscal year 2013. The College also received new state grants and local funding in the amount of \$0.086 million from AARP for unemployed individuals over the age of 50, \$0.25 million from Illinois Department of Commerce and Economic Opportunity to support the College's Radiological Technology Program and \$0.20 million from local funding to start up a site in Hanover Park.
- Federal and local grants and contracts decreased \$1.3 million. This decrease was due to a \$1.2 million decrease in federal financial aid. Total PELL grants awarded reduced by \$0.22 million, or 1.9 percent, when compared to fiscal year 2013. The number of direct loans awarded also decreased in fiscal year 2014. When compared to the previous fiscal year, direct loans decreased \$0.94 million, or 17.4 percent. The number of part-time students who have part-time or full-time jobs has increased; therefore, the amount of PELL grants awarded has also decreased. Additionally, financial aid has continued meeting with students for one-on-one counseling to teach them about student loans and how they will impact their future. The College also had a \$0.10 million decrease in federal and local grants compared to fiscal year 2013. In fiscal year 2014, Postsecondary Perkins decreased \$0.03 million, and TRIO decreased \$0.07 million when compared to fiscal year 2013.
- Tuition and fees decreased \$0.21 million in fiscal year 2014 when compared to fiscal year 2013. Tuition increased \$4 per semester credit hour to \$109 from \$105 in fiscal year 2013 and \$99 in fiscal year 2012. Full time equivalent credit course enrollment decreased 1.2 percent compared to fiscal year 2013 and decreased 2.8 percent compared to fiscal year 2012. Total credit hours claimed decreased 5.1 percent from fiscal year 2013 and 8.9 percent from fiscal year 2012.
- Overall, the College's net position increased \$5.7 million in fiscal year 2014. This increase reflects favorable operating results and places the College in a solid financial position.

Fiscal Year 2013

Total revenue increased \$3.5 million in fiscal year 2013 when compared to fiscal year 2012.

- Property tax revenue increase slightly in fiscal year 2013 when compared to fiscal year 2012. The increase was due to an increase in the debt service extension as well as the increase allowed under the Property Tax Limitation Law (PTELL) which was CPI of 3.0 percent for the 2012 levy.
- Federal and local grants and contracts decreased \$1.7 million in fiscal year 2013. Pell decreased by \$0.60 million due to the variety of students who registered in fiscal year 2013. There was an increase in partial Pell grant awards due to working students who only qualified for partial Pell disbursements.

- State grants and contracts increased \$4.5 million compared to the \$2 million increase in fiscal year 2012.
- Tuition and fees increased \$0.41 million in fiscal year 2013 when compared to fiscal year 2012 and increased \$0.500 million when compared to fiscal year 2011. Tuition had increased \$6 per semester credit hour to \$105 in fiscal year 2013 and \$8 per semester credit hour to \$99 per semester in fiscal year 2012. Full time credit hours decreased in fiscal year 2013 by 6.4 percent when compared to fiscal year 2012. With the increased tuition rate and the decreased credit hours, tuition remained relatively flat in fiscal year 2013.

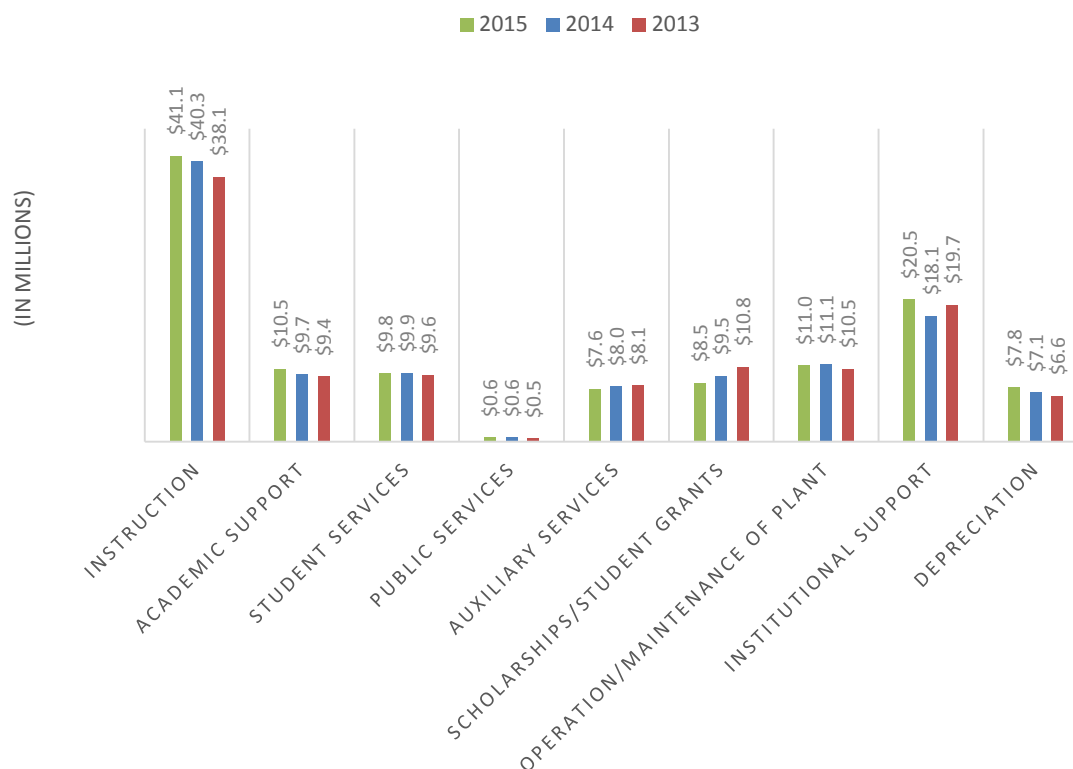
Operating Expense

Operating expenses are all the costs necessary to perform, conduct and support academic programs. They include salaries and benefits, utilities, general material and supplies, contractual services and travel and conference or meeting expenses and are then categorized by programs. During fiscal year 2015, overall operating expenses increased 2.84 percent when compared to fiscal year 2014 and increased 3.62 percent when compared to fiscal year 2013. During fiscal year 2014, overall operating expenses increased slightly by \$0.86 million or 0.76 percent. During fiscal year 2013, overall operating expenses increased by \$5.9 million or 5.5 percent. In 2015 and in 2014, the College was able to hold its spending levels relatively flat through careful monitoring of discretionary purchases.

Operating Expenses – By Function

The following is a graphic illustration of operating expenses:

COMPARATIVE OPERATING EXPENSES FOR FISCAL YEARS 2015, 2014, AND 2013



Fiscal Year 2015

- Fiscal year 2015 instructional operating expenses were relatively proportionate when compared to fiscal year 2014. Instructional expenses only increased \$0.7 million or 1.96 percent compared to fiscal year 2014 and increased \$2.9 million or 7.85 percent when compared to fiscal year 2013. The increase in fiscal year 2015 is attributed to the SURS pension expense for instructional staff.
- Academic support in fiscal year 2015 increased \$0.8 million when compared to fiscal year 2014 and increased \$1.1 million when compared to fiscal year 2013. This increase is a result of salaries and benefits increasing from one year to the next as vacant positions were filled and insurance costs increasing. In fiscal year 2015, salaries increased \$0.2 million compared to fiscal year 2014 and \$0.5 million compared to fiscal year 2013. Benefits in fiscal year 2015 increased \$0.4 million compared to fiscal year 2014 and \$0.6 million compared to fiscal year 2013.
- Student services expense in fiscal year 2015 remained in line with fiscal year 2014 expenses and were \$0.2 million higher than fiscal year 2013 expenses.
- Scholarships and student grants decreased \$1.0 million compared to fiscal year 2014 and decreased \$2.4 million compared to fiscal year 2013. The decrease for fiscal year 2015 was due to less direct loans awarded and the decrease in students who qualify to receive PELL.

- Institutional support in fiscal year 2015 increased \$2.4 million compared to fiscal year 2014 and increased \$0.7 million compared to fiscal year 2013. This increase is due to the SURS pension expense.

Fiscal Year 2014

- Instructional operating expenses increased by \$2.2 million which is due to the \$2.2 million dollar increase in the SURS on behalf allocation. Instructional salaries and benefits increased \$0.5 million compared to fiscal year 2013 due to vacant positions being filled and an increase in the overall benefit costs for medical.
- Academic support remained relatively flat compared to fiscal year 2013 with an increase of \$0.3 million.
- Student services also only increased \$0.2 in fiscal year 2014 when compared to fiscal year 2013.
- Scholarships and student grants decreased by \$1.3 million due to the decrease in the number of students who were awarded PELL grants and the number of students who received direct loans. In fiscal year 2014, the number of students who were awarded direct loans decreased by 277 students and the number of PELL student decreased by 134 students.
- Institutional support decreased by \$1.6 million in fiscal year 2014.

Fiscal Year 2013

- Instructional expenses increased \$2.5 million in fiscal year 2013 and \$2.2 million in both fiscal years 2012 and 2011 due to increases in the SURS on behalf allocation. Total instruction salary expense in fiscal year 2013 remained relatively flat when compared to fiscal year 2012.
- In fiscal year 2013, academic support increased \$0.6 million while in fiscal year 2012, academic support remained consistent with fiscal year 2011. The \$0.6 million increase was due to the SURS on behalf allocation.
- Student services remained level in fiscal years 2013 and 2012 and only increased \$0.1 million in fiscal year 2013 compared to 2012.
- Auxiliary Services has also remained relatively flat in fiscal years 2013, 2012 and 2011.
- Scholarships and student grants had a total decrease of \$0.9 million in fiscal year 2013, a decrease of \$1.2 million in fiscal year 2012 and had a total increase of \$2.3 million in fiscal year 2011.
- Institutional support increased \$3.3 million in fiscal year 2013 due to the SURS on behalf allocation.

Long-Term Debt

As of June 30, 2015, 2014 and 2013, the College had a total of \$189,280, 855, \$198,547,590 and \$204,489,519 in outstanding bonded indebtedness, respectively. The decrease in long-term debt in fiscal year 2015 and in fiscal year 2014 was due to payment of principal on bonds. The increase in long-term debt in fiscal year 2013 was due to the issuance of general obligation bond series 2013 which totaled \$48 million and completed the issuance of the \$178 million dollars of referendum bonds approved by the taxpayers in 2009. The entire amount each year is in the form of general obligation bonds that are backed by the full faith and credit of the College.

Please refer to the long-term debt disclosures in the notes to the financial statements (Footnote 5. on pages 21 - 26) for more detailed information.

Capital Assets

Capital Assets, Net As of June 30,

	2015	2014	2013
Capital Assets			
Land and improvements	\$ 17,109,460	\$ 17,109,460	\$ 9,106,928
Site improvements	13,496,850	8,303,853	7,470,182
Construction in progress	18,809,614	13,583,701	16,461,233
Buildings	221,945,879	218,371,458	208,015,984
Machinery and equipment	12,198,167	12,514,695	11,799,535
Furniture and fixtures	206,582	275,731	275,731
Total capital assets	283,766,552	270,158,898	253,129,593
Less: accumulated depreciation	(75,500,795)	(68,933,131)	(61,996,241)
Net capital assets	<u>\$ 208,265,757</u>	<u>\$ 201,225,767</u>	<u>\$ 191,133,352</u>

Net capital assets increased \$7.0 million, \$10.0 million and \$4.6 million in fiscal years 2015, 2014, and 2013, respectively. In fiscal year 2015, site improvements were made such as the main water looping project, the smart grid project and repairing parking lots. In fiscal year 2015, the College had building improvements to building M which houses Chemistry, Geology, Physics, Office Administration and Technology, Child Care and the Fire Fighter program. Construction in progress in fiscal year 2015 increased by \$5.3 million due to the renovation of the Lakeside Plaza and the continued construction of the Burlington center. In fiscal year 2014, the College purchase land from the City of Elgin for \$8 million. Construction in progress had \$19 million of assets completed and put into service. Buildings in fiscal year 2014 increased by \$10 million as remodeling projects were completed. The tuck-pointing in Building H was completed and the roof was replaced on Building J. In fiscal year 2013, the construction and remodeling of building D and M was completed along with the roof replacement on building D. Building X was constructed in fiscal year 2013 as well.

Please refer to the capital assets disclosures in the notes to the financial statements (Footnote 4. on pages 19 - 20) for more detailed information on capital activity.

CONTACTING THE COLLEGES FINANCIAL MANAGEMENT

This financial report is designed to provide our constituents with a general overview of Elgin Community College's finances and to demonstrate the College's accountability for the resources it receives. Questions concerning this report or requests for additional financial information should be directed to Sharon Konny, Vice President for Business and Finance, 1700 Spartan Drive, Elgin, IL 60123.

BASIC FINANCIAL STATEMENTS

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

STATEMENTS OF NET POSITION

June 30, 2015 and 2014

	2015	2014
CURRENT ASSETS		
Cash and cash equivalents	\$ 38,200,966	\$ 30,357,016
Investments	68,013,127	63,467,832
Property tax receivable	29,753,874	29,473,281
Accrued interest receivable	100,604	109,375
Student tuition receivable	7,294,044	7,684,938
Other accounts receivable	2,121,138	2,021,388
Inventory	458,970	646,859
Prepaid assets	982,876	762,396
Restricted assets		
Cash and cash equivalents	7,772,497	20,755,473
Investments	11,676,649	16,109,193
	<hr/>	<hr/>
Total current assets	166,374,745	171,387,751
	<hr/>	<hr/>
NONCURRENT ASSETS		
Capital assets	283,766,552	270,158,898
Less accumulated depreciation	(75,500,795)	(68,933,131)
	<hr/>	<hr/>
Total noncurrent assets	208,265,757	201,225,767
	<hr/>	<hr/>
Total assets	374,640,502	372,613,518
	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	203,082	231,036
SURS pension contributions	165,555	-
	<hr/>	<hr/>
Total deferred outflows of resources	368,637	231,036
	<hr/>	<hr/>
Total assets and deferred outflows of resources	375,009,139	372,844,554
	<hr/>	<hr/>

(This statement is continued on the following page.)

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

STATEMENTS OF NET POSITION (Continued)

June 30, 2015 and 2014

	2015	2014
CURRENT LIABILITIES		
Accounts payable	\$ 6,270,140	\$ 3,826,008
Accrued salaries and benefits payable	6,087,820	6,568,089
Accrued health care liability	1,223,434	1,428,651
Unearned tuition	9,683,132	9,988,976
Claims payable	325,000	325,000
Interest payable	370,686	383,515
General obligation bonds payable	6,450,555	6,890,000
Other current liabilities	2,104,985	1,385,269
Total current liabilities	32,515,752	30,795,508
NONCURRENT LIABILITIES		
General obligation bonds payable	185,159,413	191,657,590
Total noncurrent liabilities	185,159,413	191,657,590
Total liabilities	217,675,165	222,453,098
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue - property taxes	29,803,022	29,521,358
Total deferred inflows of resources	29,803,022	29,521,358
Total liabilities and deferred inflows of resources	247,478,187	251,974,456
NET POSITION		
Net investment in capital assets	35,206,436	34,543,852
Restricted for		
Capital projects	13,832,563	11,960,223
Debt service	4,435,843	4,610,459
Grant purposes	2,343,908	2,451,299
Audit purposes	111,401	112,257
Liability insurance	3,595,195	4,267,956
Pension contributions	165,555	-
Working cash	4,014,363	4,014,363
Unrestricted	63,825,688	58,909,689
TOTAL NET POSITION	\$ 127,530,952	\$ 120,870,098

See accompanying notes to financial statements.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

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

For the Years Ended June 30, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Student tuition and fees	\$ 17,854,603	\$ 17,601,837
Chargeback revenue	20,193	4,080
Auxiliary enterprises revenue	5,842,478	6,058,778
Other operating revenue	572,867	587,439
	<hr/>	<hr/>
Total operating revenues	24,290,141	24,252,134
OPERATING EXPENSES		
Instruction	41,133,232	40,342,156
Academic support	10,541,916	9,729,192
Student services	9,840,585	9,858,311
Public services	637,014	585,054
Auxiliary services	7,640,448	8,033,825
Scholarships and student grants	8,465,310	9,529,773
Operation and maintenance of plant	11,020,170	11,088,637
Institutional support	20,478,735	18,053,287
Depreciation	7,849,474	7,141,073
	<hr/>	<hr/>
Total operating expenses	117,606,884	114,361,308
OPERATING INCOME (LOSS)	<hr/>	<hr/>
	(93,316,743)	(90,109,174)
NON-OPERATING REVENUES (EXPENSES)		
State grants and contracts	26,494,242	23,680,818
Property taxes	60,113,167	59,334,287
Personal property replacement tax	599,265	572,570
Federal grants and contracts	19,884,290	21,279,900
Local grants and contracts	914,404	91,305
Interest expense and fiscal charges	(8,977,871)	(9,296,498)
Investment income	334,156	164,601
	<hr/>	<hr/>
Total non-operating revenues (expenses)	99,361,653	95,826,983
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	6,044,910	5,717,809
CAPITAL CONTRIBUTIONS	<hr/>	<hr/>
	615,944	326,100
CHANGE IN NET POSITION	6,660,854	6,043,909
NET POSITION, JULY 1	<hr/>	<hr/>
	120,870,098	114,826,189
NET POSITION, JUNE 30	<hr/>	<hr/>
	\$ 127,530,952	\$ 120,870,098

See accompanying notes to financial statements.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 17,939,653	\$ 17,636,487
Payments to suppliers	(36,560,058)	(37,445,697)
Payments to employees	(53,076,394)	(52,070,816)
Auxiliary enterprise charges	5,662,985	6,187,070
Other	431,872	1,683,234
Net cash from operating activities	(65,601,942)	(64,009,722)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Local property taxes	60,114,238	59,826,230
Local grants and contracts	914,404	91,305
State appropriations and grants	7,265,746	7,333,261
Federal grants and contracts	20,048,989	21,036,811
Net cash from noncapital financing activities	88,343,377	88,287,607
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(14,273,520)	(16,907,388)
Principal paid on bonds	(6,890,000)	(6,080,000)
Interest paid on bonds	(8,997,914)	(9,508,379)
Net cash from capital and related financing activities	(30,161,434)	(32,495,767)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	49,879,786	78,436,976
Interest on investments	467,414	119,430
Purchase of investments	(48,066,227)	(53,850,896)
Net cash from investing activities	2,280,973	24,705,510
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,139,026)	16,487,628
CASH AND CASH EQUIVALENTS, JULY 1	51,112,489	34,624,861
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 45,973,463	\$ 51,112,489

(This statement is continued on the following page.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

STATEMENTS OF CASH FLOWS (Continued)

For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (93,316,743)	\$ (90,109,174)
Adjustments to reconcile net income (loss) to net cash from operating activities		
Depreciation	7,849,474	7,141,073
State on behalf payments	19,472,907	17,204,929
Changes in net assets		
Receivables (net)	91,176	1,169,058
Inventories	187,889	(155,412)
Prepaid expenses	(220,480)	(107,047)
Accounts payable	380,881	1,112,021
Accrued salaries	(480,269)	(30,946)
Retirement liability	(205,217)	(215,446)
Unearned tuition	(305,844)	14,948
Other accrued liabilities	944,284	(33,726)
NET CASH FROM OPERATING ACTIVITIES	<u>\$ (65,601,942)</u>	<u>\$ (64,009,722)</u>
NONCASH INVESTING, CAPITAL AND FINANCING		
Accretion of interest on debt	\$ 197,494	\$ 290,100
Change in fair value of investments	124,487	22,062
Capital contributions	615,944	326,100
State on behalf payments	19,638,462	17,204,929
TOTAL NONCASH INVESTING, CAPITAL AND FINANCIAL	<u>\$ 20,576,387</u>	<u>\$ 17,843,191</u>

See accompanying notes to financial statements.

