ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Years Ended
June 30, 2023 and 2022

Prepared by
Finance Department

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DISTRICT NUMBER 509
ELGIN, ILLINOIS
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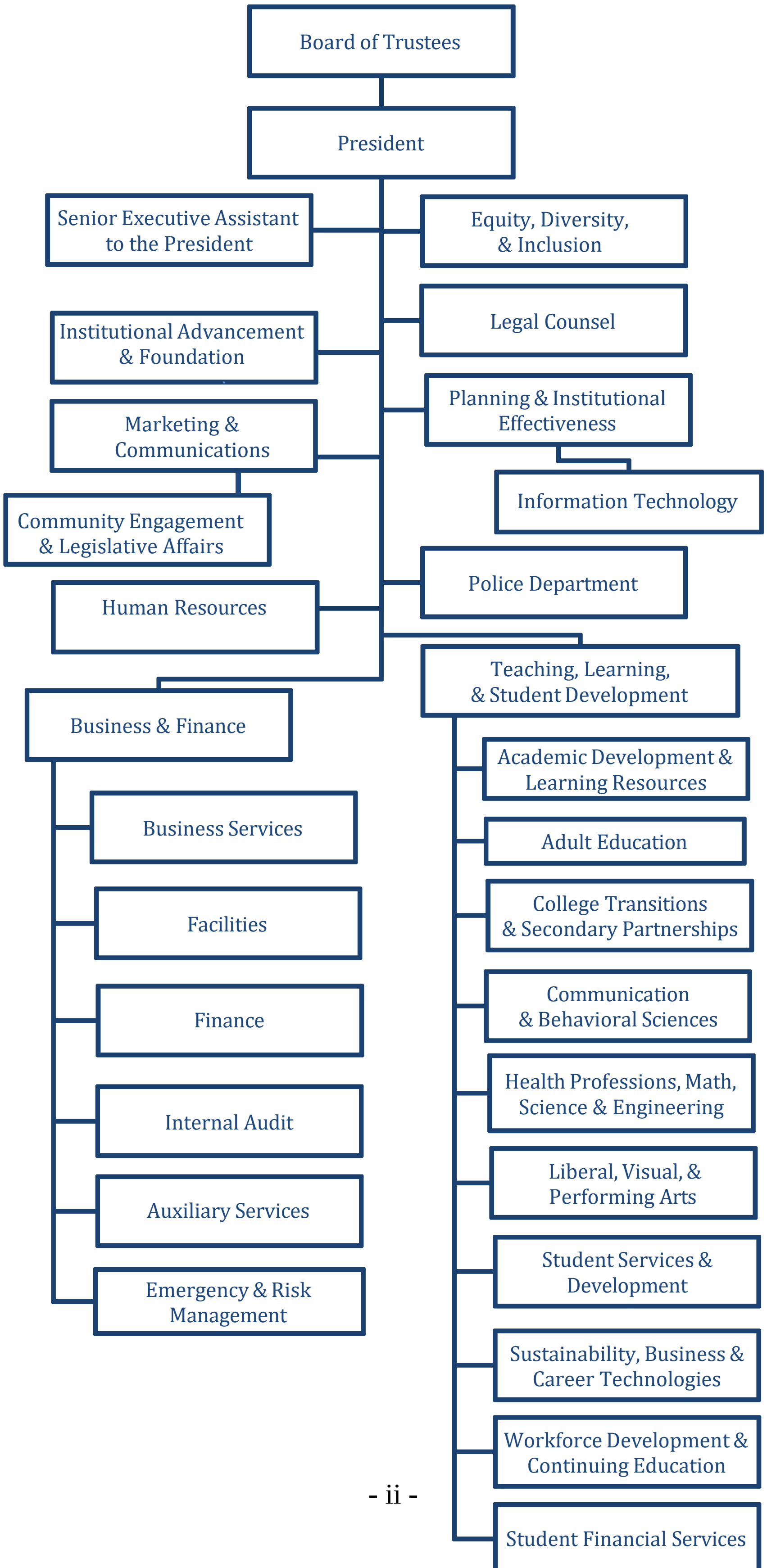
INTRODUCTORY SECTION

ELGIN COMMUNITY COLLEGE
Community College District No. 509

Principal Officials

ELGIN COMMUNITY COLLEGE
Community College District No. 509

Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Elgin Community College
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

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

January 17, 2024

Board of Trustees, Community College District 509
Elgin Community College
1700 Spartan Drive
Elgin, Illinois 60123

The annual comprehensive financial report of Elgin Community College (ECC), Community College District No. 509 for the fiscal year ended June 30, 2023 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.

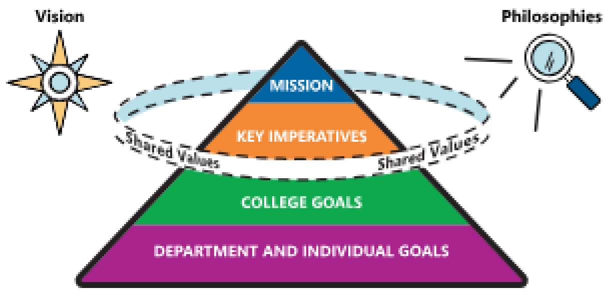
The annual comprehensive report presents the Management Discussion and Analysis (MD&A), basic financial statements, and information required by the Illinois Community College Board. The MD&A provides an analytical overview of the College's financial activity. This letter of transmittal should be read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

VISION, MISSION, SHARED VALUES, PHILOSOPHIES, AND KEY IMPERATIVES

All major directives and initiatives at the College are guided by the institution-wide *ECC Strategic Plan*, a comprehensive and institution-wide plan that is renewed every five years by the Strategic Planning Committee, a cross-functional team of faculty, administrators, staff, students, and trustees. The plan is divided into several broad components, which include: the vision, mission, philosophies, shared values, and key imperatives, as defined below.

Vision	Statement about where we are headed (our future)
Mission	Statement about why the college exists (our purpose)
Shared Values	Foundational beliefs that shape our actions and reflect our expectations for one another to shape our work experience.

Philosophies	The core conceptual framework that guides our work.
Key Imperatives	Enduring concepts emerging from planning discussions used to set priorities for carrying out the mission of the college.



In fall 2021, the College began a nearly year-long process of self-study that continued through spring 2022. During this time, the Strategic Planning Committee reflected on our past and current data; accomplishments and successes; actions and decisions; and future opportunities and aspirations to envision ECC five years into the future.

The team's processes were informed by employee focus groups, student meetings, web surveys, surveys of area residents, and surveys of educational, business, and community leaders. As a result, the committee brought to focus a new mission statement, vision statement, shared values, and philosophies along with four key imperatives to frame the College's future work. The strategic plan for 2023 through 2027 was approved by the ECC Board of Trustees on June 13, 2022, as follows:

VISION

The vision of the college is to be the first choice for everyone to learn, grow, and dream in a culture that ensures access, advances innovation, and fosters success.

MISSION

The mission of Elgin Community College is to improve people's lives through learning. Through our decisions and actions we empower:

- Students to reach their goals in an equitable and welcoming environment;
- Employees to thrive and fully use their collective talents; and
- Our community to transform and enrich the world.

SHARED VALUES

Excellence
We strive to offer the highest level of excellence in our programs and services to 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 innovation and inquiry flourish.

Ethical Practices
We are responsible to carry out our work with honesty and integrity. Our Vision, not personal interests, guides our decisions and actions so that they will be enacted out of service to our students and community members.

Accountability
As a public institution, we commit to making the best use of resources. We are transparent in measurement and reporting, seek feedback from others, accept responsibility for our decisions and actions, and continuously improve our practices.

Collaboration
We are committed to serving students, employees, and community members. The decisions and actions we undertake in carrying out our Vision derive from working cooperatively with all stakeholders.

Holistic Approach
As stewards of people's learning, we understand their perspectives and we use our insight and compassion to support them through challenging times. We believe in educating and supporting the whole person through a comprehensive approach that addresses the emotional, social, ethical., and academic needs of students, employees, and community members.

PHILOSOPHIES

These philosophies serve as our ethical compass and the lens through which we look when making decisions.

Learning
Learning is a lifelong process that empowers individuals.
Learning is the primary driver behind our Mission and Vision. Learning empowers individuals to improve their own lives as well as the economic, social, and cultural conditions of local and global communities. In partnership with faculty, we envision learning to be a lifelong process of intellectual and personal growth that allows individuals to expand their depth of knowledge, skills, and experiences.

Equity

Equity is ensuring everyone receives what they need to be successful.

At its core, ECC's Mission to *improve people's lives through learning* is a recognition that, as a community college, we are successful only when we provide access to quality education and appropriate, equitable support in an inclusive environment to all members of our community. We believe in the intentional and meaningful inclusion of diverse experiences, backgrounds, and social identities in all aspects of the college. We further believe this is a moral imperative which deepens and enriches the educational and workplace experience for everyone.

Diversity

Diversity is all expressions of humanity.

ECC recognizes that diversity is an invaluable resource for teaching, learning, and fostering personal growth. The pursuit of excellence requires a diverse and representative community. The college strives to cultivate a safe environment that represents our extensive network and reflects all expressions of humanity. It is imperative that all communities are full participants in the construction of knowledge and diversity of thought.

Inclusion

Inclusion is valuing what makes us unique.

ECC recognizes and values its communities' social, cultural, and geographical differences. The college is committed to ensuring these differences are represented and acknowledged throughout the campus at every level. Inclusion is not only a moral imperative but also serves to enrich and strengthen the experiences of students and employees in our institution. We commit to making our philosophy of inclusivity prominent in all institutional decisions.

Justice

Justice is ensuring our structures and systems honor individual rights.

To build on equity, respect diversity, and value inclusion, ECC acknowledges and appreciates that everyone has inalienable and inborn rights to live, learn, and grow. We must be vigilant and proactive about issues that would detract from or interfere with the rights of every person. We are aware of the harmful effects of racial inequalities, systemic poverty, and other societal barriers on members of our community. As such, the college commits to:

- Ongoing intentional examination of college resources, policies, and procedures;
- Challenging and dismantling structures, systems, and attitudes that perpetuate inequities;
- Restructuring and rebuilding in just ways that welcome multiple identities and lived experiences; and
- Advocating for full and equal participation for all, particularly those who are minoritized and historically underrepresented.

FOUR KEY IMPERATIVES

The mission, vision, shared values, and philosophies represent the conceptual and guiding components of the ECC Strategic Plan. Beneath them are Four Key Imperatives that reflect the top-most actionable layer of the plan. The Key Imperatives frame all annual operating goals and budgets and include: Teaching and Learning Excellence; Lifelong Connections; ECC Experience; and Fortify Our Future.

TEACHING AND LEARNING EXCELLENCE

Deliver instructional practices and curriculum to ensure student-centered learning

Learning is fundamental to everything the college does and to everyone the college serves. Under Teaching and Learning Excellence, we develop goals to ensure that everyone has a role to play in advancing student-centered work. Goals under this imperative ensure that students not only learn but excel; faculty not only teach but innovate; and administrators and staff not only support but enact vital decisions and actions.

LIFELONG CONNECTIONS

Create a lifelong meaningful and mutual relationship with the college

Lifelong Connections encompasses the various ways that ECC interacts with students: from initial contact with the college; through orientation and admission; enrollment in programs and courses; and onto graduation and beyond. Regardless of where students are in life, whether they enroll for an entire program or only take a course or two, we want to build relationships that meet their current learning needs. At the same time, we want to be a trusted lifelong resource for their future needs as students or as community partners.

ECC EXPERIENCE

Cultivate a welcoming destination for students, employees, and our community

We want ECC to be an engaging and welcoming culture. This imperative captures this quality and gives life to our institutional identity. The ECC Experience means for:

- Students – a college that remains open and accessible to all, supports their academic success, and advances personal and professional growth.
- Employees – a college that rewards excellent service; cares about their professional development; and values their talents through hiring, retention, and succession planning.
- Community – a college that designs programs and services that are responsive to their needs and delivered with a spirit of service.

FORTIFY OUR FUTURE

Position the college to remain affordable while ensuring long-term financial stability and operational efficiency

Fortify Our Future is a three-pronged imperative. First, from a student perspective, this imperative ensures that we keep ECC affordable and that we support students' goals while setting them on a path toward financial success. Second, from an institutional perspective, Fortify Our Future ensures the financial health of the college and a future in which we manage budgets well, reduce costs, decrease overhead and increase revenues. Third, from an efficiency standpoint, this imperative ensures our efforts pay off; funds and outcomes meet intended targets; and we consider internal and external opportunities to streamline and synergize for optimum efficiency.

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 213.9 acres in southwest Elgin. According to the US Census's 2021 American Community Survey estimates (5-year average), the College serves an area of 444,640 residents. The population is predominantly in Kane County, though the district includes portions of Cook, McHenry, DeKalb, and DuPage counties. The city of Elgin comprises the largest portion of the District's population at approximately 25%, followed by Bartlett, Streamwood, Hanover Park, and Carpentersville at approximately 9% each. According to regional population projections by the Chicago Metropolitan Agency for Planning (CMAP), the largest expected area for growth within the district will continue to occur in communities along the western edge of the district. CMAP projects that the total population in the Village of Burlington will grow by more than 500% between 2020 and 2050, while populations in the Villages of Virgil and Lily Lake will more than double over that same time frame. Even the population of district 509's largest municipality, Elgin, is projected to increase by more than 30,000 residents (+28%) over the next 30 years. (See https://www.cmap.illinois.gov/data/demographics/population-forecast for CMAP "On to 2050" regional projections).

Historically, Illinois is and has been a destination for immigrants. This influx of immigrants seeks employment in the state and brings a greater need for training in many skill areas, from Basic English as a Second Language courses 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 (from the 2021 American Community Survey 5-year average estimates), the district is 56% White and 29% Hispanic/Latino; however, the Latino population is not evenly disbursed throughout the district and is much higher in certain communities, such as Carpentersville at 53%, Elgin at 47%, Hanover Park at 38%, Streamwood at 40%, and Gilberts at 32%. Other racial/ethnic minorities in the district are Asian at 8% and Black/African American at 3%.

According to census estimates, females represent a slightly higher number in the district than males (51% and 49%) which is equivalent when compared to the Illinois state levels of 49% for males and 51% for females. Seventy-eight percent (78%) of district residents are age 18 and over, and 40% are between the ages of 15 and 44.

ECC's fiscal year 2023 student population was comprised of 47% Hispanic, 34% White, 7% Asian, 4% Black or African American, and 8% other, which is representative of the district. According to data compiled by the American Association of Community Colleges for 2023 (https://www.aacc.nche.edu/research-trends/fast-facts/), the average age of a community college student nationwide is 27. ECC's average student is 26 years of age. In addition, 55% of ECC students are women; this is typical of the nation's community colleges, which are on average 59% female. 76% 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 (16%), professional, scientific, management, administrative and waste management services (12%), and retail trade (11%).

Industry of Workers

	District 509
Civilian Employed Population 16 and Over	234,028
Agriculture, Fishing, Hunting, and Mining	<1%
Construction	6%
Manufacturing	16%
Wholesale Trade	4%
Retail Trade	11%
Transportation, Warehousing, and Utilities	6%
Information	2%
Finance, Insurance, Real Estate, Rental, and Leasing	8%
Professional, Scientific, Management, Administrative, and Waste Management Services	12%
Educational Services, Healthcare, and Social Assistance	19%
Arts, Entertainment, Recreation, Food Services, and Accommodation	9%
Other Services (except Public Administration)	4%
Public Administration	3%

Source: 2021 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; however, due to the COVID-19 pandemic, unemployment hit a record high in April 2020 at 17.1% according to the Illinois Department of Employment Security. Since that time, the unemployment rate for Kane County has decreased to an annual average of 9.3% in 2020 and then 5.9% in 2021. The most recent unemployment rate of 4.9% for July 2023 continues this unemployment rate decline. However, this is slightly more elevated than the current Illinois state unemployment rate of 4.5% but much lower than the 2020 rate for Kane county's annual average.

STUDENT ENROLLMENT

The COVID-19 pandemic caused the college to transition to online learning in mid-March 2020 and offer limited lab classes in person and mostly online classes for fiscal year 2021 and 2022. However, with continued commitment to online and hybrid learning formats as well as in-person learning, fiscal year 2023 saw increases towards pre-pandemic levels (FY 2019 and FY 2022) with increases in overall enrollment (+15%) and total credit hours (+11%) between FY 2022 and FY 2023.

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

Fiscal Year	2021	2022	2023
Fall Enrollment	7,882	8,050	9,565
Spring Term Enrollment	7,453	7,861	9,426
Summer Term Enrollment	3,439	4,564	4,401
Annual Unduplicated Enrollment	11,788	12,663	13,856
Total Claimed Credit Hours	144,094	141,731	155,011

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.

COLLEGE ANNUAL OPERATING GOALS FOR FISCAL YEAR 2024

While the Four Key Imperatives reflect the top-most actionable layer of the ECC Strategic Plan, beneath them lie the College Annual Operating Goals, which drive annual goals, needs, expenses, and budgets. The College Annual Operating Goals are set each fiscal year by the Cabinet to provide a foundation for the goals of departments, committees, and individual employees.

For fiscal year 2024, the Cabinet outlined 11 College Annual Operating Goals, each with quantifiable or performance-based targets. Using SMART goal methodology, each goal statement contains: a current state or baseline; an intended target; a stretch goal to challenge us further; and a date by when the target is to be achieved. This information is displayed below along with operating goals from fiscal year 2023 for comparison. Since most of the fiscal year 2023 targets were achieved successfully and still relevant to the work of the College, the Cabinet maintained the same 11 college-wide goals in fiscal year 2024 but with increased difficulty of the targets. In future years, goals may derive from the same goals from previous fiscal years, but this may not always be the case, as setting future goals depends on reviews of progress made on prior goals. If the review indicates that progress on a particular goal has been made, that goal can be renewed with steeper targets, as many have been for fiscal year 2024, or that goal can be retired and replaced with something new. The table below displays the 11 College Annual Operating Goals and results from fiscal year 2023 and 2024 for comparison.

College Annual Operating Goals: FY2023 and FY2024

Key Imperatives	FY2023		FY2024	
	Annual Goals	**Results**	**Annual Goals**	**Results**
Teaching and Learning Excellence	**Goal 1. Completion** Increase the percentage of completion from 35.7% to 39.5% with a stretch goal of 41.0% by the end of fiscal year.	Goal came close but not achieved completely at 35.6% completion for FY2023 (because completion requires 4 years, data come from the fall 2018 cohort).	Increase the percentage of students who complete their programs from 35.6% to 38.2% with a stretch goal of 39.0% by June 30, 2024.	To be determined…
	Goal 2. Mastery of Learning Outcomes Decrease the standards of achievement gaps between students of color and majority students in general educational learning outcomes to -5% with a stretch goal of 0% by the end of the fiscal year.	Target partially achieved. Achievement gaps approaching target with two learning outcomes (communication and information literacy); at target (no gaps) with two other outcomes (global and multicultural literacy and critical thinking); and unclear due to small data with two other outcomes (quantitative reasoning and scientific literacy).	Attain 80% average achievement among students of color in all general education learning outcomes with a stretch goal of 90% by June 1, 2024.	

Key Imperatives	FY2023		FY2024	
	Annual Goals	**Results**	**Annual Goals**	**Results**
Lifelong Connections	**Goal 3. Enrollment** Increase the annual un-duplicated enrollment in fiscal year 2023 from 12,559 to 13,500 with a stretch goal of 14,500.	Target achieved. Total enrollment for FY2023 (AY2022-2023) reached 13,840 students.	Increase annual undup-licated enrollment from 13,840 to 14,206 students with a stretch goal of 14,571 students by April 1, 2024.	
	Goal 4. Credit Accumulation Increase the total annual credit hour count from 145,636 to 160,000 with a stretch goal of 170,000.	Target not achieved, but total credit hours increased and approaching target at 158,790.	Increase the total annual credit hour count from 158,790 to 167,964 with a stretch goal of 177,137 by June 30, 2024.	
ECC Experience	**Goal 5. Student Experience** Increase the percentage of students responding “very satisfied” or “satisfied” to a question about overall satisfaction on the fall 2022 administration of Current Student Survey from 87% to 90% with a stretch goal of 93%.	Target achieved. Combined responses to question about satisfaction from the fall 2022 administration of the Current Student Survey is 91%.	Increase the percentage of students responding "very satisfied" or "satisfied" to a question about overall satisfaction on the fall 2023 administration of the Current Student Survey from 91% to 93% with a stretch goal of 94% by December 18, 2023.	
	Goal 6. Employee Experience Identify a consistent annual measurement to gauge employee engagement and satisfaction and get a baseline to make this goal more specific for fiscal year 2024.	Stretch goal achieved. Exceeded target of identifying the PACE Climate Survey as a tool; additionally, reached a stretch of administering the survey and using it to collect baseline data for FY2024.	Maintain an overall mean of 3.956 with a stretch goal of 4.030 as measured by the PACE Campus Climate Survey administered in spring 2024.	
	Goal 7. Community Experience Identify a consistent annual measurement to use and establish a baseline for fiscal year 2024 goal planning.	Target achieved. Identified tool (Community Vibrancy) and began implementation with ATD Coach; community engagement self-assessment created in FY2023 to inform Community Vibrancy Cohort and baseline data collected in April 2023 (*N*=10) showing strengths and gaps.	Implement Community Vibrancy metrics to collect baseline data for FY2025 goal setting with a stretch goal of communicating baseline data to key external stakeholders by June 30, 2024.	

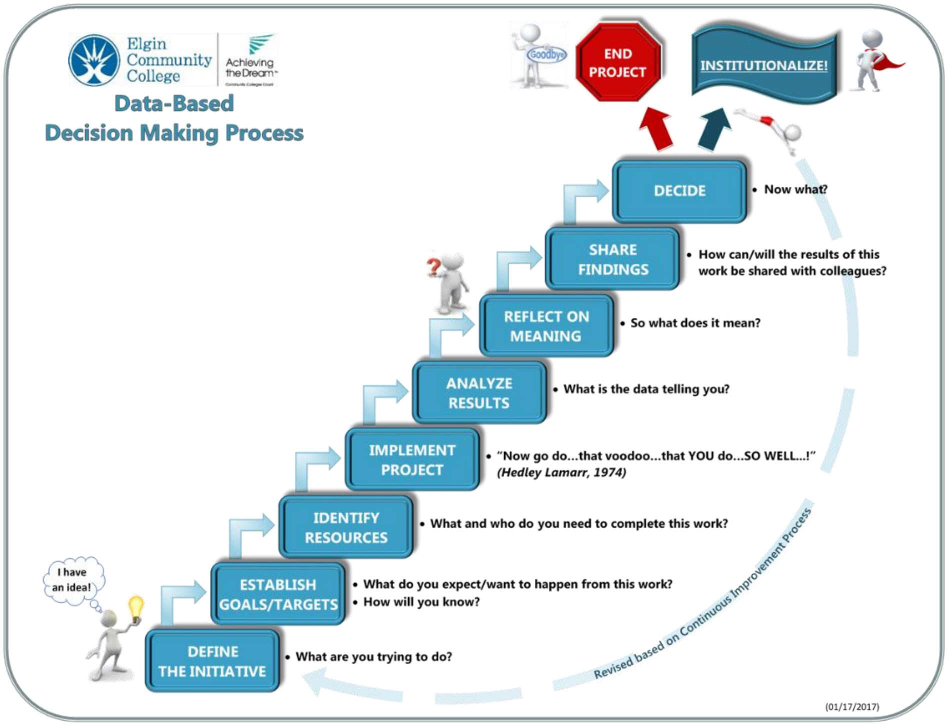
Key Imperatives	FY2023		FY2024	
	Annual Goals	**Results**	**Annual Goals**	**Results**
Fortify Our Future	**Goal 8. Student Affordability** Decrease average net price to attend ECC per student from $4,159 to $4,000 with a stretch goal of $3,750 by fall of 2023.	Target not achieved. Average net price decreased, but only slightly (<1%), from $4,159 for 2019-2020 students to $4,140 for 2020-2021 students. Note that this information is reported in arrears for past student cohorts through IPEDS data reporting.	Increase the average non-loan aid to student aid recipients (standardized to FTE) from $2,745 to $2,882 with a stretch goal of $3,020 by June 30, 2024.	
	Goal 9. Institutional Financial Health Increase the College average departmental actual-to-budget ratio from 90% to 92% with a stretch goal of 94% for the year.	Target not achieved. FY2023 budgeted-vs-achieved ratio was 78% for all discretionary (I.e., non-payroll) spending from funds 1 and 2.	Implement a common review/evaluation process for new (non-operational) budget requests above $10,000 for FY2025 budgeting (by April 1) with a stretch goal of implementing by February 29, 2024.	
	Goal 10. College Fundraising Raise unrestricted college campaign fund of at least $1.5 million with a stretch goal of $2 million.	Target not achieved. $905,499.07 was raised in FY 2023, representing approximately 60% of the $1.5M target.	Raise unrestricted college campaign funds of at least $1.5 million with a stretch goal of $2 million by June 30, 2024.	
	Goal 11. Operational Efficiency Create a request/project tracking system and follow-up survey for key departments for fiscal year 2024 implementation.	Target was not achieved as written; however, we shifted focus and have adopted Jira software as a college-wide project management tool to track requests and workflows in the following departments: Information Technology, Human Resources, Institutional Research, and Marketing and Communications.	Go live with a request/project tracking system with a follow-up satisfaction survey for service departments with a stretch goal of training departments for use in FY2025 by June 30, 2024.	

HOW THE PLANNING PROCESS INFORMS BUDGETING

The College makes every effort to minimize expenses while delivering quality education. Zero-based budgeting is used across campus. The process builds the budget in line-by-line detail specifically identifying each expense. This level of detail allows the College to identify how funds are used and allow for adjustments throughout the year to repurpose funds not needed for their intended purposes, restrict spending, open spending, and easily reprioritize. The College makes adjustments in the case of unexpected needs, unexpected declines in funding, increases in enrollment or revenue, or new opportunities in the form of grants. For example, when the COVID-19 pandemic and remote work period necessitated a shift in operational needs towards more technology, the College made adjustments to redirect funds. With the full return to campus for employees and the increase in class size for the academic year 2022-2023 (FY2023), the College adjusted once again to realign needs.

