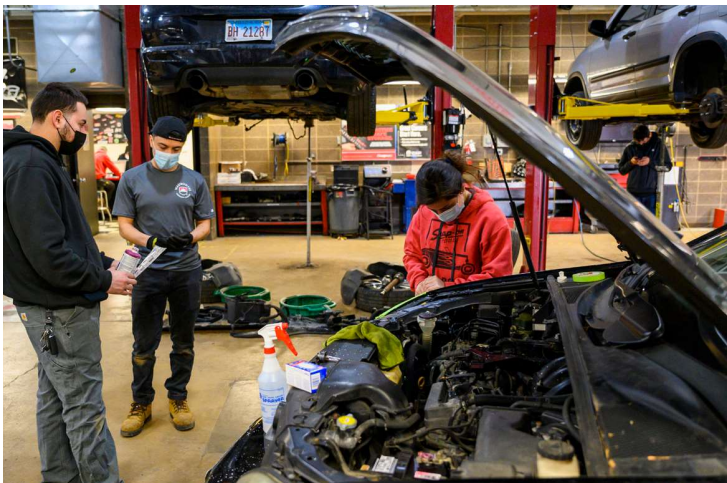


Comprehensive Annual Financial Report



State of Illinois
Community College District 516
Counties of Kane, Kendall,
DeKalb, LaSalle and Will

For the
Fiscal Years
Ended
June 30, 2021
and 2020



WAUBONSEE
COMMUNITY COLLEGE

ROUTE 47 AT WAUBONSEE DRIVE SUGAR GROVE, ILLINOIS 60554-9454

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Years Ended
June 30, 2021 and 2020

Prepared by
Finance Department

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
TABLE OF CONTENTS**

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials	i
Organizational Chart	ii
Certificate of Achievement for Excellence in Financial Reporting	iii
Letter of Transmittal	iv-xiv
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-3
MANAGEMENTS DISCUSSION AND ANALYSIS.....	MD&A 1-12
BASIC FINANCIAL STATEMENTS	
Statements of Net Position.....	4-5
Statements of Revenues, Expenses and Changes in Net Position.....	6
Statements of Cash Flows.....	7-8
Discretely Presented Component Unit	
Waubonsee Community College Foundation	
Statement of Financial Position	9
Statement of Activities	10
Notes to Financial Statements.....	11-46
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios	
State Universities Retirement System of Illinois.....	47-48
Schedule of the College’s Proportionate Share of the Total OPEB Liability and Schedule of Contributions	
CIP Plan	49
SUPPLEMENTARY INFORMATION	
Combining Schedule of Net Position Accounts - by Subgroup.....	50-51
Combining Schedule of Revenues, Expenses and Changes in Net Position - by Subgroup.....	52

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

SUPPLEMENTARY INFORMATION (Continued)

Combining Schedule of Net Position Accounts - by Governmental Group.....	53-56
Combining Schedule of Revenues, Expenses and Changes in Net Position - by Governmental Group.....	57-60
Combining Schedule of Net Position Accounts - by Auxiliary Enterprise Group.....	61
Combining Schedule of Revenues, Expenses and Changes in Net Position - by Auxiliary Enterprise Group	62
Schedule of Revenues and Expenses - Driver Safety Program	63
Consolidated Year End Financial Report	64

STATISTICAL SECTION

Financial Trends

Net Position by Component.....	65-66
Changes in Net Position.....	67-68

Revenue Capacity

Assessed Value and Actual Value of Taxable Property	69
Property Tax Rates - Direct and Overlapping Governments	70
Principal Property Taxpayers.....	71
Property Tax Levies and Collections	72

Debt Capacity

Ratio of Outstanding Debt by Type	73
Ratio of General Bonded Debt Outstanding	74
Direct and Overlapping Governmental Activities Debt	75-76
Legal Debt Margin Information	77
Pledged-Revenue Coverage - Alternate Revenue Bonds	78

Demographic and Economic Information

Demographic and Economic Information.....	79
Principal Employers	80

Operating Information

Full-Time Equivalent Employees.....	81
Operating Indicators	82
Capital Asset Statistics	83

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

SPECIAL REPORTS

SUPPLEMENTAL FINANCIAL INFORMATION

Certification of Chargeback Reimbursement.....	84
--	----

UNIFORM FINANCIAL STATEMENTS

All Funds Summary.....	85-86
Summary of Capital Assets and Debt.....	87
Operating Funds Revenues and Expenditures	88-89
Restricted Purposes Fund Revenues and Expenditures.....	90-91
Current Funds - Expenditures by Activity.....	92-93

ILLINOIS COMMUNITY COLLEGE BOARD STATE GRANTS
FINANCIAL - COMPLIANCE SECTION

Independent Auditor's Report.....	94-95
State Adult Education and Family Literacy Restricted Funds	
Balance Sheet	96
Statement of Revenues, Expenditures and Changes in	
Fund Balances.....	97
Expenditure Amounts and Percentages for ICCB Grant Funds Only	98
Notes to Financial Statements - State Grant Programs.....	99-100

INTRODUCTORY SECTION

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

PRINCIPAL OFFICIALS

June 30, 2021

<u>Board Members</u>	<u>Position</u>	<u>Term Expires</u>
Rebecca D. Oliver	Chair	2027
Jimmie Delgado	Vice Chair	2023
Patrick Kelsey	Trustee	2027
Rick Guzman	Trustee	2025
James K. Michels, P.E.	Trustee	2023
Greg Thomas	Trustee	2023
Tina Willson	Trustee	2025
Armando Ferrer	Student Trustee	2021

OFFICERS OF THE COLLEGE

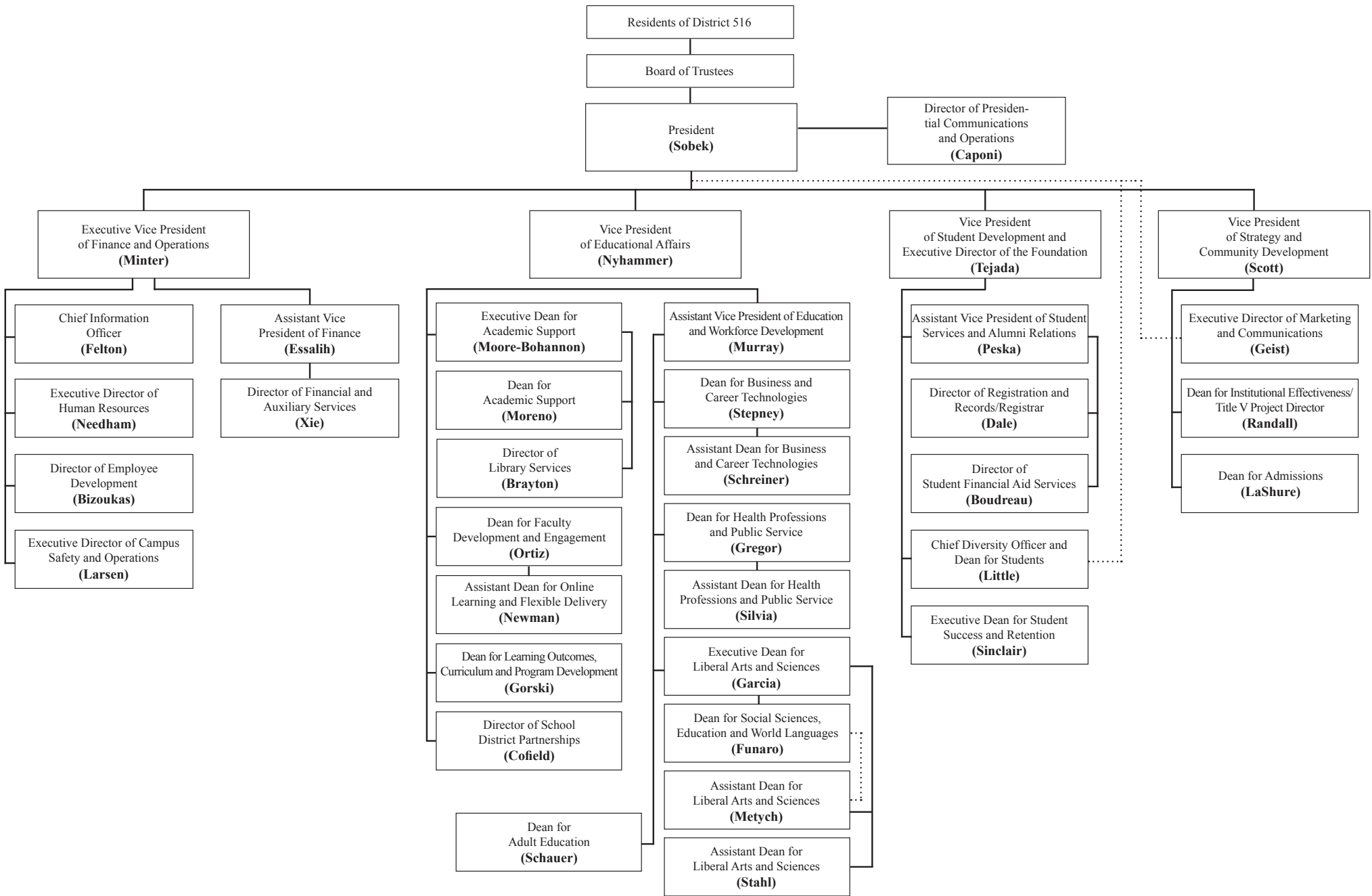
Dr. Christine J. Sobek	President
Douglas E. Minter	Vice President of Finance and Administration/ College Treasurer
Dr. Diane L. Nyhammer	Vice President of Educational Affairs
Dr. Jamal J. Scott	Vice President of Strategic Development
Dr. Melinda L. Tejada	Vice President of Student Development and Executive Director of the Foundation

OFFICIALS ISSUING REPORT

Douglas E. Minter	Vice President of Finance and Administration
Darla S. Essalih	Assistant Vice President of Finance
Lei Xie	Director of Financial and Auxiliary Services

DIVISION ISSUING REPORT

Finance Department





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Waubonsee Community College
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



November 4, 2021

Members of the Board of Trustees and
Residents of Waubonsee Community College District 516:

The Comprehensive Annual Financial Report (Annual Report) of Waubonsee Community College District 516 (the College), for the fiscal year ended June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the College. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and changes in financial position of the College. All disclosures necessary have been included to enable the reader to gain an understanding of the College's financial activities in relation to its mission.

FINANCIAL STATEMENTS

This letter of transmittal should be read in conjunction with the Management's Discussion and Analysis, which provides an analytical overview of the College's financial activity.

The College is a separate legal entity established under Illinois Compiled Statutes (ILCS) and governed by a locally elected board of trustees. The College is fiscally independent and is considered a primary unit of local government pursuant to GASB Statement No. 14 as amended by GASB Statement No. 61. The College has determined that the Waubonsee Community College Foundation meets the requirements of GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement No. 14, which has resulted in the Waubonsee Community College Foundation (the Foundation) being reported as a discretely presented component unit of the College as it is legally separate from the College. Separate financial statements of the Foundation are available from the Foundation's Executive Treasurer, Darla S. Essalih, at Route 47 at Waubonsee Drive, Sugar Grove, Illinois 60554, (630) 466-7900.

BACKGROUND INFORMATION

Our Vision

Waubonsee Community College opens the door of knowledge, sparks imaginations and enlightens lives through learning. We welcome the diverse abilities, goals and experiences of individuals standing on the threshold of discovery. Our success is defined by the dreams we help shape, the opportunities we help design, and the futures we help create.

Sugar Grove

Rt. 47 at Waubonsee Drive
Sugar Grove, IL 60554-9454
(630) 466-7900

Aurora Downtown

18 S. River St.
Aurora, IL 60506-4131
(630) 801-7900

Aurora Fox Valley

2060 Ogden Ave.
Aurora, IL 60504-7222
(630) 585-7900

Plano

100 Waubonsee Drive
Plano, IL 60545-2276
(630) 552-7900

Our Values

Quality: We constantly redefine what it means to be “the best,” seeking to improve in every area and exceed the expectations of those we serve.

Value: We focus every resource directly on the search for learning, creating tangible benefits in everything we do.

Innovation: We are actively engaged on the frontiers of education, continuously improving the learning environment for our students and communities.

Service: We view the world from the perspective of those we serve, anticipating needs and striving to exceed expectations while demonstrating a caring, knowledgeable, consistent connection with each individual every time they meet us.

Accessibility: We remove barriers to learning formed by time, geography, education, culture, experience or beliefs to provide a full range of quality educational opportunities for all who can benefit.

Our Mission

Waubonsee Community College is a public, comprehensive community college, which was organized in 1966 as mandated by the Illinois Community College Act to provide education and training services for individuals in portions of Kane, Kendall, DeKalb, LaSalle and Will counties of District 516.

The philosophy of Waubonsee Community College is based on the premise that education is the cornerstone of a literate, democratic society; that learning is a lifelong process; and that the pursuit of knowledge must be supported by institutional policies that demonstrate the values of quality, value, innovation, service and accessibility.

Our Commitments

- Provide quality educational programs and services, which are academically, geographically, financially, technologically and physically accessible to meet the educational and training needs of a diverse, multicultural population and the organizations within our community.
- Maintain institutional policies, programs, practices and efforts that provide an emphasis on a learning-centered college for students and the community.
- Develop the intellectual, physical, social, cultural and career potential of the individual.
- Promote diversity in faculty, staff and student recruitment; staff development; and cultural enrichment activities.

- Contribute to the economic, workforce, social, recreational and cultural quality of life of the community.
- Cooperate with other local, state and national organizations and provide leadership that will enhance educational services and avoid duplication of services.

Our Programs and Services

Transfer Programs: Associate degree education consisting of communications, social and behavioral sciences, physical and life sciences, mathematics, humanities and arts, education, engineering and other pre-professional fields designed to prepare students for transfer to baccalaureate degree-granting institutions.



Workforce Education and Training: Business, health care, technical and professional education consisting of associate degrees, certificates, courses, workshops and seminars designed for career, entry-level employment, transitioning, retraining and/or upgrading of skills to meet current and emerging employment needs and trends.

Training includes courses, programs and contract training designed to meet the workplace needs of both individuals and organizations with an emphasis on skill building and improved productivity.

Pre-College Programs: Courses, programs and services designed to assist academically underprepared students to be successful in the next level of education, including reading, mathematics, writing, college success, literacy, high school equivalency exam preparation (HSE), General Education Diploma (GED), Adult Basic Education (ABE) and English Language Acquisition (ELA)/English as a Second Language (ESL).

Student Services: Services designed to meet the needs of a diverse student population that include counseling, advising, transfer planning, admissions, registration and records, assessment, financial aid, career development, student life programming, intercollegiate athletics and assistance for those students with disabilities.

Our Program Support

Instructional and Academic Support: Services designed to facilitate and provide support to the instructional process, including new programs; alternative delivery systems such as online courses; tutoring; the use of instructional technology; the libraries; and learning laboratories.

Administrative Support: Organizational support that provides services for employee selection and development, financial services, facilities, operational management, technology advancements, research, planning, marketing and communications, and campus safety.

Community Support: Service to communities and organizations may be provided by the college to meet local needs. These combined efforts may include collaborations and partnership activities which will improve the quality of life.

PROFILE OF THE COLLEGE

Waubonsee was established in August 1966, when the electorate of 12 school districts in most of Kane and portions of Kendall, DeKalb, LaSalle and Will counties voted to establish Community College District 516. A naming contest held in March 1967 drew 600 entries, resulting in the current name, which means “early dawn” or “early day” and comes from a Pottawatomie Native American chief who lived in the Fox River Valley during the 1800s.



Waubonsee Community College draws its students from a vast community of learners that today includes 454,127 residents encompassing a 624-square-mile geographic area. Those residents live in or near 22 municipalities and may attend one of 12 public or several private school districts that draw the outline of the community college district. Five decades later, the college has proudly served over 318,000 students, has grown to four campuses, and also provides online offerings.

Waubonsee’s network of four campuses offers students everything they need to succeed. At our Sugar Grove Campus, students access classrooms, labs and services via peaceful walkways that wind through a lush canopy of oaks and around beautiful Huntoon Lake. Located in the heart of Illinois’ second largest city, our Aurora Downtown Campus offers one-stop student services and signature Associate in Applied Science (AAS) Degree and Certificate Programs. Our Aurora Fox Valley Campus is focused on health care programs, and features state-of-the-art labs with professional medical equipment, giving students hands-on, realistic experience with current equipment and procedures. Located in the southwest portion of Waubonsee’s district, our Plano Campus is the Innovation and Design Center. This state-of-the-art campus includes the expansion of our Welding program, re-designed space to provide maximum flexibility for additional programming and training in related areas such as Production Technology and Computer Aided Design and Drafting (CADD), as well the Cybersecurity program.

The College offers associate degrees and certificates in today’s most desirable career fields, and a general-studies associate degree and certificate designed primarily for students who have chosen to pursue a broad general program. District residents are able to complete their degrees or certificates conveniently with a multitude of flexible learning options. Online courses, blended courses with online and select classroom meetings, and accelerated courses are in place to provide flexibility for students. The College offers dual credit programs where enrolled students earn both high school and college credit. In addition, summer school programs for high school students, honors courses and international study opportunities are offered.

Adult High School Equivalency (HSE) and English Language Acquisition (ELA) curriculum opens doors to personal achievement for those who need to strengthen their educational foundation. The College's Adult Education Department also collaborates with numerous agencies, organizations, and schools to provide adult education and family literacy services to our district.



Waubonsee also provides career development programs for job seekers and career changers, as well as skill enhancement for employees seeking professional development. Through customized training programs, Waubonsee partners with corporate clients (i.e. businesses, industries and government agencies) to develop and deliver training solutions that improve the skills of the corporation's most important resource, its employees.

Although there have been small decreases over the past few years, the percentage of students of color enrolled in credit courses is growing overall. In the past 10 years, the students of color percentage enrolled at Waubonsee has increased from 32% to 45% - a change reflective of the changing demographics of the college district.



From 2010 to 2018 the population in the five counties in Waubonsee Community College's district increased by 41,206. Since 2010, Kendall County experienced an 11.4% population growth and Kane County experienced a 3.7% increase in population, compared to a 6% estimated growth rate across the U.S. Many of the district's communities have major business parks. The district continues to see development in business parks in many communities and City of Aurora initiatives.

MAJOR INITIATIVES – FY2021 HIGHLIGHTS

Waubonsee's Strategic Plan is built upon the three pillars of Student Equity and Success, Community Connections, and Employee and Organizational Excellence. As we completed our second year of this Strategic Plan, we must acknowledge and embrace the disruption caused by the pandemic. While challenging, it also offered a unique opportunity to evaluate our service and learning models. We pivoted and provided learning opportunities and services to our students and community in ways that fit their needs, strengthening our position as the top choice for learning in our community.

Waubonsee found continued success providing five modalities of learning through MyChoice. Students are empowered to select the best learning environment that suits their life and learning style. From the traditional face-to-face classroom setting to the ultra-flexible option of a Flex class, students can choose to learn in a way that suits their needs.

Since March 2020, the College has been allocated approximately \$25 million in Federal stimulus funding, commonly referred to as the Higher Education Emergency Relief Fund (HEERF). The funding has been allocated at three different time periods since March 2020. The most recent allocation in May 2021 allows for spending of all unspent HEERF funds through May 2022, with the potential to extend this date to May 2023.

The HEERF funds are broken down into two primary categories of funding, student and institutional. Approximately \$10 million is allocated to direct student grants and the College has distributed over \$3 million to students to date. The remaining \$15 million allocated for institutional use must be allocated to costs associated with the pandemic but includes provisions to recover lost revenue and to allocate funds to additional student grants.

Through June 20, 2021 approximately \$3.7 million of the institutional funds were expended on technology, chemistry, and biology lab kits used in online learning, COVID-19 related payroll, and other eligible coronavirus related costs. To date, approximately \$7.5 million has been recognized under the lost revenue provisions. This includes an FY2022 allocation of about \$800,000 in forgiveness of student debt incurred since March 2020, a use strongly encouraged by the Department of Education, and recovery of about \$6.5 million in lost revenue for both FY2020 and FY2021. These recovered lost revenues funds will be allocated to support student retention and enrollment initiatives and college priorities that are not eligible as direct expenses under the HEERF funding. Planning for the remaining funds is under development with the anticipation that funds will first pay for college strategic priorities that are eligible HEERF expenses (e.g. flex classrooms).

To minimize financial barriers for students, in addition to HEERF related student grants, the College launched multiple programs to assist students with technology and college related costs. For the Spring 2021 term, an additional \$2.4 million in new student scholarships for tuition, fees, or course materials was funded by the College through the Spring Forward Scholarship and the Pandemic Relief Scholarship programs. A new bookstore program was also implemented allowing all students to charge their books and course materials to their student accounts which provided additional time to pay for these expenses.

Waubonsee has launched a new counseling and advising model for students. This new model provides students a single Academic and Career Advisor who is trained across disciplines to assist them with career exploration, choosing a major, academic planning, university transfer decisions and more. This advisor will be with them from the first day they start classes to the time they graduate.

In addition to the new counseling and advising model, the pandemic provided opportunities to modernize our approach to support students. As a result, Waubonsee reimagined a student support model centered around innovation and flexibility. Waubonsee Online Navigators are dedicated staff members who help students navigate online classes, resources and technology. Online Navigators helped mitigate the transition time for students who had to pivot to online classes during the pandemic. MyMaterials (Inclusive Access) addresses textbook affordability by providing digital textbooks at a low price on the first day of class. To date, we have expanded MyMaterials to 40 courses across the college and 337 course sections, leading to over \$93,000 in cost savings to students.

The Association of College and University Educations (ACUE) exists to meet the needs of the evolving 21st century classroom through their Course in Effective Teaching Practices, developed in collaboration with hundreds of college educations and leading experts. Over 40 Waubonsee faculty, ranging in disciplines from math to nursing, signed up to participate in ACUE's national certificate program. Our first cohort was comprised of half adjunct faculty and half full-time faculty.

Waubonsee hosted its first-ever community 5K run/walk trail fundraiser to benefit the Foundation. Two hundred and forty-four people registered for the race and showed their support for students. The inaugural race raised a total of over \$4,000. All proceeds from the race will ensure a brighter future for students through Waubonsee's Foundation Scholarship Program.

Waubonsee received its third Department of Education Hispanic Serving Institutions (Title V) grant. Waubonsee is one of three colleges in Illinois and the only community college in the state to receive the latest installment of this grant, a \$3 million-dollar award over five years. Among other important initiatives, this grant will enhance the transition from high school to college through dedicated academic advisors and increased student participation in financial literacy programs. This grant will also be used to build a Latinx Resource Center on the Waubonsee Downtown Aurora Campus.

In June, the Higher Learning Commission (HLC) conducted a multi-campus visit at Waubonsee's Aurora Downtown and Plano Campuses. The primary goal of these visits is to ensure that additional campus locations provide the same level of academic quality and student support that exists at the main campus location. Waubonsee was found to have no concerns regarding the quality of learning, student support, and operations at its additional locations.

Strategic Plan (FY2020-FY2022)

Waubonsee's strategic plan for FY2020 – FY2022 highlights Waubonsee's goal to be the top choice for learning in our community. The plan is focused on three pillars – student equity and success, community connections, and employee and organizational excellence. More detail on the plan can be found at <http://www.waubonsee.edu/strategicplan>.

As part of our ongoing commitment to quality and continuous improvement, Waubonsee has also identified institutional metrics on our College Scorecard. The College Scorecard was created to provide our community with a snapshot of how we, as a college, are performing in the key areas of finance, enrollment, and student satisfaction. We selected metrics which emanate from public reports to ensure that we are transparent and accountable for our performance. All metrics are updated yearly, but are on different cycles, so we have committed to producing a new version every six months in January and July so that our community can see our progress or opportunities in these key areas.



The College Scorecard is a quantitative measurement of our ability to execute against the goals in our Strategic Plan, as we continue to look for new, public facing measurements that can help us to further measure our progress. Waubonsee's scorecard can be found on the Institutional Reports webpage at <https://www.waubonsee.edu/about-waubonsee/why-waubonsee/glance/institutional-reports>.

Aligning Budgeting and Strategy

For the FY2021 budget and planning process, Waubonsee's Assistant Vice President of Finance and Dean for Institutional Effectiveness have continued to focus on developing intentional connections between budgeting and planning, and ensuring that both processes are aligned with the new strategic plan. During the budget and planning process, each college department was asked to identify budget requests or proposed projects for FY2021 that were aligned with the Strategic Plan and its priorities and to document their resource needs.

