


COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Years Ended June 30, 2019 and June 30, 2018.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Years Ended
June 30, 2019 and 2018

Prepared by
Finance Department

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DISTRICT NUMBER 509
ELGIN, ILLINOIS
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Community College District No. 509

Principal Officials

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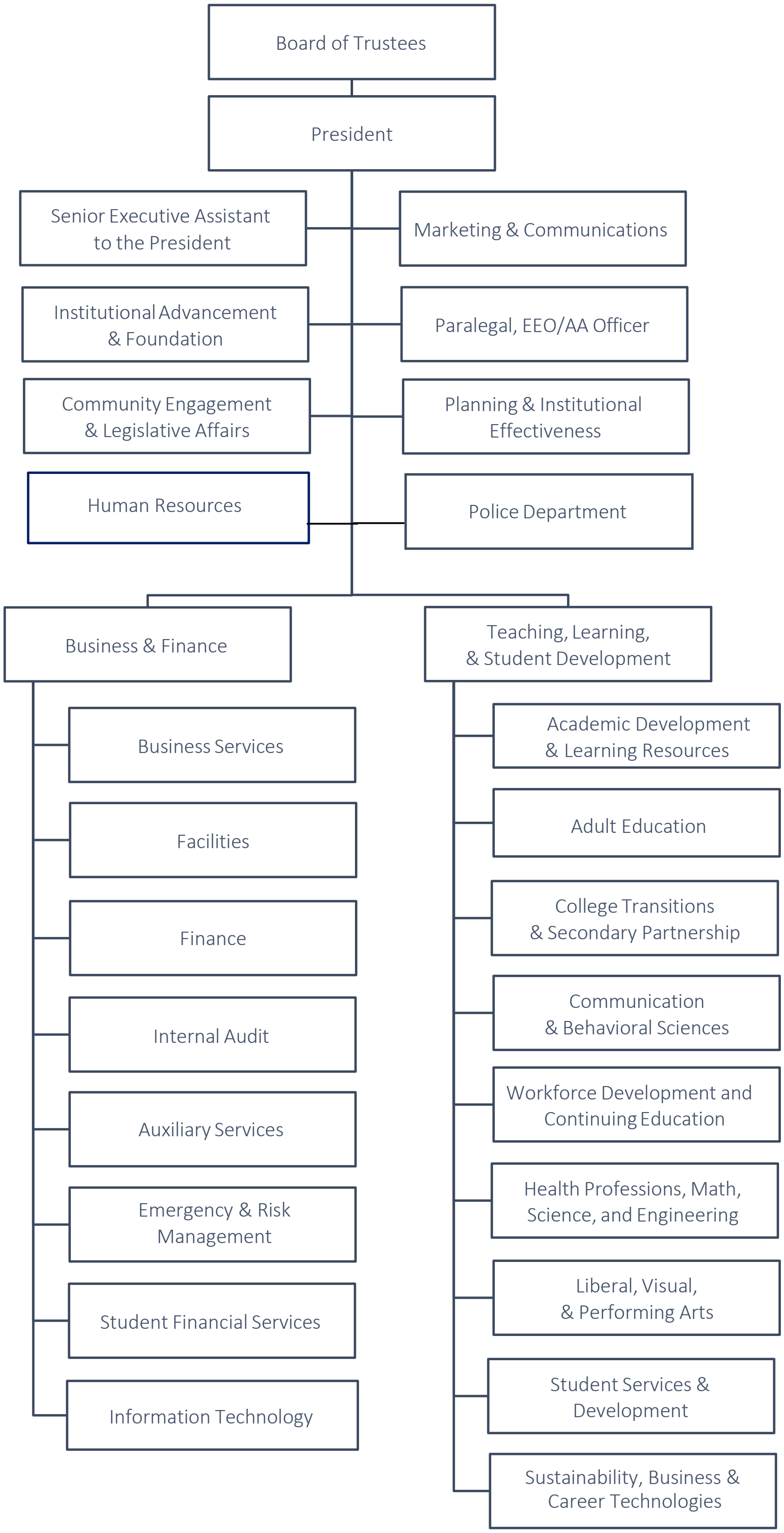
Organizational Chart



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, 2018

Christopher P. Morrill

Executive Director/CEO

Elgin Community College
1700 Spartan Drive • Elgin IL 60123 • P 847-697-1000 • elgin.edu

September 27, 2019

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, 2019, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management of 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 five 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, philosophy statement, shared values, themes, goals, strategies, and success indicators as defined below.

Mission	Statement about why the college exists (our purpose)
Vision	Statement about where we are headed (our future)
Philosophy Statement	The core conceptual framework that guides our work
Shared Values	Foundational beliefs that shape our actions and embody our philosophy

Themes	Enduring concepts emerging from planning discussions used to frame goals and strategies
Goals	Broad, long-range intentions that help to clarify our vision
Strategies	Specific and reportable actions we intend to accomplish within each goal
Success Indicators	Reportable measures to assess whether goals are on track

The College community started a year long process in fall of 2016 to review student success data, comparative benchmarks and best practices from other institutions, national trends in higher education, labor and demographic trends, and financial reports to reflect on current and future opportunities. The processes were informed by employee focus groups, student meetings, web surveys, surveys or area residents, and forums with educational, business, and community leaders. The efforts of these groups and the strategic planning committee brought to focus four key themes to guide the college's future work which include: Equity and Learning (strategies 1 through 3), Holistic Programming (strategies 4 through 6), Community Partnerships (strategies 7 through 10), and Service Excellence and Collaboration (strategies 11 through 14). Within these strategies, success indicators provide specificity on measuring the work performed. The strategic plan for 2018 through 2022 was approved by the board of trustees in October of 2017. The key components are as follows:

MISSION

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

VISION

We will pursue our Mission by focusing all our efforts on making Elgin Community College a national leader in promoting success for all students. This Vision will be attained through a commitment to provide innovative and affordable learning opportunities for all constituencies and to promote cultural competence and community partnership in our decisions and actions.

PHILOSOPHY ON LEARNING

Learning is the primary driver behind our Mission and Vision. We believe learning is a lifelong process of intellectual and interpersonal growth that occurs when individuals expand their depth of knowledge, skills, and experiences. We further believe that learning empowers individuals to improve their lives and the economic, social, and cultural conditions of local and global communities.

SHARED VALUES

Excellence
Our programs and services strive for the highest level of excellence to successfully achieve our vision. We use research-based methods to strengthen curriculum and deliver high-quality learning-centered instruction and services.

Freedom of Inquiry
We believe learning 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. We strive to create environments where inquiry flourishes and guides innovation.

Equity
We are an inclusive community that provides students, employees, and community members with full access to all resources needed to achieve their individual goals. We commit to creating an environment that is equitable and inclusive to all.

Diversity
We value and honor diversity in all forms and perspectives. To successfully achieve our vision, we provide a safe and inclusive community that promotes and affirms individual growth, social responsibility, and self-worth for success in a global world.

Ethical Practices
We are responsible to carry out our work with honesty and integrity. Our decisions and actions are guided by our vision and not by personal interests, and they will be enacted with a sense of service to students and community members.

Accountability
As a public institution we commit to make the best use of resources. We strive to be transparent in reporting our decisions and actions and seek feedback from others as we continuously improve our practices.

Collaboration
We are actively committed to serving students, employees, and community members. The decisions and actions we undertake in carrying out our vision derive from working cooperatively with local through global constituencies.

STRATEGIC THEMES, GOALS, AND STRATEGIES

THEME: EQUITY AND LEARNING
GOAL: IDENTIFY AND EXPAND PRACTICES TO RAISE ACADEMIC ACHIEVEMENT AND COMPLETION

- Strategy 1: Create equitable learning environments to ensure that all students acquire the knowledge and skills needed for academic and career success
- Strategy 2: Develop students' self-advocacy skills and professional behaviors
- Strategy 3: Study and model research-based teaching practices that elevate student learning

Success Metrics
- Improve achievement metrics for identified target populations. Achievement metrics include rates for: course success; retention; graduation; transfer; and job attainment
- Reduce the proportion of students enrolling in developmental coursework
- Increase the proportion of employees and students who complete cultural competence training

THEME: HOLISTIC PROGRAMMING
GOAL: STRATEGICALLY BUILD AND MAINTAIN ENROLLMNENT AND PURPOSEFUL PATHWAYS

- Strategy 4: Strengthen outreach, recruitment, retention, and completion of key target populations
- Strategy 5: Routinely assess and adjust college practices to ensure that students make informed decisions
- Strategy 6: Develop an institution-wide approach to class scheduling and the efficient use of student resources

Success Metrics
- Increase the number of enrolled students from identified target populations
- Reduce the proportion of students having "undecided" as their program of study
- Increase the proportion of students who successfully complete the recommended course sequence each semester for their chosen program of study
- Increase the proportion of students who successfully complete co-curricular learning opportunities

THEME: COMMUNITY PARTNERSHIPS
GOAL: DEVELOP MUTUALLY BENEFICIAL DOMESTIC AND GLOBAL RELATIONSHIPS

- Strategy 7: Prepare students for college and ensure successful transitions through the educational pipeline (preschool through bachelors degree)
- Strategy 8: Strengthen student learning connections outside the classroom
- Strategy 9: Leverage community and workforce partnerships to develop resources and secure funding to support program and student needs
- Strategy 10: Design and structure programs in ways that respond to community and workforce needs

Success Metrics

- Increase the number of new partnerships and programs in emerging fields as determined by environmental scanning
- Increase the number of district high school students enrolling in dual credit opportunities
- Increase the proportion of key community constituencies who are aware of ECC's brand (quantitatively and/or qualitatively)
- Increase the number of community members attending ECC events, programs, and using ECC services
- Assess the direct and indirect impacts of ECC on the local economy (quantitatively and/or qualitatively)

THEME: SERVICE EXCELLENCE AND COLLABORATION
GOAL: INSTILL A CULTURE OF SERVICE EXCELLENCE

- Strategy 11: Provide relevant continuing education opportunities for employees
- Strategy 12: Improve the recruitment, hiring, and onboarding of new faculty, staff, and administrators
- Strategy 13: Strengthen cross-departmental communication and opportunities for dialog and reflection
- Strategy 14: Systematically use evidence to guide academic and operational improvements and redirect resources for maximum impact

Success Metrics

- Improve employee satisfaction ratings of institutional processes (e.g., internal communications, efficacy of training, etc.)
- Increase the proportion of employees participating on institutional committees
- Increase the proportion of employees who complete professional development
- Reduce the time required to fulfill key institutional processes (e.g., hiring, contract approvals, etc.)

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 US Census's 2015 American Community Survey estimates (5-year average), the College serves an area of 478,272 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 Village of Burlington and the Village of Pingree Grove, where the population is expected to triple by 2040. Even the population of district 509's largest municipality, Elgin, is projected to increase by 50% over the next 20 years.

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 62% White and 25% 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 at 37%, Hanover Park at 33%, and Bartlett at 13%. Other racial/ethnic minorities in the District are Asian/Pacific Islander at 8%, Black/African American at 3%.

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 (78%) of district residents are 15 years of age and over, and 26% are between the ages of 15 and 34. The city of Elgin has 73% of residents who are 18 years of age and over.

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 5% have earned a bachelor's, graduate, or professional degree (bachelor's degree or higher).

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 largest industries in the area include educational services, healthcare, and social assistance (19%), manufacturing (17%), retail trade (12%) and professional, scientific, management administrative and waste management services (12%).

Industry of Workers

	District 509
Civilian Employed Population 16 and Over	220,285
Agriculture, Fishing, Hunting, and Mining	1%
Construction	6%
Manufacturing	17%
Wholesale Trade	4%
Retail Trade	11%
Transportation, Warehousing, and Utilities	5%
Information	2%
Finance, Insurance, Real Estate, Rental, and Leasing	7%
Professional, Scientific, Management, Administrative, and Waste Management Services	13%
Educational Services, Healthcare, and Social Assistance	19%
Arts, Entertainment, Recreation, Food Services, and Accommodation	9%
Other Services (except Public Administration)	4%
Public Administration	2%

Source: 2013-2017 American Community Survey, 5-year estimates of selected economic characteristics for District 509 boundary.

Like many areas in the nation, unemployment for Kane County has been declining over the past couple years. According to the Illinois Department of Employment Security, the unemployment rate for Kane County was 11.0% at the start of 2010 but has fallen to 3.7% as of May 2019, placing it slightly above the state's unemployment rate of 3.6%.

STUDENT ENROLLMENT

Student enrollment has had a steady decline in credit hours since it reached a peaked in 2011 at 216,117 credit hours. In fiscal year 2019 and 2018, respectively, enrollment declined by 2.42 percent to 172,354 credit hours and 1.56 percent to 176,626 credit hours. 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 (10^{th} day of each term) and end-of-semester total credit hours generated for the last 3 years are contained below:

Fiscal Year	2017	2018	2019
Fall Enrollment	9,918	9,599	9,567
Spring Term Enrollment	9,689	9,480	9,137
Summer Term Enrollment	4,882	4,902	4,934
Annual Unduplicated Enrollment	15,211	15,074	14,547
Total Claimed Credit Hours	179,420	176,626	172,354

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. 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 2020

Since the budget impasse and delayed appropriations by the State of Illinois in 2016 through 2018, the College has continued to operate conservatively. Fiscal year 2019 was the first year in several in which the state appropriations had been approved by the state prior to the start of the fiscal year. Once again, the funding for fiscal year 2020 was approved by the state prior to the beginning of the fiscal year. The College was able to start fiscal year 2020 confident in the budget that was created and ready to pursue the goals, strategies, and actions within the strategic plan.

With the uncertainty in the past of funding from the State of Illinois, the College has been focused on maintaining operations in as prudent a manner as possible without adding costs. The College has made every effort to minimize expenses while delivering quality education. The College is ready to make the commitments required with the strategic plan and a funded budget to focus on innovation and building the resources necessary to support the initiatives that will advance the College to the next level. The following discusses specific efforts that will be the focus in fiscal year 2020 in addition to the great work the College has already institutionalized.

STUDENT SUCCESS PROJECTS

The Student Success Infrastructure (SSI), and the SSI Coordinating council, is the College's umbrella organization where student success interventions on campus are strategized. Its purpose is to promote "broad engagement around student success by focusing on innovations that produce systemic results" and is composed of faculty and administrators working together to determine where we should best leverage our efforts to maximize results. The SSI also pilots projects for future scaling. In the past few years, SSI has been operating on a 'status quo' mode – doing what is necessary to keep moving but scaling back on larger initiatives. Moving forward, the College will need to focus on innovative efforts to set the College apart from others to build enrollment and strive to meet the goals of the strategic plan.

The *ECC Strategic Plan* is anchored around the college's mission *to improve people's lives through learning*. SSI continues to focus on equity following the definition by Achieving the Dream; "In higher education, equity refers to ensuring that each student receives what they need to be successful through the intentional design of the college experience." SSI will continue with the two main student success target outcomes from 2019 in fiscal year 2020. The first is to research, identify, implement, evaluate and scale effective student success initiatives and strategies, particularly ensuring equity for African-American students, undocumented students, and other populations. The second is to support and incentivize efforts that expand an institutionalize equity at ECC.

There are a variety of initiatives working to address these outcomes. Some of these initiatives include:

- Create Equity Plan as a new member of ILEA (Illinois Equity in Attainment) under the Partnership for College Completion, with a goal to "eliminate institutional achievement gaps in college degree completion for low-income, African-American, and Latino students by 2025." As a part of the Higher Learning Commission Student Success Academy, we have just completed a complete inventory of policy/procedural barriers impacting student success. Over the next year, these efforts will result in an equity plan comprised of multiple strategies for moving the needle in eliminating equity gaps at ECC. Many current initiatives exist in this area, such as the adoption of new placement metrics, the expansion of dual credit, and professional development efforts aimed at improving cultural competence in the classroom, and more.

- The creation of a new Culturally Responsive Teaching work group, which will focus on the creation of a culturally responsive teaching and learning program at ECC. Work began last fall and will continue throughout the 2019-2020 academic year.
- The Critical Engagement Series, a series of guided discussions sponsored in collaboration with Center of Teaching and Learning (CETL), Global and International Taskforce (GIST), Multicultural and Global Initiatives Committee (MAGIC), and Student Life, focusing on various contemporary issues of critical importance (implicit bias, DACA, transgender students, religion, et al).

In addition to the specific outcomes targeted by SSI, the Division of Teaching, Learning and Student Development (TLSD) has an annual plan that defines the 2020 priorities for the academic divisions of the College. These priorities align to the strategic plan as follows:

Theme: Equity and Learning

- The College will identify synergies and gaps in co-curricular programming by mapping to general education and program learning outcomes.
- The College will identify strategies to reduce textbook costs including the exploration and use of Open Educational Resources (OER).
- The College will develop students' self-advocacy skills and professional behaviors by defining employability skills and professional behaviors and align them to general education and program learning outcomes.
- The College will be exploring differences in instructional practices in high school and college and reviewing culturally relevant teaching practices to increase the use of equitable instructional design methods which includes implementing professional development to ensure quality online delivery.

Theme: Holistic Programming

- The College will review and evaluate scheduling practices and explore optimization tools for course scheduling to gain efficiencies and more effectively meet the needs of students.
- The College will work in partnership with high schools and employers to develop and strengthen career pathways by working to align high school and college curriculum to the recommended Technical and Essential Employability Competencies. This includes working with high school districts to provide training to strengthen advising in the high schools.

- The College will work to develop regional career exploration opportunities for students.
- The needs of adult learners will be evaluated to strategically develop high priority online courses and program offerings to better serve the population.

Theme: Community Partnerships

- Dual Credit allows high school students to enroll in college credit classes that are held at the high schools for high school students to earn both college and high school credit. The annual plan prioritizes the expansion of dual credit opportunities as the College determines the needs of the area high schools, engages faculty to implement methods that ensure quality for courses taught at the high school sites, develops formalizes internal policies and procedures to support the expansion of dual credit, and expands the accelerate college program. In fiscal year 2020, dual credit will be offered in area high schools taught by high school faculty working with dual credit liaison support from ECC faculty. Previously, these classes were taught through a co-teaching model with ECC faculty and high school faculty during a pilot program in fiscal year 2019.
- In an effort to prepare students and ensure successful transitions through the educational pipeline, ECC will assess the impact of newly implemented placement practices on student success and institutional resources.
- The Division will evaluate the programming needs of the community and the workforce within the district to identify potential new programs and review and establish criteria for new program opportunities which may include an incubation of programs by starting them within non-credit to transition to credit once successful. This will include the launch of a regional needs assessment to identify program opportunities.
- In order to strengthen student learning connections outside the classroom, the ECC will forge partnerships with local business for out-of-class work-based learning opportunities.

Teaching, Learning, and Student Development champion the majority of the goals as described above with the support of the rest of the college; however, the theme of service excellence is pioneered by the entire college. The goal to "*Instill a culture of service excellence and collaboration*" directly relates to all divisions within the college. The fiscal year 2020 actions related to attaining this goal include:

- The College will assess campus emergency and violence prevention plans through ongoing training plans.
- The College will work to improve recruitment, hiring, and onboarding of new employees by utilizing an integrated talent management system. Modules for recruitment and onboarding were implemented in fiscal years 2018 and 2019. In 2020, implementation will expand to integrate performance appraisals and professional development within the talent management system.

- The College will create multi-year communication plans for equity and student success to promote a common understanding which will strengthen cross-departmental communication and opportunities for dialog and reflection.
- To promote continuous improvement, the College will work to reduce barriers that impede operations. In an effort to maximize the efficiencies within the college, a cross-functional team will be created to seek input, evaluate, and address perceived barriers or inefficient processes.
- In an effort to systematically use evidence to guide academic and operation improvements, the College will communicate evaluation plans (logic models) for key student success initiatives. This will improve the ability to make data driven decisions across campus.
- The College will rollout a predictive analytics tool for student success. This tool will upgrade the College's early alert system adding the ability to use predictive analytics to identify students that may have personal or academic difficulty based on data factors. These students will receive interventions as part of the program to help them surpass the challenges, gain better outcomes, and continue their education. The upgrade will allow for earlier identification of students at risk and provide the ability to serve and impact more students.

FACILITIES MASTER PLAN

The District is currently developing a new facilities master plan that will address capital needs, including the potential for new buildings, re-purposing existing space, and addressing deferred maintenance of existing buildings and equipment. The District will evaluate the needs of the college and it's stakeholders to align the facilities planning and improvements with the educational goals and vision of the college. The new facilities master plan will be a completely new plan that will include a space utilization study, program and facility assessment, and outreach to various constituents within the college and the community to create a comprehensive plan that will prioritize needs on campus for the next five to ten years.

The previous facilities master plan was adopted in July of 2012. With funding in place from a 2009 bond referendum, the District was able to complete the recommendations within the previous plan which included deferred maintenance, remodeling of existing space, a new library, health and life sciences building, general classroom building, a new Center for Emergency Services, and infrastructure improvements.