Several campus entities keep the momentum moving. The College President maintains an executive Cabinet comprised of senior leaders, including the Chief Academic Officer, Chief Financial Officer, among others. In turn, the President reports to the Board of Trustees, who are elected by the residents of our service region. While the President and Board oversee decisions related to institutional policy and major expenses, the Cabinet advises the President when it comes to operating activities and decisions related to the College’s strategic goals. For example, requests to hire new senior leaders must be approved by the Board, whereas the Cabinet approves requests to hire staff to support senior leaders; additionally, requests to support major capital expenses, such as deferred maintenance on campus buildings, are routed to the Board, whereas specific requests to update office or classroom equipment are routed to the Cabinet.

In all decision-making, the College adheres to a Framework for Accountability and Data-Based Decision-Making (see figure) that outlines critical steps for moving ideas from concept to scale: (1) defining the issue; (2) establishing targets; (3) identifying resources; (4) implementation; (5) analysis of results; (6) reflection; (7) sharing findings; and (8) deciding about institutionalization (see figure). ECC is intentional about using these steps throughout a project lifecycle to guide planning and budgeting. When pilot testing suggests a project is beneficial, it becomes institutionalized within departmental budgets. When pilot testing suggests a project does not work as intended, it is retired and replaced with another.



Reviewing and vetting new strategic initiatives requires dedicated time and focus. This is especially true for initiatives focused on equity and student success. Not only are equity and student success critical to our mission, but their impact can be difficult to quantify empirically and they require careful deliberation. Assisting the Cabinet in this work is the Equity and Student Success Action Council (ESSAC), an umbrella organization composed of faculty and administrators working together to determine where to best leverage efforts to maximize results. ESSAC's purpose is to promote "*broad engagement around equity and student success by focusing on innovations that produce systemic results*". It represents the College's latest iteration in its ongoing relationship with Achieving the Dream (ATD), a national organization leading this work with community colleges. ATD has been a mainstay at ECC since 2009, and the College diligently follows ATD's frameworks and evolving research. During the pandemic, a focus on innovations around equity and student success slowed, and the former committee tasked with this work was dissolved. In fiscal year 2022 and 2023, when students and employees returned to campus, the President launched a new Equity, Diversity, and Inclusion Office, hired a new executive director for this area, and the ESSAC was created. It now leads work under the new strategic plan, adopted by the Board in June 2022.

ESSAC itself is comprised of cross-functional strategy teams co-led by administrators and faculty who together identify trends, research best practices, recommend policies and practices, and evaluate outcomes related to the strategic and annual operating goals. Strategy teams begin and end as goals and data evolve. At present, ESSAC contains teams focused on the following high-impact data-driven themes to drive progress on the 11 College Annual Operating Goals:

- Enrollment management and progression of students through college programs
- Affordability and accessibility for key student populations
- Credit accumulation and success in key “gateway” courses like English and math
- Black student success
- Latinx student success and ECC’s identity as a Hispanic Serving Institution (HSI)
- Faculty professional development

These focus areas define the operating goals of the ESSAC and each year data is used to refine and focus the goals. Similarly, other College committees, such as the Curriculum Committee, define their operating goals in the same way. They follow the current College Annual Operating Goals and results from prior years.

ANNUAL PLANNING CYCLE

Timing is critical in moving our work along. To start any given fiscal year, the Cabinet sets the College's Annual Operating Goals in winter, usually in January. These are posted online and routed to campus budget officers. All other operating activities flow from there. Requests for new positions, programs, and large expenses are finalized at this time as are proposals for new ESSAC projects. Budgets are then scoped and refined during March and April, as budget officers enter their needs and anticipated expenses into the institution's budgeting software. In the meantime, as the draft budget is reviewed by the Board, the operating goals of committees, departments, and employees are formulated and entered into the employee performance appraisal system, academic program review system, auxiliary enterprise business plan template, and other tracking systems. Plans and self-reflections conclude in spring or, in some cases, summer. Finally, end-of-year reports, including the annual financial audit and the annual Performance Report on progress with operating goals and metrics take place in early fall. Once reviewed and approved by the Board, these summary reports are posted publicly on www.elgin.edu.

FACILITIES MASTER PLAN

The College developed and the Board of Trustees approved a new comprehensive facilities master plan during fiscal year 2020. The master planning process was a collaborative effort that engaged the entire campus community through surveys, small group discussions, drop-in sessions, town forums, planning meetings, and board discussions. The master plan creates a multi-year framework to reinforce a vision, establish priorities, enhance campus identity and create a sense of place for students, faculty and staff. It is about maximizing the utilization of existing resources while fostering a physical environment to support academic goals into the future. It is also about stewardship and getting the most from every dollar invested within an environment of limited funding. The facilities master plan included a space utilization study, program and market analysis, and facility assessment to create a comprehensive plan that will prioritize needs on campus for the next five to ten years.

The comprehensive master plan establishes a road map to guide the College forward as it strives to continue to grow as a regional focal point. Deferred maintenance of existing space is an ongoing need of any campus, as well as, evaluation and modification of existing space, and the consideration of additional space to serve the evolving needs of the community. One of the top priorities within the master plan is driven by the needs of the community and the industry partners within the district to provide education and training for advanced manufacturing careers by building a manufacturing and technology center. The building will embody a broad assemblage of programs and pathways aimed at producing workers to fill the middle skills gap. The College has been able to secure an allocation of state funds from the state of Illinois and earmark local funds for the building. Planning is underway with the intention of construction in the near future in anticipation of the release of State of Illinois funds.

The College has continued with other priorities within the master plan while anxiously awaiting the release of funds to construct the manufacturing center. In addition to deferred maintenance, the larger projects in process include:

- Phase 2 of the building H remodel and renovation is coming to a close with the re-opening of the facility set for spring term of 2024. Renovation of the classroom space includes the re-allocation of space to better suit the needs of the programs and upgrades to the learning environment with new lighting, flooring, and finishes. The remodel includes additions to the scene shop and the music wing providing much needed space for student programs.
- A new Truck Driving Building has been designed and will move forward once the location for the building has been finalized. The truck driving program has utilized a temporary trailer for classroom space which will be replaced with a prefab building structure. The truck driving building will contain 2 classrooms, one with a separate space for the truck driving simulator; restrooms; office space; and a conference room. The new building will allow for additional program offerings and improve the student experience.
- Fitness Center upgrades and potential expansion are in the planning stages with the selection of an architect and construction manager to guide the process. The team will engage various constituents for the center to develop a design plan that will address the needs of the campus community.

LONG–TERM FINANCIAL PLANNING

The Board has a 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). Due to the uncertainty of annual 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 met the reserve requirement of 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 annual comprehensive financial report for the fiscal year ended June 30, 2022. 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 annual comprehensive financial report whose contents conform to program standards. Such an annual comprehensive financial report 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 2022. We believe our current report for the fiscal year ended June 30, 2023 continues to meet the stringent program requirements for the Certificate of Achievement and will be submitted to GFOA.

Additionally, the Aspen Institute named Elgin Community College one of the top 150 community colleges in the United States in 2023, and the College received the same honor in 2015, 2019, and 2021. ECC is the only Chicago-land community college recognized as an Aspen Prize Top 150 college more than two times. ECC was further named among the top 25 colleges nationwide as a semifinalist for the 2023 Aspen Prize for Community College Excellence, the signature recognition of high achievement and performance among America's community colleges. Awarded every two years, the Aspen Prize honors colleges with outstanding performance in five critical areas: teaching and learning, certificate and degree completion, transfer and bachelor's attainment, workforce success, and equitable outcomes for students of color and students from low-income backgrounds.

Independent Audit. The Illinois statutes require an annual audit of the College's financial statements by independent certified public accountants. The College's board of trustees selected Sikich LLP to perform this function. 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 annual comprehensive 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, Ed.D.
Vice President, Business and Finance

FINANCIAL SECTION

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Members of American Institute of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit, Elgin Community College Foundation (the Foundation), of Elgin Community College District Number 509 (the District), as of and for the years ended June 30, 2023 and 2022, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the accompanying table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit, Elgin Community College Foundation, of Elgin Community College District Number 509 as of June 30, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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.* Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Change in Accounting Principle (Note 11)

The District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements,* during the year ended June 30, 2023. The implementation of this guidance resulted in changes to the assets, liabilities, net position, expenses, and notes to financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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 and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, supplemental financial information and uniform financial statements 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 supplementary information, supplemental financial information and uniform financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2024, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
January 17, 2024

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Elgin Community College - Illinois Community College District No. 509 (the District) as of and for the year ended June 30, 2023, and the related notes to financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 17, 2024. The financial statements of Elgin Community College Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Elgin Community College Foundation.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Sikich LLP

Naperville, Illinois
January 17, 2024

Introduction

As management of Elgin Community College, we offer readers of Elgin Community College's (hereafter "the College") financial statements this narrative overview and analysis of the financial activities of the College for the fiscal years ended June 30, 2023; June 30, 2022 and June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information available in the letter of transmittal and the College's basic financial statements.

Using This Annual Report

The financial statements below provide a holistic overview of the College state of finances. The College's basic financial statements are intended to provide a clear picture of the College as a single, unified entity. The focus of the Statement of Net Position is designed to show the 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 focuses on operating revenues and expenses that report primarily exchange transactions such as tuition revenue and the direct costs of providing services to the constituency while non-operating 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.

Accounting Standards

The College implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, during the fiscal year 2023. The implementation of this new accounting statement resulted in a restatement of beginning net position of the College's long-term obligations and capital assets subfunds as of July 1, 2021.

The College did not have any Governmental Accounting Standards Board (GASB) Statements to implement during fiscal year 2022 or 2021.

Financial Highlights

In fiscal year 2023, the College approved its Strategic Plan for 2023 – 2027 establishing four key imperatives: Teaching and learning excellence, lifelong connections, ECC experience, and fortify our future. Fortify our future is defined as positioning the college to remain affordable while ensuring long-term financial stability and operational efficiency.

The strategic plan also includes the College's shared values, two of which are accountability and collaboration. The College has strong financial policies to provide reliable and timely information. As a public institution, the College is committed to fiscal responsibility and strives to be transparent in reporting. The College defines collaboration in the strategic plan as remaining committed to serving students, employees, and community members. The College utilizes collaboration in decisions and actions taken to achieve the mission of the college. Unlike 2021 and 2020, fiscal year 2023 saw a full return to campus and to the collaboration the College values.

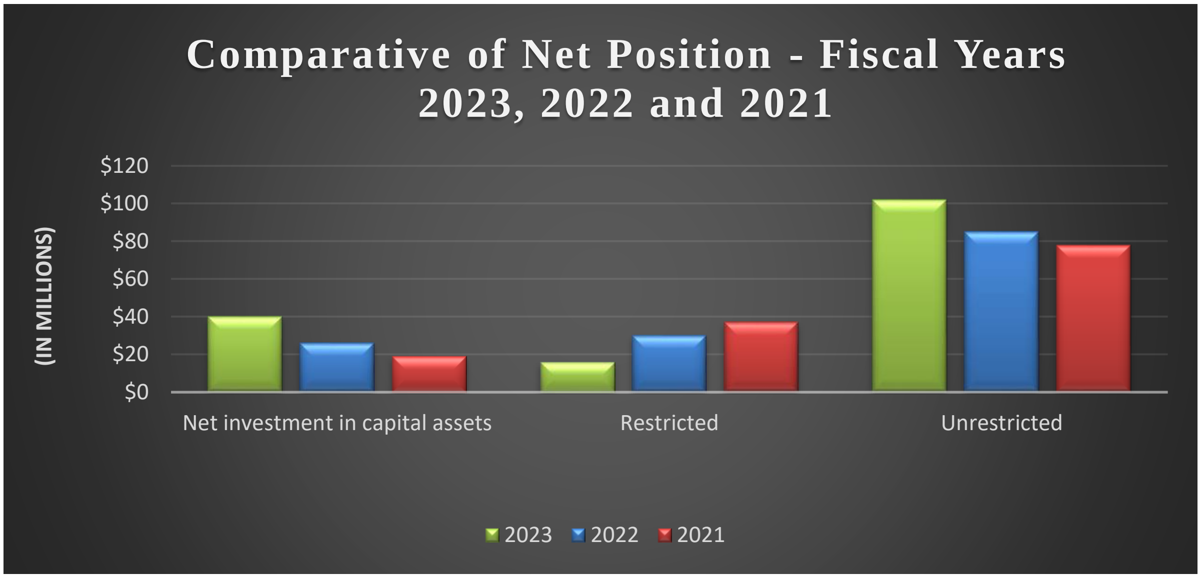
With increasing enrollment the College returned to pre-pandemic minded operations with events and meetings resuming in-person and a focus on program expansion and new initiatives. Phlebotomy, Basic Nurse Assistant, and Respiratory Care were all developed and will continue expanding as a result of PATH (Pipeline for the Advancement of the Healthcare Workforce) grant funding. With the Illinois Department of Human Services (IDHS) Certified Recovery Support Specialist (CRSS) grant, the Certified Recovery Support Specialist program is now up and running. Both grants are also helping to offset student hardships with wraparound support services – reinforcing the College's value of a holistic approach and the belief in educating and supporting the whole person through an approach that addresses emotional, social, ethical, and academic needs.

The College's fiscal year 2023 audit has been completed, and the College is pleased to share the financial highlights of the fiscal year. The College's net position increased by $17 million compared to the fiscal year ended June 30, 2022. In fiscal year 2023, the College focused on the return to campus for in-class offerings and robust online classes with social distancing measures ceasing. The College used remaining grant funds for equipment and supply needs in response to the COVID-19 pandemic through HEERF as well as other new grants to offset program expenses such as ECACE, PATH, and CRSS. Grants such as HEERF, PATH, ECACE, and the Childcare Restoration Grant also contributed to offset salary and equipment expenses. While these grant funds were used for scholarships and student grants, there was a decrease from fiscal year 2022 as the College only had remaining HEERF funds to utilize. Additionally, vacant positions within the College that went unfilled contributed to the increase in net position in fiscal year 2023.

	2023	2022	Increase/(Decrease) 2023/2022	2021
Total College Revenues	142,059,632	150,935,862	(8,876,230)	158,288,784
Total College Expenses	125,328,661	145,388,300	(20,059,639)	152,819,258
Change in net position before capital contributions	16,730,971	5,547,562	11,183,409	5,469,526
Capital Contributions	325,675	667,701	(342,026)	146,475
Change in net position	17,056,646	6,215,263	10,841,383	5,616,001
Net position at beginning of year	140,355,403	134,003,647	6,351,756	128,387,646
Change in accounting principle	-	136,493	(136,493)	-
Net position, July 1, Restated	140,355,403	134,140,140	6,215,263	128,387,646
Net position at end of year	$ 157,412,049	$ 140,355,403	$ 17,056,646	$ 134,003,647

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, 2023; June 30, 2022; and June 30, 2021:



In fiscal year 2023, the College's unrestricted net position was $102.8 million, an increase of $18.1 million over fiscal year 2022. The college completed many campus projects including phase two of the Building H renovation, the chimney restoration, a renovation on Admin offices in Building B, and the Building A shell space buildout for the new Ophthalmic Technician and Medical Assistant Programs. Salary and benefit costs remained down due to retirements and vacancies at the College. The College received the final year of Higher Education Emergency Relief Funds (HEERF) and many costs and salaries were expensed to the grant versus the College's operation budget. HEERF Hispanic Serving Institution funds were used to offset many of the costs of the College's Adult Education program. The College also received the PATH grant (Pipeline for the Advancement of the Healthcare Workforce) which helped to offset instructional equipment costs for various Healthcare programs at the College.

In fiscal year 2023, net investment in capital assets increased by $13 million when compared to fiscal year 2022. In fiscal year 2023, net investment is capital assets was $39 million when compared to $26 million in fiscal year 2022. Restricted net position consists of capital projects, debt service, special purposes including grants, audit, liability insurance, employee benefits, and finally working cash. The restricted net position in fiscal year 2023 was $15.5 million compared to $29.5 million in fiscal year 2022, a decrease of $14 million.

In fiscal year 2022, the College's unrestricted net position was $84.7 million, an increase of $7 million from fiscal year 2021. The college completed a number of projects around campus. The college updated audio/video systems in meeting rooms in Buildings B, E, I, and J. The control system touch screens in Spartan Terrace Restaurant were updated to enhance functionality for the instructors. The College completed the buildout of the third floor of Building A for Health Professions programs and continued work on the Building H remodel. Demolition was completed on 600 S. McLean Boulevard, the future site of the manufacturing and technology center. A few new software contracts were unable to be completed during the fiscal year which attributed to the increase in unrestricted net position. Salary and benefit costs remained down due to retirements of long-term personnel and various vacancies within the college. The College continued to receive Higher Education Emergency Relief Funds (HEERF) and many costs were expensed to those grants versus the College's operating budget. A significant portion of these funds were used to offset the expense of carrying out mandates from the Governor of Illinois to prevent the spread of COVID-19.

In fiscal year 2022, net investment in capital assets increased by $6.5 million when compared to fiscal year 2021. In fiscal year 2022 net investment in capital assets was $26 million compared to $19.5 million in fiscal year 2021. The restricted net position consists of capital projects, debt service, specific purposes, and working cash. Total restricted net position decreased by $7.3 million. The restricted net position in fiscal year 2022 was $29.5 million, compared to $36.8 million in fiscal year 2021.

In fiscal year 2021, the College's unrestricted net position was $77.7 million, an increase of $8.3 million from fiscal year 2020. The College completed various projects around campus. The main receiving dock was repaired and renovated in December 2020. The College completed the purchase of 600 South McLean Boulevard for the future site of a manufacturing and technology center. An athletic path was installed for easier access to the soccer and baseball fields. Various concrete repairs were completed around the main campus. Hallway cameras were installed throughout the main campus to aid in the security of students and staff. New furniture was purchased for Building H. A new building automation system was installed to improve the efficiency of building systems and reduce energy consumption and operating costs. New choral risers and stage decks were purchased for the Building H stage renovations. A few expenses that were not able to be completed and attributed to the increase in the unrestricted net position include the purchase of new contract software and travel and professional development plans were not able to occur due to COVID-19 restrictions. Salary and benefit costs were down due to retirements of long-term personnel and various vacancies around the College. With the HEERF received from the US Department of Education, many costs were expensed to those grants versus the College's operating budget.

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 the current year's revenue and expenses are recognized as incurred.

	2023	2022	Increase/ (Decrease) 2023/2022	2021
Current assets	$ 211,598,490	$ 213,725,178	$ (2,126,688)	$ 211,912,122
Total current assets	211,598,490	213,725,178	(2,126,688)	211,912,122
Non-current assets				
Capital assets, net of depreciation and amortization	186,502,553	179,429,309	7,073,244	179,449,668
Total non-current assets	186,502,553	179,429,309	7,073,244	179,449,668
Total assets	398,101,043	393,154,487	4,946,556	391,361,790
Deferred outflows of resources	4,585,896	5,727,088	(1,141,192)	3,431,241
Total assets and deferred outflows of resources	402,686,939	398,881,575	3,805,364	394,793,031
Current liabilities	27,159,499	25,924,386	1,235,113	24,833,147
Non-current liabilities	156,459,964	189,017,115	(32,557,151)	195,630,338
Total liabilities	183,619,463	214,941,501	(31,322,038)	220,463,485
Deferred inflows of resources	61,655,427	43,584,671	18,070,756	40,325,899
Total liabilities and deferred inflows of resources	245,274,890	258,526,172	(13,251,282)	260,789,384
Net Position				
Net investment in capital assets	39,036,430	26,091,730	12,944,700	19,470,773
Restricted for:				
Capital projects	1,706,695	15,286,442	(13,579,747)	21,482,313
Debt service	4,699,641	4,534,355	165,286	4,888,362
Specific purposes	5,120,010	5,672,338	(552,328)	6,441,357
Working cash	4,014,363	4,014,363	-	4,014,363
Unrestricted	102,834,910	84,756,175	18,078,735	77,706,479
Total net position	$ 157,412,049	$ 140,355,403	$ 17,056,646	$ 134,003,647

Net Position as of June 30

The net position is comprised of three major categories. Net investment in capital assets represent the College's total investment in capital assets, net of accumulated depreciation, and the net of any outstanding long-term liabilities incurred to construct or purchase capital assets. Restricted net position includes resources the College is legally or contractually obligated to spend under restrictions imposed by external third parties. Unrestricted net position includes 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 budgeted projects are delayed, the impact on the net position is apparent. The change in net position from operations resulted in part from the College receiving HEERF grants from the U.S. Department of Education and vacant positions, along with conservative spending. Additional revenue received without allocating funds to additional expenses or additional projects will result in a surplus.

The College's total assets and deferred outflows of resources at fiscal year-end 2023 were $402.7 million compared to $398.9 million in fiscal year 2022, an increase of $3.8 million. Current assets decreased $2.1 million when compared to fiscal year 2022. Cash and cash equivalents decreased by $5.6 million from fiscal year 2022, however property tax receivable increased by $2.2 million and investments increased by $1 million in fiscal year 2023. Student tuition and other accounts receivable remained relatively flat when compared to fiscal year 2022, however accrued interest receivable increased by $0.2 million in fiscal year 2023. Total assets increased by $4.9 million in fiscal year 2023. Capital assets increased by $7 million in fiscal year 2023 due to equipment and computer equipment purchases as well as projects in process and vehicle purchases. Total deferred outflows of resources decreased by $1.1 million in fiscal year 2023 due to a decrease in other post-employment benefit expense. Total current liabilities increased by $1.2 million compared to fiscal year 2023. The increase is primarily due to an increase in accounts and accrued salaries and benefits payable. Non-current liabilities decreased $32.6 million from fiscal year 2022. General obligation bonds payable decreased by $7.5 million due to the principal payments made in fiscal year 2023 for outstanding bond debt. Subscription liabilities increased $.2 million from the restated fiscal year 2022 total due to the implementation of GASB Statement No. 96. The biggest source of change was due to the decrease in other postemployment benefit liability of $25.3 million due to the overall decrease in OPEB liability from $1.7 billion in fiscal year 2022 to $684 million in fiscal year 2023. The total deferred inflows of resources increased by $18 million. This is due to the overall change in OPEB liability as other post-employment employee benefits increased by $17.7 million with only $.3 million attributed to an increase in deferred property tax revenue when compared to fiscal year 2022. Overall, in fiscal year 2023 liabilities and deferred inflows of resources decreased by $13.3 million when compared to fiscal year 2023.

The College's total assets and deferred outflows of resources at fiscal year-end 2022 were $398.4 million and $394.8 million in fiscal year 2021. Fiscal year 2022 increased by $3.6 million when compared to fiscal year 2021. Current assets increased $1.8 million when compared to fiscal year 2021. Cash and cash equivalents decreased by $39.9 million, however investments increased by $36.6 million when compared to fiscal year 2021. The College's receivables increased by $5.1 million and prepaid assets remained flat when compared to fiscal year 2021. Noncurrent assets decreased by $0.05 million in fiscal year 2022. Capital assets decreased due to assets which were disposed and annual depreciation. Total deferred outflows of resources increased by $2.3 million when compared to fiscal year 2021. The other post-employment benefit expense increased by $2.4 million compared to fiscal year 2021. Total current liabilities increased by $0.9 million in fiscal year 2022 when compared to the previous fiscal year. This increase is primarily due to an increase in payables as of June 30. Noncurrent liabilities decreased $6.8 million when compared to fiscal year 2021. General obligation bonds payable decreased $7.6 million due to the combination of principal payments made for the outstanding bond debt. The Total deferred inflows of resources were $43.6 million, and that includes deferred property tax at $31.7 million and other post-employment employee benefit (OPEB) liability of $11.8 million. These deferred liabilities increased in total by $3.3 million when compared to fiscal year 2021. Deferred property tax revenue increased by $1.4 million and the OPEB liability increased by $1.9 when compared to the previous fiscal year. Overall, liabilities and deferred inflows of resources decreased by $2.6 million when compared to fiscal year 2021.

The College's total assets and deferred outflows of resources at fiscal year-end 2021 were $394.8 million. Fiscal years 2021 and 2020 were relatively flat when compared to each other. Current assets increased $6.9 million when compared to fiscal year 2020. The increase was due to cash and cash equivalents increasing by $22.4 million and a decrease of $9.6 million in investments compared to fiscal year 2020. The College's receivables decreased by $6.4 million and prepaid assets increased by $.5 million when compared to fiscal year 2020. Noncurrent assets decreased by $5.3 million in fiscal year 2021. Capital assets decreased due to assets which were disposed and annual depreciation. The College completed a physical inventory of all the capital assets that resulted in the removal of assets from inventory that are no longer utilized. Total deferred outflows of resources increased by $1.6 million when compared to fiscal year 2020. The other post-employment benefit expense increased by $1.2 million compared to fiscal year 2020. Total current liabilities increased by $2.2 million in fiscal year 2021 when compared to the previous fiscal year. This increase is attributed to an increase in payables as of June 30. Noncurrent liabilities decreased $5.1 million when compared to fiscal year 2020. General obligation bonds payable decreased $5.1 million due to the combination of principal payments made for the outstanding bond debt and the 2021 refunding bonds issued to refund the 2010B and 2010C Series Build America Bonds, the 2010D and 2013A Series General Obligation bonds. Total deferred inflows of resources were $40.3 million and includes deferred property tax at $30.3 million and other post-employment employee benefit (OPEB) liability of $10.0 million. These deferred liabilities increased in total by $0.5 million when compared to fiscal year 2020. Deferred property tax revenue decreased by $1.4 million and the OPEB liability increased by $1.9 when compared to the previous fiscal year. The overall decrease to liabilities and deferred inflows of resources was $2.4 million in fiscal year 2021.