ACCOUNTABILITY

Planning and Accreditation

In 2017, Waubonsee Community College was granted reaffirmation of its accreditation by the Higher Learning Commission (Commission). Waubonsee successfully demonstrated adherence to the Commission's five criteria of accreditation through the Commission's Open Pathway, which follows a ten-year cycle and remains focused on quality assurance and institutional improvement.

This year, in the fourth year of the cycle, Waubonsee completed its Assurance Review, a self-evaluation narrative, complete with evidentiary documents to support its performance. The Assurance Review is evaluated by a team of Commission-appointed peer reviewers. Waubonsee was found to have met all five criteria with no concerns and will now turn its attention to the Quality Initiative, an improvement effort designed to promote institutional advancement in a particular area.

A summary of the college's accreditation work can be found on the college's website at <https://www.waubonsee.edu/about-waubonsee/accreditation>.

FISCAL RESPONSIBILITY

As a testament to Waubonsee's diligence and skill in financial stewardship, the Government Finance Officers Association of the United States and Canada (GFOA), a non-profit professional organization, awarded a *Certificate of Achievement for Excellence in Financial Reporting* to Waubonsee Community College District 516 for its comprehensive annual financial report (Annual Report) for the fiscal year ended June 30, 2020. This Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report (Annual Report), whose contents conform to program standards. Each Annual Report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Waubonsee Community College District 516 has received the Certificate of Achievement for 22 consecutive years beginning in 1999.

The College applied for and received the GFOA *Award for Best Practice in Community College Budgeting* for fiscal years 2018 and 2019. This award is presented to community colleges demonstrating a budget process aligned with GFOA's best practice recommendations. The College previously applied for and received the *Distinguished Budget Presentation Award* for four years for fiscal years 2014 through 2017.

The College's bond rating has remained stable since 2010. Due to a bond refunding in 2011, Moody's Investor Service, Inc. conducted a financial review of the College which resulted in an upgrade of the College's bond rating from "Aa2" to "Aa1". This rating was reaffirmed in 2016 and again in January 2021 during another bond refunding. In 2010, S&P Global Ratings upgraded the College's bond rating from "AA-" to "AA+" and in 2016 reaffirmed the College's bond rating. Ratings by both of these agencies have placed the College just below the top rating of "AAA."

Internal Control. 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 and those prescribed by the Illinois Community College Board. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls. The College maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the College's board of trustees. The legal level of budgetary control, the level at which expenditures cannot exceed the budget amount, is established at the sub-fund level. Transfers are allowed between various accounts within a fund but may not exceed in aggregate 10 percent of the total budget for that fund. If a transfer is needed in excess of the 10 percent aggregate for that fund, the board of trustees is required to amend the original budget. The College has a board guideline to adopt a balanced operating budget. A balanced budget has funding resources exceeding or equivalent to budgeted expenditures and may include the allocation of prior year excess or fund balance to offset current year anticipated expenditures. The College maintains an encumbrance accounting system as one technique to accomplish budgetary control. Encumbered amounts lapse at year-end.

The State passed a FY2022 budget that included level community college funding allocations. However, because the State continues to experience financial difficulties, funding remains unpredictable. State funding represents only 7.9% of total revenues in the operating budget for the College. Due to recurring uncertainties at the State level, it continues to be prudent for the College to not rely on state funding to support operating expenses. This budgeting practice was instituted by the College in 2011 after inconsistent messages from the State regarding its ability to pay resulted in the College implementing FY2010 budget cuts mid-year. While State funding is budgeted as revenue, an identical amount is budgeted as a transfer to the Operations and Maintenance, Restricted Fund to support future capital, deferred maintenance projects, and technology, academic, and other capital equipment needs of the College, and to the Retiree Medical Insurance and Retirement Account to support College costs related to State sponsored pension and retirement related programs. The State has failed to fully fund the College Insurance Program (community college retiree's health insurance program or CIP) and discussions have included increasing the employer contribution. The lack of funding for the CIP program has resulted in the College reflecting a \$31.1 million liability as of June 30, 2021. This liability was \$32.9 million as of June 30, 2020. Despite the reduction in the liability as of June 30, 2021, the College anticipates incurring an additional liability of approximately \$3 million each year if the underfunding for CIP does not change. Currently the College has fully reserved funding for the \$31.1 million liability. The College continually monitors State discussions related to the CIP program for any actual obligation to pay this amount and its potential effects on the operations of the College.

The College's largest source of revenue is property taxes. Significant increases in property tax revenue occurred through 2008 due to the rapid growth in the College's equalized assessed valuation (EAV) and then declined through 2014. The EAV has now reflected increases between 3.9% to 7.3% each year for 2015 through 2020. The FY2022 budget was prepared with an overall

8.0% decrease in property taxes due to the 2020 Bond and Interest property tax abatement. An increase of approximately 4.0% in property taxes is reflected in the operating funds. This growth estimate is conservative and also takes into consideration future debt service requirements. While collectability of property taxes has been questionable since the onset of the pandemic, to date, the College has not experienced any adverse changes in collections from the counties. Current property tax cap law allows for an increase in property taxes equal to the lesser of the CPI or 5%. The 2018 CPI applied to the 2019 tax levy was 1.9% and the 2019 CPI to be applied to the 2020 tax levy is 2.3%. A portion of the College's tax levy subject to the property tax cap is also subject to statutory limiting rates which apply to the education, operations and maintenance, and audit levies. The College monitors these rates and is currently under the maximum rate for these levies. Expiring Tax Increment Financing (TIF) districts are treated like new construction and provide additional funds to the College in the year after expiration. Past discussions at the State have included freezing future property tax revenues. Legislation relating to the property tax cap, if passed, would likely have a negative impact on the College's ability to levy increased taxes in the future. The College has the capacity to meet a portion of the revenue limitation as a result of this cap through increased tuition rates.

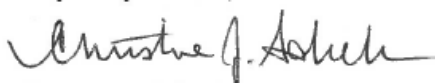
The College adopted a FY2022 balanced budget that was built on the basis of continuing operations at current operating levels, taking into account implementing the Strategic Plan priorities, experiencing significant changes in operations, managing pandemic relief funding, and other impacts from the coronavirus.

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 auditors' report, which contains an unmodified opinion on the College's financial statements for the years ended June 30, 2021 and 2020, is included in the financial section of this report.

Acknowledgments. The timely preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance Department as well as other administrative staff of the College.

In closing, without the leadership and support of the board of trustees of the College, preparation of this report would not have been possible.

Respectfully submitted,



Christine J. Sobek, Ed.D.
President



Douglas E. Minter
Vice President of Finance and
Administration

FINANCIAL SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Waubonsee Community College
District 516
Sugar Grove, Illinois

We have audited the accompanying financial statements of the business-type activities of Waubonsee Community College District 516 (the College) and the College's discretely presented component unit, Waubonsee Community College Foundation, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of Waubonsee Community College District 516 and the College's discretely presented component unit, Waubonsee Community College Foundation, as of June 30, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Emphasis of Matter - Changes in Accounting Principles

As discussed in Note 11 to the financial statements, the College adopted new accounting guidance, GASB Statement No. 84, *Fiduciary Activities*, during the year ended June 30, 2020. The implementation of this guidance resulted in changes to the current liabilities, net position, revenue, expense and notes to financial statements. Our opinion is not modified with respect to this matter.

Required Supplementary Information

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

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The introductory section, statistical section, supplementary information, supplemental financial information and uniform financial statements as listed in the table of contents 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. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2021 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
November 4, 2021

Management's Discussion and Analysis

This section of Waubonsee Community College District 516's (the College) Comprehensive Annual Financial Report presents management's discussion and analysis of the College's financial activity during the fiscal years ended June 30, 2021, 2020 and 2019. Since this management's discussion and analysis is designed to focus on current activities, resulting change and currently known facts, please read it in conjunction with the transmittal letter, the College's basic financial statements and the notes to the financial statements. Responsibility for the completeness and fairness of this information rests with the College.

Using This Annual Report

The College's basic financial statements are designed to emulate corporate presentation models whereby all of the College's activities are consolidated into one total. The purpose of the Statement of Net Position is to present the bottom line results of the College. This statement combines and consolidates current financial resources with capital assets and long-term liabilities. The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross costs and the net costs of the College's activities, which are supported mainly by local property taxes, tuition and state revenues. This approach is intended to summarize and simplify the user's analysis of the cost of the various services which the College provides to its students and community.

In accordance with GASB Statement No. 39 and GASB Statement No. 61, the College has included the Waubonsee Community College Foundation as a discretely presented component unit of the College as it is a separate legal entity. Additionally, the College has presented a comparative analysis of current and prior year College-wide information.

Financial Highlights

For the years ended June 30, 2021, 2020 and 2019, the College recorded total operating revenues of \$19,612,051, \$21,749, 561 and \$22,706,559 and total operating expenses of \$107,312,290, \$107,546,157 and \$106,825,669, respectively. The difference produced an operating loss of \$87,700,239 for fiscal year 2021, \$85,796,596 for fiscal year 2020, and \$84,119,110 for fiscal year 2019. For the year ended June 30, 2021, net non-operating revenue of \$108,725,728 offset the loss and resulted in an overall increase in net position of \$21,025,489. For the year ended June 30, 2020, net non-operating revenues of \$104,840,137 offset the loss and resulted in an overall increase in net position of \$19,043,541. For the year ended June 30, 2019, net non-operating revenue of \$99,473,125 offset the loss and resulted in an overall increase in net position of \$15,354,015.

For the years ended June 30, 2021, 2020 and 2019, non-operating revenues included local property taxes of \$50,249,331, \$53,563,496 and \$51,737,359, state grants and contracts of \$36,366,385, \$35,862,238 and \$33,301,767, federal grants and contracts of \$21,647,811, \$10,746,840 and \$10,657,188, respectively. Non-operating miscellaneous revenue and expense included net revenues (expenses) of \$579,205, \$4,667,563 and \$3,776,881 for 2021, 2020 and 2019, respectively.

Both operating expenses and non-operating revenues include the College's proportionate share of revenues and expenses for pensions and other post-employment benefits from the State of Illinois as described in Note 1 to the financial statements.

For the year ended June 30, 2021, operating revenue accounted for 15.1 percent of the College's total revenue, while non-operating revenues accounted for the remaining 84.9 percent. Operating revenue consisted of tuition and fees totaling \$16,361,456, auxiliary enterprise revenue of \$2,352,651 and other miscellaneous revenue of \$897,944. For the year ended June 30, 2020, operating revenues accounted for 16.9 percent of the College's total revenue, while non-operating revenues accounted for the remaining 83.1 percent. Operating revenue consisted of tuition and fees totaling \$17,322,063, auxiliary enterprise revenue of \$2,996,837, and other miscellaneous revenue of \$1,430,661. For the year ended June 30, 2019, operating revenue accounted for 18.3 percent of the College's total revenue, while non-operating revenues accounted for the remaining 81.7 percent. Operating revenue consisted of tuition and fees totaling \$17,512,204, auxiliary enterprise revenue of \$3,290,671, and other miscellaneous revenue of \$1,903,684.

The increase in net position of \$21,025,728 for the year ended June 30, 2021 brought the total net position to \$205,564,800. The increase in net position of \$19,043,541 plus \$451,122 for a change in accounting principle due to the implementation of GASB Statement No. 84, *Fiduciary Activities*, for the year ended June 30, 2020 brought the total net position to \$184,539,311. Information on the change in accounting principal related to this restatement can be found in Note 11 to the financial statements. The increase in net position of \$15,354,015 for the year ended June 30, 2019 brought the total net position to \$165,044,648.

The following schedule is prepared from the College's statement of net position, which is presented on the accrual basis of accounting with and the economic resources measurement focus.



The increase in current assets as of June 30, 2021 and 2020 was primarily due to the increase in accounts receivable related to Federal Higher Education Emergency Relief Funds (HEERF). The increase in current assets as of June 30, 2020 and 2019 was primarily due to the increase in the market value of investments and increase in property taxes receivable, which is a result of the timing of remittances

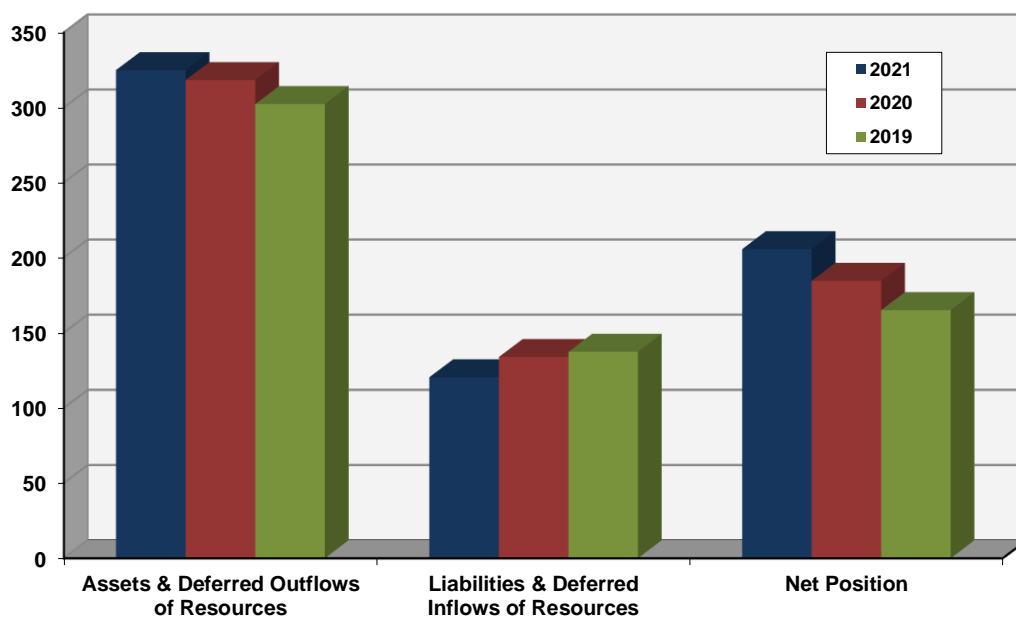
from the County Treasurers. The decrease in noncurrent liabilities as of June 30, 2021 and 2020 is primarily due to payments on outstanding bonds.

Financial Analysis of the College as a Whole

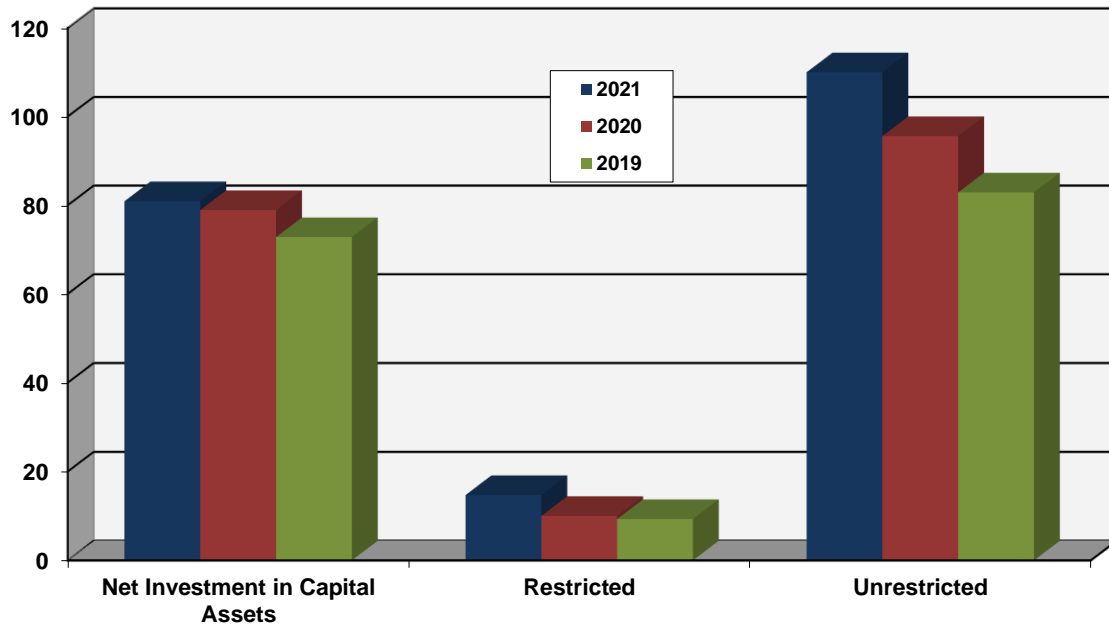
Net Position As of June 30
(in millions)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Current assets	\$ 212.6	\$ 203.9	\$ 188.8
Noncurrent assets	<u>109.1</u>	<u>110.0</u>	<u>108.1</u>
Total assets	321.7	313.9	296.9
Deferred outflows of resources	<u>3.2</u>	<u>5.4</u>	<u>4.4</u>
Total assets and deferred outflows of resources	<u>324.9</u>	<u>318.3</u>	<u>302.3</u>
Current liabilities	17.9	21.0	19.9
Noncurrent liabilities	<u>70.6</u>	<u>79.8</u>	<u>86.8</u>
Total liabilities	88.5	100.8	106.7
Deferred inflows of resources	<u>30.8</u>	<u>33.0</u>	<u>30.6</u>
Total liabilities and deferred inflows of resources	<u>119.3</u>	<u>133.8</u>	<u>137.3</u>
Net position			
Net investment in capital assets	80.9	78.9	72.8
Restricted	14.7	10.0	9.3
Unrestricted	<u>110.0</u>	<u>95.6</u>	<u>82.9</u>
Total Net Position	<u>\$ 205.6</u>	<u>\$ 184.5</u>	<u>\$ 165.0</u>

Assets, Liabilities, and Net Position - As of June 30, 2021, 2020 and 2019
(in million dollars)



Analysis of Net Position - As of June 30, 2021, 2020 and 2019
(in million dollars)



Capital Assets, Net
June 30,
(in millions)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Capital Assets			
Land and Land Improvements	\$ 17.4	\$ 17.4	\$ 17.4
Buildings and Improvements	150.3	142.0	142.0
Equipment	12.4	11.8	11.2
Intangible Assets	1.4	1.1	1.2
Construction in Progress	<u>.6</u>	<u>5.8</u>	<u>.1</u>
Total	182.1	178.1	171.9
Less Accumulated Depreciation	<u>(73.0)</u>	<u>(68.1)</u>	<u>(63.8)</u>
Net Capital Assets	<u>\$ 109.1</u>	<u>\$ 110.0</u>	<u>\$ 108.1</u>

As of June 30, 2021, 2020 and 2019, respectively, the College had recorded \$182.1, \$178.1 and \$171.9 million in capital assets, \$73.0, \$68.1 and \$63.8 million in accumulated depreciation and \$109.1, \$110.0 and \$108.1 million in net capital assets. The change in construction in progress represents renovations to the Plano Campus and Von Ohlen Hall. The detail changes in activities for capital assets are provided for in Note 4 to the financial statements.

As of June 30, 2021, 2020 and 2019, the College has \$41,430,000, \$46,305,000 and \$52,510,000 in long-term debt outstanding, respectively, excluding accrued compensated absences, Other Postemployment Benefits (OPEB) liability, special termination health insurance benefits payable and unamortized bond premium. Payment schedules, along with changes in activities of debt, are provided in Note 5 to the financial statements.

Operating Results for the Years Ended

**June 30,
(in millions)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating revenue			
Tuition and fees	\$ 16.4	\$ 17.3	\$ 17.5
Auxiliary	2.3	3.0	3.3
Other	<u>0.9</u>	<u>1.4</u>	<u>1.9</u>
Total operating revenue	<u>19.6</u>	<u>21.7</u>	<u>22.7</u>
Non-operating revenue			
Property taxes	50.2	53.6	51.7
State grants and contracts	36.4	35.9	33.3
Federal grants and contracts	21.5	10.7	10.7
Investment income	0.6	5.4	4.6
Other income	<u>1.4</u>	<u>1.1</u>	<u>1.2</u>
Total non-operating revenue	<u>110.1</u>	<u>101.5</u>	<u>106.7</u>
Total revenues	<u>129.7</u>	<u>128.4</u>	<u>124.2</u>
Operating expenses	107.3	107.5	106.8
Non-operating expenses	<u>1.3</u>	<u>2.1</u>	<u>1.9</u>
Total expenses	<u>108.6</u>	<u>109.4</u>	<u>108.9</u>
Increase in net position	<u>21.1</u>	<u>19.0</u>	<u>15.3</u>
Net position, beginning of year	<u>184.5</u>	<u>165.0</u>	<u>149.7</u>
Change in accounting principle	-	.5	-
Net position, beginning of year, restated	<u>184.5</u>	<u>165.5</u>	<u>165.0</u>
Net position, end of year	<u>\$ 205.6</u>	<u>\$ 184.5</u>	<u>\$ 165.0</u>



Operating revenues totaled \$19.6, \$21.7 and \$22.7 million for the years ended June 30, 2021, 2020 and 2019, respectively. The College's main source of operating revenue is derived from tuition and fees, which accounted for 83.7 percent, 79.7 percent and 77.1 percent of total operating revenues for the years ended June 30, 2021, 2020 and 2019, respectively.

Tuition rates for fiscal years 2021, 2020 and 2019 were \$132, \$130 and \$128 per credit hour, respectively. Total credit hours generated for fiscal years 2021, 2020 and 2019 were 137,157, 156,953 and 160,942, respectively. The decrease in total credit hours the College experienced from 2020 to 2021 is distributed among most areas with pre-college programs experiencing the primary decrease. The decrease in total credit hours the College experienced from 2019 to 2020 was distributed among all areas and not attributable to one area of concentration. These declines are consistent with national trends.

For the year ended June 30, 2021, non-operating revenues totaled \$110.1 million. Again, property taxes represent 45.6 percent of this total, which is the largest source of non-operating revenues. State grants and contracts are also a significant source of non-operating revenues at \$36.4 million or 33.1 percent of total non-operating revenues. Another significant source is federal grants and contracts at \$21.5 million or 19.5 percent of total non-operating revenues, which primarily reflects financial aid to students.

For the year ended June 30, 2020, non-operating revenues totaled \$106.7 million. Property taxes represent 50.2 percent of this total, which is the largest source of non-operating revenues. State grants and contracts are also a significant source of non-operating revenues at \$35.9 million or 33.6 percent of total non-operating revenues. Another significant source is federal grants and contracts at \$10.7 million or 10.0 percent of total non-operating revenues.

For the year ended June 30, 2019, non-operating revenues totaled \$101.5 million. Property taxes are the largest source comprising 50.9 percent of total non-operating revenues. State grants and contracts are also a significant source of non-operating revenues at \$33.3 million or 32.8 percent of total non-operating revenues. Another significant source is federal grants and contracts at \$10.7 million or 10.5 percent of total non-operating revenues.

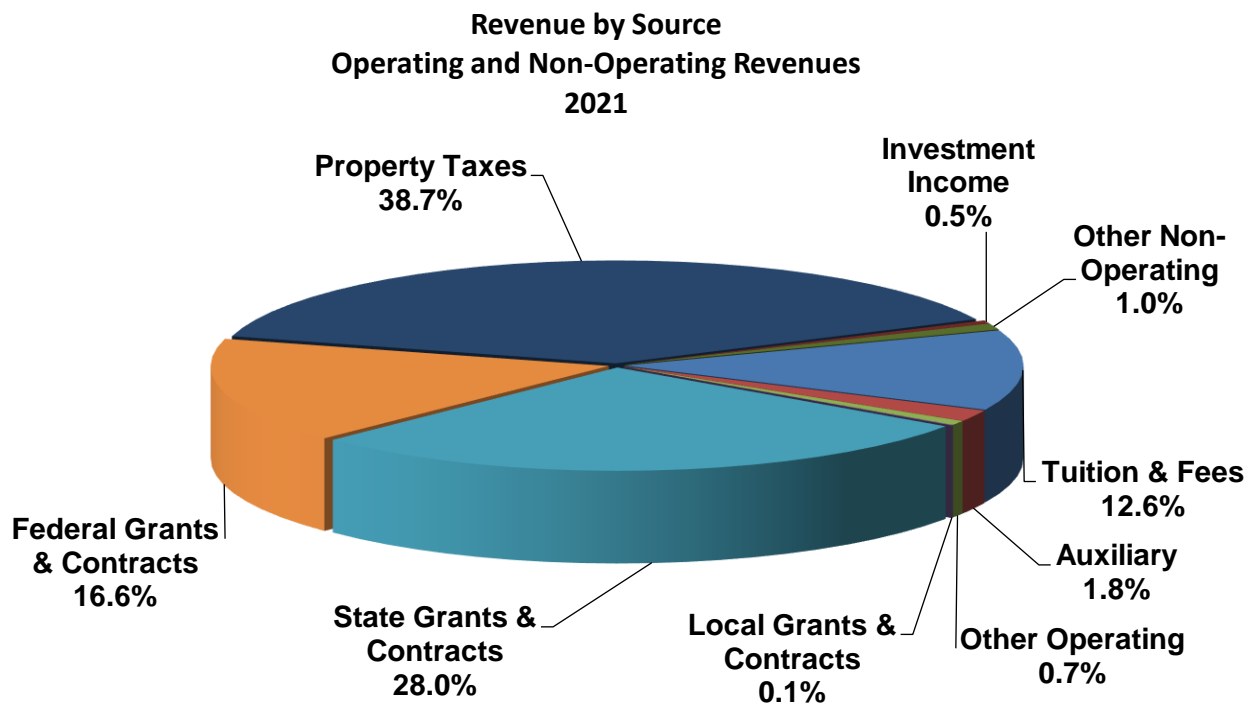
State grants and contracts increased in FY2021, FY2020 and FY2019 as a result of recording \$29.5, \$29.0 and \$26.8 million, respectively, in State of Illinois proportionate share revenue and expense for both the CIP as previously referenced, and also increases in the State of Illinois proportionate share revenue and expense for State Universities Retirement Systems (SURS). Amounts reported for the State of Illinois proportionate share revenue and expense are described in Notes 6 and 7. The College's proportionate share of

the State of Illinois pension and retiree health insurance costs ranges from \$0.9 - \$2.7 million each of the last three years and are recognized in both revenues and expenses. The increase reflected in federal grants from fiscal year 2020 to 2021 is primarily from Federal stimulus grants related to the COVID-19 pandemic from the Higher Education Emergency Relief Funds. The decrease in investment income in fiscal year 2021 reflects a decrease in investment income along with decreased market values.