ELGIN COMMUNITY COLLEGE FOUNDATION
ELGIN, ILLINOIS

STATEMENTS OF FINANCIAL POSITION

June 30, 2015 and 2014

	2015	2014
ASSETS		
Cash and cash equivalents	\$ 644,495	\$ 600,405
Pledges receivable, net	83,931	86,634
Other receivables	3,722	4,344
Prepaid expenses	8,797	-
Cash surrender value of life insurance	34,152	33,679
Investments	6,046,009	5,519,048
TOTAL ASSETS	\$ 6,821,106	\$ 6,244,110
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 2,401	\$ 21,398
Deferred revenue	81,450	37,166
Funds held on behalf of others	-	4,590
Due to Elgin Community College	88,170	51,163
Total liabilities	172,021	114,317
NET ASSETS		
Unrestricted		
Undesignated	552,444	345,089
Designated for ECC President's Discretionary Fund	37,089	61,042
Designated for endowment	39,708	39,708
Total unrestricted	629,241	445,839
Temporarily restricted	2,658,133	2,501,874
Permanently restricted	3,361,711	3,182,080
Total net assets	6,649,085	6,129,793
TOTAL LIABILITIES AND NET ASSETS	\$ 6,821,106	\$ 6,244,110

See accompanying notes to financial statements.

**ELGIN COMMUNITY COLLEGE FOUNDATION
ELGIN, ILLINOIS**

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Year Ended June 30, 2015
(With Summarized Financial Information for the Year Ended June 30, 2014)

	2015				2014
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
REVENUES					
Contributions	\$ 33,999	\$ 309,399	\$ 146,834	\$ 490,232	\$ 327,702
Fund raising events, net of expenses totaling \$92,292 and \$55,359 for 2015 and 2014, respectively	83,597	9,599	-	93,196	80,419
Investment return, net of fees	160,570	167,180	-	327,750	716,974
Increase in cash surrender value of life insurance	-	473	-	473	448
Contributed services	405,000	-	-	405,000	364,000
Management fees	43,559	(43,559)	-	-	-
Net assets released from restrictions	254,036	(286,833)	32,797	-	-
Total revenues	980,761	156,259	179,631	1,316,651	1,489,543
EXPENSES					
Program services					
Scholarship awards	148,478	-	-	148,478	139,103
Support to Elgin Community College	138,160	-	-	138,160	69,637
Total program services	286,638	-	-	286,638	208,740
Management and general					
Professional fees	14,080			14,080	11,630
Conferences and meetings	11,198			11,198	23,391
Contractual services	69,346			69,346	22,490
Contributed services	405,000			405,000	364,000
Printing and supplies	11,097			11,097	9,119
Total management and general	510,721	-	-	510,721	430,630
Total expenses	797,359	-	-	797,359	639,370
CHANGE IN NET ASSETS	183,402	156,259	179,631	519,292	850,173
NET ASSETS, JULY 1	445,839	2,501,874	3,182,080	6,129,793	5,279,620
NET ASSETS, JUNE 30	\$ 629,241	\$ 2,658,133	\$ 3,361,711	\$ 6,649,085	\$ 6,129,793

See accompanying notes to financial statements.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

June 30, 2015 and 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Elgin Community College District Number 509 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting principles. In addition, the District presents its financial statements in accordance with accounting practices prescribed or permitted by the Illinois Community College Board (ICCB). The following is a summary of the more significant policies of the District.

a. Reporting Entity

The District is a separate legal entity established under Illinois Compiled Statutes (ILCS) governed by an elected Board of Trustees. The District is fiscally independent and is considered a primary government pursuant to GASB Statement No. 61. The District has determined that the Elgin Community College Foundation (the Foundation), a legally separate 501(c)(3) corporation, meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, because of the nature and significance of the Foundation's relationship with the District, which has resulted in the Foundation being reported as a discretely presented component unit of the District as it is legally separate from the District. Separate financial statements of the Foundation are available from the Foundation's Executive Director at 1700 Spartan Drive, Elgin, Illinois 60123.

b. Measurement Focus, Basis of Accounting and Financial Statement Presentation

For financial reporting purposes, the District is considered a special purpose government engaged only in business-type activities. Accordingly, the District'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.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The District reports unearned revenue and deferred revenue on its statement of net position. Unearned revenues arise when a potential revenue does not meet both the measurable and earned criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to meeting all eligibility requirements. Deferred revenue results from property taxes being levied and reported as a receivable before the period for which the taxes are levied. In subsequent periods, when both revenue recognition criteria are met, or when the District has met all eligibility requirements, the liability for unearned revenue is removed from the statement of net position and revenue is recognized. Tuition and fee revenues related to courses primarily held after June 30, 2015 and 2014 are reported as unearned revenue.

c. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all pooled cash and investments and, for separate accounts, all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

d. Investments

Investments with a maturity less than one year when purchased and all non-negotiable certificates of deposit are carried at cost or amortized cost. Investments with a maturity greater than one year when purchased are reported at fair value. Fair value is based on published fair values on June 30, 2015 and 2014.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Inventories

Inventories consist primarily of items held for resale in the bookstore and the food services operations and are stated at the lower of cost or market using the first-in/first-out (FIFO) method.

f. Prepaid Assets

Prepaid assets represent payments for goods or services that benefit future periods.

g. Restricted Assets

Restricted assets represent the unspent portion of bond proceeds, the use of which are restricted by the related bond covenants.

h. Capital Assets

Capital assets include property, plant, equipment, intangible assets and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the District as assets with an initial unit cost of above a set dollar threshold based on the asset type (see chart below). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets except land and construction in progress of the District are depreciated using the straight-line method over the following useful lives:

Capital Asset Category	Capitalization Threshold	Estimated Useful Life
Equipment	\$ 5,000	8 years
O&M equipment	5,000	8 years
Vehicles	5,000	5 years
Computer equipment and software	5,000	3 years
Furniture and fixtures	5,000	8 years
Site improvements	50,000	10 years
Building improvements	50,000	5-10 years or matched to remaining life on building improved
Buildings	100,000	50 years

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Accrued Salaries and Benefits

Accumulated vacation leave and compensatory time is recorded as an expense and liability as the benefits accrue to employees. The liability for accumulated unpaid vacation leave is based upon accumulated days times the current pay rate for each employee. A maximum of 30 days of vacation and 40 hours of compensatory time may be accumulated for full-time, non-union staff. Since 1986, the District has offered a senior service incentive program to employees planning retirement. Provisions of the current contract with the Elgin Community College Faculty Association and other employee groups allow up to 15 faculty members to retire per year between 1998 and 2008 and to receive additional compensation during the final three years of employment and five years of paid health care. Administrators of the District with over 10 years of service were also eligible for a similar plan. These amounts are accrued as salaries payable once the employee is eligible and provides irrevocable notice to the District of their intent to utilize this benefit. This benefit is no longer available to be taken, but there is still a liability accrued for employees that gave irrevocable notice prior to the elimination of the benefit.

When a staff member retires after minimum years of service with the District he/she is allowed to apply his/her accrued sick leave days toward service credit for retirement with the State Universities Retirement System.

j. Long-Term Obligations

Long-term obligations are reported as liabilities in the applicable financial statements. Bond premiums and discounts are capitalized and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the period incurred.

k. Net Position

Net Investment in Capital Assets

This represents the District's total investment in capital assets, net of accumulated depreciation and net of liabilities incurred to construct or purchase capital assets.

Restricted Net Position

This includes resources that the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources when they are needed. None of the District's restricted net position are restricted as a result of the District's enabling legislation.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Net Position (Continued)

Unrestricted Net Position

This includes resources derived from student tuition and fees, state appropriations and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District and may be used at the discretion of the governing board to meet current expenses for any purpose.

l. Classification of Revenues and Expenses

Operating revenue includes activities that have the characteristics of exchange transactions, such as (1) student tuition and fees and (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances. Non-operating revenue includes activities that have the characteristics of non-exchange transactions, such as (1) local property taxes, (2) state appropriations, (3) most federal, state and local grants and contracts and state appropriations and (4) gifts and contributions. Operating expenses include all direct expenses incurred for education purposes. Non-operating expenses are expenses incidental to operations.

m. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The District has two item that qualifies for reporting in this category, the unamortized loss on refunding and employer pension contributions made to the State University Retirement System (SURS or the System) after the measurement date of the total pension liability but before the District's fiscal year end. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Federal Financial Assistance

The District participates in federally funded Pell Grants, SEOG Grants, Federal Work Study, Federal Family Education Loans and Perkins Loans programs. Federal programs are audited in accordance with the Single Audit Act Amendments of 1996, the United States Office of Management and Budget Revised Circular A-133 *Audit of States, Local Governments and Nonprofit Organizations* and the Compliance Supplement.

o. On Behalf Payments

In accordance with GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, the District has recorded a revenue and expense for payments made to SURS by the State of Illinois on behalf of certain employees of the District (\$17,017,370 for the fiscal year ended June 30, 2014) and to the Community College Health Insurance Program (\$193,746 and \$187,559 for the fiscal years ended June 30, 2015 and 2014, respectively). For the fiscal year ended June 30, 2015, the District implemented the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, whereby the State of Illinois is responsible for the employer contribution and the total pension liability resulting from a special funding situation. Therefore, for the fiscal year ended June 30, 2015, the District has reported its proportionate share of the collective pension expense and revenue for the State's contribution. The financial statements for the fiscal year ended June 30, 2014 have not been restated as the information required for restatement was not available from SURS.

p. Use of Estimates

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

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS

Illinois Compiled Statutes (ILCS) authorize the District to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds. Illinois Funds was created by the Illinois State Legislature and is managed by the Illinois State Treasurer. It acts as a money market fund that maintains a \$1 per share value.

In addition, the District's Board of Trustees has adopted an investment policy which provides further restrictions on the investment of district funds. It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy, in order of priority are: safety of principal, liquidity, return on investment and maintaining public trust. The use of derivatives is expressly prohibited by the policy.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's investment policy requires all deposits with financial institutions in excess of federal depository insurance be collateralized at 110% of the uninsured bank balance, with collateral held by the Federal Reserve Bank, the District's agent or by the trust department or escrow agent of the pledging institution, evidenced by a written collateral agreement.

b. Investments

The following table presents the debt investments of the District as of June 30, 2015 by type of investment:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
FHLMC	\$ 4,991,307	\$ -	\$ 4,991,307	\$ -	\$ -
FHLB	8,206,746	-	8,206,746	-	-
TOTAL	\$ 13,198,053	\$ -	\$ 13,198,053	\$ -	\$ -

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

The following table presents the debt investments of the District as of June 30, 2014 by type of investment:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
FHLMC	\$ 4,970,051	\$ -	\$ 4,970,051	\$ -	\$ -
FHLB	5,876,267	-	5,876,267	-	-
TOTAL	\$ 10,846,318	\$ -	\$ 10,846,318	\$ -	\$ -

In accordance with its investment policy, the District limits its exposure to interest rate risk by limiting the maturities for its investments to generally less than two years when purchased (180 days for commercial paper).

The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by requiring investments primarily in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government, commercial paper obligations must be rated in the two highest classifications by two major rating agencies. At June 30, 2015, the FHLMC and FHLB debt investments were all rated Aaa by Moody's.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the District's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the District's agent separate from where the investment was purchased.

Concentration of Credit Risk

The District requires diversification to eliminate the risk of loss resulting in over concentration in a specific maturity issuer or class of securities. The District requires allocation as follows: a maximum of 100% can be invested in securities issued by the United States of America and its agencies, a maximum of 90% can be invested in collateralized savings, time deposits or certificates of deposit with federally insured institutions. Up to 33% can be invested in collateralized repurchase agreements, commercial paper, limited to 10% in any one institution and Illinois Funds.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. PROPERTY TAXES

The following information gives significant dates on the property tax calendar of the District.

- The property tax lien date is January 1.
- The annual tax levy resolution for 2013 was passed on December 10, 2013 and the annual tax levy resolution for 2014 was passed on December 9, 2014.
- Property taxes are due to the County Collectors in two installments, June 1 and September 1 of the calendar year following the year the tax attaches as a lien.
- The District will receive the majority of its distributions in June, July, September and November 2014 and 2015.

Property taxes are recognized as revenue in the year intended to finance, regardless of when collected. The second half of the 2014 (2013) tax levy is intended to finance the 2015 (2014) fiscal year and, accordingly, is reported as deferred revenue. The 2015 tax levy, which attached as an enforceable lien on property as of January 1, 2014, has not been recorded as a receivable as of June 30, 2015 as the tax has not yet been levied by the District and will not be levied until December 2015 and, therefore, the levy is not measurable at June 30, 2015.

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	\$ 17,109,460	\$ -	\$ -	\$ 17,109,460
Construction in progress	13,583,701	13,204,305	7,978,392	18,809,614
Total capital assets not being depreciated	30,693,161	13,204,305	7,978,392	35,919,074
Capital assets being depreciated				
Buildings	218,371,458	3,574,421	-	221,945,879
Site improvements	8,303,853	5,200,372	7,375	13,496,850
Machinery and equipment	12,514,695	870,483	1,187,011	12,198,167
Furniture and fixtures	275,731	18,275	87,424	206,582
Total capital assets being depreciated	239,465,737	9,663,551	1,281,810	247,847,478

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
Less accumulated depreciation for				
Buildings	\$ 55,561,588	\$ 5,573,368	\$ -	\$ 61,134,956
Site improvements	3,712,893	1,330,797	7,375	5,036,315
Machinery and equipment	9,434,500	930,582	1,187,011	9,178,071
Furniture and fixtures	224,150	14,727	87,424	151,453
Total accumulated depreciation	68,933,131	7,849,474	1,281,810	75,500,795
 Total capital assets being depreciated, net	170,532,606	1,814,077	-	172,346,683
 CAPITAL ASSETS, NET	<u>\$ 201,225,767</u>	<u>\$ 15,018,382</u>	<u>\$ 7,978,392</u>	<u>\$ 208,265,757</u>

Capital asset activity for the year ended June 30, 2014 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	\$ 9,106,928	\$ 8,002,532	\$ -	\$ 17,109,460
Construction in progress	16,461,233	16,537,118	19,414,650	13,583,701
Total capital assets not being depreciated	25,568,161	24,539,650	19,414,650	30,693,161
 Capital assets being depreciated				
Buildings	208,015,984	10,355,474	-	218,371,458
Site improvements	7,470,182	833,671	-	8,303,853
Machinery and equipment	11,799,535	919,343	204,183	12,514,695
Furniture and fixtures	275,731	-	-	275,731
Total capital assets being depreciated	227,561,432	12,108,488	204,183	239,465,737
 Less accumulated depreciation for				
Buildings	50,107,705	5,453,883	-	55,561,588
Site improvements	2,901,395	811,498	-	3,712,893
Machinery and equipment	8,775,430	863,253	204,183	9,434,500
Furniture and fixtures	211,711	12,439	-	224,150
Total accumulated depreciation	61,996,241	7,141,073	204,183	68,933,131
 Total capital assets being depreciated, net	165,565,191	4,967,415	-	170,532,606
 CAPITAL ASSETS, NET	<u>\$ 191,133,352</u>	<u>\$ 29,507,065</u>	<u>\$ 19,414,650</u>	<u>\$ 201,225,767</u>

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT

Changes in long-term debt for the year ended June 30, 2015 is as follows:

	Balance July 1, 2014	Issuance	Repayment/ Amortization	Balance June 30, 2015	Current Portion
General Obligation Bonds Series 1995A	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ -
General Obligation (Capital Appreciation) Bonds Series 2001B	2,813,265	*137,085	480,000	2,470,350	480,000
General Obligation (Capital Appreciation) Bonds Series 2002	2,125,146	*60,409	1,800,000	385,555	385,555
General Obligation Bonds Series 2007	9,995,000	-	4,410,000	5,585,000	5,585,000
General Obligation Taxable, Build America Bonds Series 2009B	4,800,000	-	-	4,800,000	-
General Obligation Taxable, Build America Bonds Series 2009C	35,000,000	-	-	35,000,000	-
General Obligation Taxable, Build America Bonds Series 2010A	4,000,000	-	-	4,000,000	-
General Obligation Taxable, Build America Bonds Series 2010B	6,000,000	-	-	6,000,000	-
General Obligation Taxable, Build America Bonds Series 2010C	35,000,000	-	-	35,000,000	-
General Obligation Taxable, Build America Bonds Series 2010D	40,000,000	-	-	40,000,000	-
General Obligation Refunding Bonds Series 2012	8,040,000	-	-	8,040,000	-
General Obligation Bonds Series 2013A	38,000,000	-	-	38,000,000	-
General Obligation Bonds Series 2013B	10,000,000	-	-	10,000,000	-
Premium on general obligation bonds	2,789,179	-	255,116	2,534,063	-
Discount on general obligation bonds	(215,000)	-	(10,000)	(250,000)	-
TOTAL	\$ 198,547,590	\$ 197,494	\$ 7,135,116	\$191,609,968	\$ 6,450,555