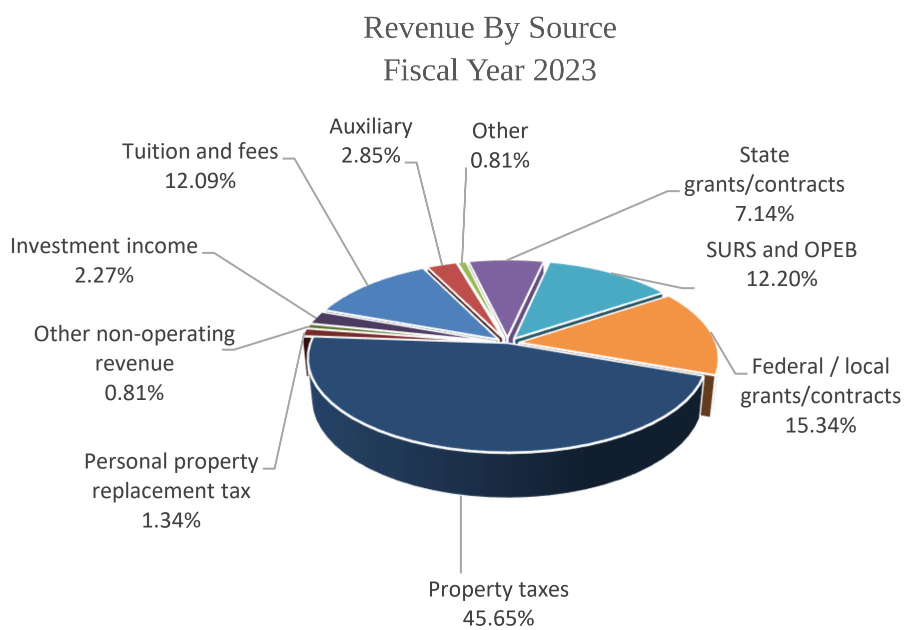
Statement of Revenue, Expenses, and Changes in Net Position

Following is a comparison of the major components of operating results of the College for the years ended June 30, 2023; June 30, 2022, and June 30, 2021:

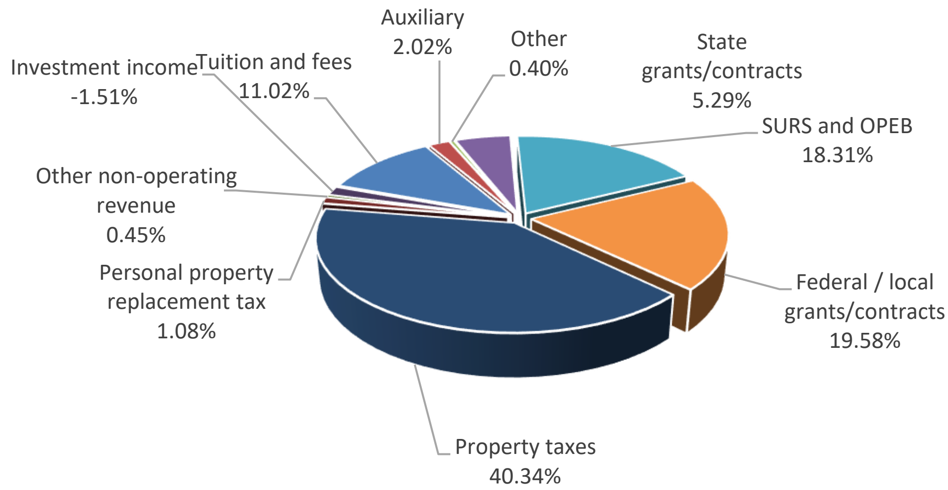
	2023	2022	Increase/(Decrease) 2023/2022	2021
Operating Revenues				
Tuition and fees	$ 17,178,474	$ 17,150,244	$ 28,230	$ 17,122,627
Auxiliary enterprises revenue	4,051,423	3,141,577	909,846	2,169,519
Other operating revenue	1,152,069	625,330	526,739	516,497
Total operating revenues	22,381,966	20,917,151	1,464,815	19,808,643
Non-Operating Revenues				
State grants and contracts	10,146,667	8,234,052	1,912,615	7,691,107
State Universities Retirement System (SURS)	23,801,293	28,250,724	(4,449,431)	40,677,451
Community College Health Insurance Security Fund OPEB	(6,472,854)	246,969	(6,719,823)	711,419
Federal and local grants and contracts	21,071,584	30,469,386	(9,397,802)	24,294,087
Property taxes	64,855,945	62,787,660	2,068,285	62,765,814
Personal property replacement tax	1,897,628	1,678,895	218,733	770,228
Other non-operating income	1,153,745	705,918	447,827	1,153,987
Investment income	3,223,658	(2,354,893)	5,578,551	416,048
Total non-operating revenues	119,677,666	130,018,711	(10,341,045)	138,480,141
Total Revenues	142,059,632	150,935,862	(8,876,230)	158,288,784
Operating Expenses				
Instruction	44,236,512	50,029,979	(5,793,467)	55,690,987
Academic support	13,535,004	15,459,554	(1,924,550)	15,673,781
Student services	9,742,510	10,726,400	(983,890)	11,318,348
Public services	856,090	1,032,222	(176,132)	1,142,359
Auxiliary services	4,727,159	3,880,264	846,895	7,769,999
Scholarships and student grants	7,513,405	15,973,482	(8,460,077)	9,929,136
Operation and maintenance of plant	11,469,192	13,335,207	(1,866,015)	10,472,019
Institutional support	21,680,451	23,413,551	(1,733,100)	27,533,305
Depreciation	8,413,981	8,229,545	184,436	8,007,521
Total operating expenses	122,174,304	142,080,204	(19,905,900)	147,537,455
Non-Operating Expenses				
Interest expense and fiscal charges	3,154,357	3,308,096	(153,739)	4,700,440
Loss on disposal of capital assets	-	-	-	581,363
Total non-operating expenses	3,154,357	3,308,096	(153,739)	5,281,803
Total Expenses	125,328,661	145,388,300	(20,059,639)	152,819,258
Change in net position before capital contributions	16,730,971	5,547,562	11,183,409	5,469,526
Capital Contributions	325,675	667,701	(342,026)	146,475
Change in net position	17,056,646	6,215,263	10,841,383	5,616,001
Net position at beginning of year	140,355,403	134,003,647	6,351,756	128,387,646
Change in accounting principle	-	136,493	(136,493)	-
Net position, July 1, Restated	140,355,403	134,140,140	6,215,263	128,387,646
Net position at end of year	$ 157,412,049	$140,355,403	$ 17,056,646	$134,003,647

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 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.

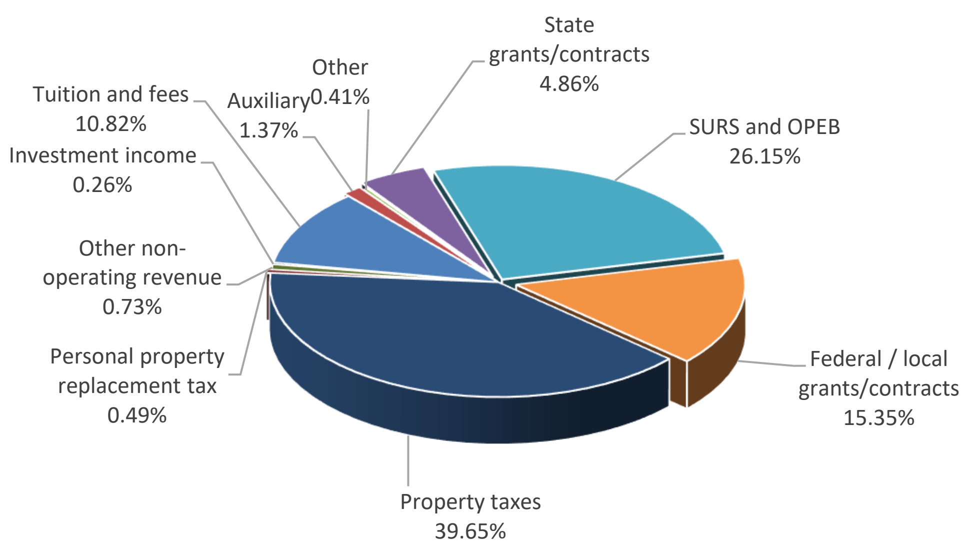
The following charts show the percentage of these sources of revenues as they were for the years ended June 30, 2023, June 30, 2022, and June 30, 2021:



Revenue By Source
Fiscal Year 2022



Revenue By Source
Fiscal Year 2021



In fiscal year 2023, the three main sources of revenue, from highest to lowest, are property taxes, federal and local grants and contracts, and tuition and fees. Property tax revenue amounted to 45.65 percent of total revenue collected in fiscal year 2023. In fiscal years 2022 and 2021, property tax revenue amounted to 40.34 percent and 39.65 percent of total revenue collected, respectively. Property tax continues to be the College's main source of revenue.

In fiscal year 2023, federal and local grants and contracts amounted to 15.34 percent of total revenue for the College. Federal and local grants and contracts in previous fiscal years have been the third-highest source of revenue for the College behind tuition and fees. In fiscal year 2020, this changed for the College and federal and local grants and contracts became the second largest source of total revenue at 13.28 percent. Due to the COVID-19 pandemic, the College received additional funding from the US Department of Education through the Higher Education Emergency Relief Fund (HEERF). In total, the College has been awarded three allocations from HEERF: Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan (ARP). These three grants allocated federal funds to colleges and universities to help students as they transitioned from in-person learning to online learning, provide supportive services to those who have been impacted by COVID-19, and award direct student grant aid for expenses incurred while in school. The US Department of Education grants also provided support to help institutions cover some of the expenses incurred because of the COVID-19 pandemic. The College's CARES Act allocation was $2.3 million for student relief and $2.3 million for institutional expenses related to COVID-19. The CRRSAA grant awarded $7.6 million for institutional expenses and $2.3 million for student relief. The ARP grant awarded $8.7 million for institutional expenses related to COVID-19 and $8.8 million for student relief. Combined with these US Department of Education grants, the College was awarded an additional $0.9 million for being a Hispanic Serving Institution (HSI). Of the $32.9 million allocated from the CARES Act, CRRSAA grant, ARP grant and the HSI grants, the College expended and received as revenue $6.6 million for student assistance and institutional expenses in fiscal year 2023. In fiscal years 2022 and 2021, federal and local grants and contracts had revenue at 19.58 percent and 15.35 percent, respectively, of total revenue.

In fiscal years 2023, 2022 and 2021, tuition and fees revenue were the third largest source of income for the College at 12.09 percent, 11.02 percent and 10.82 percent, respectively, of total revenue. In previous years, tuition and fees revenue have been the second-largest source of revenue for the College. Due to the COVID-19 pandemic, tuition and fees decreased for the College beginning the third and fourth quarters of fiscal year 2020 continuing into 2022. In fiscal year 2023, social distancing measures were eased and the College saw a slight increase in tuition and fee revenue compared to fiscal year 2022.

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 the 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 comprise the remaining one-third of community college revenue. Illinois has increasingly depended on property taxpayers and students to fund community colleges. State grants and contracts have remained to be the fourth largest source of total revenue for the College. State grants and contracts were 7.14 percent of the total College's revenue in fiscal year 2023. State grants and contracts were 5.29 percent of the total College's revenue in fiscal year 2022 and in fiscal year 2021, state grants and contracts revenue made up 4.86 percent of total revenue.

Fiscal Year 2023

For the College as a whole, total revenue decreased by $8.9 million or 5.88 percent when compared to fiscal year 2022.

- Property tax revenue increased by $2 million compared to fiscal year 2022. In fiscal year 2023 the College made bond payments totaling $6.6 million; that amount included $0.8 million to the 2021B GO Refunding Bond, $2.8 million to the 2021A GO Refunding Bond, and $3 million to the 2012 GO Refunding Bond.
- State and local grants increased by $1.9 million or 23.23 percent when compared to fiscal year 2022. State grants awarded to the College in fiscal year 2023 include the PATH grant, CRSS Success Program, the DCEO Apprenticeship Expansion Program, and various local grants obtained by the College's Foundation.
- State Universities Retirement System (SURS) proportionate share of revenue and expense had a $4.4 million decrease when compared to fiscal year 2022. SURS is a special funding situation whereby the State of Illinois is responsible for funding pensions on behalf of the College. The change in fiscal year 2023 is a 15.75 percent decrease from 2022. The College's proportionate share of revenue and expense for the Health Insurance Security Fund (OPEB) decreased by $6.7 million when compared to fiscal year 2022.
- Federal and local grants and contracts decreased by 30.84 percent or $9.4 million when compared to fiscal year 2022. In fiscal year 2023, the College awarded $8.4 million in PELL grants. This reflects a 9.26 percent increase when compared to fiscal year 2022. In fiscal year 2023 the College awarded $1.4 million in direct loans compared to $1.3 million in fiscal year 2022, this represents an increase of 10.15 percent. Examples of federal grants in fiscal year 2023 include five TRIO grant awards that service students from disadvantaged backgrounds. The College has Workforce Development grants with both Cook and Kane county. Each grant provides targeted youth with work experience and training. Another federal grant that the College has had for many years is Perkins Postsecondary. This grant supports local CTE programs that service secondary and postsecondary education students. The College also received the ECACE grant award (Early Childhood Access Consortium) in fiscal year 2023 which supports educational programs serving the early childhood workforce. In total, the College was awarded $32.9 million from the US Department of Education for the CARES/CRRSA/ARP program. As of fiscal year, 2023, the College has spent and been reimbursed for all of the $32.9 million total award in CARES/CRRSAA/ARP funds. $6.6 million was spent and awarded in fiscal year 2023, $16.2 million was spent and awarded in fiscal year 2022, $8.6 million in fiscal year 2021, and $2.4 million in fiscal year 2020.
- Tuition and fee revenue primarily remained flat when compared to fiscal year 2022. Tuition and fee revenue totaled $17.2 million or increased by 0.16 percent when compared to fiscal year 2022. The College has kept the in-district tuition rate at $132 for the fifth consecutive year. There was a decrease to out of district and out of state tuition rates in fiscal year 2021. In fiscal year 2023, the out of district tuition and fees and the out of state tuition and fees remained at $297 and $396 per semester hour, respectively. The College's total claimed credit hours in fiscal year 2023 increased when compared to fiscal year 2022. The College will continue its efforts to increase enrollment, as well as work to retain and support current students in completing their academic goals.

- Auxiliary enterprise revenue increased by $0.9 million when compared to fiscal year 2022; this translates to a 28.96 percent increase. The auxiliary units were affected by the COVID-19 pandemic when the College closed mid-March 2020. As the College began to re-open in the Spring of 2021, the Auxiliary Programs also began to reopen and earn revenue for the College in fiscal year 2022 which continued to rise in fiscal year 2023 with more staff and students returning to campus. Examples of the College's auxiliary units include Childcare, Visual and Performing Arts, Production Services, Bookstore, Facilities Rental, and Food Service.
- Investment income increased by $5.6 million when compared to fiscal year 2022. In fiscal year 2023, investment revenue totaled $3.2 million, in fiscal year 2022 investment income was negative $2.3 million, and in fiscal year 2021 it was $0.4 million. The current market has attributed to the increase from fiscal year 2022.
- Overall, the College's total non-operating revenue decreased by $10.3 million or 7.95 percent and operating revenue increased by $1.5 million or 7 percent when compared to fiscal year 2022.

Fiscal Year 2022

For the College as a whole, total revenue decreased by $7.3 million or 4.65 percent when compared to fiscal year 2021.

- Property tax revenue was static when compared to fiscal year 2021. In fiscal year 2022 the College issued bond payments totaling $6.1 million; that amount included $3.3 million to the 2013A Series, $1.9 million to the 2021B GO Refunding Bond, $0.5 million to the 2021A GO Refunding Bond, and $0.4 million to the 2012 GO Refunding Bond.
- State and local grants increased by $0.5 million or 7.06 percent when compared to fiscal year 2021. State grants awarded to the College in fiscal year 2022 include the Governor's Emergency Education Relief Grant (GEER II), the CRSS Success Program, the DCEO Apprenticeship Expansion Program, and various local grants obtained by the College's Foundation.
- State Universities Retirement System (SURS) proportionate share of revenue and expense had a $12.4 million decrease when compared to fiscal year 2021. SURS is a special funding situation whereby the State of Illinois is responsible for funding pensions on behalf of the College. The change in fiscal year 2022 is a 30.55 percent decrease from 2021. The College's proportionate share of revenue and expense for the Health Insurance Security Fund (OPEB) decreased by $0.5 million when compared to fiscal year 2021.
- Federal and local grants and contracts increased by 25.42 percent or $6.2 million when compared to fiscal year 2021. In fiscal year 2022, the College awarded $7.6 million in PELL grants. This reflects a 5.83 percent increase when compared to fiscal year 2021. The number of direct loans to students decreased by 92 loans when compared to fiscal year 2021. In fiscal year 2022 the College awarded $1.3 million in direct loans compared to $1.6 million in fiscal year 2021, this represents a decrease of 18.40 percent. Examples of federal grants in fiscal year 2022 include five TRIO grant awards that services students from disadvantaged backgrounds. The College has Workforce Development grants with both Cook and Kane county. Each grant provides targeted youth with work experience and training. Another federal grant that the College has had for many years is Perkins Postsecondary. This grant supports local CTE programs that service secondary and postsecondary education students. In total, the College was awarded

$32.9 million from the US Department of Education for the CARES/CRRSA/ARP program. As of fiscal year, 2022, the College has spent and been reimbursed for $27.2 million of the $32.9 million total award in CARES/CRRSAA/ARP funds. $16.2 million was spent and awarded in fiscal year 2022, $8.6 million in fiscal year 2021, and $2.4 million in fiscal year 2020.

- Tuition and fee revenue primarily remained flat when compared to fiscal year 2021. Tuition and fee revenue totaled $17.2 million or increased by 0.16 percent when compared to fiscal year 2021. The College has kept the in-district tuition rate at $132 for the fourth consecutive year. There was a decrease to out of district and out of state tuition rates in fiscal year 2021. In fiscal year 2022, the out of district tuition and fees and the out of state tuition and fees remained at $297 and $396 per semester hour, respectively. Due to the COVID-19 pandemic, the College's total claimed credit hours in fiscal year 2022 slightly decreased when compared to fiscal year 2021. The College will continue its efforts to increase enrollment, as well as work to retain and support current students in completing their academic goals.
- Auxiliary enterprise revenue increased by $1.0 million when compared to fiscal year 2021; this translates to a 44.81 percent increase. The auxiliary units were affected by the COVID-19 pandemic when the College closed mid-March 2020. As the College began to re-open in the Spring of 2021, the Auxiliary Programs also began to reopen and earn revenue for the College in fiscal year 2022. Examples of the College's auxiliary units include Childcare, Visual and Performing Arts, Production Services, Bookstore, Facilities Rental, and Food Service.
- Investment income decreased by $2.8 million when compared to fiscal year 2021. The decline is due to unrealized losses on investments held by the college. The College intends to hold the investments until maturity thus not realizing the losses. In fiscal year 2022, investment revenue totaled a negative $2.4 million, in fiscal year 2021 investment income was $0.4 million, and in fiscal year 2020 it was $2.6 million. The current market and rising inflation have attributed to this decrease.
- Overall, the College's total non-operating revenue decreased by $8.5 million or 6.11 percent and operating revenue decreased by $5.5 million or 3.70 percent when compared to fiscal year 2021.

<u>Fiscal Year 2021</u>

For the College as a whole, total revenue decreased by $0.6 million or 0.38 percent when compared to fiscal year 2020.

- Property tax revenue decreased by $1.2 million or 1.94 percent. The debt service requirements for the 2020 property tax levy were 4.7 percent lower when compared to property taxes levied for 2019. The College issued $91.3 million in general obligation refunding bonds to refund $41.0 million in Series 2010B and 2010C general obligation Build America bonds. $32.5 million in Series 2010D and $30.0 million in series 2013A general obligation bonds.
- State and local grants increased by $0.7 million or 9.53 percent when compared to fiscal year 2020. State grants the College was awarded in fiscal year 2021 include the State Performance and Support for Adult Education, the Small Business Development Center grant along with the Small Business Development Center CARES grant, the Illinois Department of Commerce and Economic Opportunity grant for the College's Apprenticeship program and various local grants obtained by the College's Foundation.

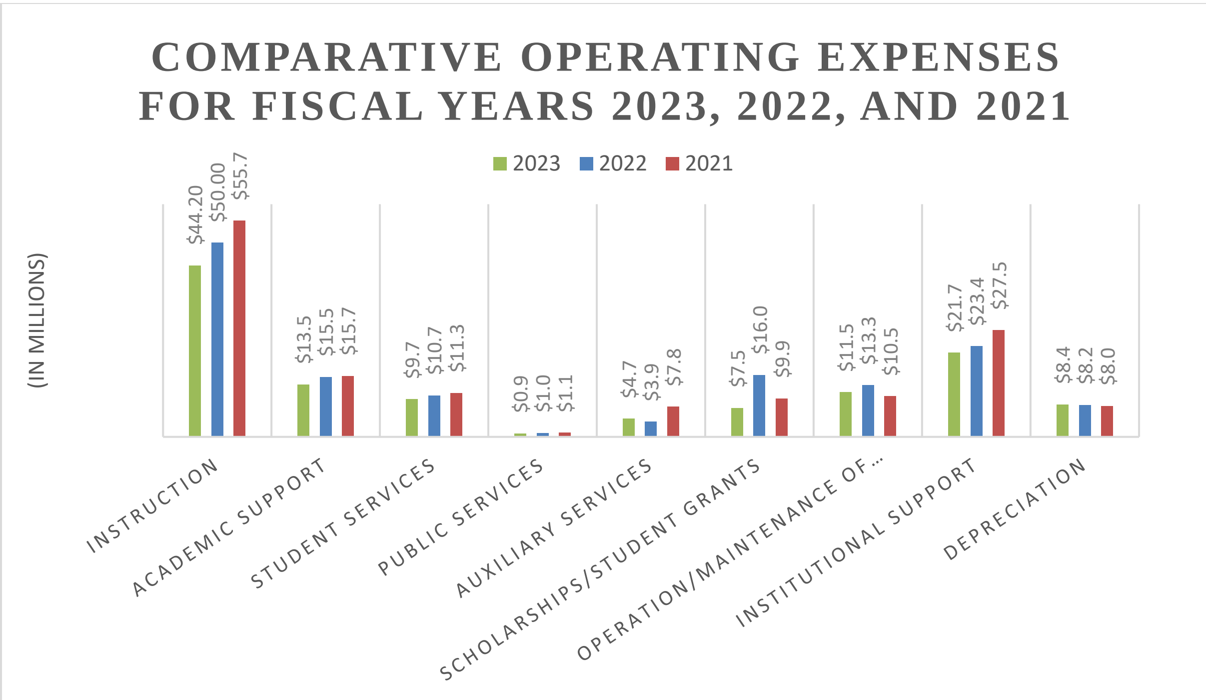
- State Universities Retirement System (SURS) proportionate share of revenue and expense had a $4.1 million increase when compared to fiscal year 2020. SURS is a special funding situation whereby the State of Illinois is responsible for funding pensions on behalf of the College. The increase in fiscal year 2021 is a 11.3 percent increase from 2020. 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. The College's proportionate share of revenue and expense for the Health Insurance Security Fund (OPEB) decreased by $0.7 million when compared to fiscal year 2020.
- Federal and local grants and contracts increased 15.1 percent or $3.2 million when compared to fiscal year 2020. In fiscal year 2021, the College awarded $8.1 million in PELL grants. This reflects a 17.5 percent decrease when compared to fiscal year 2020. The number of direct loans to students decreased by 191 loans when compared to fiscal year 2020. In fiscal year 2021, the College awarded $1.6 million in direct loans compared to $2.4 million in fiscal year 2020. This is a represents a decrease of 32.1 percent. Examples of federal grants in fiscal year 2021 include five TRIO grant awards that services students from disadvantaged backgrounds. The College has Workforce Development grants with Cook and Kane counties to provide targeted youth with work experience and training. Another federal grant the College has had for many years is the Perkins Postsecondary grant to support local programs that services special populations. As noted previously, the College was awarded a total of $32.9 million in CARES/CRRSAA/ARP funding from the US Department of Education. Out of this $32.9 million, the College spent and was reimbursed for $8.6 million in CARES/CRRSAA funding in fiscal year 2021.
- Tuition and fee revenue decreased in fiscal year 2021 when compared to fiscal year 2020. Tuition and fee revenue amounts to $17.1 million or a 15.4% decrease when compared to fiscal year 2020. The in-district tuition rate remained at $132 for the third consecutive year in fiscal year 2020. The out of district tuition rate was reduced from $434.49 to $297 per semester hour and the out of state tuition and fees was reduced from $497.79 to $396 per semester hour. Due to the COVID-19 pandemic, the College's total claimed credit hours dropped from 173,961 total claimed credit hours in fiscal year 2020 to 146,389 total claimed credit hours in fiscal year 2021.
- Auxiliary enterprise revenue decreased by $1.5 million when compared to fiscal year 2020. This was a 41.2 percent decrease in fiscal year 2021. The auxiliary units were affected by the COVID-19 pandemic when the College closed mid-March 2020. Examples of the College's auxiliary units include Childcare, Visual and Performing Arts, and Food Service. When the College closed campus in the middle of March 2020, auxiliary programs were closed as well. Performances scheduled for the College's Visual and Performing Arts in fiscal year 2021 were presented in an online format. As the College began to re-open in the Spring of 2021, the Auxiliary Programs also began to reopen.
- Investment income decreased $2.1 million or 83.8 percent when compared to fiscal year 2020. In fiscal year 2020, investment revenue amounted to $2.6 million and in fiscal year 2019 investment income was $2.5 million.
- Overall, the College's total non-operating revenue increased by $4.1 million or 3.0 percent and operating revenue decreased by $4.7 million or 19.3 percent when compared to fiscal year 2020.

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 2023, overall operating expenses of $122.2 million decreased by $20 million or 14.01 percent when compared to fiscal year 2022. During fiscal year 2022, overall operating expenses of $142.1 million decreased by $5.5 million or 3.70 percent when compared to fiscal year 2021.