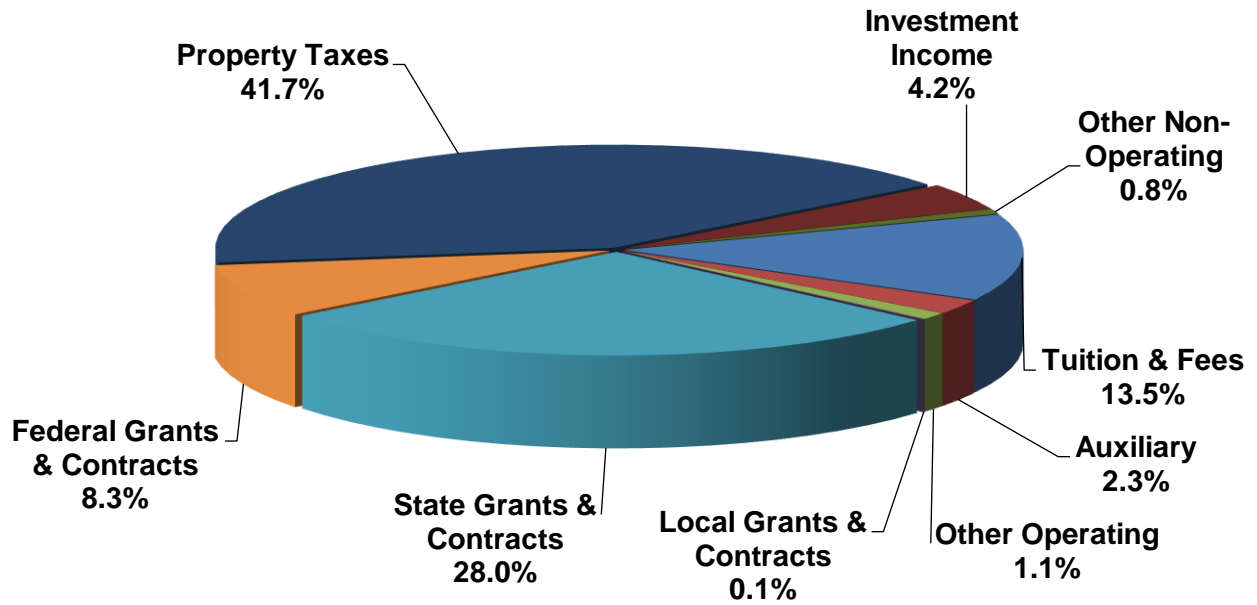
Public Act 89-1 placed limitations on the annual growth of the College's property tax levies. The College has recognized increased property tax revenues under the current property tax cap law, which allows for an increase in property taxes equal to the lesser of the Consumer Price Index (CPI) or 5 percent without a referendum.

Interest expense and fiscal charges include interest expense and payments on bonds. The College also refinanced outstanding debt in fiscal year 2021. Details of the long-term debt, in addition to payment schedules, are provided in Note 5 to the financial statements.

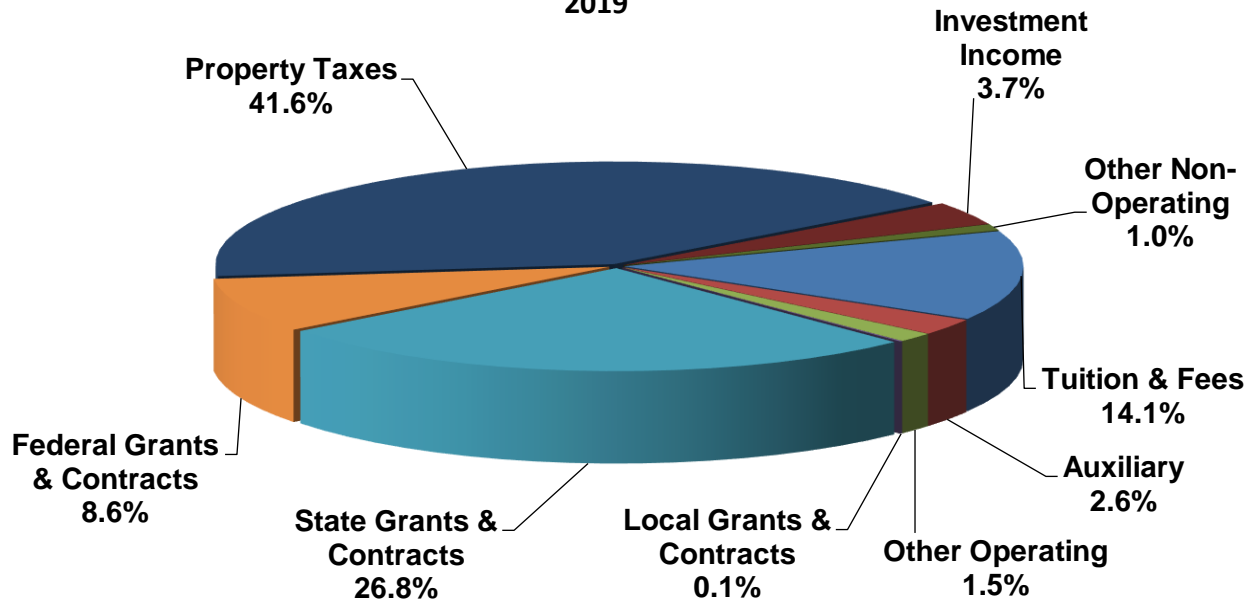
The following are graphic illustrations of revenues by source for the years ended June 30, 2021, 2020 and 2019:



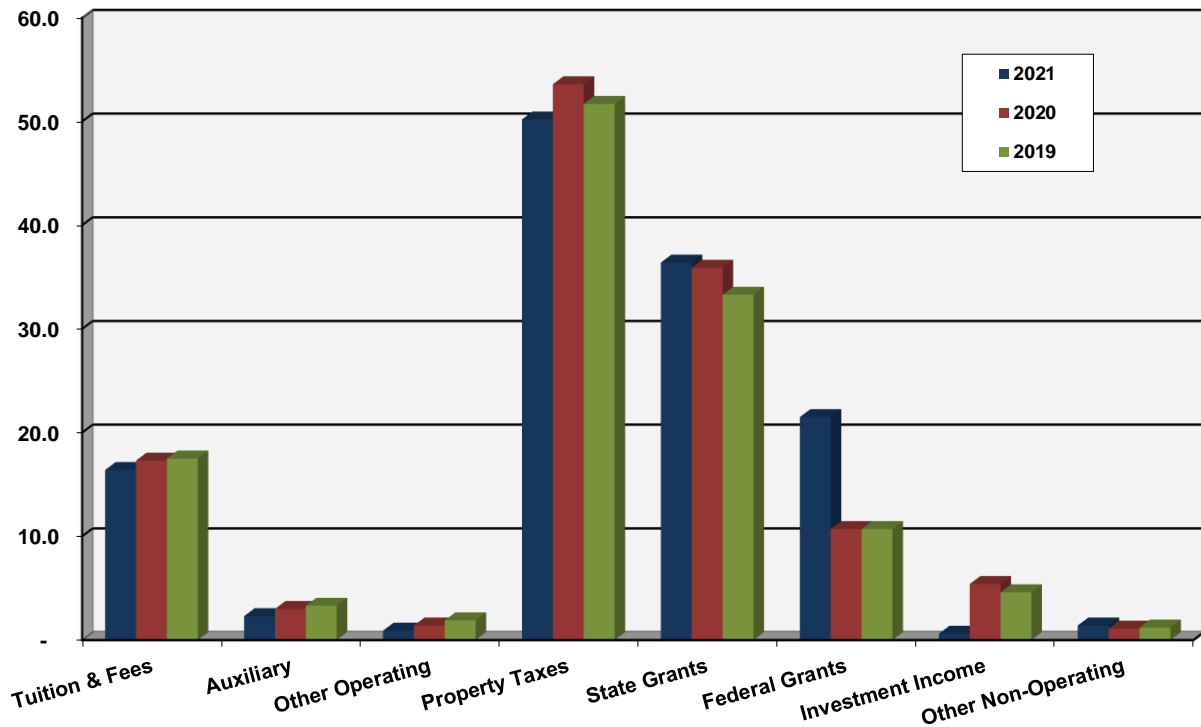
**Revenue by Source
Operating and Non-Operating Revenues
2020**



**Revenue by Source
Operating and Non-Operating Revenues
2019**



Comparison of Operating and Non-Operating Revenues
June 30, 2021, 2020 and 2019
(in millions of dollars)



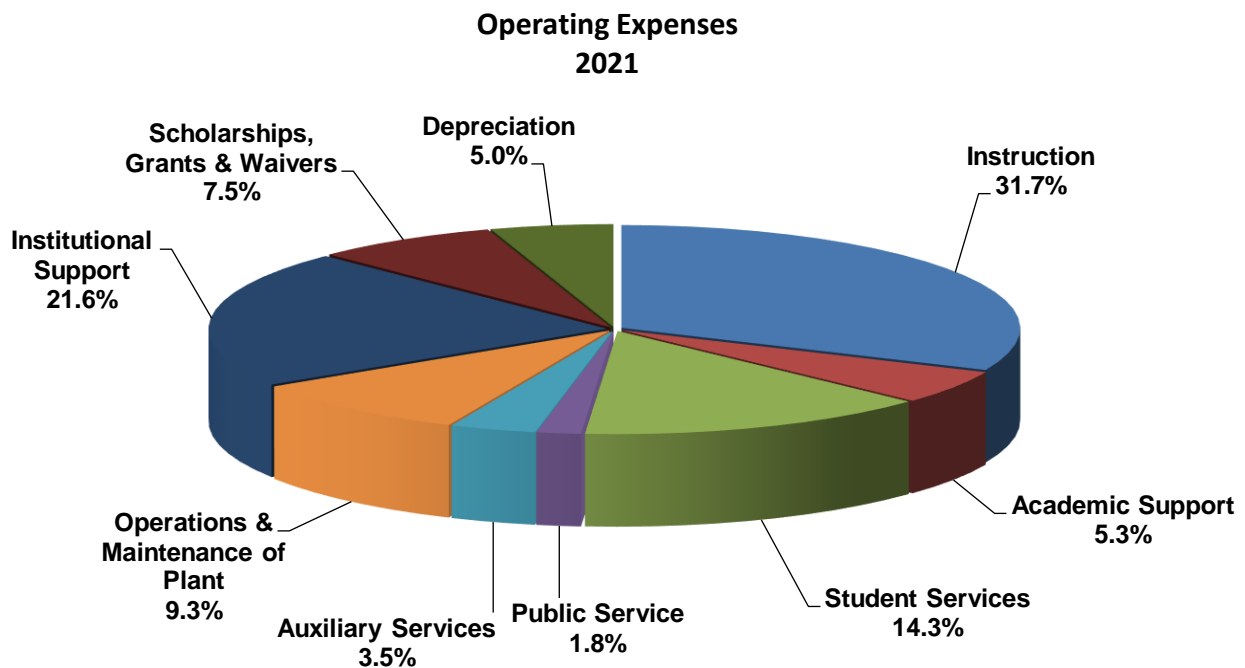
Operating Expenses
For the Years Ended June 30,
(in millions)

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating expenses			
Instruction	\$ 34.0	\$ 36.0	\$ 35.3
Academic support	5.7	5.5	5.0
Student services	15.3	15.4	15.6
Public services	1.9	3.1	3.4
Auxiliary services	3.8	4.5	5.0
Operation and maintenance of plant	10.0	9.3	10.3
Institutional support	23.2	24.4	23.6
Scholarships, grants and waivers	8.0	4.2	3.4
Depreciation	<u>5.4</u>	<u>5.1</u>	<u>5.2</u>
Total	<u>\$ 107.3</u>	<u>\$ 107.5</u>	<u>\$ 106.8</u>

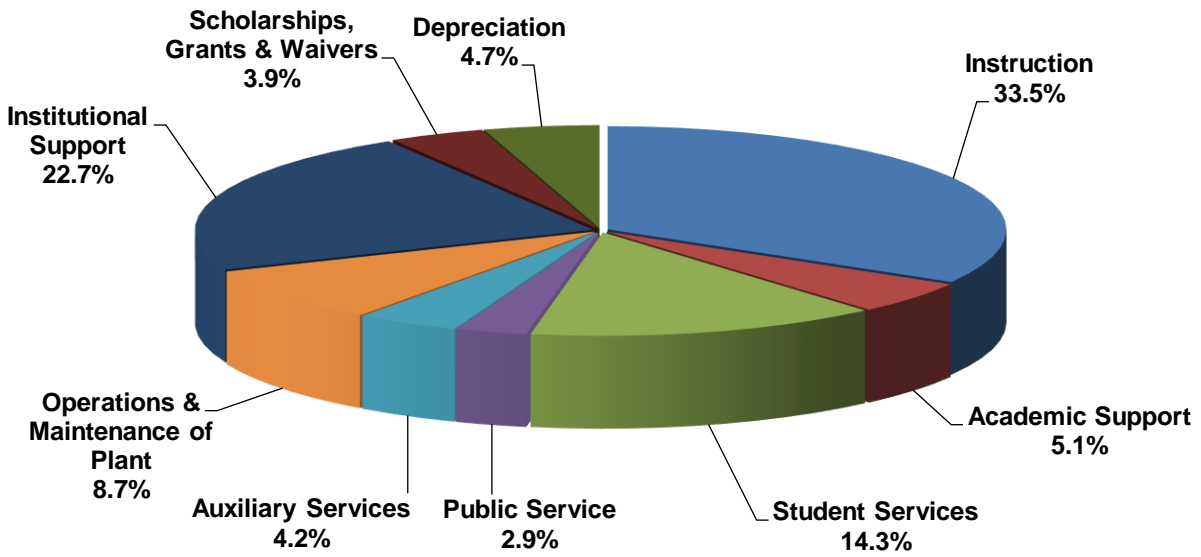
Operating expenses totaled \$107.3, \$107.5 and \$106.8 million with instruction representing the largest percent of operating expenses at 31.7 percent, 33.5 percent and 33.0 percent for all three years ended June 30, 2021, 2020 and 2019, respectively. Increases in total expenses from fiscal year 2019 to 2020 was primarily from a \$2.3 million increase each year in the State of Illinois proportionate share of costs as noted previously and described in Notes 6 and 7.

Instruction consists of those activities dealing directly with the teaching of students. It includes the activities of faculty in the baccalaureate-oriented/transfer, occupational-technical career, general studies, developmental, and adult basic education programs. Student services includes services to students, athletic and student life activities. Institutional support represents 21.6 percent, 22.7 percent and 22.1 percent of operating expenses for the years ended June 30, 2021, 2020 and 2019, respectively. Institutional support includes expenses for central activities and support services that benefit the entire institution including information technology and fiscal operations. Expenditures by function have fluctuated over the last three years due to impacts from the pandemic. A slight decline in instruction is consistent with a decline in enrollment. Both College and Federal funded scholarships, grants and waivers programs resulted in a \$3.8 million increase from fiscal year 2020 to 2021.

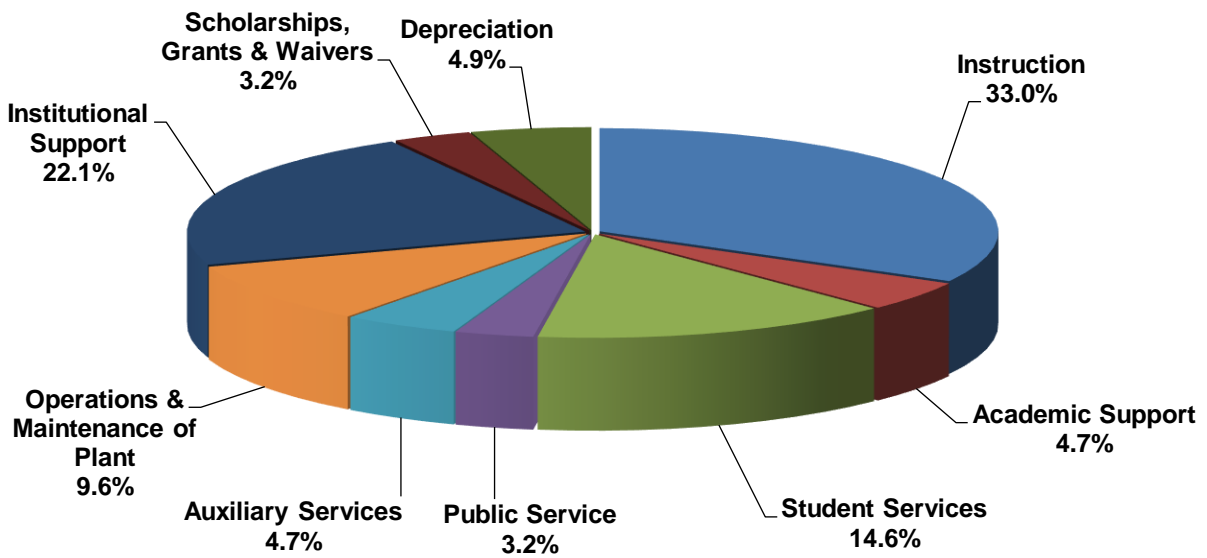
The following are graphic illustrations of operating expenses for the years ended June 30, 2021, 2020 and 2019:



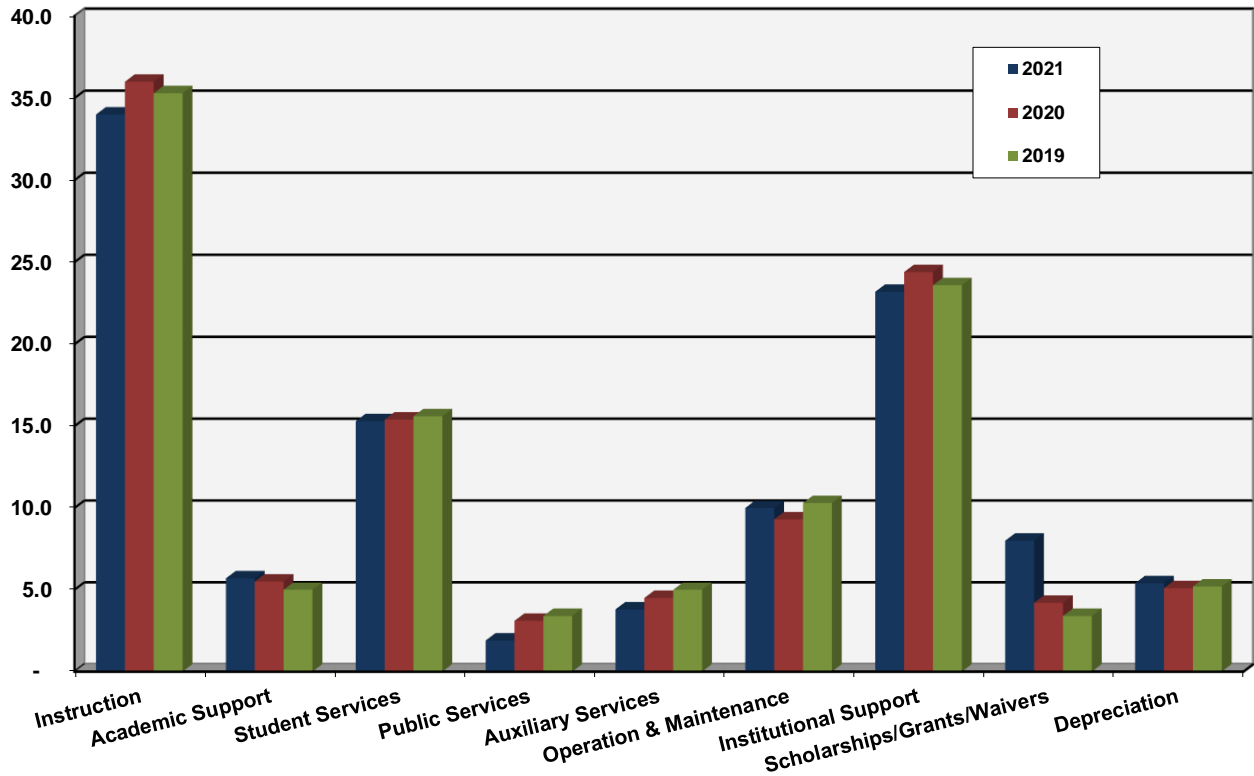
Operating Expenses 2020



Operating Expenses 2019



Comparison of Operating Expenses
June 30, 2021, 2020 and 2019
(in millions of dollars)



Contacting Financial Management



This financial report is designed to provide our District residents with a general overview of Waubonsee Community College’s finances and to show Waubonsee Community College’s accountability for the revenue it receives.

If you have questions about this report or need additional information, contact Douglas E. Minter, Vice President of Finance and Administration, at

Route 47 at Waubonsee Drive, Sugar Grove, Illinois 60554, (630) 466-2900, dminter@waubonsee.edu.

BASIC FINANCIAL STATEMENTS

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

STATEMENTS OF NET POSITION

June 30, 2021 and 2020

	2021	2020
CURRENT ASSETS		
Cash and cash equivalents	\$ 3,021,277	\$ 2,434,050
Investments	169,991,907	161,727,717
Receivables, net of allowances for uncollectibles		
Taxes	22,883,748	31,727,499
Accrued interest	234,317	349,748
Accounts	10,408,293	1,864,589
Tuition and fees	4,273,652	3,944,992
Other	313,852	674,249
Prepaid expenses	938,609	592,296
Inventories	561,725	635,803
	212,627,380	203,950,943
NONCURRENT ASSETS		
Capital assets	182,083,933	178,045,484
Less accumulated depreciation	(73,025,079)	(68,088,210)
	109,058,854	109,957,274
Net capital assets	109,058,854	109,957,274
	109,058,854	109,957,274
Total noncurrent assets	109,058,854	109,957,274
	321,686,234	313,908,217
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	996,818	1,503,073
CIP other postemployment benefit items	2,039,918	2,792,031
SURS pension contributions	137,643	151,497
	3,174,379	4,446,601
Total deferred outflows of resources	3,174,379	4,446,601
	324,860,613	318,354,818
Total assets and deferred outflows of resources	324,860,613	318,354,818

(This statement is continued on the following page.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

STATEMENTS OF NET POSITION (Continued)

June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CURRENT LIABILITIES		
Accounts payable	\$ 1,288,328	\$ 4,254,510
Accrued salaries and payroll deductions payable	1,422,383	1,745,226
Health claims payable	1,152,748	1,128,411
Unearned tuition and fees	6,039,883	6,169,905
Unearned revenue	291,881	214,051
Accrued compensated absences	377,231	474,376
Bonds payable	6,875,000	6,440,000
Other postemployment benefit liability	388,783	431,457
Interest payable	28,060	94,631
Other current liabilities	35,901	35,819
	<hr/>	
Total current liabilities	17,900,198	20,988,386
NONCURRENT LIABILITIES		
Special termination health insurance benefits payable	1,046,319	1,281,159
Accrued compensated absences	3,425,660	3,275,217
Other postemployment benefit liability	30,690,064	32,424,378
Bonds payable	35,415,504	42,809,787
	<hr/>	
Total noncurrent liabilities	70,577,547	79,790,541
	<hr/>	
Total liabilities	88,477,745	100,778,927
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue - property taxes	23,085,652	27,261,247
CIP other postemployment benefit items	7,732,416	5,775,333
	<hr/>	
Total deferred inflows of resources	30,818,068	33,036,580
	<hr/>	
Total liabilities and deferred inflows of resources	119,295,813	133,815,507
NET POSITION		
Net investment in capital assets	80,882,958	78,903,515
Restricted for		
Audit	31,101	15,329
Liability, protection and settlement	2,491,388	1,770,045
Debt service	7,594,293	3,579,376
Working cash	4,487,016	4,470,368
Pension contributions	137,643	151,497
Unrestricted	109,940,401	95,649,181
	<hr/>	
TOTAL NET POSITION	\$ 205,564,800	\$ 184,539,311
	<hr/>	

See accompanying notes to financial statements.