*Annual accretion of interest.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Changes in long-term debt for the year ended June 30, 2014 is as follows:

	Balance July 1, 2013	Issuance	Repayment/ Amortization	Balance June 30, 2014	Current Portion
General Obligation Bonds Series 1995A	\$ 400,000	\$ -	\$ 200,000	\$ 200,000	\$ 200,000
General Obligation (Capital Appreciation) Bonds Series 2001B	2,998,285	*149,980	335,000	2,813,265	480,000
General Obligation (Capital Appreciation) Bonds Series 2002	3,785,026	*140,120	1,800,000	2,125,146	1,800,000
General Obligation Bonds Series 2004	3,745,000	-	3,745,000	-	-
General Obligation Bonds Series 2007	9,995,000	-	-	9,995,000	4,410,000
General Obligation Taxable, Build America Bonds Series 2009B	4,800,000	-	-	4,800,000	-
General Obligation Taxable, Build America Bonds Series 2009C	35,000,000	-	-	35,000,000	-
General Obligation Taxable, Build America Bonds Series 2010A	4,000,000	-	-	4,000,000	-
General Obligation Taxable, Build America Bonds Series 2010B	6,000,000	-	-	6,000,000	-
General Obligation Taxable, Build America Bonds Series 2010C	35,000,000	-	-	35,000,000	-
General Obligation Taxable, Build America Bonds Series 2010D	40,000,000	-	-	40,000,000	-
General Obligation Refunding Bonds Series 2012	8,040,000	-	-	8,040,000	-
General Obligation Bonds Series 2013A	38,000,000	-	-	38,000,000	-
General Obligation Bonds Series 2013B	10,000,000	-	-	10,000,000	-
Premium on general obligation bonds	2,951,208	-	162,029	2,789,179	-
Discount on general obligation bonds	(225,000)	-	(10,000)	(215,000)	-
TOTAL	\$ 204,489,519	\$ 290,100	\$ 6,232,029	\$ 198,547,590	\$ 6,890,000

*Annual accretion of interest.

General Obligation Bonds

The District issues general obligation bonds to finance various capital improvements. General Obligation Bonds at June 30, 2015 are comprised of the following:

\$2,250,000 General Obligation Bonds, Series 1995A, dated December 19, 1995. The bonds are payable in annual installments of \$25,000 to \$200,000 from January 1, 2000 to January 1, 2015. Interest is payable semiannually each January 1 and July 1 at rates from 4.90% to 5.25%. This bond was paid in full during the fiscal year ended June 30, 2015.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

\$8,798,748 General Obligation (Capital Appreciation) Bonds, Series 2001B, dated June 28, 2001. The bonds are payable in annual installments of \$100,000 to \$900,000 from December 15, 2005 to December 15, 2020. Interest is not payable annually but rather accretes semiannually at rates of 4.0% to 5.4% to the principal each June 15 and December 15 and is payable upon maturity.

\$9,999,807 General Obligation (Capital Appreciation) Bonds, Series 2002, dated June 24, 2002. The bonds are payable in annual installments of \$100,000 to \$2,300,000 from December 15, 2005 to December 15, 2021. Interest is not payable annually but rather accretes semiannually at rates of 3.125% to 5.375% to the principal each June 15 and December 15 and is payable upon maturity.

\$9,995,000 General Obligation Refunding Bonds, Series 2004, dated September 15, 2004. The bonds are payable in annual installments of \$1,060,000 to \$3,745,000 from December 15, 2010 to December 15, 2013. Interest is payable semiannually each June 15 and December 15 at rates of 3.5% to 4.0%. This bond was paid in full during the year ended June 30, 2014.

\$9,995,000 General Obligation Refunding Bonds, Series 2007, dated November 15, 2007. The bonds are payable in installments of \$4,410,000 to \$5,585,000 from December 15, 2014 to December 15, 2015. Interest is payable semiannually each June 15 and December 15 at rates of 4.00% to 4.25%.

\$4,800,000 General Obligation Taxable Build America Bonds, Series 2009B, dated December 8, 2009. The bonds are payable in one installment of \$4,800,000 on December 15, 2023. Interest is payable semiannually each June 15 and December 15 at a rate of 5.375%. Pursuant to the American Recovery and Reinvestment Act, the District is eligible to receive a rebate from the U.S. Treasury Department of up to 35% of the interest paid each year. The net interest rate for the Series 2009B Build America Bonds, after rebate, is 3.494%.

\$35,000,000 General Obligation Taxable Build America Bonds, Series 2009C, dated December 8, 2009. The bonds are payable in installments of \$11,500,000 to \$12,000,000 annually on December 15, 2032 through December 15, 2034. Interest is payable semiannually each June 15 and December 15 at a rate of 6.000% to 6.125%. Pursuant to the American Recovery and Reinvestment Act, the District is eligible to receive a rebate from the U.S. Treasury Department of up to 35% of the interest paid each year. The net interest rate for the Series 2009B Build America Bonds, after rebate, is 3.900% to 3.981%.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

\$4,000,000 General Obligation Taxable Build America Bonds, Series 2010A, dated August 12, 2010. The bonds are payable in annual installments of \$1,000,000 on December 15, 2016 through December 15, 2019, respectively. Interest is payable semiannually each June 15 and December 15 at a rate of 2.80% to 4.15%. Pursuant to the American Recovery and Reinvestment Act, the District is eligible to receive a rebate from the U.S. Treasury Department of up to 35% of the interest paid each year. The net interest rate for the Series 2010A Build America Bonds, after rebate, is 1.82% to 2.70%.

\$6,000,000 General Obligation Taxable Build America Bonds, Series 2010B, dated August 12, 2010. The bonds are payable in one installment of \$6,000,000 on December 15, 2026. Interest is payable semiannually each June 15 and December 15 at a rate of 5.125%. Pursuant to the American Recovery and Reinvestment Act, the District is eligible to receive a rebate from the U.S. Treasury Department of up to 35% of the interest paid each year. The net interest rate for the Series 2010B Build America Bonds, after rebate, is 3.33%.

\$35,000,000 General Obligation Taxable Build America Bonds, Series 2010C, dated August 12, 2010. The bonds are payable in installments of \$3,105,000 to \$10,050,000 annually on December 15, 2028 through December 15, 2034. Interest is payable semiannually each June 15 and December 15 at a rate of 5.45% to 5.70%. Pursuant to the American Recovery and Reinvestment Act, the District is eligible to receive a rebate from the U.S. Treasury Department of up to 35% of the interest paid each year. The net interest rate for the Series 2010C Build America Bonds, after rebate, is 3.54% to 3.71%.

\$40,000,000 General Obligation Taxable Build America Bonds, Series 2010D, dated November 23, 2010. The bonds are payable in installments of \$630,000 to \$12,460,000 annually on December 15, 2016 through December 15, 2027 with one final payment on December 15, 2035. Interest is payable semiannually each June 15 and December 15 at a rate of 2.5% to 6.0%. Pursuant to the American Recovery and Reinvestment Act, the District is eligible to receive a rebate from the U.S. Treasury Department of up to 35% of the interest paid each year. The net interest rate for the Series 2010D Build America Bonds, after rebate, is 1.63% to 3.90%.

\$8,040,000 General Obligation Refunding Bonds, Series 2012, dated March 13, 2012. The bonds are payable in installments of \$380,000 to \$2,975,000 annually on December 15, 2016 through December 15, 2022. Interest is payable semiannually each June 15 and December 15 at a rate of 2.0% to 2.4%.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

\$38,000,000 General Obligation Bonds, Series 2013A, dated April 1, 2013. The bonds are payable in installments of \$800,000 to \$6,100,000 annually on December 15, 2016 through December 15, 2029. Interest is payable semiannually each June 15 and December 15 at a rate of 3% to 4%.

\$10,000,000 General Obligation Bonds, Series 2013B, dated April 16, 2013. The bonds are payable in installments of \$1,000,000 to \$6,200,000 annually on December 15, 2029 through December 15, 2031. Interest is payable semiannually each June 15 and December 15 at a rate of 3.15% to 3.30%.

Debt service to maturity on these issues is as follows:

Fiscal Year	General Obligation Bonds			General Obligation Capital Appreciation Bonds			
	Principal	Interest	Total	2001B Accretion	2001B Repayment	2002 Accretion	2002 Repayment
2016	\$ 5,585,000	\$ 8,784,757	\$ 14,369,757	\$ 119,471	\$ 480,000	\$ 9,445	\$ 395,000
2017	3,965,000	8,618,583	12,583,583	100,706	480,000	-	-
2018	4,030,000	8,508,744	12,538,744	80,718	480,000	-	-
2019	4,535,000	8,381,658	12,916,658	59,428	480,000	-	-
2020	5,140,000	8,220,682	13,360,682	36,758	480,000	-	-
2021	5,095,000	8,034,483	13,129,483	12,568	480,000	-	-
2022	5,980,000	7,815,507	13,795,507	-	-	-	-
2023	6,825,000	7,577,283	14,402,283	-	-	-	-
2024	7,100,000	7,287,082	14,387,082	-	-	-	-
2025	7,300,000	6,976,583	14,276,583	-	-	-	-
2026	7,910,000	6,669,607	14,579,607	-	-	-	-
2027	9,000,000	6,291,633	15,291,633	-	-	-	-
2028	9,600,000	5,864,382	15,464,382	-	-	-	-
2029	9,900,000	5,419,082	15,319,082	-	-	-	-
2030	11,100,000	4,942,457	16,042,457	-	-	-	-
2031	11,455,000	4,443,492	15,898,492	-	-	-	-
2032	12,850,000	3,866,746	16,716,746	-	-	-	-
2033	14,605,000	3,097,210	17,702,210	-	-	-	-
2034	15,390,000	2,192,415	17,582,415	-	-	-	-
2035	16,600,000	1,237,950	17,837,950	-	-	-	-
2036	12,460,000	373,800	12,833,800	-	-	-	-
TOTAL	\$ 186,425,000	\$ 124,604,136	\$ 311,029,136	\$ 409,649	\$ 2,880,000	\$ 9,445	\$ 395,000

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Operating Lease Commitment

The District has an operating lease for off-campus classroom space. Lease payments for fiscal years 2015 and 2014 totaled \$120,000 and \$10,000, respectively. The lease expires in fiscal year 2017. The following is a schedule of future minimum lease payments as of June 30, 2015.

<u>Fiscal Year</u>	<u>Future Minimum Lease Payments</u>
2016	\$ 120,000
2017	<u>110,000</u>
TOTAL	<u>\$ 330,000</u>

6. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; employee health; and natural disasters. These risks, except for employee health, are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in the past three fiscal years.

The District is self-insured for employee health insurance. The District's third party administrator (TPA) processes all claims for the District and is reimbursed monthly for the claims paid in the previous month. During fiscal year 2008, the District modified its employee health insurance to be purchased through a third party provider in a modified self-insured program, effective July 1, 2008.

The District, through the third party provider, has purchased specific and aggregate excess insurance to limit its exposure. For fiscal years 2015 and 2014, the specific coverage is \$110,000 and \$110,000, respectively, per covered person and the aggregate attachment is approximately \$5,497,434 and \$5,088,940, respectively, on a fiscal year basis. A liability for claims incurred but not paid as of the fiscal year end, including an estimate of incurred but not reported claims has been accrued as of June 30, 2015 and 2014.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RISK MANAGEMENT (Continued)

A reconciliation of the health claim liability for the last three years is as follows:

	2015	2014	2013
CLAIMS PAYABLE, JULY 1	\$ 325,000	\$ 325,000	\$ 325,000
Claims paid	(7,744,255)	(7,081,434)	(7,137,487)
Claims incurred	7,744,255	7,081,434	7,137,487
CLAIMS PAYABLE, JUNE 30	\$ 325,000	\$ 325,000	\$ 325,000

7. RETIREMENT COMMITMENTS

Plan Description

The District contributes to the State Universities Retirement System of Illinois, a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (the State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941 to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations and certain other state educational and scientific agencies and for survivors, dependents and other beneficiaries of such employees. SURS is considered a component unit of the State's financial reporting entity and is included in the State's financial reports as a pension trust fund. SURS is governed by Section 5/15, Chapter 40 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org.

Benefits Provided

A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2014 can be found in SURS's comprehensive annual financial report (CAFR) notes to the financial statements.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREMENT COMMITMENTS (Continued)

Contributions

The State is primarily responsible for funding SURS on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90% of the total actuarial accrued liability by the end of fiscal year 2045. Employer contributions from trust, federal and other funds are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2014 and 2015 was 11.91% and 11.71%, respectively, of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.00% of their annual covered salary. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

Participating employers make contributions toward separately financed specific liabilities under Section 15.139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of affected annuitants or specific return to work annuitants) and Section 15.155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period).

The financial statements for the fiscal year ended June 30, 2014 were not restated for the implementation of GASB Statement No 68. The following disclosures are in accordance with GASB Statement No 27.

Funding Policy

Plan members are required to contribute 8% of their annual covered salary and substantially all employer contributions are made by the State on behalf of the individual employers at an actuarially determined rate. The employer rate was 35.8% of annual covered payroll at June 30, 2014. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly. The employer contributions to SURS made by the District and the State are as follows:

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

Year Ended June 30,	District Percent of Required Contribution	District	State
2011	100.00%	\$ 152,294	\$ 9,064,525
2012	100.00%	195,266	11,230,974
2013	100.00%	159,899	15,993,328
2014	100.00%	160,446	17,017,370

The District implemented GASB Statement No 68 for the fiscal year ended June 30, 2015. The following disclosures are in accordance with GASB Statement No. 68.

- a. Pension Liabilities, Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Net Pension Liability

At June 30, 2014, SURS reported a net pension liability of \$21,790,983,139. The net pension liability was measured as of June 30, 2013.

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the net pension liability to be recognized for the District is \$0. The proportionate share of the State's net pension liability associated with the District is \$256,747,050 or 1.1782%. This amount is not recognized in the financial statement due to the special funding situation. The net pension liability was measured as of June 30, 2014, and the total pension used to calculate the net pension liability was determined based on the June 30, 2013 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable earnings made to SURS during fiscal year 2014.

Pension Expense

At June 30, 2014, SURS reported a collective net pension expense of \$1,650,338,263.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

- a. Pension Liabilities, Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Employer Proportionate Share of Pension Expense

The District's proportionate share of collective net pension expense is recognized as both revenue and matching expense in the 2015 financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable earnings made to SURS during fiscal year 2014. As a result, the District recognized revenue and pension expense of \$19,444,716 for the fiscal year ended June 30, 2015.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Deferred outflows of resources are the consumption of net position by the District that is applicable to future reporting periods. The District paid \$165,555 in federal, trust or grant contributions for the fiscal year ended June 30, 2015. These contributions were made subsequent to the pension liability measurement date of June 30, 2014 and are recognized as deferred outflows of resources as of June 30, 2015.

- b. Assumptions and Other Inputs

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period June 30, 2006 to 2010 and an economic study completed June 2014. The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.75% to 12.00%, including inflation
Investment rate of return	7.25% beginning with the actuarial valuation as of June 30, 2014

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

Actuarial Assumptions (Continued)

Mortality rates were based on the RP2000 Combined Mortality Table, projected with Scale AA to 2017, sex-distinct, with rates multiplied by 0.80 for males and 0.85 for females.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges 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 by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2014, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	31.00%	7.65%
Private Equity	6.00%	8.65%
Non-U.S. Equity	21.00%	7.85%
Global Equity	8.00%	7.90%
Fixed Income	19.00%	2.50%
Treasury-Inflation Protected Securities	4.00%	2.30%
Real Estate	6.00%	6.20%
REITS	4.00%	6.20%
Opportunity Fund	1.00%	2.50%
Total	100%	5.00%
Inflation		2.75%
EXPECTED GEOMETRICAL NORMAL RETURN		7.75%

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

Discount Rate

A single discount rate of 7.090% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 7.250% and a municipal bond rate of 4.290% (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under the System's funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2065. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2065, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the System's Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.09%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1 percentage-point lower or 1 percentage point higher:

	1% Decrease (6.09%)	Current Single Discount Rate Assumption (7.09%)	1% Increase (8.09%)
Net pension liability	\$ 26,583,701,134	\$ 21,790,983,139	\$ 17,796,570,836

Additional information regarding the SURS' basic financial statements including the plan net position can be found in the SURS' comprehensive annual financial report by accessing the website at www.SURS.org.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. RETIREE HEALTH PLAN

Plan Description

In addition to the pension plan described previously, the District contributes to the State of Illinois Community College Health Insurance Security Fund (CIP), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the State. CIP provides health, vision and dental benefits to retired staff of participating community colleges. The benefits, employer, employee, retiree and state contributions are dictated by ILCS through the State Group Insurance Act of 1971 (the Act) and can only be changed by the Illinois General Assembly. Separate financial statements, including required supplementary information, may be obtained from the Department of Healthcare and Family Services, 201 South Grand Avenue East, Springfield, Illinois 62763.

The Act requires every active contributor (employee) of SURS to contribute 0.5% of covered payroll and every community college district to contribute 0.5% of covered payroll. Retirees pay a premium for coverage that is also determined by ILCS. The State Pension Funds Continuing Appropriation Act (40/ILCS 15/1.4) requires the State to make an annual appropriation to the CIP to cover any expected expenditures in excess of the contributions by active employees, employers and retirees. The result is pay as you go financing of the plan.