Operating Expenses – By Function

The following is a graphic illustration of operating expenses:



Fiscal Year 2023

- Instructional departments are the departments that provide academic programs to the College's students. The College's instruction expenses decreased by $5.8 million or 11.58 percent in fiscal year 2023. The SURS proportionate share of instructional revenue and expenses decreased by $4.4 million when compared to fiscal year 2022 which greatly attributed to this decrease. Overall instruction salaries and benefits for fiscal year 2023 increased by $0.6 million compared to fiscal year 2022. When compared to fiscal year 2021, salaries and benefits in fiscal year 2023 increased by $1.1 million. General materials and supplies expense increased by $0.3 million in fiscal year 2023 compared to fiscal year 2022. Instructional printing costs increased slightly to $0.25 million compared to $0.2 million in fiscal year 2022. This can be attributed to rising printing costs. Instructional supplies increased $0.3 million in fiscal year 2023. Instructional supplies amounted to $0.9 million in fiscal year 2023 compared to $0.6 million in fiscal year 2022 and $0.5 million in fiscal year 2021. This increase can be attributed to new program offerings as well as the end of social distancing measures resulting in increased classroom needs. Software expense decreased slightly by $0.06 million in fiscal year 2023 when compared to fiscal years 2022. The College worked to consistently re-classify software subscription renewals as Maintenance Services as defined by ICCB object code definitions which attributed to much of this decrease. Professional development travel and training expenses increased in fiscal year 2023 by $0.5 million as pandemic restrictions continued to lift and in-person conferences and training opportunities returned to pre-pandemic levels.

- Academic Support is made up of departments that provide support services for instruction, academic computing, and research. The College's library and distance learning are examples of departments included in Academic Support. In fiscal year 2023, Academic Support expenses decreased by $1.9 million when compared to fiscal year 2022 and decreased $2.1 million when compared to fiscal year 2021. The decrease was due to the fiscal year 2023 being the final year CARES/CRRSAA/ARP grants received from the US Department of Education and minimal remaining ICCB Governor's Emergency Education Relief Funds (GEER). Total salaries and benefits increased in fiscal year 2023 when compared to fiscal year 2022 by $0.2 million and decreased by $0.9 million when compared to fiscal year 2021. Equipment expensed in fiscal year 2023 decreased by $0.2 million when compared to fiscal year 2022 and by $0.3 million when compared to fiscal year 2021. Other contractual saw the biggest decrease of $1.7 million as the College no longer required COVID-19 testing for students and staff to be on campus. CARES/CRRSAA/ARP funds continued to support staff such as Student Success Coaches hired to support students.
- Student Services are departments that assist in areas of financial aid, admissions, student records, testing, and advising. In fiscal year 2023, the Student Support services expenses amounted to a $1 million decrease when compared to fiscal year 2022 and a $1.6 million decrease when compared to fiscal year 2021. In fiscal year 2023, salaries and benefits decreased $0.1 million when compared to fiscal year 2022 and increased by $0.2 million when compared to fiscal year 2021. Other Contractual expenses in fiscal year 2023 were again relatively flat when compared to fiscal years 2022 and 2021. Printing costs remained relatively flat when compared to fiscal year 2022 and increased $0.07 million when compared to fiscal year 2021. General material and supplies under Student Support Services had an increase of $0.2 million when compared to fiscal year 2022 and $0.3 million when compared to fiscal year 2021 due to inflation and rising costs.
- Public Service departments include noncredit classes and other activities such as Continuing Education, Corporate training, or the College's Strategic Partnership and Experience Leadership. Public Service expenses decreased $0.2 million in fiscal year 2023 when compared to fiscal year 2022, and $0.3 million when compared to fiscal year 2021. Public Service salary and benefits remained flat in fiscal year 2023 when compared to fiscal year 2022 and a saw a slight decrease when compared to fiscal year 2021. In fiscal year 2023 and 2022, salaries and benefits totaled $0.9 million compared to $0.92 million in fiscal year 2021. Contractual expenses and general material and supplies decreased $0.1 million compared to fiscal years 2022 and 2021 which can be attributed to the discontinuation of funding for the Youth Leadership Academy. Professional development remained relatively flat in fiscal year 2023 when compared to fiscal year 2022 and saw an increase of $0.03 when compared to fiscal year 2021 due to COVID-19 travel restrictions at the time.

Auxiliary Services provides for the operation of such entities as the Bookstore, Food Services, Childcare, Visual and Performing Arts, and Student Clubs and Athletics. In fiscal year 2023, Auxiliary Services increased $0.8 million when compared to fiscal year 2022 and decreased $3 million when compared to fiscal year 2021. While some Auxiliary Service salaries continued to be offset with HEERF, CCAMPIS, and Childcare Restoration grant funds, the complete return to campus in Summer 2022 saw an increase in costs. As the College began reinstating in-person classes and staff returned to the College, the Auxiliary Services Departments were able to re-open and provide in-person services to the students, staff and the community members of District 509. This included more events at the Visual and Performing Arts Center and pre-pandemic hours and offerings, as well as increased catering through Food Services.

- The scholarships and student grants had expenses of $7.5 million in fiscal year 2023. Total PELL grant awards decreased by $0.7 million or 9.3 percent in fiscal year 2023 when compared to fiscal year 2022. The number of PELL students went from 2,458 in fiscal year 2022 to 2,946 students in fiscal year 2023. This is an increase of 488 students or 19.9 percent. The SEOG awards decreased from $366,753 in fiscal year 2022 to $263,192 in fiscal year 2023. This is a decrease of $103,562 or 28.2 percent. The average SEOG awarded per student was $306. This amount is down from $338 average award in fiscal year 2022. Direct Loans in fiscal year 2023 were $1.5 million and in fiscal year 2022 direct loans were $1.3 million. This is a $0.2 million increase or 18.1 percent. The number of direct loan students was 350 in fiscal year 2023 and in fiscal year 2022 the number of direct loan students was 341. With the final year of COVID-19 funding from the U.S. Department of Education, the College was able to continue to award students who were affected by COVID-19 scholarships to help with tuition and books and other living costs, however this amount dramatically reduced by $7 million when compared to fiscal year 2022.
- Institutional support is expenses for executive-level activities and support services that benefit the entire institution. In fiscal year 2023, institutional support expenses decreased from $23.5 million in fiscal year 2022 to $21.7 million. This is a decrease of $1.7 million. When fiscal year 2023 is compared to fiscal year 2021, Institutional Support expenses decreased $5.9 million, mainly due to the SURS proportionate share of revenue and expense decrease when compared to fiscal years 2022 and 2021. Medical benefits for PPO and HMO remained flat when compared to fiscal year 2022 and increased by $1.2 million when compared to fiscal year 2021. Salary and benefit costs decreased $3.5 million compared to fiscal year 2022 while Other Contractual, General Materials and Supplies, and Professional Development and Travel saw a combined increase of $.9 million.

<u>Fiscal Year 2022</u>

- Instructional departments are the departments that provide academic programs to the College’s students. The College’s instructional expenses decreased by $5.6 million or 10.06 percent in fiscal year 2022. The SURS proportionate share of instructional revenue and expenses decreased by $5.9 million when compared to fiscal year 2021 which greatly attributed to this decrease. Overall instruction salaries and benefits for fiscal year 2022 increased by $0.5 million compared to fiscal year 2021. When compared to fiscal year 2020, salaries and benefits in fiscal year 2022 increased by $1.2 million. General materials and supplies expense increased by $0.3 million in fiscal year 2022 compared to fiscal year 2021. Instruction printing costs were $0.2 million compared to $0.04 million in fiscal year 2021. This can be attributed to the return to campus following the COVID-19 pandemic. Instructional supplies increased $0.1 million in fiscal year 2022. Instructional supplies amounted to $0.6 million in fiscal year 2022 compared to $0.5 million in fiscal year 2021 and $0.6 million in fiscal year 2020. Software expense increased by $0.1 million in fiscal year 2022 when compared to fiscal years 2021 and 2020. Professional development travel and training expenses increased in fiscal year 2022 by $0.2 million as pandemic restrictions began to lift and in-person conferences and training opportunities resumed.

- Academic Support is made up of departments that provide support services for instruction, academic computing, and research. The College's library is an example of a department included with Academic Support. In fiscal year 2022, Academic Support expenses decreased by $0.2 million when compared to fiscal year 2021 and increased $2.5 million when compared to fiscal year 2020. The SURS proportionate share of revenue and expenses decreased $2.3 million compared to fiscal year 2021. There continued to be increase in 2022 compared to 2020 for Academic Support expenses due to the CARES/CRRSAA/ARP grants received from the US Department of Education and the ICCB Governor's Emergency Education Relief Fund (GEER). Total salaries and benefits decreased in fiscal year 2022 when compared to fiscal year 2021 by $1.2 million. Equipment expensed in fiscal year 2022 remained static when compared to 2021. The CARES/CRRSAA/ARP grant expenses for equipment remained near $0.3 million consistent with fiscal year 2021. The ICCB GEER II grant began in fiscal year 2022 to continue relief for expenses incurred due to the COVID-19 pandemic. GEER II and CARES/CRRSAA/ARP funds continued to support staff reassigned to other duties due to COVID-19 and Student Success Coaches hired to support students.
- Student Services are departments that assist in areas of financial aid, admissions, student records, testing, and advising. In fiscal year 2022, the Student Support services expenses amounted to a $0.6 million decrease when compared to fiscal year 2021 and a $0.2 million decrease when compared to fiscal year 2020. In fiscal year 2022, salaries and benefits increased $0.3 million and $0.5 million when compared to fiscal years 2021 and 2020, respectively. Other Contractual expenses in fiscal year 2022 were relatively flat when compared to fiscal years 2021 and 2020. Fiscal year 2022 had a slight increase of $0.06 million in printing costs when compared to fiscal year 2021 and remained the same when compared to fiscal year 2020. General material and supplies under Student Support Services had a slight increase of $0.1 million when compared to fiscal year 2021 and remained the same when compared to fiscal year 2020.
- Public Service departments include noncredit classes and other activities such as Continuing Education, Corporate training, or the College's Strategic Partnership and Experience Leadership. Public Service expenses in fiscal years 2022, 2021 and 2020 have remained relatively flat in comparison. Public Service salary and benefits had a slight decrease in fiscal year 2022 when compared to fiscal year 2021 and a slight increase when compared to fiscal year 2020. In fiscal year 2022, salaries and benefits decreased $0.01 million when compared to fiscal year 2021 and increased $0.1 million when compared to fiscal year 2020. Contractual expenses and general material and supplies have remained similar when fiscal year 2022 is compared to fiscal years 2021 and 2020. Professional development had a slight increase in fiscal year 2022 of $0.04 million when compared to previous fiscal years due to the return of onsite conferences.

- Auxiliary Services provides for the operation of such entities as the Bookstore, Food Services, Childcare, Visual and Performing Arts, and Student Clubs and Athletics. In fiscal year 2022, Auxiliary Services decreased $3.9 million when compared to fiscal year 2021 and decreased $1.5 million when compared to fiscal year 2020. Many Auxiliary Service Departments were able to reassign staff during the period when the College was working remotely due to COVID-19. Staff who were reassigned had salary and benefits reclassified to the CARES/CRRSAA/ARP grant. This allowed the Auxiliary Service Departments to not incur those costs while maintaining the employees. Many Auxiliary Services like Childcare, Visual Performing Arts, Bookstore and Food Services were able to reduce its costs due to the College working remotely in the Fall of 2020 through the Summer of 2021. As the College began reinstating in-person classes and staff returned to the College building gradually, the Auxiliary Services Departments were able to re-open and provide in-person services to the students, staff and the community members of District 509.
- The scholarships and student grants had expenses of $16 million in fiscal year 2022. Total PELL grant awards decreased by $0.5 million or 5.8 percent in fiscal year 2022 when compared to fiscal year 2021. The number of PELL students went from 2,549 in fiscal year 2021 to 2,458 students in fiscal year 2022. This is a decrease of 91 students or 3.6 percent. The SEOG awards decreased from $455,981 in fiscal year 2021 to $366,753 in fiscal year 2022. This is a decrease of $89,228 or 19.6 percent. The average SEOG awarded per student was $338. This amount is down from $349 average award in fiscal year 2021. Direct Loans in fiscal year 2022 were $1.3 million and in fiscal year 2021 direct loans were $1.6 million. This is a $0.3 million decrease or 18.1 percent. The number of direct loan students was 341 in fiscal year 2022 and in fiscal year 2021 the number of direct loan students was 439. With the COVID-19 funding from the U.S. Department of Education, the College was able to award students who were affected by COVID-19 scholarships to help with tuition and books and other living costs.
- Institutional support is expenses for executive-level activities and support services that benefit the entire institution. In fiscal year 2022, institutional support expenses decreased from $27.5 million in fiscal year 2021 to $23.5 million. This is a decrease of $4 million. When fiscal year 2022 is compared to fiscal year 2020, Institutional Support expenses increased $0.8 million. The SURS proportionate share of revenue and expense decreased by $2 million when compared to fiscal year 2021. Medical benefits for PPO and HMO increased by $1.2 million when compared to fiscal year 2021 and increased $3.1 million when compared to fiscal year 2020. Salary and benefit costs decreased $1.3 million compared to fiscal year 2021. The College offered a voluntary retirement program in fiscal year 2021 in which many long-term employees retired in December of 2021.

Fiscal Year 2021

- Instructional departments are the departments that provide academic programs to the College’s students. The College’s instruction expenses increased by $1.5 million or 2.68 percent in fiscal year 2021. The SURS proportionate share of instructional revenue and expenses increased by $1.5 million when compared to fiscal year 2020. Overall instruction salaries and benefits for fiscal year 2021 remained relatively flat when compared to fiscal year 2020. General materials and supplies expense decreased by $0.3 million in fiscal year compared to fiscal year 2020. With the online offerings, the College had significant savings with printing costs and office supplies. In fiscal year 2021. Instruction printing costs were $0.04 million compared to $0.2 million in both fiscal year 2020. Instructional supplies decreased $0.1 million in fiscal year 2021.

Instructional supplies amounted to $0.5 million in fiscal year 2021 compared to $0.6 million in fiscal year 2020. Software expense remained flat in fiscal year 2021 when compared to fiscal years 2020 and 2019. Due to COVID-19, professional development travel and training expenses continued to be minimal when compared to fiscal year 2020. Many conferences and training opportunities were offered online which saved the College in travel expenses.

- Academic Support is made up of departments that provide support services for instruction, academic computing, and research. The College's library is an example of a department included with Academic Support. In fiscal year 2021, Academic Support expenses increased by $2.7 million when compared to fiscal year 2020. The SURS proportionate share of revenue and expenses increased $1.2 million compared to fiscal year 2020. The increase in 2021 for Academic Support expenses is due to the CARES grants received from the US Department of Education and the ICCB Governor's Emergency Education Relief Fund (GEER). The College was able to expense the faculty stipends for teaching online as well as expense the College staff who were reassigned to other duties during the time the College was shut down due to COVID-19. The amount of salaries expensed to the academic support grants was a $0.8 million increase from fiscal year 2020. Total salaries and benefits increased in fiscal year 2021 when compared to fiscal year 2020 by $1.4 million. Equipment expensed in fiscal year 2021 increased by $0.3 million. The ICCB GEER grant equipment increased by $0.08 million when compared to fiscal years 2020 and 2019. The CARES grant expense for equipment was a $0.3 million increase when compared to fiscal year 2020. The ICCB GEER grant began in fiscal year 2021 due to the onset of COVID-19. Many of the CARES grant expenses occurred in fiscal year 2021 when compared to fiscal year 2020.
- Student Services are departments that assist in areas of financial aid, admissions, student records, testing, and advising. In fiscal year 2021, the Student Support services expenses amounted to a $0.3 million increase when compared to fiscal year 2020. Salary and benefits for Student Services had minimal increases when compared to fiscal year 2020. In fiscal year 2021, salaries and benefits increased $0.2 million when compared to fiscal year 2020. Other Contractual expenses in fiscal year 2021 were relatively flat when compared to fiscal year 2020. Fiscal year 2021 had a slight increase of $0.1 million when compared to fiscal year 2020. General material and supplies under Student Support Services had a slight decrease of $0.1 million when compared to fiscal year 2020.
- Public Service departments include noncredit classes and other activities such as Continuing Education or Corporate training or the College's Strategic Partnership and Experience Leadership. Public Service expenses in fiscal years 2021 and 2020 have remained relatively flat in comparison. Public Service salary and benefits had a slight increase in fiscal year 2021 when compared to fiscal year 2020. In fiscal year 2021, salaries and benefits increased $0.2 million over fiscal year 2020. Contractual expenses and general material and supplies have remained similar when fiscal year 2021 is compared to fiscal year 2020. Travel had a slight decrease in fiscal year 2021 of $0.05 million when compared to previous fiscal years due to COVID-19 and the lack of onsite conferences for professional growth.

- Auxiliary Services provides for the operation of such entities as the Bookstore, Food Services, Childcare, Visual and Performing Arts, and Student Clubs and Athletics. In fiscal year 2021, Auxiliary Services increased $2.4 million when compared to fiscal year 2020. Many Auxiliary Service Departments were able to reassign staff during the period when the College was working remotely due to COVID-19. Staff who were reassigned had salary and benefits reclassified to the CARES grant. This allowed the Auxiliary Service Departments to not incur those costs. Many Auxiliary Services like Childcare, Visual Performing Arts, Bookstore and Food Services were able to reduce its costs due to the College working remotely in the Fall of 2020. As the College began reinstating in-person classes and staff returned to the College building gradually, the Auxiliary Services Departments were able to re-open and provide in-person services to the students, staff and the community members of District 509.
- The scholarships and student grants had expenses of $9.9 million in fiscal year 2021. Total PELL grant awards decreased by $1.7 million or 17.5 percent in fiscal year 2021 when compared to fiscal year 2020. The number of PELL students went from 3,098 in fiscal year 2020 to 2,549 students in fiscal year 2021. This is a decrease of 549 students or 17.7 percent. The SEOG awards increased from $291,630 in fiscal year 2020 to $455,981 in fiscal year 2021. This is an increase of $164,351 or 56.4 percent. The average SEOG awarded per student was $349. This amount is down from $388 average award in fiscal year 2020. Due to COVID-19 and the College not having students on campus, $0.2 million of Federal Work Study was transferred to SEOG for fiscal year 2021. Direct Loans in fiscal year 2021 were $1.6 million and in fiscal year 2020 direct loans were $2.4 million. This is a $0.8 million decrease or 32.1 percent. The number of direct loan students were 439 students in fiscal year 2021 and in fiscal year 2020 the number of direct loan students was 630. With the COVID-19 funding from the U.S. Department of Education, the College was able to award students who were affected by COVID-19 scholarships to help with tuition and books and other living costs.
- Institutional support is expenses for executive-level activities and support services that benefit the entire institution. In fiscal year 2021, institutional support expenses increased from $22.7 million in fiscal year 2020 to $27.5 million. This is an increase of $4.8 million. In fiscal year 2021, the College offered an early retirement incentive to employees who attained age 55 with at least 15 years of continuous full-time employment and who gave an irrevocable pledge prior to May 14, 2021. The College recorded a liability of $1.3 million on in fiscal year 2021 for accrued salaries and benefits payable and accrued health care liability payable. This $1.3 million was expensed in the Institutional Support category. The SURS proportionate share of revenue and expense increased by $0.8 million when compared to fiscal year 2020. Medical benefits for PPO and HMO increased by $1.9 million when compared to fiscal year 2020. Medicare expense increased $0.3 million in fiscal year 2021 when compared to fiscal year 2020. Legal full-time expenses increased $.01 million in fiscal year 2021 when compared to fiscal year 2020.

Long-Term Debt

As of June 30, 2023, 2022, and 2021, the College had a total of $146,966,648, $154,237,001, and $161,328,048 in outstanding bonded indebtedness, respectively. The decrease in long-term debt from fiscal years 2023, 2022, and 2021 was due to the repayment of principal. As of June 30, 2023, long-term debt was comprised of the following: The College issued $29,495,000 and $61,755,000 in General Obligation Refunding Bonds, Series 2021A and 2021B, respectively. The College issued $38,585,000 General Obligation Refunding Bonds, Series 2019 to refund General Obligation Bonds, Series 2009B and 2009C in the amount of $4,800,000 and $35,000,000, respectively. The College issued $38,000,000 and $10,000,000 in General

Obligation Bonds, Series 2013A and 2013B respectively. The college issued $8,040,000 in General Obligation Refunding Bonds, Series 2012. The amount each year is in the form of general obligation bonds that are backed by the full faith and credit of the College. Beginning balances were restated for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.*

Please refer to the long-term debt disclosures in the notes to the financial statements (Footnote 5. on pages 26 - 28) for more detailed information.

Capital Assets

Net Capital Assets

	2023	2022	2021
Capital Assets			
Land and improvements	$ 20,126,181	$ 19,928,997	$ 19,928,997
Site improvements	25,368,910	25,368,910	25,329,616
Construction in progress	14,868,117	5,781,207	1,467,520
Buildings	247,570,800	243,098,596	240,728,733
Machinery and equipment	17,296,732	16,439,436	15,889,099
Furniture and fixtures	322,288	322,288	322,288
Subscription assets	1,471,896	685,752	495,965
Total capital assets	327,024,924	311,625,186	304,162,218
Less: accumulated depreciation and amortization	(140,522,371)	(132,195,877)	(124,216,585)
Net capital assets	$ 186,502,553	$ 179,429,309	$ 179,945,633

Net capital assets increased $7 million in fiscal year 2023 when compared to fiscal years 2022 and 2021. In fiscal year 2023, land and improvements increased $0.2 million when compared to fiscal years 2022 and 2021. Site improvements remained flat in fiscal year 2023 when compared to fiscal years 2022 and 2021. In fiscal year 2023, construction in progress increased $9 million when compared to fiscal year 2022 and $13 million when compared to fiscal year 2021. Included in construction in progress were the Building H phase two renovations at $9 million, the Building A third floor renovations at $1 million, the Building B admin office renovations at $0.4 million, the chimney restoration at $1 million, and the completion of the Chiller replacement project at $0.1 million. $0.2 million was also expensed for work preparing for the Regional Manufacturing Building. Buildings and improvements increased by $4.5 million when compared to fiscal year 2022 and by $6.8 million when compared to fiscal year 2021. In fiscal year 2023, machinery and equipment increased by $0.9 million when compared to fiscal year 2022 and increased by $1.4 million when compared to fiscal year 2021. Furniture and fixtures remained flat when compared to fiscal years 2022 and 2021. With the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, assets were restated to include subscription assets for a total of $0.5 million in fiscal year 2021, $0.7 million in fiscal year 2022, and $1.4 million in fiscal year 2023. Fiscal year 2023 was comprised of the College's subscription-based information technology arrangements with Docusign, Dual Enroll, Ex-Libris, Hyland, and Questica budgeting software. In fiscal years 2022 and 2022 these subscription assets were primarily due to the College's arrangements with Docusign, and Hyland. Assets purchased in fiscal year 2023 included a new FireGuard door system, a used truck for the Truck Driving program, two vans for Student Life, a 911 Dispatch Training Station Simulator paid for by the Perkins grant, as well as various equipment upgrades including network switches, AV systems, projectors, and displays.

Net capital assets decreased $0.5 million in fiscal year 2022 when compared to fiscal year 2021 and decreased $5.8 million when compared to fiscal year 2020. In fiscal year 2022, land and improvements remained flat when compared to fiscal year 2021. Site improvements remained flat in fiscal year 2022 when compared to fiscal years 2021 and 2020. Construction in progress increased $4.3 million in fiscal year 2022 when compared to fiscal year 2021 and increased $5.8 million when compared to fiscal year 2020. Projects included in construction in progress include the chiller replacement project at $1.1 million, the audio-visual project at $0.05 million, the HVAC project at $0.2 million and Building H phase two renovations at $0.1 million. The chiller replacement project is a State of Illinois Capital Development Board (CDB) project. The CDB is funding $0.4 million and the College will be funding a total of $1.4 million of the chiller replacement project. Buildings and improvements increased by $2.4 million when compared to fiscal year 2021 and decreased by $1.1 million when compared to fiscal year 2020. In fiscal year 2022 machinery and equipment increased by $.6 million when compared to fiscal year 2021, and increased by $0.4 million when compared to fiscal year 2020. Assets purchased in fiscal year 2022 included a new dump truck, a new police car, a lightning detection system and various instructional equipment items such as freezers for culinary programs and patient simulators for health professions programs.

Net capital assets decreased $5.3 million in fiscal year 2021 when compared to fiscal year 2020 and decreased $4.1 million when compared to fiscal year 2019. In fiscal year 2021, land and improvements increased $0.8 million compared to fiscal year 2020 and 2019. This was due to the purchase of 600 South McLean Boulevard. This land will be used for a new manufacturing and technology building the College plans to build in conjunction with funding appropriated from the State of Illinois. Site improvements remained flat in fiscal year 2021 when compared to fiscal year 2020. Construction in progress increased $1.5 million in fiscal year 2021 when compared to fiscal year 2020. Projects included in construction in progress include the initial costs of the chiller replacement project at $1.1 million, the audio-visual project at $0.05 million, the HVAC project at $0.2 million and Building H phase two renovations at $0.1 million. Buildings and improvements decreased by $3.5 million when compared to fiscal year 2020. In fiscal year 2021, the main dock receiving repairs and renovations were added to capital assets as a building improvement. In fiscal year 2021, machinery and equipment decreased $0.02 million due to asset disposals which included a fire pump truck, computer equipment, a semi-tractor and various workstations. Furniture and fixtures in fiscal year 2021 decreased slightly from fiscal year 2020 with a decrease of $0.07 million due to capital assets being fully depreciated. In fiscal year 2021 capital asset additions included a new fire pump truck, new skid steer for the grounds department, various instructional equipment items such as milling machines and CNC lathes. In fiscal year 2021, accumulate depreciation decreased $3.9 million when compared to fiscal year 2020.

Please refer to the capital assets disclosures in the notes to the financial statements (Footnote 4. on pages 24 - 25) 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, Vice President for Business and Finance, 1700 Spartan Drive, Elgin, IL 60123.

BASIC FINANCIAL STATEMENTS

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

STATEMENTS OF NET POSITION

June 30, 2023 and 2022

	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	$ 47,135,590	$ 52,719,133
Investments	115,300,371	114,239,241
Property tax receivable	31,999,239	29,768,603
Accrued interest receivable	230,801	34,448
Student tuition receivable	6,957,176	6,520,208
Other accounts receivable	8,135,341	8,393,087
Inventory	314,528	313,046
Prepaid assets	1,525,444	1,737,412
Total current assets	211,598,490	213,725,178
NONCURRENT ASSETS		
Tangible and intangible capital assets	327,024,924	311,625,186
Less accumulated depreciation and amortization	(140,522,371)	(132,195,877)
Total noncurrent assets	186,502,553	179,429,309
Total assets	398,101,043	393,154,487
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	823,973	899,422
OPEB expense	3,434,723	4,566,576
SURS pension expense	327,200	261,090
Total deferred outflows of resources	4,585,896	5,727,088
Total assets and deferred outflows of resources	402,686,939	398,881,575

(This statement is continued on the following page.)