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

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

For the Years Ended June 30, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Tuition and fees	\$ 16,361,456	\$ 17,322,063
Auxiliary enterprises revenue	2,352,651	2,996,837
Other operating revenue	897,944	1,430,661
Total operating revenues	19,612,051	21,749,561
OPERATING EXPENSES		
Instruction	34,022,261	35,988,815
Academic support	5,645,634	5,464,512
Student services	15,283,789	15,447,050
Public services	1,916,783	3,109,381
Auxiliary services	3,845,600	4,528,041
Operation and maintenance of plant	9,975,787	9,315,782
Institutional support	23,185,657	24,373,008
Scholarships, grants and waivers	8,036,285	4,232,578
Depreciation	5,400,494	5,086,990
Total operating expenses	107,312,290	107,546,157
OPERATING INCOME (LOSS)	(87,700,239)	(85,796,596)
NON-OPERATING REVENUES (EXPENSES)		
Property taxes	50,249,331	53,563,496
Personal property replacement tax	1,262,849	995,625
Local grants and contracts	38,311	106,052
State grants and contracts	36,366,385	35,862,238
Federal grants and contracts	21,530,807	10,746,840
Investment income	639,263	5,371,588
Interest expense and fiscal charges	(1,336,666)	(1,852,621)
Other non-operating revenue	251	46,088
Gain (loss) on disposal of capital assets	(24,803)	831
Total non-operating revenues (expenses)	108,725,728	104,840,137
CHANGE IN NET POSITION	21,025,489	19,043,541
NET POSITION, JULY 1	184,539,311	165,044,648
Change in accounting principle	-	451,122
NET POSITION, JULY 1, RESTATED	184,539,311	165,495,770
NET POSITION, JUNE 30	\$ 205,564,800	\$ 184,539,311

See accompanying notes to financial statements.

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 15,902,774	\$ 16,525,624
Payments to suppliers	(37,954,664)	(33,386,080)
Payments to employees	(37,449,130)	(37,514,994)
Auxiliary enterprise charges	2,352,651	2,996,837
Other	897,944	1,430,661
	(56,250,425)	(49,947,952)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Local property taxes	54,917,487	52,042,992
State grants and contracts	8,157,329	7,883,979
Federal grants and contracts	13,347,500	10,746,840
Other grants and contracts	38,562	152,140
	76,460,878	70,825,951
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(4,264,794)	(4,931,828)
Proceeds from sale of capital assets	7,329	831
Principal paid on bonds	(6,440,000)	(6,205,000)
Interest paid on bonds	(1,416,265)	(2,386,375)
	(12,113,730)	(13,522,372)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	108,309,886	97,658,504
Interest on investments	754,694	5,538,132
Purchase of investments	(116,574,076)	(112,478,821)
	(7,509,496)	(9,282,185)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	587,227	(1,926,558)
CASH AND CASH EQUIVALENTS, JULY 1	2,434,050	4,360,608
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 3,021,277	\$ 2,434,050

(This statement is continued on the following page.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

STATEMENTS OF CASH FLOWS (Continued)

For the Years Ended June 30, 2021 and 2020

	2021	2020
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (87,700,239)	\$ (85,796,596)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation and amortization	5,400,494	5,086,990
State proportionate share for SURS/OPEB	29,485,759	29,018,449
Accounts receivable	(328,660)	(438,648)
Inventories	74,078	197,722
Prepaid items	(346,313)	150,970
Accounts payable	(3,235,594)	(604,641)
Accrued salaries	(322,843)	252,271
Health claims payable	102,249	6,417
Accrued compensated absences	53,298	609,086
CIP other postemployment benefit liability	(1,776,988)	(402,872)
CIP deferred outflows	752,113	750,876
CIP deferred inflows	1,957,083	1,536,963
Other accrued liabilities	(130,022)	(357,791)
Special termination benefits	(234,840)	42,852
NET CASH FROM OPERATING ACTIVITIES	\$ (56,250,425)	\$ (49,947,952)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
State proportionate share for SURS	\$ 28,539,697	\$ 27,152,602
State proportionate share for OPEB	932,208	1,884,967
Issuance of refunding bonds	34,997,800	-
Issuance costs on refunding bonds	(356,075)	-
Refunding escrow payments	(34,641,725)	-
Capital assets purchased in accounts payable	(269,412)	(1,993,127)
TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	\$ 29,202,493	\$ 27,044,442

See accompanying notes to financial statements.

DISCRETELY PRESENTED COMPONENT UNIT
WAUBONSEE COMMUNITY COLLEGE FOUNDATION
SUGAR GROVE, ILLINOIS

STATEMENTS OF FINANCIAL POSITION

June 30, 2021 and 2020

	2021	2020
ASSETS		
Cash and cash equivalents	\$ 16,243	\$ 82,639
Investments	3,050,508	2,389,300
Pledges receivable, net	93,875	174,623
Accrued interest receivable	2,620	13
Prepaid expenses	1,500	13,315
Cash surrender value - life insurance policy	82,124	78,005
Investments, long-term	3,317,017	2,785,001
	6,563,887	5,522,896
LIABILITIES		
Accounts payable	3,224	2,325
Deferred revenue	11,500	50,300
	14,724	52,625
NET ASSETS		
Without donor restrictions - board designated	1,955,817	1,623,798
With donor restrictions	4,593,346	3,846,473
	\$ 6,549,163	\$ 5,470,271
	\$ 6,549,163	\$ 5,470,271

See accompanying notes to financial statements.

DISCRETELY PRESENTED COMPONENT UNIT
WAUBONSEE COMMUNITY COLLEGE FOUNDATION
SUGAR GROVE, ILLINOIS

STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES						
Contributions	\$ 46,674	\$ 192,992	\$ 239,666	\$ 22,415	\$ 215,005	\$ 237,420
In-kind donations	13,668	-	13,668	29,268	-	29,268
Fundraising events	-	44,453	44,453	-	-	-
Investment return, net	329,510	820,506	1,150,016	15,004	32,496	47,500
Net assets released from restrictions	311,078	(311,078)	-	393,905	(393,905)	-
Total revenues	700,930	746,873	1,447,803	460,592	(146,404)	314,188
EXPENSES						
Program services	426,949	-	426,949	546,679	-	546,679
Management and general expenses	204,532	-	204,532	177,999	-	177,999
Fundraising	86,317	-	86,317	102,572	-	102,572
Total expenses	717,798	-	717,798	827,250	-	827,250
TRANSFERS FROM AFFILIATE - WAUBONSEE COMMUNITY COLLEGE						
Contributed services	348,887	-	348,887	347,612	-	347,612
Total transfers from affiliate	348,887	-	348,887	347,612	-	347,612
CHANGE IN NET ASSETS	332,019	746,873	1,078,892	(19,046)	(146,404)	(165,450)
NET ASSETS, JULY 1, AS RESTATED	1,623,798	3,846,473	5,470,271	1,642,844	3,992,877	5,635,721
NET ASSETS, JUNE 30	\$ 1,955,817	\$ 4,593,346	\$ 6,549,163	\$ 1,623,798	\$ 3,846,473	\$ 5,470,271

See accompanying notes to financial statements.

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

June 30, 2021 and 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Waubonsee Community College District 516 (the College) 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 College presents its financial statements in accordance with accounting practices prescribed or permitted by the Illinois Community College Board. The following is a summary of the more significant policies of the College.

a. Reporting Entity

The College is a separate legal entity established under Illinois Compiled Statutes (ILCS) governed by an elected Board of Trustees. The College is fiscally independent and is considered a primary government pursuant to GASB Statement No. 14 as amended by GASB Statement No. 61. The College has determined that the Waubonsee Community College Foundation (the Foundation), a fund raising organization that supports the College, meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement 14*, which has resulted in the Foundation being reported as a discretely presented component unit of the College as it is legally separate from the College. Separate financial statements of the Foundation are available from the Foundation's Treasurer, Route 47 at Waubonsee Drive, Sugar Grove, Illinois 60554.

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

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

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The College reports unearned/deferred revenue on its statements 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 College 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 College has met all eligibility requirements, the liability for unearned/deferred revenue is removed from the statements of net position and revenue is recognized. Tuition and fee revenues related to courses primarily held after June 30, 2021 and 2020 are reported as unearned tuition and fees.

c. Cash

For purposes of the statements of cash flows, the College 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

The College has recorded all participating investments, regardless of maturity date, at fair value. Fair value is based on published fair values or other sources on June 30, 2021 and 2020. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Inventories

Inventories are valued at average cost and consist primarily of items held for resale in the bookstore.

f. Capital Assets

Capital assets include property, plant, equipment, intangibles and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial unit cost of \$5,000 or more, except for intangible assets and buildings and improvements for which the initial unit cost is greater than \$25,000 and \$200,000, respectively, and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the College are depreciated using the straight-line method over the following useful lives:

Assets	Years
Intangibles	3
Equipment	3-10
Land improvements	15
Buildings and improvements	40

g. Accrued Compensated Absences

Accumulated vacation leave 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 56 days may be accumulated for administrative and full-time support services staff. A liability has also been recorded for accumulated paid time off that may be paid to part-time support staff. The liability is based on accumulated hours times the current pay rate for each employee. A maximum of 192 hours may be accumulated.

When a full-time staff member retires after 15 years of service with the College he/she shall be reimbursed for 25% of his/her accrued sick leave up to 31.25 paid sick days unless the employee applies the sick days toward service credit for retirement with the State Universities Retirement System (SURS or the System). A liability has been recorded for the portion of sick pay that may be paid to employees.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Long-Term Obligations

Long-term obligations are reported as liabilities in the applicable financial statements. Bond premiums and discounts, as well as the unamortized loss on refunding are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

i. Unearned Tuition and Fee Revenue

Tuition and fee revenues related to the periods after June 30, 2021 and 2020 have been classified as unearned.

j. Net Position

Net Investment in Capital Assets

This represents the College's total investment in capital assets, net of accumulated depreciation and net of the unamortized portion of long-term liabilities issued to construct or purchase the capital assets.

Restricted Net Position

This includes resources that the College 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 College's policy to use restricted resources first, then unrestricted resources when they are needed. None of the College's net position is restricted due to enabling legislation adopted by the College.

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 College and may be used at the discretion of the governing board to meet current expenses for any purpose.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Federal Financial Assistance

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work-Study and the Stafford Direct Loan Program that are audited in accordance with the Uniform Guidance (Single Audit Act Amendments of 1996), the United States Office of Management and Budget Uniform Guidance and the Compliance Supplement.

l. Pension and Other Postemployment Benefit Revenue and Expense

The College applies the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, whereby the State of Illinois is responsible for the employer contribution and the total pension liability resulting from a special funding situation. Therefore, for the fiscal years ended June 30, 2021 and 2020, the College has reported its proportionate share of the collective pension expense and revenue for the state's contribution. In addition, the College applies the requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, whereby the State of Illinois is responsible for 50% of both employer contribution and the total other postemployment benefit (OPEB) liability resulting from a special funding situation. Therefore, for the fiscal years ended June 30, 2021 and 2020, the College has reported its proportionate share of the collective OPEB expense and revenue for the state's contribution in addition to reporting the College's proportionate share of the OPEB liability and related expense.

m. 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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. In addition to liabilities, the statements 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.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the College has delayed the implementation of GASB Statement No. 87, *Leases*, to June 30, 2022.

2. CASH AND INVESTMENTS

The College's investment policy authorizes the College 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 Funds was created by the Illinois State Legislature and is managed by the Illinois State Treasurer.

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 credit rating provided by Standard & Poor's of the Illinois Funds was AAAM at June 30, 2021 and 2020.

Illinois School District Liquid Asset Fund Plus is a not-for-profit investment trust fund formed pursuant to the Illinois Municipal Code and is managed by a Board of Trustees elected from the participating members. The fund invests member deposits, on a pooled basis, primarily in short-term certificates of deposit and in high rated short-term obligations of the U.S. Treasury and major United States corporations and banks. The fair value of the College's position in the pool is the same as the value of the pool shares. The credit rating provided by Standard & Poor's of the Illinois School District Liquid Asset Fund Plus - Liquid and Max Class was AAAM at June 30, 2021 and 2020.

It is the policy of the College 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 College 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 objective of the policy is safety of principal, liquidity, yield and maintaining the public trust.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND INVESTMENTS (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the College's deposits may not be returned to it.

The College's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by an agent of the College in the College's name.

Investments

The following table presents the debt investments of the College as of June 30, 2021 and 2020, by type of investment:

June 30, 2021

Investment	Total Fair Value	Maturity (0-3 years)	Maturity (4-6 years)	Maturity (7-9 years)	Maturity (9+ years)
U.S. agency obligations	\$ 67,306,397	\$ 35,209,643	\$ 24,083,660	\$ 2,989,486	\$ 5,023,608
U.S. Treasury obligations	12,696,548	10,541,312	2,155,236	-	-
Municipal bonds	14,665,647	5,544,337	9,121,310	-	-
Corporate bonds	995,950	-	995,950	-	-
TOTAL	\$ 95,664,542	\$ 51,295,292	\$ 36,356,156	\$ 2,989,486	\$ 5,023,608

June 30, 2020

Investment	Total Fair Value	Maturity (0-3 years)	Maturity (4-6 years)	Maturity (7-9 years)	Maturity (9+ years)
Negotiable certificates of deposit	\$ 4,216,612	\$ 4,216,612	\$ -	\$ -	\$ -
U.S. agency obligations	68,036,206	33,934,529	24,583,825	5,196,629	4,321,223
U.S. Treasury obligations	13,830,870	13,830,870	-	-	-
Municipal bonds	7,640,162	4,041,081	3,599,081	-	-
TOTAL	\$ 93,723,850	\$ 56,023,092	\$ 28,182,906	\$ 5,196,629	\$ 4,321,223

The College 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.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND INVESTMENTS (Continued)

Investments (Continued)

The College has the following recurring fair value measurements as of June 30, 2021 and June 30, 2020: Negotiable certificates of deposit of \$0 and \$4,216,612, respectively, U.S. agency securities of \$67,306,397 and \$68,036,206, respectively, U.S. Treasury securities of \$12,696,548 and \$13,830,870, respectively, municipal bonds of \$14,665,647 and \$7,640,162, respectively, and corporate bonds of \$995,950 and \$0, respectively, are valued using quoted matrix pricing models (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the College limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a two-year period. The investment policy does not strictly limit the maximum maturity lengths of investments.

The College limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government and municipal and corporate bonds rated in the highest four rating categories by a national rating agency.

The municipal bonds are rated between AAA and AA- by Standards and Poor's. The corporate bonds 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 College will not be able to recover some or all of the investment that is in possession of an outside party. To limit its exposure, the College'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 College's agent separate from where the investment was purchased. The Illinois Funds and the Illinois School District Liquid Asset Fund are not subject to custodial credit risk.

Concentration of credit risk - At June 30, 2021 and 2020, the College did not have any one investment that was greater than 5% of its overall portfolio (other than United States Government guaranteed obligations). The College's investment policy contains specific restrictions related to the diversification of the investment portfolio.

Derivatives - The College's investment policy specifically prohibits the use of or the investment in derivatives.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. PROPERTY TAX CALENDAR

The following information gives significant dates on the property tax calendar of the College:

- The property tax lien date is January 1;
- The annual tax levy ordinance of 2020 was passed on December 16, 2020 and the annual tax levy ordinance of 2019 was passed on December 11, 2019;
- Property taxes are due to the County Collectors in two installments, June 1 and September 1; and
- The College receives the majority of its distributions in May through October 2021 and 2020.

Property taxes are recognized as revenue in the year intended to finance, regardless of when collected. The second half of the 2019 levy and the first half of the 2020 levy are recognized as revenue in the 2021 fiscal year. The second half of the 2020 levy is intended to finance the 2022 fiscal year and, accordingly, is reported as deferred revenue. The 2021 tax levy, which attached as an enforceable lien on property as of January 1, 2021, has not been recorded as a receivable as of June 30, 2021 as the tax has not yet been levied and will not be levied until December 2021 and, therefore, the levy is not measurable at June 30, 2021.

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 is as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	\$ 4,555,311	\$ -	\$ -	\$ 4,555,311
Construction in progress	5,755,041	3,152,975	8,300,685	607,331
Total capital assets not being depreciated	<u>10,310,352</u>	<u>3,152,975</u>	<u>8,300,685</u>	<u>5,162,642</u>
Capital assets being depreciated				
Land improvements	12,862,757	-	-	12,862,757
Buildings and improvements	141,969,686	8,300,685	-	150,270,371
Equipment	11,758,466	749,520	79,450	12,428,536
Intangible assets	1,144,223	631,711	416,307	1,359,627
Total capital assets being depreciated	<u>167,735,132</u>	<u>9,681,916</u>	<u>495,757</u>	<u>176,921,291</u>

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
Less accumulated depreciation for				
Land improvements	\$ 9,110,349	\$ 724,033	\$ -	\$ 9,834,382
Buildings and improvements	49,956,564	3,495,375	-	53,451,939
Equipment	8,233,388	1,006,313	79,450	9,160,251
Intangible assets	787,909	174,773	384,175	578,507
Total accumulated depreciation	<u>68,088,210</u>	<u>5,400,494</u>	<u>463,625</u>	<u>73,025,079</u>
Total capital assets being depreciated, net	<u>99,646,922</u>	<u>4,281,422</u>	<u>32,132</u>	<u>103,896,212</u>
CAPITAL ASSETS, NET	<u>\$ 109,957,274</u>	<u>\$ 7,434,397</u>	<u>\$ 8,332,817</u>	<u>\$ 109,058,854</u>

Capital asset activity for the year ended June 30, 2020 is as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	\$ 4,555,311	\$ -	\$ -	\$ 4,555,311
Construction in progress	148,115	5,606,926	-	5,755,041
Total capital assets not being depreciated	<u>4,703,426</u>	<u>5,606,926</u>	<u>-</u>	<u>10,310,352</u>
Capital assets being depreciated				
Land improvements	12,862,757	-	-	12,862,757
Buildings and improvements	141,969,686	-	-	141,969,686
Equipment	11,159,389	1,203,014	603,937	11,758,466
Intangible assets	1,213,860	115,015	184,652	1,144,223
Total capital assets being depreciated	<u>167,205,692</u>	<u>1,318,029</u>	<u>788,589</u>	<u>167,735,132</u>
Less accumulated depreciation for				
Land improvements	8,386,316	724,033	-	9,110,349
Buildings and improvements	46,646,098	3,310,466	-	49,956,564
Equipment	7,821,934	1,015,391	603,937	8,233,388
Intangible assets	935,461	37,100	184,652	787,909
Total accumulated depreciation	<u>63,789,809</u>	<u>5,086,990</u>	<u>788,589</u>	<u>68,088,210</u>
Total capital assets being depreciated, net	<u>103,415,883</u>	<u>(3,768,961)</u>	<u>-</u>	<u>99,646,922</u>
CAPITAL ASSETS, NET	<u>\$ 108,119,309</u>	<u>\$ 1,837,965</u>	<u>\$ -</u>	<u>\$ 109,957,274</u>

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT

Changes in long-term debt for the years ended June 30, 2021 and 2020 are as follows:

	Balance July 1, 2020	Issuance	Repayment/ Refunding	Balance June 30, 2021	Current Portion
Accrued compensated absences	\$ 3,749,593	\$ 527,674	\$ 474,376	\$ 3,802,891	\$ 377,231
Other postemployment benefit liability	32,855,835	-	1,776,988	31,078,847	388,783
General Obligation Refunding Bonds, Series 2011A	4,280,000	-	4,280,000	-	-
General Obligation Limited Tax Bonds, Series 2011C	1,765,000	-	1,440,000	325,000	325,000
General Obligation Bonds, Series 2012A	39,280,000	-	32,905,000	6,375,000	6,375,000
General Obligation Limited Tax Bonds, Series 2012B	980,000	-	850,000	130,000	130,000
General Obligation Limited Tax Bonds, Series 2021A	-	1,955,000	-	1,955,000	45,000
General Obligation Limited Tax Bonds, Series 2021B	-	32,645,000	-	32,645,000	-
Unamortized bond premium	2,944,787	397,800	2,482,083	860,504	-
TOTAL	\$ 85,855,215	\$ 35,525,474	\$ 44,208,447	\$ 77,172,242	\$ 7,641,014

	Balance July 1, 2019	Issuance	Repayment/ Refunding	Balance June 30, 2020	Current Portion
Accrued compensated absences	\$ 3,140,507	\$ 1,077,331	\$ 468,245	\$ 3,749,593	\$ 474,376
Other postemployment benefit liability	33,258,707	-	402,872	32,855,835	431,457
General Obligation Refunding Bonds, Series 2011A	8,395,000	-	4,115,000	4,280,000	4,280,000
General Obligation Limited Tax Bonds, Series 2011C	2,045,000	-	280,000	1,765,000	305,000
General Obligation Bonds, Series 2012A	40,955,000	-	1,675,000	39,280,000	1,725,000
General Obligation Limited Tax Bonds, Series 2012B	1,115,000	-	135,000	980,000	130,000
Unamortized bond premium	3,722,312	-	777,525	2,944,787	-
TOTAL	\$ 92,631,526	\$ 1,077,331	\$ 7,853,642	\$ 85,855,215	\$ 7,345,833

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

The following is a summary of the long-term debt of the College:

Accrued Compensated Absences

As described in Note 1, accrued compensated absences not due within one year are reported as long-term debt.

2011A General Obligation Refunding Bonds

The College issued \$26,285,000 General Obligation Refunding Bonds, Series 2011A. The bonds, dated December 7, 2011, are due in annual installments of \$1,445,000 to \$4,280,000 through December 15, 2020, with interest ranging from 4% to 5% payable each June 15 and December 15. The bonds matured and were paid off during fiscal year 2021.