Employer contributions for the current and preceding three years are as follows:

Year Ended June 30,	District Percent of Required Contribution	District	State
2011	100%	\$ 189,093	\$ 189,093
2012	100%	183,671	183,671
2013	100%	181,959	181,959
2014	100%	187,559	187,559
2015	100%	193,746	193,746

As disclosed in Note 1o, On Behalf Payments, the state contribution to the CIP plan is reported as an on behalf payment in accordance with GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*.

9. VOLUNTARY RETIREMENT BENEFITS

In addition to the retirement benefits provided by the District described above, the District previously provided voluntary retirement benefits, considered early retirement incentives. These include employer paid voluntary retirement incentives (deferred compensation) as well as employer paid health care coverage to retirees for five years. The voluntary retirement benefits were available to employees who attained age 55 with at least eight years of continuous employment and who gave an irrevocable pledge to take the incentive prior to June 30, 2008. The benefits provided were a percentage of their final year's salary over three years, depending upon the age at retirement and health insurance coverage for five years. There were 74 and 86 employees and former employees either receiving benefits or who had given irrevocable notice and are eligible to receive benefits in the future as of June 30, 2015 and 2014, respectively.

The District has recorded a liability for the early retirement incentives when the irrevocable pledge is received from the employee. The assumptions used calculating the liability were a health care trend rate of 7% and projected salary increases of 6% along with an investment rate of return of 4%. An additional assumption was made related to the increased compensation related to the deferred compensation provision over the final three years of employment. This will result in larger than 6% annual salary increases which will result in the District being responsible for the additional SURS benefit costs over the retirement life of the employee, in accordance with ILCS. The present value of this future annuity is recorded as an additional portion of this liability. The liability of \$4,584,043 and \$5,297,449 at June 30, 2015 and 2014, respectively, is recorded as a liability in the District's financial statements as accrued salary and benefits payable and accrued health care liability payable.

10. WETLAND MITIGATION

The District has been identified, by the United States Environmental Protection Agency (USEPA) as a responsible party under Section 309(a) of the Clean Water Act (CWA), 33 U.S.C. Section 1319(a). An Administrative Consent Order requires the District to establish a Wetland Mitigation Plan that must include, among other things, wetland creation, enhancement or restoration at the site that totals 16.95 acres and a five-year monitoring and maintenance plan. The District has estimated the future costs of complying with the consent order to be approximately \$864,780, which is recorded as a liability at June 30, 2015.

REQUIRED SUPPLEMENTARY INFORMATION

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS
STATE UNIVERSITIES RETIREMENT SYSTEM OF ILLINOIS**

June 30, 2015

	<u>2015</u>
(a) Proportion percentage of the collective net pension liability	0.00%
(b) Proportion amount of the collective net pension	\$ -
(c) Portion of non-employer contributing entities' total proportion of collective net pension liability associated with employer	<u>256,747,050</u>
TOTAL (b) + (c)	<u><u>\$ 256,747,050</u></u>
Employer covered-employee payroll	\$ 52,390,908
Proportion of collective net pension liability associated with employer as a percentage of covered-employee payroll	490.06%
SURS plan net position as a percentage of total pension liability	44.39%
ELGIN COMMUNITY COLLEGE - DISTRICT NUMBER 509	
Federal, trust, grant and other contribution	\$ 165,555
Contribution in relation to required contribution	<u>165,555</u>
CONTRIBUTION DEFICIENCY (Excess)	<u><u>\$ -</u></u>
Employer covered-employee payroll	\$ 52,390,908
Contributions as a percentage of covered-employee payroll	0.32%

Note: The System implemented GASB No. 68 in fiscal year 2015. The information above is presented for as many years as available. The schedule is intended to show information for ten years.

Notes to Required Supplementary Information

Changes of benefit terms - There were no benefit changes recognized in the total pension liability as of June 30, 2014.

Changes of assumptions - In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every five years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2010 to June 30, 2014 was performed in February 2015, resulting in the adoption of new assumptions as of June 30, 2015. There are no changes of assumptions that affect measurement of the total collective pension liability since the prior measurement date.

(See independent auditor's report.)

SUPPLEMENTARY INFORMATION

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS, BY SUBFUND

June 30, 2015

	Education	Operations and Maintenance	Restricted Purposes	Audit	Liability Protection and Settlement
CURRENT ASSETS					
Cash and cash equivalents	\$ 17,090,480	\$ 3,119,483	\$ 1,688,747	\$ 69,378	\$ 1,983,303
Investments	37,713,198	9,063,421	897,680	59,136	2,538,645
Property tax receivable	16,499,350	4,721,471	-	67,664	1,239,903
Accrued interest receivable	97,151	-	-	-	-
Student tuition receivable	7,294,044	-	-	-	-
Other accounts receivable	1,063,917	79,257	160,025	-	-
Due from other funds	2,435,497	98,861	-	-	-
Inventory	-	-	-	-	-
Prepaid assets	757,173	12,720	550	-	-
Restricted assets					
Cash and cash equivalents	-	-	-	-	-
Investments	-	-	-	-	-
Total current assets	82,950,810	17,095,213	2,747,002	196,178	5,761,851
NONCURRENT ASSETS					
Capital assets	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-
Total noncurrent assets	-	-	-	-	-
Total assets	82,950,810	17,095,213	2,747,002	196,178	5,761,851
DEFERRED OUTFLOWS OF RESOURCES					
Unamortized loss on refunding	-	-	-	-	-
SURS contributions	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	82,950,810	17,095,213	2,747,002	196,178	5,761,851

Federal Financial Aid	Federal Grants	Bond and Interest	Operations and Maintenance Restricted	Building Bond Proceeds	Food Services	Book Store	Child Care
\$ 62,964	\$ 302,726	\$ 3,928,008	\$ 1,014,077	\$ -	\$ 2,391	\$ 569,142	\$ -
2,562	108,051	519,788	12,358,903	-	-	99,534	-
-	-	7,225,486	-	-	-	-	-
-	-	-	-	3,453	-	-	-
-	-	-	-	-	-	-	-
43,882	608,983	-	-	-	36,666	84,211	20,041
-	-	-	-	-	-	-	-
-	-	-	-	-	27,727	431,243	-
-	2,109	-	207,845	-	-	-	-
-	-	-	-	7,772,497	-	-	-
-	-	-	-	11,676,649	-	-	-
109,408	1,021,869	11,673,282	13,580,825	19,452,599	66,784	1,184,130	20,041
-	-	-	-	-	51,641	123,808	-
-	-	-	-	-	(51,641)	(109,024)	-
-	-	-	-	-	-	14,784	-
109,408	1,021,869	11,673,282	13,580,825	19,452,599	66,784	1,198,914	20,041
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
109,408	1,021,869	11,673,282	13,580,825	19,452,599	66,784	1,198,914	20,041

(This schedule is continued on the following pages.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS, BY SUBFUND (Continued)

June 30, 2015

	Visual Performing Arts Center	Production Services	Student Life and Athletics	Lifelong Learning
CURRENT ASSETS				
Cash and cash equivalents	\$ 300	\$ -	\$ -	\$ -
Investments	-	-	-	-
Property tax receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Student tuition receivable	-	-	-	-
Other accounts receivable	4,493	1,581	2,325	5,353
Due from other funds	668,041	273,066	96,894	25,525
Inventory	-	-	-	-
Prepaid assets	-	-	-	2,479
Restricted assets				
Cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Total current assets	<u>672,834</u>	<u>274,647</u>	<u>99,219</u>	<u>33,357</u>
NONCURRENT ASSETS				
Capital assets	-	259,068	-	9,075
Less accumulated depreciation	-	(188,227)	-	(5,672)
Total noncurrent assets	<u>-</u>	<u>70,841</u>	<u>-</u>	<u>3,403</u>
Total assets	<u>672,834</u>	<u>345,488</u>	<u>99,219</u>	<u>36,760</u>
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized loss on refunding	-	-	-	-
SURS pension contributions	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>672,834</u>	<u>345,488</u>	<u>99,219</u>	<u>36,760</u>

Employee Benefits	Working Cash	Trust and Agency	Long- Term Obligations	Capital Assets	Eliminations	Adjustments	Total
\$ 7,820,768	\$ 86,942	\$ 462,257	\$ -	\$ -	\$ -	\$ -	\$ 38,200,966
-	4,278,541	373,668	-	-	-	-	68,013,127
-	-	-	-	-	-	-	29,753,874
-	-	-	-	-	-	-	100,604
-	-	-	-	-	-	-	7,294,044
-	-	10,404	-	-	-	-	2,121,138
-	-	-	-	-	(3,597,884)	-	-
-	-	-	-	-	-	-	458,970
-	-	-	-	-	-	-	982,876
-	-	-	-	-	-	-	7,772,497
-	-	-	-	-	-	-	11,676,649
7,820,768	4,365,483	846,329	-	-	(3,597,884)	-	166,374,745
-	-	-	-	283,322,960	-	-	283,766,552
-	-	-	-	(75,146,231)	-	-	(75,500,795)
-	-	-	-	208,176,729	-	-	208,265,757
7,820,768	4,365,483	846,329	-	208,176,729	(3,597,884)	-	374,640,502
-	-	-	203,082	-	-	-	203,082
-	-	-	165,555	-	-	-	165,555
-	-	-	368,637	-	-	-	368,637
7,820,768	4,365,483	846,329	368,637	208,176,729	(3,597,884)	-	375,009,139

(This schedule is continued on the following pages.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS, BY SUBFUND (Continued)

June 30, 2015

	Education	Operations and Maintenance	Restricted Purposes	Audit	Liability Protection and Settlement
CURRENT LIABILITIES					
Accounts payable	\$ 5,187,913	\$ -	\$ 17,108	\$ 14,000	\$ 7,371
Accrued salaries and benefits payable	2,032,783	392,165	3,500	3,003	52,569
Accrued health care liability	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned tuition	9,516,819	-	-	-	-
Claims payable	-	-	-	-	-
Interest payable	-	-	-	-	-
Current portion of general obligation bonds	-	-	-	-	-
Other current liabilities	419	13,745	382,486	-	864,780
Total current liabilities	16,737,934	405,910	403,094	17,003	924,720
NONCURRENT LIABILITIES					
General obligation bonds	-	-	-	-	-
Premium on general obligation bonds	-	-	-	-	-
Discount on general obligation bonds	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	-
Total liabilities	16,737,934	405,910	403,094	17,003	924,720
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - property taxes	16,526,592	4,729,281	-	67,774	1,241,936
Total deferred inflows of resources	16,526,592	4,729,281	-	67,774	1,241,936
Total liabilities and deferred inflows of resources	33,264,526	5,135,191	403,094	84,777	2,166,656
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted for					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Grant purposes	-	-	2,343,908	-	-
Audit purposes	-	-	-	111,401	-
Liability insurance	-	-	-	-	3,595,195
Pension contributions	-	-	-	-	-
Working cash	-	-	-	-	-
Unrestricted	49,686,284	11,960,022	-	-	-
TOTAL NET POSITION (DEFICIT)	\$ 49,686,284	\$ 11,960,022	\$ 2,343,908	\$ 111,401	\$ 3,595,195

Federal Financial Aid	Federal Grants	Bond and Interest	Operations and Maintenance Restricted	Building Bond Proceeds	Food Services	Book Store	Child Care
\$ 6,965	\$ 123,047	\$ -	\$ 51,270	\$ 834,029	\$ 2,284	\$ 15,403	\$ -
-	19,145	-	-	-	49,482	32,012	32,929
-	-	-	-	-	-	-	-
102,443	874,200	-	-	1,557,715	12,519	1,151,499	(26,736)
-	-	-	-	-	-	-	13,848
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	5,477	-	-	-	2,499	-	-
109,408	1,021,869	-	51,270	2,391,744	66,784	1,198,914	20,041
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
109,408	1,021,869	-	51,270	2,391,744	66,784	1,198,914	20,041
-	-	7,237,439	-	-	-	-	-
-	-	7,237,439	-	-	-	-	-
109,408	1,021,869	7,237,439	51,270	2,391,744	66,784	1,198,914	20,041
-	-	-	-	-	-	14,784	-
-	-	-	13,529,555	17,060,855	-	-	-
-	-	4,435,843	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	(14,784)	-
\$ -	\$ -	\$ 4,435,843	\$ 13,529,555	\$ 17,060,855	\$ -	\$ -	\$ -

(This schedule is continued on the following pages.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS, BY SUBFUND (Continued)

June 30, 2015

	Visual Performing Arts Center	Production Services	Student Life and Athletics	Lifelong Learning
CURRENT LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued salaries and benefits payable	8,999	16,238	51,154	48,596
Accrued health care liability	-	-	-	-
Due to other funds	-	-	-	(73,756)
Unearned tuition	90,545	-	-	61,920
Claims payable	-	-	-	-
Interest payable	-	-	-	-
Current portion of general obligation bonds	-	-	-	-
Other current liabilities	-	-	-	-
Total current liabilities	99,544	16,238	51,154	36,760
NONCURRENT LIABILITIES				
General obligation bonds	-	-	-	-
Premium on general obligation bonds	-	-	-	-
Discount on general obligation bonds	-	-	-	-
Total noncurrent liabilities	-	-	-	-
Total liabilities	99,544	16,238	51,154	36,760
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	99,544	16,238	51,154	36,760
NET POSITION				
Net investment in capital assets	-	70,841	-	3,403
Restricted for				
Capital projects	-	-	-	-
Debt service	-	-	-	-
Grant purposes	-	-	-	-
Audit purposes	-	-	-	-
Liability insurance	-	-	-	-
Pension contributions	-	-	-	-
Working cash	-	-	-	-
Unrestricted	573,290	258,409	48,065	(3,403)
TOTAL NET POSITION (DEFICIT)	\$ 573,290	\$ 329,250	\$ 48,065	\$ -

Employee Benefits	Working Cash	Trust and Agency	Long- Term Obligations	Capital Assets	Eliminations	Adjustments	Total
\$ -	\$ -	\$ 10,750	\$ -	\$ -	\$ -	\$ -	\$ 6,270,140
3,345,245	-	-	-	-	-	-	6,087,820
1,223,434	-	-	-	-	-	-	1,223,434
-	-	-	-	-	(3,597,884)	-	-
-	-	-	-	-	-	-	9,683,132
325,000	-	-	-	-	-	-	325,000
-	-	-	370,686	-	-	-	370,686
-	-	-	6,450,555	-	-	-	6,450,555
-	-	835,579	-	-	-	-	2,104,985
4,893,679	-	846,329	6,821,241	-	(3,597,884)	-	32,515,752
-	-	-	182,830,350	-	-	-	182,830,350
-	-	-	2,534,063	-	-	-	2,534,063
-	-	-	(205,000)	-	-	-	(205,000)
-	-	-	185,159,413	-	-	-	185,159,413
4,893,679	-	846,329	191,980,654	-	(3,597,884)	-	217,675,165
-	-	-	-	-	-	-	29,803,022
-	-	-	-	-	-	-	29,803,022
4,893,679	-	846,329	191,980,654	-	(3,597,884)	-	247,478,187
-	-	-	(173,059,321)	208,176,729	-	-	35,206,436
-	-	-	(16,757,847)	-	-	-	13,832,563
-	-	-	-	-	-	-	4,435,843
-	-	-	-	-	-	-	2,343,908
-	-	-	-	-	-	-	111,401
-	-	-	-	-	-	-	3,595,195
-	-	-	165,555	-	-	-	165,555
-	4,014,363	-	-	-	-	-	4,014,363
2,927,089	351,120	-	(1,960,404)	-	-	-	63,825,688
\$ 2,927,089	\$ 4,365,483	\$ -	\$ (191,612,017)	\$ 208,176,729	\$ -	\$ -	\$ 127,530,952

(See independent auditor's report.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION, BY SUBFUND

For the Year Ended June 30, 2015

	Education	Operations and Maintenance	Restricted Purposes	Audit	Liability Protection and Settlement
OPERATING REVENUES					
Student tuition and fees	\$ 23,288,316	\$ -	\$ 3,546	\$ -	\$ -
Chargeback revenue	20,193	-	-	-	-
Auxiliary enterprises revenue	-	-	-	-	-
Other operating revenue	338,496	234,116	255	-	-
Total operating revenues	23,647,005	234,116	3,801	-	-
OPERATING EXPENSES					
Instruction	40,472,149	-	1,077,376	-	-
Academic support	10,433,345	-	280,213	-	-
Student services	7,299,789	-	13,409	-	-
Public services	522,684	-	69,277	-	-
Auxiliary services	-	-	-	-	-
Scholarships and student grants	73,232	-	30,376	-	-
Operation and maintenance of plant	1,789,692	8,843,048	23,776	-	676,434
Institutional support	17,880,079	1,248,652	113,006	130,797	2,414,496
Depreciation	-	-	-	-	-
Total operating expenses	78,470,970	10,091,700	1,607,433	130,797	3,090,930
OPERATING INCOME (LOSS)	(54,823,965)	(9,857,584)	(1,603,632)	(130,797)	(3,090,930)
NON-OPERATING REVENUES (EXPENSES)					
State grants and contracts	25,192,885	-	1,301,357	-	-
Property taxes	32,988,369	9,836,020	-	129,941	2,418,169
Personal property replacement tax	599,265	-	-	-	-
Federal grants and contracts	-	-	88,480	-	-
Local grants and contracts	750,642	57,358	106,404	-	-
Debt service	-	-	-	-	-
Transfers in	-	1,644,673	-	-	-
Transfers (out)	(4,351,917)	(1,460,500)	-	-	-
Investment income	302,824	-	-	-	-
Total non-operating revenues (expenses)	55,482,068	10,077,551	1,496,241	129,941	2,418,169
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	658,103	219,967	(107,391)	(856)	(672,761)
CAPITAL CONTRIBUTIONS	-	-	-	-	-
CHANGE IN NET POSITION	658,103	219,967	(107,391)	(856)	(672,761)
NET POSITION (DEFICIT), JULY 1	49,028,181	11,740,055	2,451,299	112,257	4,267,956
NET POSITION (DEFICIT), JUNE 30	\$ 49,686,284	\$ 11,960,022	\$ 2,343,908	\$ 111,401	\$ 3,595,195