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

STATEMENTS OF NET POSITION (Continued)

June 30, 2023 and 2022

	2023	2022
CURRENT LIABILITIES		
Accounts payable	$ 3,906,546	$ 2,787,316
Accrued salaries and benefits payable	3,882,441	4,435,149
Accrued health care liability	584,384	584,384
Unearned tuition revenue	9,185,223	8,585,362
Claims payable	1,425,319	1,399,618
Interest payable	168,296	172,871
General obligation bonds payable	6,465,000	6,565,000
Subscription liabilities	221,592	150,299
Other postemployment benefit liability	225,202	225,202
Other current liabilities	1,095,496	1,019,185
Total current liabilities	27,159,499	25,924,386
NONCURRENT LIABILITIES		
General obligation bonds payable	139,818,137	147,295,200
Subscription liabilities	461,919	226,502
Other postemployment benefit liability	16,179,908	41,495,413
Total noncurrent liabilities	156,459,964	189,017,115
Total liabilities	183,619,463	214,941,501
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue - property taxes	32,109,556	31,749,595
OPEB expense	29,545,871	11,835,076
Total deferred inflows of resources	61,655,427	43,584,671
Total liabilities and deferred inflows of resources	245,274,890	258,526,172
NET POSITION		
Net investment in capital assets	39,036,430	26,091,730
Restricted for		
Capital projects	1,706,695	15,286,442
Debt service	4,699,641	4,534,355
Grant purposes	2,343,908	2,343,908
Audit purposes	139,524	165,890
Liability insurance	2,309,378	2,901,450
Pension contributions	327,200	261,090
Working cash	4,014,363	4,014,363
Unrestricted	102,834,910	84,756,175
TOTAL NET POSITION	$ 157,412,049	$ 140,355,403

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, 2023 and 2022

	2023	2022
OPERATING REVENUES		
Student tuition and fees	$ 17,178,474	$ 17,150,244
Auxiliary enterprises revenue	4,051,423	3,141,577
Other operating revenue	1,152,069	625,330
Total operating revenues	22,381,966	20,917,151
OPERATING EXPENSES		
Instruction	44,236,512	50,029,979
Academic support	13,535,004	15,459,554
Student services	9,742,510	10,726,400
Public services	856,090	1,032,222
Auxiliary services	4,727,159	3,880,264
Scholarships and student grants	7,513,405	15,973,482
Operation and maintenance of plant	11,469,192	13,335,207
Institutional support	21,680,451	23,413,551
Depreciation and amortization	8,413,981	8,229,545
Total operating expenses	122,174,304	142,080,204
OPERATING INCOME (LOSS)	(99,792,338)	(121,163,053)
NON-OPERATING REVENUES (EXPENSES)		
State grants and contracts	27,475,106	36,731,745
Property taxes	64,855,945	62,787,660
Personal property replacement tax	1,897,628	1,678,895
Federal grants and contracts	20,937,623	30,051,932
Local grants and contracts	133,961	417,454
Interest expense and fiscal charges	(3,154,357)	(3,308,096)
Other non-operating revenues	1,153,745	705,918
Investment income	3,223,658	(2,354,893)
Total non-operating revenues (expenses)	116,523,309	126,710,615
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	16,730,971	5,547,562
CAPITAL CONTRIBUTIONS	325,675	667,701
CHANGE IN NET POSITION	17,056,646	6,215,263
NET POSITION, JULY 1	140,355,403	134,003,647
Change in accounting principle	-	136,493
NET POSITION, JULY 1, RESTATED	140,355,403	134,140,140
NET POSITION, JUNE 30	$ 157,412,049	$ 140,355,403

See accompanying notes to financial statements.

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	$ 17,341,367	$ 17,218,185
Payments to suppliers	(36,946,745)	(47,961,218)
Payments to employees	(65,935,778)	(57,320,445)
Auxiliary enterprise charges	3,978,864	3,046,297
Other	731,871	168,144
Net cash from operating activities	(80,830,421)	(84,849,037)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Local property taxes	62,985,270	63,698,930
Local grants and contracts	133,961	417,454
State appropriations and grants	11,223,942	8,998,879
Federal grants and contracts	21,975,723	26,664,303
Proceeds from fundraising and grants	1,153,745	705,918
Net cash from noncapital financing activities	97,472,641	100,485,484
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(13,381,093)	(6,230,470)
Principal paid on bonds	(6,565,000)	(6,075,000)
Interest paid on bonds	(4,094,019)	(4,258,569)
Principal paid on subscription liabilities	(150,299)	(142,458)
Net cash from capital and related financing activities	(24,190,411)	(16,706,497)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	144,773,550	80,987,897
Interest on investments	1,909,908	684,387
Purchase of investments	(144,718,810)	(120,508,469)
Net cash from investing activities	1,964,648	(38,836,185)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,583,543)	(39,906,235)
CASH AND CASH EQUIVALENTS, JULY 1	52,719,133	92,625,368
CASH AND CASH EQUIVALENTS, JUNE 30	$ 47,135,590	$ 52,719,133
Cash and cash equivalents	$ 47,135,590	$ 52,719,133
TOTAL CASH AND CASH EQUIVALENTS	$ 47,135,590	$ 52,719,133

(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, 2023 and 2022

	2023	2022
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES		
Operating income (loss)	$ (99,792,338)	$ (121,163,053)
Adjustments to reconcile net income (loss) to net cash from operating activities		
Depreciation and amortization	8,413,981	8,229,545
State pension and OPEB expense	17,929,770	29,233,392
Changes in net position		
Receivables (net)	(921,950)	(1,242,255)
Inventories	(1,482)	(43,861)
Prepaid expenses	211,968	(42,992)
Accounts payable	(204,218)	(48,421)
Accrued salaries	(552,708)	(1,117,890)
Retirement liability	(6,472,857)	250,991
Unearned tuition	599,861	766,025
Claims payable	25,701	158,326
Other accrued liabilities	(66,149)	171,156
NET CASH FROM OPERATING ACTIVITIES	$ (80,830,421)	$ (84,849,037)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Accretion of interest on debt	$ -	$ -
Change in fair value of investments	1,117,397	(2,954,435)
Capital assets acquired through accounts payable	1,323,448	655,263
Subscription assets acquired through issuance of subscription liabilities	457,009	159,787
Capital contributions	325,675	667,701
State pension and OPEB expense	17,995,880	29,256,344
TOTAL NONCASH INVESTING, CAPITAL AND FINANCING	$ 21,219,409	$ 27,784,660

See accompanying notes to financial statements.

ELGIN COMMUNITY COLLEGE FOUNDATION
ELGIN, ILLINOIS

STATEMENTS OF FINANCIAL POSITION

June 30, 2023 and 2022

	2023	2022
ASSETS		
Cash and cash equivalents	$ 990,425	$ 1,310,586
Pledges receivable, net	611,694	491,529
Prepaid assets	7,613	14,875
Investments	810,173	564,267
Cash surrender value of life insurance	60,308	54,633
Investments - long term	9,361,881	8,609,360
Fixed assets, net	6,752	20,256
TOTAL ASSETS	$ 11,848,846	$ 11,065,506
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$ 61,530	$ 28,733
Due to Elgin Community College	17,447	248,969
Deferred revenue	10,700	34,700
Total liabilities	89,677	312,402
NET ASSETS		
Without donor restrictions:		
Undesignated	957,736	850,855
Board designated	743,127	654,291
Total without donor restrictions	1,700,863	1,505,146
With donor restrictions	10,058,306	9,247,958
Total net assets	11,759,169	10,753,104
TOTAL LIABILITIES AND NET ASSETS	$ 11,848,846	$ 11,065,506

See accompanying notes to financial statements.

ELGIN COMMUNITY COLLEGE FOUNDATION
ELGIN, ILLINOIS

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

For the Years Ended June 30, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	**Without Donor Restrictions**	**With Donor Restrictions**	**Total**
REVENUES						
Contributions	$ 197,621	$ 432,700	$ 630,321	$ 136,681	$ 1,005,278	$ 1,141,959
Contributions in-kind	-	171,568	171,568	179,900	40,317	220,217
Special events	186,053	7,500	193,553	176,238	-	176,238
Investment return, net of fees	131,536	885,071	1,016,607	(121,438)	(1,116,794)	(1,238,232)
Net assets released from restrictions						
Management fees	99,355	(99,355)	-	83,727	(83,727)	-
Other	587,136	(587,136)	-	439,517	(439,517)	-
Total revenues	1,201,701	810,348	2,012,049	894,625	(594,443)	300,182
EXPENSES						
Program services	749,531	-	749,531	833,276	-	833,276
Management and general	451,105	-	451,105	544,822	-	544,822
Fundraising	96,470	-	96,470	76,287	-	76,287
Cost of direct benefits to donors	89,959	-	89,959	80,747	-	80,747
Total expenses	1,387,065	-	1,387,065	1,535,132	-	1,535,132
TRANSFERS FROM AFFILIATE - ELGIN COMMUNITY COLLEGE						
Contributed services and salary	381,081	-	381,081	430,140	-	430,140
Total transfers from affiliate	381,081	-	381,081	430,140	-	430,140
CHANGE IN NET ASSETS	195,717	810,348	1,006,065	(210,367)	(594,443)	(804,810)
NET ASSETS, JULY 1	1,505,146	9,247,958	10,753,104	1,715,513	9,842,401	11,557,914
NET ASSETS, JUNE 30	$ 1,700,863	$ 10,058,306	$ 11,759,169	$ 1,505,146	$ 9,247,958	$ 10,753,104

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 or the deferred inflow for deferred 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, 2023 and 2022, 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. 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.

Intangible assets represent the College's right-to-use leased assets and subscription assets. These intangible assets, as defined by GASB Statement No. 87, *Leases*, and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, are for lease contracts of nonfinancial assets and subscription assets.

Right-to-use intangible assets for leases and subscription assets are amortized over the shorter of the lease/subscription term or useful life of the underlying asset. 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 internal subscription assets	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)

h. 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. 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. In 2021, the District offered a new senior service incentive program to employees planning retirement that provides for payments to be made in 2022 and 2023. 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.

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.

i. 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.

j. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Net Position (Continued)

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.

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.

k. 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.

l. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

m. Federal Financial Assistance

The District participates in federally funded Pell Grants, SEOG Grants, Federal Work Study, Federal Family Education Loans and Perkins Loans programs and received funds under the Higher Education Emergency Relief Fund (HEERF). Federal programs are audited in accordance with Uniform Grant Guidance.

n. Pension and OPEB Revenue and Expense

The District applies the requirement of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, 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, the District has reported its proportionate share of the collective pension expense and revenue for the State of Illinois' share (see Note 7).

o. 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 fair 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.

The Illinois School District Liquid Asset Fund Plus (ISDLAF), 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 net asset value (NAV) rather than fair value. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shared may be redeemed with seven day's advance notice.

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.

2. DEPOSITS AND INVESTMENTS (Continued)

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 102% 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, 2023 by type of investment:

Investment Type	Fair Value	Investment Maturities (in Years) Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	$ 84,262,427	$ 58,242,279	$ 26,020,148	$ -	$ -
U.S. agency securities	5,469,650	5,469,650	-	-	-
Negotiable certificates of deposit	11,724,895	7,412,785	4,312,110	-	-
TOTAL	$ 101,456,972	$ 71,124,714	$ 30,332,258	$ -	$ -

The following table presents the debt investments of the District as of June 30, 2022 by type of investment:

Investment Type	Fair Value	Investment Maturities (in Years) Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	$ 69,169,975	$ 26,774,965	$ 42,395,010	$ -	$ -
U.S. agency securities	16,176,088	16,176,088	-	-	-
Negotiable certificates of deposit	6,420,878	3,811,717	2,609,161	-	-
TOTAL	$ 91,766,941	$ 46,762,770	$ 45,004,171	$ -	$ -

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

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, 2023, the U.S. agency securities were rated Aaa by Moody's. The negotiable certificates of deposit are not rated.

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

Concentration of Credit Risk

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

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Concentration of Credit Risk (Continued)

The District has the following recurring fair value measurements as of June 30, 2023: U.S. Treasury securities of $84,262,427, U.S. agency securities of $5,469,650, and negotiable certificates of deposit of $11,724,895 are valued using a matrix pricing model (Level 2 inputs).

The District has the following recurring fair value measurements as of June 30, 2023: U.S. Treasury securities of $69,169,975, U.S. agency securities of $16,176,088, and negotiable certificates of deposit of $6,420,878 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 2021 was passed on December 14, 2021 and the annual tax levy resolution for 2022 was passed on December 13, 2022.

- 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 2022 and 2023.

Property taxes are recognized as revenue in the year intended to finance, regardless of when collected. The second half of the 2022 (2021) tax levy is intended to finance the 2023 (2022) fiscal year and, accordingly, is reported as deferred revenue. The 2023 tax levy, which attached as an enforceable lien on property as of January 1, 2023, has not been recorded as a receivable as of June 30, 2023 as the tax has not yet been levied by the District and will not be levied until December 2023 and, therefore, the levy is not measurable at June 30, 2023.

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	$ 19,928,997	$ 197,184	$ -	$ 20,126,181
Construction in progress	5,781,207	13,617,194	4,530,284	14,868,117
Total capital assets not being depreciated	25,710,204	13,814,378	4,530,284	34,994,298
Capital assets being depreciated				
Buildings	243,098,596	4,472,204	-	247,570,800
Site improvements	25,368,910	-	-	25,368,910
Machinery and equipment	16,439,436	944,783	87,487	17,296,732
Furniture and fixtures	322,288	-	-	322,288
Total capital assets being depreciated	285,229,230	5,416,987	87,487	290,558,730
Intangible capital assets being amortized				
Subscription assets	685,752	786,144	-	1,471,896
Total intangible capital assets being amortized	685,752	786,144	-	1,471,896
Less accumulated depreciation for				
Buildings	99,558,542	5,860,820	-	105,419,362
Site improvements	19,272,498	1,413,064	-	20,685,562
Machinery and equipment	12,993,281	844,021	87,487	13,749,815
Furniture and fixtures	199,923	25,068	-	224,991
Total accumulated depreciation	132,024,244	8,142,973	87,487	140,079,730
Less accumulated amortization for				
Subscription assets	171,633	271,008	-	442,641
Total accumulated amortization	171,633	271,008	-	442,641
Total tangible and intangible capital assets being depreciated and amortized, net	153,719,105	(2,210,850)	-	151,508,255
CAPITAL ASSETS, NET	$ 179,429,309	$ 11,603,528	$ 4,530,284	$ 186,502,553

4. CAPITAL ASSETS (Continued)

Capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balances, Restated*	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	$ 19,928,997	$ -	$ -	$ 19,928,997
Construction in progress	1,467,520	6,683,550	2,369,863	5,781,207
Total capital assets not being depreciated	21,396,517	6,683,550	2,369,863	25,710,204
Capital assets being depreciated				
Buildings	240,728,733	2,369,863	-	243,098,596
Site improvements	25,329,616	39,294	-	25,368,910
Machinery and equipment	15,889,099	800,590	250,253	16,439,436
Furniture and fixtures	322,288	-	-	322,288
Total capital assets being depreciated	282,269,736	3,209,747	250,253	285,229,230
Intangible capital assets being amortized				
Subscription assets	495,965	189,787	-	685,752
Total intangible capital assets being amortized	495,965	189,787	-	685,752
Less accumulated depreciation for				
Buildings	93,805,322	5,753,220	-	99,558,542
Site improvements	17,859,437	1,413,061	-	19,272,498
Machinery and equipment	12,381,504	862,030	250,253	12,993,281
Furniture and fixtures	170,322	29,601	-	199,923
Total accumulated depreciation	124,216,585	8,057,912	250,253	132,024,244
Less accumulated amortization for				
Subscription assets	-	171,633	-	171,633
Total accumulated amortization	-	171,633	-	171,633
Total tangible and intangible capital assets being depreciated and amortized, net	158,549,116	(4,830,011)	-	153,719,105
CAPITAL ASSETS, NET	$ 179,945,633	$ 1,853,539	$ 2,369,863	$ 179,429,309

*Beginning balances were restated for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

5. LONG-TERM DEBT

Changes in long-term debt for the year ended June 30, 2023 were as follows:

	Balances July 1, 2022	Issuance	Repayment/ Refunded/ Amortization	Balances June 30, 2023	Current Portion
General Obligation Refunding Bonds Series 2012	$ 2,975,000	$ -	$ 2,975,000	$ -	$ -
General Obligation Bonds Series 2013B	10,000,000	-	-	10,000,000	-
General Obligation Refunding Bonds Series 2019	38,585,000	-	-	38,585,000	4,525,000
General Obligation Refunding Bonds Series 2021A	29,040,000	-	2,805,000	26,235,000	1,165,000
General Obligation Refunding Bonds Series 2021B	59,815,000	-	785,000	59,030,000	775,000
Premium on general obligation bonds	13,445,200	-	1,012,063	12,433,137	-
Subscription liabilities	376,801	457,009	150,299	683,511	221,592
TOTAL	$ 154,237,001	$ 457,009	$ 7,727,362	$ 146,966,648	$ 6,686,592

*Beginning balances were restated for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

Changes in long-term debt for the year ended June 30, 2022 were as follows:

	Balances July 1, 2021, Restated*	Issuance	Repayment/ Refunded/ Amortization	Balances June 30, 2022	Current Portion
General Obligation Refunding Bonds Series 2012	$ 3,355,000	$ -	$ 380,000	$ 2,975,000	$ 2,975,000
General Obligation Bonds Series 2013A	3,300,000	-	3,300,000	-	-
General Obligation Bonds Series 2013B	10,000,000	-	-	10,000,000	-
General Obligation Refunding Bonds Series 2019	38,585,000	-	-	38,585,000	-
General Obligation Refunding Bonds Series 2021A	29,495,000	-	455,000	29,040,000	2,805,000
General Obligation Refunding Bonds Series 2021B	61,755,000	-	1,940,000	59,815,000	785,000
Premium on general obligation bonds	14,478,576	-	1,033,376	13,445,200	-
Subscription liabilities	359,472	159,787	142,458	376,801	150,299
TOTAL	$ 161,328,048	$ 159,787	$ 7,250,834	$ 154,237,001	$ 6,715,299

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, 2023 are comprised of the following:

$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%. These bonds were paid in full during the fiscal year ended June 30, 2022.

$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%.

$38,585,000 General Obligation Refunding Bonds, Series 2019. 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%, commencing December 15, 2019.

$29,495,000 General Obligation Refunding Bonds, Series 2021A. The Series 2021A bonds mature on December 15, beginning December 15, 2021 through December 15, 2029, with maturities from $455,000 to $6,015,000. Interest is due semiannually on June 15 and December 15 at rates from 0.25% to 1.45%, commencing December 15, 2021.

$61,755,000 General Obligation Refunding Bonds, Series 2021B. The Series 2021B bonds mature on December 15, beginning December 15, 2021 through December 15, 2035, with maturities from $775,000 to $11,8450,000. Interest is due semiannually on June 15 and December 15 at 4%, commencing December 15, 2021.

5. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

Debt service to maturity on these issues is as follows:

Fiscal Year Ending	General Obligation Bonds Principal	Interest	Total
2024	$ 6,465,000	$ 3,953,699	$ 10,418,699
2025	6,905,000	3,798,742	10,703,742
2026	7,435,000	3,599,473	11,034,473
2027	7,635,000	3,354,105	10,989,105
2028	9,080,000	3,143,645	12,223,645
2029	9,060,000	2,947,326	12,007,326
2030	10,080,000	2,763,363	12,843,363
2031	10,575,000	2,492,650	13,067,650
2032	11,950,000	2,075,200	14,025,200
2033	13,745,000	1,628,875	15,373,875
2034	14,140,000	1,187,425	15,327,425
2035	14,935,000	718,450	15,653,450
2036	11,845,000	236,900	12,081,900
TOTAL	$ 133,850,000	$ 31,899,853	$ 165,749,853

6. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

In accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA),* the District's SBITA activity is as follows:

The District has entered into SBITA agreements for the right to use various subscription assets. The SBITAs are payable in annual principal and interest installments of $29,900 to $63,957 annually through 2027. The total intangible right-to-use asset acquired under these SBITAs is $1,471,896. During the fiscal year ended June 30, 2023, the District paid $150,299 in principal towards the SBITA and recognized amortization expense of $271,008. During the fiscal year ended June 30, 2022, the District paid $142,458 in principal towards the SBITA and recognized amortization expense of $171,633.

6. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (Continued)

The following schedule reflects the District's future obligations under the SBITA payable:

Fiscal Year Ending June 30,	SBITA Principal	SBITA Interest
2024	$ 221,592	$ 13,415
2025	229,846	11,020
2026	129,403	6,454
2027	102,670	3,250
TOTAL	$ 683,511	$ 34,139

7. 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.

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 2023 and 2022, the specific coverage is $125,000 per covered person and the aggregate attachment is approximately $8,213,099 and $7,223,939, 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, 2023 and 2022.

7. RISK MANAGEMENT AND CONTINGENT LIABILITIES (Continued)

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

	2022	2022	2021
CLAIMS PAYABLE, JULY 1	$ 1,399,618	$ 1,241,292	$ 1,063,535
Claims paid	(11,300,330)	(11,352,449)	(10,216,691)
Claims incurred	11,326,031	11,510,775	10,394,448
CLAIMS PAYABLE, JUNE 30	$ 1,425,319	$ 1,399,618	$ 1,241,292

8. 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 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, 2023 and 2022 can be found in SURS' annual comprehensive financial report (ACFR) notes to financial statements.

8. RETIREMENT COMMITMENTS (Continued)

Contributions

The State is primarily responsible for funding SURS on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of 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 2022 and 2023 was 12.32% and 12.83%, 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).

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, 2022 and 2021, SURS reported a net pension liability of $29,078,053,857 and $28,528,477,079, respectively. The net pension liability was measured as of June 30, 2021 and 2020.

8. RETIREMENT COMMITMENTS (Continued)

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

Employer Proportionate Share of Net Pension Liability

For the year ended June 30, 2023, 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 $363,626,298 or 1.2505%. 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, 2022 and the total pension used to calculate the net pension liability was determined based on the June 30, 2021 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 2022.

For the year ended June 30, 2022, 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 $344,061,422 or 1.2060%. 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, 2021 and the total pension used to calculate the net pension liability was determined based on the June 30, 2020 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 2021.

Pension Expense

At June 30, 2022 and 2021, SURS reported a collective net pension expense of $1,903,314,699 and $2,342,460,058, respectively.

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 2023 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 2022. As a result, the District recognized revenue and pension expense of $23,801,293 for the fiscal year ended June 30, 2023.

8. 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 (Continued)

The District's proportionate share of collective net pension expense is recognized as both revenue and matching expense in the 2022 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 2021. As a result, the District recognized revenue and pension expense of $28,250,724 for the fiscal year ended June 30, 2022.

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 $327,200 in federal, trust or grant contributions for the fiscal year ended June 30, 2023. These contributions were made subsequent to the pension liability measurement date of June 30, 2022 and are recognized as deferred outflows of resources as of June 30, 2023.

Deferred outflows of resources are the consumption of net assets by the District that is applicable to future reporting periods. The District paid $261,090 in federal, trust or grant contributions for the fiscal year ended June 30, 2022. These contributions were made subsequent to the pension liability measurement date of June 30, 2021 and are recognized as deferred outflows of resources as of June 30, 2022.

b. Assumptions and Other Inputs

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period June 30, 2017 to 2020. The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.00% to 12.75%, including inflation
Investment rate of return	6.50%

8. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

Actuarial Assumptions (Continued)

Mortality rates were based on the Pub-2010 employee and retiree gender distinct tables with projected generational mortality and a separate mortality assumption for disable participants.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period June 30, 2017 to 2020. The total pension liability in the June 30, 2021 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	6.50% beginning with the actuarial valuation as of June 30, 2021

Mortality rates were based on the RP2014 White Collar, gender distinct tables 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, 2022 and 2021, these best estimates are summarized in the following tables on the next page:

8. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

Actuarial Assumptions (Continued)

2022

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	38.00%	7.62%
Public Credit Fixed Income	9.00%	4.20%
Core Real Assets	4.50%	4.98%
Options Strategies	2.50%	4.91%
Private Credit	1.00%	7.45%
Private Equity	10.50%	11.91%
Non-Core Real Assets	2.50%	9.43%
U.S. TIPS	5.00%	1.23%
Core Fixed Income	8.00%	1.79%
Systematic Trend Following	10.00%	4.33%
Alternative Risk Premia	5.00%	3.59%
Long Duration	4.00%	2.16%
Total	100.00%	6.08%
Inflation		2.25%
EXPECTED ARITHMETICAL RETURN		8.33%

2021

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	41.00%	6.30%
Credit Fixed Income	14.00%	1.82%
Core Real Assets	5.00%	3.92%
Options Strategies	6.00%	4.20%
Private Equity	7.50%	10.45%
Non-Core Real Assets	2.50%	8.83%
U.S. TIPS	6.00%	(0.22)%
Core Fixed Income	8.00%	(0.81)%
Systematic Trend Following	3.50%	3.45%
Alternative Risk Premia	3.00%	2.30%
Long Duration	3.50%	0.91%
Total	100.00%	4.43%
Inflation		2.25%
EXPECTED ARITHMETICAL RETURN		6.68%

8. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

<u>2023</u>

Discount Rate

A single discount rate of 6.39% 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 6.50% and a municipal bond rate of 3.69% (based on Fidelity 20-Year Municipal GO AA Index as of June 30, 2022). 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 2076. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2076, 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 6.39%, 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 (5.39%)	Current Single Discount Rate Assumption (6.39%)	1% Increase (7.39%)
Net pension liability	$ 35,261,802,968	$ 29,078,053,857	$ 23,928,731,076

8. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

2022

Discount Rate

A single discount rate of 6.12% 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 6.50% and a municipal bond rate of 1.92% (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 6.12%, 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 (5.12%)	Current Single Discount Rate Assumption (6.12%)	1% Increase (7.12%)
Net pension liability	$ 35,000,704,353	$ 28,528,477,079	$ 23,155,085,730

8. RETIREMENT COMMITMENTS (Continued)

Defined Contribution Pension Plan

a. Plan Description

The District contributes to the Retirement Savings Plan (RSP) administered by the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined contribution pension plan with a special funding situation whereby the State of Illinois (State) makes substantially all 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 governed by Chapter 40, Act 5, Article 15 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org. The RSP and its benefit terms were established and may be amended by the State's General Assembly.

b. Benefits Provided

A defined contribution pension plan, originally called the Self-Managed Plan, was added to SURS benefit offerings as a result of Public Act 90-0448 enacted effective January 1, 1998. The plan was renamed the RSP effective September 1, 2020, after an extensive plan redesign. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable defined benefit pension plans or the RSP. A summary of the benefit provisions as of June 30, 2022, can be found in SURS Annual Comprehensive Financial Report- Notes to the Financial Statements.

c. Contributions

All employees who have elected to participate in the RSP are required to contribute 8.0% of their annual covered earnings. Section 15-158.2(h) of the Illinois Pension Code provides for an employer contribution to the RSP of 7.6% of employee earnings. The State is primarily responsible for contributing to the RSP on behalf of the individual employers. Employers are required to make the 7.6% contribution for employee earnings paid from "trust, federal, and other funds" as described in Section 15-155(b) of the Illinois Pension Code. The contribution requirements of plan members and employers were established and may be amended by the State's General Assembly.