2011C General Obligation Limited Tax Bonds

The College issued \$2,510,000 General Obligation Limited Tax Bonds, Series 2011C. The bonds, dated December 7, 2011, were partially refunded in 2021 and the final installment of \$325,000 is due December 15, 2021, with interest at 4%, payable June 15, 2021 and December 15, 2021. Debt service to maturity on this issue is as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 325,000	\$ 13,000	\$ 338,000
TOTAL	\$ 325,000	\$ 13,000	\$ 338,000

2012A General Obligation Bonds

The College issued \$44,525,000 General Obligation Bonds, Series 2012A. The bonds, dated July 11, 2012, were partially refunded in 2021 and the final installment of \$6,375,000 is due December 15, 2021, with interest at 5%, payable June 15, 2021 and December 15, 2021. Debt service to maturity on this issue is as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 6,375,000	\$ 318,750	\$ 6,693,750
TOTAL	\$ 6,375,000	\$ 318,750	\$ 6,693,750

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

2012B General Obligation Limited Tax Bonds

The College issued \$1,880,000 General Obligation Limited Tax Bonds, Series 2012B. The bonds, dated July 11, 2012, were partially refunded in 2021 and the final installment of \$130,000 is due December 15, 2021, with interest at 3%, payable June 15, 2021 and December 15, 2021. Debt service to maturity on this issue is as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 130,000	\$ 3,900	\$ 133,900
TOTAL	\$ 130,000	\$ 3,900	\$ 133,900

2021A General Obligation Limited Tax Refunding Bonds

The College issued \$1,955,000 General Obligation Limited Tax Refunding Bonds, Series 2021A. The bonds, dated February 16, 2021, are due in annual installments of \$45,000 to \$540,000 through December 15, 2025, with interest ranging from 0.20% to 0.55% payable each June 15 and December 15. Debt service to maturity on this issue is as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 45,000	\$ 6,583	\$ 51,583
2023	520,000	6,018	526,018
2024	535,000	4,695	539,695
2025	540,000	2,813	542,813
2026	315,000	866	315,866
TOTAL	\$ 1,955,000	\$ 20,975	\$ 1,975,975

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

2021B General Obligation Refunding Bonds

The College issued \$32,645,000 General Obligation Refunding Bonds, Series 2021B. The bonds, dated February 16, 2021, are due in annual installments of \$3,485,000 to \$3,775,000 through December 15, 2030, with interest ranging from 1.00% to 1.13% payable each June 15 and December 15. Debt service to maturity on this issue is as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ -	\$ 331,169	\$ 331,169
2023	3,485,000	313,744	3,798,744
2024	3,520,000	278,719	3,798,719
2025	3,555,000	243,344	3,798,344
2026	3,590,000	207,619	3,797,619
2027	3,625,000	171,544	3,796,544
2028	3,660,000	135,119	3,795,119
2029	3,700,000	98,319	3,798,319
2030	3,735,000	61,144	3,796,144
2031	3,775,000	21,234	3,796,234
TOTAL	\$ 32,645,000	\$ 1,861,955	\$ 34,506,955

2021A and 2021B Refunding

The College issued \$1,955,000 General Obligation Refunding Limited Tax Bonds, Series 2021A and \$32,645,000 General Obligation Refunding Bonds, Series 2021B bonds, both dated February 16, 2021. The bonds were issued to refund \$1,135,000 of the 2011C General Obligation Limited Tax Bonds, \$31,180,000 of the 2012A General Obligation Bonds, and \$720,000 of the 2012B General Obligation Limited Tax Bonds. Through the refunding transaction, the College achieved cash flow savings of \$112,323 and an economic gain of \$110,157 on the Series 2021A Bonds, and cash flow savings of \$2,154,380 and an economic gain of \$2,914,896 on the Series 2021B Bonds.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT COMMITMENTS

Plan Description

The College contributes to SURS, a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby 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 can be found in the SURS' comprehensive annual financial report notes to financial statements.

Contributions

The state is primarily responsible for funding SURS on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90% of the total actuarial accrued liability by the end of fiscal year 2045. Employer contributions from trust, federal and other funds are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2020 and 2021 was 13.02% and 12.70%, respectively, of employee payroll.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT COMMITMENTS (Continued)

Funding Policy

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).

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

Net Pension Liability

At June 30, 2020 and 2019, SURS reported a net pension liability of \$30,619,504,321 and \$28,720,071,173, respectively. The net pension liability was measured as of June 30, 2019 and 2018, respectively.

Employer Proportionate Share of Net Pension Liability

For the year ended June 30, 2021, the amount of the proportionate share of the net pension liability to be recognized for the College is \$0. The proportionate share of the state's net pension liability associated with the College is \$259,739,781 or 0.8483%. 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, 2020 and the total pension used to calculate the net pension liability was determined based on the June 30, 2019 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 2020.

For the year ended June 30, 2020, the amount of the proportionate share of the net pension liability to be recognized for the College is \$0. The proportionate share of the state's net pension liability associated with the College is \$251,989,904 or 0.8774%. This amount is not recognized in the financial statement due to the special funding situation.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. 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 Net Pension Liability (Continued)

The net pension liability was measured as of June 30, 2019 and the total pension used to calculate the net pension liability was determined based on the June 30, 2018 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 2019.

Pension Expense

At June 30, 2020 and 2019, SURS reported a collective net pension expense of \$3,364,411,021 and \$3,094,666,252, respectively.

Employer Proportionate Share of Pension Expense

The College's proportionate share of collective net pension expense is recognized as both revenue and matching expense in the 2021 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 2020. As a result, the College recognized revenue and pension expense of \$28,539,697 for the fiscal year ended June 30, 2021.

The College's proportionate share of collective net pension expense is recognized as both revenue and matching expense in the 2020 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 2019. As a result, the College recognized revenue and pension expense of \$27,152,602 for the fiscal year ended June 30, 2020.

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

Deferred outflows of resources are the consumption of net assets by the College that is applicable to future reporting periods. The College paid \$137,643 in federal, trust or grant contributions for the fiscal year ended June 30, 2021. These contributions were made subsequent to the pension liability measurement date of June 30, 2020 and are recognized as deferred outflows of resources as of June 30, 2021.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

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

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Deferred outflows of resources are the consumption of net assets by the College that is applicable to future reporting periods. The College paid \$151,497 in federal, trust or grant contributions for the fiscal year ended June 30, 2020. These contributions were made subsequent to the pension liability measurement date of June 30, 2019 and are recognized as deferred outflows of resources as of June 30, 2020.

- b. Assumptions and Other Inputs

Actuarial Assumptions

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, 2014 to 2017. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates were based on the RP2014 White Collar, gender distinct tables with projected generational mortality and a separate mortality assumption for disabled participants.

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 2017. The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

Actuarial Assumptions (Continued)

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(ies).

For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2020 and 2019, these best estimates are summarized in the following table:

	2020	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	44.00%	6.67%
Credit Fixed Income	14.00%	2.39%
Core Real Assets	5.00%	4.14%
Options Strategies	6.00%	4.44%
Private Equity	8.00%	9.66%
Non-Core Real Assets	3.00%	8.70%
U.S. TIPS	6.00%	0.13%
Core Fixed Income	8.00%	(0.45%)
Systematic Trend Following	2.10%	2.16%
Alternative Risk Premia	1.80%	1.60%
Long Duration	2.10%	0.86%
Total	100.00%	4.84%
Inflation		2.75%
EXPECTED ARITHMETIC RETURN		7.09%

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

Actuarial Assumptions (Continued)

2019		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	23.00%	5.25%
Private Equity	6.00%	8.65%
Non-U.S. Equity	19.00%	6.75%
Global Equity	8.00%	6.25%
Fixed Income	19.00%	1.85%
Treasury-Inflation Protected Securities	4.00%	1.20%
Emerging Market Debt	3.00%	4.00%
Real Estate REITS	4.00%	5.70%
Direct Real Estate	6.00%	4.85%
Commodities	2.00%	2.00%
Hedged Strategies	5.00%	2.85%
Opportunity Fund	1.00%	7.00%
Total	100.00%	4.80%
Inflation		2.75%
EXPECTED ARITHMETIC RETURN		7.55%

Discount Rate

2021

A single discount rate of 6.49% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.75% and a municipal bond rate of 2.45% (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.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

Discount Rate (Continued)

2021 (Continued)

Sensitivity of 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 6.49%, 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 (5.49%)	Current Single Discount Rate Assumption (6.49%)	1% Increase (7.49%)
Net pension liability	\$ 36,893,469,884	\$ 30,619,504,321	\$ 25,441,837,592

2020

A single discount rate of 6.59% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.75% and a municipal bond rate of 3.13% (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.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT COMMITMENTS (Continued)

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

Discount Rate (Continued)

2020 (Continued)

Sensitivity of 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 6.59%, 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 (5.59%)	Current Single Discount Rate Assumption (6.59%)	1% Increase (7.59%)
Net pension liability	\$ 34,786,851,779	\$ 28,720,071,173	\$ 23,712,555,197

7. RETIREE HEALTH PLAN

In addition to the pension plan described previously, the College contributes to the State of Illinois' Community College Health Insurance Program (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 and dependent beneficiaries 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.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREE HEALTH PLAN (Continued)

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

Plan Description

The following disclosures are for the year ended June 30, 2021 and 2020, in accordance with GASB Statement No, 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. For purposes of measuring the net other postemployment benefit liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefit, and other postemployment benefit 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.

At June 30, 2021, the College reported a liability of \$31,078,847 for its proportionate share of the total other postemployment benefit liability that reflected a reduction for state other postemployment benefit support of \$31,078,847 resulting in a total other postemployment benefit liability associated with the College of \$62,157,694. The other postemployment benefit liability was measured as of June 30, 2020, and the total other postemployment benefit liability used to calculate the net other postemployment benefit liability was determined by an actuarial valuation performed as of June 30, 2019 rolled forward to June 30, 2020. The College's proportion of the net other postemployment benefit liability was based on the College's actual contributions to the other postemployment benefit plan relative to the projected contributions of all participating Colleges and the State of Illinois, statutorily determined. At June 30, 2021, the College's proportionate share was 1.705040%.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

At June 30, 2020, the College reported a liability of \$32,855,835 for its proportionate share of the total other postemployment benefit liability that reflected a reduction for state other postemployment benefit support of \$32,855,835 resulting in a total other postemployment benefit liability associated with the College of \$65,711,670. The other postemployment benefit liability was measured as of June 30, 2019, and the total other postemployment benefit liability used to calculate the net other postemployment benefit liability was determined by an actuarial valuation performed as of June 30, 2018 rolled forward to June 30, 2019. The College's proportion of the net other postemployment benefit liability was based on the College's actual contributions to the other postemployment benefit plan relative to the projected contributions of all participating Colleges and the State of Illinois, statutorily determined. At June 30, 2020, the College's proportionate share was 1.739747%.

2021

For the year ended June 30, 2021, the College recognized other postemployment benefit expense of \$932,208 and revenue of \$932,208 for support provided by the state. At June 30, 2021, the College reported deferred outflows of resources and deferred inflows of resources related to other postemployment benefit from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Difference between expected and actual experience	\$ 282,325	\$ 1,739,420
Changes in assumption	-	4,968,370
Changes in proportionate share and differences between college contributions and proportionate share of contributions	1,601,986	1,023,310
Contributions made after the measurement date	155,607	-
Net difference between projected and actual earnings on other postemployment benefit plan investments	-	1,316
	<u> </u>	<u> </u>
TOTAL	<u><u>\$ 2,039,918</u></u>	<u><u>\$ 7,732,416</u></u>

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2021 (Continued)

\$155,607 reported as deferred outflows or resources related to other postemployment benefit resulting from college contributions subsequent to the measurement date will be recognized as a reduction of the other postemployment benefit liability for the measurement period ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CIP will be recognized in other postemployment benefit expense as follows:

Fiscal Year Ending June 30,	
<u> </u>	
2022	\$ (974,684)
2023	(974,684)
2024	(974,684)
2025	(974,684)
2026	(974,684)
Thereafter	<u>(974,685)</u>
 TOTAL	 <u>\$ (5,848,105)</u>

2020

For the year ended June 30, 2020, the College recognized other postemployment benefit expense of \$1,884,967 and revenue of \$1,844,967 for support provided by the state. At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to other postemployment benefit from the following sources:

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2020 (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 385,066	\$ 694,828
Changes in assumption	-	4,577,583
Changes in proportionate share and differences between college contributions and proportionate share of contributions	2,250,158	501,471
Contributions made after the measurement date	156,807	-
Net difference between projected and actual earnings on other postemployment benefit plan investments	-	1,451
TOTAL	\$ 2,792,031	\$ 5,775,333

\$156,807 reported as deferred outflows or resources related to other postemployment benefit resulting from college contributions subsequent to the measurement date will be recognized as a reduction of the other postemployment benefit liability for the measurement period ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CIP will be recognized in other postemployment benefit expense as follows:

Fiscal Year Ending June 30,	
2021	\$ (523,351)
2022	(523,351)
2023	(523,351)
2024	(523,351)
2025	(523,351)
Thereafter	(523,354)
TOTAL	\$ (3,140,109)

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

Actuarial Assumptions

2021

The total other postemployment benefit liability was determined by an actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, 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	8.25% to 9.09% trending to 4.25%
Asset valuation method	Fair value

2020

The total other postemployment benefit liability was determined by an actuarial valuation as of June 30, 2018, rolled forward to June 30, 2019, 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% to 9.00% trending to 4.50%
Asset valuation method	Fair value

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

Actuarial Assumptions (Continued)

2021

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

Projected benefit payments were discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on other postemployment benefit 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 rate was 2.45% as of June 30, 2020.

2020

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

Projected benefit payments were discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on other postemployment benefit 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 rate was 3.13% as of June 30, 2019.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

Rate Sensitivity

2021

The following is a sensitivity analysis of the other postemployment benefit liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the other postemployment benefit liability of the College calculated using the discount rate of 2.45% as well as what the College's other postemployment benefit liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.45%) or 1 percentage point higher (3.45%) than the current rate:

	1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
Other postemployment benefit liability	\$ 35,412,050	\$ 31,078,847	\$ 27,342,141

The table below presents the College's other postemployment benefit liability, calculated using the healthcare cost trend rates as well as what the College's other postemployment benefit 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 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037, for non-Medicare coverage and 9.09% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037 for Medicare coverage.

	1% Decrease	Current Healthcare Rate	1% Increase
Other postemployment benefit liability	\$ 25,751,936	\$ 31,078,847	\$ 38,144,745

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

Rate Sensitivity (Continued)

2020

The following is a sensitivity analysis of the other postemployment benefit liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the other postemployment benefit liability of the College calculated using the discount rate of 3.13% as well as what the College's other postemployment benefit liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.13%) or 1 percentage point higher (4.13%) than the current rate:

	1% Decrease (2.13%)	Current Discount Rate (3.13%)	1% Increase (4.13%)
Other postemployment benefit liability	\$ 37,085,020	\$ 32,855,835	\$ 28,145,339

The table below presents the College's other postemployment benefit liability, calculated using the healthcare cost trend rates as well as what the College's other postemployment benefit 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 2020 decreasing to an ultimate trend rate of 4.90% in 2027, for non-Medicare coverage and 9% in 2020 decreasing to an ultimate trend rate of 4.50% in 2029 for Medicare coverage.

	1% Decrease	Current Healthcare Rate	1% Increase
Other postemployment benefit liability	\$ 26,123,421	\$ 32,855,835	\$ 38,884,571

Other Postemployment Benefit Plan Fiduciary Net Position

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

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. SPECIAL TERMINATION HEALTH INSURANCE

In addition to the retirement benefits provided by the College described in Note 6, the College previously provided voluntary retirement benefits, considered early retirement incentives. These included employer paid voluntary retirement incentives (deferred compensation) as well as employer paid health care coverage to retirees and spouses for life. At age 65, generally Medicare becomes the primary insurance provider for retirees. The voluntary retirement benefits were available to employees who attained age 55 with at least eight years of continuous employment and who retired prior to June 30, 2000.

The benefits provided were a percentage of their final year's salary, up to 100% payable over one to five years, depending upon the age at retirement and health insurance coverage for life. There were 56 and 57 members (including spouses) receiving benefits as of June 30, 2021 and 2020, respectively.

The College engaged an actuary to perform an actuarial valuation of the benefits as of June 30, 2021 and 2020. Actual retirees were 33 and 33 as of June 30, 2021 and 2020, respectively. The actuarial assumptions used in the valuations were a discount rate of 1% and 2% at June 30, 2021 and 2020, respectively, the health care trend rate of 5% (5% ultimate) and 5.50% (5.50% ultimate), respectively. The actuarial valuation calculated a liability of \$1,046,319 and \$1,281,159 at June 30, 2021 and 2020, respectively. This is recorded as a liability in the College's financial statements.

The College accounts for this plan in the Retiree Medical Insurance and Retirement subfund and has set aside sufficient assets in the account to fully fund this obligation at June 30, 2021 and 2020.

9. RISK MANAGEMENT

The College 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 dental insurance; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties except for employee health and dental. Settled claims from these risks have not exceeded commercial insurance coverage in the past three fiscal years. Since February 2005, the College has participated in the Illinois Community College Risk Management Consortium (the Consortium), which was established in 1981 by several Chicago area community colleges as a means of reducing the cost of general liability insurance. The Consortium is a public entity risk pool currently operating as a common risk management and insurance program for the member colleges. The main purpose of the Consortium is to jointly self-insure certain risks up to an agreed-upon retention limit and to obtain excess catastrophic coverage and aggregate stop-loss reinsurance over the selected retention limits.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RISK MANAGEMENT (Continued)

The College is self-insured for health and dental insurance. The College’s third party administrator (TPA) processes all claims for the College and is reimbursed monthly for the claims paid in the previous month.

The College has purchased specific and aggregate excess insurance to limit its exposure. The specific coverage is \$150,000 per covered person and the aggregate attachment is \$7,273,801 on a calendar year basis. A liability of \$1,152,748 and \$1,128,411 for claims incurred but not paid as of June 30, 2021 and 2020, respectively, including an estimate of incurred but not reported claims as of June 30, 2021 and 2020.

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

	2019	2020	2021
CLAIMS PAYABLE, JULY 1	\$ 1,155,235	\$ 1,172,198	\$ 1,128,411
Claims paid	(6,264,473)	(5,995,179)	(5,818,299)
Claims incurred	6,281,436	5,951,392	5,842,636
CLAIMS PAYABLE, JUNE 30	<u>\$ 1,172,198</u>	<u>\$ 1,128,411</u>	<u>\$ 1,152,748</u>

10. TAX ABATEMENTS

The College has entered into a property tax abatement agreement with a corporation located within the College’s boundaries. The agreement provides for the abatement of 50% of the property taxes on the facility for a period of five years. The abatement is subject to the corporation documenting that the expanded facility is fully assessed and fully operational and that at least 75 initial additional jobs have been created. In the event that the corporation ceases operation of the facility or relocates the facility within three years from the termination date of the abatement period, the College retains the right to require the corporation to repay the total sum of all previously abated taxes. Additionally, should the corporation fail to substantially meet the employment conditions of the agreement, the College retains the right to terminate the agreement and require repayment of any previously abated taxes. As of June 30, 2021 and 2020, no taxes have been abated under the tax abatement agreement.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. CHANGE IN ACCOUNTING PRINCIPLE

2020

For the fiscal year ended June 30, 2020, the College implemented GASB Statement No. 84, *Fiduciary Activities*. With the implementation, the College is required to record the beginning net position of their Student Life and Athletics Account. The beginning net position has been restated to reflect the new guidance as follows:

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	\$ <u>-</u>
Record net position of activity subfund	<u>451,122</u>
Total restatement	<u>451,122</u>
BEGINNING NET POSITION, AS RESTATED	<u><u>\$ 451,122</u></u>

12. DISCRETELY PRESENTED COMPONENT UNIT

The Waubonsee Community College Foundation (the Foundation) was incorporated in 1978 under the laws of the State of Illinois. The Foundation is a not-for-profit organization which was formed to promote the educational development and general educational welfare of the Waubonsee Community College, Community College District 516 (the College). The Foundation is operated in conjunction with, and in support of the educational mission of the College. The Foundation supports the College through solicitation and administration of scholarships, gifts, grants or bequests of money or property or certain educational and cultural activities of the College as approved by the Board of Directors of the Foundation. The following is a summary of the significant accounting policies of the Foundation.

a. Basis of Presentation

The Foundation maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting purposes in accordance with activities or objectives specific by donors.

12. DISCRETELY PRESENTED COMPONENT UNIT (Continued)

a. Basis of Presentation (Continued)

These financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Foundation as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of fund balances and transactions into two classes of net assets: without donor restrictions and with donor restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets Without Donor Restrictions

Net assets available for use in general operations and not subject to donor-imposed restrictions. The Board may impose stipulations on these assets for a specific purpose or future use. As of June 30, 2021 and 2020, the Board of Directors has designated funds for future operations and scholarships.

Net Assets With Donor Restrictions

Net assets subject to donor-imposed restrictions that either expire by passage of time, can be fulfilled and removed by actions of the Foundation pursuant to those restrictions or maintained in perpetuity by the Foundation.

Contributions and other revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor restriction.

b. Revenue Recognition

Contributions

The Foundation recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right to return - are not recognized until the conditions on which they depend have been met.

12. DISCRETELY PRESENTED COMPONENT UNIT (Continued)

b. Revenue Recognition (Continued)

Contributions (Continued)

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions from unconditional promises to give that are to be received after one year are discounted at an appropriate risk adjusted rate at the date the promise is made. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions is provided based upon management's judgement including such factors as prior collection history, type of contribution, and nature of fundraising activity. No allowance was deemed necessary as of June 30, 2021 or 2020.

Sponsorship and Fundraising Event Revenue

The portion of sponsorship revenue and ticket sales that relates to the commensurate value the sponsor and attendee receives in return is recognized when the related events are held, and performance obligations are met. Ticket sales received in advance of the event are recorded as deferred revenue on the statement of financial position.

c. Cash and Cash Equivalents

All highly liquid investments with an original maturity of three months or less when purchased are deemed cash equivalents.

The Foundation maintains its cash balance in financial institutions, which at times may exceed federally insured limits. At June 30, 2021 and 2020, the Foundation's cash accounts do not exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

d. Investments

Investments are measured at fair value. The realized and unrealized gain or loss on investments is reflected in investment return on the statement of activities. Investment return is reported net of external and direct internal investment expenses.

WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. DISCRETELY PRESENTED COMPONENT UNIT (Continued)

e. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs are directly charged when feasible. Costs that cannot be directly charged, such as salaries and wages, are allocated based on time and effort.

f. Income Taxes

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation is not classified as a private foundation.

g. Use of Estimates

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

REQUIRED SUPPLEMENTARY INFORMATION

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT NUMBER 516
SUGAR GROVE, ILLINOIS**

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

Last Seven Years

MEASUREMENT DATE JUNE 30,	2014	2015	2016
(a) Proportion percentage of the collective net pension liability	0.00%	0.00%	0.00%
(b) Proportion amount of the collective net pension liability	\$ -	\$ -	\$ -
(c) Portion of non-employer contributing entities' total proportion of net pension liability associated with employer	175,301,717	190,918,931	221,092,313
Total (b) + (c)	\$ 175,301,717	\$ 190,918,931	\$ 221,092,313
Covered payroll	\$ 35,293,307	\$ 36,108,287	\$ 37,931,009
Proportion of collective net pension liability associated with employer as a percentage of covered payroll	496.70%	528.74%	582.88%
SURS plan net position as a percentage of total pension liability	44.39%	42.37%	39.57%
FISCAL YEAR ENDED JUNE 30,	2014	2015	2016
WAUBONSEE COMMUNITY COLLEGE			
Federal, trust, grant and other contributions	\$ 151,310	\$ 157,195	\$ 148,188
Contribution in relation to required contribution	151,310	157,195	148,188
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 35,293,307	\$ 36,108,287	\$ 37,931,009
Contributions as a percentage of covered payroll	0.43%	0.44%	0.39%

Note: The College 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, 2020 and 2019.

Changes in Assumptions

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest, and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2014, to June 30, 2017, was performed in February 2018, resulting in the adoption of new assumptions as of June 30, 2018.

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

	2017	2018	2019	2020	
	0.00%	0.00%	0.00%	0.00%	
\$	-	\$ -	\$ -	\$ -	
	224,615,949	246,158,766	251,989,904	259,739,781	
\$	224,615,949	\$ 246,158,766	\$ 251,989,904	\$ 259,739,781	
\$	38,779,937	\$ 40,024,842	\$ 39,687,030	\$ 40,261,318	
	579.21%	615.01%	634.94%	645.13%	
	42.04%	41.27%	40.71%	39.05%	
	2017	2018	2019	2020	2021
\$	129,704	\$ 108,983	\$ 132,377	\$ 151,497	\$ 137,643
	129,704	108,983	132,377	151,497	137,643
\$	-	\$ -	\$ -	\$ -	\$ -
\$	38,779,937	\$ 40,024,842	\$ 39,687,030	\$ 40,261,318	\$ 38,111,793
	0.33%	0.27%	0.33%	0.38%	0.36%

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT NUMBER 516
SUGAR GROVE, ILLINOIS**

**SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE
OF THE TOTAL OPEB LIABILITY AND SCHEDULE OF CONTRIBUTIONS
CIP PLAN**

Last Four Years

MEASUREMENT DATE JUNE 30,	2017	2018	2019	2020
College's proportion of the total OPEB liability	1.675759%	1.764152%	1.739747%	1.705040%
College's proportionate share of the total OPEB liability	\$ 30,559,765	\$ 33,258,707	\$ 32,855,835	\$ 31,078,847
Portion of State's total proportion of total OPEB liability associated with the College	30,157,270	33,258,707	32,855,835	31,078,847
TOTAL	\$ 60,717,035	\$ 66,517,414	\$ 65,711,670	\$ 62,157,694
Covered payroll	\$ 31,729,696	\$ 34,713,453	\$ 33,547,619	\$ 33,681,095
Proportion of collective net pension liability associated with the College as a percentage of covered payroll	191.36%	191.62%	195.88%	184.55%
CIP plan net position as a percentage of total OPEB liability	(2.87%)	(3.54%)	(4.13%)	(5.07%)
FISCAL YEAR ENDED JUNE 30,	2018	2019	2020	2021
Statutorily required contribution	\$ 154,058	\$ 156,169	\$ 156,807	\$ 155,607
Contribution in relation to the statutorily required contribution	154,058	156,169	156,807	155,607
CONTRIBUTION EXCESS	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 28,984,887	\$ 29,608,153	\$ 30,224,395	\$ 29,028,069
Contributions as a percentage of covered payroll	0.53%	0.53%	0.52%	0.54%
Discount rate	3.56%	3.62%	3.13%	2.45%

Note: The College 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, 2020 and 2019.