Federal Financial Aid	Federal Grants	Bond and Interest	Operations and Maintenance Restricted	Building Bond Proceeds	Food Services	Book Store	Child Care	Visual Performing Arts Center
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	1,380,530	4,271,728	268,391	673,992
-	-	-	-	-	-	-	-	-
-	-	-	-	-	1,380,530	4,271,728	268,391	673,992
-	682,436	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
148,526	1,757,466	-	-	-	-	-	-	-
-	61,478	-	-	-	-	-	-	-
-	-	-	-	-	1,595,259	3,794,560	599,056	528,591
14,900,267	51,334	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	209	-	830,115	12,398,353	-	-	-	-
-	-	-	-	-	-	7,392	-	-
15,048,793	2,552,923	-	830,115	12,398,353	1,595,259	3,801,952	599,056	528,591
(15,048,793)	(2,552,923)	-	(830,115)	(12,398,353)	(214,729)	469,776	(330,665)	145,401
-	-	-	-	-	-	-	-	-
-	-	14,740,668	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
15,048,793	2,552,923	774,584	1,419,510	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	(15,689,868)	(205,250)	-	-	-	-	-
-	-	-	1,460,500	-	511,216	-	349,424	-
-	-	-	-	-	-	(1,097,854)	-	-
-	-	-	-	27,695	-	-	-	-
15,048,793	2,552,923	(174,616)	2,674,760	27,695	511,216	(1,097,854)	349,424	-
-	-	(174,616)	1,844,645	(12,370,658)	296,487	(628,078)	18,759	145,401
-	-	-	-	-	-	-	-	-
-	-	(174,616)	1,844,645	(12,370,658)	296,487	(628,078)	18,759	145,401
-	-	4,610,459	11,684,910	29,431,513	(296,487)	628,078	(18,759)	427,889
\$ -	\$ -	\$ 4,435,843	\$ 13,529,555	\$ 17,060,855	\$ -	\$ -	\$ -	\$ 573,290

(This schedule is continued on the following pages.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION, BY SUBFUND (Continued)

For the Year Ended June 30, 2015

	Production Services	Student Life and Athletics	Lifelong Learning	Employee Benefits
OPERATING REVENUES				
Student tuition and fees	\$ -	\$ -	\$ 391,462	\$ -
Chargeback revenue	-	-	-	-
Auxiliary enterprises revenue	595,726	11,337	13,201	-
Other operating revenue	-	-	-	-
Total operating revenues	595,726	11,337	404,663	-
OPERATING EXPENSES				
Instruction	-	-	-	(480,825)
Academic support	-	-	-	(166,489)
Student services	-	784,158	-	(124,405)
Public services	-	-	-	(16,425)
Auxiliary services	555,757	-	643,292	(76,067)
Scholarships and student grants	-	-	-	-
Operation and maintenance of plant	-	-	-	(135,719)
Institutional support	-	-	-	(325,124)
Depreciation	31,932	-	1,134	-
Total operating expenses	587,689	784,158	644,426	(1,325,054)
OPERATING INCOME (LOSS)	8,037	(772,821)	(239,763)	1,325,054
NON-OPERATING REVENUES (EXPENSES)				
State grants and contracts	-	-	-	-
Property taxes	-	-	-	-
Personal property replacement tax	-	-	-	-
Federal grants and contracts	-	-	-	-
Local grants and contracts	-	-	-	-
Debt service	-	-	-	-
Transfers in	-	768,191	574,232	1,602,035
Transfers (out)	-	-	-	-
Investment income	-	-	-	-
Total non-operating revenues (expenses)	-	768,191	574,232	1,602,035
CHANGE IN NET POSITION BEFORE BEFORE CONTRIBUTIONS	8,037	(4,630)	334,469	2,927,089
CONTRIBUTIONS	-	-	-	-
CHANGE IN NET POSITION	8,037	(4,630)	334,469	2,927,089
NET POSITION (DEFICIT), JULY 1	321,213	52,695	(334,469)	-
NET POSITION (DEFICIT), JUNE 30	<u>\$ 329,250</u>	<u>\$ 48,065</u>	<u>\$ -</u>	<u>\$ 2,927,089</u>

Working Cash	Trust and Agency	Long- Term Obligations	Capital Assets	Eliminations	Adjustments	Total
\$ -	\$ -	\$ -	\$ -	\$ (5,828,721)	\$ -	\$ 17,854,603
-	-	-	-	-	-	20,193
-	-	-	-	(1,372,427)	-	5,842,478
-	-	-	-	-	-	572,867
-	-	-	-	(7,201,148)	-	24,290,141
-	-	-	(617,904)	-	-	41,133,232
-	-	-	(5,153)	-	-	10,541,916
-	-	-	(38,358)	-	-	9,840,585
-	-	-	-	-	-	637,014
-	-	-	-	-	-	7,640,448
-	-	-	-	(6,589,899)	-	8,465,310
-	-	-	(177,061)	-	-	11,020,170
-	-	(165,555)	(13,435,044)	(611,249)	-	20,478,735
-	-	-	7,809,016	-	-	7,849,474
-	-	(165,555)	(6,464,504)	(7,201,148)	-	117,606,884
-	-	165,555	6,464,504	-	-	(93,316,743)
-	-	-	-	-	-	26,494,242
-	-	-	-	-	-	60,113,167
-	-	-	-	-	-	599,265
-	-	-	-	-	-	19,884,290
-	-	-	-	-	-	914,404
-	-	6,917,247	-	-	-	(8,977,871)
-	-	-	-	(6,910,271)	-	-
-	-	-	-	6,910,271	-	-
3,637	-	-	-	-	-	334,156
3,637	-	6,917,247	-	-	-	99,361,653
3,637	-	7,082,802	6,464,504	-	-	6,044,910
-	-	-	615,944	-	-	615,944
3,637	-	7,082,802	7,080,448	-	-	6,660,854
4,361,846	-	(198,694,819)	201,096,281	-	-	120,870,098
\$ 4,365,483	\$ -	\$ (191,612,017)	\$ 208,176,729	\$ -	\$ -	\$ 127,530,952

(See independent auditor's report.)

Statistical Section

STATISTICAL SECTION

This part of the Elgin Community College District Number 509's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information displays about the District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	48-51
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	52-56
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	57-61
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	62-64
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	65-67

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

FINANCIAL TRENDS
NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2015	2014	2013	2012
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 35,206,436	\$ 34,543,852	\$ 32,352,291	\$ 33,909,175
Restricted				
Capital projects	13,832,563	11,960,223	10,999,277	9,783,970
Debt service	4,435,843	4,610,459	5,419,398	4,303,754
Specific purposes	6,216,059	6,831,512	6,728,355	6,514,932
Working cash	4,014,363	4,014,363	4,353,938	4,346,941
Unrestricted	63,825,688	58,909,689	54,972,930	50,477,632
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 127,530,952	\$ 120,870,098	\$ 114,826,189	\$ 109,336,404

Data Source

Audited Financial Statements

2011	2010	2009	2008	2007	2006
\$ 34,777,999	\$ 35,356,731	\$ 36,295,009	\$ 31,952,634	\$ 32,096,227	\$ 26,235,773
10,469,259	3,240,150	2,674,068	1,915,843	1,453,068	30,783
5,090,051	6,404,530	3,561,560	3,367,149	3,585,042	5,964,400
6,492,477	6,396,307	6,082,634	5,485,795	4,413,838	3,611,148
4,339,812	4,330,373	4,309,690	4,217,364	4,014,566	4,014,566
41,435,573	34,203,085	32,364,664	32,772,280	27,426,045	26,952,566
\$ 102,605,171	\$ 89,931,176	\$ 85,287,625	\$ 79,711,065	\$ 72,988,786	\$ 66,809,236

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

FINANCIAL TRENDS
CHANGES IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2015	2014	2013	2012
OPERATING REVENUES				
Student tuition and fees	\$ 17,854,603	\$ 17,601,837	\$ 17,796,951	\$ 17,392,850
Chargeback revenue	20,193	4,080	19,240	9,481
Auxiliary enterprises revenue	5,842,478	6,058,778	6,190,318	6,228,893
Other operating revenue	572,867	587,439	484,396	591,736
Total operating revenues	24,290,141	24,252,134	24,490,905	24,222,960
OPERATING EXPENSES				
Instruction	41,133,232	40,342,156	38,138,301	35,603,159
Academic support	10,541,916	9,729,192	9,390,437	8,784,072
Student services	9,840,585	9,858,311	9,603,280	9,662,520
Public services	637,014	585,054	548,452	659,724
Auxiliary services	7,640,448	8,033,825	8,132,120	8,568,546
Scholarships and student grants	8,465,310	9,529,773	10,842,872	11,748,883
Operation and maintenance of plant	11,020,170	11,088,637	10,495,422	10,134,567
Institutional support	20,478,735	18,053,287	19,733,213	16,486,280
Depreciation	7,849,474	7,141,073	6,614,370	5,915,072
Total operating expenses	117,606,884	114,361,308	113,498,467	107,562,823
OPERATING INCOME (LOSS)	(93,316,743)	(90,109,174)	(89,007,562)	(83,339,863)
NON-OPERATING REVENUES (EXPENSES)				
State grants and contracts	26,494,242	23,680,818	22,465,643	17,899,680
Property taxes	60,113,167	59,334,287	57,315,417	56,483,841
Personal property replacement tax	599,265	572,570	546,332	516,189
Federal grants and contracts	19,884,290	21,279,900	22,578,078	24,316,611
Local grants and contracts	914,404	91,305	125,511	109,896
Interest expense and fiscal charges	(8,977,871)	(9,296,498)	(8,247,538)	(8,760,298)
Gain (loss) on disposal of capital assets	-	-	(413,297)	-
Miscellaneous	-	-	-	-
Investment income	334,156	164,601	127,201	595,085
Total non-operating revenues (expenses)	99,361,653	95,826,983	94,497,347	91,161,004
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS AND SPECIAL ITEMS	6,044,910	5,717,809	5,489,785	7,821,141
Capital contributions	615,944	326,100	-	-
Special item	-	-	-	-
CHANGE IN NET POSITION	\$ 6,660,854	\$ 6,043,909	\$ 5,489,785	\$ 7,821,141

Note: The District is subject to two property tax caps in Illinois whereby the increase in the levy from year to year is limited to the lesser of 5% or the consumer price index for the state as determined by the Illinois Department of Revenue, and individual rates are limited by maximum rates established by Illinois Compiled Statutes.

Data Source

Audited Financial Statements

2011	2010	2009	2008	2007	2006
\$ 17,281,365	\$ 15,924,226	\$ 16,129,872	\$ 15,501,046	\$ 15,149,925	\$ 13,318,994
32,185	32,717	14,761	28,689	55,298	44,943
6,459,463	7,388,451	6,439,037	6,034,837	5,764,400	5,853,892
710,734	651,973	655,019	596,629	567,299	556,252
24,483,747	23,997,367	23,238,689	22,161,201	21,536,922	19,774,081
33,364,067	31,148,537	27,042,791	24,491,956	22,287,157	21,409,907
8,537,599	7,477,019	6,572,369	5,759,904	5,035,064	4,202,662
9,754,645	9,173,240	7,901,374	7,590,398	7,024,067	6,932,202
695,987	794,065	649,359	945,445	878,092	598,528
8,603,717	8,958,317	8,175,955	7,694,561	7,362,002	6,808,010
13,047,275	10,720,251	6,614,469	4,418,325	3,889,622	3,774,771
10,053,689	9,982,871	10,420,075	9,158,729	8,303,039	7,961,901
18,459,040	16,212,172	15,969,082	14,413,243	17,925,692	15,219,769
4,687,560	4,224,350	3,927,467	3,486,829	3,452,654	3,784,961
107,203,579	98,690,822	87,272,941	77,959,390	76,157,389	70,692,711
(82,719,832)	(74,693,455)	(64,034,252)	(55,798,189)	(54,620,467)	(50,918,630)
15,855,838	13,598,021	10,737,235	9,858,290	9,205,546	7,521,511
55,000,588	49,166,923	46,745,497	42,396,336	43,149,997	44,383,011
585,266	474,436	571,390	651,785	591,305	531,990
24,549,217	18,682,097	11,332,557	8,567,331	7,672,373	7,440,704
4,540,393	154,136	1,217,541	99,931	39,061	153,049
(7,796,814)	(3,797,616)	(3,014,476)	(2,297,126)	(2,769,871)	(2,784,051)
-	26,815	-	-	(8,800)	(18,316)
-	-	-	-	-	-
964,702	1,032,194	2,021,068	3,243,921	2,920,406	2,110,594
93,699,190	79,337,006	69,610,812	62,520,468	60,800,017	59,338,492
10,979,358	4,643,551	5,576,560	6,722,279	6,179,550	8,419,862
-	-	-	-	-	-
1,694,637	-	-	-	-	-
\$ 12,673,995	\$ 4,643,551	\$ 5,576,560	\$ 6,722,279	\$ 6,179,550	\$ 8,419,862

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

REVENUE CAPACITY
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Railroad Property	Total Taxable Assessed Value	Total (3) Direct Tax Rate	Estimated Actual Value	Percent of Actual Value
2014	\$ 7,817,399,738	\$ 1,344,366,737	\$ 725,146,492	\$ 125,264,126	\$ 14,263,453	\$ 10,026,440,546	0.6076	\$ 30,079,321,638	33.333%
2013	7,901,834,539	1,405,460,072	738,683,961	126,425,315	12,769,290	10,185,173,177	0.5709	30,555,519,531	33.333%
2012	8,738,910,381	1,510,917,164	748,948,364	131,613,809	12,821,928	11,143,211,646	0.5215	33,429,634,938	33.333%
2011	9,836,129,935	1,624,365,385	857,790,627	138,766,141	11,259,792	12,468,311,880	0.4454	37,404,935,640	33.333%
2010	10,786,831,708	1,679,684,175	829,083,264	144,750,820	10,883,734	13,451,233,701	0.4407	40,353,701,103	33.333%
2009	11,283,832,554	1,762,867,709	864,117,476	148,989,272	8,917,103	14,068,724,114	0.3833	42,206,172,342	33.333%
2008	11,323,919,097	1,746,686,868	910,480,162	147,838,172	8,763,523	14,137,687,822	0.3293	42,413,063,466	33.333%
2007	10,792,392,928	1,626,069,105	867,887,364	139,454,697	7,797,168	13,433,601,262	0.3280	40,300,803,786	33.333%
2006	9,792,084,153	1,452,644,550	759,825,058	131,251,314	6,361,477	12,142,166,552	0.3399	36,426,499,656	33.333%
2005	8,949,551,539	1,337,494,423	698,750,944	125,910,443	5,932,994	11,117,640,343	0.4011	33,352,921,029	33.333%

(1) Property in the District is reassessed each year.

(2) Property is assessed at 33% of actual value.

(3) The tax rate fluctuates from year-to-year primarily due to the debt service requirements for General Obligation bonds and the Public Building Commission Rental Funds.

Data Sources

Offices of the County Clerks for Kane, McHenry, DuPage, Cook and DeKalb Counties.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

REVENUE CAPACITY
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	Legal Limit 2014	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
TAX RATES (1)											
District Rates											
Education	0.2350	0.3304	0.3119	0.2868	0.2539	0.2379	0.2129	0.2092	0.1981	0.2093	0.2086
Operations and maintenance	0.0750	0.0980	0.1018	0.0953	0.0850	0.0796	0.0664	0.0700	0.0646	0.0658	0.0662
Liability insurance	None	0.0167	0.0151	0.0151	0.0129	0.0126	0.0129	0.0099	0.0251	0.0191	0.0229
Audit	0.0500	0.0014	0.0012	0.0011	0.0009	0.0006	0.0006	0.0004	0.0006	0.0009	0.0009
Debt Service Fund	None	0.1444	0.1426	0.1123	0.1018	0.0973	0.0808	0.0392	0.0313	0.0354	0.0948
Bond and Interest Fund	None	0.0081	0.0071	0.0071	0.0052	0.0046	0.0043	0.0035	0.0098	0.0053	0.0054
Prior period adjustment		0.0086	-0.0088	0.0038	-0.0144	0.0081	0.0054	-0.0030	-0.0013	0.0041	0.0023
Total district rates (1)		0.6076	0.5709	0.5215	0.4453	0.4407	0.3833	0.3292	0.3282	0.3399	0.4011
Others											
Kane County		0.4684	0.4623	0.4336	0.3990	0.3730	0.3398	0.3336	0.3322	0.3452	0.3367
Kane County Forest Preserve		0.3126	0.3039	0.2710	0.2609	0.2201	0.1997	0.1932	0.1974	0.1747	0.1905
Elgin Township and Road Funds		0.2053	0.1972	0.1758	0.1550	0.1364	0.1230	0.1207	0.1208	0.1246	0.1323
Gail Borden Library District		0.5796	0.5087	0.4791	0.4084	0.3650	0.3380	0.3175	0.3111	0.3378	0.3172
Fox River Water Reclamation		0.0409	0.0370	0.0344	0.0299	0.0273	0.0249	0.0240	0.0246	0.0270	0.0292
City of Elgin		2.3218	2.1668	1.9344	1.9836	1.9214	1.9202	1.9200	1.9200	1.9200	1.9202
School District No. 46		8.0229	5.9395	6.3706	5.5589	5.2661	4.5494	4.2066	4.3659	4.6954	4.7346
Total rates		11.9515	10.1861	10.2204	9.2410	8.7500	7.8783	7.4448	7.6002	7.9646	8.0618

(1) Property tax rates are per \$100 of assessed valuation.