8. RETIREMENT COMMITMENTS (Continued)

Defined Contribution Pension Plan (Continued)

d. Forfeitures

Employees are not vested in employer contributions to the RSP until they have attained five years of service credit. Should an employee leave SURS-covered employment with less than five years of service credit, the portion of the employee's RSP account designated as employer contributions is forfeited. Employees who later return to SURS-covered employment will have these forfeited employer contributions reinstated to their account, so long as the employee's own contributions remain in the account. Forfeited employer contributions are managed by SURS and are used both to reinstate previously forfeited contributions and to fund a portion of the State's contributions on behalf of the individual employers. The vesting and forfeiture provisions of the RSP were established and may be amended by the State's General Assembly.

e. Pension Expense Related to Defined Contribution Pensions

Defined Contribution Pension Expense

For the year ended June 30, 2022, the State's contributions to the RSP on behalf of individual employers totaled $89,770,940. Of this amount, $80,902,699 was funded via an appropriation from the State and $8,868,241 was funded from previously forfeited contributions.

Employer Proportionate Share of Defined Contribution Pension Expense

The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2022. The District's share of pensionable contributions was 0.7435%. As a result, the District recognized revenue and defined contribution pension expense of $667,441 from this special funding situation during the year ended June 30, 2023, of which $65,935 constituted forfeitures.

9. 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.

2023

At June 30, 2023, the District reported a liability of $16,405,110 for its proportionate share of the total OPEB liability that reflected a reduction for State OPEB support of $16,405,110 resulting in a total OPEB liability associated with the District of $32,810,220. The OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation performed as of June 30, 2021 rolled forward to June 30, 2022. 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.

9. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2023 (Continued)

At June 30, 2023 and 2022, the District's proportions were 2.396445% and 2.403908%, respectively.

For the year ended June 30, 2023, the District recognized OPEB expense of $(6,472,854) and revenue of $(6,472,854) for support provided by the State. At June 30, 2023, 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	$ 129,597	$ 6,833,236
Changes in assumption	-	22,113,573
Changes in proportionate share and differences between District contributions and proportionate share of contributions	3,071,993	598,214
Contributions made after the measurement date	233,133	-
Net difference between projected and actual earnings on OPEB plan investments	-	848
TOTAL	$ 3,434,723	$ 29,545,871

$233,133 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 end June 30, 2024. 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,	
2024	$ (6,709,559)
2025	(6,155,552)
2026	(5,461,124)
2027	(4,611,976)
2028	(3,406,070)
Thereafter	-
TOTAL	$ (26,344,281)

9. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2023 (Continued)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022, the measurement date, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Assumptions	
Inflation	2.25%
Salary increases	3.00% to 12.75%
Investment rate of return	0.00%
Healthcare cost trend rates	8.00% trending to 4.25%
Asset valuation method	Fair value

Retirement and Beneficiary Annuitants: Pub-2010 Healthy Retiree Mortality Table and PubT-2010 Healthy Retiree Mortality Table. Disabled Annuitants: Pub-2010 Disabled Retiree Mortality Table. Pre-Retirement: Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.

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 1.92% as of June 30, 2021, and 3.69% as of June 30, 2022.

9. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2023 (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 3.69% 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 (2.69%) or 1 percentage point higher (4.69%) than the current rate:

	1% Decrease (2.69%)	Current Discount Rate (3.69%)	1% Increase (4.69%)
OPEB liability	$ 17,958,313	$ 16,405,110	$ 15,076,895

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 8.00% in 2024 decreasing to an ultimate trend rate of 4.25% in 2039.

	1% Decrease	Current Healthcare Rate	1% Increase
OPEB liability	$ 14,660,476	$ 16,405,110	$ 18,536,898

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. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2022

At June 30, 2022, the District reported a liability of $41,720,615 for its proportionate share of the total OPEB liability that reflected a reduction for State OPEB support of $41,720,615 resulting in a total OPEB liability associated with the District of $83,441,230. The OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation performed as of June 30, 2020 rolled forward to June 30, 2021. 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, 2022 and 2021, the District's proportions were 2.403908% and 2.247245%, respectively.

For the year ended June 30, 2022, the District recognized OPEB expense of $246,968 and revenue of $246,968 for support provided by the State. At June 30, 2022, 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	$ 264,024	$ 3,049,283
Changes in assumption	-	7,969,957
Changes in proportionate share and differences between District contributions and proportionate share of contributions	4,074,731	814,634
Contributions made after the measurement date	227,821	-
Net difference between projected and actual earnings on OPEB plan investments	-	1,202
TOTAL	$ 4,566,576	$ 11,835,076

$227,821 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 end June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CIP will be recognized in OPEB expense as follows on the following page:

9. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2022 (Continued)

Fiscal Year Ending June 30,	
2023	$ (2,896,121)
2024	(2,128,093)
2025	(1,572,360)
2026	(875,770)
2027	(23,977)
Thereafter	-
TOTAL	$ (7,496,321)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, the measurement date, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Assumptions	
Inflation	2.25%
Salary increases	3.25% to 12.25%
Investment rate of return	0.00%
Healthcare cost trend rates	8.00% trending to 4.25%
Asset valuation method	Fair 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-2017. The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period June 30, 2014 to June 30, 2017.

9. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2022 (Continued)

Actuarial Assumptions (Continued)

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 2.45% as of June 30, 2020, and 1.92% as of June 30, 2021.

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 1.92% 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 (0.92%) or 1 percentage point higher (2.92%) than the current rate:

	1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
OPEB liability	$ 47,532,037	$ 41,720,615	$ 36,701,917

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 2022 decreasing to an ultimate trend rate of 4.25% in 2037.

	1% Decrease	Current Healthcare Rate	1% Increase
OPEB liability	$ 34,377,123	$ 41,720,615	$ 51,555,720

9. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2022 (Continued)

OPEB Plan Fiduciary Net Position

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

10. 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 12 and 33 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, 2023 and 2022, respectively.

The District has recorded a liability for the early retirement incentives when the irrevocable pledge is received from the employee. The assumptions used calculating the liability were a health care trend rate of 7% and projected salary increases of 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 $1,577,907 and $1,594,039 at June 30, 2023 and 2022, 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. VOLUNTARY RETIREMENT BENEFITS (Continued)

The District has also recorded a liability during fiscal year 2023 for early retirement incentives. These include employer paid voluntary retirement incentives (deferred compensation) as well as employer paid health care coverage to retirees to be paid out through June 2023. The voluntary retirement benefits were available to employees who attained age 55 with at least 15 years of continuous full-time employment and who gave an irrevocable pledge to take the incentive prior to May 14, 2021. The benefits provided for faculty employees were post-retirement payments of $25,000 on June 15, 2022 and June 15, 2023. The benefits provided for administrative and staff employees were postretirement payments of 50% of their salary at the time of retirement with 25% payable on June 15, 2022 and June 15, 2023. There were 0 and 14 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, 2023 and 2022, respectively. The liability of $0 and $570,037 at June 30, 2023 and 2022, respectively, is recorded as a liability in the District's financial statements as accrued salary and benefits payable and accrued health care liability payable.

11. CHANGE IN ACCOUNTING PRINCIPLE

For the fiscal year ended June 30, 2023, the District implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The implementation of this guidance resulted in a restatement of beginning net position of the District's long-term obligations and capital assets subfunds as of July 1, 2021 (earliest data presented).

The beginning net position balance of the District has been restated to reflect the new guidance as follows:

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	$ 134,003,647
Restate net position for subscription liabilities	(359,472)
Restate net position for subscription assets	495,965
Total	136,493
BEGINNING NET POSITION, AS RESTATED	$ 134,140,140

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 Nine Fiscal Years

MEASUREMENT DATE JUNE 30,	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
(a) Proportion percentage of the collective net pension liability	0.00%	0.00%	0.00%	0.00%	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	363,626,298	344,061,422	370,205,477	339,184,041	325,315,595	313,774,339	321,283,731	283,916,422	256,747,050
TOTAL (b) + (c)	$ 363,626,298	$ 344,061,422	$ 370,205,477	$ 339,184,041	$ 325,315,595	$ 313,774,339	$ 321,283,731	$ 283,916,422	$ 256,747,050
Employer covered payroll	$ 46,958,496	$ 46,588,305	$ 44,813,006	$ 42,707,878	$ 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	774.36%	738.51%	826.11%	794.20%	768.65%	720.72%	717.41%	649.70%	597.80%
SURS plan net position as a percentage of total pension liability	43.65%	45.45%	39.05%	40.71%	41.27%	42.04%	39.57%	42.37%	44.39%
ELGIN COMMUNITY COLLEGE - DISTRICT NUMBER 509									
Federal, trust, grant and other contribution	327,200	261,090	238,138	278,049	234,392	187,448	202,288	183,047	165,555
Contribution in relation to required contribution	327,200	261,090	238,138	278,049	234,392	187,448	202,288	183,047	165,555
CONTRIBUTION DEFICIENCY (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer covered payroll	46,958,496	46,588,305	$ 44,813,006	$ 42,707,878	$ 42,322,759	$ 43,536,271	$ 44,783,792	$ 43,699,564	$ 42,948,297
Contributions as a percentage of covered payroll	0.70%	0.56%	0.53%	0.65%	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, 2022.

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, 2017 to June 30, 2020 was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021. These assumptions are listed below and remained the same for the June 30, 2022, actuarial valuation.

- Salary increase. Change in the overall assumed salary increase rates, ranging from 3.00% to 12.75% based on years of service, while maintaining the underlying wage inflation rate of 2.25%.
- Investment return. Decrease the investment return assumption to 6.50%. This reflects decreasing the assumed real rate of return to 4.25% and maintaining the underlying assumed price inflation of 2.25%.
- Effective rate of interest. Decrease the long-term assumption for the effective rate of interest for crediting the money purchase accounts to 6.50%.
- Normal retirement rates. Establish separate rates for members in academic positions and nonacademic positions to reflect that retirement rates for academic positions are lower than for nonacademic positions.
- Early retirement rates. Establish separate rates for members in academic positions and nonacademic positions to reflect that retirement rates for academic positions are lower than for nonacademic positions.
- Turnover rates. Change rates to produce slightly lower expected turnover for most members, while maintaining pattern of decreasing termination rates as years of service increase.
- Mortality rates. Change from the RP-2014 to the Pub-2010 mortality tables to reflect the latter's higher applicability to public pensions. Update the projection scale from the MP-2017 to the MP-2020 scale.
- Disability rates. Establish separate rates for members in academic positions and non-academic positions and maintain separate rates for males and females.
- Plan election. Change plan election assumptions to 75% Tier 2 and 2% Retirement Savings Plan (RSP) for non-academic members. Change plan election assumptions to 55% Tier 2 and 45% Retirement Savings Plan (RSP) for academic members.

(See independent auditor's report.)

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

Last Six Fiscal Years

MEASUREMENT DATE JUNE 30,	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
College's proportion of the net OPEB liability	2.396445%	2.403908%	2.247245%	2.169716%	2.200284%	2.264336%
College's proportionate share of the net OPEB liability	$ 16,405,110	$ 41,720,615	$ 40,961,964	$ 40,975,965	$ 41,480,897	$ 41,293,273
Portion of State's' total proportion of net OPEB liability associated with the College	16,405,110	41,720,615	40,961,964	40,975,965	41,480,893	40,749,410
Total	$ 32,810,220	$ 83,441,230	$ 81,923,928	$ 81,951,930	$ 82,961,790	$ 82,042,683
College covered payroll	$ 48,919,634	$ 48,735,897	$ 44,391,728	$ 41,838,731	$ 43,295,280	$ 42,874,121
Proportion of collective net OPEB liability associated with the College as a percentage of covered payroll	67.07%	171.21%	184.55%	195.88%	191.62%	191.36%
CIP plan net position as a percentage of total OPEB liability	(22.03%)	(6.38%)	(5.07%)	(4.13%)	(3.54%)	(2.87%)

FISCAL YEAR ENDED JUNE 30,	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Statutorily required contribution	$ 233,133	$ 227,821	$ 225,202	$ 208,438	$ 196,501	$ 187,933
Contribution in relation to the statutorily required contribution	233,133	227,821	225,202	208,438	196,501	187,933
CONTRIBUTION EXCESS (DEFICIENCY)	$ -	$ -	$ -	$ -	$ -	$ -
Employer covered payroll	$ 46,958,496	$ 46,588,305	$ 44,813,006	$ 42,707,878	$ 42,322,759	$ 43,536,271
Contributions as a percentage of covered payroll	0.50%	0.49%	0.50%	0.49%	0.46%	0.43%

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 to 2022.

Changes in Assumptions

The discount rate changed from 1.92% at June 30, 2021 to 3.69% at June 30, 2022.
The discount rate changed from 2.45% at June 30, 2020 to 1.92% at June 30, 2021.
The discount rate changed from 3.13% at June 30, 2019 to 2.45% at June 30, 2020.
The discount rate changed from 3.62% at June 30, 2018 to 3.13% at June 30, 2019.
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, 2023

	Education	Operations and Maintenance	Restricted Purposes	Audit	Liability Protection and Settlement
CURRENT ASSETS					
Cash and cash equivalents	$ 10,350,002	$ 15,878,556	$ 2,049,857	$ 132,414	$ 1,474,642
Investments	36,080,497	170,995	485,503	7,079	836,466
Property tax receivable	20,026,725	6,123,216	-	57,124	546,947
Accrued interest receivable	230,801	-	-	-	-
Student tuition receivable	6,957,176	-	-	-	-
Other accounts receivable	1,021,934	45,893	522,966	-	-
Due from other funds	13,135,959	4,745,709	2,687	228	156
Inventory	-	-	-	-	-
Prepaid assets	1,333,692	77,842	5,008	-	-
Total current assets	89,136,786	27,042,211	3,066,021	196,845	2,858,211
NONCURRENT ASSETS					
Tangible and intangible capital assets	-	-	-	-	-
Less accumulated depreciation and amortization	-	-	-	-	-
Total noncurrent assets	-	-	-	-	-
Total assets	89,136,786	27,042,211	3,066,021	196,845	2,858,211
DEFERRED OUTFLOWS OF RESOURCES					
Unamortized loss on refunding	-	-	-	-	-
OPEB expense	-	-	-	-	-
SURS expense	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	89,136,786	27,042,211	3,066,021	196,845	2,858,211

				Auxiliary Enterprise		
Federal Financial Aid	Federal Grants	Bond and Interest	Operations and Maintenance Restricted	Food Services	Book Store	Early Childhood Lab School
$ 5,306,194	$ 1,601,307	$ 1,757,251	$ 3,365,172	$ 2,100	$ 1,839,541	$ -
717,121	37,449	2,910,863	42,146,859	-	4,120	-
-	-	5,245,227	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
678,059	5,389,586	-	-	1,747	299,183	38,653
122	6,683,322	49,610	10,628	126,595	-	6,835
-	-	-	-	18,290	296,238	-
-	5,595	-	92,580	-	-	-
6,701,496	13,717,259	9,962,951	45,615,239	148,732	2,439,082	45,488
-	-	-	-	-	118,226	-
-	-	-	-	-	(118,226)	-
-	-	-	-	-	-	-
6,701,496	13,717,259	9,962,951	45,615,239	148,732	2,439,082	45,488
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
6,701,496	13,717,259	9,962,951	45,615,239	148,732	2,439,082	45,488

(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, 2023

	Auxiliary Enterprise				
	Visual Performing Arts Center	**Production Services**	**Student Life and Athletics**	**Corporate Training and Continuing Education**	**Employee Benefits**
CURRENT ASSETS					
Cash and cash equivalents	$ 300	$ -	$ -	$ -	$ 2,554,033
Investments	-	-	-	-	27,161,506
Property tax receivable	-	-	-	-	-
Accrued interest receivable	-	-	-	-	-
Student tuition receivable	-	-	-	-	-
Other accounts receivable	108,703	-	15,945	4,554	-
Due from other funds	1,092,944	225,052	550,487	56,470	1,690,594
Inventory	-	-	-	-	-
Prepaid assets	-	-	4,597	6,130	-
Total current assets	1,201,947	225,052	571,029	67,154	31,406,133
NONCURRENT ASSETS					
Tangible and intangible capital assets	55,637	99,048	103,170	9,075	-
Less accumulated depreciation and amortization	(41,278)	(73,924)	(18,097)	(9,075)	-
Total noncurrent assets	14,359	25,124	85,073	-	-
Total assets	1,216,306	250,176	656,102	67,154	31,406,133
DEFERRED OUTFLOWS OF RESOURCES					
Unamortized loss on refunding	-	-	-	-	-
OPEB expense	-	-	-	-	3,434,723
SURS expense	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	3,434,723
Total assets and deferred outflows of resources	1,216,306	250,176	656,102	67,154	34,840,856

Working Cash	Activity	Long-Term Obligations	Capital Assets	Eliminations	Adjustments	Total
$ 86,942	$ 737,279	$ -	$ -	$ -	$ -	$ 47,135,590
4,719,251	22,662	-	-	-	-	115,300,371
-	-	-	-	-	-	31,999,239
-	-	-	-	-	-	230,801
-	-	-	-	-	-	6,957,176
-	8,118	-	-	-	-	8,135,341
-	-	-	-	(28,377,398)	-	-
-	-	-	-	-	-	314,528
-	-	-	-	-	-	1,525,444
4,806,193	768,059	-	-	(28,377,398)	-	211,598,490
-	-	-	326,639,768	-	-	327,024,924
-	-	-	(140,261,771)	-	-	(140,522,371)
-	-	-	186,377,997	-	-	186,502,553
4,806,193	768,059	-	186,377,997	(28,377,398)	-	398,101,043
-	-	823,973	-	-	-	823,973
-	-	-	-	-	-	3,434,723
-	-	327,200	-	-	-	327,200
-	-	1,151,173	-	-	-	4,585,896
4,806,193	768,059	1,151,173	186,377,997	(28,377,398)	-	402,686,939

(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, 2023

	Education	Operations and Maintenance	Restricted Purposes	Audit	Liability Protection and Settlement
CURRENT LIABILITIES					
Accounts payable	$ 2,472,002	$ 9,792	$ 20,141	$ -	$ -
Accrued salaries and benefits payable	2,127,436	388,980	48,093	-	-
Accrued health care liability	-	-	-	-	-
Due to other funds	6,289,608	10,628	-	-	-
Unearned tuition revenue	9,055,159	-	-	-	-
Claims payable	1,025,319	-	-	-	-
Interest payable	-	-	-	-	-
Current portion of general obligation bonds	-	-	-	-	-
Current portion of subscription liabilities	-	-	-	-	-
Current portion of other postemployment benefit liability	-	-	-	-	-
Other current liabilities	245,676	11,199	653,879	-	-
Total current liabilities	21,215,200	420,599	722,113	-	-
NONCURRENT LIABILITIES					
General obligation bonds	-	-	-	-	-
Subscription liabilities	-	-	-	-	-
Other postemployment benefit liability	-	-	-	-	-
Premium on general obligation bonds	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	-
Total liabilities	21,215,200	420,599	722,113	-	-
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - property taxes	20,095,766	6,144,326	-	57,321	548,833
OPEB expense	-	-	-	-	-
Total deferred inflows of resources	20,095,766	6,144,326	-	57,321	548,833
Total liabilities and deferred inflows of resources	41,310,966	6,564,925	722,113	57,321	548,833
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Restricted for					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Grant purposes	-	-	2,343,908	-	-
Audit purposes	-	-	-	139,524	-
Liability insurance	-	-	-	-	2,309,378
Pension contributions	-	-	-	-	-
Working cash	-	-	-	-	-
Unrestricted (deficit)	47,825,820	20,477,286	-	-	-
TOTAL NET POSITION (DEFICIT)	$ 47,825,820	$ 20,477,286	$ 2,343,908	$ 139,524	$ 2,309,378

				Auxiliary Enterprise		
Federal Financial Aid	**Federal Grants**	**Bond and Interest**	**Operations and Maintenance Restricted**	**Food Services**	**Book Store**	**Early Childhood Lab School**
$ 18,174	$ 60,795	$ -	$ 1,313,656	$ 1,360	$ 6,398	$ -
-	107,656	-	-	33,721	23,509	32,126
-	-	-	-	-	-	-
6,683,322	13,386,424	-	-	-	2,007,416	-
-	-	-	-	-	21,889	13,362
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	162,384	-	-	3,088	-	-
6,701,496	13,717,259	-	1,313,656	38,169	2,059,212	45,488
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
6,701,496	13,717,259	-	1,313,656	38,169	2,059,212	45,488
-	-	5,263,310	-	-	-	-
-	-	-	-	-	-	-
-	-	5,263,310	-	-	-	-
6,701,496	13,717,259	5,263,310	1,313,656	38,169	2,059,212	45,488
-	-	-	-	-	-	-
-	-	-	1,706,695	-	-	-
-	-	4,699,641	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	42,594,888	110,563	379,870	-
$ -	$ -	$ 4,699,641	$ 44,301,583	$ 110,563	$ 379,870	$ -

(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, 2023

	Auxiliary Enterprise				
	Visual Performing Arts Center	**Production Services**	**Student Life and Athletics**	**Corporate Training and Continuing Education**	**Employee Benefits**
CURRENT LIABILITIES					
Accounts payable	$ -	$ -	$ -	$ -	$ 4,228
Accrued salaries and benefits payable	13,387	21,708	76,352	15,950	993,523
Accrued health care liability	-	-	-	-	584,384
Due to other funds			-		-
Unearned tuition revenue	40,356	-	-	54,457	-
Claims payable	-	-	-	-	400,000
Interest payable	-	-	-	-	-
Current portion of general obligation bonds	-	-	-	-	-
Current portion of subscription liabilities	-	-	-	-	-
Current portion of other postemployment benefit obligation	-	-	-	-	225,202
Other current liabilities	19,270	-	-	-	-
Total current liabilities	73,013	21,708	76,352	70,407	2,207,337
NONCURRENT LIABILITIES					
General obligation bonds	-	-	-	-	-
Subscription liabilities	-	-	-	-	-
Other postemployment benefit obligation	-	-	-	-	16,179,908
Premium on general obligation bonds	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	16,179,908
Total liabilities	73,013	21,708	76,352	70,407	18,387,245
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - property taxes	-	-	-	-	-
OPEB expense	-	-	-	-	29,545,871
Total deferred inflows of resources	-	-	-	-	29,545,871
Total liabilities and deferred inflows of resources	73,013	21,708	76,352	70,407	47,933,116
NET POSITION					
Net investment in capital assets	14,359	25,124	85,073	-	-
Restricted for					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Grant purposes	-	-	-	-	-
Audit purposes	-	-	-	-	-
Liability insurance	-	-	-	-	-
Pension contributions	-	-	-	-	-
Working cash	-	-	-	-	-
Unrestricted (deficit)	1,128,934	203,344	494,677	(3,253)	(13,092,260)
TOTAL NET POSITION (DEFICIT)	$ 1,143,293	$ 228,468	$ 579,750	$ (3,253)	$ (13,092,260)

Working Cash	Activity	Long-Term Obligations	Capital Assets	Eliminations	Adjustments	Total
$ -	$ -	$ -	$ -	$ -	$ -	$ 3,906,546
-	-	-	-	-	-	3,882,441
-	-	-	-	-	-	584,384
-	-	-	-	(28,377,398)	-	-
-	-	-	-	-	-	9,185,223
-	-	-	-	-	-	1,425,319
-	-	168,296	-	-	-	168,296
-	-	6,465,000	-	-	-	6,465,000
-	-	221,592	-	-	-	221,592
-	-	-	-	-	-	225,202
-	-	-	-	-	-	1,095,496
-	-	6,854,888	-	(28,377,398)	-	27,159,499
-	-	127,385,000	-	-	-	127,385,000
-	-	461,919	-	-	-	461,919
-	-	-	-	-	-	16,179,908
-	-	12,433,137	-	-	-	12,433,137
-	-	140,280,056	-	-	-	156,459,964
-	-	147,134,944	-	(28,377,398)	-	183,619,463
-	-	-	-	-	-	32,109,556
-	-	-	-	-	-	29,545,871
-	-	-	-	-	-	61,655,427
-	-	147,134,944	-	(28,377,398)	-	245,274,890
-	-	(147,466,123)	186,377,997	-	-	39,036,430
-	-	-	-	-	-	1,706,695
-	-	-	-	-	-	4,699,641
-	-	-	-	-	-	2,343,908
-	-	-	-	-	-	139,524
-	-	-	-	-	-	2,309,378
-	-	327,200	-	-	-	327,200
4,014,363	-	-	-	-	-	4,014,363
791,830	768,059	1,155,152	-	-	-	102,834,910
$ 4,806,193	$ 768,059	$ (145,983,771)	$ 186,377,997	$ -	$ -	$ 157,412,049