(See independent auditor's report.)

SUPPLEMENTARY INFORMATION

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS -
BY SUBGROUP

June 30, 2021

	Governmental Subgroup	Auxiliary Subgroup	Eliminations	Total
CURRENT ASSETS				
Cash	\$ (496,425)	\$ 3,517,702	\$ -	\$ 3,021,277
Investments	168,010,414	1,981,493	-	169,991,907
Receivables, net of allowance for uncollectibles				
Taxes	22,883,748	-	-	22,883,748
Accrued interest	231,908	2,409	-	234,317
Accounts	10,398,517	9,776	-	10,408,293
Other	225,009	88,843	-	313,852
Tuition and fees	4,260,308	13,344	-	4,273,652
Prepaid expenses	938,609	-	-	938,609
Inventories	-	561,725	-	561,725
 Total current assets	 206,452,088	 6,175,292	 -	 212,627,380
NONCURRENT ASSETS				
Capital assets	182,043,763	40,170	-	182,083,933
Less accumulated depreciation	(72,984,909)	(40,170)	-	(73,025,079)
 Net capital assets	 109,058,854	 -	 -	 109,058,854
 Total noncurrent assets	 109,058,854	 -	 -	 109,058,854
 Total assets	 315,510,942	 6,175,292	 -	 321,686,234
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized loss on refunding	996,818	-	-	996,818
CIP other postemployment benefit items	2,039,918	-	-	2,039,918
SURS pension contributions	137,643	-	-	137,643
 Total deferred outflows of resources	 3,174,379	 -	 -	 3,174,379
 Total assets and deferred outflows of resources	 318,685,321	 6,175,292	 -	 324,860,613

(This schedule is continued on the following page.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS -
BY SUBGROUP (Continued)

June 30, 2021

	Governmental Subgroup	Auxiliary Subgroup	Eliminations	Total
CURRENT LIABILITIES				
Accounts payable	\$ 1,150,190	\$ 138,138	\$ -	\$ 1,288,328
Accrued salaries and payroll deductions payable	1,406,309	16,074	-	1,422,383
Health claims payable	1,152,748	-	-	1,152,748
Unearned tuition and fees	6,039,883	-	-	6,039,883
Unearned revenue	291,881	-	-	291,881
Accrued compensated absences	337,819	39,412	-	377,231
Bonds payable	6,875,000	-	-	6,875,000
Other postemployment benefit liability	388,783	-	-	388,783
Interest payable	28,060	-	-	28,060
Other current liabilities	-	35,901	-	35,901
Total current liabilities	17,670,673	229,525	-	17,900,198
NONCURRENT LIABILITIES				
Special termination health insurance benefits payable	1,046,319	-	-	1,046,319
Accrued compensated absences	3,425,660	-	-	3,425,660
Other postemployment benefit liability	30,690,064	-	-	30,690,064
Bonds payable	35,415,504	-	-	35,415,504
Total noncurrent liabilities	70,577,547	-	-	70,577,547
Total liabilities	88,248,220	229,525	-	88,477,745
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue - property taxes	23,085,652	-	-	23,085,652
CIP other postemployment benefit items	7,732,416	-	-	7,732,416
Total deferred inflows of resources	30,818,068	-	-	30,818,068
Total liabilities and deferred inflows of resources	119,066,288	229,525	-	119,295,813
NET POSITION				
Net investment in capital assets	80,882,958	-	-	80,882,958
Restricted for				
Audit	31,101	-	-	31,101
Liability, protection and settlement	2,491,388	-	-	2,491,388
Debt service	7,594,293	-	-	7,594,293
Working cash	4,487,016	-	-	4,487,016
Pension contributions	137,643	-	-	137,643
Unrestricted	103,994,634	5,945,767	-	109,940,401
TOTAL NET POSITION	\$ 199,619,033	\$ 5,945,767	\$ -	\$ 205,564,800

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

**COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BY SUBGROUP**

For the Year Ended June 30, 2021

	Governmental Subgroup	Auxiliary Subgroup	Eliminations	Total
OPERATING REVENUES				
Tuition and fees	\$ 16,361,456	\$ -	\$ -	\$ 16,361,456
Auxiliary enterprises revenue	-	3,022,531	(669,880)	2,352,651
Other operating revenue	897,944	-	-	897,944
Total operating revenues	17,259,400	3,022,531	(669,880)	19,612,051
OPERATING EXPENSES				
Instruction	34,022,261	-	-	34,022,261
Academic support	5,645,634	-	-	5,645,634
Student services	15,283,789	-	-	15,283,789
Public services	1,916,783	-	-	1,916,783
Auxiliary services	432,098	3,413,502	-	3,845,600
Operation and maintenance of plant	9,975,787	-	-	9,975,787
Institutional support	23,277,657	-	(92,000)	23,185,657
Scholarships, grants and waivers	8,614,165	-	(577,880)	8,036,285
Depreciation	5,400,494	-	-	5,400,494
Total operating expenses	104,568,668	3,413,502	(669,880)	107,312,290
OPERATING INCOME (LOSS)	(87,309,268)	(390,971)	-	(87,700,239)
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	50,249,331	-	-	50,249,331
Personal property replacement tax	1,262,849	-	-	1,262,849
Local grants and contracts	38,311	-	-	38,311
State grants and contracts	36,366,385	-	-	36,366,385
Federal grants and contracts	21,530,807	-	-	21,530,807
Investment income	632,763	6,500	-	639,263
Interest expense	(1,336,666)	-	-	(1,336,666)
Other non-operating revenue	251	-	-	251
Gain on disposal of capital assets	(24,803)	-	-	(24,803)
Total non-operating revenues (expenses)	108,719,228	6,500	-	108,725,728
NET INCOME (LOSS) BEFORE TRANSFERS	21,409,960	(384,471)	-	21,025,489
TRANSFERS				
Transfers in	-	2,755,999	(2,755,999)	-
Transfers (out)	(2,755,999)	-	2,755,999	-
Total transfers	(2,755,999)	2,755,999	-	-
CHANGE IN NET POSITION	18,653,961	2,371,528	-	21,025,489
NET POSITION, JULY 1	180,965,072	3,574,239	-	184,539,311
NET POSITION, JUNE 30	\$ 199,619,033	\$ 5,945,767	\$ -	\$ 205,564,800

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS - BY GOVERNMENTAL GROUP

June 30, 2021

	Education Account	Budget Stabilization Account	Operations and Maintenance Account	Restricted Purposes Account	Audit Account	Liability, Protection and Settlement Account	Bond and Interest Account	Operations and Maintenance Restricted Account
CURRENT ASSETS								
Cash	\$ 7,695,158	\$ -	\$ 1,350,664	\$ (11,716,880)	\$ 24,376	\$ 220,948	\$ 776	\$ 768,765
Investments	16,940,258	14,500,000	6,785,405	1,825,383	15,042	2,201,222	7,592,666	70,152,105
Receivables								
Taxes	18,723,855	-	3,497,540	-	44,722	617,631	-	-
Accrued interest	7,050	-	9,678	-	-	1,401	851	99,115
Accounts	2,810	-	-	10,388,866	-	-	-	147
Other	115,081	-	1,602	-	-	108,326	-	-
Tuition and fees	4,260,308	-	-	-	-	-	-	-
Prepaid expenses	938,609	-	-	-	-	-	-	-
Total current assets	48,683,129	14,500,000	11,644,889	497,369	84,140	3,149,528	7,594,293	71,020,132
NONCURRENT ASSETS								
Capital assets	-	-	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-	-	-
Net capital assets	-	-	-	-	-	-	-	-
Total noncurrent assets	-	-	-	-	-	-	-	-
Total assets	48,683,129	14,500,000	11,644,889	497,369	84,140	3,149,528	7,594,293	71,020,132
DEFERRED OUTFLOWS OF RESOURCES								
Unamortized loss on refunding	-	-	-	-	-	-	-	-
CIP other postemployment benefit items	-	-	-	-	-	-	-	-
SURS pension contributions	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	48,683,129	14,500,000	11,644,889	497,369	84,140	3,149,528	7,594,293	71,020,132

	Education Account	Budget Stabilization Account	Operations and Maintenance Account	Restricted Purposes Account	Audit Account	Liability, Protection and Settlement Account	Bond and Interest Account	Operations and Maintenance Restricted Account
CURRENT LIABILITIES								
Accounts payable	\$ 520,284	\$ -	\$ 215,088	\$ 112,039	\$ 8,000	\$ 12,676	\$ -	\$ 269,412
Accrued salaries and payroll deductions payable	1,287,821	-	57,338	40,837	-	20,313	-	-
Health claims payable	-	-	-	-	-	-	-	-
Unearned tuition	6,039,883	-	-	-	-	-	-	-
Unearned revenue	135,404	-	-	156,477	-	-	-	-
Accrued compensated absences	198,105	-	22,194	115,243	-	2,277	-	-
Bonds payable	-	-	-	-	-	-	-	-
Other postemployment benefit liability	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
Total current liabilities	8,181,497	-	294,620	424,596	8,000	35,266	-	269,412
NONCURRENT LIABILITIES								
Special termination health insurance benefits payable	-	-	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-	-	-
Other postemployment benefit liability	-	-	-	-	-	-	-	-
Bonds payable	-	-	-	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	-	-	-	-
Total liabilities	8,181,497	-	294,620	424,596	8,000	35,266	-	269,412
DEFERRED INFLOWS OF RESOURCES								
Deferred revenue - property taxes	18,889,182	-	3,528,557	-	45,039	622,874	-	-
CIP other postemployment benefit items	-	-	-	-	-	-	-	-
Total deferred inflows of resources	18,889,182	-	3,528,557	-	45,039	622,874	-	-
Total liabilities and deferred inflows of resources	27,070,679	-	3,823,177	424,596	53,039	658,140	-	269,412
NET POSITION								
Net investment in capital assets	-	-	-	-	-	-	-	-
Restricted for								
Audit	-	-	-	-	31,101	-	-	-
Liability, protection and settlement	-	-	-	-	-	2,491,388	-	-
Debt service	-	-	-	-	-	-	7,594,293	-
Working cash	-	-	-	-	-	-	-	-
Pension contributions	-	-	-	-	-	-	-	-
Unrestricted (deficit)	21,612,450	14,500,000	7,821,712	72,773	-	-	-	70,750,720
TOTAL NET POSITION (DEFICIT)	\$ 21,612,450	\$ 14,500,000	\$ 7,821,712	\$ 72,773	\$ 31,101	\$ 2,491,388	\$ 7,594,293	\$ 70,750,720

(This schedule is continued on the following pages.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS - BY GOVERNMENTAL GROUP (Continued)

June 30, 2021

	Medical Insurance Account	Retiree Medical Insurance and Retirement Account	Working Cash Account	Long- Term Obligations	Capital Assets	Eliminations	Total
CURRENT ASSETS							
Cash	\$ 1,030,447	\$ 129,266	\$ 55	\$ -	\$ -	\$ -	\$ (496,425)
Investments	2,679,368	40,838,645	4,480,320	-	-	-	168,010,414
Receivables							
Taxes	-	-	-	-	-	-	22,883,748
Accrued interest	5,568	101,604	6,641	-	-	-	231,908
Accounts	6,694	-	-	-	-	-	10,398,517
Other	-	-	-	-	-	-	225,009
Tuition and fees	-	-	-	-	-	-	4,260,308
Prepaid expenses	-	-	-	-	-	-	938,609
Total current assets	<u>3,722,077</u>	<u>41,069,515</u>	<u>4,487,016</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>206,452,088</u>
NONCURRENT ASSETS							
Capital assets	-	-	-	-	182,043,763	-	182,043,763
Less accumulated depreciation	-	-	-	-	(72,984,909)	-	(72,984,909)
Net capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,058,854</u>	<u>-</u>	<u>109,058,854</u>
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,058,854</u>	<u>-</u>	<u>109,058,854</u>
Total assets	<u>3,722,077</u>	<u>41,069,515</u>	<u>4,487,016</u>	<u>-</u>	<u>109,058,854</u>	<u>-</u>	<u>315,510,942</u>
DEFERRED OUTFLOWS OF RESOURCES							
Unamortized loss on refunding	-	-	-	996,818	-	-	996,818
CIP other postemployment benefit items	-	2,039,918	-	-	-	-	2,039,918
SURS pension contributions	-	-	-	137,643	-	-	137,643
Total deferred outflows of resources	<u>-</u>	<u>2,039,918</u>	<u>-</u>	<u>1,134,461</u>	<u>-</u>	<u>-</u>	<u>3,174,379</u>
Total assets and deferred outflows of resources	<u>3,722,077</u>	<u>43,109,433</u>	<u>4,487,016</u>	<u>1,134,461</u>	<u>109,058,854</u>	<u>-</u>	<u>318,685,321</u>

	Medical Insurance Account	Retiree Medical Insurance and Retirement Account	Working Cash Account	Long- Term Obligations	Capital Assets	Eliminations	Total
CURRENT LIABILITIES							
Accounts payable	\$ -	\$ 12,691	\$ -	\$ -	\$ -	\$ -	\$ 1,150,190
Accrued salaries and payroll deductions payable	-	-	-	-	-	-	1,406,309
Health claims payable	1,152,748	-	-	-	-	-	1,152,748
Unearned tuition	-	-	-	-	-	-	6,039,883
Unearned revenue	-	-	-	-	-	-	291,881
Accrued compensated absences	-	-	-	-	-	-	337,819
Bonds payable	-	-	-	6,875,000	-	-	6,875,000
Other postemployment benefit liability	-	388,783	-	-	-	-	388,783
Interest payable	-	-	-	28,060	-	-	28,060
Total current liabilities	1,152,748	401,474	-	6,903,060	-	-	17,670,673
NONCURRENT LIABILITIES							
Special termination health insurance benefits payable	-	1,046,319	-	-	-	-	1,046,319
Accrued compensated absences	-	-	-	3,425,660	-	-	3,425,660
Other postemployment benefit liability	-	30,690,064	-	-	-	-	30,690,064
Bonds payable	-	-	-	35,415,504	-	-	35,415,504
Total noncurrent liabilities	-	31,736,383	-	38,841,164	-	-	70,577,547
Total liabilities	1,152,748	32,137,857	-	45,744,224	-	-	88,248,220
DEFERRED INFLOWS OF RESOURCES							
Deferred revenue - property taxes	-	-	-	-	-	-	23,085,652
CIP other postemployment benefit items	-	7,732,416	-	-	-	-	7,732,416
Total deferred inflows of resources	-	7,732,416	-	-	-	-	30,818,068
Total liabilities and deferred inflows of resources	1,152,748	39,870,273	-	45,744,224	-	-	119,066,288
NET POSITION							
Net investment in capital assets	-	-	-	(28,175,896)	109,058,854	-	80,882,958
Restricted for							
Audit	-	-	-	-	-	-	31,101
Liability, protection and settlement	-	-	-	-	-	-	2,491,388
Debt service	-	-	-	-	-	-	7,594,293
Working cash	-	-	4,487,016	-	-	-	4,487,016
Pension contributions	-	-	-	137,643	-	-	137,643
Unrestricted (deficit)	2,569,329	3,239,160	-	(16,571,510)	-	-	103,994,634
TOTAL NET POSITION (DEFICIT)	\$ 2,569,329	\$ 3,239,160	\$ 4,487,016	\$ (44,609,763)	\$ 109,058,854	\$ -	\$ 199,619,033

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BY GOVERNMENTAL GROUP

For the Year Ended June 30, 2021

	Education Account	Budget Stabilization Account	Operations and Maintenance Account	Restricted Purposes Account	Audit Account	Liability, Protection and Settlement Account	Bond and Interest Account	Operations and Maintenance Restricted Account
OPERATING REVENUES								
Tuition and fees	\$ 19,250,298	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other operating revenue	775,427	-	122,517	-	-	-	-	-
Total operating revenues	20,025,725	-	122,517	-	-	-	-	-
OPERATING EXPENSES								
Instruction	19,944,514	-	-	1,667,586	-	-	-	-
Academic support	3,590,480	-	-	598,645	-	-	-	-
Student services	8,853,027	-	-	1,374,076	-	-	-	-
Public services	832,647	-	-	465,763	-	-	-	-
Auxiliary services	-	-	-	-	-	-	-	-
Operation and maintenance of plant	179,455	-	6,028,575	-	-	-	-	4,845,483
Institutional support	15,195,881	-	-	-	73,468	1,618,426	-	9,018
Scholarships, grants and waivers	2,967,873	-	-	8,535,134	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Total operating expenses	51,563,877	-	6,028,575	12,641,204	73,468	1,618,426	-	4,854,501
OPERATING INCOME (LOSS)	(31,538,152)	-	(5,906,058)	(12,641,204)	(73,468)	(1,618,426)	-	(4,854,501)
NON-OPERATING REVENUES (EXPENSES)								
Property taxes	37,549,725	-	7,003,846	-	89,220	1,235,953	4,370,587	-
Personal property replacement tax	1,262,849	-	-	-	-	-	-	-
Local grants and contracts	-	-	-	38,311	-	-	-	-
State grants and contracts	6,000,498	-	-	893,982	-	-	-	-
Federal grants and contracts	171,871	-	-	21,517,718	-	-	-	-
Investment income	41,159	-	25,363	-	20	3,816	9,385	275,852
Interest expense	-	-	-	-	-	-	(1,772,339)	-

	Education Account	Budget Stabilization Account	Operations and Maintenance Account	Restricted Purposes Account	Audit Account	Liability, Protection and Settlement Account	Bond and Interest Account	Operations and Maintenance Restricted Account
NON-OPERATING REVENUES (EXPENSES)								
(Continued)								
Principal retirement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,440,000)	\$ -
Bond proceeds	-	-	-	-	-	-	34,600,000	-
Premium on bonds issued	-	-	-	-	-	-	397,800	-
Payment to refunding agent	-	-	-	-	-	-	(34,641,725)	-
Other non-operating revenue	-	-	-	-	-	-	-	251
Gain (loss) on disposal of capital assets	7,329	-	-	-	-	-	-	-
Total non-operating revenues (expenses)	45,033,431	-	7,029,209	22,450,011	89,240	1,239,769	(3,476,292)	276,103
NET INCOME (LOSS) BEFORE TRANSFERS	13,495,279	-	1,123,151	9,808,807	15,772	(378,657)	(3,476,292)	(4,578,398)
TRANSFERS								
Transfers in	6,439,187	14,500,000	646,197	136,205	-	1,100,000	7,491,209	3,718,545
Transfers (out)	(19,751,121)	-	(1,600,000)	(9,945,012)	-	-	-	(7,491,209)
Total transfers	(13,311,934)	14,500,000	(953,803)	(9,808,807)	-	1,100,000	7,491,209	(3,772,664)
CHANGE IN NET POSITION	183,345	14,500,000	169,348	-	15,772	721,343	4,014,917	(8,351,062)
NET POSITION (DEFICIT), JULY 1	21,429,105	-	7,652,364	72,773	15,329	1,770,045	3,579,376	79,101,782
NET POSITION (DEFICIT), JUNE 30	\$ 21,612,450	\$ 14,500,000	\$ 7,821,712	\$ 72,773	\$ 31,101	\$ 2,491,388	\$ 7,594,293	\$ 70,750,720

(This schedule is continued on the following pages.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BY GOVERNMENTAL GROUP (Continued)

For the Year Ended June 30, 2021

	Medical Insurance Account	Retiree Medical Insurance and Retirement Account	Working Cash Account	Long- Term Obligations	Capital Assets	Eliminations	Total
OPERATING REVENUES							
Tuition and fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,888,842)	\$ 16,361,456
Other operating revenue	-	-	-	-	-	-	897,944
Total operating revenues	-	-	-	-	-	(2,888,842)	17,259,400
OPERATING EXPENSES							
Instruction	(238,417)	13,192,789	-	94,116	(479,545)	(158,782)	34,022,261
Academic support	(26,640)	1,474,095	-	9,054	-	-	5,645,634
Student services	(101,343)	5,607,775	-	31,116	(480,862)	-	15,283,789
Public services	(11,951)	661,313	-	(30,989)	-	-	1,916,783
Auxiliary services	(8,279)	458,122	-	(17,745)	-	-	432,098
Operation and maintenance of plant	(43,143)	2,387,309	-	(34,969)	(3,386,923)	-	9,975,787
Institutional support	(119,684)	6,573,179	532	113,713	(186,876)	-	23,277,657
Scholarships, grants and waivers	-	-	-	-	-	(2,888,842)	8,614,165
Depreciation	-	-	-	-	5,400,494	-	5,400,494
Total operating expenses	(549,457)	30,354,582	532	164,296	866,288	(3,047,624)	104,568,668
OPERATING INCOME (LOSS)	549,457	(30,354,582)	(532)	(164,296)	(866,288)	158,782	(87,309,268)
NON-OPERATING REVENUES (EXPENSES)							
Property taxes	-	-	-	-	-	-	50,249,331
Personal property replacement tax	-	-	-	-	-	-	1,262,849
Local grants and contracts	-	-	-	-	-	-	38,311
State grants and contracts	-	29,471,905	-	-	-	-	36,366,385
Federal grants and contracts	-	-	-	-	-	(158,782)	21,530,807
Investment income	-	259,988	17,180	-	-	-	632,763
Interest expense	-	-	-	435,673	-	-	(1,336,666)

	Medical Insurance Account	Retiree Medical Insurance and Retirement Account	Working Cash Account	Long- Term Obligations	Capital Assets	Eliminations	Total
NON-OPERATING REVENUES (EXPENSES)							
(Continued)							
Principal retirement	\$ -	\$ -	\$ -	\$ 6,440,000	\$ -	\$ -	\$ -
Bond proceeds	-	-	-	(34,600,000)	-	-	-
Premium on bonds issued	-	-	-	(397,800)	-	-	-
Payment to refunding agent	-	-	-	34,641,725	-	-	-
Other non-operating revenue	-	-	-	-	-	-	251
Gain (loss) on disposal of capital assets	-	-	-	-	(32,132)	-	(24,803)
Total non-operating revenues (expenses)	-	29,731,893	17,180	6,519,598	(32,132)	(158,782)	108,719,228
NET INCOME (LOSS) BEFORE TRANSFERS	549,457	(622,689)	16,648	6,355,302	(898,420)	-	21,409,960
TRANSFERS							
Transfers in	-	2,000,000	-	-	-	(36,031,343)	-
Transfers (out)	-	-	-	-	-	36,031,343	(2,755,999)
Total transfers	-	2,000,000	-	-	-	-	(2,755,999)
CHANGE IN NET POSITION	549,457	1,377,311	16,648	6,355,302	(898,420)	-	18,653,961
NET POSITION (DEFICIT), JULY 1	2,019,872	1,861,849	4,470,368	(50,965,065)	109,957,274	-	180,965,072
NET POSITION (DEFICIT), JUNE 30	\$ 2,569,329	\$ 3,239,160	\$ 4,487,016	\$ (44,609,763)	\$ 109,058,854	\$ -	\$ 199,619,033

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS -
BY AUXILIARY ENTERPRISE GROUP

June 30, 2021

	Bookstore Account	Auto Parts Account	Southwest Cable Consortium Account	Student Life and Athletics Account	Total
CURRENT ASSETS					
Cash	\$ 2,830,189	\$ 90,034	\$ -	\$ 597,479	\$ 3,517,702
Investments	1,981,493	-	-	-	1,981,493
Receivables					
Accrued interest	2,409	-	-	-	2,409
Accounts	-	9,776	-	-	9,776
Other	88,843	-	-	-	88,843
Tuition and fees	13,334	-	-	10	13,344
Inventories	531,238	30,487	-	-	561,725
	<hr/>				
Total current assets	5,447,506	130,297	-	597,489	6,175,292
NONCURRENT ASSETS					
Capital assets	40,170	-	-	-	40,170
Less accumulated depreciation	(40,170)	-	-	-	(40,170)
	<hr/>				
Net capital assets	-	-	-	-	-
	<hr/>				
Total noncurrent assets	-	-	-	-	-
	<hr/>				
Total assets	5,447,506	130,297	-	597,489	6,175,292
CURRENT LIABILITIES					
Accounts payable	129,936	5,987	-	2,215	138,138
Accrued salaries and payroll deductions payable	16,074	-	-	-	16,074
Accrued compensated absences	39,412	-	-	-	39,412
Other current liabilities	35,901	-	-	-	35,901
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Total current liabilities	221,323	5,987	-	2,215	229,525
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Total liabilities	221,323	5,987	-	2,215	229,525
NET POSITION					
Unrestricted	5,226,183	124,310	-	595,274	5,945,767
TOTAL NET POSITION					
	\$ 5,226,183	\$ 124,310	\$ -	\$ 595,274	\$ 5,945,767