LONG–TERM FINANCIAL PLANNING

During Fiscal Year 2016, the Board updated the required operating reserves policy to maintain working capital equal to six months of operating expenses in the operating subfunds (the education subfund and the operations and maintenance subfund) instead of the previous requirement of four months. Due to the uncertainty of annul budgets and appropriations from the State of Illinois, the College realizes the importance of planning for the success of students. By requiring the maintenance of six months of operating expenditures in working capital, the College will ensure that it has the reserves available to complete a semester of operations once it has started regardless of state funding levels. The College has achieved the increase in the reserve requirement to six months of reserves 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, 2018. 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 2018. We believe our current report for the fiscal year ended June 30, 2019 continues to meet the stringent program requirements for the Certificate of Achievement and will be submitted to GFOA.

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 is included in the financial section of this report. The College was subject to the requirements of the Uniform Grant Guidance (the Single Audit). The Single Audit Report 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,

Kimberly A. Wagner

Kimberly Wagner
Interim Vice President, Business and Finance

FINANCIAL SECTION

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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 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, 2019 and 2018, and the notes to 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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, 2019 and 2018, 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

As described in Note 11, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended June 30, 2018. The implementation of this guidance resulted in changes to the postemployment benefit related liability, revenue, expense, notes presented in the notes to financial statements and to the required supplementary information. Our opinion is not modified with respect to this matter.

Additionally, the Foundation adopted new accounting guidance as issued by the Financial Accounting Standards Board (FASB) under Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*. 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, supplementary information, supplemental financial information, uniform financial statements and statistical section 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 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 26, 2019 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.

Sikich LLP

Naperville, Illinois
September 26, 2019

BASIC FINANCIAL STATEMENTS

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, 2019; June 30, 2018; and June 30, 2017. 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

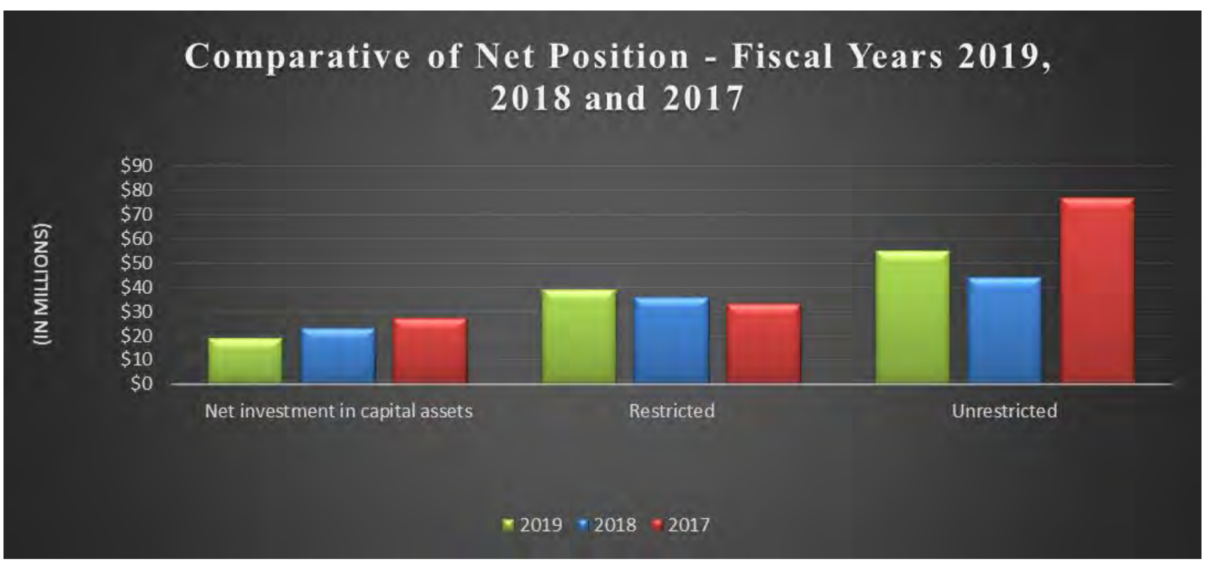
Accountability is the characteristic of a well-run college. The College has strong financial policies to provide reliable and timely information. One of the College's shared values is Accountability. As stated in the College's strategic plan, the College is a public institution that commits to make the best use of resources and strive to be transparent in reporting. The College's audit was completed and the College is pleased to share the financial highlights of fiscal year 2019. The College's net position increased by $10.3 million or 10.0 percent compared to fiscal year ended June 30, 2018. Factors contributing to this increase was a $1.4 million increase in investment income and $1.9 million in additional property taxes when compared to fiscal year 2018. The College received additional funding from the state compared to what was budgeted for in fiscal year 2019. Examples of projects budgeted for fiscal year 2019 and not accomplished were the Student Online Orientation, the Employee Compensation and Philosophy and the Comprehensive Master Plan. Additionally, the College received grant funding for Adult Education that was also budgeted for in the Education Fund. There were vacant positions within the College that went unfilled in fiscal year 2019.

The College adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during fiscal year 2018. The implementation of this new accounting principal resulted in changes to the postemployment benefit related liability, deferred inflows, deferred outflows, revenue and expenses. This change took place in fiscal year 2018; therefore, the information as of June 30, 2017 was not restated. The College's change in net position from operations before recognizing the change in accounting principal as of fiscal year 2018 decreased by $3.5 million to $6.1 million when compared to the change in net positon in fiscal year ended June 30, 2017. The change in accounting principle that was applied in fiscal year 2018 amounted to $40.4 million. The total net position at the end of fiscal year 2018 decreased by $34.3 million when compared to the net position at end of fiscal year 2017.

	2019	2018	Increase/(Decrease) 2019/2018	2017
Total College Revenues	150,775,627	146,365,290	3,065,810	143,299,480
Total College Expenses	140,546,222	140,235,341	6,646,706	133,588,635
Change in net position before capital contributions	10,229,405	6,129,949	4,099,456	9,710,845
Capital Contributions	82,500	29,995	52,505	-
Change in net position	10,311,905	6,159,944	4,151,961	9,710,845
Net position at beginning of year	102,892,937	137,149,524	(34,256,587)	127,438,679
Change in accounting principle	-	(40,416,531)	40,416,531	-
Net position, July 1, Restated	102,892,937	96,732,993	6,159,944	127,438,679
Net position at end of year	$ 113,204,842	$ 102,892,937	$ 10,311,905	$ 137,149,524

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, 2019; June 30, 2018; and June 30, 2017:



In fiscal year 2019, the College's unrestricted net position was $54.9 million. This increased by $10.5 million when compared to fiscal year 2018. The College's restricted net position for capital projects increased $2.9 million in fiscal year 2019 when compared to fiscal year 2018. In fiscal year 2018, the College had an unrestricted net position of $44.4 million which was a decrease from fiscal year 2017 of $32.5 million. This decrease was due to the implementation of GASB 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB*), which required the College to record a long-term obligation for OPEB as a liability for the first time. In fiscal year 2018, the long-term liability at the beginning of the year was $40.4 million representing the College's proportionate share of the state college insurance program.

The Statement of Net Position

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.

	2019	2018	Increase/(Decrease) 2019/2018	2017
Current assets	$ 191,475,578	$ 172,523,322	$ 18,952,256	$ 154,965,608
Restricted assets	1,325,733	2,940,898	(1,615,165)	6,409,564
Total current assets	192,801,311	175,464,220	17,337,091	161,375,172
Non-current assets				
Capital assets, net of depreciation	188,867,771	195,856,432	(6,988,661)	204,921,142
Total non-current assets	188,867,771	195,856,432	(6,988,661)	204,921,142
Total assets	381,669,082	371,320,652	10,348,430	366,296,314
Deferred outflows of resources	1,529,513	991,818	537,695	349,311
Total assets and deferred outflows of resources	383,198,595	372,312,470	10,886,125	366,645,625
Current liabilities	25,950,645	24,352,628	1,598,017	23,973,535
Non-current liabilities	206,312,848	211,916,681	(5,603,833)	175,971,138
Total liabilities	232,263,493	236,269,309	(4,005,816)	199,944,673
Deferred inflows of resources	37,730,260	33,150,224	4,580,036	29,551,428
Total liabilities and deferred inflows of resources	269,993,753	269,419,533	574,220	229,496,101
Net Position				
Net investment in capital assets	18,904,009	22,528,437	(3,624,428)	27,119,754
Restricted for:				
Capital projects	22,773,141	19,825,069	2,948,072	18,455,427
Debt service	4,569,440	5,014,363	(444,923)	3,746,425
Specific purposes	8,067,752	7,144,909	922,843	6,966,647
Working cash	4,014,363	4,014,363	-	4,014,363
Unrestricted	54,876,137	44,365,796	10,510,341	76,846,858
Total net position	$ 113,204,842	$ 102,892,937	$ 10,311,905	$ 137,149,474

Net Position as of June 30

Net position is comprised of three major categories. Net investment 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.

The College operates on a balanced budget from year to year. When additional revenues are received and large projects that were budgeted for are delayed, the impact on the net position is apparent. The change in net position from operations resulted in part from the College receiving additional funds from the State of Illinois compared to budget, the additional interest revenue received, vacant positions and conservative spending. In the wake of the State budget impasse, the College has been cautious to return to prior spending levels. With the elimination of positions, the resources available to complete projects are spread thin resulting in delayed projects or extended timelines. Vacant positions have been slow to fill along with an increase in unexpected retirements. The College budgeted $4.8 million in funding from the State of Illinois in fiscal year 2019 and actually received $5.6 million. Additional revenue received without allocating funds to additional expenses or additional projects will result in a surplus. Due to the strong economy, investment income totaled $2.4 million which was $1.9 million over the budgeted amount for 2019. The College had an excess of $10.3 million when compared to the excess of $6.1 million in fiscal year 2018.

The College budgeted $1.8 million in funding from the State of Illinois in fiscal year 2018 and received $5.2 million in funding from the state. The fiscal year 2018 change in net position from operations was also due to projects being delayed until fiscal year 2019. At the end of fiscal year 2017, the College's net position increased significantly due to the State of Illinois passing a budget on July 6, 2017. The College received funding that it had not received in two years. The State of Illinois passed additional funding for the College's base operating grant in the amount of $3.1 million for fiscal year 2017. Receiving this funding at the end of the College's fiscal year contributed to a change in net position of $9.7 million. The College had no time to spend these additional funds in fiscal year 2017.

The College's financial position throughout fiscal year 2017 was stable due to cautious spending. The uncertainty of the State of Illinois' budget and the unknown financial implications due to the lack of the state budget caused the College to be very conservative and careful with its spending. On July 6, 2017, the State of Illinois passed a budget that included $161.0 million in funding to community colleges for fiscal year 2017. Elgin Community College received $3.1 million of that approved state budget appropriation for fiscal year 2017 in addition to the $2.1 million the college had received for fiscal year 2017 in stop gap funds approved the previous June. The approved budget from the state also provided required state maintenance of effort funding for fiscal year 2017 for adult education and career and technical education that amounted to a combined total of $1.7 million for the College. This funding allowed the college to recapture $0.7 million in adult education expenses that were recorded in the Education Fund and reallocated to restricted funds as of June 30, 2017. Aside from the additional allocations from the state, the college also had savings that contributed to the $9.7 million increase in net position. These savings included such things as a reduction in instructional salaries due to vacant positions, no out of out of state travel, and a delay in certain equipment purchases. This is further discussed throughout the management discussion and analysis.

The College's total assets and deferred outflows of resources at fiscal year-end 2019 were $383.2 million, an increase of 2.8 percent or $10.9 million when compared to fiscal year end 2018. This increase is attributed to the increase in current assets of $17.3 million. Current assets increased in fiscal year 2019 due to investments increasing in the amount of $11.6 million when compared to fiscal year 2018. Property taxes receivable also increased by $4.1 million when compared to fiscal year 2018 due to timing of payments from the counties. Capital assets, net of depreciation decreased by $7.0 million. Total deferred outflows of resources increased in fiscal year 2019 by $0.5 million which is due to the OPEB liability increasing. The net result of the increase in current assets of $17.3 million, the net decrease of noncurrent assets of $7.0 million and the $0.5 million increase in deferred outflows of resources attributed to the $10.9 million increase in total assets and deferred outflows of resources. Current liabilities increased $1.6 million when compared to fiscal year 2018. Non-current liabilities decreased $5.6 million when compared to the non-current liabilities in fiscal year 2018. This decrease was due to the principal payments made for the outstanding bond debt. The deferred revenue for property taxes increased by $1.8 million. The OPEB liability increased by $2.7 million when compared to fiscal year's 2018 OPEB liability.

The College's total assets and deferred outflows of resources at fiscal year-end 2018 were $372.3 million, an increase of 1.5 percent or $5.7 million when compared to fiscal year 2017. This increase was the net change between the $14.0 million increase in current assets, the $9.0 million decrease in noncurrent assets and the $0.60 million increase in deferred outflows of resources. The College's capital assets remained stable with a slight increase of $0.40 million. Accumulated depreciation increased by $9.5 million due to depreciation for fiscal year 2018.

The College's total assets and deferred outflows of resources at fiscal year-end 2017 were $366.6 million, an increase of 1.1 percent or $4.0 million when compared to fiscal year 2016. This increase was the net between the $9.9 million increase in current assets and the $5.8 million decrease in total noncurrent assets. The College's capital assets increased by $3.7 million. Accumulated depreciation increased by $9.5 million. The net capital assets for fiscal year 2017 decreased by $5.8 million.

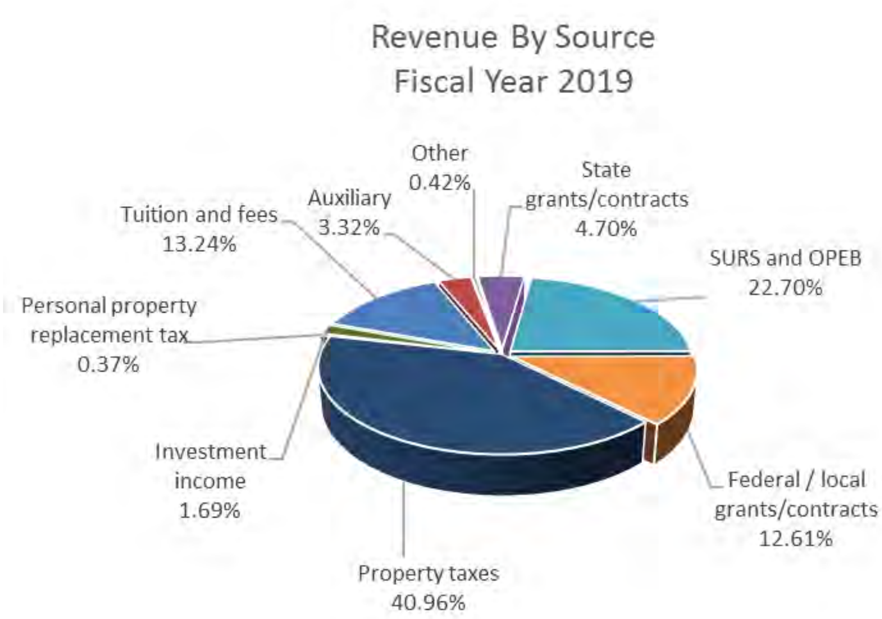
Statement of Revenue, Expenses and Changes in Net Position

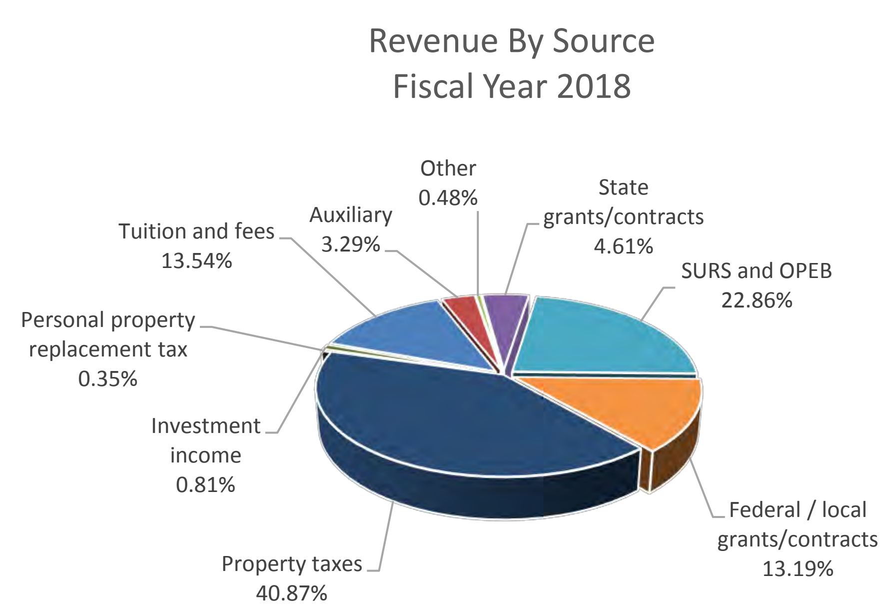
Following is a comparison of the major components of operating results of the College for the years ended June 30, 2019; June 30, 2018 and June 30, 2017:

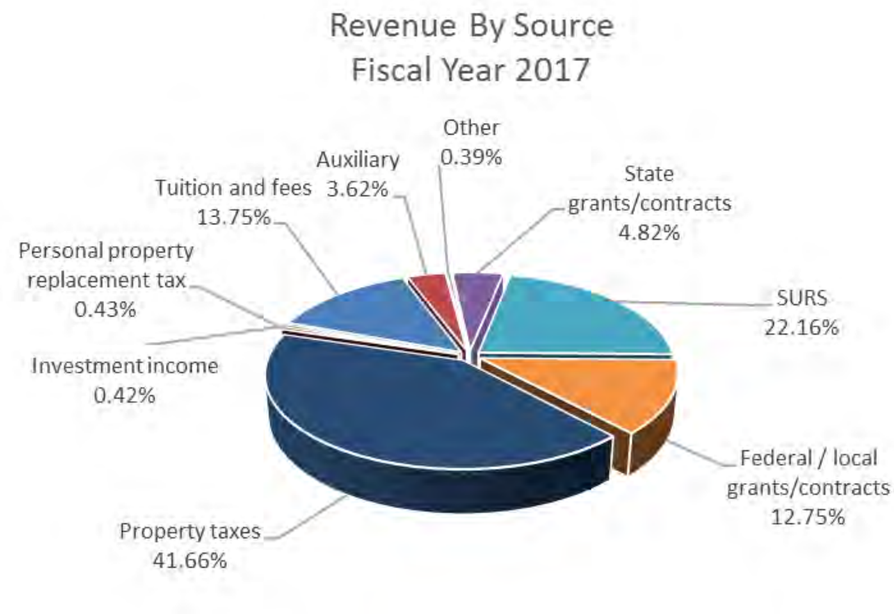
	2019	2018	Increase/(Decrease) 2019/2018	2017
Operating Revenues				
Tuition and fees	$ 19,968,429	$ 19,819,523	$ 148,906	$ 19,698,407
Auxiliary enterprises revenue	5,001,003	4,812,253	188,750	5,190,530
Other operating revenue	639,385	704,257	(64,872)	563,841
Total operating revenues	25,608,817	25,336,033	272,784	25,452,778
Non-Operating Revenues				
State grants and contracts	7,079,794	6,752,842	326,952	6,906,698
State Universities Retirement System (SURS)	31,772,738	29,712,674	2,060,064	31,752,682
Community College Health Insurance Security Fund OPEB	2,454,500	3,748,389	(1,293,889)	-
Federal and local grants and contracts	19,006,175	19,311,064	(304,889)	18,266,445
Property taxes	61,757,426	59,812,614	1,944,812	59,700,764
Personal property replacement tax	554,744	512,789	41,955	612,836
Investment income	2,541,433	1,178,885	1,362,548	607,277
Total non-operating revenues	125,166,810	121,029,257	4,137,553	117,846,702
Total Revenues	150,775,627	146,365,290	4,410,337	143,299,480
Operating Expenses				
Instruction	45,098,464	46,707,679	(1,609,215)	46,731,411
Academic support	13,161,892	12,892,822	269,070	11,540,322
Student services	10,199,284	10,011,447	187,837	10,199,159
Public services	785,445	554,178	231,267	727,052
Auxiliary services	7,259,866	7,594,131	(334,265)	6,317,873
Scholarships and student grants	6,524,471	6,877,819	(353,348)	6,697,769
Operation and maintenance of plant	14,058,865	13,641,492	417,373	11,948,992
Institutional support	25,856,943	23,963,787	1,893,156	21,355,749
Depreciation	9,349,793	9,594,246	(244,453)	9,540,919
Total operating expenses	132,295,023	131,837,601	457,422	125,059,246
Non-Operating Expenses				
Interest expense	8,251,199	8,397,740	(146,541)	8,529,389
Total non-operating expenses	8,251,199	8,397,740	(146,541)	8,529,389
Total Expenses	140,546,222	140,235,341	310,881	133,588,635
Change in net position before capital contributions	10,229,405	6,129,949	4,099,456	9,710,845
Capital Contributions	82,500	29,995	52,505	-
Change in net position	10,311,905	6,159,944	4,151,961	9,710,845
Net position at beginning of year	102,892,937	137,149,524	(34,256,587)	127,438,679
Change in accounting principle	-	(40,416,531)	40,416,531	-
Net position, July 1, Restated	102,892,937	96,732,993	6,159,944	127,530,952
Net position at end of year	$ 113,204,842	$102,892,937	$ 10,311,905	$137,149,524

Internally, the College accounts for its activities using fund accounting, which is then reorganized into operating and non-operating components for the basic 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, 2019, June 30, 2018 and June 30, 2017:







The College's main source of revenue continues to be property taxes. In fiscal year 2019, revenue collected from property tax amounted to 40.96 percent of the College's total revenue. In fiscal year 2018, the amount of revenue collected from property taxes was 40.87 percent of total revenue and fiscal year 2017 this amounted to 41.66 percent of the total revenues. Tuition and fees revenue along with federal grants and contracts are the second and third largest sources of revenue collected by the College. In fiscal year 2019, tuition and fees amounted to 13.24 percent of total revenues. In fiscal years 2018 and 2017, tuition and fees amounted to 13.54 percent and 13.75 percent of total revenues, respectively. Federal and local grants and contracts amounted to 12.61 percent of total revenue collected in fiscal year 2019. In fiscal year 2018, federal and local grants and contracts amounted to 13.19 percent; while in fiscal year 2017, federal and local grants and contract revenue amounted to 12.75 percent of the College's revenue. Public Act 1965 removed the community colleges from the system of common K-12 schools and put a ceiling on how much revenue would come from the students in form of tuition. The one-third philosophy was formed whereby the State would provide one-third of the revenue, property taxes would provide one-third and tuition would be the remaining one-third of community college revenue. Illinois has increasingly depended on property tax payers and students to fund the community colleges. In fiscal year 2019, state grants and contracts revenue made up 4.70 percent of total revenue. In fiscal year 2018, state grants and contract revenue made up 4.61 percent of the total revenue and 4.82 percent of total revenue for fiscal year 2017.