(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, 2023

	Education	Operations and Maintenance	Restricted Purposes	Audit	Liability Protection and Settlement
OPERATING REVENUES					
Student tuition and fees	$ 21,434,700	$ -	$ -	$ -	$ -
Chargeback revenue	-	-	-	-	-
Auxiliary enterprises revenue	-	-	-	-	-
Other operating revenue	854,528	210,200	87,341	-	-
Total operating revenues	22,289,228	210,200	87,341	-	-
OPERATING EXPENSES					
Instruction	32,237,197	-	2,404,096	-	-
Academic support	9,918,043	-	34,758	-	-
Student services	5,871,157	-	234,133	-	-
Public services	436,690	-	56,278	-	-
Auxiliary services	-	-	40,716	-	-
Scholarships and student grants	-	-	40,572	-	-
Operation and maintenance of plant	-	9,615,867	200,755	-	629,336
Institutional support	18,312,458	1,094,497	76,028	136,522	930,827
Depreciation	-	-	-	-	-
Total operating expenses	66,775,545	10,710,364	3,087,336	136,522	1,560,163
OPERATING INCOME (LOSS)	(44,486,317)	(10,500,164)	(2,999,995)	(136,522)	(1,560,163)
NON-OPERATING REVENUES (EXPENSES)					
State grants and contracts					
Other state grants and contracts	6,407,444	-	2,905,307	-	-
State Universities Retirement System pension	-	-	-	-	-
Community College Health Insurance Security Fund OPEB	-	-	-	-	-
Property taxes	40,622,304	12,329,561	-	110,156	968,091
Personal property replacement tax	1,897,628	-	-	-	-
Federal grants and contracts	2,680,127	-	34,758	-	-
Local grants and contracts	74,031	-	59,930	-	-
Other non-operating revenues	-	-	-	-	-
Debt service	-	-	-	-	-
Issuance of subscription liabilities	457,009	-	-	-	-
Payment to escrow agent	-	-	-	-	-
Loss on disposal of capital assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers (out)	(9,456,511)	-	-	-	-
Investment income	3,189,414	-	-	-	-
Total non-operating revenues (expenses)	45,871,446	12,329,561	2,999,995	110,156	968,091
CHANGES IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	1,385,129	1,829,397	-	(26,366)	(592,072)
Capital contributions	-	-	-	-	-
CHANGE IN NET POSITION	1,385,129	1,829,397	-	(26,366)	(592,072)
NET POSITION (DEFICIT), JULY 1, RESTATED	46,440,691	18,647,889	2,343,908	165,890	2,901,450
NET POSITION (DEFICIT), JUNE 30	$ 47,825,820	$ 20,477,286	$ 2,343,908	$ 139,524	$ 2,309,378

				Auxiliary Enterprise		
Federal Financial Aid	Federal Grants	Bond and Interest	Operations and Maintenance Restricted	Food Services	Book Store	Early Childhood Lab School
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	898,309	2,329,952	424,507
-	-	-	-	-	-	-
-	-	-	-	898,309	2,329,952	424,507
-	3,729,473	-	-	-	-	-
-	5,278,311	-	-	-	-	-
153,267	615,570	-	-	-	-	-
-	184,437	-	-	-	-	-
-	-	-	-	766,536	2,055,188	575,347
11,669,567	100,184	-	-	-	-	-
-	758	-	-	-	-	-
-	-	-	13,579,747	-	-	-
-	-	-	-	-	-	-
11,822,834	9,908,733	-	13,579,747	766,536	2,055,188	575,347
(11,822,834)	(9,908,733)	-	(13,579,747)	131,773	274,764	(150,840)
4,769	161,706	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	10,825,833	-	-	-	-
-	-	-	-	-	-	-
11,818,065	9,747,027	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(10,660,547)	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	4,400,000	-	-	150,840
-	-	-	-	-	-	-
-	-	-	-	-	-	-
11,822,834	9,908,733	165,286	4,400,000	-	-	150,840
-	-	165,286	(9,179,747)	131,773	274,764	-
-	-	-	-	-	-	-
-	-	165,286	(9,179,747)	131,773	274,764	-
-	-	4,534,355	53,481,330	(21,210)	105,106	-
$ -	$ -	$ 4,699,641	$ 44,301,583	$ 110,563	$ 379,870	$ -

(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, 2023

	Auxiliary Enterprise				
	Visual Performing Arts Center	**Production Services**	**Student Life and Athletics**	**Corporate Training and Continuing Education**	**Employee Benefits**
OPERATING REVENUES					
Student tuition and fees	$ -	$ -	$ -	$ 275,692	$ -
Chargeback revenue	-	-	-	-	-
Auxiliary enterprises revenue	515,049	523,679	49,148	-	-
Other operating revenue	-	-	-	-	-
Total operating revenues	515,049	523,679	49,148	275,692	-
OPERATING EXPENSES					
Instruction	-	-	-	-	6,429,879
Academic support	-	-	-	-	1,713,047
Student services	-	-	1,509,591	-	1,152,123
Public services	-	-	-	-	178,685
Auxiliary services	496,499	354,652	-	393,956	44,265
Scholarships and student grants	-	-	-	-	29,972
Operation and maintenance of plant	-	-	-	-	1,152,006
Institutional support	-	-	-	-	2,228,276
Depreciation	6,483	11,350	9,729	-	-
Total operating expenses	502,982	366,002	1,519,320	393,956	12,928,253
OPERATING INCOME (LOSS)	12,067	157,677	(1,470,172)	(118,264)	(12,928,253)
NON-OPERATING REVENUES (EXPENSES)					
State grants and contracts					
Other state grants and contracts	-	-	-	-	-
State Universities Retirement System pension	-	-	-	-	24,468,734
Community College Health Insurance Security Fund OPEB	-	-	-	-	(6,472,854)
Property taxes	-	-	-	-	-
Personal property replacement tax	-	-	-	-	-
Federal grants and contracts	-	-	-	-	-
Local grants and contracts	-	-	-	-	-
Other non-operating revenues	-	-	-	-	-
Debt service	-	-	-	-	-
Issuance of subscription liabilities	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-
Loss on disposal of capital assets	-	-	-	-	-
Transfers in	-	-	1,593,012	118,264	3,296,241
Transfers (out)	-	-	(101,846)	-	-
Investment income	-	-	-	-	-
Total non-operating revenues (expenses)	-	-	1,491,166	118,264	21,292,121
CHANGES IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	12,067	157,677	20,994	-	8,363,868
Capital contributions	-	-	-	-	-
CHANGE IN NET POSITION	12,067	157,677	20,994	-	8,363,868
NET POSITION (DEFICIT), JULY 1, RESTATED	1,131,226	70,791	558,756	(3,253)	(21,456,128)
NET POSITION (DEFICIT), JUNE 30	$ 1,143,293	$ 228,468	$ 579,750	$ (3,253)	$ (13,092,260)

Working Cash	Activity	Long-Term Obligations	Capital Assets	Eliminations	Adjustments	Total
$ -	$ -	$ -	$ -	$ (4,531,918)	$ -	$ 17,178,474
-	-	-	-	-	-	-
-	-	-	-	(689,221)	-	4,051,423
-	-	-	-	-	-	1,152,069
-	-	-	-	(5,221,139)	-	22,381,966
-	400	(31,096)	(533,437)	-	-	44,236,512
-	-	(57,306)	(9,495)	(3,342,354)	-	13,535,004
-	422,023	-	(215,354)	-	-	9,742,510
-	-	-	-	-	-	856,090
-	-	-	-	-	-	4,727,159
-	529,530	-	-	(4,856,420)	-	7,513,405
-	-	-	(129,530)	-	-	11,469,192
-	-	(128,006)	(14,185,179)	(364,719)	-	21,680,451
-	-	-	8,386,419	-	-	8,413,981
-	951,953	(216,408)	(6,686,576)	(8,563,493)	-	122,174,304
-	(951,953)	216,408	6,686,576	3,342,354	-	(99,792,338)
-	-	-	-	-	-	9,479,226
-	-	-	-	-	-	24,468,734
-	-	-	-	-	-	(6,472,854)
-	-	-	-	-	-	64,855,945
-	-	-	-	-	-	1,897,628
-	-	-	-	(3,342,354)	-	20,937,623
-	-	-	-	-	-	133,961
-	1,153,745	-	-	-	-	1,153,745
-	-	7,506,190	-	-	-	(3,154,357)
-	-	(457,009)	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	(9,558,357)	-	-
-	-	-	-	9,558,357	-	-
34,244	-	-	-	-	-	3,223,658
34,244	1,153,745	7,049,181	-	(3,342,354)	-	116,523,309
34,244	201,792	7,265,589	6,686,576	-	-	16,730,971
-	-	-	325,675	-	-	325,675
34,244	201,792	7,265,589	7,012,251	-	-	17,056,646
4,771,949	566,267	(153,249,360)	179,365,746	-	-	140,355,403
$ 4,806,193	$ 768,059	$ (145,983,771)	$ 186,377,997	$ -	$ -	$ 157,412,049

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Elgin Community College District Number 509's annual comprehensive 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	Page(s)
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	63-66
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	67-70
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	71-75
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	76-78
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	79-81

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive 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	**2023**	**2022**	**2021**	**2020**
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	$ 39,036,430	$ 26,091,730	$ 19,470,773	$ 19,693,055
Restricted				
Capital projects	1,706,695	15,286,442	21,482,313	22,908,872
Debt service	4,699,641	4,534,355	4,888,362	4,841,931
Specific purposes	5,120,010	5,672,338	6,441,357	7,547,301
Working cash	4,014,363	4,014,363	4,014,363	4,014,363
Unrestricted	102,834,910	84,756,175	77,706,479	69,382,124
TOTAL BUSINESS-TYPE ACTIVITIES	$ 157,412,049	$ 140,355,403	$ 134,003,647	$ 128,387,646

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

Data Source

Audited Financial Statements

	2019	2018	2017	2016	2015	2014
	$ 18,904,009	$ 22,528,437	$ 27,119,754	$ 32,216,404	$ 35,206,436	$ 34,543,852
	22,773,141	19,825,069	18,455,427	16,241,168	13,832,563	11,960,223
	4,569,440	5,014,363	3,746,425	3,549,757	4,435,843	4,610,459
	8,067,752	7,144,909	6,966,647	6,508,712	6,216,059	6,831,512
	4,014,363	4,014,363	4,014,363	4,014,363	4,014,363	4,014,363
	54,876,137	44,365,796	76,846,908	64,908,275	63,825,688	58,909,689
	$ 113,204,842	$ 102,892,937	$ 137,149,524	$ 127,438,679	$ 127,530,952	$ 120,870,098

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

FINANCIAL TRENDS
CHANGES IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	**2023**	**2022**	**2021**	**2020**
OPERATING REVENUES				
Student tuition and fees	$ 17,178,474	$ 17,150,244	$ 17,122,627	$ 20,248,902
Chargeback revenue	-	-	-	-
Auxiliary enterprises revenue	4,051,423	3,141,577	2,169,519	3,689,390
Other operating revenue	1,152,069	625,330	516,497	604,607
Total operating revenues	22,381,966	20,917,151	19,808,643	24,542,899
OPERATING EXPENSES				
Instruction	44,236,512	50,029,979	55,690,987	54,235,510
Academic support	13,535,004	15,459,554	15,673,781	13,010,581
Student services	9,742,510	10,726,400	11,318,348	10,966,528
Public services	856,090	1,032,222	1,142,359	966,105
Auxiliary services	4,727,159	3,880,264	7,769,999	5,442,904
Scholarships and student grants	7,513,405	15,973,482	9,929,136	9,236,123
Operation and maintenance of plant	11,469,192	13,335,207	10,472,019	14,033,863
Institutional support	21,680,451	23,413,551	27,533,305	22,671,699
Depreciation	8,413,981	8,229,545	8,007,521	8,859,499
Total operating expenses	122,174,304	142,080,204	147,537,455	139,422,812
OPERATING INCOME (LOSS)	(99,792,338)	(121,163,053)	(127,728,812)	(114,879,913)
NON-OPERATING REVENUES (EXPENSES)				
State grants and contracts	27,475,106	36,731,745	49,079,977	44,981,343
Property taxes	64,855,945	62,787,660	62,765,814	64,005,961
Personal property replacement tax	1,897,628	1,678,895	770,228	677,470
Federal grants and contracts	20,937,623	30,051,932	23,966,251	20,607,509
Local grants and contracts	133,961	417,454	327,836	489,871
Interest expense and fiscal charges	(3,154,357)	(3,308,096)	(4,700,440)	(6,965,617)
Gain (loss) on disposal of capital assets	-	-	(581,363)	-
Other non-operating revenues	1,153,745	705,918	1,153,987	1,027,620
Investment income	3,223,658	(2,354,893)	416,048	2,563,901
Total non-operating revenues (expenses)	116,523,309	126,710,615	133,198,338	127,388,058
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	16,730,971	5,547,562	5,469,526	12,508,145
Capital contributions	325,675	667,701	146,475	1,740,000
CHANGE IN NET POSITION	$ 17,056,646	$ 6,215,263	$ 5,616,001	$ 14,248,145

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

2019	2018	2017	2016	2015	2014
$ 19,968,429	$ 19,818,103	$ 19,674,745	$ 18,679,471	$ 17,854,603	$ 17,601,837
-	1,420	23,662	29,341	20,193	4,080
5,001,003	4,812,253	5,190,530	5,447,158	5,842,478	6,058,778
639,385	704,257	563,841	585,537	572,867	587,439
25,608,817	25,336,033	25,452,778	24,741,507	24,290,141	24,252,134
51,875,346	52,233,711	46,731,411	43,549,796	41,133,232	40,342,156
12,424,020	12,131,779	11,540,322	10,678,304	10,541,916	9,729,192
10,164,362	9,719,822	10,199,159	10,266,124	9,840,585	9,858,311
822,876	621,995	727,052	648,532	637,014	585,054
5,789,556	6,061,316	6,317,873	6,980,338	7,640,448	8,033,825
6,545,678	7,006,531	6,697,769	7,584,922	8,465,310	9,529,773
13,068,621	12,559,033	11,948,992	11,289,345	11,020,170	11,088,637
22,254,771	22,589,462	21,355,749	22,461,019	20,478,735	18,053,287
9,349,793	9,594,246	9,540,919	9,281,794	7,849,474	7,141,073
132,295,023	132,517,895	125,059,246	122,740,174	117,606,884	114,361,308
(106,686,206)	(107,181,862)	(99,606,468)	(97,998,667)	(93,316,743)	(90,109,174)
41,307,032	40,894,199	38,659,380	26,422,147	26,494,242	23,680,818
61,757,426	59,812,614	59,700,764	59,783,305	60,113,167	59,334,287
554,744	512,789	612,836	481,466	599,265	572,570
18,283,797	18,533,740	17,265,623	18,520,444	19,884,290	21,279,900
722,378	777,324	1,000,822	933,534	914,404	91,305
(8,251,199)	(8,397,740)	(8,529,389)	(8,713,135)	(8,977,871)	(9,296,498)
-	-	-	-	-	-
-	-	-	-	-	-
2,541,433	1,178,885	607,277	478,633	334,156	164,601
116,915,611	113,311,811	109,317,313	97,906,394	99,361,653	95,826,983
10,229,405	6,129,949	9,710,845	(92,273)	6,044,910	5,717,809
82,500	29,995	-	-	615,944	326,100
$ 10,311,905	$ 6,159,944	$ 9,710,845	$ (92,273)	$ 6,660,854	$ 6,043,909

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	Mineral Property	Total Taxable Assessed Value	Total Direct Tax Rate (3)	Estimated Actual Value	Percent of Actual Value
2022	$ 11,328,582,529	$ 2,021,507,568	$ 1,123,029,637	$ 169,724,316	$ 14,247,839	$ 4,711,668	$ 14,661,803,557	0.4225	$ 43,985,410,671	33.333%
2021	10,801,230,196	1,837,926,313	1,042,227,927	160,547,631	18,007,927	-	13,859,939,994	0.4514	41,579,819,982	33.333%
2020	10,491,511,874	1,807,338,784	966,658,149	155,787,799	17,029,006	-	13,438,325,612	0.4439	40,314,976,836	33.333%
2019	9,927,263,651	1,694,599,582	880,088,232	151,408,955	16,224,301	-	12,669,584,721	0.4865	38,008,754,163	33.333%
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%

(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**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**
TAX RATES (1)											
District Rates											
Education	0.750	0.2637	0.2839	0.2881	0.2995	0.2939	0.2963	0.3028	0.3192	0.3304	0.3119
Operations and maintenance	0.100	0.0806	0.0846	0.0849	0.0882	0.0903	0.0907	0.0947	0.0976	0.0980	0.1018
Liability insurance	None	0.0072	0.0056	0.0043	0.0038	0.0110	0.0137	0.0145	0.0168	0.0167	0.0151
Audit	0.005	0.0007	0.0007	0.0007	0.0008	0.0009	0.0011	0.0012	0.0013	0.0014	0.0012
Debt Service Fund	None	0.0690	0.0754	0.0661	0.0946	0.1049	0.0914	0.1091	0.1172	0.1444	0.1426
Bond and Interest Fund	None	0.0000	0.0000	0.0000	0.0000	0.0059	0.0068	0.0073	0.0078	0.0081	0.0071
Prior period adjustment		0.0000	0.0000	-0.0002	-0.0004	0.0006	-0.0001	0.0000	0.0009	0.0086	-0.0088
Revenue Recapture		0.0013	0.0011	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Total district rates (1)		0.4225	0.4514	0.4439	0.4865	0.5075	0.4999	0.5296	0.5609	0.6076	0.5709
Others											
Kane County		0.3322	0.3522	0.3618	0.3739	0.3877	0.4025	0.4201	0.4479	0.4684	0.4623
Kane County Forest Preserve		0.1367	0.1435	0.1477	0.1549	0.1607	0.1658	0.2253	0.2944	0.3126	0.3039
Elgin Township and Road Funds		0.1674	0.1719	0.1776	0.1843	0.1909	0.1950	0.1805	0.1950	0.2053	0.1972
Gail Borden Library District		0.4518	0.4542	0.4647	0.4445	0.4630	0.4729	0.5227	0.5294	0.5796	0.5087
Fox River Water Reclamation		0.0249	0.0256	0.0266	0.0278	0.0291	0.0302	0.0325	0.0339	0.0409	0.0370
City of Elgin		1.5384	1.7049	1.7706	1.8788	2.0240	2.1494	2.2396	2.4110	2.3218	2.1668
School District No. 46		5.5971	5.6180	5.7275	5.7890	6.1237	6.3696	6.5487	7.1238	8.0229	5.9395
Total rates		8.6711	8.9217	9.1204	9.3397	9.8866	10.2853	10.6990	11.5963	12.5591	10.1863

(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 Ten Years Ago

		2022 Levy Year			2013 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**
Northwest Logistics Park Portfolio Investors LLC	Real Property	$ 53,882,312	1	0.37%	$ -		0.00%
Sears, Roebuck and Company	Real Property	43,430,555	2	0.30%	-		0.00%
Legia St. Charles Associates LLC	Real Property	26,619,537	3	0.18%	-		0.00%
Target	Retail	26,300,647	4	0.18%	23,429,137	1	0.23%
John B. Sanfilippo and Son, Inc.	Snack Food	22,053,750	5	0.15%	16,117,689	7	0.16%
Redwood Randall Company LP	Real Property	20,584,994	6	0.14%	-		0.00%
Paul Hastings LLP	Real Property	20,409,637	7	0.14%	-		0.00%
Poplar Creek Crossing	Real Property	19,846,259	8	0.14%	-		0.00%
Prairie Winds II LLC & Prairie Winds TIC LLC	Real Property	19,664,876	9	0.13%	-		0.00%
VAC Owner LLC & VAC Owner IL LLC	Real Property	18,773,551	10	0.13%	-		0.00%
Algonquin Commons	Real Property	-		-	22,182,540	2	0.22%
Wal-Mart	Department Store	-		-	21,840,708	3	0.21%
Springhill Mall, LLC	Commercial Shopping Center	-		-	19,544,510	4	0.19%
New Plan Excel Realty	Real Property	-		-	19,393,835	5	0.19%
W 2001 VHE LLC	Real Property	-		-	18,376,114	6	0.18%
Q Center LLC	Training Center	-		-	15,624,821	8	0.15%
Arboretum S. Barrington	Real Property	-		-	14,957,219	9	0.15%
Yavitski LLC (3)	Real Property	-		-	14,908,167	10	0.15%
		$ 271,566,118		1.85%	$ 186,374,740		1.83%

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, 2022	Collected During Year Ended June 30, 2023 (6)	Total Collected Through June 30, 2023 (4)	Percent of Taxes Extended Collected Through June 30, 2023	Tax Cap Limit (5)
2022	$ 14,661,803,557	$ 0.4225	$ 64,679,113	$ -	$ 32,872,917	$ 32,872,917	50.82%	5.00%
2021	13,859,939,994	0.4514	64,944,303	34,338,111	30,288,860	64,626,971	99.51%	1.40%
2020	13,438,325,612	0.4439	61,879,383	32,009,413	29,504,346	61,513,759	99.41%	2.30%
2019	12,669,584,721	0.4865	64,907,511	64,441,612	70,465	64,512,077	99.39%	1.90%
2018	12,229,482,842	0.5075	64,186,969	63,810,826	(84,368)	63,726,458	99.28%	2.10%
2017	11,777,329,171	0.4999	60,359,170	59,981,313	(85,187)	59,896,126	99.23%	2.10%
2016	11,221,103,941	0.5296	60,314,611	59,884,936	(38,962)	59,845,975	99.22%	0.70%
2015	10,325,972,629	0.5609	59,544,514	59,298,429	(1,358)	59,297,071	99.58%	0.80%
2014	10,026,440,546	0.6076	60,820,489	60,320,609	(1,213)	60,319,396	99.18%	1.50%
2013	10,185,173,177	0.5709	60,245,707	59,847,062	(1,709)	59,845,353	99.34%	1.70%

(1) The direct tax rates reported for the District are blended rates based on the total taxes and the total assessed valuations for all counties combined.
(2) The tax rate fluctuates from year to year primarily due to the debt service requirements for General Obligation Bonds and the Public Building Commission Rental Funds.
(3) Due to differences in the computational methods followed by the five counties, portions of each of which are within the District's boundaries, there may be slight differences between the final levy amounts extended by the counties and those used for financial statement purposes.
(4) Taxes are generally due on June 1st and September 1st of the calendar year subsequent to the levy year.
(5) The District is subject to two property tax caps in Illinois whereby the increase in the levy from year to year is limited to the lesser of 5% or the consumer price index (CPI) for the state as determined by the Illinois Department of Revenue, and individual rates are limited by maximum rates established by Illinois Compiled Statutes.
(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

DEBT CAPACITY
RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	General Obligation Bonds (1)	Subscription Liabilities	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
2023	$ 146,283,137	$ 683,511	$ -	$ 146,966,648	$ 14,661,803,557	1.00%	517,697	$ 283.89	0.74%
2022	153,860,200	376,801	-	154,237,001	13,859,939,994	1.11%	507,546	303.15	0.80%
2021	160,968,576	359,472	-	161,328,048	13,438,325,612	1.20%	497,595	323.49	0.86%
2020	165,584,222	-	-	165,584,222	12,669,584,721	1.31%	487,838	339.42	0.91%
2019	170,648,453	-	-	170,648,453	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%

(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
2023	$ 146,283,137	$ 4,699,641	$ 141,583,496	$ 14,661,803,557	1.00%	517,697	$ 283.89
2022	153,860,200	4,534,355	149,325,844	13,859,939,994	1.11%	507,546	303.15
2021	160,968,576	4,888,362	156,080,214	13,438,325,612	1.20%	497,595	323.49
2020	165,584,222	4,841,932	160,742,290	12,669,584,721	1.31%	487,838	339.42
2019	170,648,453	4,569,441	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

(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, 2023

Governmental Unit	**Gross Bonded Debt**	**Percentage of Debt Applicable to Government**	**Government's Share of Debt**
Elgin Community College	$ 146,966,648	100.00%	$ 146,966,648
SCHOOLS			
Unit School District Number 46	170,615,000	100.00%	170,615,000
Unit School District Number 158	97,206,063	0.05%	49,032
Unit School District Number 300	212,690,000	78.65%	167,276,925
Unit School District Number 301	29,663,341	100.00%	29,663,341
Unit School District Number 303	22,260,000	99.53%	22,156,160
Unit School District Number 427	70,566,976	0.36%	251,645
Total schools			390,012,103
OTHERS			
Counties and large units			
Kane County	20,045,000	55.68%	11,161,796
Kane County Forest Preserve District	95,120,000	55.68%	52,966,327
Cook County	2,567,831,750	1.35%	34,671,622
Cook County Forest Preserve District	98,005,000	1.35%	1,323,292
Metropolitan Water Reclamation District	2,629,129,988	1.12%	29,364,939
DuPage County	82,995,000	3.29%	2,729,876
DuPage County Forest Preserve District	80,425,000	329.00%	2,645,343
Total counties and large units			134,863,195
Cities and Villages			
Village of Algonquin	1,645,000	27.35%	449,963
Village of Bartlett	50,040,000	100.00%	50,040,000
Village of Burlington	-		-
Village of Campton Hills	-		-
Campton Township	12,360,000	97.24%	12,018,976
Village of Carpentersville	24,167,000	87.44%	21,130,721
Village of East Dundee	7,570,000	100.00%	7,570,000
City of Elgin	63,995,000	100.00%	63,995,000
Village of Gilberts	3,875,000	97.06%	3,761,190
Village of Hampshire	1,135,000	100.00%	1,135,000
Village of Hanover Park	9,690,000	36.66%	3,552,824
Village of Hoffman Estates	80,130,000	25.05%	20,070,181
City of St. Charles	95,135,000	98.23%	93,448,148
Village of Schaumburg	275,640,000	3.21%	8,843,938
Village of South Elgin	21,897,000	100.00%	21,897,000
Village of South Barrington	-		-
Village of Streamwood	16,390,000	91.48%	14,993,503
City of West Chicago	-		-
Village of West Dundee	2,735,000	100.00%	2,735,000
Total cities and villages			325,641,444