Data Sources

Offices of the County Clerks for Kane, McHenry, DuPage, Cook and DeKalb Counties.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

REVENUE CAPACITY
PRINCIPAL PROPERTY TAXPAYERS

Current Levy Year and Nine Years Ago

Taxpayer	Type of Business	2014 Levy Year			2005 Levy Year		
		Assessed Value	Rank	Percentage of Total District Assessed Valuation	Assessed Value (000s)	Rank	Percentage of Total District Assessed Valuation
Target	Retail	\$ 23,471,641	1	0.23%	\$ 20,085,279	3	0.20%
Wal-Mart	Department Store	21,967,343	2	0.22%	14,945,750	7	0.13%
New Plan Excel Realty (1)	Real Property	19,507,496	3	0.19%	19,068,114	4	0.17%
Algonquin Commons	Real Property	18,275,955	4	0.18%	-	-	-
Poplar Creek Crossing	Real Property	18,259,499	5	0.18%	-	-	-
Springhill Mall, LLC	Commerical Shopping Center	17,976,795	6	0.18%	24,596,145	1	0.22%
John B. Sanfilippo and Son, Inc	Snack Food	15,833,054	7	0.16%	-	-	-
Q Center LLC	Training Center	15,772,649	8	0.16%	-	-	-
Amli at St. Charles LLC	Real Property	12,765,390	9	0.13%	-	-	-
Transamerica Comm. Fin.	Real Property	12,340,022	10	0.12%	17,129,635	5	0.15%
CNC	Real Property	-	-	-	22,571,953	2	0.20%
Charlestown Mall, LLC	Commerical Shopping Center	-	-	-	-	-	0.00%
Park Place Apartments (BVF II)	Real Property	-	-	-	14,903,134	8	0.29%
Arthur Anderson & Company	Traing Center	-	-	-	11,637,826	10	0.13%
The John Buck Company	Real Property	-	-	-	14,952,968	6	0.10%
Tradition at Centerfield Ltd Partnership	Real Property	-	-	-	11,651,151	9	0.13%
		<u>\$ 176,169,844</u>		<u>1.76%</u>	<u>\$ 171,541,955</u>		<u>1.54%</u>

(1) Previously Bradley Operation Limited.

Note: Excludes \$5,224,196 of EAV (Frozen TIF Value for Sears Roebuck National Headquarters). The actual 2014 value of the Sears property in the TIF district is \$138,214,153.

Data Source

Kane, DuPage and Cook Counties

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**REVENUE CAPACITY
PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Levy Years

Levy Year	Assessed Valuation	Direct Tax Rate (1)(2)	Taxes Extended (3)	Total Collected Through June 30, 2013	Collected During Year Ended June 30, 2014	Total Collected Through June 30, 2014 (4)	Percent of Taxes Extended Collected Through June 30, 2014	Tax Cap Limit (5)
2014	\$ 10,026,440,546	0.6076	\$ 60,820,489	\$ -	\$ 30,459,393	\$ 30,459,393	50.08%	1.50%
2013	10,185,173,177	0.5709	60,245,707	30,170,930	29,740,863	59,911,793	99.45%	1.70%
2012	11,143,211,646	0.5215	58,907,754	58,444,256	30,611	58,474,867	99.27%	3.00%
2011	12,468,311,880	0.4454	55,920,678	55,595,835	48,469	55,644,304	99.51%	1.50%
2010	13,451,233,701	0.4407	57,158,288	56,632,812	-	56,632,812	99.08%	2.70%
2009	14,068,724,114	0.3833	53,478,493	53,186,861	-	53,186,861	99.45%	0.10%
2008	14,137,687,822	0.3292	46,110,628	45,806,809	-	45,806,809	99.34%	4.10%
2007	13,433,601,262	0.3282	45,388,804	44,901,099	-	44,901,099	98.93%	2.50%
2006	12,142,166,552	0.3399	41,434,225	41,297,610	-	41,297,610	99.67%	3.40%
2005	11,117,640,343	0.4011	45,185,091	45,564,117	-	45,564,117	100.84%	3.30%

(1) The direct tax rates reported for the District are blended rates based on the total taxes and the total assessed valuations for all counties combined.

(2) The tax rate fluctuates from year-to-year primarily due to the debt service requirements for General Obligation Bonds and the Public Building Commission Rental Funds.

(3) Due to differences in the computational methods followed by the five counties, portions of each of which are within the District's boundaries, there may be slight differences between the final levy amounts extended by the counties and those used for financial statement purposes.

(4) Taxes are generally due on June 1st and September 1st of the calendar year subsequent to the levy year.

(5) The District is subject to two property tax caps in Illinois whereby the increase in the levy from year-to-year is limited to the lesser of 5% or the consumer price index (CPI) for the state as determined by the Illinois Department of Revenue, and individual rates are limited by maximum rates established by Illinois Compiled Statutes.

Data Sources

District property tax records

Offices of the County Clerks for Kane, McHenry, DuPage, Cook and DeKalb Counties.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

REVENUE CAPACITY
ENROLLMENT, TUITION AND FEE RATES, CREDIT HOURS CLAIMED AND TUITION AND FEE REVENUE

Last Ten Fiscal Years

Fiscal Year	Fall Term 10th Day Enrollment		Tuition and Fee Rates			Total Credit Hours Claimed	Net Tuition and Fee Revenue Education Fund (1)
	FTE Credit Courses	Headcount Credit Courses	In District Tuition and Fees per Semester Hour	Out of District Tuition and Fees per Semester Hour	Out of State Tuition and Fees per Semester Hour		
2015	6,396	10,937	\$ 114.00	\$ 381.10	\$ 497.79	195,829	\$ 23,837,806
2014	6,675	11,285	109.00	354.81	480.93	197,308	24,949,044
2013	6,757	11,554	105.00	361.53	472.54	207,401	23,610,849
2012	6,862	11,811	99.00	336.02	445.27	214,909	22,523,433
2011	7,009	12,214	91.00	343.43	436.49	216,117	21,121,716
2010	6,666	11,704	91.00	358.08	442.65	210,405	19,907,208
2009	5,616	9,821	91.00	349.61	461.55	180,895	17,510,359
2008	5,195	9,613	91.00	440.94	472.46	164,353	15,969,523
2007	5,269	10,072	84.00	359.30	437.22	165,523	14,918,139
2006	5,431	10,449	75.00	276.93	349.61	166,573	13,310,553

(1) Net tuition and fee revenue for the Education Fund is net of bad debt expense and tuition waivers.

Data Source

District records

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**DEBT CAPACITY
RATIOS OF OUTSTANDING DEBT BY TYPE**

Last Ten Fiscal Years

Fiscal Year Ended	General Obligation Bonds (1)	Capital Lease Obligations	Due to Other Governments	Total Outstanding Debt (2)	District Estimated Actual Taxable Property Value	Percentage of Total Outstanding Debt to Estimated Actual Taxable Property Value	Population (Estimated)	Total Outstanding Debt Per Capita	Total Outstanding Debt as a Percentage of Personal Income
2015	\$ 189,280,855	\$ -	\$ -	\$ 189,280,855	\$ 10,026,440,546	1.89%	487,640	\$ 388.16	1.20%
2014	195,973,411	-	-	195,973,411	10,185,173,177	1.92%	478,079	409.92	1.28%
2013	201,763,311	-	-	201,763,311	11,143,211,646	1.81%	468,705	430.47	1.36%
2012	159,504,345	-	-	159,504,345	12,468,311,880	1.28%	459,515	347.11	1.11%
2011	176,039,262	-	-	176,039,262	13,451,233,701	1.31%	450,504	390.76	1.26%
2010	105,200,229	1,665,000	-	106,865,229	14,068,724,114	0.76%	441,671	241.96	0.79%
2009	59,761,121	4,495,000	-	64,256,121	14,137,687,822	0.45%	473,843	135.61	0.49%
2008	59,288,541	7,215,000	-	66,503,541	13,433,601,262	0.50%	464,552	143.16	0.52%
2007	48,416,769	9,840,000	-	58,256,769	12,142,166,552	0.48%	455,443	127.91	0.47%
2006	51,914,999	12,455,046	396,500	64,766,545	11,117,640,343	0.58%	446,513	145.05	0.55%

(1) Balances include current and noncurrent portions of bond principal outstanding.

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

Data Sources

District records and Offices of the County Clerks for Kane, McHenry, DuPage, Cook and DeKalb Counties.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**DEBT CAPACITY
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds (1)	Less: Amounts Restricted for Debt Service (2)	Net General Bonded Debt	District Estimated Actual Taxable Property Value	Percentage of Net General Bonded Debt to Estimated Actual Taxable Property Value	Population (Estimated)	Net General Bonded Debt Per Capita
2015	\$ 189,280,855	\$ 4,435,843	\$ 189,280,855	\$ 10,026,440,546	1.89%	487,640	\$ 388.16
2014	195,973,411	4,610,459	191,362,952	10,185,173,177	1.88%	478,079	400.27
2013	201,763,311	5,419,398	196,343,913	11,143,211,646	1.76%	468,705	418.91
2012	159,504,345	4,303,754	155,200,591	12,468,311,880	1.24%	459,515	337.75
2011	176,039,262	15,069,660	160,969,602	13,451,233,701	1.20%	450,504	357.31
2010	105,200,229	24,488,649	80,711,580	14,068,724,114	0.57%	441,671	182.74
2009	59,761,121	23,492,836	36,268,285	14,137,687,822	0.00%	473,843	76.54
2008	59,288,541	20,853,851	38,434,690	13,433,601,262	0.29%	464,552	82.74
2007	48,416,769	13,504,436	34,912,333	12,142,166,552	0.29%	455,443	76.66
2006	51,914,999	15,906,495	36,008,504	11,117,640,343	0.32%	446,513	80.64

(1) Balances include current and noncurrent portions of bond principal outstanding.

(2) Amounts equal net assets restricted for debt service per the District's Bond and Interest Fund.

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

Data Sources

District records and Offices of the County Clerks for Kane, McHenry, DuPage, Cook and DeKalb Counties.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

DEBT CAPACITY
SCHEDULE OF DIRECT AND OVERLAPPING BONDED DEBT

June 30, 2015

Governmental Unit	Gross Bonded Debt	Percentage of Debt Applicable to Government	Government's Share of Debt
Elgin Community College	\$ 189,280,855	100.00%	\$ 189,280,855
SCHOOLS			
School District Number 54	-	2.15%	-
High School District Number 211	11,380,000	1.29%	146,802
Unit School District Number 46	319,635,109	100.00%	319,635,109
Unit School District Number 158	89,349,615	0.03%	26,805
Unit School District Number 300	300,707,410	72.24%	217,231,033
Unit School District Number 301	39,607,722	98.57%	39,041,332
Unit School District Number 303	53,100,000	99.61%	52,892,910
Unit School District Number 427	58,808,029	0.36%	211,709
Total schools			629,185,700
OTHERS			
Counties and large units			
Kane County	47,510,000	55.04%	26,149,504
Kane County Forest Preserve District	168,865,866	55.04%	92,943,773
Cook County	3,466,835,000	1.45%	50,269,108
Cook County Forest Preserve District	172,535,000	1.45%	2,501,758
Metropolitan Water Reclamation District	2,642,374,005	1.19%	31,444,251
DuPage County	181,975,000	3.36%	6,114,360
DuPage County Forest Preserve District	159,330,395	3.36%	5,353,501
DuPage Water Commission	-	1.23%	-
Total counties and large units			214,776,255
Cities and villages			
Village of Algonquin	9,950,000	26.32%	2,618,840
Village of Bartlett	25,320,000	100.00%	25,320,000
Village of Burlington	-	99.38%	-
Village of Campton Hills	-	6.05%	-
Campton Township	39,415,000	90.62%	35,717,873
Village of Carpentersville	49,565,000	91.04%	45,123,976
Village of East Dundee	12,265,000	100.00%	12,265,000
City of Elgin	88,655,000	100.00%	88,655,000
Village of Gilberts	1,415,000	99.89%	1,413,444
Village of Hampshire	3,595,000	84.88%	3,051,436
Village of Hanover Park	19,615,000	38.51%	7,553,737
Village of Hoffman Estates	99,825,000	15.98%	15,952,035
City of St. Charles	85,810,000	98.33%	84,376,973
Village of Schaumburg	283,215,000	2.85%	8,071,628
Village of South Elgin	9,550,000	99.95%	9,545,225
Village of South Barrington	-	5.52%	-
Village of Streamwood	6,570,000	99.92%	6,564,744
City of West Chicago	-	18.54%	-
Village of West Dundee	8,675,000	95.19%	8,257,733
Total cities and villages			354,487,644

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

DEBT CAPACITY
SCHEDULE OF DIRECT AND OVERLAPPING BONDED DEBT (Continued)

June 30, 2015

Governmental Unit	Gross Bonded Debt	Percentage of Debt Applicable to Government	Government's Share of Debt
OTHERS (Continued)			
Library Districts			
Algonquin Public Library District	\$ 3,090,000	2.61%	\$ 80,649
Barrington Public Library District	-	1.26%	-
Bartlett Public Library District	-	100.00%	-
Gail Borden Public Library	16,635,000	100.00%	16,635,000
Huntley Public Library District	-	1.84%	-
Poplar Creek Library District	18,615,000	81.64%	15,197,286
Schaumburg Public Library District	-	2.20%	-
Town and Country Public Library District	865,000	26.06%	225,419
West Chicago Public Library District	-	7.09%	-
Park Districts			
Bartlett Park District	28,325,000	100.00%	28,325,000
Carol Stream Park District	76,186,478	7.49%	5,706,367
Dundee Township Park District	20,445,000	96.85%	19,800,983
Hampshire Park District	50,000	100.00%	50,000
Hanover Park Park District	3,750,000	41.80%	1,567,500
Hoffman Estates Park District	50,790,000	15.63%	7,938,477
Huntley Park District	8,470,000	0.95%	80,465
Schaumburg Park District	23,360,000	3.11%	726,496
South Barrington Park District	7,350,000	4.44%	326,340
St. Charles Park District	30,525,000	99.84%	30,476,160
Streamwood Park District	4,840,000	95.25%	4,610,100
West Chicago Park District	24,140,000	15.53%	3,748,942
West Chicago Fire Protection District	7,835,000	20.25%	1,586,588
Special Service Areas			
Carpentersville Special Service Area Numbers 6, 7, 10, 11 and 1'	-	100.00%	-
Gilberts Special Service Area Number 10	17,380,000	100.00%	17,380,000
Gilberts Special Service Area Number 19	4,049,000	100.00%	4,049,000
Hanover Park Special Service Area Number 2	-	100.00%	-
Hampshire Special Service Area Number 9	1,515,000	100.00%	1,515,000
Pingree Grove Special Service Area Number 1	-	100.00%	-
St. Charles TIF 2	990,000	100.00%	990,000
Streamwood Special Service Area Number 3	-	100.00%	-
West Chicago Special Service Area Number 2	-	30.31%	-
Total others			161,015,772
Total schools and others			790,201,472
TOTAL DIRECT AND OVERLAPPING DEBT			\$ 979,482,327

Data Sources

District records and Offices of the County Clerks for Kane, McHenry, DuPage, Cook and DeKalb Counties

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**DEBT CAPACITY
LEGAL DEBT MARGIN INFORMATION**

Last Ten Fiscal Years

Fiscal Year		Assessed Value	Debt Limit Rate	Debt Limit (Assessed Value Debt Limit Rate)	Net Debt Applicable to Debt Limit	Legal Debt Margin	Net Debt Applicable to Debt Limit as a Percentage of Debt Limit
2015	\$	10,026,440,546	2.875%	\$ 288,260,166	\$ 189,280,855	\$ 98,979,311	65.66%
2014		10,185,173,177	2.875%	292,823,729	195,973,411	96,850,318	66.93%
2013		11,143,211,646	2.875%	320,367,335	201,763,311	118,604,024	62.98%
2012		12,468,311,880	2.875%	358,463,967	159,504,345	198,959,622	44.50%
2011		13,451,233,701	2.875%	386,689,821	176,039,262	210,650,559	45.52%
2010		14,068,724,114	2.875%	407,324,271	105,200,229	302,124,042	25.83%
2009		14,137,687,822	2.875%	401,731,411	59,761,121	341,970,290	14.88%
2008		13,433,601,262	2.875%	386,216,036	59,288,541	326,927,495	15.35%
2007		12,142,166,552	2.875%	349,087,288	51,049,722	298,037,566	14.62%
2006		11,117,640,343	2.875%	319,632,160	51,914,999	267,717,161	16.24%

Data Sources

District records and Offices of the County Clerks for Kane, McHenry, DuPage, Cook and DeKalb Counties

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**DEMOGRAPHIC AND ECONOMIC INFORMATION
PERSONAL INCOME PER CAPITA**

Last Ten Fiscal Years

Fiscal Year	Population (Estimate)	Personal Income (1)	Per Capita Personal Income (2)	Unemployment Rate (3)
2015	487,640	\$ 15,719,782,784	\$ 32,236	5.0%
2014	478,079	15,261,925,033	31,923	6.6%
2013	468,705	14,817,402,945	31,614	9.8%
2012	459,515	14,385,828,102	31,307	8.7%
2011	450,504	13,966,823,400	31,003	10.2%
2010	441,671	13,560,022,718	30,702	9.7%
2009	473,843	13,165,070,600	27,784	9.7%
2008	464,552	12,719,874,976	27,381	7.3%
2007	455,443	12,289,734,276	26,984	4.8%
2006	446,513	11,874,139,397	26,593	4.3%

(1) Population estimate is based on the 2000 census for 2003 through 2009 and the 2010 Census for 2010 through 2014.

(2) Personal income level is based on the 2000 Census for 2000 and estimated going forward.

(3) The unemployment rate is for the Chicago-Naperville-Joliet, IL Metropolitan Division of which all counties within the District are included.