Fiscal year 2019

For the College as a whole, total revenue increased by $3.0 million or 2.09 percent when compared to fiscal year 2018.

- Property tax revenue increased by $1.9 million or 3.25 percent. The College abated $84,521 of taxes related to the Bond Series 2009B and $697,583 of taxes as related to Bond Series 2009C, which are equal to the Build America Bond payments that were received in fiscal year 2019. All Build America Bond payments received by the college for these bonds are required to be deposited into the College's Bond Fund to pay principal and interest on the Taxable Bonds on the next interest payment date for the Taxable Bonds. This abatement is equal to the taxes related to Bond Series 2009B and 2009C less the Build American Bond Payments received in fiscal year 2019 net of the amount lost due to the sequester by the Federal government in 2018.
- State grants and contracts for fiscal year 2019 amounted to $7.1 million. This is an increase of $0.3 million compared to fiscal year 2018. When the state passed the budget for fiscal year 2019, some community colleges received funding in excess of the overall 2 percent increase in funding and other colleges received less funding than in fiscal year 2018. The state has a formula that takes into account the number of credit hours generated, the types of credit hours generated, the amount of local revenues and the number of in-district hours. Elgin Community College was fortunate enough to have received an increase in state funding of 6.8 percent or $0.3 million dollars when compared to fiscal year 2018.
- State Universities Retirement System (SURS) had a $2.1 million increase when compared to fiscal year 2018. SURS is a special funding situation whereby the State of Illinois is responsible for funding pensions on behalf of the College. The increase in fiscal year 2019 is a 6.9 percent increase from 2018. The increase in revenue 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 2018. In fiscal year 2019, the College awarded $9.3 million in PELL grant awards. This is 2.8 percent or $0.3 million less than fiscal year 2018. The PELL grant awards are consistently down across all colleges. The number for students are down due to enrollment and the improved economy over prior years. PELL is a need based award and with the economy improving and the number of students enrolled, the need is less. PELL awards are grants that students do not pay back. The number of direct loans to students decreased by 73 loans in fiscal year when compared to fiscal year 2018. In fiscal year 2019 the amount of direct loans awarded was $2.5 million. When compared to fiscal year 2018, this is a decrease of $0.4 million.
- Tuition and fees revenue remained consistent with fiscal years 2018 and 2017. In fiscal year 2019, tuition and fees amounted to $20.0 million. In Fiscal year 2018 tuition and fees were $19.8 million and in fiscal year 2017 it was $19.7 million. In-district tuition per semester hour increased by $3 when compared to fiscal year 2018 and increased $7 when compared to fiscal year 2017. Out-of-district and out-of-state tuition rates remained the same as fiscal years 2018 and 2017. Total credit hours claimed in fiscal year 2019 amounted to 172,354 which is a decrease of 4,272 credit hours or 2.4 percent when compared to

fiscal year 2018. The 2019 credit hours when compared to fiscal year 2017 was a decrease of 7,066 or 3.9 percent. The College has initiated a campaign to increase future enrollment and to capture those students who are currently not enrolled and are only credits away from obtaining their associate's degree or certificate.

  - Investment income was $2.5 million which is $1.4 million over what was received in investment income in fiscal year 2018. In fiscal year 2017, investment income was $0.6 million. The positive increase in investment income is attributed to the improved economy.
- Overall the College's net position increased by $10.3 million in fiscal year 2019.

Fiscal year 2018

For the College as a whole, total revenue increased by $3.0 million or 2.11 percent when compared to fiscal year 2017.

- Property tax revenue remained level with fiscal year 2017. In January of 2018, the College abated debt service taxes in the 2017 tax levy as they relate to the Build America payments or rebates expected to be received in 2018 related to the Taxable General Obligation Bonds, Series 2009B and Series 2009C. The College abated $84,204.75 of the taxes related to Bond Series 2009B and $694,974.76 of the taxes related to Bond Series 2009C, which are equal to the Build America Bond payments that were received in fiscal year 2018 less the amount due to the sequester by the Federal government in 2017. The College also abated the $1.8 million in Debt Service to keep the 2017 levy equal to the 2016 operating levy.
- State grants and contracts in fiscal year 2018 remained relatively flat when compared to fiscal year 2017. The state grants and contracts decreased minimally by $0.3 million.
- State University Retirement System (SURS) had a $2.0 million dollar decrease in fiscal year 2018 compared to fiscal year 2017. The decrease in fiscal year 2018 is a 6.4 percent decrease from 2017. The decrease in revenue is offset by the same decrease in expenses for SURS retirement costs incurred by the State on behalf of the College.
- Federal and local grants and contracts increased by $1.2 million when compared to fiscal year 2017. In fiscal year 2018, the College awarded $0.96 million or 11.1 percent more in PELL grants than in fiscal year 2017. There are more students who attended ECC that qualified for the PELL grant versus paying out of pocket. The number of direct loan students decreased minimally by 5.3 percent however the amount of direct loans awarded per student went up by 2.0 percent when compared to fiscal year 2017. The average direct loan per student increased from $3,584 in fiscal year 2017 to $3,872 in fiscal year 2018. The College's federal grants decreased by $0.71 million.
- Tuition and fee revenue remained relatively flat when compared to fiscal year 2017. The tuition and fee revenue increased by $0.1 million or 0.61 percent. The in-district tuition rate increased by $4 per credit hour in fiscal year 2018. Total credit hours claimed in fiscal year 2018 were 176,626 which is 2,794 claimed credit hours or 0.01 percent less than fiscal year 2017.

- Investment income increased from $607,277 in fiscal year 2017 to $1,178,885 in fiscal year 2018, resulting in a 94.13 percent increase. The College's investments have been doing well in the better economy.
- Overall, the College's increase in net position amounted to $6.1 million in fiscal year 2018 which is $3.5 million or 36 percent less than fiscal year 2017.

Fiscal year 2017

For the College as a whole, total revenue increased by $11.2 million when compared to fiscal year 2016.

- Property tax revenue remained relatively flat when compared to fiscal year 2016 with a slight decrease of $0.08 million. The debt service extension in fiscal year 2017 remained flat compared to fiscal year 2016. Increases in property tax extensions are limited to the lesser of 5% or the increase in the national Consumer Price Index (CPI). For fiscal year 2017, CPI reduced to 0.70 percent from a CPI of 0.80 percent in fiscal year 2016.
- State grants and contracts have increased $4.3 million when compared to fiscal year 2016. As stated previously, the State of Illinois passed a 2017 and 2018 budget (Senate Bill 6) on July 6, 2017. In this budget, the College received an additional $1.70 million for adult education and career and technical grants that could be applied to fiscal year 2017 expenses. The college also received $1.11 million in Illinois MAP funds for the academic period ending in fiscal year 2017. Along with the budget that passed in July 2017, the College also received stop gap funding in June 2016 for adult education and for the college's base operating grant to fund fiscal year 2017.
- State University Retirement System (SURS) had a $7.91 million dollar increase in fiscal year 2017 compared to fiscal year. The increase in the revenue recognized is to offset the pension expense for the cost of providing pension benefits to College employees by the state. The increase in fiscal year 2017 is a 33.20 percent increase from fiscal year 2016. The increase in revenue is offset by the same increase in expenses for SURS retirement costs incurred by the State on behalf of the College.
- Federal grants and local grants and contracts decreased $1.18 million when compared to fiscal year 2016. In fiscal year 2017, the College awarded $0.97 million less in PELL grants than in fiscal year 2016. There are more students paying out of pocket versus receiving the PELL grant which is a sign of better economic times. The number of direct loan students decreased minimally and the average direct loan per student was the same compared to fiscal year 2016. The College's federal grants decreased by $0.71 million. In fiscal year 2017, the College ended the contract on December 31, 2016 with DCEO Small Business and Development grant due to the lack of funding from the State. The federal grants also decreased in fiscal year 2017 due to a three year grant that ended in fiscal year 2016 and funding was not continued in fiscal year 2017.

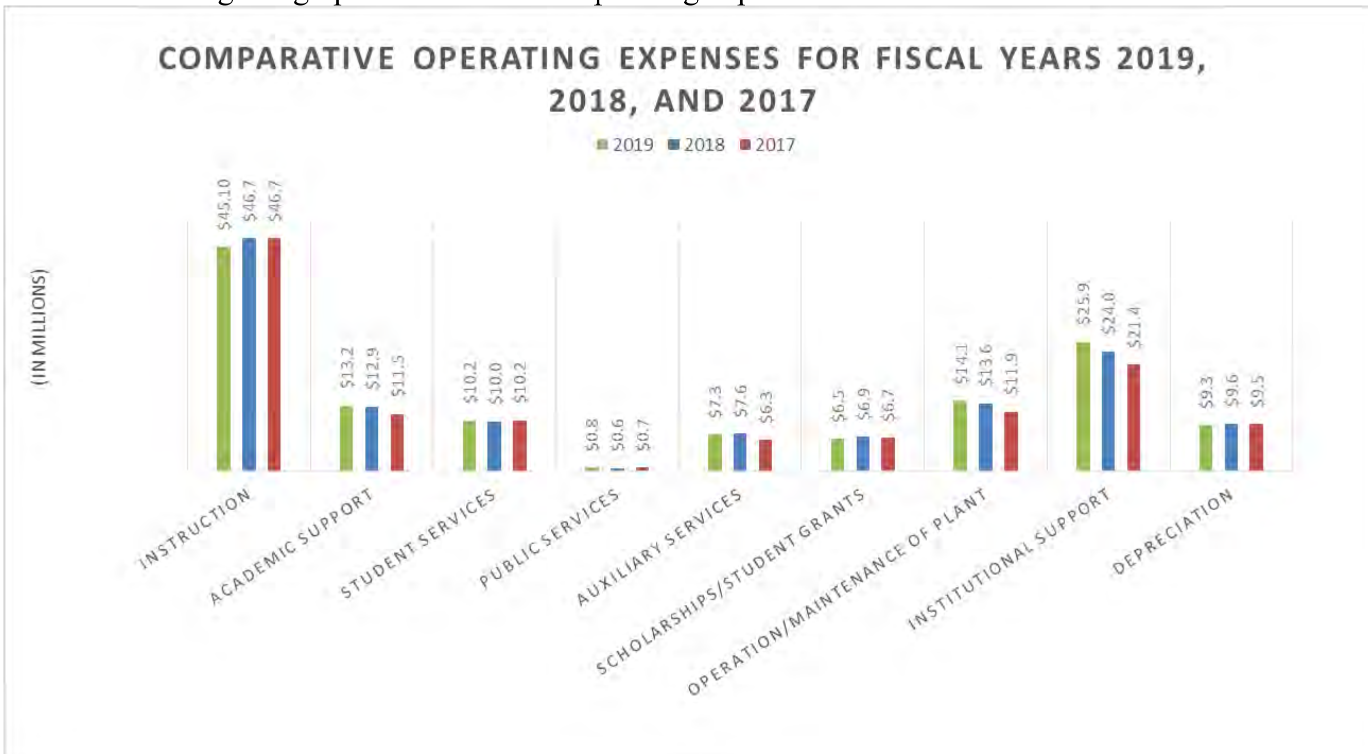
- Tuition and fee revenue in the education fund increased by $0.45 million in fiscal year 2017 when compared to fiscal year 2016. The tuition and fee revenue increase slightly due to the $6 per credit hour increase. In-district tuition went from $119 in fiscal year 2016 to $125 in fiscal year 2017. In fiscal year 2016, there was a $5 increase in the semester hour rate bringing the rate per hour to $119. Total credit hours claimed in fiscal year 2017 decreased 5.17% from fiscal year 2016.
- Overall, the College's increase in net position amounted to $9.71 million in fiscal year 2017. The College received an additional $3.40 million and $.091 million over what was budgeted for the ICCB base operating grant and the CTE Formula funding, respectively. The College received $0.20 million more in interest than what was budgeted for fiscal year 2017. With the uncertainty of the State of Illinois budget, the College had to reduce its workforce. The College had a hiring freeze until the process of reducing the workforce was complete. In fiscal year 2017, there was a savings of $0.32 million in benefits and $1.26 million in salaries. Out of this $1.26 million salary savings, $0.76 million was due to reallocation of the Adult Education expenses to the restricted fund once the State of Illinois passed the budget on July 6th. The college also had a savings in adjunct faculty salaries that was $1.85 million under budget. The College was conservative throughout the fiscal year due to the lack of a state budget and various equipment purchases were delayed to future years for areas such as housekeeping, information and technology, and instructional equipment.

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 2019, overall operating expenses remained relatively flat when compared to fiscal year 2018. The increase in revenue received and the maintenance of level spending in fiscal year 2019 is the main reason for the increase in net position. Total operating expenses in fiscal year 2019 amounted to $132.3 million and fiscal year 2018 total operating expenses amounted to $131.8 million. Fiscal year 2018 had an increase in total operating expenses in the amount of $125 million or 5.1 percent when compared to fiscal year 2017.

Operating Expenses – By Function

The following is a graphic illustration of operating expenses:



<u>**Fiscal year 2019**</u>

- Instruction expenses decreased by $1.6 million in fiscal year 2019. Instructional supplies were less than anticipated funding. Salary and benefit expenses decreased in Instruction due to retirements of tenured faculty and vacancies. Enrollment decreased 2.4 percent which directly impacts the decline in instructional expenses.
- Academic Support increased by a minimal amount of $0.3 million. In fiscal year 2019, Academic support expenses amounted to $13.1 million while in fiscal year 2018 these were $12.9 million. Vacant positions were filled in the Academic support area and needed professional development training was completed. With the budget impasse of 2016, the College had refrained from professional development and travel. The College has since reinstated professional development and travel while continuing to monitor these expenses.
- Student Services remained relatively stable when compared to fiscal year 2018.
- Public services had an increase in expenses of $0.2 million or 41.7 percent when compared to fiscal year 2018. The College has been working with area businesses to establish internship opportunities for students. The College has many opportunities for students to achieve their educational and career goals. Some of these programs and services are free to qualifying youth and adult students.

- Auxiliary services include the College's Bookstore, Early Childhood Lab School, Food Service, Visual and Performing Arts program, Student Life, Corporate and Continuing Education Training and Production Services. In fiscal year 2019, the total expenses amounted to $7.3 million which were $0.3 million less than fiscal year 2018. Total expenses decreased 4.4 percent in fiscal year 2019 when compared to fiscal year 2018.
- Scholarships and student grants had a decrease of $0.4 million when compared to fiscal year 2018. The number of PELL grant awards decreased by 235 awards or $0.3 million in fiscal year 2019. The PELL grant award is based on need and with the increase in the economy the need has decreased among the College's students. Direct loans to students also decreased by 73 loans or $0.3 million for the College's students. The direct loan trend is decreasing and is due to the economy but also due to the fact that the number of students also decreased in fiscal year 2019.
- Operation and maintenance of plant increased by $0.4 million when compared to fiscal year 2018.
- Institutional Support increased by $1.9 million or 7.9 percent when compared to fiscal year 2018.
- Overall, the total operating expenses remained flat when compared to fiscal year 2018. Total operating expenses in fiscal year 2019 were $132.3 million and total operating expenses in fiscal year 2018 amounted to $131.8 million. The change amounted in an increase of $0.5 million or 0.3 percent.

Fiscal Year 2018

- Instruction expenses remained consistent with spending in fiscal year 2017. Instruction expenses in fiscal year 2018 were only $0.02 million or 0.05 percent less than fiscal year 2017. The College has continued to monitor expenses and continued with no out of state travel in fiscal year 2018. The College has been cautious with spending as this was our first fiscal year with a state budget.
- Academic support expenses increased $1.3 million or 11.7 percent in comparison with fiscal year 2017. The increase is attributed to vacant positions being filled in fiscal year 2018.
- Student Services operating expenses increased $1.7 million or 16.9 percent compared to fiscal year 2017. In the Financial Aid and Scholarships department, there was an increase in the uncollected ING and IVG awards as well as an increase from the third party government uncollected accounts.
- Auxiliary services operating expenses increased $1.3 million or 20.0 percent in relation to fiscal year 2017. Student Life hired a full time coordinator for targeted populations and added a part time position in fiscal year 2018.
- Operation and maintenance of plant increased $1.7 million or 14.2 percent when compared to fiscal year 2017.
- Institutional support operating expenses increased $2.6 million when compared to fiscal year 2017.
- The implementation of GASB Statement No, 75 resulted in an additional OPEB expense of $7.5 million being recognized in the current year.

Fiscal Year 2017

- Fiscal year 2017 instructional expenses increased by 7.31 percent or $3.18 million when compared to fiscal year 2016. Instructional salaries showed a decrease of $1.24 million when compared to fiscal year 2016. In benefits expense, there was a $4.33 million dollar increase that was attributed to the increase in the SURS pension expense for instructional employees. In fiscal year 2017, the expense increased to $16.83 million from $12.55 million in fiscal year 2016. The combination of the decrease in instructional salaries and the increase in instructional employee benefits had a net result of $3.21 million increase in fiscal year 2017 when compared to fiscal year 2016. Due to careful monitoring of expenses, instructional costs such as contractual services, general materials and supplies, travel and conference and meeting expense and capital outlay expenses remained in line with fiscal year 2016.
- Operating expenses for academic support were $0.87 million or 8.07 percent over fiscal year 2016. Salaries for academic support staff were in line with fiscal year 2016. The SURS pension expense for academic support staff increased by $1.0 million when compared to fiscal year 2016. In fiscal year 2017, the SURS pension expense was $3.73 million and in fiscal year 2016 it was $2.73 million. Conference and meeting expenses were about half of what the expense was in fiscal year 2016. Due to the uncertainty of the State of Illinois' budget, the College had a no out of state travel policy in effect.
- Student services operating expenses and Public Service operating expenses remained flat when compared to fiscal year 2016.
- Scholarships and student grants decreased $0.88 million or 11.69 percent when compared to fiscal year 2016. In fiscal year 2017, over half of the board designated institutional waivers shifted from the College to the College's Foundation. The College also had $0.28 million less in direct loans to students and the PELL grants were $0.97 million less than fiscal year 2016. There was a slight increase in the number of Supplemental Education Opportunity Grant awarded in fiscal year 2017 when compared to fiscal year 2016.
- The operation and maintenance of plant expenses increased $0.66 million when compared to fiscal year. This increase is attributed to the increase in the SURS benefit in fiscal year 2017. The SURS benefit expense in fiscal year 2017 was $2.88 million and in fiscal year 2016 it was $2.17 million.
- Institutional support expenses decreased $1.1 million in fiscal year 2017 compared to fiscal year 2016. Although there was an increase in institutional support benefit expenses of $1.11 million due to the SURS pension expense, there were decreases in other areas such as salary expense, other contractual, general material and supplies and conference and meeting expenses. The small decreases in these areas when compared to fiscal year 2016, amounted to a net decrease of $1.0 million for institutional support.

Long-Term Debt

As of June 30, 2019, 2018 and 2017, the College had a total of $170,648,454, $175,826,341, and $180,481,138 in outstanding bonded indebtedness, respectively. The decrease in long-term debt from fiscal years 2018, and 2017 was due to the payment of principal on bonds. 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 22 - 26) for more detailed information.