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BY AUXILIARY ENTERPRISE GROUP

For the Year Ended June 30, 2021

	Bookstore Account	Auto Parts Account	Southwest Cable Consortium Account	Student Life and Athletics Account	Total
OPERATING REVENUES					
Auxiliary enterprises revenue	\$ 2,842,229	\$ 40,248	\$ 16,577	\$ 123,477	\$ 3,022,531
Total operating revenues	2,842,229	40,248	16,577	123,477	3,022,531
OPERATING EXPENSES					
Auxiliary services	3,298,572	33,211	16,577	65,142	3,413,502
Total operating expenses	3,298,572	33,211	16,577	65,142	3,413,502
OPERATING INCOME (LOSS)	(456,343)	7,037	-	58,335	(390,971)
NON-OPERATING REVENUES (EXPENSES)					
Investment income	6,500	-	-	-	6,500
Total non-operating revenues (expenses)	6,500	-	-	-	6,500
NET INCOME (LOSS) BEFORE TRANSFERS	(449,843)	7,037	-	58,335	(384,471)
TRANSFERS					
Transfers in	2,654,046	101,953	-	-	2,755,999
Total transfers	2,654,046	101,953	-	-	2,755,999
CHANGE IN NET POSITION	2,204,203	108,990	-	58,335	2,371,528
NET POSITION, JULY 1	3,021,980	15,320	-	536,939	3,574,239
NET POSITION, JUNE 30	\$ 5,226,183	\$ 124,310	\$ -	\$ 595,274	\$ 5,945,767

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

**SCHEDULE OF REVENUES AND EXPENSES
DRIVER SAFETY PROGRAM**

For the Year Ended June 30, 2021

REVENUES	
Program revenue	\$ 346,242
	<u>346,242</u>
Total revenues	<u>346,242</u>
EXPENSES	
Salaries	184,589
Employee benefits	53,038
Materials and supplies	40,623
Facility rental	800
Administrative support services	142,316
	<u>421,366</u>
Total expenses	<u>421,366</u>
EXCESS OF REVENUES OVER (UNDER) EXPENSES	<u><u>\$ (75,124)</u></u>

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

**ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR END FINANCIAL REPORT**

For the Year Ended June 30, 2021

CSFA Number	Program Name	State	Federal	Other	Total
684-01-1625	Adult Education - Basic Grants to States - Federal and State Funding Combined	\$ 876,109	\$ 434,492	\$ -	\$ 1,310,601
684-00-2333	Transitional Instruction - Math & English	17,832	-	-	17,832
420-35-0083	Small Business Development Centers	-	198,694	118,394	317,088
N/A	Small Business Development Centers - Program Income	40	-	-	40
684-00-0465	Career and Technical Education - Basic Grants to States	-	326,298	-	326,298
684-00-2727	Governor's Emergency Education Relief (GEER)	-	214,010	-	214,010
684-00-0825	Base Operating Grants	5,505,980	-	-	5,505,980
684-00-0826	Equalization Grants	50,000	-	-	50,000
684-00-0820	Career and Technical Education - Formula Grants	396,968	-	-	396,968
N/A	Illinois Green Economy Network	47,550	-	-	47,550
	Other grant programs and activities	-	22,770,284	121,805	22,892,089
	All other costs not allocated	-	-	77,595,303	77,595,303
TOTAL		\$ 6,894,479	\$ 23,943,778	\$ 77,835,502	\$ 108,673,759

(See independent auditor's report.)



STATISTICAL SECTION



STATISTICAL SECTION

This part of the Waubensee Community College District 516's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information displays about the College's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.	65-68
Revenue Capacity These schedules contain information to help the reader assess the College's most significant local revenue source, the property tax.	69-72
Debt Capacity These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the College's ability to issue additional debt in the future.	73-78
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place.	79-80
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the College's financial report relates to the services the College provides and the activities it performs.	81-83

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

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
NET POSITION				
Net investment in capital assets	\$ 49,303,773	\$ 49,724,857	\$ 62,388,979	\$ 70,777,060
Restricted	7,103,167	7,785,665	5,598,214	6,109,725
Unrestricted	47,807,112	57,380,301	65,226,503	69,568,746
TOTAL NET POSITION	\$ 104,214,052	\$ 114,890,823	\$ 133,213,696	\$ 146,455,531

*The College implemented GASB Statement No. 75 for the fiscal year ended June 30, 2018.

Amounts were reclassified between restricted and unrestricted net position during the fiscal year ended June 30, 2012.

Data Source

Audited Financial Statements

2016	2017	2018*	2019	2020	2021
\$ 73,358,760	\$ 73,656,099	\$ 73,282,369	\$ 72,833,131	\$ 78,903,515	\$ 80,882,958
6,640,248	7,084,033	8,139,457	9,293,796	9,986,615	14,741,441
74,259,236	87,688,193	68,268,807	82,917,721	95,649,181	109,940,401
\$ 154,258,244	\$ 168,428,325	\$ 149,690,633	\$ 165,044,648	\$ 184,539,311	\$ 205,564,800

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

CHANGES IN NET POSITION

For the Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015
OPERATING REVENUES				
Tuition and fees	\$ 16,212,191	\$ 16,709,561	\$ 16,305,032	\$ 16,223,294
Chargeback revenue	-	-	506	-
Auxiliary enterprises revenue	3,794,027	3,970,044	3,685,698	3,644,310
Other operating revenue	2,235,810	2,070,145	2,252,212	2,565,860
Total operating revenues	22,242,028	22,749,750	22,243,448	22,433,464
OPERATING EXPENSES				
Instruction	24,387,222	26,859,549	27,452,295	28,799,208
Academic support	3,252,288	3,576,799	3,422,436	3,388,961
Student services, scholarships, grants and waivers	12,323,569	14,113,759	14,505,530	15,656,600
Public services	3,890,231	3,257,102	3,379,827	3,465,512
Auxiliary services	5,764,133	5,700,973	5,508,492	5,434,458
Operation and maintenance of plant	9,085,258	9,094,269	8,249,079	7,394,954
Institutional support	14,569,988	16,878,945	11,693,407	16,401,336
Depreciation	4,613,706	4,460,405	4,354,954	4,864,003
Total operating expenses	77,886,395	83,941,801	78,566,020	85,405,032
OPERATING INCOME (LOSS)	(55,644,367)	(61,192,051)	(56,322,572)	(62,971,568)
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	41,567,614	43,574,561	44,772,454	46,235,795
Personal property replacement tax	846,273	895,690	938,710	982,533
Local grants and contracts	111,368	64,678	73,215	60,488
State grants and contracts	13,884,469	17,234,642	18,174,857	19,537,788
Federal grants and contracts	12,613,756	12,365,967	13,057,848	11,907,499
Investment income	446,386	514,427	339,338	382,580
Interest expense and fiscal charges	(3,962,786)	(3,034,908)	(2,896,570)	(2,729,908)
Bond issuance costs	-	(484,854)	-	-
Other non-operating revenue (expense)	(85,194)	738,619	185,593	7,854
Gain (loss) on disposal of capital assets	-	-	-	(171,226)
Total non-operating revenues (expenses)	65,421,886	71,868,822	74,645,445	76,213,403
CHANGE IN NET POSITION	\$ 9,777,519	\$ 10,676,771	\$ 18,322,873	\$ 13,241,835

Data Source

Audited Financial Statements

	2016	2017	2018	2019	2020	2021
\$	16,775,162	\$ 18,430,223	\$ 18,158,240	\$ 17,512,204	\$ 17,322,063	\$ 16,361,456
	-	-	-	-	-	-
	3,807,735	3,927,071	3,639,636	3,290,671	2,996,837	2,352,651
	2,303,015	1,956,830	2,276,098	1,903,684	1,430,661	897,944
	22,885,912	24,314,124	24,073,974	22,706,559	21,749,561	19,612,051
	30,509,632	32,337,005	34,582,294	35,321,005	35,988,815	34,022,261
	3,698,169	4,982,036	5,483,930	4,992,499	5,464,512	5,645,634
	15,406,299	16,818,130	18,103,893	19,027,298	19,679,628	23,320,074
	3,679,864	3,970,697	4,756,946	3,436,633	3,109,381	1,916,783
	5,421,335	5,284,486	5,300,236	4,960,152	4,528,041	3,845,600
	8,231,829	9,677,961	9,998,635	10,258,834	9,315,782	9,975,787
	17,932,356	18,604,942	22,353,685	23,630,722	24,373,008	23,185,657
	4,862,601	5,073,146	5,021,218	5,198,526	5,086,990	5,400,494
	89,742,085	96,748,403	105,600,837	106,825,669	107,546,157	107,312,290
	(66,856,173)	(72,434,279)	(81,526,863)	(84,119,110)	(85,796,596)	(87,700,239)
	47,268,226	48,424,979	49,910,982	51,737,359	53,563,496	50,249,331
	789,403	1,119,936	840,763	909,552	995,625	1,262,849
	98,540	351,301	213,607	163,326	106,052	38,311
	18,195,652	28,369,587	31,212,793	33,301,767	35,862,238	36,366,385
	11,062,847	10,034,531	10,367,760	10,657,188	10,746,840	21,530,807
	524,472	748,638	540,841	4,639,374	5,371,588	639,263
	(2,606,700)	(2,459,808)	(2,278,543)	(2,069,448)	(1,852,621)	(1,336,666)
	-	-	-	-	-	-
	4,344	15,000	200,000	129,050	46,088	251
	(677,898)	196	(26,346)	4,957	831	(24,803)
	74,658,886	86,604,360	90,981,857	99,473,125	104,840,137	108,725,728
\$	7,802,713	\$ 14,170,081	\$ 9,454,994	\$ 15,354,015	\$ 19,043,541	\$ 21,025,489

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Farm Property	Residential Property	Commercial Property	Industrial Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2011	\$ 244,763,084	\$ 7,141,154,417	\$ 1,158,458,130	\$ 535,180,935	\$ 16,745,262	\$ 9,096,301,828	0.4692	\$ 27,288,905,484	33.333%
2012	242,689,302	6,466,477,105	1,131,319,751	521,061,617	17,983,248	8,379,531,023	0.5323	25,138,593,069	33.333%
2013	245,110,264	6,014,681,955	1,087,411,079	537,384,959	20,513,688	7,905,101,945	0.5761	23,715,305,835	33.333%
2014	252,472,246	5,965,018,874	1,075,737,217	545,047,744	21,101,457	7,859,377,538	0.5768	23,578,132,614	33.333%
2015	258,324,853	6,245,265,302	1,085,119,000	555,101,893	22,980,280	8,166,791,328	0.5477	24,500,373,984	33.333%
2016	269,688,712	6,755,168,133	1,127,143,007	583,325,546	25,172,438	8,760,497,836	0.5405	26,281,493,508	33.333%
2017	282,780,108	7,175,849,106	1,154,558,701	576,991,798	27,060,484	9,217,240,197	0.5527	27,651,720,591	33.333%
2018	298,605,458	7,583,937,102	1,211,417,505	609,686,927	29,687,519	9,733,334,511	0.5419	29,200,003,533	33.333%
2019	310,112,284	8,001,463,407	1,238,350,295	632,167,788	33,688,477	10,215,782,251	0.5377	30,647,346,753	33.333%
2020	320,516,496	8,360,171,277	1,266,845,323	670,639,721	39,125,308	10,657,298,125	0.4287	31,971,894,375	33.333%

Note: Property in the College is reassessed every four years. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
COLLEGE DIRECT RATES										
Education	0.2988	0.3360	0.3937	0.3910	0.3793	0.3729	0.3787	0.3695	0.3683	0.3582
Operations and maintenance	0.0895	0.1000	0.0847	0.0841	0.0705	0.0693	0.0707	0.0690	0.0687	0.0669
Operations and maintenance, restricted	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Liability, protection and settlement	0.0107	0.0121	0.0133	0.0132	0.0125	0.0123	0.0125	0.0122	0.0121	0.0118
Audit	0.0008	0.0009	0.0010	0.0010	0.0009	0.0009	0.0009	0.0009	0.0009	0.0009
Public Building Commission rental	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Bond and interest	0.0694	0.0833	0.0834	0.0875	0.0845	0.0851	0.0899	0.0903	0.0877	-0.0091
Total direct rate	0.4692	0.5323	0.5761	0.5768	0.5477	0.5405	0.5527	0.5419	0.5377	0.4287
OVERLAPPING RATES										
School district	5.1603	5.9471	6.7592	6.8578	6.5898	6.1478	5.9882	5.8301	5.6274	5.4393
County	0.6599	0.7024	0.7637	0.7810	0.7423	0.6454	0.5683	0.5484	0.5288	0.5095
Township	0.2742	0.2162	0.2517	0.2602	0.2478	0.2261	0.2163	0.2210	0.2107	0.2002
City	2.7147	2.9749	3.2412	3.5964	3.5050	3.3624	3.3048	3.2150	3.2310	3.1618
Park district	0.5286	0.5841	0.6257	0.6307	0.5999	0.5590	0.5322	0.4903	0.4916	0.4557
TOTAL RATES	9.8069	10.9570	12.2176	12.7029	12.2325	11.4812	11.1625	10.8467	10.6272	10.1952

Data Source

Office of the County Clerk

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

2021				2012			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total College Taxable Assessed Valuation	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total College Taxable Assessed Valuation
Simon/Chelsea Chicago Development LLC	\$ 66,127,869	1	0.62%	Simon/Chelsea Chicago Dev.	\$ 38,928,626	1	0.43%
LPF Geneva Commons, LLC	30,630,270	2	0.29%	Menards, Inc.	33,646,147	2	0.37%
Liberty Illinois LP	27,482,734	3	0.26%	Liberty Property LP	33,431,131	3	0.37%
Chicago Premium Outlets Expansion LLC	23,420,173	4	0.22%	V V2/Geneva Commons LP	27,745,846	4	0.31%
Menards, Inc.	22,474,740	5	0.21%	Toyota Motor Sales, USA, Inc.	23,106,942	5	0.25%
Aldi, Inc.	13,057,010	6	0.12%	Aurora Industrial Holding Company	19,539,015	6	0.21%
NR Kirkland Crossing LLC	11,530,974	7	0.11%	Caterpillar Tractor Co.	13,406,883	7	0.15%
Continental 424 Fund LLC	11,315,626	8	0.11%	Wal-Mart	13,032,501	8	0.14%
Toyota Motor Saes USA Inc	10,298,066	9	0.10%	Delnor Community Health System	11,776,845	9	0.13%
325 South Route 31 LLC	<u>10,235,371</u>	10	<u>0.10%</u>	Aldi, Inc.	<u>10,567,034</u>	10	<u>0.12%</u>
	<u>\$ 226,572,833</u>		<u>2.14%</u>		<u>\$ 225,180,970</u>		<u>2.48%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels and it is possible that some parcels and their valuations have been overlooked.

Data Source

PMA

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 42,684,389	\$ 20,807,733	48.75%	\$ 21,757,277	\$ 42,565,010	99.72%
2012	44,625,395	21,930,684	49.14%	22,490,936	44,421,620	99.54%
2013	45,557,395	22,433,339	49.24%	22,985,076	45,418,415	99.69%
2014	46,855,267	23,273,461	49.67%	23,411,476	46,684,937	99.64%
2015	48,007,526	23,419,254	48.78%	24,409,775	47,829,029	99.63%
2016	49,157,648	23,923,841	48.67%	25,048,661	48,972,502	99.62%
2017	50,921,506	25,431,638	49.94%	25,403,955	50,835,593	99.83%
2018	52,700,681	23,404,590	44.41%	29,257,140	52,661,730	99.93%
2019	54,407,874	22,795,000	41.90%	31,700,222	54,495,222	100.16%
2020	46,073,747	23,237,167	50.43%	-	23,237,167	50.43%

Note: Property in the College is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

RATIO OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Business-Type Activities			Total Primary Government	Assessed Valuation of District	As a Percentage of Taxable Property	District Population Estimate	Debt Per Capita	As a Percentage of Personal Income
	General Obligation Bonds	Alternate Revenue Bonds	Alternate Revenue Bonds						
2012	\$ 85,839,034	\$ 690,000	\$ 745,000	\$ 87,274,034	\$ 9,096,301,828	0.96%	446,877	\$ 195.30	0.45%
2013	88,318,825	-	-	88,318,825	8,379,531,023	1.05%	441,799	199.91	0.46%
2014	81,947,542	-	-	81,947,542	7,905,101,945	1.04%	443,938	184.59	0.40%
2015	77,887,844	-	-	77,887,844	7,859,377,538	0.99%	444,813	175.10	0.37%
2016	73,203,145	-	-	73,203,145	8,166,791,328	0.90%	449,304	162.93	0.32%
2017	68,088,447	-	-	68,088,447	8,760,497,836	0.78%	463,938	146.76	0.28%
2018	62,504,836	-	-	62,504,836	9,217,240,197	0.68%	453,044	137.97	0.25%
2019	56,232,312	-	-	56,232,312	9,733,334,511	0.58%	454,246	123.79	0.21%
2020	49,249,787	-	-	49,249,787	10,215,782,251	0.48%	453,240	108.66	0.18%
2021	42,290,504	-	-	42,290,504	10,657,298,125	0.40%	454,127	93.12	0.15%

Note: Details of the College's outstanding debt can be found in the notes to financial statements.

See the schedule of Demographic and Economic Information on page 79 for personal income and population data.

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

RATIO OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available for Debt Service	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2012	\$ 85,839,034	\$ 3,159,601	\$ 82,679,433	0.91%	\$ 185.02
2013	88,318,825	3,856,996	84,461,829	1.01%	191.18
2014	81,947,542	1,657,300	80,290,242	1.02%	180.86
2015	77,887,844	1,998,204	75,889,640	0.97%	170.61
2016	73,203,145	2,196,109	71,007,036	0.87%	158.04
2017	68,088,447	2,457,878	65,630,569	0.75%	130.09
2018	62,504,836	2,860,886	59,643,950	0.65%	121.72
2019	56,232,312	3,314,446	52,917,866	0.54%	116.50
2020	49,249,787	3,579,376	45,670,411	0.45%	100.76
2021	42,290,504	7,594,293	34,696,211	0.33%	76.40

Note: Details of the College's outstanding debt can be found in the notes to financial statements.

See the schedule of Assessed Value and Actual Value of Taxable Property on page 69 for property value data.

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

June 30, 2021

Governmental Unit	Gross Debt	Percentage Debt Applicable to the College (1)	College's Share of Debt
Community College District No. 516	\$ 42,290,504	100.00%	\$ 42,290,504
Schools			
Unit School District Number 1 (Leland)	1,575,000	99.90%	1,573,425
Unit School District Number 2 (Serena)	2,490,000	0.19%	4,731
Unit School District Number 88 (Plano)	37,055,042	100.00%	37,055,042
Unit School District Number 101 (Batavia)	37,450,000	100.00%	37,450,000
Unit School District Number 115 (Yorkville)	60,803,589	97.81%	59,471,990
Unit School District Number 129 (West Aurora)	111,993,000	100.00%	111,993,000
Unit School District Number 131 (East Aurora)	87,515,000	100.00%	87,515,000
Unit School District Number 204 (Indian Prairie)	129,130,000	0.11%	142,043
Unit School District Number 302 (Kaneland)	63,610,517	100.00%	63,610,517
Unit School District Number 304 (Geneva)	112,600,000	100.00%	112,600,000
Unit School District Number 308 (Oswego)	254,440,411	100.00%	254,440,411
Unit School District Number 429 (Hinckley-Big Rock)	5,470,000	100.00%	5,470,000
Unit School District Number 430 (Sandwich)	1,712,336	100.00%	1,712,336
Unit School District Number 432 (Somonauk)	5,345,000	100.00%	5,345,000
Kane County Forest Preserve	115,640,000	42.10%	48,684,440
Kendall County Forest Preserve	30,730,000	85.42%	26,249,566
Will County Forest Preserve	94,175,000	1.62%	1,525,635
Campton Township	20,280,000	9.28%	1,881,984
Cities and Villages			
City of Aurora	100,175,000	55.92%	56,017,860
City of Batavia	34,790,000	100.00%	34,790,000
City of Geneva	625,000	100.00%	625,000
City of Plano	158,000	100.00%	158,000
City of St. Charles	106,995,000	0.13%	139,094
City of Yorkville	3,100,000	99.92%	3,097,520
Village of Oswego	26,525,000	100.00%	26,525,000

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (Continued)

June 30, 2021

Governmental Unit	Gross Debt	Percentage Debt Applicable to the College (1)	College's Share of Debt
Library Districts			
Aurora Library District	\$ 17,130,000	55.92%	\$ 9,579,096
Geneva Public Library District	20,090,000	100.00%	20,090,000
Oswego Library District	4,570,000	100.00%	4,570,000
Plano Community Library District	455,000	100.00%	455,000
Sandwich Library District	2,245,000	100.00%	2,245,000
Somonauk Library District	1,390,000	97.68%	1,357,752
Sugar Grove Library District	2,300,000	100.00%	2,300,000
Park Districts			
Fox Valley Park District	20,869,385	65.19%	13,604,752
Oswegoland Park District	2,645,000	99.13%	2,621,989
Plainfield Township Park District	10,373,680	1.38%	143,157
St. Charles Park District	19,295,000	0.08%	15,436
Total Overlapping Debt	<u>1,545,745,960</u>		<u>1,035,059,776</u>
Total Primary and Overlapping Debt	<u>\$ 1,588,036,464</u>		<u>\$ 1,077,350,280</u>

(1) Determined by ratio of assessed valuation of property subject to taxation in the College to valuation of property subject to taxation in overlapping units.

Data Source

PMA

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
Legal debt limit	\$ 261,518,678	\$ 240,911,517	\$ 227,271,681	\$ 225,957,104	\$ 234,795,251	\$ 251,864,313	\$ 264,995,656	\$ 279,833,367	\$ 293,703,740	\$ 306,397,321	
Total net debt applicable to limit	83,190,063	79,910,020	74,330,000	71,050,000	67,145,000	62,810,000	58,005,000	56,232,312	49,249,787	42,290,504	
LEGAL DEBT MARGIN	\$ 178,328,615	\$ 161,001,497	\$ 152,941,681	\$ 154,907,104	\$ 167,650,251	\$ 189,054,313	\$ 206,990,656	\$ 223,601,055	\$ 244,453,953	\$ 264,106,817	
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT	31.81%	33.17%	32.71%	31.44%	28.60%	24.94%	21.89%	20.09%	16.77%	13.80%	
Legal debt margin calculation for fiscal 2021											
										Assessed value	\$ 10,657,298,125
										Legal debt margin	<u>2.875%</u>
										Debt limit	306,397,321
										Debt applicable to limit general obligation bonds	<u>42,290,504</u>
										LEGAL DEBT MARGIN	<u><u>\$ 264,106,817</u></u>

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

PLEDGED-REVENUE COVERAGE - ALTERNATE REVENUE BONDS

Last Ten Fiscal Years

Fiscal Year	Allowable Funding Sources									
	Interest Earnings Education O&M Funds	Net Copley Rental Income Before Interest Charges	Net Bookstore Income	Funds Available	1995A Certificates and 1998 AR Bonds Debt Service		1995 Certificates and 2002 AR Bonds Debt Service		Total Debt Service	Coverage
					Principal	Interest	Principal	Interest		
2012	\$ 71,835	\$ 46,402	\$ 287,922	\$ 406,159	\$ 155,000	\$ 35,630	\$ 165,000	\$ 46,605	\$ 402,235	\$ 1.01
2013	54,970	40,002	468,728	563,700	690,000	19,789	745,000	25,995	1,480,784	0.38
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: The 1998 AR Bonds and the 2002 AR Bonds were called and paid in full during the fiscal year ended June 30, 2013.