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

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

June 30, 2023

Governmental Unit	Gross Bonded Debt	Percentage of Debt Applicable to Government	Government's Share of Debt
OTHERS (Continued)			
Library Districts			
Algonquin Public Library District	$ -		$ -
Barrington Public Library District	-		-
Bartlett Public Library District	-		-
Gail Borden Public Library	-		-
Huntley Public Library District	11,280	3.94%	444,291
Poplar Creek Library District	7,530,000	78.05%	5,877,537
Schaumburg Public Library District	-		-
Town and Country Public Library District	-		-
West Chicago Public Library District	-		-
Park Districts			
Bartlett Park District	16,250,000	100.00%	16,250,000
Carol Stream Park District	56,405,872	7.89%	4,449,165
Dundee Township Park District	15,171,645	99.89%	15,155,382
Hampshire Park District	1,555,000	100.00%	1,555,000
Hanover Park Park District	6,800,465	36.77%	2,500,515
Hoffman Estates Park District	59,600,000	26.20%	15,612,638
Huntley Park District	1,617,000	2.95%	47,640
Schaumburg Park District	7,150,000	3.25%	232,568
South Barrington Park District	4,355,000	4.86%	211,670
St. Charles Park District	12,515,000	99.72%	12,480,215
Streamwood Park District	7,044,000	95.54%	6,729,948
West Chicago Park District	23,360,000	14.63%	3,418,367
West Chicago Fire Protection District	5,025,000	18.48%	928,385
Special Service Areas			
Carpentersville Special Service Area Numbers 6, 7, 10, 11 and 17			
Gilberts Special Service Area Number 10	3,650,000	100.00%	3,650,000
Gilberts Special Service Area Number 19			
Hanover Park Special Service Area Number 2			
Hampshire Special Service Area Number 9			
Pingree Grove Special Service Area Number 1			
St. Charles TIF 2			
Streamwood Special Service Area Number 3			
West Chicago Special Service Area Number 2			
Total others			89,543,318
Total schools, counties, cities and villages			850,516,742
TOTAL DIRECT AND OVERLAPPING DEBT			$ 1,087,026,707

Data Sources

District records and Offices of the County Clerks for Kane, McHenry, DuPage, Cook and DeKalb Counties
Overlapping debt percentages based on 2022 EAV for DuPage and Kane Counties, and 2022 EAV for Cook County, 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
2023	$ 14,661,803,557	2.875%	$ 421,526,852	$ 146,966,648	$ 274,560,204	34.87%
2022	13,859,939,994	2.875%	398,473,275	153,860,200	244,613,075	38.61%
2021	13,438,325,612	2.875%	386,351,861	160,968,576	225,383,285	41.66%
2020	12,669,584,721	2.875%	364,250,561	165,584,222	198,666,339	45.46%
2019	12,229,482,842	2.875%	351,597,632	170,648,453	180,949,179	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%

(1) Balances include current and noncurrent portions of bond principal outstanding net of bond premiums and discounts

Data Sources

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

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION
PERSONAL INCOME PER CAPITA

Last Ten Fiscal Years

Fiscal Year	**Population (Estimate)**	**Personal Income (1)**	**Per Capita Personal Income**	**Unemployment Rate (2)(3)**
2023	517,697	$ 19,913,350,517	$ 38,465	4.9%
2022	507,546	19,333,350,016	38,092	4.5%
2021	497,595	18,770,242,734	37,722	6.1%
2020	487,838	18,223,536,635	37,356	14.0%
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%

(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

2023

Employer	Rank	Estimated Employees
Northwest Community Hospital	1	4,000
Transform Holdco, LLC	2	3,200
Beacon Sales Acquisition, Inc.	3	3,000
Northrop Grumman Corp.	4	2,800
Zurich North American	5	2,500
Advocate Sherman Hospital	6	2,200
St. Alexius Medical Center	7	2,050
Nation Pizza Products LP	8	2,000
HSBC Finance Corp.	9	1,500
Amita Health St. Joseph Hospital	10	1,325
International Services, Inc.	11	1,200
John B. Sanfilippo & Son, Inc.	12	1,200
Clearbrook	13	975
Arthur J. Gallagher & Co.	14	825
OptumRx, Inc.	15	800
Paylocity Corporation	16	800
LSI	17	700
Gallagher-Bassett Services, Inc.	18	675
Capsonic Automotive, LLC	19	600
CDK Global	20	600
Village of Schaumburg	21	600

2014

Employer	Rank	Estimated Employees
Sears Holding Corp.	1	6,200
Northwest Community Healthcare	2	4,000
AT&T Services, Inc.	3	2,500
Zurich North American Commercial	4	2,500
St. Alexius Medical Center	5	2,045
North Grumman Corporation	6	1,900
Motorola, Inc.	7	1,570
Clearbrook	8	1,000
Nation Pizza Products	9	700
Verizon Wireless, Inc.	10	670
The Nielsen Company	11	650
ADP Dealer Services	12	600
Experian Information Solutions	13	600

<u>Data Source</u>

Note: (a) Source: 2022 Illinois Manufacturers Directory, 2022 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
2023	93,990	8,275	14,571	11,403	7,225	19,547	155,011
2022	91,530	7,169	12,343	8,595	7,972	15,256	142,865
2021	99,712	7,982	11,418	9,195	7,688	8,099	144,094
2020	108,830	9,100	14,954	10,858	11,536	18,683	173,961
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

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	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Faculty										
Full-time FTE	143	136	133	129	122	136	133	135	133	132
Part-time FTE	157	154	148	184	182	181	173	195	205	219
Total FTE	300	290	281	313	304	317	306	330	338	351
Headcount	474	478	474	539	524	510	530	577	601	615
Administrators										
Full-time FTE	60	56	57	54	48	46	47	45	44	43
Part-time FTE	0	0	0	0	0	0	0	0	0	0
Total FTE	60	56	57	54	48	46	47	45	44	43
Headcount	60	56	57	54	48	46	47	45	44	43
Nonteaching Professional Staff										
Full-time FTE	195	194	190	178	181	182	191	194	189	166
Part-time FTE	29	32	28	30	26	30	41	48	48	51
Total FTE	224	226	218	208	207	212	232	242	237	217
Headcount	256	260	268	264	255	252	281	289	285	267
Classified Staff										
Full-time FTE	111	110	114	106	103	108	101	107	102	112
Part-time FTE	35	46	57	62	58	65	62	63	69	75
Total FTE	146	156	171	168	161	173	163	170	171	187
Headcount	174	191	213	228	223	228	206	233	239	261

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 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	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
General studies degrees										
Associate degrees										
Arts	506	565	626	581	592	612	543	522	529	466
Sciences	177	193	164	167	149	153	182	256	231	196
Engineering science	29	32	16	27	20	26	29	26	19	14
Fine arts	3	4	3	4	4	2	2	5	9	11
Liberal studies and general education	14	12	13	23	14	17	20	23	42	41
Occupational degrees										
Associate degree in applied science	266	285	347	297	324	326	360	384	369	359
Occupational certificates										
One year or more	86	95	134	126	146	177	178	321	299	286
Less than one year	658	573	559	917	953	863	739	819	1,087	880
General Education core Curriculum Credential	320	442	293	794	-	-	-	-	-	-
TOTAL DEGREES AND CERTIFICATES AWARDED	2,059	2,201	2,155	2,936	2,202	2,176	2,053	2,356	2,585	2,253

Data Source

District records

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

OPERATING INFORMATION
CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Main Campus										
Size of campus in acres	213.9	213.9	213.9	211.5	211.5	211.5	211.5	211.5	211.5	211.5
Number of buildings	18	18	18	18	18	18	18	18	18	18
Gross square footage	1,121,671	1,121,671	1,121,671	1,121,671	1,121,671	1,121,671	1,121,671	1,121,671	1,121,671	1,121,671
Number of parking lots	18	18	18	18	18	18	18	18	18	18
Number of parking spaces	4347	4,347	4,350	4,350	4,350	4,350	4,349	4,349	4,337	4,337
Burlington Facility										
Size of facility in acres	119.7	119.7	119.7	119.7	119.7	119.7	119.7	119.7	-	-
Number of buildings	4	4	4	4	4	4	4	4	-	-
Number of rooms	80	80	80	80	80	80	80	80	-	-
Gross square footage	37,622	37,622	37,622	37,622	37,622	37,622	37,622	37,622	-	-
Number of parking lots	3	3	3	3	3	3	3	3	-	-
Number of parking spaces	233	233	233	233	233	233	233	233	-	-
Hanover Park Education and Work Center										
Number of buildings	1	1	1	1	1	1	1	1	1	1
Number of rooms	16	16	16	16	16	16	16	16	16	16
Gross square footage	10,848	10,848	10,848	10,848	10,848	10,848	10,848	10,848	9,274	9,274
Municipal parking lots	1	1	1	1	1	1	1	1	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	3
Gross square footage	3,224	3,224	3,224	3,224	3,224	3,224	3,224	3,224	3,224	3,224
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, 2023

ALL NONCAPITAL AUDITED OPERATING EXPENDITURES FOR FISCAL YEAR 2023 FROM ALL REVENUE SOURCES	
Education fund	$ 65,750,146
Operations and maintenance fund	10,543,255
Bond and interest fund	-
Restricted purposes fund	3,087,336
Federal financial aid fund	11,822,834
Federal grants fund	9,706,864
Audit fund	136,522
Liability, protection and settlement fund	1,560,163
Auxiliary enterprises fund (subsidy only)	1,617,269
Total noncapital audited operating expenditures	104,224,389
Plus depreciation on capital outlay expenditures (equipment, buildings and fixed equipment) paid from sources other than state and federal funds	8,003,999
Equals total costs included	$ 112,228,388
TOTAL SEMESTER CREDIT HOURS	155,010.8
PER CAPITA COST	$ 724.00

(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, 2023

All fiscal year 2023 state and federal operating grants for noncapital expenditures, except ICCB grants	$ 21,899,145
Fiscal year 2023 state and federal grants per semester credit hour	141.27
District's average ICCB grant rate for fiscal year 2024	45.49
District's student tuition and fee rate per semester credit hour for fiscal year 2024	132.00
EQUALS CHARGEBACK REIMBURSEMENT PER SEMESTER CREDIT HOUR	$ 405.24

(See independent auditor's report.)

UNIFORM FINANCIAL STATEMENTS

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

ALL FUNDS SUMMARY
UNIFORM FINANCIAL STATEMENT #1
FISCAL YEAR ENDED JUNE 30, 2023

	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, 2022	$ 46,440,691	$ 18,647,889	$ 53,481,330	$ 4,534,355	$ 20,454,766	$ 2,343,908	$ -	$ 4,771,949
REVENUES								
Local tax revenue	42,519,932	12,329,561	-	10,825,833	-	-	-	-
All other local revenue	-	-	-	-	-	59,930	-	-
ICCB grants	6,407,444	-	-	-	-	1,034,980	-	-
All other state revenue	-	-	-	-	-	17,995,880	4,769	-
Federal revenue	2,680,127	-	-	-	-	34,758	11,818,065	-
Student tuition and fees	21,434,700	-	-	-	275,692	-	-	-
All other revenue	4,574,982	210,200	-	-	4,740,644	1,957,668	-	34,244
Total revenues	77,617,185	12,539,761	-	10,825,833	5,016,336	21,083,216	11,822,834	34,244
EXPENDITURES								
Instruction	32,237,197	-	-	-	-	11,354,364	-	-
Academic support	9,918,043	-	-	-	-	2,419,287	-	-
Student services	5,871,157	-	-	-	1,509,591	1,837,866	153,267	-
Public service/continuing education	436,690	-	-	-	-	305,004	-	-
Auxiliary services	-	-	-	-	17,597,992	102,332	-	-
Operations and maintenance	-	9,615,867	-	-	-	1,804,325	-	-
Institutional support	18,312,458	1,094,497	13,579,747	10,660,547	-	3,177,746	-	-
Scholarships, grants and waivers	-	-	-	-	-	82,292	11,669,567	-
Total expenditures	66,775,545	10,710,364	13,579,747	10,660,547	19,107,583	21,083,216	11,822,834	-
NET TRANSFERS	(9,456,511)	-	4,400,000	-	5,056,511	-	-	-
FUND BALANCES, JUNE 30, 2023	$ 47,825,820	$ 20,477,286	$ 44,301,583	$ 4,699,641	$ 11,420,030	$ 2,343,908	$ -	$ 4,806,193

(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, 2023

	Audit Fund	Liability, Protection Settlement Fund	Federal Grants Fund	Total
FUND BALANCES, JULY 1, 2022	$ 165,890	$ 2,901,450	$ -	$ 153,742,228
REVENUES				
Local tax revenue	110,156	968,091	-	66,753,573
All other local revenue	-	-	-	59,930
ICCB grants	-	-	161,706	7,604,130
All other state revenue	-	-	-	18,000,649
Federal revenue	-	-	9,747,027	24,279,977
Student tuition and fees	-	-	-	21,710,392
All other revenue	-	-	-	11,517,738
Total revenues	110,156	968,091	9,908,733	149,926,389
EXPENDITURES				
Instruction	-	-	3,729,473	47,321,034
Academic support	-	-	5,278,311	17,615,641
Student services	-	-	615,570	9,987,451
Public service/continuing education	-	-	184,437	926,131
Auxiliary services	-	-	-	17,700,324
Operations and maintenance	-	629,336	758	12,050,286
Institutional support	136,522	930,827	-	47,892,344
Scholarships, grants, waivers	-	-	100,184	11,852,043
Total expenditures	136,522	1,560,163	9,908,733	165,345,254
NET TRANSFERS	-	-	-	-
FUND BALANCES, JUNE 30, 2023	$ 139,524	$ 2,309,378	$ -	$ 138,323,363

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

SUMMARY OF CAPITAL ASSETS AND DEBT
UNIFORM FINANCIAL STATEMENT #2
FISCAL YEAR ENDED JUNE 30, 2023

	Fixed Asset/Debt Account Groups June 30, 2022	Additions	Deletions	Fixed Asset/Debt Account Groups June 30, 2023
CAPITAL ASSETS				
Sites and improvements	$ 45,297,907	$ 197,183	$ -	$ 45,495,090
Buildings, additions and improvements	243,034,061	4,472,204	-	247,506,265
Equipment	16,276,683	856,228	(87,487)	17,045,424
Other capital assets	6,034,183	13,617,194	(4,530,284)	15,121,093
Subscription assets	685,752	786,144	-	1,471,896
Accumulated depreciation and amortization	131,962,839	8,386,419	(87,487)	140,261,771
TOTAL CAPITAL ASSETS	$ 179,365,747	$ 11,542,534	$ (4,530,284)	$ 186,377,997
FIXED LIABILITIES				
Bonds payable	$ 140,415,000	$ -	$ (6,565,000)	$ 133,850,000
OPEB liability	41,720,615	-	(25,315,505)	16,405,110
Subscription liabilities	376,801	457,009	(150,299)	683,511
Other fixed liabilities	-	-	-	-
TOTAL FIXED LIABILITIES	$ 182,512,416	$ 457,009	$ (32,030,804)	$ 150,938,621

	Outstanding July 1, 2022	Issued	Redeemed	Outstanding June 30, 2023
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, 2023

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING REVENUES BY SOURCE			
Local government			
Local taxes	$ 40,622,304	$ 12,329,561	$ 52,951,865
Chargeback revenue	-	-	-
Corporate Personal Property replacement tax	1,897,628	-	1,897,628
Other	-	-	-
Total local government	42,519,932	12,329,561	54,849,493
State government			
ICCB base operating grants	5,860,707	-	5,860,707
ICCB equalization grants	50,000	-	50,000
ICCB career & technical education	496,737	-	496,737
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	6,407,444	-	6,407,444
Federal government			
Department of Education	-	-	-
Department of Labor	-	-	-
Department of Health and Human Services	-	-	-
Other	2,680,127	-	2,680,127
Total federal government	2,680,127	-	2,680,127
Student tuition and fees			
Tuition	18,498,646	-	18,498,646
Fees	2,936,054	-	2,936,054
Other student assessments	-	-	-
Total student tuition and fees	21,434,700	-	21,434,700
Other sources			
Sales and service fees	-	-	-
Facilities revenue	-	-	-
Investment revenue	3,189,414	-	3,189,414
Nongovernmental grants	-	-	-
Other	1,385,568	210,200	1,595,768
Total other sources	4,574,982	210,200	4,785,182
Total revenues	77,617,185	12,539,761	90,156,946
Less non-operating items			
Tuition chargeback revenue	-	-	-
Instructional service contracts	-	-	-
ADJUSTED REVENUE	$ 77,617,185	$ 12,539,761	$ 90,156,946

(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, 2023

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING EXPENDITURES			
BY PROGRAM			
Instruction	$ 32,237,197	$ -	$ 32,237,197
Academic support	9,918,043	-	9,918,043
Student services	5,871,157	-	5,871,157
Public service/continuing education	436,690	-	436,690
Organized research	-	-	-
Auxiliary services	-	-	-
Operations and maintenance	-	9,615,867	9,615,867
Institutional support	18,312,458	1,094,497	19,406,955
Scholarships, student grants, waivers	-	-	-
Total expenditures	66,775,545	10,710,364	77,485,909
Less non-operating items			
Tuition chargeback	-	-	-
Instructional service contracts	-	-	-
Transfers	9,456,511	-	9,456,511
ADJUSTED EXPENDITURES	$ 76,232,056	$ 10,710,364	$ 86,942,420
BY OBJECT			
Salaries	$ 46,224,486	$ 4,800,207	$ 51,024,693
Employee benefits	8,814,699	1,105,997	9,920,696
Contractual services	3,396,959	957,549	4,354,508
General materials and supplies	4,880,593	802,247	5,682,840
Library materials**	5,105	-	5,105
Conference and meeting expenses	693,402	12,420	705,822
Fixed charges	189,048	583,947	772,995
Utilities	1,559	2,100,306	2,101,865
Capital outlay	1,962,361	347,691	2,310,052
Other	612,438	-	612,438
Student grants and scholarships**	-	-	-
Total expenditures	66,775,545	10,710,364	77,485,909
Less non-operating items			
Tuition chargeback	-	-	-
Instructional service contracts	-	-	-
Transfers	9,456,511	-	9,456,511
ADJUSTED EXPENDITURES	$ 76,232,056	$ 10,710,364	$ 86,942,420

**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, 2023

REVENUES BY SOURCE

Total local government	$ 59,930
State government	
ICCB - Student Success Grant	-
ICCB - Retirees Health Insurance Grant	-
ICCB - Special Initiatives Grants	-
ICCB - Program Improvement Grant	-
ICCB - Adult Education	1,034,980
ICCB - Other	-
Dept. of Corrections	-
Illinois Student Assistance Commission	-
Other (attach itemization)	18,162,355
Total state government	19,197,335
Federal government	
Department of Education	20,220,313
Department of Labor	597,615
Department of Health and Human Services	382,284
Other	399,638
Total federal government	21,599,850
Other sources	
Tuition and fees	-
Other	1,957,668
Total other sources	1,957,668
TOTAL RESTRICTED PURPOSES FUND REVENUES	$ 42,814,783

(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, 2023

EXPENDITURES BY PROGRAM	
Instruction	$ 15,083,837
Academic support	7,697,598
Student services	2,606,703
Public service/continuing education	489,441
Organized research	-
Auxiliary services	102,332
Operations and maintenance	1,805,083
Institutional support	3,177,746
Scholarships, grants, waivers	11,852,043
TOTAL RESTRICTED PURPOSES FUND EXPENDITURES	$ 42,814,783
EXPENDITURES BY OBJECT	
Salaries	$ 5,045,572
Employee benefits	702,661
Contractual services	462,414
Student financial aid	-
General materials and supplies	693,950
*Library materials	-
Travel and conference/meeting expenses	446,339
Fixed charges	151,883
Utilities	31,122
Capital outlay	832,010
SURS/OPEB expense	17,995,880
Other	16,452,952
*Scholarships, grants, waivers	11,852,043
TOTAL RESTRICTED PURPOSES FUND EXPENDITURES	$ 42,814,783

* 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, 2023

INSTRUCTION	
Instructional programs	$ 46,026,139
Other	1,294,895
Total instruction	47,321,034
ACADEMIC SUPPORT	
Library Center	2,071,108
Instructional Materials Center	1,009,951
Educational Media Services	1,596,316
Academic computing support	-
Academic administration and planning	9,780,300
Other	3,157,966
Total academic support	17,615,641
STUDENT SERVICES SUPPORT	
Admissions and records	1,387,377
Counseling and career guidance	1,703,508
Financial aid administration	782,152
Administration	602,039
Social and cultural development	2,038,957
Other	3,473,418
Total student services support	9,987,451
PUBLIC SERVICE/CONTINUING EDUCATION	
Community education	14,892
Customized training (instructional)	-
Community services	514,009
Other	397,230
Total public service/continuing education	926,131
ORGANIZED RESEARCH	-
AUXILIARY SERVICES	17,700,324

(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, 2023

OPERATIONS AND MAINTENANCE OF PLANT	
Maintenance	$ 2,697,479
Custodial services	2,424,650
Grounds	638,856
Campus security	1,686,882
Transportation	-
Utilities	2,217,489
Administration	781,360
Other	1,603,570
Total operations and maintenance of plant	12,050,286
INSTITUTIONAL SUPPORT	
Executive management	1,722,039
Fiscal operations	1,461,668
Community relations	610,553
Administrative support services	8,870,393
Board of trustees	75,652
General institution	2,696,762
Institutional research	663,712
Administrative data processing	3,194,587
Other	4,356,684
Total institutional support	23,652,050
SCHOLARSHIPS, STUDENT GRANTS AND WAIVERS	11,852,043
TOTAL CURRENT FUNDS EXPENDITURES	$ 141,104,960

(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

Opinion

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, 2023, and the related statements of revenues, expenditures and changes in program balance for the year then ended and the notes to financial statements - state grants programs.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the State Adult Education and Family Literacy Grant Program of Elgin Community College District Number 509 as of June 30, 2023, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the guidelines of the Illinois Community College Board *Fiscal Management Manual*. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 opinions.

Emphasis of Matter

The accompanying balance sheet and statement of revenues, expenditures and changes in program balances 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.

Responsibilities of Management 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 and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Other Matters

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

Sikich LLP

Naperville, Illinois
January 17, 2024

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

STATE ADULT EDUCATION AND FAMILY
LITERACY RESTRICTED GRANT PROGRAM
BALANCE SHEET

June 30, 2023

	State Basic	State Performance	Total
ASSETS			
None	$ -	$ -	$ -
TOTAL ASSETS	$ -	$ -	$ -
LIABILITIES AND PROGRAM BALANCES			
LIABILITIES			
None	$ -	$ -	$ -
Total liabilities	-	-	-
PROGRAM BALANCES			
None	-	-	-
TOTAL LIABILITIES AND PROGRAM BALANCES	$ -	$ -	$ -

(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 PROGRAM BALANCES

For the Year Ended June 30, 2023

	State Basic	State Performance	Total
REVENUES			
State sources	$ 693,085	$ 341,895	$ 1,034,980
Total revenues	693,085	341,895	1,034,980
EXPENDITURES			
Instructional and student services			
Instruction	658,431	324,800	983,231
Guidance services	-	-	-
Social work services	-	-	-
Total instructional and student services	658,431	324,800	983,231
Program support			
Improvement of instructional services	-	-	-
General administration	-	-	-
Workforce coordination	-	-	-
Facility charges	34,654	17,095	51,749
Total program support	34,654	17,095	51,749
Total expenditures	693,085	341,895	1,034,980
NET CHANGE IN FUND BALANCE	-	-	-
PROGRAM BALANCE, JULY 1, 2022	-	-	-
PROGRAM BALANCE, JUNE 30, 2023	$ -	$ -	$ -

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, 2023. 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 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, 2022 through June 30, 2023. 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.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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
January 17, 2024

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, 2023

	Total Semester Credit Hours by Term							
	Summer		Fall		Spring		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
CATEGORIES								
Baccalaureate	11,713.0	-	42,904.0	112.0	39,171.0	90.0	93,788.0	202.0
Business occupational	535.5	-	3,780.0	228.0	3,548.5	183.0	7,864.0	411.0
Technical occupational	791.0	-	6,856.0	-	6,924.0	-	14,571.0	-
Health occupational	751.5	-	4,584.0	360.5	5,279.0	428.0	10,614.5	788.5
Remedial developmental	797.0	-	3,726.0	-	2,702.0	-	7,225.0	-
Adult basic education/adult secondary education	-	4,062.5	35.5	7,497.5	642.5	7,308.8	678.0	18,868.8
TOTAL CREDIT HOURS VERIFIED	14,588.0	4,062.5	61,885.5	8,198.0	58,267.0	8,009.8	134,740.5	20,270.3

	In-District	Chargeback/ Contractual Agreement	Total
Reimbursable semester credit hours	144,637.8	1,546.5	146,184.3

	Dual Credit	Dual Enrollment	Total
Reimbursable semester credit hours	9,479.5	5,860.0	15,339.5

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 2021 EQUALIZED ASSESSED VALUATION	$ 14,661,803,557

ELGIN COMMUNITY COLLEGE
DISTRICT NUMBER 509
ELGIN, ILLINOIS

RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS

For the Year Ended June 30, 2023

	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	93,788.0	93,788.0	-	202.0	202.0	-
Business occupational	7,864.0	7,864.0	-	411.0	411.0	-
Technical occupational	14,571.0	14,571.0	-	-	-	-
Health occupational	10,614.5	10,614.5	-	788.5	788.5	-
Remedial developmental	7,225.0	7,225.0	-	-	-	-
Adult basic education/adult secondary education	678.0	678.0	-	18,868.8	18,868.8	-
TOTAL	134,740.5	134,740.5	-	20,270.3	20,270.3	-

	Total Attending	Total Attending Certified to the ICCB	Difference
In-District Residents	144,637.8	144,637.8	-
Chargeback/Contractual Agreement	1,546.5	1,546.5	-

	Total Reimbursable	Total Reimbursable Certified to the ICCB	Difference
Dual Credit	9,479.5	9,479.5	-
Dual Enrollment	5,860.0	5,860.0	-