Capital Assets

Net Capital Assets

	2019	2018	2017
Capital Assets			
Land and improvements	$ 19,065,397	$ 19,065,397	$ 19,065,397
Site improvements	25,291,031	25,073,728	25,073,728
Construction in progress	1,122,799	22,564	-
Buildings	240,971,975	240,583,563	240,564,643
Machinery and equipment	15,363,654	14,733,832	14,326,850
Furniture and fixtures	214,032	214,032	214,032
Total capital assets	302,028,888	299,693,116	299,244,650
Less: accumulated depreciation	(113,161,117)	(103,836,684)	(94,323,508)
Net capital assets	$ 188,867,771	$ 195,856,432	$ 204,921,142

Net capital assets decreased by $7.0 million in fiscal year 2019 when compared to fiscal year 2018. In fiscal year 2019, site improvements increased $0.2 million due to improvements to the automotive parking lot, Building M's parking lot and other parking lot repairs at the main campus. Construction in progress increased $1.1 million in fiscal year 2019 due to the renovations in Building H (Visual and Performing Arts Center) and the roof replacement for Building I (Culinary Arts). Buildings increased by $0.4 million due to the improvements to various doors in Building J for ADA compliance and Building F for door and frame replacements. Machinery and equipment increased by $0.6 million due to various equipment purchases for both instructional and non-instruction purposes. A new simulation baby was purchased for the nursing department along with new portable electronics learning systems for the HVAC department. The College received a donated CNC machine that was valued at $0.08 million. Next year, the software will be received for this donated CNC machine with significant value.

Net capital assets decreased $9.1 million in fiscal year 2018 when compared to fiscal year 2017. In fiscal year 2018, buildings increased $0.02 million due building improvement of newly installed carpet in the childcare center. Machinery and equipment increased $0.47 million in fiscal year 2018. This increase was due to the purchase of instructional equipment such as two new gas ovens and a combi-oven for the Hospitality Management department. An isolation booth was purchased for a recording studio for the Arts Center. A standup forklift and a new tractor truck were purchased for the Truck Driving department. The Welding department purchased several electrical learning systems. The college also received a donated microtome for the Histotechnology department that was valued at $0.030 million. A new tire changer and automotive lift were purchased for the Automotive department. The College's Police department purchased a new police vehicle to replace an older vehicle in their fleet. The Operations and Maintenance department purchased two new mowers for the Grounds department and a new floor scrubber for the Housekeeping department. These increases were offset by $9.5 million in depreciation.

Net capital assets decreased $5.84 million in fiscal year 2017 when compared to fiscal year 2016. In fiscal year 2017, site improvements increased $0.50 million compared to fiscal year 2016. This increase was due to the parking lot improvements on campus. Construction in progress decreased $1.21 million due to the completion of capital projects such as the Orchestra lift for the Blizzard Theater, the completion of Building G remodel and the expansion of the parking lots. At the end of fiscal year 2017, there were no projects remaining in construction in progress. The increase in buildings for fiscal year 2017 of $3.81 million was attributed to new boiler in building M, the orchestra lift in the Blizzard Theater, and the completion of Building G renovations including the elevator. Machinery and equipment had an increase of $0.58 million in fiscal year 2017. This was due to the purchase of new instructional equipment such as the Model City Simulator for the forensics classroom in Burlington, the addition of a training trailer for the Burlington campus and the driving simulator for the Burlington Campus and new equipment for the nursing lab.

Please refer to the capital assets disclosures in the notes to the financial statements (Footnote 4. on pages 20 - 21) 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 Kimberly Wagner, Interim Vice President for Business and Finance, 1700 Spartan Drive, Elgin, IL 60123.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

STATEMENTS OF NET POSITION

June 30, 2019 and 2018

	2019	2018
CURRENT ASSETS		
Cash and cash equivalents	$ 47,889,015	$ 47,027,914
Investments	96,810,364	85,178,843
Property tax receivable	34,586,938	28,731,574
Accrued interest receivable	957,418	631,465
Student tuition receivable	7,349,686	7,508,213
Other accounts receivable	2,157,976	1,628,700
Inventory	386,108	437,285
Prepaid assets	1,338,073	1,379,328
Restricted assets		
Cash and cash equivalents	1,325,733	2,940,898
Total current assets	192,801,311	175,464,220
NONCURRENT ASSETS		
Capital assets	302,028,888	299,693,116
Less accumulated depreciation	(113,161,117)	(103,836,684)
Total noncurrent assets	188,867,771	195,856,432
Total assets	381,669,082	371,320,652
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	91,014	119,019
OPEB expense	1,204,107	685,351
SURS pension expense	234,392	187,448
Total deferred outflows of resources	1,529,513	991,818
Total assets and deferred outflows of resources	383,198,595	372,312,470

(This statement is continued on the following page.)

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

STATEMENTS OF NET POSITION (Continued)

June 30, 2019 and 2018

	2019	2018
CURRENT LIABILITIES		
Accounts payable	$ 2,257,228	$ 1,213,732
Accrued salaries and benefits payable	4,290,574	3,845,043
Accrued health care liability	724,700	870,900
Unearned tuition revenue	9,878,483	10,222,727
Claims payable	1,097,719	1,044,387
Interest payable	346,248	352,224
General obligation bonds payable	5,620,000	5,015,000
Other postemployment benefit liability	196,501	187,933
Other current liabilities	1,539,192	1,600,682
Total current liabilities	25,950,645	24,352,628
NONCURRENT LIABILITIES		
General obligation bonds payable	165,028,452	170,811,341
Other postemployment benefit liability	41,284,396	41,105,340
Total noncurrent liabilities	206,312,848	211,916,681
Total liabilities	232,263,493	236,269,309
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue - property taxes	31,387,630	29,593,226
OPEB expense	6,342,630	3,556,998
Total deferred inflows of resources	37,730,260	33,150,224
Total liabilities and deferred inflows of resources	269,993,753	269,419,533
NET POSITION		
Net investment in capital assets	18,904,009	22,528,437
Restricted for		
Capital projects	22,773,141	19,825,069
Debt service	4,569,440	5,014,363
Grant purposes	2,343,908	2,343,908
Audit purposes	169,567	135,865
Liability insurance	5,319,885	4,477,688
Pension contributions	234,392	187,448
Working cash	4,014,363	4,014,363
Unrestricted	54,876,137	44,365,796
TOTAL NET POSITION	$ 113,204,842	$ 102,892,937

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, 2019 and 2018

	2019	2018
OPERATING REVENUES		
Student tuition and fees	$ 19,968,429	$ 19,818,103
Chargeback revenue	-	1,420
Auxiliary enterprises revenue	5,001,003	4,812,253
Other operating revenue	639,385	704,257
Total operating revenues	25,608,817	25,336,033
OPERATING EXPENSES		
Instruction	45,098,464	46,707,679
Academic support	13,161,892	12,892,822
Student services	10,199,284	10,011,447
Public services	785,445	554,178
Auxiliary services	7,259,866	7,594,131
Scholarships and student grants	6,524,471	6,877,819
Operation and maintenance of plant	14,058,865	13,641,492
Institutional support	25,856,943	23,963,787
Depreciation	9,349,793	9,594,246
Total operating expenses	132,295,023	131,837,601
OPERATING INCOME (LOSS)	(106,686,206)	(106,501,568)
NON-OPERATING REVENUES (EXPENSES)		
State grants and contracts	41,307,032	40,213,905
Property taxes	61,757,426	59,812,614
Personal property replacement tax	554,744	512,789
Federal grants and contracts	18,283,797	18,533,740
Local grants and contracts	722,378	777,324
Interest expense and fiscal charges	(8,251,199)	(8,397,740)
Investment income	2,541,433	1,178,885
Total non-operating revenues (expenses)	116,915,611	112,631,517
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	10,229,405	6,129,949
CAPITAL CONTRIBUTIONS	82,500	29,995
CHANGE IN NET POSITION	10,311,905	6,159,944
NET POSITION, JULY 1	102,892,937	137,149,524
Change in accounting principle	-	(40,416,531)
NET POSITION, JULY 1, RESTATED	102,892,937	96,732,993
NET POSITION, JUNE 30	$ 113,204,842	$ 102,892,937

See accompanying notes to financial statements.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	$ 19,782,712	$ 19,995,108
Payments to suppliers	(36,249,721)	(38,478,325)
Payments to employees	(48,896,251)	(47,505,383)
Auxiliary enterprise charges	4,475,840	4,838,714
Other	545,415	1,505,421
Net cash from operating activities	(60,342,005)	(59,644,465)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Local property taxes	57,696,466	60,810,871
Local grants and contracts	722,378	777,324
State appropriations and grants	7,523,739	11,437,708
Federal grants and contracts	18,050,130	18,549,997
Net cash from noncapital financing activities	83,992,713	91,575,900
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(1,581,672)	(502,041)
Principal paid on bonds	(5,015,000)	(4,510,000)
Interest paid on bonds	(8,381,658)	(8,508,745)
Net cash from capital and related financing activities	(14,978,330)	(13,520,786)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	68,283,789	65,806,047
Interest on investments	1,864,402	998,641
Purchase of investments	(79,574,633)	(72,125,458)
Net cash from investing activities	(9,426,442)	(5,320,770)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(754,064)	13,089,879
CASH AND CASH EQUIVALENTS, JULY 1	49,968,812	36,878,933
CASH AND CASH EQUIVALENTS, JUNE 30	$ 49,214,748	$ 49,968,812
Cash and cash equivalents	$ 47,889,015	$ 47,027,914
Restricted cash and cash equivalents	1,325,733	2,940,898
TOTAL CASH AND CASH EQUIVALENTS	$ 49,214,748	$ 49,968,812

(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, 2019 and 2018

	2019	2018
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES		
Operating income (loss)	$ (106,686,206)	$ (106,501,568)
Adjustments to reconcile net income (loss) to net cash from operating activities		
Depreciation	9,349,793	9,594,246
State pension and OPEB expense	34,367,918	33,273,615
Changes in net position		
Receivables (net)	(335,490)	675,892
Inventories	51,177	36,147
Prepaid expenses	41,255	(81,720)
Accounts payable	346,536	(223,887)
Accrued salaries	445,531	(203,056)
Retirement liability	2,308,300	3,632,393
Unearned tuition	(344,244)	291,163
Claims payable	53,332	-
Other accrued liabilities	60,093	(137,690)
NET CASH FROM OPERATING ACTIVITIES	$ (60,342,005)	$ (59,644,465)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Accretion of interest on debt	$ 59,427	$ 80,718
Change in fair value of investments	(351,078)	174,189
Capital assets acquired through accounts payable	696,960	-
Capital contributions	82,500	29,995
State pension and OPEB expense	34,414,862	33,461,063
TOTAL NONCASH INVESTING, CAPITAL AND FINANCING	$ 34,902,671	$ 33,745,965

See accompanying notes to financial statements.

STATEMENTS OF FINANCIAL POSITION

June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	$ 883,263	$ 743,116
Pledges receivable, net	63,094	123,931
Investments	3,791,374	3,430,697
Cash surrender value of life insurance	44,451	41,327
Investments - long term	4,240,398	3,994,958
TOTAL ASSETS	$ 9,022,580	$ 8,334,029
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$ 7,483	$ 3,661
Deferred revenue	3,000	3,000
Due to Elgin Community College	63,416	32,468
Total liabilities	73,899	39,129
NET ASSETS		
Without donor restrictions:		
Undesignated	1,226,839	1,106,978
Board designated - Apple Presidential Fund	66,719	65,151
Board designated for endowment	39,708	39,708
Total without donor restrictions	1,333,266	1,211,837
With donor restrictions	7,615,415	7,083,063
Total net assets	8,948,681	8,294,900
TOTAL LIABILITIES AND NET ASSETS	$ 9,022,580	$ 8,334,029

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, 2019
(With Summarized Financial Information for the Year Ended June 30, 2018)

	2019			
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	**2018 Total**
REVENUES				
Contributions	$ 67,573	$ 509,052	$ 576,625	$ 465,299
Special events	113,271	8,929	122,200	145,531
Investment return, net of fees	81,834	539,151	620,985	554,465
Contributed services	391,608	-	391,608	394,548
Gifts in-kind	85,380	30,142	115,522	55,224
Net assets released from restrictions				
Management fees	63,608	(63,608)	-	-
Other	491,314	(491,314)	-	-
Total revenues	1,294,588	532,352	1,826,940	1,615,067
EXPENSES				
Program services	659,809	-	659,809	596,483
Management and general	360,937	-	360,937	358,270
Fundraising	112,534	-	112,534	115,541
Cost of direct benefits to donors	39,879	-	39,879	53,192
Total expenses	1,173,159	-	1,173,159	1,123,486
CHANGE IN NET ASSETS	121,429	532,352	653,781	491,581
NET ASSETS, JULY 1	1,211,837	7,083,063	8,294,900	7,803,319
NET ASSETS, JUNE 30	$ 1,333,266	$ 7,615,415	$ 8,948,681	$ 8,294,900

See accompanying notes to financial statements.

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.

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, include 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, 2019 and 2018, respectively 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 the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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 acquisition 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

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 ten 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 outstanding 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.

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.

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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

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 Uniform Grant Guidance.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. On Behalf Revenue and Expense

The District applies the requirement of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* for the years ended June 30, 2019 and 2018 and recognizes a revenue and expense for the State of Illinois portion of College Insurance Plan (CIP) under a special funding situation (see Note 8). The District applies 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 years ended June 30, 2019 and 2018, the District has reported its proportionate share of the collective pension expense and revenue for the State of Illinois' share (see Note 7).

p. Use of Estimates

The preparation of financial statements in conformity with GAAP 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.

2. DEPOSITS AND INVESTMENTS

ILCS authorizes 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 The Illinois Funds.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants,* and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

2. DEPOSITS AND INVESTMENTS (Continued)

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, 2019 by type of investment:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	$ 9,879,954	$ 4,253,715	$ 5,626,239	$ -	$ -
FHLB	2,493,150	-	2,493,150	-	-
FFCB	2,017,861	-	2,017,861	-	-
Negotiable certificates of deposit	6,699,498	495,569	6,203,929	-	-
TOTAL	$ 21,090,463	$ 4,749,284	$ 16,341,179	$ -	$ -

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

The following table presents the debt investments of the District as of June 30, 2018 by type of investment:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	$ 19,610,337	$ 18,368,462	$ 1,241,875	$ -	$ -
FHLMC	2,486,073	2,486,073	-	-	-
FHLB	3,800,793	1,337,998	2,462,795	-	-
FFCB	1,987,130	-	1,987,130	-	-
Negotiable certificates of deposit	3,923,521	990,254	2,933,267	-	-
TOTAL	$ 31,807,854	$ 23,182,787	$ 8,625,067	$ -	$ -

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, 2019, the FFCB and FHLB debt investments were 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.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

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 The Illinois Funds and other money market fund.

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

The District has the following recurring fair value measurements as of June 30, 2019: U.S. Treasury securities of $9,879,954, U.S. agency securities (FFCB and FHLB) of $4,511,011 and negotiable certificates of deposit of $6,699,498 are valued using a matrix pricing model (Level 2 inputs).

The District has the following recurring fair value measurements as of June 30, 2018: U.S. Treasury securities of $19,610,337, U.S. agency securities (FHLMC, FFCB and FHLB) of $8,273,996 and negotiable certificates of deposit of $3,923,521 are valued using a matrix pricing model (Level 2 inputs).

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 2017 was passed on December 12, 2017 and the annual tax levy resolution for 2018 was passed on December 11, 2018.

- 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 2018 and 2019.

3. PROPERTY TAXES (Continued)

Property taxes are recognized as revenue in the year intended to finance, regardless of when collected. The second half of the 2018 (2017) tax levy is intended to finance the 2019 (2018) fiscal year and, accordingly, is reported as deferred revenue. The 2019 tax levy, which attached as an enforceable lien on property as of January 1, 2019, has not been recorded as a receivable as of June 30, 2019 as the tax has not yet been levied by the District and will not be levied until December 2019 and, therefore, the levy is not measurable at June 30, 2019.

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	$ 19,065,397	$ -	$ -	$ 19,065,397
Construction in progress	22,564	1,122,799	22,564	1,122,799
Total capital assets not being depreciated	19,087,961	1,122,799	22,564	20,188,196
Capital assets being depreciated				
Buildings	240,583,563	388,412	-	240,971,975
Site improvements	25,073,728	217,303	-	25,291,031
Machinery and equipment	14,733,832	655,182	25,360	15,363,654
Furniture and fixtures	214,032	-	-	214,032
Total capital assets being depreciated	280,605,155	1,260,897	25,360	281,840,692
Less accumulated depreciation for				
Buildings	79,606,380	6,057,044	-	85,663,424
Site improvements	12,075,164	2,289,394	-	14,364,558
Machinery and equipment	11,962,033	993,009	25,360	12,929,682
Furniture and fixtures	193,107	10,346	-	203,453
Total accumulated depreciation	103,836,684	9,349,793	25,360	113,161,117
Total capital assets being depreciated, net	176,768,471	(8,088,896)	-	168,679,575
CAPITAL ASSETS, NET	$ 195,856,432	$ (6,966,097)	$ 22,564	$ 188,867,771

4. CAPITAL ASSETS (Continued)

Capital asset activity for the year ended June 30, 2018 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	$ 19,065,397	$ -	$ -	$ 19,065,397
Construction in progress	-	22,564	-	22,564
Total capital assets not being depreciated	19,065,397	22,564	-	19,087,961
Capital assets being depreciated				
Buildings	240,564,643	18,920	-	240,583,563
Site improvements	25,073,728	-	-	25,073,728
Machinery and equipment	14,326,850	488,052	81,070	14,733,832
Furniture and fixtures	214,032	-	-	214,032
Total capital assets being depreciated	280,179,253	506,972	81,070	280,605,155
Less accumulated depreciation for				
Buildings	73,367,409	6,238,971	-	79,606,380
Site improvements	9,681,076	2,394,088	-	12,075,164
Machinery and equipment	11,092,261	950,842	81,070	11,962,033
Furniture and fixtures	182,762	10,345	-	193,107
Total accumulated depreciation	94,323,508	9,594,246	81,070	103,836,684
Total capital assets being depreciated, net	185,855,745	(9,087,274)	-	176,768,471
CAPITAL ASSETS, NET	$ 204,921,142	$ (9,064,710)	$ -	$ 195,856,432

5. LONG-TERM DEBT

Changes in long-term debt for the year ended June 30, 2019 is as follows:

	Balances July 1, 2018	Issuance*	Repayment/ Amortization	Balances June 30, 2019	Current Portion
General Obligation (Capital Appreciation) Bonds Series 2001B	$ 1,331,195	$ 59,427	$ 480,000	$ 910,622	$ 480,000
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	2,000,000	-	1,000,000	1,000,000	1,000,000
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	-

5. LONG-TERM DEBT (Continued)

	Balances July 1, 2018	Issuance*	Repayment/ Amortization	Balances June 30, 2019	Current Portion
General Obligation Taxable, Build America Bonds Series 2010D	$ 38,670,000	$ -	$ 1,500,000	$ 37,170,000	$ 1,900,000
General Obligation Refunding Bonds Series 2012	6,325,000	-	1,235,000	5,090,000	1,240,000
General Obligation Bonds Series 2013A	35,050,000	-	800,000	34,250,000	1,000,000
General Obligation Bonds Series 2013B	10,000,000	-	-	10,000,000	-
Premium on general obligation bonds	1,825,146	-	232,314	1,592,830	-
Discount on general obligation bonds	(175,000)	-	(10,000)	(165,000)	-
TOTAL	$ 175,826,341	$ 59,427	$ 5,237,314	$ 170,648,452	$ 5,620,000

*Annual accretion of interest.

Changes in long-term debt for the year ended June 30, 2018 is as follows:

	Balances July 1, 2017	Issuance*	Repayment/ Amortization	Balances June 30, 2018	Current Portion
General Obligation (Capital Appreciation) Bonds Series 2001B	$ 1,730,477	$ 80,718	$ 480,000	$ 1,331,195	$ 480,000
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	3,000,000	-	1,000,000	2,000,000	1,000,000
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	39,370,000	-	700,000	38,670,000	1,500,000
General Obligation Refunding Bonds Series 2012	7,555,000	-	1,230,000	6,325,000	1,235,000
General Obligation Bonds Series 2013A	36,150,000	-	1,100,000	35,050,000	800,000
General Obligation Bonds Series 2013B	10,000,000	-	-	10,000,000	-
Premium on general obligation bonds	2,060,661	-	235,515	1,825,146	-
Discount on general obligation bonds	(185,000)	-	(10,000)	(175,000)	-
TOTAL	$ 180,481,138	$ 80,718	$ 4,735,515	$ 175,826,341	$ 5,015,000

*Annual accretion of interest.

5. LONG-TERM DEBT (Continued)

General Obligation Bonds

The District issues general obligation bonds to finance various capital improvements. General Obligation Bonds at June 30, 2019 are comprised of the following:

$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 4.00% to 5.40% to the principal each June 15 and December 15 and is payable upon maturity.

$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%.

$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. 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%.

5. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

$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 2.50% to 6.00%. 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 2.00% to 2.40%.

$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%.

5. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

Debt service to maturity on these issues is as follows:

Fiscal	General Obligation Bonds			General Obligation Capital Appreciation Bonds 2001B	
Year	Principal	Interest	Total	Accretion	Repayment
2020	$ 5,140,000	$ 8,220,682	$ 13,360,682	$ 36,758	$ 480,000
2021	5,095,000	8,034,483	13,129,483	12,570	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	$ 168,310,000	$ 90,310,394	$ 258,620,394	$ 49,328	$ 960,000

Operating Lease Commitment

The District has an operating lease for off-campus classroom space. Lease payments for fiscal years 2019 and 2018 totaled $120,000 and $130,000, respectively. The lease expired in fiscal year 2018 and was extended until June 30, 2020.

6. RISK MANAGEMENT AND CONTINGENT LIABILITIES

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the District.

6. RISK MANAGEMENT AND CONTINGENT LIABILITIES (Continued)

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 2019 and 2018, the specific coverage is $110,000 per covered person and the aggregate attachment is approximately $6,603,989 and $6,103,143, 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, 2019 and 2018.

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

	2019	2018	2017
CLAIMS PAYABLE, JULY 1	$ 1,044,387	$ 1,175,206	$ 939,162
Claims paid	(8,699,751)	(8,509,675)	(8,190,313)
Claims incurred	8,753,083	8,378,856	8,426,357
CLAIMS PAYABLE, JUNE 30	$ 1,097,719	$ 1,044,387	$ 1,175,206

7. RETIREMENT COMMITMENTS

Plan Description

The District contributes to the State Universities Retirement System of Illinois (SURS), 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

7. RETIREMENT COMMITMENTS (Continued)

Plan Description (Continued)

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 ILCS. 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, 2019 and 2018 can be found in SURS' comprehensive annual financial report (CAFR) notes to financial statements.

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 SURS 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 years 2018 and 2019 was 12.46% and 12.29%, 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% 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).

7. RETIREMENT COMMITMENTS (Continued)

Funding Policy

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, 2018 and 2017, SURS reported a net pension liability of $27,494,556,682 and $25,481,105,995, respectively. The net pension liability was measured as of June 30, 2017 and 2016.

Employer Proportionate Share of Net Pension Liability

For the year ended June 30, 2019, 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 $325,315,595 or 1.1832%. 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, 2018 and the total pension used to calculate the net pension liability was determined based on the June 30, 2017 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 2018.

For the year ended June 30, 2018, 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 $313,774,339 or 1.2314%. 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, 2017 and the total pension used to calculate the net pension liability was determined based on the June 30, 2016 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 2017.

Pension Expense

At June 30, 2018 and 2017, SURS reported a collective net pension expense of $2,685,322,700 and $2,412,918,129, respectively.

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 2019 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 2018. As a result, the District recognized revenue and pension expense of $31,772,738 for the fiscal year ended June 30, 2019.

The District's proportionate share of collective net pension expense is recognized as both revenue and matching expense in the 2018 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 2017. As a result, the District recognized revenue and pension expense of $29,712,674 for the fiscal year ended June 30, 2018.

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

Deferred outflows of resources are the consumption of net assets by the District that is applicable to future reporting periods. The District paid $234,392 in federal, trust or grant contributions for the fiscal year ended June 30, 2019. These contributions were made subsequent to the pension liability measurement date of June 30, 2018 and are recognized as deferred outflows of resources as of June 30, 2019.

Deferred outflows of resources are the consumption of net assets by the District that is applicable to future reporting periods. The District paid $187,448 in federal, trust or grant contributions for the fiscal year ended June 30, 2018. These contributions were made subsequent to the pension liability measurement date of June 30, 2017 and are recognized as deferred outflows of resources as of June 30, 2018.

7. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period June 30, 2014 to 2017. The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.25% to 12.25%, including inflation
Investment rate of return	6.75% beginning with the actuarial valuation as of June 30, 2018

Mortality rates were based on the RP2014 Combined Mortality Table with projected generational mortality and a separate mortality assumption for disabled participants.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period June 30, 2010 to 2014. The total pension liability in the June 30, 2017 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

Mortality rates were based on the RP2014 Combined Mortality Table with projected generational mortality and a separate mortality assumption for disabled participants.

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, 2018 and 2017, these best estimates are summarized in the following tables:

7. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

Actuarial Assumptions (Continued)

2018

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	23.00%	5.00 %
Private Equity	6.00%	8.50%
Non-U.S. Equity	19.00%	6.45%
Global Equity	8.00%	6.00%
Fixed Income	19.00%	1.50%
Treasury-Inflation Protected Securities	4.00%	0.75%
Emerging Market Debt	3.00%	3.65%
Real Estate REITS	4.00%	5.45%
Direct Real Estate	6.00%	4.75%
Commodities	2.00%	2.00%
Hedged Strategies	5.00%	2.85%
Opportunity Fund	1.00%	7.00%
Total	100.00%	4.55%
Inflation		2.75%
EXPECTED ARITHMETICAL RETURN		7.30%

2017

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	23.00%	6.08%
Private Equity	6.00%	8.73%
Non-U.S. Equity	19.00%	7.34%
Global Equity	8.00%	6.85%
Fixed Income	19.00%	1.38%
Treasury-Inflation Protected Securities	4.00%	1.17%
Emerging Market Debt	3.00%	4.14%
Real Estate REITS	4.00%	5.75%
Direct Real Estate	6.00%	4.62%
Commodities	2.00%	4.23%
Hedged Strategies	5.00%	3.95%
Opportunity Fund	1.00%	6.71%
Total	100.00%	5.20%
Inflation		2.75%
EXPECTED ARITHMETICAL RETURN		7.95%

7. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

2019

Discount Rate

A single discount rate of 6.65% 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 6.75% and a municipal bond rate of 3.62% (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 SURS 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 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the SURS 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 6.65%, 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 (5.65%)	Current Single Discount Rate Assumption (6.65%)	1% Increase (7.65%)
Net pension liability	$ 33,352,188,584	$ 27,494,556,682	$ 22,650,651,520

7. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

2018

Discount Rate

A single discount rate of 7.09% 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 7.25% and a municipal bond rate of 3.56% (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 SURS 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 2073. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2073, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the SURS 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	$ 30,885,146,279	$ 25,481,105,995	$ 20,997,457,586

8. RETIREE HEALTH PLAN

Plan Description

In addition to the pension plan described previously, the District contributes to 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 0.50% of covered payroll and every community college district to contribute 0.50% 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 of Illinois to contribute 0.50% of estimated covered payroll directly to the plan.. The result is pay as you go financing of the plan.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of CIP and additions to/deductions from CIP's fiduciary net position have been determined on the same basis as they are reported by CIP. For this purpose, CIP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments, if any, are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

2019

At June 30, 2019, the District reported a liability of $41,480,897 for its proportionate share of the total OPEB liability that reflected a reduction for State OPEB support of $41,480,897 resulting in a total OPEB liability associated with the District of $82,961,794. The OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation performed as of June 30, 2017 rolled forward to June 30, 2018. The District's proportion of the net OPEB liability was based on the District's actual contributions to the OPEB plan relative to the projected contributions of all participating colleges and the State, statutorily determined.

8. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2019 (Continued)

At June 30, 2019 and 2018, the District's proportions were 2.200284% and 2.264336%, respectively.

For the year ended June 30, 2019, the District recognized OPEB expense of $2,454,500 and revenue of $2,454,500 for support provided by the State. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 609,668	$ 90,850
Changes in assumption	-	5,192,185
Changes in proportionate share and differences between District contributions and proportionate share of contributions	397,938	1,058,240
Contributions made after the measurement date	196,501	-
Net difference between projected and actual earnings on OPEB plan investments	-	1,355
TOTAL	$ 1,204,107	$ 6,342,630

$196,501 reported as deferred outflows or resources related to OPEB resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the measurement period ended June 30, 2020 Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CIP will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2020	$ (1,207,641)
2021	(1,207,641)
2022	(1,207,641)
2023	(1,207,536)
2024	(504,565)
Thereafter	-
TOTAL	$ (5,335,024)

8. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2019 (Continued)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, rolled forward to June 30, 2018, the measurement date, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Assumptions	
Inflation	2.75%
Salary increases	3.75% to 10.00%
Investment rate of return	0.00%
Healthcare cost trend rates	8.00% to 9.00% trending to 4.50%
Asset valuation method	Market value

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table. For disabled annuitants mortality rates were based on the RP-2014 Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2014. The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period June 30, 2010 to June 30, 2014.

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates were 2.85% as of June 30, 2016, and 3.56% as of June 30, 2017.

8. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2019 (Continued)

Rate Sensitivity

The following is a sensitivity analysis of the OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the OPEB liability of the District calculated using the discount rate of 3.62% as well as what the District's OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.62%) or 1 percentage point higher (4.62%) than the current rate:

	1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
OPEB liability	$ 48,075,277	$ 41,480,893	$ 35,992,403

The table below presents the District's OPEB liability, calculated using the healthcare cost trend rates as well as what the District's OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8% in 2019 decreasing to an ultimate trend rate of 4.91% in 2026 for non-Medicare coverage, and 9% in 2019 decreasing to an ultimate trend rate of 4.50% in 2028 for Medicare coverage.

	1% Decrease	Current Healthcare Rate	1% Increase
OPEB liability	$ 34,387,386	$ 41,480,893	$ 50,817,022

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CIP financial report.

8. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

<u>2018</u>

At June 30, 2018, the District reported a liability of $41,293,273 for its proportionate share of the total OPEB liability that reflected a reduction for State OPEB support of $40,749,410 resulting in a total OPEB liability associated with the District of $82,042,683. The OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation performed as of June 30, 2016 rolled forward to June 30, 2017. The District's proportion of the net OPEB liability was based on the District's actual contributions to the OPEB plan relative to the projected contributions of all participating colleges and the State, statutorily determined.

At June 30, 2018 and 2017, the District's proportions were 2.264336% and 2.231538%, respectively.

For the year ended June 30, 2018, the District recognized OPEB expense of $3,748,389 and revenue of $3,748,389 for support provided by the State. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 116,868
Changes in assumption	-	3,439,695
Changes in proportionate share and differences between District contributions and proportionate share of contributions	497,418	-
Contributions made after the measurement date	187,933	-
Net difference between projected and actual earnings on OPEB plan investments	-	435
TOTAL	$ 685,351	$ 3,556,998

8. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2018 (Continued)

$187,933 reported as deferred outflows or resources related to OPEB resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the measurement period ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CIP will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2019	$ (611,938)
2020	(611,938)
2021	(611,938)
2022	(611,938)
2023	(611,828)
Thereafter	-
TOTAL	$ (3,059,580)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2016, rolled forward to June 30, 2017, the measurement date, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Assumptions	
Inflation	2.75%
Salary increases	3.75% to 10.00%
Investment rate of return	0.00%
Healthcare cost trend rates	8.00% to 9.00% trending to 4.50%
Asset valuation method	Market value

8. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2018 (Continued)

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table. For disabled annuitants mortality rates were based on the RP-2014 Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2014. The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period June 30, 2010 to June 30, 2014.

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates were 2.85% as of June 30, 2016, and 3.56% as of June 30, 2017.

Rate Sensitivity

The following is a sensitivity analysis of the OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the OPEB liability of the District calculated using the discount rate of 3.56% as well as what the District's OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.56%) or 1 percentage point higher (4.56%) than the current rate:

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
OPEB liability	$ 47,225,511	$ 41,293,273	$ 36,178,897

8. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2018 (Continued)

The table below presents the District's OPEB liability, calculated using the healthcare cost trend rates as well as what the District's OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8% in 2018 decreasing to an ultimate trend rate of 5.02% in 2025 for non-Medicare coverage, and 9% in 2018 decreasing to an ultimate trend rate of 4.50% in 2027 for Medicare coverage.

	1% Decrease	Current Healthcare Rate	1% Increase
OPEB liability	$ 34,256,951	$ 41,293,273	$ 51,475,648

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CIP financial report.

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 39 and 44 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, 2019 and 2018, respectively.

9. VOLUNTARY RETIREMENT BENEFITS (Continued)

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 3.75% 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 $1,965,843 and $2,294,426 at June 30, 2019 and 2018, 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 $52,500 and $108,167, which is recorded as a liability at June 30, 2019 and 2018, respectively.

11. CHANGE IN ACCOUNTING PRINCIPLE

The District adopted new accounting guidance, GASB Statement No. 75*, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended June 30, 2018. The implementation of this guidance resulted in changes to the postemployment benefit related liability, revenue, expense, notes presented in the notes to financial statements and to the required supplementary information.

The Foundation has adopted ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)* for the year ended June 30, 2019 financial statements. The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures.

12. SUBSEQUENT EVENT

In August 2019, the District issued $38,585,000 General Obligation Refunding Bonds, Series 2019 to refund $4,800,000 of the District's Taxable General Obligation Bonds, Series 2009B and $35,000,000 of the District's Taxable General Obligation Bonds, Series 2009C. The bonds mature on December 15, beginning December 15, 2023 through December 15, 2034, with maturities from $4,525,000 to $11,695,000. Interest is due semiannually on June 15 and December 15 at 3.00%, commencing December 15, 2019.

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

Last Five Fiscal Years

MEASUREMENT DATE JUNE 30,	**2019**	**2018**	**2017**	**2016**	**2015**
(a) Proportion percentage of the collective net pension liability	0.00%	0.00%	0.00%	0.00%	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	325,315,595	313,774,339	321,283,731	283,916,422	256,747,050
TOTAL (b) + (c)	$ 325,315,595	$ 313,774,339	$ 321,283,731	$ 283,916,422	$ 256,747,050
Employer covered payroll	$ 42,322,759	$ 43,536,271	$ 44,783,792	$ 43,699,564	$ 42,948,297
Proportion of collective net pension liability associated with employer as a percentage of covered payroll	768.65%	720.72%	717.41%	649.70%	597.80%
SURS plan net position as a percentage of total pension liability	41.27%	42.04%	39.57%	42.37%	44.39%
ELGIN COMMUNITY COLLEGE - DISTRICT NUMBER 509					
Federal, trust, grant and other contribution	234,392	187,448	202,288	183,047	165,555
Contribution in relation to required contribution	234,392	187,448	202,288	183,047	165,555
CONTRIBUTION DEFICIENCY (Excess)	$ -	$ -	$ -	$ -	$ -
Employer covered payroll	$ 42,322,759	$ 43,536,271	$ 44,783,792	$ 43,699,564	$ 42,948,297
Contributions as a percentage of covered payroll	0.55%	0.43%	0.45%	0.42%	0.39%

Note: SURS 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, 2018.

Changes of Assumptions - In accordance with ILCS, an actuarial review is to be performed at least once every three 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, 2014 to June 30, 2017 was performed in February 2018, resulting in the adoption of new assumptions as of June 30, 2018.

- Salary increase. Decrease in the overall assumed salary increase rates, ranging from 3.25% to 12.25% based on years of service, with underlying wage inflation of 2.25%
- Investment return. Decrease in investment return assumption to 6.75%. This reflects maintaining an assumed real rate of return of 4.50% and decreasing the underlying assumed price inflation to 2.25%.
- Effective rate of interest. Decrease the long-term assumption for the ERI for crediting the money purchase accounts to 6.75% (effective July 2, 2019)
- Normal retirement rates. A slight increase in the retirement rate at age 50. No change to the rates for ages 60-61, 67-74, and 80+, but a slight decrease in rates at all other ages. A rate of 50% if the member has 40 or more years of service and is younger than age 80.
- Early retirement rates. Decrease in rates for all Tier 1 early retirement eligibility ages (55-59).
- Turnover rates. Change to produce lower expected turnover for members with less than ten years of service and higher turnover for members with more than ten years of service.
- Mortality rates. Maintain the RP-2014 mortality tables with projected generational mortality improvement. Update the projection scale from the MP-2014 to the MP-2017 scale.
- Disability rates. Decrease current rates to reflect that certain members who receive disability benefits do not receive the benefits on a long-term basis.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY AND SCHEDULE OF CONTRIBUTIONS
COLLEGE INSURANCE PLAN

June 30, 2019

MEASUREMENT DATE JUNE 30,	**2018**	**2017**
College's proportion of the net OPEB liability	2.200284%	2.264336%
College's proportionate share of the net OPEB liability	$ 41,480,897	$ 41,293,273
Portion of State's' total proportion of net OPEB liability associated with the College	41,480,897	40,749,410
Total	$ 82,961,794	$ 82,042,683
College covered payroll	$ 43,295,280	$ 42,874,121
Proportion of collective net OPEB liability associated with the College as a percentage of covered payroll	191.62%	191.36%
CIP plan net position as a percentage of total OPEB liability	(3.54%)	(2.87%)

FISCAL YEAR ENDED JUNE 30,	**2019**	**2018**
Statutorily required contribution	$ 196,501	$ 187,933
Contribution in relation to the statutorily required contribution	196,501	187,933
CONTRIBUTION EXCESS (DEFICIENCY)	$ -	$ -
Employer covered payroll	$ 43,295,280	$ 42,874,121
Contributions as a percentage of covered payroll	0.45%	0.44%

Note: The District implemented GASB No. 75 in fiscal year 2018. 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 OPEB liability as of June 30, 2017 and 2018.

Changes in Assumptions

The discount rate changed from 3.56% at June 30, 2017 to 3.62% at June 30, 2018.
The discount rate changed from 2.85% at June 30, 2016 to 3.56% at June 30, 2017.

SUPPLEMENTARY INFORMATION

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

COMBINING SCHEDULE OF NET POSITION ACCOUNTS, BY SUBFUND

June 30, 2019

	Education	Operations and Maintenance	Restricted Purposes	Audit	Liability Protection and Settlement
CURRENT ASSETS					
Cash and cash equivalents	$ 17,998,643	$ 1,541,201	$ 2,547,516	$ 160,751	$ 2,578,249
Investments	53,229,249	11,636,469	192,776	3,789	2,707,535
Property tax receivable	20,136,842	6,179,259	-	67,862	1,003,239
Accrued interest receivable	957,418	-	-	-	-
Student tuition receivable	7,349,686	-	-	-	-
Other accounts receivable	703,752	29,003	201,404	-	-
Due from other funds	-	2,000,000	-	-	-
Inventory	-	-	-	-	-
Prepaid assets	1,129,362	5,694	660	-	35,000
Restricted assets					
Cash and cash equivalents	-	-	-	-	-
Total current assets	101,504,952	21,391,626	2,942,356	232,402	6,324,023
NONCURRENT ASSETS					
Capital assets	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-
Total noncurrent assets	-	-	-	-	-
Total assets	101,504,952	21,391,626	2,942,356	232,402	6,324,023
DEFERRED OUTFLOWS OF RESOURCES					
Unamortized loss on refunding	-	-	-	-	-
OPEB expense	-	-	-	-	-
SURS expense	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	101,504,952	21,391,626	2,942,356	232,402	6,324,023

Federal Financial Aid	Federal Grants	Bond and Interest	Operations and Maintenance Restricted	Building Bond Proceeds	Food Services	Book Store	Early Childood Lab School
$ 618,123	$ 596,854	$ 1,273,328	$ 1,652,886	$ -	$ 2,100	$ 4,274,121	$ -
7,535	108,922	2,630,134	19,736,956	-	-	1,648,673	-
-	-	7,199,736	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
12,591	705,905	-	-	-	37,667	378,712	26,979
1,390,216	-	-	-	-	80,042	-	17,146
-	-	-	-	-	21,218	364,890	-
-	15,139	-	145,391	-	-	5,647	-
-	-	-	-	1,325,733	-	-	-
2,028,465	1,426,820	11,103,198	21,535,233	1,325,733	141,027	6,672,043	44,125
-	-	-	-	-	51,641	123,808	-
-	-	-	-	-	(51,641)	(123,808)	-
-	-	-	-	-	-	-	-
2,028,465	1,426,820	11,103,198	21,535,233	1,325,733	141,027	6,672,043	44,125
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,028,465	1,426,820	11,103,198	21,535,233	1,325,733	141,027	6,672,043	44,125

(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, 2019

	Visual Performing Arts Center	Production Services	Student Life and Athletics	Corporate Training and Continuing Education
CURRENT ASSETS				
Cash and cash equivalents	$ 300	$ -	$ -	$ -
Investments	-	-	-	-
Property tax receivable	-	-	-	-
Accrued interest receivable	-	-	-	-
Student tuition receivable	-	-	-	-
Other accounts receivable	5,908	-	-	53,565
Due from other funds	1,669,432	125,592	117,029	19,157
Inventory	-	-	-	-
Prepaid assets	-	-	-	1,180
Restricted assets				
Cash and cash equivalents	-	-	-	-
Total current assets	1,675,640	125,592	117,029	73,902
NONCURRENT ASSETS				
Capital assets	45,191	358,116	19,062	9,075
Less accumulated depreciation	(17,378)	(274,969)	(2,382)	(9,075)
Total noncurrent assets	27,813	83,147	16,680	-
Total assets	1,703,453	208,739	133,709	73,902
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized loss on refunding	-	-	-	-
OPEB expense	-	-	-	-
SURS expense	-	-	-	-
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	1,703,453	208,739	133,709	73,902