Data Sources

Illinois Department of Employment Security
Census Bureau

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**DEMOGRAPHIC AND ECONOMIC INFORMATION
PRINCIPAL EMPLOYERS**

Current Year and Nine Years Ago

2015			2006		
Employer	Rank	Estimated Employees	Employer	Rank	Estimated Employees
Sears Holding Corp	1	5,000	Sears Roebuck and Company	1	6,000
Northwest Community Hospital	2	4,000	Elgin Unit School District U-46	2	5,000
AT&T Services, Inc.	3	2,500	Motorola, Inc	3	4,450
Zurich North American Commercial	4	2,500	Northwest Community Healthcare	4	3,300
St. Alexius Medical Center	5	2,045	AT&T	5	2,700
North Grumman Corporation	6	1,900	Banc One/First U.S.A.	6	2,500
Motorola, Inc.	7	1,570	Northrop Grumman Corporation	7	2,000
Clearbrook	8	1,000	Broadwig Communications LLC	8	2,000
Catamaran, LLC	9	800	Sherman Hospital	9	1,700
Nation Pizza Products	10	700	Zurich American Insurance Company	10	1,700
Verizon Wireless, Inc	11	670	St. Alexius Medical Center	11	1,650
The Neilsen Company	12	650	Experian Information Solutions Inc	12	1,500
Rittal Corporation	13	630	Elgin Mental Health Center	13	1,300
CDK Global (1)	14	600			
Experian Information Solutions, Inc.	15	600			

(1) Previously ADP Dealer Services

Data Source

2013 Illinois Manufacturers Directory, 2013 Illinois Services Directory and a selected telephone survey.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC INFORMATION
STUDENT ENROLLMENT DEMOGRAPHIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Baccalaureate	Business Occupational	Technical Occupational	Health Occupational	Remedial Development	Adult Basic Secondary Education	Total Claimed Credit Hours
2015	112,957	12,203	17,198	12,040	16,826	24,605	195,829
2014	115,845	12,900	18,953	12,196	17,271	20,143	197,308
2013	117,315	13,074	19,588	12,698	18,573	26,153	207,401
2012	119,163	14,877	21,055	13,468	20,142	26,204	214,909
2011	118,824	15,722	21,573	15,158	20,480	24,360	216,117
2010	114,554	14,204	20,862	14,419	19,254	27,112	210,405
2009	99,377	12,561	17,724	12,366	16,764	22,103	180,895
2008	90,401	11,801	17,578	10,483	14,828	19,262	164,353
2007	89,541	12,486	18,122	10,200	14,028	21,147	165,524
2006	94,275	12,353	18,513	10,466	11,604	19,362	166,573

Data Source

District records

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

OPERATING INFORMATION
FULL-TIME EQUIVALENT EMPLOYEES AND EMPLOYEE HEADCOUNT BY EMPLOYEE GROUP

Last Ten Fiscal Years

Employee Group	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
FACULTY										
Full-time FTE	133	132	130	132	134	131	127	119	118	116
Part-time FTE	205	219	209	200	198	172	143	151	146	138
Total FTE	338	351	339	332	332	303	270	270	264	254
Headcount	601	615	598	620	608	549	499	484	476	463
ADMINISTRATORS										
Full-time FTE	44	43	43	40	33	34	33	32	27	26
Part-time FTE	-	-	-	-	-	-	-	-	-	-
Total FTE	44	43	43	40	33	34	33	32	27	26
Headcount	44	43	43	40	33	34	33	32	27	26
NONTEACHING PROFESSIONAL STAFF										
Full-time FTE	189	166	171	180	193	179	171	166	156	129
Part-time FTE	48	51	49	51	76	74	75	48	54	60
Total FTE	237	217	220	231	269	253	246	214	210	189
Headcount	285	267	269	282	345	326	321	262	263	249
CLASSIFIED STAFF										
Full-time FTE	102	112	107	111	110	111	110	110	102	90
Part-time FTE	69	75	69	66	65	65	63	57	56	60
Total FTE	171	187	176	177	175	176	173	167	158	150
Headcount	239	261	244	242	239	240	235	223	213	209

Notes:

The above statistics reflect employment numbers for the fall semester of the year listed as reported to the ICCB in our annual salary submission.

The District reclassified its tutors in 2009. Tutors are now included in nonteaching professional staff.

The District reclassified its tutors in 2012. Tutors are now considered contingent employees and are no longer included in this report.

Data Source

ICCB C1/C2 submissions

**ELGIN COMMUNITY COLLEGE
COLLEGE DISTRICT 509
ELGIN, ILLINOIS**

**OPERATING INFORMATION
DEGREES AND CERTIFICATES AWARDED**

Last Ten Fiscal Years

Degrees and Certificates Awarded	2015	2014	2013	2012	2011	2010	2009	2008	2007 (1)	2006 (1)
GENERAL STUDIES DEGREE										
Associate degrees										
Arts	529	466	524	496	393	427	374	345	323	351
Sciences	231	196	197	145	136	108	88	106	77	102
Engineering science	19	14	14	15	2	8	3	7	-	7
Fine arts	9	11	7	3	1	5	5	7	-	5
Liberal studies and general education	42	41	43	75	62	53	43	35	34	47
OCCUPATIONAL DEGREES										
Associate degree in applied science	369	359	387	411	344	313	303	268	257	265
OCCUPATIONAL CERTIFICATES										
One year or more	299	286	292	329	307	258	201	194	156	156
Less than one year	1,087	880	1,019	1028	977	1188	912	796	423	359
TOTAL DEGREES AND CERTIFICATES AWARDED	2,585	2,253	2,483	2,502	2,222	2,360	1,929	1,758	1,270	1,292

(1) Degree audit hasn't been implemented in our new student system thus resulting in a drop in basic occupational certificates in 2006 and 2007.

Data Source

District records

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

OPERATING INFORMATION
CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
MAIN CAMPUS										
Size of campus in acres	211.5	211.5	168.5	181.5	174.4	179.1	157.5	157.5	157.5	154.1
Number of buildings	18	18	18	18	18	17	16	16	14	13
Gross square footage	1,121,671	1,121,671	1,122,508	1,093,083	1,090,908	947,055	913,325	913,325	839,798	813,877
Number of parking lots	18	18	18	16	18	19	22	22	22	21
Number of parking spaces	4,337	4,337	4,326	4,000	4,085	4,067	3,641	3,641	3,641	3,548
BURLINGTON FACILITY										
Size of facility in acres	119.7	119.7	119.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FOUNTAIN SQUARE CAMPUS										
Size of campus	0	0	0	0	0	2.1 acres	2.1 acres	2.1 acres	2.1 acres	2.1 acres
Number of buildings	0	0	0	0	0	1	1	1	1	1
Number of rooms	0	0	0	0	0	119	119	119	124	124
Gross square footage	0	0	0	0	0	75,635	75,635	75,635	75,244	75,244
Number of parking lots	0	0	0	0	0	1	1	1	1	1
Number of parking spaces	0	0	0	0	0	38	38	38	38	38
HANOVER PARK EDUCATION AND WORK CENTER										
Number of buildings	1	1	0	0	0	0	0	0	0	0
Number of rooms	16	16	0	0	0	0	0	0	0	0
Gross square footage	9,274	9,274	0	0	0	0	0	0	0	0
Municipal parking lots	0	0	0	0	0	0	0	0	0	0
STREAMWOOD VILLAGE HALL CAMPUS										
Number of buildings	1	1	1	1	1	1	1	1	1	1
Number of rooms	3	3	3	3	3	7	7	7	7	7
Gross square footage	3,224	3,224	3,224	3,234	3,234	3,234	3,234	3,234	3,243	3,243
Municipal parking lots	2	2	2	2	2	2	2	2	2	2

[Data Source](#)

District records

SPECIAL REPORTS

SUPPLEMENTAL FINANCIAL INFORMATION

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

CERTIFICATE OF CHARGEBACK REIMBURSEMENT

For the Fiscal Year Ended June 30, 2015

**ALL NONCAPITAL AUDITED OPERATING EXPENDITURES
FOR FISCAL YEAR 2014 FROM ALL REVENUE SOURCES**

Education fund	\$ 58,543,536
Operations and maintenance fund	1,488,327
Bond and interest fund	-
Public Building Commission - operations and maintenance fund	-
Public Building Commission rental fund	-
Restricted purposes fund	1,447,565
Federal financial aid fund	15,048,793
Federal grants fund	2,395,391
Audit fund	130,797
Liability, protection and settlement fund	3,090,930
Auxiliary enterprises fund (subsidy only)	<u>960,476</u>

Total noncapital audited operating expenditures	83,105,816
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Plus depreciation on capital outlay expenditures (equipment, buildings and fixed equipment) paid from sources other than state and federal funds	<u>7,725,929</u>
--	------------------

Equals total costs included	<u><u>\$ 90,831,745</u></u>
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TOTAL CERTIFIED SEMESTER CREDIT HOURS	<u><u>195,829.5</u></u>
--	-------------------------

PER CAPITA COST	<u><u>\$ 463.83</u></u>
------------------------	-------------------------

(This schedule is continued on the following page.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

CERTIFICATE OF CHARGEBACK REIMBURSEMENT (Continued)

For the Fiscal Year Ended June 30, 2015

All fiscal year 2015 state and federal operating grants for noncapital expenditures, except ICCB grants	<u>\$ 15,875,729</u>
Fiscal year 2015 state and federal grants per semester credit hour	81.07
District's average ICCB grant rate for fiscal year 2016	N/A
District's student tuition and fee rate per semester credit hour for fiscal year 2016	<u>119.00</u>
EQUALS CHARGEBACK REIMBURSEMENT PER SEMESTER CREDIT HOUR	<u><u>N/A</u></u>

N/A - Data not available

UNIFORM FINANCIAL STATEMENTS

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

ALL FUNDS SUMMARY
UNIFORM FINANCIAL STATEMENT #1
FISCAL YEAR ENDED JUNE 30, 2015

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Bond and Interest Fund	Auxiliary Enterprise Funds	Restricted Purposes Fund	Federal Financial Aid Fund	Working Cash Fund
FUND BALANCES, JULY 1, 2014	\$ 49,028,181	\$ 11,740,055	\$ 11,684,910	\$ 4,610,459	\$ 780,160	\$ 2,451,299	\$ -	\$ 4,361,846
REVENUES								
Local tax revenue	33,587,635	9,836,020	-	14,740,670	-	-	-	-
All other local revenue	20,193	-	-	-	-	-	-	-
ICCB grants	5,554,422	-	-	-	-	866,009	-	-
All other state revenue	-	-	-	-	-	-	-	-
Federal revenue	-	-	1,419,510	774,582	-	88,480	15,048,793	-
Student tuition and fees	23,288,316	-	-	-	391,462	3,546	-	-
All other revenue	1,391,964	291,474	-	-	7,214,905	542,007	-	3,637
Total revenues	63,842,530	10,127,494	1,419,510	15,515,252	7,606,367	1,500,042	15,048,793	3,637
EXPENDITURES								
Instruction	30,187,061	-	-	-	-	1,077,376	-	-
Academic support	8,221,120	-	-	-	-	280,213	-	-
Student services	5,549,571	-	-	-	784,158	13,409	148,526	-
Public service/continuing education	314,432	-	-	-	-	69,277	-	-
Auxiliary services	-	-	-	-	6,431,919	-	-	-
Operations and maintenance	-	8,843,048	-	-	-	23,776	-	-
Institutional support	13,874,697	1,248,652	1,035,365	15,689,868	-	113,006	-	-
Scholarships, grants and waivers	685,629	-	-	-	-	30,376	14,900,267	-
Total expenditures	58,832,510	10,091,700	1,035,365	15,689,868	7,216,077	1,607,433	15,048,793	-
NET TRANSFERS	(4,351,917)	184,173	1,460,500	-	2,707,244	-	-	-
FUND BALANCES, JUNE 30, 2015	\$ 49,686,284	\$ 11,960,022	\$ 13,529,555	\$ 4,435,843	\$ 3,877,694	\$ 2,343,908	\$ -	\$ 4,365,483

(This schedule is continued on the following page.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

ALL FUNDS SUMMARY
UNIFORM FINANCIAL STATEMENT #1 (Continued)
FISCAL YEAR ENDED JUNE 30, 2015

	Audit Fund	Liability, Protection Settlement Fund	Building Bond Proceeds Fund	Federal Grants Fund	Total
FUND BALANCES, JULY 1, 2014	\$ 112,257	\$ 4,267,956	\$ 29,431,513	\$ -	\$ 118,468,636
REVENUES					
Local tax revenue	129,941	2,418,169	-	-	60,712,435
All other local revenue	-	-	-	-	20,193
ICCB grants	-	-	-	927,981	7,348,412
All other state revenue	-	-	-	-	-
Federal revenue	-	-	-	1,624,942	18,956,307
Student tuition and fees	-	-	-	-	23,683,324
All other revenue	-	-	27,695	-	9,471,682
Total revenues	129,941	2,418,169	27,695	2,552,923	120,192,353
EXPENDITURES					
Instruction	-	-	-	682,436	31,946,873
Academic support	-	-	-	-	8,501,333
Student services	-	-	-	1,757,466	8,253,130
Public service/continuing education	-	-	-	61,478	445,187
Auxiliary services	-	-	-	-	6,431,919
Operations and maintenance	-	676,434	-	-	9,543,258
Institutional support	130,797	2,414,496	12,398,353	209	46,905,443
Scholarships, grants, waivers	-	-	-	51,334	15,667,606
Total expenditures	130,797	3,090,930	12,398,353	2,552,923	127,694,749
NET TRANSFERS	-	-	-	-	-
FUND BALANCES, JUNE 30, 2015	\$ 111,401	\$ 3,595,195	\$ 17,060,855	\$ -	\$ 110,966,240

(See independent auditor's report.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

SUMMARY OF CAPITAL ASSETS AND DEBT
UNIFORM FINANCIAL STATEMENT #2
FISCAL YEAR ENDED JUNE 30, 2015

	Fixed Asset/Debt Account Groups			Fixed Asset/Debt Account Groups		
	June 30, 2014	Additions	Deletions	June 30, 2015		
CAPITAL ASSETS						
Sites and improvements	\$ 25,413,313	\$ 5,200,372	\$ (7,375)	\$ 30,606,310		
Buildings, additions and improvements	218,297,539	3,574,421	-	221,871,960		
Equipment	11,571,149	866,709	(656,011)	11,781,847		
Other capital assets	13,824,920	13,226,355	(7,988,432)	19,062,843		
Accumulated depreciation	68,010,640	7,809,016	(673,425)	75,146,231		
TOTAL CAPITAL ASSETS	\$ 201,096,281	\$ 15,058,841	\$ (7,978,393)	\$ 208,176,729		
FIXED LIABILITIES						
Bonds payable	\$ 195,973,411	\$ 197,494	\$ (6,890,000)	\$ 189,280,905		
Other fixed liabilities	-	-	-	-		
TOTAL FIXED LIABILITIES	\$ 195,973,411	\$ 197,494	\$ (6,890,000)	\$ 189,280,905		
	<u>Outstanding July 1, 2014</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Outstanding June 30, 2015</u>		
EDUCATION FUND						
Tax anticipation warrants	-	-	-	-		
Tax anticipation notes	-	-	-	-		
OPERATIONS AND MAINTENANCE FUND						
Tax anticipation warrants	-	-	-	-		
Tax anticipation notes	-	-	-	-		
BOND AND INTEREST FUND						
Tax anticipation warrants	-	-	-	-		
Tax anticipation notes	-	-	-	-		
AUDIT FUND						
Tax anticipation warrants	-	-	-	-		
Tax anticipation notes	-	-	-	-		
LIABILITY, PROTECTION AND SETTLEMENT FUND						
Tax anticipation warrants	-	-	-	-		
Tax anticipation notes	-	-	-	-		

(See independent auditor's report.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

OPERATING FUNDS REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #3
FISCAL YEAR ENDED JUNE 30, 2015

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING REVENUES BY SOURCE			
Local government			
Local taxes	\$ 32,988,370	\$ 9,836,020	\$ 42,824,390
Chargeback revenue	20,193	-	20,193
Corporate Personal Property replacement tax	599,265	-	599,265
Other	-	-	-
Total local government	33,607,828	9,836,020	43,443,848
State government			
ICCB base operating grants	5,133,315	-	5,133,315
ICCB equalization grants	-	-	-
ICCB career & technical education	421,108	-	421,108
ICCB adult education	-	-	-
Other ICCB grants not listed above	-	-	-
Department of Corrections	-	-	-
Dept. of Veteran Affairs	-	-	-
Illinois Student Assistance Commission	-	-	-
Other (include other ICCB grants not above)	-	-	-
Total state government	5,554,423	-	5,554,423
Federal government			
Department of Education	-	-	-
Department of Labor	-	-	-
Department of Health and Human Services	-	-	-
Other	-	-	-
Total federal government	-	-	-
Student tuition and fees			
Tuition	20,029,789	-	20,029,789
Fees	3,258,527	-	3,258,527
Other student assessments	-	-	-
Total student tuition and fees	23,288,316	-	23,288,316
Other sources			
Sales and service fees	-	-	-
Facilities revenue	-	57,358	57,358
Investment revenue	302,824	-	302,824
Nongovernmental grants	-	-	-
Other	1,089,139	234,116	1,323,255
Total other sources	1,391,963	291,474	1,683,437
Total revenues	63,842,530	10,127,494	73,970,024
Less non-operating items			
Tuition chargeback revenue	(20,193)	-	(20,193)
Instructional service contracts	-	-	-
ADJUSTED REVENUE	\$ 63,822,337	\$ 10,127,494	\$ 73,949,831

(This statement is continued on the following page.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

OPERATING FUNDS REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #3 (Continued)
FISCAL YEAR ENDED JUNE 30, 2015

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING EXPENDITURES			
BY PROGRAM			
Instruction	\$ 30,187,061	\$ -	\$ 30,187,061
Academic support	8,221,120	-	8,221,120
Student services	5,549,571	-	5,549,571
Public service/continuing education	314,432	-	314,432
Organized research	-	-	-
Auxiliary services	-	-	-
Operations and maintenance	-	8,843,048	8,843,048
Institutional support	13,874,697	1,248,652	15,123,349
Scholarships, student grants, waivers	685,629	-	685,629
Total expenditures	58,832,510	10,091,700	68,924,210
Less non-operating items			
Tuition chargeback	(56,372)	-	(56,372)
Instructional service contracts	-	-	-
Transfers	4,351,917	(184,173)	4,167,744
ADJUSTED EXPENDITURES	\$ 63,128,055	\$ 9,907,527	\$ 73,035,582
BY OBJECT			
Salaries	\$ 41,735,293	\$ 4,723,302	\$ 46,458,595
Employee benefits	7,408,377	927,165	8,335,542
Contractual services	2,351,961	562,757	2,914,718
General materials and supplies	3,644,969	641,758	4,286,727
Library materials**	483,145	-	483,145
Conference and meeting expenses	972,593	20,344	992,937
Fixed charges	251,130	706,927	958,057
Utilities	-	2,247,829	2,247,829
Capital outlay	1,350,495	261,618	1,612,113
Other	1,117,692	-	1,117,692
Student grants and scholarships**	17,380	-	17,380
Total expenditures	58,832,510	10,091,700	68,924,210
Less nonoperating items			
Tuition chargeback	(56,372)	-	(56,372)
Instructional service contracts	-	-	-
Transfers	4,351,917	(184,173)	4,167,744
ADJUSTED EXPENDITURES	\$ 63,128,055	\$ 9,907,527	\$ 73,035,582

**Non Add Line

Inter-college revenues that do not generate related local college credit hours are subtracted to allow for statewide comparisons.