Employee Benefits		Working Cash		Trust and Agency		Long-Term Obligations		Capital Assets		Eliminations		Adjustments		Total
$	14,073,359	$	86,942	$	484,642	$	-	$	-	$	-	$	-	$	47,889,015
	-		4,455,472		452,854		-		-		-		-		96,810,364
	-		-		-		-		-		-		-		34,586,938
	-		-		-		-		-		-		-		957,418
	-		-		-		-		-		-		-		7,349,686
	-		-		2,490		-		-		-		-		2,157,976
	4,480,175		-		-		-		-		(9,898,789)		-		-
	-		-		-		-		-		-		-		386,108
	-		-		-		-		-		-		-		1,338,073
	-		-		-		-		-		-		-		1,325,733
	18,553,534		4,542,414		939,986		-		-		(9,898,789)		-		192,801,311
	-		-		-		-		301,421,995		-		-		302,028,888
	-		-		-		-		(112,681,864)		-		-		(113,161,117)
	-		-		-		-		188,740,131		-		-		188,867,771
	18,553,534		4,542,414		939,986		-		188,740,131		(9,898,789)		-		381,669,082
	-		-		-		91,014		-		-		-		91,014
	1,204,107		-		-		-		-		-		-		1,204,107
	-		-		-		234,392		-		-		-		234,392
	1,204,107		-		-		325,406		-		-		-		1,529,513
	19,757,641		4,542,414		939,986		325,406		188,740,131		(9,898,789)		-		383,198,595

(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, 2019

	Education	Operations and Maintenance	Restricted Purposes	Audit	Liability Protection and Settlement
CURRENT LIABILITIES					
Accounts payable	$ 2,024,525	$ -	$ -	$ -	$ 2,451
Accrued salaries and benefits payable	2,378,763	314,124	86,810	1,250	38,748
Accrued health care liability	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned tuition revenue	9,783,005	-	-	-	-
Claims payable	697,719	-	-	-	-
Interest payable	-	-	-	-	-
Current portion of general obligation bonds	-	-	-	-	-
Current portion of other postemployment benefit liability	-	-	-	-	-
Other current liabilities	(4,035)	11,263	511,638	-	52,500
Total current liabilities	14,879,977	325,387	598,448	1,250	93,699
NONCURRENT LIABILITIES					
General obligation bonds	-	-	-	-	-
Other postemployment benefit liability	-	-	-	-	-
Premium on general obligation bonds	-	-	-	-	-
Discount on general obligation bonds	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	-
Total liabilities	14,879,977	325,387	598,448	1,250	93,699
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - property taxes	18,274,174	5,607,674	-	61,585	910,439
OPEB expense	-	-	-	-	-
Total deferred inflows of resources	18,274,174	5,607,674	-	61,585	910,439
Total liabilities and deferred inflows of resources	33,154,151	5,933,061	598,448	62,835	1,004,138
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted for					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Grant purposes	-	-	2,343,908	-	-
Audit purposes	-	-	-	169,567	-
Liability insurance	-	-	-	-	5,319,885
Pension contributions	-	-	-	-	-
Working cash	-	-	-	-	-
Unrestricted (deficit)	68,350,801	15,458,565	-	-	-
TOTAL NET POSITION (DEFICIT)	$ 68,350,801	$ 15,458,565	$ 2,343,908	$ 169,567	$ 5,319,885

Federal Financial Aid	Federal Grants	Bond and Interest	Operations and Maintenance Restricted	Building Bond Proceeds	Food Services	Book Store	Early Childood Lab School
$ 28,465	$ -	$ -	$ -	$ 87,825	$ (1,695)	$ 102,132	$ -
-	6,151	-	-	-	19,345	33,134	20,015
-	-	-	-	-	-	-	-
2,000,000	1,390,216	-	-	-	-	6,508,573	-
-	-	-	-	-	-	-	16,969
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	30,453	-	-	-	3,082	-	-
2,028,465	1,426,820	-	-	87,825	20,732	6,643,839	36,984
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,028,465	1,426,820	-	-	87,825	20,732	6,643,839	36,984
-	-	6,533,758	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	6,533,758	-	-	-	-	-
2,028,465	1,426,820	6,533,758	-	87,825	20,732	6,643,839	36,984
-	-	-	-	-	-	-	-
-	-	-	21,535,233	1,237,908	-	-	-
-	-	4,569,440	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	120,295	28,204	7,141
$ -	$ -	$ 4,569,440	$ 21,535,233	$ 1,237,908	$ 120,295	$ 28,204	$ 7,141

(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, 2019

	Visual Performing Arts Center	Production Services	Student Life and Athletics	Corporate Training and Continuing Education
CURRENT LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
Accrued salaries and benefits payable	12,864	19,302	85,644	29,669
Accrued health care liability	-	-	-	-
Due to other funds	-	-	-	-
Unearned tuition revenue	34,276	-	-	44,233
Claims payable	-	-	-	-
Interest payable	-	-	-	-
Current portion of general obligation bonds	-	-	-	-
Current portion of other postemployment benefit obligation	-	-	-	-
Other current liabilities	-	-	-	-
Total current liabilities	47,140	19,302	85,644	73,902
NONCURRENT LIABILITIES				
General obligation bonds	-	-	-	-
Other postemployment benefit obligation	-	-	-	-
Premium on general obligation bonds	-	-	-	-
Discount on general obligation bonds	-	-	-	-
Total noncurrent liabilities	-	-	-	-
Total liabilities	47,140	19,302	85,644	73,902
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue - property taxes	-	-	-	-
OPEB expense	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	47,140	19,302	85,644	73,902
NET POSITION				
Net investment in capital assets	27,813	83,147	16,680	-
Restricted for				
Capital projects	-	-	-	-
Debt service	-	-	-	-
Grant purposes	-	-	-	-
Audit purposes	-	-	-	-
Liability insurance	-	-	-	-
Pension contributions	-	-	-	-
Working cash	-	-	-	-
Unrestricted (deficit)	1,628,500	106,290	31,385	-
TOTAL NET POSITION (DEFICIT)	$ 1,656,313	$ 189,437	$ 48,065	$ -

Employee Benefits	Working Cash	Trust and Agency	Long-Term Obligations	Capital Assets	Eliminations	Adjustments	Total
$ 3,283	$ -	$ 10,242	$ -	$ -	$ -	$ -	$ 2,257,228
1,244,755	-	-	-	-	-	-	4,290,574
724,700	-	-	-	-	-	-	724,700
-	-	-	-	-	(9,898,789)	-	-
-	-	-	-	-	-	-	9,878,483
400,000	-	-	-	-	-	-	1,097,719
-	-	-	346,248	-	-	-	346,248
-	-	-	5,620,000	-	-	-	5,620,000
196,501	-	-	-	-	-	-	196,501
-	-	934,291	-	-	-	-	1,539,192
2,569,239	-	944,533	5,966,248	-	(9,898,789)	-	25,950,645
-	-	-	163,600,622	-	-	-	163,600,622
41,284,396	-	-	-	-	-	-	41,284,396
-	-	-	1,592,830	-	-	-	1,592,830
-	-	-	(165,000)	-	-	-	(165,000)
41,284,396	-	-	165,028,452	-	-	-	206,312,848
43,853,635	-	944,533	170,994,700	-	(9,898,789)	-	232,263,493
-	-	-	-	-	-	-	31,387,630
6,342,630	-	-	-	-	-	-	6,342,630
6,342,630	-	-	-	-	-	-	37,730,260
50,196,265	-	944,533	170,994,700	-	(9,898,789)	-	269,993,753
-	-	-	(169,963,762)	188,740,131	-	-	18,904,009
-	-	-	-	-	-	-	22,773,141
-	-	-	-	-	-	-	4,569,440
-	-	-	-	-	-	-	2,343,908
-	-	-	-	-	-	-	169,567
-	-	-	-	-	-	-	5,319,885
-	-	-	234,392	-	-	-	234,392
-	4,014,363	-	-	-	-	-	4,014,363
(30,438,624)	528,051	(4,547)	(939,924)	-	-	-	54,876,137
$ (30,438,624)	$ 4,542,414	$ (4,547)	$ (170,669,294)	$ 188,740,131	$ -	$ -	$ 113,204,842

(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, 2019

	Education	Operations and Maintenance	Restricted Purposes	Audit	Liability Protection and Settlement
OPERATING REVENUES					
Student tuition and fees	$ 25,103,739	$ -	$ -	$ -	$ -
Chargeback revenue	-	-	-	-	-
Auxiliary enterprises revenue	-	-	-	-	-
Other operating revenue	358,855	250,158	30,372	-	-
Total operating revenues	25,462,594	250,158	30,372	-	-
OPERATING EXPENSES					
Instruction	28,802,945	-	1,504,726	-	-
Academic support	8,140,583	-	4,277	-	-
Student services	5,018,435	-	6,568	-	-
Public services	382,466	-	8,437	-	-
Auxiliary services	-	-	-	-	-
Scholarships and student grants	-	-	963	-	-
Operation and maintenance of plant	-	9,186,066	-	-	566,840
Institutional support	14,835,923	906,611	32,019	96,004	720,829
Depreciation	-	-	-	-	-
Total operating expenses	57,180,352	10,092,677	1,556,990	96,004	1,287,669
OPERATING INCOME (LOSS)	(31,717,758)	(9,842,519)	(1,526,618)	(96,004)	(1,287,669)
NON-OPERATING REVENUES (EXPENSES)					
State grants and contracts					
Other state grants and contracts	5,611,370	-	1,468,424	-	-
State Universities Retirement System pension	-	-	-	-	-
Community College Health Insurance Security Fund OPEB	-	-	-	-	-
Property taxes	36,214,758	11,104,735	-	129,706	2,129,866
Personal property replacement tax	554,744	-	-	-	-
Federal grants and contracts	-	-	1,647	-	-
Local grants and contracts	657,822	8,009	56,547	-	-
Debt service	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers (out)	(3,098,164)	-	-	-	-
Investment income	2,417,267	-	-	-	-
Total non-operating revenues (expenses)	42,357,797	11,112,744	1,526,618	129,706	2,129,866
CHANGES IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS					
Capital contributions	-	-	-	-	-
CHANGE IN NET POSITION	10,640,039	1,270,225	-	33,702	842,197
NET POSITION (DEFICIT), JULY 1	57,710,762	14,188,340	2,343,908	135,865	4,477,688
NET POSITION (DEFICIT), JUNE 30	$ 68,350,801	$ 15,458,565	$ 2,343,908	$ 169,567	$ 5,319,885

Federal Financial Aid	Federal Grants	Bond and Interest	Operations and Maintenance Restricted	Building Bond Proceeds	Food Services	Book Store	Early Childood Lab School
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	1,056,694	3,170,259	386,512
-	-	-	-	-	-	-	-
-	-	-	-	-	1,056,694	3,170,259	386,512
-	2,779,080	-	-	-	-	-	-
-	-	-	-	-	-	-	-
180,637	507,465	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	936,399	2,871,541	559,063
12,540,845	100,036	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	300,945	1,738,579	-	-	-
-	-	-	-	-	-	-	-
12,721,482	3,386,581	-	300,945	1,738,579	936,399	2,871,541	559,063
(12,721,482)	(3,386,581)	-	(300,945)	(1,738,579)	120,295	298,718	(172,551)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	12,178,361	-	-	-	-	-
-	-	-	-	-	-	-	-
12,721,482	3,386,581	783,775	1,390,312	-	-	-	-
-	-	-	-	-	-	-	-
-	-	(13,407,059)	-	-	-	-	-
-	-	-	2,000,000	-	-	-	179,692
-	-	-	-	-	-	(270,514)	-
-	-	-	-	58,153	-	-	-
12,721,482	3,386,581	(444,923)	3,390,312	58,153	-	(270,514)	179,692
-	-	-	-	-	-	-	-
-	-	(444,923)	3,089,367	(1,680,426)	120,295	28,204	7,141
-	-	5,014,363	18,445,866	2,918,334	-	-	-
$ -	$ -	$ 4,569,440	$ 21,535,233	$ 1,237,908	$ 120,295	$ 28,204	$ 7,141

(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, 2019

	Visual Performing Arts Center	Production Services	Student Life and Athletics	Corporate Training and Continuing Education	Employee Benefits
OPERATING REVENUES					
Student tuition and fees	$ -	$ -	$ -	$ 358,164	$ -
Chargeback revenue	-	-	-	-	-
Auxiliary enterprises revenue	811,475	416,423	12,526	(250)	-
Other operating revenue	-	-	-	-	-
Total operating revenues	811,475	416,423	12,526	357,914	-
OPERATING EXPENSES					
Instruction	-	-	-	-	12,443,416
Academic support	-	-	-	-	5,017,032
Student services	-	-	1,073,351	-	3,412,828
Public services	-	-	-	-	394,542
Auxiliary services	473,856	472,316	-	483,693	1,462,998
Scholarships and student grants	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	4,363,331
Institutional support	-	-	-	-	9,392,865
Depreciation	5,649	21,602	2,382	-	-
Total operating expenses	479,505	493,918	1,075,733	483,693	36,487,012
OPERATING INCOME (LOSS)	331,970	(77,495)	(1,063,207)	(125,779)	(36,487,012)
NON-OPERATING REVENUES (EXPENSES)					
State grants and contracts					
Other state grants and contracts	-	-	-	-	-
State Universities Retirement System pension	-	-	-	-	31,772,738
Community College Health Insurance Security Fund OPEB	-	-	-	-	2,642,124
Property taxes	-	-	-	-	-
Personal property replacement tax	-	-	-	-	-
Federal grants and contracts	-	-	-	-	-
Local grants and contracts	-	-	-	-	-
Debt service	-	-	-	-	-
Transfers in	-	-	1,063,207	125,779	-
Transfers (out)	-	-	-	-	-
Investment income	-	-	-	-	-
Total non-operating revenues (expenses)	-	-	1,063,207	125,779	34,414,862
CHANGES IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS					
Capital contributions	-	-	-	-	-
CHANGE IN NET POSITION	331,970	(77,495)	-	-	(2,072,150)
NET POSITION (DEFICIT), JULY 1	1,324,343	266,932	48,065	-	(28,366,474)
NET POSITION (DEFICIT), JUNE 30	$ 1,656,313	$ 189,437	$ 48,065	$ -	$ (30,438,624)

Working Cash	Trust and Agency	Long-Term Obligations	Capital Assets	Eliminations	Adjustments	Total
$ -	$ 30	$ -	$ -	$ (5,493,504)	$ -	$ 19,968,429
-	-	-	-	-	-	-
-	-	-	-	(852,636)	-	5,001,003
-	-	-	-	-	-	639,385
-	30	-	-	(6,346,140)	-	25,608,817
-	-	-	(431,703)	-	-	45,098,464
-	-	-	-	-	-	13,161,892
-	-	-	-	-	-	10,199,284
-	-	-	-	-	-	785,445
-	-	-	-	-	-	7,259,866
-	-	-	-	(6,117,373)	-	6,524,471
-	-	-	(57,372)	-	-	14,058,865
-	-	(46,944)	(1,703,497)	(416,391)	-	25,856,943
-	-	-	9,320,160	-	-	9,349,793
-	-	(46,944)	7,127,588	(6,533,764)	-	132,295,023
-	30	46,944	(7,127,588)	187,624	-	(106,686,206)
-	-	-	-	-	-	7,079,794
-	-	-	-	-	-	31,772,738
-	-	-	-	(187,624)	-	2,454,500
-	-	-	-	-	-	61,757,426
-	-	-	-	-	-	554,744
-	-	-	-	-	-	18,283,797
-	-	-	-	-	-	722,378
-	-	5,155,860	-	-	-	(8,251,199)
-	-	-	-	(3,368,678)	-	-
-	-	-	-	3,368,678	-	-
66,013	-	-	-	-	-	2,541,433
66,013	-	5,155,860	-	(187,624)	-	116,915,611
-	-	-	82,500	-	-	82,500
66,013	30	5,202,804	(7,045,088)	-	-	10,311,905
4,476,401	(4,577)	(175,872,098)	195,785,219	-	-	102,892,937
$ 4,542,414	$ (4,547)	$ (170,669,294)	$ 188,740,131	$ -	$ -	$ 113,204,842

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.

Contents

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	2019	2018	2017	2016
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	$ 18,904,009	$ 22,528,437	$ 27,119,754	$ 32,216,404
Restricted				
Capital projects	22,773,141	19,825,069	18,455,427	16,241,168
Debt service	4,569,440	5,014,363	3,746,425	3,549,757
Specific purposes	8,067,752	7,144,909	6,966,647	6,508,712
Working cash	4,014,363	4,014,363	4,014,363	4,014,363
Unrestricted	54,876,137	44,365,796	76,846,908	64,908,275
TOTAL BUSINESS-TYPE ACTIVITIES	$ 113,204,842	$ 102,892,937	$ 137,149,524	$ 127,438,679

Note: The District implemented GASB Statement No. 75 in 2018 which accounted for the reduction in unrestricted net position.

Data Source

Audited Financial Statements

2015		2014		2013		2012		2011		2010
$ 35,206,436	$	34,543,852	$	32,352,291	$	33,909,175	$	34,777,999	$	35,356,731
13,832,563		11,960,223		10,999,277		9,783,970		10,469,259		3,240,150
4,435,843		4,610,459		5,419,398		4,303,754		5,090,051		6,404,530
6,216,059		6,831,512		6,728,355		6,514,932		6,492,477		6,396,307
4,014,363		4,014,363		4,353,938		4,346,941		4,339,812		4,330,373
63,825,688		58,909,689		54,972,930		50,477,632		41,435,573		34,203,085
$ 127,530,952	$	120,870,098	$	114,826,189	$	109,336,404	$	102,605,171	$	89,931,176

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

FINANCIAL TRENDS
CHANGES IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	**2019**	**2018**	**2017**	**2016**
OPERATING REVENUES				
Student tuition and fees	$ 19,968,429	$ 19,818,103	$ 19,674,745	$ 18,679,471
Chargeback revenue	-	1,420	23,662	29,341
Auxiliary enterprises revenue	5,001,003	4,812,253	5,190,530	5,447,158
Other operating revenue	639,385	704,257	563,841	585,537
Total operating revenues	25,608,817	25,336,033	25,452,778	24,741,507
OPERATING EXPENSES				
Instruction	45,098,464	46,707,679	46,731,411	43,549,796
Academic support	13,161,892	12,892,822	11,540,322	10,678,304
Student services	10,199,284	10,011,447	10,199,159	10,266,124
Public services	785,445	554,178	727,052	648,532
Auxiliary services	7,259,866	7,594,131	6,317,873	6,980,338
Scholarships and student grants	6,524,471	6,877,819	6,697,769	7,584,922
Operation and maintenance of plant	14,058,865	13,641,492	11,948,992	11,289,345
Institutional support	25,856,943	23,963,787	21,355,749	22,461,019
Depreciation	9,349,793	9,594,246	9,540,919	9,281,794
Total operating expenses	132,295,023	131,837,601	125,059,246	122,740,174
OPERATING INCOME (LOSS)	(106,686,206)	(106,501,568)	(99,606,468)	(97,998,667)
NON-OPERATING REVENUES (EXPENSES)				
State grants and contracts	41,307,032	40,213,905	38,659,380	26,422,147
Property taxes	61,757,426	59,812,614	59,700,764	59,783,305
Personal property replacement tax	554,744	512,789	612,836	481,466
Federal grants and contracts	18,283,797	18,533,740	17,265,623	18,520,444
Local grants and contracts	722,378	777,324	1,000,822	933,534
Interest expense and fiscal charges	(8,251,199)	(8,397,740)	(8,529,389)	(8,713,135)
Gain (loss) on disposal of capital assets	-	-	-	-
Miscellaneous	-	-	-	-
Investment income	2,541,433	1,178,885	607,277	478,633
Total non-operating revenues (expenses)	116,915,611	112,631,517	109,317,313	97,906,394
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS AND SPECIAL ITEMS	10,229,405	6,129,949	9,710,845	(92,273)
Capital contributions	82,500	29,995	-	-
Special item	-	-	-	-
CHANGE IN NET POSITION	$ 10,311,905	$ 6,159,944	$ 9,710,845	$ (92,273)

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

2015	2014	2013	2012	2011	2010
$ 17,854,603	$ 17,601,837	$ 17,796,951	$ 17,392,850	$ 17,281,365	$ 15,924,226
20,193	4,080	19,240	9,481	32,185	32,717
5,842,478	6,058,778	6,190,318	6,228,893	6,459,463	7,388,451
572,867	587,439	484,396	591,736	710,734	651,973
24,290,141	24,252,134	24,490,905	24,222,960	24,483,747	23,997,367
41,133,232	40,342,156	38,138,301	35,603,159	33,364,067	31,148,537
10,541,916	9,729,192	9,390,437	8,784,072	8,537,599	7,477,019
9,840,585	9,858,311	9,603,280	9,662,520	9,754,645	9,173,240
637,014	585,054	548,452	659,724	695,987	794,065
7,640,448	8,033,825	8,132,120	8,568,546	8,603,717	8,958,317
8,465,310	9,529,773	10,842,872	11,748,883	13,047,275	10,720,251
11,020,170	11,088,637	10,495,422	10,134,567	10,053,689	9,982,871
20,478,735	18,053,287	19,733,213	16,486,280	18,459,040	16,212,172
7,849,474	7,141,073	6,614,370	5,915,072	4,687,560	4,224,350
117,606,884	114,361,308	113,498,467	107,562,823	107,203,579	98,690,822
(93,316,743)	(90,109,174)	(89,007,562)	(83,339,863)	(82,719,832)	(74,693,455)
26,494,242	23,680,818	22,465,643	17,899,680	15,855,838	13,598,021
60,113,167	59,334,287	57,315,417	56,483,841	55,000,588	49,166,923
599,265	572,570	546,332	516,189	585,266	474,436
19,884,290	21,279,900	22,578,078	24,316,611	24,549,217	18,682,097
914,404	91,305	125,511	109,896	4,540,393	154,136
(8,977,871)	(9,296,498)	(8,247,538)	(8,760,298)	(7,796,814)	(3,797,616)
-	-	(413,297)	-	-	26,815
-	-	-	-	-	-
334,156	164,601	127,201	595,085	964,702	1,032,194
99,361,653	95,826,983	94,497,347	91,161,004	93,699,190	79,337,006
6,044,910	5,717,809	5,489,785	7,821,141	10,979,358	4,643,551
615,944	326,100	-	-	-	-
-	-	-	-	1,694,637	-
$ 6,660,854	$ 6,043,909	$ 5,489,785	$ 7,821,141	$ 12,673,995	$ 4,643,551

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
2018	$ 9,540,339,190	$ 1,637,567,297	$ 839,396,392	$ 144,287,451	$ 16,687,751	$ 12,229,482,842	0.5075	$ 36,534,834,243	33.333%
2017	9,284,702,097	1,548,816,162	787,406,847	139,716,886	16,687,179	11,777,329,171	0.4999	35,331,987,513	33.333%
2016	8,856,835,760	1,482,909,707	733,208,614	131,345,674	16,804,186	11,221,103,941	0.5296	33,663,311,823	33.333%
2015	8,021,583,140	1,375,433,234	786,896,718	126,856,214	15,203,323	10,325,972,629	0.5609	30,977,917,887	33.333%
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%

(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 2015**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**
TAX RATES (1)											
District Rates											
Education	0.750	0.2939	0.2963	0.3028	0.3192	0.3304	0.3119	0.2868	0.2539	0.2379	0.2129
Operations and maintenance	0.100	0.0903	0.0907	0.0947	0.0976	0.0980	0.1018	0.0953	0.0850	0.0796	0.0664
Liability insurance	None	0.0110	0.0137	0.0145	0.0168	0.0167	0.0151	0.0151	0.0129	0.0126	0.0129
Audit	0.005	0.0009	0.0011	0.0012	0.0013	0.0014	0.0012	0.0011	0.0009	0.0006	0.0006
Debt Service Fund	None	0.1049	0.0914	0.1091	0.1172	0.1444	0.1426	0.1123	0.1018	0.0973	0.0808
Bond and Interest Fund	None	0.0059	0.0068	0.0073	0.0078	0.0081	0.0071	0.0071	0.0053	0.0046	0.0043
Prior period adjustment		0.0006	-0.0001	0.0000	0.0009	0.0086	-0.0088	0.0038	-0.0144	0.0081	0.0054
Total district rates (1)		0.5075	0.4999	0.5296	0.5609	0.6076	0.5709	0.5215	0.4454	0.4407	0.3833
Others											
Kane County		0.4146	0.4025	0.4201	0.4479	0.4684	0.4623	0.4336	0.3990	0.3730	0.3398
Kane County Forest Preserve		0.1607	0.1658	0.2253	0.2944	0.3126	0.3039	0.2710	0.2609	0.2201	0.1997
Elgin Township and Road Funds		0.1908	0.1950	0.1805	0.1950	0.2053	0.1972	0.1758	0.1550	0.1364	0.1230
Gail Borden Library District		0.4360	0.4729	0.5227	0.5294	0.5796	0.5087	0.4791	0.4084	0.3650	0.3380
Fox River Water Reclamation		0.0291	0.0000	0.0325	0.0339	0.0409	0.0370	0.0344	0.0299	0.0273	0.0249
City of Elgin		2.0240	2.1494	2.2396	2.4110	2.3218	2.1668	1.9344	1.9836	1.9214	1.9202
School District No. 46		6.1236	6.3696	6.5487	7.1238	8.0229	5.9395	6.3706	5.5589	5.2661	4.5494
Total rates		9.8863	10.2551	10.6990	11.5963	12.5591	10.1863	10.2204	9.2411	8.7500	7.8783

(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

		2018 Levy Year			2009 Levy Year		
Taxpayer	**Type of Business**	**Assessed Value**	**Rank**	**Percentage of Total District Assessed Valuation**	**Assessed Value (000s)**	**Rank**	**Percentage of Total District Assessed Valuation**
Target	Retail	$ 26,788,408	1	0.22%	$ 28,699,484	3	0.20%
Wal-Mart	Retail	23,317,280	2	0.19%	22,255,194	7	0.16%
Legia St. Charles Associates LLC	Real Property	20,950,229	3	0.17%	-		-
Poplar Creek Crossing	Real Property	19,650,363	4	0.16%	-		-
Aboretum Mall LLC	Mall	19,474,971	5	0.16%	-		-
John B. Sanfilippo and Son, Inc	Snack Food	17,917,695	6	0.15%	-		-
Adessa Illinois LLC	Real Property	17,201,830	7	0.14%	-		-
Q Center LLC	Conference Center	17,010,465	8	0.14%	-		-
Canterfield Apartment Owner LLC	Real Property	16,876,296	9	0.14%	-		-
GH of Hoffman Estates	Real Property	16,447,305	10	0.13%	-		-
Individual	Real Property	-		-	33,202,290	1	0.24%
In Retail Fund Algonquin Commons LL	Real Property	-		-	31,487,283	2	0.22%
Springhill Mall, LLC	Mall	-		-	27,788,232	4	0.20%
Bradley Operation Limited	Real Property	-		-	27,651,139	5	0.20%
Cabelas, Inc.	Sporting Goods	-		-	24,252,163	6	0.17%
MDKTSTP Ent Fin Dept	Real Property	-		-	19,904,158	8	0.14%
Transamerica Comm. Fin.	Real Property	-		-	19,122,764	9	0.14%
Park Place Apartments (BVF II)	Apartments	-		-	18,912,737	10	0.13%
		$ 195,634,842		1.60%	$ 253,275,444		1.80%

(1) Previously Bradley Operation Limited.

Note: Excludes $5,224,196 of EAV (Frozen TIF Value for Sears Roebuck National Headquarters). The actual 2017 value of the Sears property in the TIF district is $113,704,139.

Data Sources

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, 2018	Collected During Year Ended June 30, 2019 (6)	Total Collected Through June 30, 2019 (4)	Percent of Taxes Extended Collected Through June 30, 2019	Tax Cap Limit (5)
2018	$ 12,229,482,842	0.5075	$ 64,186,969	$ -	$ 28,894,175	$ 28,894,175	45.02%	2.10%
2017	11,777,329,171	0.4999	60,359,170	31,041,236	29,044,556	60,085,792	99.55%	2.10%
2016	11,221,103,941	0.5296	60,314,611	60,034,825	(39,869)	59,994,956	99.47%	0.70%
2015	10,325,972,629	0.5609	59,544,514	59,423,732	(59,605)	59,364,127	99.70%	0.80%
2014	10,026,440,546	0.6076	60,820,489	60,392,866	(54,510)	60,338,356	99.21%	1.50%
2013	10,185,173,177	0.5709	60,245,707	59,888,948	(33,826)	59,855,122	99.35%	1.70%
2012	11,143,211,646	0.5215	58,907,754	58,472,763	(19,108)	58,453,655	99.23%	3.00%
2011	12,468,311,880	0.4454	55,920,678	55,654,444	(11,081)	55,643,363	99.50%	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%

(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
(6) Tax adjustments are due to tax objections and changes in assessments.

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

	Fall Term 10th Day Enrollment		Tuition and Fee Rates				
Fiscal Year	**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**	**Total Credit Hours Claimed**	**Net Tuition and Fee Revenue Education Fund (1)**
2019	5,577	9,567	$ 132.00	$ 434.49	$ 497.79	172,354	$ 24,873,283
2018	5,679	9,599	129.00	434.49	497.79	176,626	24,753,564
2017	5,773	9,918	125.00	434.49	497.79	179,420	24,493,158
2016	6,052	10,336	119.00	434.49	497.79	189,445	23,971,324
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

(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
2019	$ 170,648,452	$ -	$ -	170,648,452	$ 12,229,482,842	1.40%	478,272	$ 356.80	0.96%
2018	175,826,341	-	-	175,826,341	11,777,329,171	1.49%	468,894	374.98	1.02%
2017	180,481,188	-	-	180,481,188	10,924,750,362	1.65%	459,700	392.61	1.08%
2016	185,049,198	-	-	185,049,198	10,325,972,629	1.79%	450,687	410.59	1.14%
2015	191,609,968	-	-	191,609,968	10,026,440,546	1.89%	441,850	433.65	1.20%
2014	198,547,590	-	-	198,547,590	10,185,173,177	1.92%	433,186	458.34	1.28%
2013	204,489,519	-	-	204,489,519	11,143,211,646	1.81%	429,981	475.58	1.36%
2012	159,504,345	-	-	159,504,345	12,468,311,880	1.28%	426,733	373.78	1.11%
2011	176,039,262	-	-	176,039,262	13,451,233,701	1.31%	423,097	416.07	1.26%
2010	105,200,229	1,665,000	-	106,865,229	14,068,724,114	0.76%	427,685	249.87	0.79%

(1) Balances include current and noncurrent portions of bond principal outstanding net of bond premiums and discounts
(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
2019	$ 170,648,452	$ 4,569,440	$ 166,079,012	$ 12,229,482,842	1.40%	478,272	$ 356.80
2018	175,826,341	5,014,363	170,811,978	11,777,329,171	1.49%	468,894	374.98
2017	180,481,188	3,746,425	176,734,763	11,221,103,941	1.65%	459,700	392.61
2016	185,049,198	3,549,757	181,499,441	10,325,972,629	1.76%	450,687	410.59
2015	191,609,968	4,435,843	187,174,125	10,026,440,546	1.89%	441,850	433.65
2014	198,547,590	4,610,459	193,937,131	10,185,173,177	1.88%	433,186	458.34
2013	204,489,519	5,419,398	199,070,121	11,143,211,646	1.76%	429,981	475.58
2012	159,504,345	4,303,754	155,200,591	12,468,311,880	1.24%	426,733	373.78
2011	176,039,262	15,069,660	160,969,602	13,451,233,701	1.20%	423,097	416.07
2010	105,200,229	24,488,649	80,711,580	14,068,724,114	0.57%	427,685	249.87

(1) Balances include current and noncurrent portions of bond principal outstanding
(2) Amounts equal net position restricted for debt service per the College'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 30,2019

Governmental Unit		Gross Bonded Debt	Percentage of Debt Applicable to Government		Government's Share of Debt
Elgin Community College	$	170,648,452	100.00%	$	170,648,452
SCHOOLS					
School District Number 54		-	2.27%		-
High School District Number 211		-	1.36%		-
Unit School District Number 46		237,542,304	100.00%		237,542,304
Unit School District Number 158		87,230,012	0.03%		28,001
Unit School District Number 300		247,257,030	77.36%		191,269,522
Unit School District Number 301		45,808,189	98.83%		45,272,065
Unit School District Number 303		38,045,000	99.65%		37,911,912
Unit School District Number 427		52,718,650	0.45%		237,719
Total schools					512,261,523
OTHERS					
Counties and large units					
Kane County		28,140,000	55.22%		15,539,765
Kane County Forest Preserve District		144,415,000	55.22%		79,750,362
Cook County		2,950,121,750	1.41%		41,580,931
Cook County Forest Preserve District		142,360,000	1.41%		2,006,514
Metropolitan Water Reclamation District		2,348,253,000	1.16%		27,258,528
DuPage County		144,795,000	3.23%		4,678,639
DuPage County Forest Preserve District		102,721,129	3.23%		3,319,142
DuPage Water Commission		-	1.15%		-
Total counties and large units					174,133,881
Cities and Villages					
Village of Algonquin		5,195,000	27.10%		1,407,907
Village of Bartlett		35,145,000	100.00%		35,145,000
Village of Burlington		-	99.47%		-
Village of Campton Hills		-	5.99%		-
Campton Township		26,940,000	90.79%		24,458,136
Village of Carpentersville		38,620,000	87.28%		33,709,267
Village of East Dundee		12,805,000	100.00%		12,805,000
City of Elgin		76,405,000	100.00%		76,405,000
Village of Gilberts		645,000	99.80%		643,734
Village of Hampshire		2,205,000	100.00%		2,205,000
Village of Hanover Park		15,605,000	39.64%		6,185,297
Village of Hoffman Estates		97,555,000	17.47%		17,047,444
City of St. Charles		92,225,000	98.35%		90,703,825
Village of Schaumburg		296,715,000	2.88%		8,558,630
Village of South Elgin		25,495,000	100.00%		25,495,000
Village of South Barrington		-	5.90%		-
Village of Streamwood		2,355,000	99.94%		2,353,492
City of West Chicago		-	18.30%		-
Village of West Dundee		7,900,000	95.62%		7,553,941
Total cities and villages					344,676,673

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

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

June 30,2019

Governmental Unit	Gross Bonded Debt	Percentage of Debt Applicable to Government	Government's Share of Debt
OTHERS (Continued)			
Library Districts			
Algonquin Public Library District	$ -	2.79%	$ -
Barrington Public Library District	-	1.85%	-
Bartlett Public Library District	-	100.00%	-
Gail Borden Public Library	7,480,000	100.00%	7,480,000
Huntley Public Library District	12,245,000	2.68%	328,760
Poplar Creek Library District	14,580,000	82.08%	11,967,117
Schaumburg Public Library District	-	2.33%	-
Town and Country Public Library District	-	24.72%	-
West Chicago Public Library District	-	7.12%	-
Park Districts			
Bartlett Park District	21,460,000	100.00%	21,460,000
Carol Stream Park District	46,073,393	7.28%	3,353,083
Dundee Township Park District	17,990,390	95.74%	17,224,666
Hampshire Park District	2,030,000	100.00%	2,030,000
Hanover Park Park District	1,995,000	41.29%	823,698
Hoffman Estates Park District	65,160,000	18.61%	12,128,936
Huntley Park District	5,130,000	1.75%	89,940
Schaumburg Park District	3,440,000	3.07%	105,732
South Barrington Park District	6,580,000	4.22%	277,434
St. Charles Park District	24,175,000	99.84%	24,135,165
Streamwood Park District	4,667,000	95.10%	4,438,494
West Chicago Park District	25,895,000	15.06%	3,900,795
West Chicago Fire Protection District	6,675,000	19.80%	1,321,747
Special Service Areas			
Carpentersville Special Service Area Numbers 6, 7, 10, 11 and 17	-	100.00%	-
Gilberts Special Service Area Number 10	14,105,000	100.00%	14,105,000
Gilberts Special Service Area Number 19	-	100.00%	-
Hanover Park Special Service Area Number 2	-	100.00%	-
Hampshire Special Service Area Nmber 9	725,000	100.00%	725,000
Pingree Grove Special Service Area Number 1	-	100.00%	-
St. Charles TIF 2	-	100.00%	-
Streamwood Special Service Area Number 3	-	100.00%	-
West Chicago Special Service Area Number 2	-	28.27%	-
Total others			125,895,567
Total schools, counties, cities and villages			1,031,072,077
TOTAL DIRECT AND OVERLAPPING DEBT			$ 1,156,967,644

Data Sources

District records and Offices of the County Clerks for Kane, McHenry, DuPage, Cook and DeKalb Counties
Overlapping debt percentages based on 2018 EAV for Kane, Cook and DuPage Counties, the latest information available.

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 (1)	Legal Debt Margin	Net Debt Applicable to Debt Limit as a Percentage of Debt Limit
2019	$ 12,229,482,842	2.875%	$ 351,597,632	$ 170,648,452	$ 180,949,180	48.54%
2018	11,777,329,171	2.875%	338,598,214	175,826,341	162,771,873	51.93%
2017	11,221,103,941	2.875%	322,606,738	$ 180,481,188	142,125,550	55.94%
2016	10,325,972,629	2.875%	296,871,713	185,049,198	111,822,515	62.33%
2015	10,026,440,546	2.875%	288,260,166	191,609,968	98,979,311	65.66%
2014	10,185,173,177	2.875%	292,823,729	198,547,590	96,850,318	66.93%
2013	11,143,211,646	2.875%	320,367,335	204,489,519	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%

<u>Data Sources</u>

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	Unemployment Rate (2)(3)
2019	478,272	$ 17,692,754,015	$ 36,993	3.8%
2018	468,894	17,177,431,082	36,634	4.6%
2017	459,700	16,677,117,556	36,278	4.8%
2016	450,687	16,191,376,268	35,926	5.2%
2015	441,850	15,719,782,784	32,236	5.5%
2014	433,186	15,261,925,033	31,923	6.6%
2013	429,981	14,817,402,945	31,614	9.8%
2012	426,733	14,385,828,102	31,307	8.7%
2011	423,097	13,966,823,400	31,003	10.2%
2010	427,685	13,560,022,718	30,702	9.7%

(1) Personal income level is based on the 2010 Census for 2010 and estimated going forward.

(2) Population estimate is based on the American Community Survey data.

(3) The unemployment rate is based on Kane County in the Current Monthly Unemployment Rates for the State, Metro Areas, Counties and Cities table. Kane County represents the majority county in District 509.

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 Ten Years Ago

2019

Employer	Rank	Estimated Employees
Northwest Community Hospital	1	4,000
Sears Holding Corp	2	3,800
Allied Building Products, Corp.	3	3,000
Zurich North American Commercial	4	2,500
Advocate Sherman Hospital	5	2,200
St. Alexius Medical Center	6	2,045
Nation Pizza Products LP	7	2,000
North Grumman Corp.	8	1,900
Motorola Solutions, Inc.	9	1,600
HSBC Finance Corp.	10	1,500
Anita Health St. Joseph Hospital	11	1,300
John B. Sanfilippo & Son, Inc.	12	1,200
Clearbrook	13	1,000
Arthur J. Gallagher & Co.	14	825
OptumRx, Inc.	15	800
Paylocity Corporation	16	800
American NTN Bearing Mfg. Corp.	17	675
Gallagher-Bassett Services, Inc.	18	675
Verizon Wireless, Inc.	19	670
LSI	20	610
Capsonic Group, LLC	21	600
CDK Global	22	600
Experian Information Solutions, Inc.	23	600

2009

Employer	Rank	Estimated Employees
Unit School District Number 46	1	5,000
Sears Holding Corp	2	4,800
Northwest Community Healthcare	3	4,000
Motorola Networks	4	3,000
AT&T Midwest	5	3,000
Zurich American Insurance Co.	6	2,687
Chase	7	2,500
Sherman Hospital	8	2,200
Motorola, Inc.	9	2,060
Northrop Grumman Corp.	10	2,000
Broadwig Communications, LLC	11	2,000
St. Alexius Medical Center	12	1,650
Experian Information Solutions, Inc.	13	1,500
Elgin Mental Health Center	14	1,300
Elgin Riverboat Resort	15	1,200
Provena St. Joseph Hospital	16	950
Paddock Publications, Inc.	17	900
IBM Business Continuity		800
and Resiliency Services	18	800

Data Source

2019 Illinois Manufacturers Directory, 2019 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
2019	105,209	8,863	14,850	10,943	12,297	20,192	172,354
2018	108,356	8,524	14,912	10,761	12,972	21,101	176,626
2017	108,930	8,913	14,237	10,657	14,709	21,974	179,420
2016	111,979	11,333	16,132	11,945	15,481	22,575	189,445
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

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	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**
Faculty										
Full-time FTE	122	136	133	135	133	132	130	132	134	131
Part-time FTE	182	181	173	195	205	219	209	200	198	172
Total FTE	304	317	306	330	338	351	339	332	332	303
Headcount	524	510	530	577	601	615	598	620	608	549
Administrators										
Full-time FTE	48	46	47	45	44	43	43	40	33	34
Part-time FTE	0	0	0	0	0	0	0	0	0	0
Total FTE	48	46	47	45	44	43	43	40	33	34
Headcount	48	46	47	45	44	43	43	40	33	34
Nonteaching Professional Staff										
Full-time FTE	181	182	191	194	189	166	171	180	193	179
Part-time FTE	26	30	41	48	48	51	49	51	76	74
Total FTE	207	212	232	242	237	217	220	231	269	253
Headcount	255	252	281	289	285	267	269	282	345	326
Classified Staff										
Full-time FTE	103	108	101	107	102	112	107	111	110	111
Part-time FTE	58	65	62	63	69	75	69	66	65	65
Total FTE	161	173	163	170	171	187	176	177	175	176
Headcount	223	228	206	233	239	261	244	242	239	240