(See independent auditor's report.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #4
FISCAL YEAR ENDED JUNE 30, 2015**

REVENUES BY SOURCE

Total local government	<u>\$ 106,404</u>
State government	
ICCB - Workforce Development-Business/Industry Grants	-
ICCB - Student Success Grant	-
ICCB - Retirees Health Insurance Grant	-
ICCB - Special Initiatives Grants	-
ICCB - Program Improvement Grant	30,946
ICCB - Adult Education	827,364
ICCB - Other	-
Dept. of Corrections	-
Illinois Student Assistance Commission	-
Other (attach itemization)	<u>7,699</u>
Total state government	<u>866,009</u>
Federal government	
Department of Education	16,059,263
Department of Labor	577,445
Department of Health and Human Services	66,980
Other	<u>986,508</u>
Total federal government	<u>17,690,196</u>
Other sources	
Tuition and fees	3,546
Other	<u>435,603</u>
Total other sources	<u>439,149</u>
TOTAL RESTRICTED PURPOSES FUND REVENUES	<u><u>\$ 19,101,758</u></u>

(This statement is continued on the following page.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #4 (Continued)
FISCAL YEAR ENDED JUNE 30, 2015**

EXPENDITURES BY PROGRAM

Instruction	\$ 1,759,812
Academic support	280,213
Student services	1,919,401
Public service/continuing education	130,755
Organized research	-
Auxiliary services	-
Operations and maintenance	23,776
Institutional support	113,215
Scholarships, grants, waivers	<u>14,981,977</u>

TOTAL RESTRICTED PURPOSES FUND EXPENDITURES	<u><u>\$ 19,209,149</u></u>
--	------------------------------------

EXPENDITURES BY OBJECT

Salaries	\$ 2,500,338
Employee benefits	353,596
Contractual services	228,890
Student financial aid	-
General materials and supplies	252,335
*Library materials	-
Travel and conference/meeting expenses	240,295
Fixed charges	20,000
Utilities	-
Capital outlay	570,837
Other	15,042,858
*Scholarships, grants, waivers	<u>14,959,238</u>

TOTAL RESTRICTED PURPOSES FUND EXPENDITURES	<u><u>\$ 19,209,149</u></u>
--	------------------------------------

* Non add line

(See independent auditor's report.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**CURRENT FUNDS - EXPENDITURES BY ACTIVITY
UNIFORM FINANCIAL STATEMENT #5
FISCAL YEAR ENDED JUNE 30, 2015**

INSTRUCTION

Instructional programs	\$ 30,120,735
Other	<u>1,143,702</u>
Total instruction	<u>31,264,437</u>

ACADEMIC SUPPORT

Library Center	1,680,582
Instructional Materials Center	782,977
Educational Media Services	1,256,049
Academic computing support	-
Academic administration and planning	4,396,035
Other	<u>385,690</u>
Total academic support	<u>8,501,333</u>

STUDENT SERVICES SUPPORT

Admissions and records	1,542,571
Counseling and career guidance	1,246,497
Financial aid administration	1,004,125
Administration	561,923
Social and cultural development	107,992
Other	<u>1,884,030</u>
Total student services support	<u>6,347,138</u>

PUBLIC SERVICE/CONTINUING EDUCATION

Community education	-
Customized training (instructional)	-
Community services	386,847
Other	<u>(3,138)</u>
Total public service/continuing education	<u>383,709</u>

ORGANIZED RESEARCH

AUXILIARY SERVICES

6,431,919

(This statement is continued on the following page.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**CURRENT FUNDS - EXPENDITURES BY ACTIVITY
UNIFORM FINANCIAL STATEMENT #5 (Continued)
FISCAL YEAR ENDED JUNE 30, 2015**

OPERATIONS AND MAINTENANCE OF PLANT

Maintenance	\$ 1,512,005
Custodial services	2,630,122
Grounds	886,035
Campus security	1,518,519
Transportation	-
Utilities	2,349,875
Administration	646,702
Other	-
	<hr/>
Total operations and maintenance of plant	<hr/> 9,543,258 <hr/>

INSTITUTIONAL SUPPORT

Executive management	1,832,189
Fiscal operations	1,290,846
Community relations	608,552
Administrative support services	6,227,105
Board of trustees	80,910
General institution	4,142,594
Institutional research	331,041
Administrative data processing	2,628,425
Other	639,986
	<hr/>
Total institutional support	<hr/> 17,781,648 <hr/>

SCHOLARSHIPS, STUDENT GRANTS AND WAIVERS

716,005

TOTAL CURRENT FUNDS EXPENDITURES

\$ 80,969,447

(See independent auditor's report.)



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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Trustees
Elgin Community College
District Number 509
Elgin, Illinois

We have audited the accompanying balance sheets of Elgin Community College District Number 509's (the District) Career and Technical Education-Program Improvement Grant and State Adult Education and Family Literacy Grant Programs as of June 30, 2015, and the related statements of revenues, expenditures and changes in fund balance for the year then ended and the notes to financial statements - state grants programs.

Management's Responsibility for the Financial Statements

These financial statements are the responsibility of the District's management. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the guidelines of the Illinois Community College Board *Fiscal Management Manual*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We also reviewed the compliance with the provisions of the agreement between the District and the Illinois Community College Board. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Elgin Community College District Number 509's Career and Technical Education-Program Improvement Grant and State Adult Education and Family Literacy Grant Programs of Elgin Community College District Number 509 as of June 30, 2015, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the balance sheets of the District's Career and Technical Education-Program Improvement Grant and State Adult Education and Family Literacy Grant Programs as of June 30, 2015, and the related statements of revenues, expenditures and changes in fund balance for the year then ended. The schedule of expenditure amounts and percentages for ICCB Grant Funds Only is presented for purposes of additional analysis and is not a required part of these financial statements. The schedule of expenditure amounts and percentages for ICCB Grant Funds Only is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare these financial statements. The information has been subjected to the auditing procedures applied in the audit of these financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to these financial statements as a whole.

The accompanying balance sheets and statements of revenue and expenditures were prepared for the purpose of complying with the terms of the ICCB Grants and are not intended to be a complete presentation of the District's revenue and expenditures in conformity with accounting principles generally accepted in the United States of America.

Other Matters

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the terms, covenants, provisions, or conditions of the agreements, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced terms, covenants, provisions or conditions of the agreements, insofar as they relate to accounting matters.

Naperville, Illinois
September 25, 2015

A handwritten signature in dark ink, appearing to be 'M. J. [unclear]', written in a cursive style.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**STATE ADULT EDUCATION AND FAMILY
LITERACY RESTRICTED GRANT PROGRAM
BALANCE SHEET**

June 30, 2015

	State Basic	State Public Aid	State Performance	Total
<hr/>				
ASSETS				
Receivable	\$ 38,655	\$ 7,135	\$ 26,182	\$ 71,972
TOTAL ASSETS	<u>\$ 38,655</u>	<u>\$ 7,135</u>	<u>\$ 26,182</u>	<u>\$ 71,972</u>
<hr/>				
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to other funds	\$ 38,655	\$ 7,135	\$ 26,182	\$ 71,972
Total liabilities	<u>38,655</u>	<u>7,135</u>	<u>26,182</u>	<u>71,972</u>
FUND BALANCES				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 38,655</u>	<u>\$ 7,135</u>	<u>\$ 26,182</u>	<u>\$ 71,972</u>

(See independent auditor's report.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED GRANT PROGRAM
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**

For the Year Ended June 30, 2015

	State Basic	State Public Assistance	State Performance	Total
REVENUES				
State sources	\$ 463,861	\$ 49,324	\$ 314,179	\$ 827,364
Total revenues	463,861	49,324	314,179	827,364
EXPENDITURES				
Instructional and student services				
Instruction	463,861	49,324	239,925	753,110
Guidance services	-	-	18,664	18,664
Social work services	-	-	24,831	24,831
Assessment and testing	-	-	8,860	8,860
Total instructional and student services	463,861	49,324	292,280	805,465
Program support				
Improvement of instructional services	-	-	17,043	17,043
General administration	-	-	4,856	4,856
Workforce coordination	-	-	-	-
Total program support	-	-	21,899	21,899
Total expenditures	463,861	49,324	314,179	827,364
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, JULY 1, 2014	-	-	-	-
FUND BALANCE, JUNE 30, 2015	\$ -	\$ -	\$ -	\$ -

(See independent auditor's report.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED
GRANT PROGRAM SCHEDULE OF EXPENDITURE AMOUNTS AND
PERCENTAGES FOR ICCB GRANT FUNDS ONLY**

For the Year Ended June 30, 2015

	Audited Expenditure Amount	Audited Expenditure Percentage
STATE BASIC		
Instruction (45% minimum required)	\$ 463,861	100%
General administration (9% maximum allowed)	-	0%
STATE PUBLIC ASSISTANCE		
Instruction (45% minimum required)	49,324	100%
General administration (9% maximum allowed)	-	0%

(See independent auditor's report.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**CAREER AND TECHNICAL EDUCATION PROGRAM
IMPROVEMENT GRANT PROGRAM
BALANCE SHEET**

June 30, 2015

ASSETS	
Cash	<u>\$ 11,575</u>
TOTAL ASSETS	<u><u>\$ 11,575</u></u>
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Unearned revenue	<u>\$ 11,575</u>
FUND BALANCE	
None	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 11,575</u></u>

(See independent auditor's report.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**CAREER AND TECHNICAL EDUCATION PROGRAM
IMPROVEMENT GRANT PROGRAM
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE**

For the Year Ended June 30, 2015

REVENUES

State sources	\$ 30,946
	<hr/>
Total revenues	30,946
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EXPENDITURES

Instruction	3,500
Contractual services	9,621
Materials and supplies	5,313
Conferences and meeting supplies	-
Capital outlay	12,512
	<hr/>
Total expenditures	30,946
	<hr/>

NET CHANGE IN FUND BALANCE	-
	<hr/>
FUND BALANCE, JULY 1, 2014	-
	<hr/>
FUND BALANCE, JUNE 30, 2015	\$ -
	<hr/> <hr/>

(See independent auditor's report.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS - STATE GRANT PROGRAMS

June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Elgin Community College District Number 509 (the District) conform to accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board. The following is a summary of the more significant accounting policies:

a. General

The accompanying statements include transactions resulting from the Illinois Community College Board (ICCB) Career and Technical Education-Program Improvement Grant and State Adult Education and Family Literacy Grant Grants. These transactions have been accounted for in the Restricted Purposes Subfund.

b. Basis of Accounting

The statements have been prepared on the accrual basis of accounting and the current financial resources measurement focus. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2015. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31, if any, are recorded as restricted fund balances.

c. Capital Assets

Capital asset purchases are recorded as expenditures - capital outlay and are capitalized in the basic financial statements.

2. PAYMENTS OF PRIOR YEAR'S ENCUMBRANCES

Payments of prior year's encumbrances for goods received prior to August 31 are reflected as expenditures during the current fiscal year.

3. BACKGROUND INFORMATION ON STATE GRANT ACTIVITY

a. Unrestricted Grants

Base Operating Grants

General operating funds provided to colleges based upon credit enrollment with a small portion of the allocation based upon gross square footage of space at the college.

b. Restricted Adult Education Grants/State

Career and Technical Education-Program Improvement Grants

Grants funding recognizes that keeping career and technical programs current and reflective of the highest quality practices in the workplace is necessary to prepare students to be successful in their chosen careers and to provide employers with the well-trained workforce they require. The grant funds are dedicated to enhancing instruction and academic support activities to strengthen and improve career and technical programs and services.

State Basic

Grants awarded to State Adult Education and Family Literacy providers to establish special classes for the instruction of persons of age 21 and over or persons under the age of 21 and not otherwise in attendance in public school for the purpose of providing adults in the community and other instruction as may be necessary to increase their qualifications for employment or other means of self-support and their ability to meet their responsibilities as citizens, including courses of instruction regularly accepted for graduation from elementary or high schools and for Americanization and General Education Development Review classes. Included in this grant are funds for support services, such as student transportation and child care facilities or provision.

Public Assistance

Grant awarded to State Adult Education and Family Literacy providers to pay for any fees, books and materials incurred in the program for students who are identified as recipients of public assistance.

Performance

Grant awarded to State Adult Education and Family Literacy providers based on performance outcomes.



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**INDEPENDENT ACCOUNTANT'S REPORT ON THE SCHEDULE
OF ENROLLMENT DATA AND OTHER BASES UPON
WHICH CLAIMS ARE FILED**

Members of the Board of Trustees
Elgin Community College
District Number 509
Elgin, Illinois

We have examined the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed and the Reconciliation of Total Semester Credit Hours of Elgin Community College District Number 509 (the District) for the year ended June 30, 2015.

Management's Responsibility

The Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed is the responsibility of the District's management. Management's responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the schedule.

Auditor's Responsibility

Our responsibility is to express an opinion on the schedule based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the guidelines of the Illinois Community College Board's *Fiscal Management Manual*, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with statutory requirements.

In our opinion, the Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed presents fairly, in all material respects, the student enrollment and other bases upon which claims are filed and the reconciliation of semester credit hours of Elgin Community College District Number 509 as of June 30, 2015, in conformity with the Illinois Community College Board's *Fiscal Management Manual*.

Naperville, Illinois
September 25, 2015

A handwritten signature in dark ink, appearing to read 'AMSP', located at the bottom right of the page.

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

**SCHEDULE OF ENROLLMENT DATA AND OTHER BASES
UPON WHICH CLAIMS ARE FILED**

For the Year Ended June 30, 2015

	Total Semester Credit Hours by Term							
	Summer		Fall		Spring		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
CATEGORIES								
Baccalaureate	13,427.0	32.0	51,225.5	-	48,273.0	-	112,925.5	32.0
Business occupational	1,065.0	-	5,894.0	-	5,244.0	-	12,203.0	-
Technical occupational	809.0	-	8,112.0	-	8,277.0	-	17,198.0	-
Health occupational	784.5	-	5,867.0	-	5,388.5	-	12,040.0	-
Remedial developmental	1,261.0	-	8,960.0	-	6,605.0	-	16,826.0	-
Adult basic education/adult secondary education	5,866.0	182.0	1,570.0	8,070.0	1,091.5	7,825.5	8,527.5	16,077.5
TOTAL CREDIT HOURS VERIFIED	23,212.5	214.0	81,628.5	8,070.0	74,879.0	7,825.5	179,720.0	16,109.5

	In-District	Chargeback/ Contractual Agreement	Total
Reimbursable semester credit hours	186,161.5	2,430.0	188,591.5
	Dual Credit	Dual Enrollment	Total
Reimbursable semester credit hours	1,428.0	2,923.0	4,351.0

The College requires that all credit students provide documentation to verify their permanent residence.

This information is used to determine their residency for both tuition calculation and submission of reports for state funding purposes.

In order to prove residency, a student must submit, to either the Office of Admissions or the Registration and Records Office, the following documentation:

A valid Illinois driver's license or a pre-printed renewal application

An Illinois state identification card

Two current bank statements or utility bills addressed to the student

An in-district high school transcript issued within the last two years

A student must reside within the district for at least 30 days prior to the start of semester classes in order to meet the residency requirements.

A student may also qualify for in-district tuition rates if he/she is employed full-time at a company within the district and utilizing the Business Education Service Contract.

DISTRICT'S 2014 EQUALIZED ASSESSED VALUATION \$ 10,026,440,546

(See independent auditor's report.)

**ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS**

RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS

For the Year Ended June 30, 2015

	Total Unrestricted Hours	Total Unrestricted Credit Hours Certified to the ICCB	Difference	Total Restricted Hours	Total Restricted Credit Hours Certified to the ICCB	Difference
Baccalaureate	112,925.5	112,925.5	-	32.0	32.0	-
Business occupational	12,203.0	12,203.0	-	-	-	-
Technical occupational	17,198.0	17,198.0	-	-	-	-
Health occupational	12,040.0	12,040.0	-	-	-	-
Remedial developmental	16,826.0	16,826.0	-	-	-	-
Adult basic education/adult secondary education	8,527.5	8,527.5	-	16,077.5	16,077.5	-
TOTAL	179,720.0	179,720.0	-	16,109.5	16,109.5	-

	Total Attending	Total Attending Certified to the ICCB	Difference
In-District Residents	186,161.5	186,161.5	-
Chargeback/Contractual Agreement	2,430.0	2,430.0	-

	Total Reimbursable	Total Reimbursable Certified to the ICCB	Difference
Dual Credit	1,428.0	1,428.0	-
Dual Enrollment	2,923.0	2,923.0	-

(See independent auditor's report.)