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 College reclassified its tutors in 2009. Tutors are now included in nonteaching professional staff.
The College 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	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**
General studies degrees										
Associate degrees										
Arts	592	612	543	522	529	466	524	496	393	427
Sciences	149	153	182	256	231	196	197	145	136	108
Engineering science	20	26	29	26	19	14	14	15	2	8
Fine arts	4	2	2	5	9	11	7	3	1	5
Liberal studies and general education	14	17	20	23	42	41	43	75	62	53
Occupational degrees										
Associate degree in applied science	324	326	360	384	369	359	387	411	344	313
Occupational certificates										
One year or more	146	177	178	321	299	286	292	329	307	258
Less than one year	953	863	739	819	1,087	880	1,019	1028	977	1188
TOTAL DEGREES AND CERTIFICATES AWARDED	2,202	2,176	2,053	2,356	2,585	2,253	2,483	2,502	2,222	2,360

Data Source

District records

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

OPERATING INFORMATION
CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**
Main Campus										
Size of campus in acres	211.5	211.5	211.5	211.5	211.5	211.5	168.5	181.5	174.4	179.1
Number of buildings	18	18	18	18	18	18	18	18	18	17
Gross square footage	1,121,671	1,121,671	1,121,671	1,121,671	1,121,671	1,121,671	1,122,508	1,093,083	1,090,908	947,055
Number of parking lots	18	18	18	18	18	18	18	16	18	19
Number of parking spaces	4,350	4,350	4,349	4,349	4,337	4,337	4,326	4,000	4,085	4,067
Burlington Facility										
Size of facility in acres	119.7	119.7	119.7	119.7	0	0	0	0	0	0
Number of buildings	4	4	4	4	0	0	0	0	0	0
Number of rooms	80	80	80	80	0	0	0	0	0	0
Gross square footage	37,622	37,622	37,622	37,622	0	0	0	0	0	0
Number of parking lots	3	3	3	3	0	0	0	0	0	0
Number of parking spaces	233	233	233	233	0	0	0	0	0	0
Fountain Square Campus										
Size of campus	0	0	0	0	0	0	0	0	0	2.1 acres
Number of buildings	0	0	0	0	0	0	0	0	0	1
Number of rooms	0	0	0	0	0	0	0	0	0	119
Gross square footage	0	0	0	0	0	0	0	0	0	75,635
Number of parking lots	0	0	0	0	0	0	0	0	0	1
Number of parking spaces	0	0	0	0	0	0	0	0	0	38
Hanover Park Education and Work Center										
Number of buildings	1	1	1	1	1	1	0	0	0	0
Number of rooms	16	16	16	16	16	16	0	0	0	0
Gross square footage	10,848	10,848	10,848	10,848	9,274	9,274	0	0	0	0
Municipal parking lots	1	1	1	1	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	3	3	3	3	7
Gross square footage	3,224	3,224	3,224	3,224	3,224	3,224	3,224	3,234	3,234	3,234
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, 2019

ALL NONCAPITAL AUDITED OPERATING EXPENDITURES FOR FISCAL YEAR 2018 FROM ALL REVENUE SOURCES	
Education fund	$ 57,075,889
Operations and maintenance fund	10,081,682
Bond and interest fund	-
Restricted purposes fund	1,556,990
Federal financial aid fund	12,721,481
Federal grants fund	3,386,581
Audit fund	96,004
Liability, protection and settlement fund	1,287,669
Auxiliary enterprises fund (subsidy only)	1,098,164
Total noncapital audited operating expenditures	87,304,460
Plus depreciation on capital outlay expenditures (equipment, buildings and fixed equipment) paid from sources other than state and federal funds	9,212,066
Equals total costs included	$ 96,516,526
TOTAL CERTIFIED SEMESTER CREDIT HOURS	172,354.5
PER CAPITA COST	$ 559.99

(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, 2019

All fiscal year 2018 state and federal operating grants for noncapital expenditures, except ICCB grants	$ 13,600,454
Fiscal year 2018 state and federal grants per semester credit hour	78.91
District's average ICCB grant rate for fiscal year 2019	33.18
District's student tuition and fee rate per semester credit hour for fiscal year 2019	132.00
EQUALS CHARGEBACK REIMBURSEMENT PER SEMESTER CREDIT HOUR	$ 315.91

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR ND FINANCIAL REPORT

June 30, 2019

CSFA Number	Program Name	State	Federal	Other	Total
684-00-0465	Career and Technical Education - Basic Grants to States	$ -	$ 377,599	$ -	$ 377,599
					-
684-01-1625	Adult Education - Basic Grants to States - Federal and State Funding Combined	1,056,375	589,465	-	1,645,840
	Other grant programs and activities	-	15,184,331	500,614	15,684,945
	All other costs not allocated	-	-	122,837,838	122,837,838
	TOTALS	$ 1,056,375	$ 16,151,395	$ 123,338,452	$ 140,546,222

UNIFORM FINANCIAL STATEMENTS

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

ALL FUNDS SUMMARY
UNIFORM FINANCIAL STATEMENT #1
FISCAL YEAR ENDED JUNE 30, 2019

	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, 2018	$ 57,710,762	$ 14,188,340	$ 18,445,866	$ 5,014,363	$ 13,689,397	$ 2,343,908	$ -	$ 4,476,401
REVENUES								
Local tax revenue	36,769,502	11,104,735	-	12,178,361	-	-	-	-
All other local revenue	-	-	-	-	-	-	-	-
ICCB grants	5,611,370	-	-	-	-	1,056,375	-	-
All other state revenue	-	-	-	-	-	34,414,862	-	-
Federal revenue	-	-	1,390,312	783,775	-	1,647	12,721,482	-
Student tuition and fees	25,103,739	-	-	-	358,164	-	-	-
All other revenue	3,433,944	258,167	-	-	5,853,639	498,968	-	66,013
Total revenues	70,918,555	11,362,902	1,390,312	12,962,136	6,211,803	35,971,852	12,721,482	66,013
EXPENDITURES								
Instruction	28,802,945	-	-	-	-	13,241,462	-	-
Academic support	8,140,583	-	-	-	-	4,736,385	-	-
Student services	5,018,435	-	-	-	1,073,351	3,225,577	180,637	-
Public service/continuing education	382,466	-	-	-	-	380,572	-	-
Auxiliary services	-	-	-	-	7,898,651	1,379,912	-	-
Operations and maintenance	-	9,186,066	-	-	-	4,115,531	-	-
Institutional support	14,835,923	906,611	300,945	13,407,059	-	8,891,450	-	-
Scholarships, grants and waivers	-	-	-	-	-	963	12,540,845	-
Total expenditures	57,180,352	10,092,677	300,945	13,407,059	8,972,002	35,971,852	12,721,482	-
NET TRANSFERS	(3,098,164)	-	2,000,000	-	1,098,164	-	-	-
FUND BALANCES, JUNE 30, 2019	$ 68,350,801	$ 15,458,565	$ 21,535,233	$ 4,569,440	$ 12,027,362	$ 2,343,908	$ -	$ 4,542,414

(This statement 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, 2019

	Audit Fund	Liability, Protection Settlement Fund	Building Bond Proceeds Fund	Federal Grants Fund	Total
FUND BALANCES, JULY 1, 2018	$ 135,865	$ 4,477,688	$ 2,918,334	$ -	$ 123,400,924
REVENUES					
Local tax revenue	129,706	2,129,866	-	-	62,312,170
All other local revenue	-	-	-	-	-
ICCB grants	-	-	-	-	6,667,745
All other state revenue	-	-	-	-	34,414,862
Federal revenue	-	-	-	3,386,581	18,283,797
Student tuition and fees	-	-	-	-	25,461,903
All other revenue	-	-	58,153	-	10,168,884
Total revenues	129,706	2,129,866	58,153	3,386,581	157,309,361
EXPENDITURES					
Instruction	-	-	-	2,779,080	44,823,487
Academic support	-	-	-	-	12,876,968
Student services	-	-	-	507,465	10,005,465
Public service/continuing education	-	-	-	-	763,038
Auxiliary services	-	-	-	-	9,278,563
Operations and maintenance	-	566,840	-	-	13,868,437
Institutional support	96,004	720,829	1,738,579	-	40,897,400
Scholarships, grants, waivers	-	-	-	100,036	12,641,844
Total expenditures	96,004	1,287,669	1,738,579	3,386,581	145,155,202
NET TRANSFERS	-	-	-	-	-
FUND BALANCES, JUNE 30, 2019	$ 169,567	$ 5,319,885	$ 1,237,908	$ -	$ 135,555,083

(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, 2019

	Fixed Asset/Debt Account Groups June 30, 2018	Additions	Deletions	Fixed Asset/Debt Account Groups June 30, 2019
CAPITAL ASSETS				
Sites and improvements	$ 44,139,125	$ 217,303	$ -	$ 44,356,428
Buildings, additions and improvements	240,509,644	1,511,211	(22,564)	241,998,291
Equipment	14,240,271	569,122	(25,360)	14,784,033
Other capital assets	283,243	-	-	283,243
Accumulated depreciation	103,387,064	9,320,160	(25,360)	112,681,864
TOTAL CAPITAL ASSETS	$ 195,785,219	$ (7,022,524)	$ (22,564)	$ 188,740,131
FIXED LIABILITIES				
Bonds payable	$ 174,176,195	$ 59,427	$ (5,015,000)	$ 169,220,622
OPEB Liability	41,293,273	187,624	-	41,480,897
Other fixed liabilities	-	-	-	-
TOTAL FIXED LIABILITIES	$ 215,469,468	$ 247,051	$ (5,015,000)	$ 210,701,519

	Outstanding July 1, 2018	Issued	Redeemed	Outstanding June 30, 2019
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, 2019

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING REVENUES BY SOURCE			
Local government			
Local taxes	$ 36,214,758	$ 11,104,735	$ 47,319,493
Chargeback revenue	-	-	-
Corporate Personal Property replacement tax	554,744	-	554,744
Other	-	-	-
Total local government	36,769,502	11,104,735	47,874,237
State government			
ICCB base operating grants	5,116,350	-	5,116,350
ICCB equalization grants	50,000	-	50,000
ICCB career & technical education	445,020	-	445,020
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	5,611,370	-	5,611,370
Federal government			
Department of Education	-	-	-
Department of Labor	-	-	-
Department of Health and Human Services	-	-	-
Other	-	-	-
Total federal government	-	-	-
Student tuition and fees			
Tuition	21,193,256	-	21,193,256
Fees	3,910,483	-	3,910,483
Other student assessments	-	-	-
Total student tuition and fees	25,103,739	-	25,103,739
Other sources			
Sales and service fees	-	-	-
Facilities revenue	-	8,009	8,009
Investment revenue	2,417,267	-	2,417,267
Nongovernmental grants	-	-	-
Other	1,016,677	250,158	1,266,835
Total other sources	3,433,944	258,167	3,692,111
Total revenues	70,918,555	11,362,902	82,281,457
Less non-operating items			
Tuition chargeback revenue	-	-	-
Instructional service contracts	-	-	-
ADJUSTED REVENUE	$ 70,918,555	$ 11,362,902	$ 82,281,457

(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, 2019

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING EXPENDITURES			
BY PROGRAM			
Instruction	$ 28,802,945	$ -	$ 28,802,945
Academic support	8,140,583	-	8,140,583
Student services	5,018,435	-	5,018,435
Public service/continuing education	382,466	-	382,466
Organized research	-	-	-
Auxiliary services	-	-	-
Operations and maintenance	-	9,186,066	9,186,066
Institutional support	14,835,923	906,611	15,742,534
Scholarships, student grants, waivers	-	-	-
Total expenditures	57,180,352	10,092,677	67,273,029
Less non-operating items			
Tuition chargeback	-	-	-
Instructional service contracts	-	-	-
Transfers	3,098,164	-	3,098,164
ADJUSTED EXPENDITURES	$ 60,278,516	$ 10,092,677	$ 70,371,193
BY OBJECT			
Salaries	$ 40,752,522	$ 4,563,531	$ 45,316,053
Employee benefits	8,004,106	1,070,219	9,074,325
Contractual services	2,582,833	1,225,939	3,808,772
General materials and supplies	3,174,725	135,653	3,310,378
Library materials**	3,366	-	3,366
Conference and meeting expenses	516,998	7,546	524,544
Fixed charges	226,080	407,585	633,665
Utilities	-	2,426,442	2,426,442
Capital outlay	1,319,287	255,762	1,575,049
Other	603,801	-	603,801
Student grants and scholarships**	16,030	-	16,030
Total expenditures	57,180,352	10,092,677	67,273,029
Less non-operating items			
Tuition chargeback	-	-	-
Instructional service contracts	-	-	-
Transfers	3,098,164	-	3,098,164
ADJUSTED EXPENDITURES	$ 60,278,516	$ 10,092,677	$ 70,371,193

**Non add line

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

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #4
FISCAL YEAR ENDED JUNE 30, 2019

REVENUES BY SOURCE

Total local government	$ 56,547
State government	
ICCB - Student Success Grant	-
ICCB - Retirees Health Insurance Grant	-
ICCB - Special Initiatives Grants	-
ICCB - Program Improvement Grant	-
ICCB - Adult Education	1,056,375
ICCB - Other	-
Dept. of Corrections	-
Illinois Student Assistance Commission	-
Other (attach itemization)	34,414,862
Total state government	35,471,237
Federal government	
Department of Education	15,530,945
Department of Labor	575,864
Department of Health and Human Services	-
Other	2,901
Total federal government	16,109,710
Other sources	
Tuition and fees	-
Other	442,421
Total other sources	442,421
TOTAL RESTRICTED PURPOSES FUND REVENUES	$ 52,079,915

(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, 2019

EXPENDITURES BY PROGRAM	
Instruction	$ 16,020,542
Academic support	4,736,385
Student services	3,913,679
Public service/continuing education	380,572
Organized research	-
Auxiliary services	1,379,912
Operations and maintenance	4,115,531
Institutional support	8,891,450
Scholarships, grants, waivers	12,641,844
TOTAL RESTRICTED PURPOSES FUND EXPENDITURES	$ 52,079,915
EXPENDITURES BY OBJECT	
Salaries	$ 3,380,890
Employee benefits	504,280
Contractual services	92,330
Student financial aid	-
General materials and supplies	268,809
*Library materials	-
Travel and conference/meeting expenses	326,428
Fixed charges	120,000
Utilities	22,923
Capital outlay	120,764
SURS/OPEB expense	34,414,862
Other	12,828,629
*Scholarships, grants, waivers	12,641,844
TOTAL RESTRICTED PURPOSES FUND EXPENDITURES	$ 52,079,915

* Non add line

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

CURRENT FUNDS - EXPENDITURES BY ACTIVITY
UNIFORM FINANCIAL STATEMENT #5
FISCAL YEAR ENDED JUNE 30, 2019

INSTRUCTION	
Instructional programs	$ 40,493,807
Other	1,550,600
Total instruction	42,044,407
ACADEMIC SUPPORT	
Library Center	1,741,042
Instructional Materials Center	775,750
Educational Media Services	1,314,630
Academic computing support	-
Academic administration and planning	4,229,427
Other	4,816,119
Total academic support	12,876,968
STUDENT SERVICES SUPPORT	
Admissions and records	1,035,488
Counseling and career guidance	1,322,374
Financial aid administration	915,512
Administration	767,526
Social and cultural development	1,649,097
Other	3,627,366
Total student services support	9,317,363
PUBLIC SERVICE/CONTINUING EDUCATION	
Community education	2,010
Customized training (instructional)	-
Community services	388,893
Other	372,135
Total public service/continuing education	763,038
ORGANIZED RESEARCH	-
AUXILIARY SERVICES	9,278,563

(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, 2019

OPERATIONS AND MAINTENANCE OF PLANT	
Maintenance	$ 1,763,687
Custodial services	2,470,415
Grounds	822,053
Campus security	1,584,175
Transportation	-
Utilities	2,660,894
Administration	458,932
Other	4,108,281
Total operations and maintenance of plant	13,868,437
INSTITUTIONAL SUPPORT	
Executive management	1,744,651
Fiscal operations	1,131,587
Community relations	693,864
Administrative support services	6,911,110
Board of trustees	69,861
General institution	3,120,355
Institutional research	337,660
Administrative data processing	2,495,893
Other	8,945,836
Total institutional support	25,450,817
SCHOLARSHIPS, STUDENT GRANTS AND WAIVERS	963
TOTAL CURRENT FUNDS EXPENDITURES	$ 113,600,556

(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 sheet of Elgin Community College District Number 509's (the District) State Adult Education and Family Literacy Grant Program as of June 30, 2019, 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 State Adult Education and Family Literacy Grant Program of Elgin Community College District Number 509 as of June 30, 2019, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The accompanying balance sheet 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. Our opinion was not modified with respect to this matter.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the balance sheet of the State Adult Education and Family Literacy Grant Program as of June 30, 2019 and the related statement 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.

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.

Sikich LLP

Naperville, Illinois
September 26, 2019

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

STATE ADULT EDUCATION AND FAMILY
LITERACY RESTRICTED GRANT PROGRAM
BALANCE SHEET

June 30, 2019

	State Basic	State Performance	Total
ASSETS			
Receivable	$ 75,158	$ 30,480	$ 105,638
Prepaid expense	-	260	260
TOTAL ASSETS	$ 75,158	$ 30,740	$ 105,898
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due to other funds	$ 75,158	$ 30,740	$ 105,898
Total liabilities	75,158	30,740	105,898
FUND BALANCES			
None	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	$ 75,158	$ 30,740	$ 105,898

(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, 2019

	State Basic	State Performance	Total
REVENUES			
State sources	$ 751,580	$ 304,795	$ 1,056,375
Total revenues	751,580	304,795	1,056,375
EXPENDITURES			
Instructional and student services			
Instruction	714,001	277,811	991,812
Guidance services	-	-	-
Social work services	-	3,331	3,331
Total instructional and student services	714,001	281,142	995,143
Program support			
Improvement of instructional services	-	12,835	12,835
General administration	-	1,500	1,500
Workforce coordination	-	-	-
Facility charges	37,579	9,318	46,897
Total program support	37,579	23,653	61,232
Total expenditures	751,580	304,795	1,056,375
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE, JULY 1, 2018	-	-	-
FUND BALANCE, JUNE 30, 2019	$ -	$ -	$ -

(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, 2019

	Audited Expenditure Amount	Audited Expenditure Percentage
STATE BASIC		
Instruction (45% minimum required)	$ 714,001	95%
General administration (9% maximum allowed)	37,579	5%

(See independent auditor's report.)

NOTES TO FINANCIAL STATEMENTS - STATE GRANT PROGRAMS

June 30, 2019

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) State Adult Education and Family Literacy Grant program. 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, 2019. 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.

3. BACKGROUND INFORMATION ON STATE GRANT ACTIVITY (Continued)

b. Restricted Adult Education Grants/State

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.

Performance

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

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INDEPENDENT ACCOUNTANT'S REPORT ON ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED AND SUPPORTING RECONCILIATION OF SEMESTER CREDIT HOURS

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

We have examined management of Elgin Community College - Illinois Community College District Number 509's (the District) assertion that the District complied with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* included in 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 during the period July 1, 2018 through June 30, 2019. The District's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the District's compliance with the specified requirements based on our examination

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the District's compliance with the specified requirements.

In our opinion, management's assertion that the District complied with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* included in 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 is fairly stated, in all material respects.

Sikich LLP

Naperville, Illinois
September 26, 2019

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, 2019

	Total Semester Credit Hours by Term							
	Summer		Fall		Spring		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
CATEGORIES								
Baccalaureate	13,552.5	80.0	47,219.0	38.0	44,299.5	20.0	105,071.0	138.0
Business occupational	862.0	-	4,530.0	-	3,471.0	-	8,863.0	-
Technical occupational	778.0	-	7,122.0	-	6,950.0	-	14,850.0	-
Health occupational	844.0	-	5,110.5	-	4,989.0	-	10,943.5	-
Remedial developmental	945.0	-	6,633.0	-	4,719.0	-	12,297.0	-
Adult basic education/adult secondary education	-	5,293.5	767.0	6,959.0	629.5	6,543.0	1,396.5	18,795.5
TOTAL CREDIT HOURS VERIFIED	16,981.5	5,373.5	71,381.5	6,997.0	65,058.0	6,563.0	153,421.0	18,933.5

	In-District	Chargeback/ Contractual Agreement	Total
Reimbursable semester credit hours	147,408.5	3,101.0	150,509.5

	Dual Credit	Dual Enrollment	Total
Reimbursable semester credit hours	4,652.5	3,279.5	7,932.0

The District 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 2018 EQUALIZED ASSESSED VALUATION $ 12,229,482,842

(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, 2019

	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	105,071.0	105,071.0	-	138.0	138.0	-
Business occupational	8,863.0	8,863.0	-	-	-	-
Technical occupational	14,850.0	14,850.0	-	-	-	-
Health occupational	10,943.5	10,943.5	-	-	-	-
Remedial developmental	12,297.0	12,297.0	-	-	-	-
Adult basic education/adult secondary education	1,396.5	1,396.5	-	18,795.5	18,795.5	-
TOTAL	153,421.0	153,421.0	-	18,933.5	18,933.5	-

	Total Attending	Total Attending Certified to the ICCB	Difference
In-District Residents	147,408.5	147,408.5	-
Chargeback/Contractual Agreement	3,101.0	3,101.0	-

	Total Reimbursable	Total Reimbursable Certified to the ICCB	Difference
Dual Credit	4,652.5	4,652.5	-
Dual Enrollment	3,279.5	3,279.5	-

Elgin
Community
College

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