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	District Population	Kane County Population	Kane County Total Personal Income	Kane County Per Capita Personal Income	District Unemployment Rates					State of Illinois Unemployment Rate
					Kane County	Kendall County	DeKalb County	LaSalle County	Will County	
2012	446,877	B/C/E 516,378	\$ 18,613,662,000	\$ 36,047	9.69%	8.28%	8.57%	11.80%	9.65%	9.23%
2013	441,799	B/C/L 520,271	19,402,519,000	37,293	10.34%	9.08%	9.22%	12.17%	10.30%	9.67%
2014	443,938	B/C/L 522,487	20,700,135,000	39,618	8.61%	7.70%	7.91%	11.21%	8.90%	8.50%
2015	444,813	B/C/L 523,643	21,021,492,000	40,145	6.04%	5.77%	5.61%	7.30%	6.88%	6.29%
2016	449,304	B/C/L 527,306	22,604,490,000	42,868	6.87%	5.91%	6.49%	8.45%	6.89%	6.75%
2017	463,938	B/C/L 530,847	23,971,167,000	45,156	5.77%	4.47%	5.70%	6.79%	5.20%	5.28%
2018	453,044	B/C/L 531,715	24,566,385,000	46,202	4.59%	4.32%	3.91%	5.50%	5.07%	4.57%
2019	454,246	B/C/L 534,667	26,185,561,000	48,975	5.23%	3.62%	4.65%	6.28%	4.12%	4.60%
2020	453,240	B/C/L 471,280	27,422,788,000	51,333	7.33%	6.93%	6.55%	8.33%	7.60%	7.13%
2021	454,127	B/C/L 516,522	27,771,665,000	36,370	6.10%	5.50%	5.90%	6.30%	6.60%	7.00%

Personal income figures are not available for the College.

Kane County is the largest county in the College with 66% of the assessed valuation of the College.

Sources of information:

B = Bureau of Economic Analysis, US Department of Commerce, "BearFacts" for Geography Kane County, IL (2017)

<http://www.bea.gov/regional/bearfacts> (for Kane County)

C = 2019 Nielsen demographics purchase, 2019 current population estimate, all in district residential zip codes (including all Aurora)

E = 2014 Regional Business Report (EMSI) www.economicmodeling.com IPEDS and other local data

L = Bureau of Labor Statistics: January to April 2019, average unemployment % by county (and state), not seasonally adjusted

<http://www.bls.gov/lau/#tables>

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2021				2012			
Employer	Rank	Employees	% of District Population	Employer	Rank	Employees	% of District Population
Fermi National Accelerator Laboratory	1	3,000	0.66%	Capterpillar Tractor Co.	1	3,300	0.74%
Capterpillar Tractor Co.	2	3,000	0.66%	Rush Copley Medical Center	2	2,000	0.45%
Oswego Community School District #308	3	2,195	0.48%	Fermi National Accelerator Laboratory	3	1,900	0.43%
Rush Copley Medical Center	4	1,736	0.38%	Delnor Community Hospital	4	1,650	0.37%
West Aurora High School District #129	5	1,736	0.38%	West Aurora School District #129	5	1,641	0.37%
Northwestern Medicine Delnor Hospital	6	1,735	0.38%	Oswego Community School District #308	6	1,585	0.35%
Hollywood Casino	7	1,600	0.35%	City of Aurora	7	1,400	0.31%
East Aurora High School District #131	8	1,389	0.31%	Provena Mercy Center	8	1,300	0.29%
Waubonsee Community College	9	1,299	0.29%	East Aurora School District #131	9	1,200	0.27%
Presence Mercy	10	853	0.19%	LTD Commodities	10	1,200	0.27%

Data Source

IDES Employer Data, Illinois State Board of Education

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Faculty										
Full-time	107	116	116	118	118	116	115	111	109	105
Part-time	684	541	504	509	501	463	344	332	339	379
Full-time administrators	34	35	38	38	38	42	42	38	39	37
Classified staff										
Full-time	239	243	253	268	260	261	276	275	266	274
Part-time	299	250	229	218	215	224	234	200	221	166
Total employees	<u>1,363</u>	<u>1,185</u>	<u>1,140</u>	<u>1,151</u>	<u>1,132</u>	<u>1,106</u>	<u>1,011</u>	<u>956</u>	<u>974</u>	<u>961</u>
Total full-time staff	<u>380</u>	<u>394</u>	<u>407</u>	<u>424</u>	<u>416</u>	<u>419</u>	<u>433</u>	<u>424</u>	<u>414</u>	<u>416</u>

Data Source

College records

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

OPERATING INDICATORS

Last Ten Fiscal Years

Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Credit Hours Generated										
Baccalaureate	118,997.0	120,415.0	117,666.0	115,683.0	117,477.0	117,457.5	111,117.0	105,886.0	106,284.0	102,678.0
Business	14,478.0	15,759.0	13,525.0	12,698.0	12,055.0	11,699.0	11,269.0	11,320.0	10,423.0	8,882.0
Technical	11,820.0	10,770.0	10,519.0	10,760.0	11,150.0	10,217.5	9,800.0	9,248.0	8,787.0	7,302.5
Health	11,826.0	11,581.0	10,099.0	8,946.0	8,995.0	9,153.5	8,735.5	9,320.0	8,374.0	7,379.5
Remedial	17,662.0	18,028.0	15,846.0	13,434.0	11,509.0	10,401.0	10,327.0	9,785.0	8,561.0	6,177.0
ABE, ASE, GED	25,351.0	26,615.0	25,472.0	24,161.0	21,937.0	16,501.5	15,933.5	15,383.0	14,525.0	4,738.0
Total	200,134	203,168	193,127	185,682	183,123	175,430	167,182	160,942	156,954	137,157
Student headcount	29,389	30,757	29,371	28,961	28,670	27,164	26,237	25,176	24,349	19,828
Student FTE	13,749	14,213	13,546	13,050	12,712	12,304	11,670	11,324	11,001	9,635
Tuition Rate per Hour	\$ 95.00	\$ 97.00	\$ 100.00	\$ 104.00	\$ 110.00	\$ 118.00	\$ 126.00	\$ 128.00	\$ 130.00	\$ 132.00
Tuition and Fee Revenue	\$ 20,665,865	\$ 21,295,615	\$ 20,577,627	\$ 20,495,799	\$ 21,103,357	\$ 22,486,607	\$ 22,610,250	\$ 21,577,079	\$ 20,949,837	\$ 19,250,298
Degrees and Certificates awarded:										
A.A., A.S., A.E.S.	732	782	740	787	765	823	816	797	733	738
A.G.S.	44	63	54	66	37	46	56	70	72	52
A.A.S.	258	270	247	242	226	253	263	283	215	252
Certificates	1457	941	780	1081	730	702	789	742	606	558

Data Source

Various state reports and college records

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Facility Information	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Acres (all campuses)	254	216	216	216	216	216	216	216	216	216
Net utilizable square feet (all campuses)	815,030	815,030	816,841	895,361	895,046	905,308	906,155	906,155	906,155	906,155
Number of buildings (all campuses)	22	22	22	23	22	22	22	22	22	22
Number of classrooms	179	167	163	166	157	170	150	150	150	150
Number of laboratories	115	126	121	121	120	135	140	140	140	140
Number of libraries	4	4	4	4	4	4	4	4	4	4
Number of offices	516	516	516	533	532	552	547	547	547	547
Number of other	857	858	827	851	863	885	886	886	886	886
Square feet - classrooms	154,243	141,643	142,671	147,962	139,117	148,795	139,551	139,551	139,551	139,551
Square feet - labs	90,943	101,505	99,223	99,201	98,253	110,932	117,017	117,017	117,017	117,017
Square feet - libraries	27,420	26,814	27,237	29,093	28,572	30,883	31,634	31,634	31,634	31,634
Square feet - offices	108,116	107,892	112,005	116,302	116,155	116,631	115,483	115,483	115,483	115,483
Square feet - other	434,308	437,176	435,705	502,803	512,949	498,067	502,470	502,470	502,470	502,470
Total square feet	815,030	815,030	816,841	895,361	895,046	905,308	906,155	906,155	906,155	906,155

Data Source

College RAMP reports filed with ICCB



SPECIAL REPORTS



SUPPLEMENTAL FINANCIAL INFORMATION

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

CERTIFICATION OF CHARGEBACK REIMBURSEMENT FOR FISCAL YEAR 2021

ALL FISCAL YEAR 2021 NONCAPITAL AUDITED OPERATING EXPENDITURES FROM THE FOLLOWING FUNDS:

1	Education Fund	\$ 51,063,896
2	Operation and Maintenance Fund	5,922,918
3	Public Building Commission Operation and Maintenance Fund	-
4	Bond and Interest Fund	1,216
5	Public Building Commission Rental Fund	-
6	Restricted Purposes Fund	12,508,091
7	Audit Fund	73,468
8	Liability, Protection and Settlement Fund	1,618,426
9	Auxiliary Enterprises Fund (subsidy only)	-
		-
10	TOTAL NONCAPITAL EXPENDITURES (sum of lines 1-9)	\$ 71,188,015
11	Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid) from sources other than state and federal funds	5,243,874
		5,243,874
12	TOTAL COSTS INCLUDED (line 10 plus line 11)	\$ 76,431,889
13	TOTAL SEMESTER CREDIT HOURS FOR FY 2021	137,157
		137,157
14	PER CAPITA COST (line 12 divided by line 13)	\$ 557.26
15	All FY 2021 state and federal operating grants for noncapital expenditures DO NOT INCLUDE ICCB GRANTS	10,732,530
		10,732,530
16	FY 2021 state and federal grants per semester credit hour (line 15 divided by line 13)	78.25
		78.25
17	District's average ICCB grant rate (excluding equalization grants) for FY 2021	36.26
		36.26
18	District's student tuition and fee rate per semester credit hour for FY 2021	140.00
		140.00
19	Chargeback reimbursement per semester credit hour (line 14 less lines 16, 17 and 18)	302.75
		302.75

(See independent auditor's report.)

UNIFORM FINANCIAL STATEMENTS

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

ALL FUNDS SUMMARY
UNIFORM FINANCIAL STATEMENT #1
FISCAL YEAR ENDED JUNE 30, 2021

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Restricted Fund	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund
FUND BALANCES, JULY 1, 2020	\$ 21,429,105	\$ 7,652,364	\$ 79,101,782	\$ 3,579,376	\$ 7,455,960	\$ 72,773	\$ 4,470,368
REVENUES							
Local tax revenue	37,549,725	7,003,846	-	4,370,587	-	-	-
All other local revenue	1,262,849	-	-	-	-	-	-
ICCB grants	5,952,948	-	-	-	-	893,942	-
All other state revenue	47,550	-	-	-	-	29,471,945	-
Federal revenue	171,871	-	-	-	-	21,517,718	-
Student tuition and fees	19,250,298	-	-	-	-	-	-
All other revenue	823,915	147,880	276,103	35,007,185	3,289,019	38,311	17,180
Total revenues	65,059,156	7,151,726	276,103	39,377,772	3,289,019	51,921,916	17,180
EXPENDITURES							
Instruction	19,944,514	-	-	-	404,499	14,455,875	-
Academic support	3,590,480	-	-	-	45,197	2,027,543	-
Student services	8,853,027	-	-	-	171,938	6,809,913	-
Public service/continuing education	832,647	-	-	-	20,276	1,106,800	-
Organized research	-	-	-	-	-	-	-
Auxiliary services	-	-	-	-	2,878,091	444,076	-
Operations and maintenance	179,455	6,028,575	4,845,483	-	73,196	2,314,113	-
Institutional support	15,195,881	-	9,018	42,854,064	153,525	6,419,654	532
Scholarships, student grants, waivers	2,967,873	-	-	-	-	8,535,135	-
Total expenditures	51,563,877	6,028,575	4,854,501	42,854,064	3,746,722	42,113,109	532
NET TRANSFERS	1,188,066	(953,803)	(3,772,664)	7,491,209	4,755,999	(9,808,807)	-
FUND BALANCES, JUNE 30, 2021	\$ 36,112,450	\$ 7,821,712	\$ 70,750,720	\$ 7,594,293	\$ 11,754,256	\$ 72,773	\$ 4,487,016

(This statement is continued on the following page.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

ALL FUNDS SUMMARY
UNIFORM FINANCIAL STATEMENT #1 (Continued)
FISCAL YEAR ENDED JUNE 30, 2021

	Audit Fund	Liability, Protection Settlement Fund	Building Bonds Proceeds Fund	PBC * Rental Fund	PBC * Operations and Maintenance Fund	Total
FUND BALANCES, JULY 1, 2020	\$ 15,329	\$ 1,770,045	\$ -	\$ -	\$ -	\$ 125,547,102
REVENUES						
Local tax revenue	89,220	1,235,953	-	-	-	50,249,331
All other local revenue	-	-	-	-	-	1,262,849
ICCB grants	-	-	-	-	-	6,846,890
All other state revenue	-	-	-	-	-	29,519,495
Federal revenue	-	-	-	-	-	21,689,589
Student tuition and fees	-	-	-	-	-	19,250,298
All other revenue	20	3,816	-	-	-	39,603,429
Total revenues	89,240	1,239,769	-	-	-	168,421,881
EXPENDITURES						
Instruction	-	-	-	-	-	34,804,888
Academic support	-	-	-	-	-	5,663,220
Student services	-	-	-	-	-	15,834,878
Public service/continuing education	-	-	-	-	-	1,959,723
Organized research	-	-	-	-	-	-
Auxiliary services	-	-	-	-	-	3,322,167
Operations and maintenance	-	-	-	-	-	13,440,822
Institutional support	73,468	1,618,426	-	-	-	66,324,568
Scholarships, student grants, waivers	-	-	-	-	-	11,503,008
Total expenditures	73,468	1,618,426	-	-	-	152,853,274
NET TRANSFERS	-	1,100,000	-	-	-	-
FUND BALANCES, JUNE 30, 2021	\$ 31,101	\$ 2,491,388	\$ -	\$ -	\$ -	\$ 141,115,709

In accordance with the Illinois Community College Board Fiscal Management Manual, Uniform Financial Statement #1 includes the State of Illinois on-behalf revenue and expenditure for the College's participation in the State University Retirement System (SURS) and the College Health Insurance Program (CIP) within the Restricted Purposes Fund.

In accordance with the Illinois Community College Board Fiscal Management Manual, Uniform Financial Statement #1 includes the Retiree Medical Insurance and Retirement Fund investment income within the Auxiliary Enterprises Fund revenues. The College's OPEB expense related to their participation in the College Health Insurance Plan (CIP) is also recorded within the Auxiliary Enterprises Fund expenditures.

*Public Building Commission

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

SUMMARY OF CAPITAL ASSETS AND DEBT
UNIFORM FINANCIAL STATEMENT #2
FISCAL YEAR ENDED JUNE 30, 2021

	Capital Asset/Debt Account Groups July 1, 2020	Additions	Deletions	Capital Asset/Debt Account Groups June 30, 2021
CAPITAL ASSETS				
Sites and improvements	\$ 17,418,068	\$ -	\$ -	\$ 17,418,068
Buildings, additions and improvements	141,969,686	8,300,685	-	150,270,371
Equipment	11,718,296	749,520	(79,450)	12,388,366
Other capital assets	6,899,264	3,784,686	(8,716,992)	1,966,958
Total capital assets	178,005,314	12,834,891	(8,796,442)	182,043,763
Less accumulated depreciation	(68,048,040)	(5,400,494)	463,625	(72,984,909)
NET CAPITAL ASSETS	\$ 109,957,274	\$ 7,434,397	\$ (8,332,817)	\$ 109,058,854
FIXED DEBT				
Bonds payable	\$ 49,249,787	\$ 34,997,800	\$ (41,957,083)	\$ 42,290,504
Other post employment benefit liability	32,855,835	-	(1,776,988)	31,078,847
TOTAL FIXED DEBT	\$ 82,105,622	\$ 34,997,800	\$ (43,734,071)	\$ 73,369,351
	Outstanding July 1, 2020	Issued	Redeemed	Outstanding June 30, 2021
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	-	-	-	-
PBC RENTAL FUND				
Tax anticipation warrants	-	-	-	-
Tax anticipation notes	-	-	-	-
PBC OPERATIONS AND MAINTENANCE FUND				
Tax anticipation warrants	-	-	-	-
Tax anticipation notes	-	-	-	-

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

OPERATING FUNDS REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #3
FISCAL YEAR ENDED JUNE 30, 2021

OPERATING REVENUES BY SOURCE	Education Fund	Operations and Maintenance Fund	PBC Operations and Maintenance Fund	Total Operating Funds
Local Government				
Local Taxes	\$ 37,549,725	\$ 7,003,846	\$ -	\$ 44,553,571
Chargeback Revenue	-	-	-	-
CPPRT	1,262,849	-	-	1,262,849
Other	-	-	-	-
Total Local Government	38,812,574	7,003,846	-	45,816,420
State Government				
ICCB Base Operating Grant	5,505,980	-	-	5,505,980
ICCB Equalization Grant	50,000	-	-	50,000
ICCB Career & Technical Education	396,968	-	-	396,968
ICCB Adult education	-	-	-	-
Other ICCB Grants not listed above	-	-	-	-
Dept. of Corrections	-	-	-	-
Dept. of Veteran Affairs	-	-	-	-
Illinois Student Assistance Commission	-	-	-	-
Other State not listed above	47,550	-	-	47,550
Total State Government	6,000,498	-	-	6,000,498
Federal Government				
Department of Education	141,617	-	-	141,617
Department of Labor	17,164	-	-	17,164
Department of Health and Human Services	-	-	-	-
Other	13,090	-	-	13,090
Total Federal Government	171,871	-	-	171,871
Student Tuition and Fees				
Tuition	17,364,604	-	-	17,364,604
Fees	1,885,694	-	-	1,885,694
Other Student Assessments	-	-	-	-
Total Student Tuition and Fees	19,250,298	-	-	19,250,298
Other Sources				
Sales and Service fees	564,082	-	-	564,082
Facilities Revenue	177,925	122,517	-	300,442
Investment Revenue	41,159	25,363	-	66,522
Non-Governmental Grants	-	-	-	-
Other	6,479,936	646,197	-	7,126,133
Total Other Revenue Sources	7,263,102	794,077	-	8,057,179
Total Revenue	71,498,343	7,797,923	-	79,296,266
Less Non-Operating Items				
Tuition Chargeback Revenue	-	-	-	-
Instructional Service Contracts	-	-	-	-
Transfers	(6,439,187)	(646,197)	-	(7,085,384)
ADJUSTED REVENUE	\$ 65,059,156	\$ 7,151,726	\$ -	\$ 72,210,882

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

(This statement is continued on the following page.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

OPERATING FUNDS REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #3 (Continued)
FISCAL YEAR ENDED JUNE 30, 2021

	Education Fund	Operations and Maintenance Fund	PBC Operations and Maintenance Fund	Total Operating Funds
OPERATING EXPENDITURES BY PROGRAM				
Instruction	\$ 19,944,514	\$ -	\$ -	\$ 19,944,514
Academic Support	3,590,480	-	-	3,590,480
Student Services	8,853,027	-	-	8,853,027
Public Service/Continuing Education	832,647	-	-	832,647
Organized Research	-	-	-	-
Auxiliary Services	-	-	-	-
Operations and Maintenance	179,455	6,028,575	-	6,208,030
Institutional Support	15,195,881	-	-	15,195,881
Scholarships, Grants, Waivers	2,967,873	-	-	2,967,873
Total Expenditures	51,563,877	6,028,575	-	57,592,452
Adjustments				
Tuition Chargeback	-	-	-	-
Instructional Service Contracts	-	-	-	-
Transfers	19,751,121	1,600,000	-	21,351,121
ADJUSTED EXPENDITURES	\$ 71,314,998	\$ 7,628,575	\$ -	\$ 78,943,573
OPERATING EXPENDITURES BY OBJECT				
Salaries	\$ 32,967,082	\$ 2,221,700	\$ -	\$ 35,188,782
Employee Benefits	5,842,181	466,196	-	6,308,377
Contractual Services	3,444,033	914,076	-	4,358,109
General Materials and Supplies	5,773,653	526,417	-	6,300,070
Conference and Meeting Expenses	218,465	113	-	218,578
Fixed Charges	64,510	848	-	65,358
Utilities	-	1,792,756	-	1,792,756
Capital Outlay	499,981	105,657	-	605,638
Other	2,753,972	812	-	2,754,784
Total Expenditures	51,563,877	6,028,575	-	57,592,452
Adjustments				
Tuition Chargeback	-	-	-	-
Instructional Service Contracts	-	-	-	-
Transfers	19,751,121	1,600,000	-	21,351,121
ADJUSTED EXPENDITURES	\$ 71,314,998	\$ 7,628,575	\$ -	\$ 78,943,573

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

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

**RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #4
FISCAL YEAR ENDED JUNE 30, 2021**

REVENUES BY SOURCE

Local Government	\$ -
Total Local Government	-
State Government	
ICCB - Workforce Development Grants	-
ICCB - Retirees Health Insurance Grants	-
ICCB - P-16 Initiative Grants	-
ICCB - Special Initiative Grants	17,833
ICCB - Program Improvement Grant	-
ICCB - Adult Education	876,109
ICCB - (Other, Attach Itemization)	-
Department of Corrections	-
Illinois Student Assistance Commission	-
Other	29,471,945
Total State Government	30,365,887
Federal Government	
Department of Education	21,021,721
Department of Labor	277,303
Department of Health and Human Services	-
Other	218,694
Total Federal Government	21,517,718
Other Sources	
Tuition and Fees	-
Other	38,311
Total Other Sources	38,311
TRANSFERS	(9,808,807)
TOTAL RESTRICTED PURPOSES FUND REVENUES	\$ 42,113,109

(This statement is continued on the following page.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

**RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #4 (Continued)
FISCAL YEAR ENDED JUNE 30, 2021**

EXPENDITURES BY PROGRAM

Instruction	\$ 14,455,875
Academic Support	2,027,543
Student Services	6,809,913
Public Service/Continuing Education	1,106,800
Organized Research	-
Auxiliary Services	444,076
Operations and Maintenance	2,314,113
Institutional Support	6,419,654
Scholarships, Grants, Waivers	<u>8,535,135</u>

TOTAL RESTRICTED PURPOSES FUND EXPENDITURES \$ 42,113,109

EXPENDITURES BY OBJECT

Salaries	\$ 1,962,881
Employee Benefits	29,853,346
Contractual Services	326,871
Student Financial Aid	8,535,135
General Materials and Supplies	1,033,624
Travel & Conference/Meeting Expenses	34,103
Fixed Charges	3,806
Utilities	-
Capital Outlay	133,113
Other	<u>230,230</u>

TOTAL RESTRICTED PURPOSES FUND EXPENDITURES \$ 42,113,109

In accordance with the Illinois Community College Board Fiscal Management Manual, Uniform Financial Statement #4 includes the State of Illinois on-behalf revenue and expenditure for the College's participation in the State University Retirement System (SURS) and the College Health Insurance Program (CIP).

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

**CURRENT FUNDS* - EXPENDITURES BY ACTIVITY
UNIFORM FINANCIAL STATEMENT #5
FISCAL YEAR ENDED JUNE 30, 2021**

INSTRUCTION

Instructional Programs	\$ 21,294,842
Other	<u>13,105,548</u>
Total Instruction	<u>34,400,390</u>

ACADEMIC SUPPORT

Library Center	1,838,325
Instructional Materials Center	1,256,099
Educational Media Services	544,342
Academic Computing Support	3,432,569
Academic Administration and Planning	367,469
Other	<u>1,428,898</u>
Total Academic Support	<u>8,867,702</u>

STUDENT SERVICES SUPPORT

Admissions and Records	1,834,646
Counseling and Career Services	4,170,726
Financial Aid Administration	960,824
Other	<u>8,876,197</u>
Total Student Services Support	<u>15,842,393</u>

PUBLIC SERVICE/CONTINUING EDUCATION

Community Education	370,610
Customized Training (Instructional)	839,389
Professional Development	87,014
Community Services	1,397
Other	<u>641,037</u>
Total Public Service/Continuing Education	<u>1,939,447</u>

ORGANIZED RESEARCH

AUXILIARY SERVICES

<u>-</u>
<u>4,190,798</u>

(This statement is continued on the following page.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

**CURRENT FUNDS* - EXPENDITURES BY ACTIVITY
UNIFORM FINANCIAL STATEMENT #5 (Continued)
FISCAL YEAR ENDED JUNE 30, 2021**

OPERATIONS AND MAINTENANCE OF PLANT

Maintenance	\$ 1,159,431
Custodial Services	1,117,048
Grounds	1,117,048
Campus Security	1,968,673
Transportation	62,770
Utilities	1,792,756
Administration	429,276
Other	<u>2,314,113</u>
 Total Operations and Maintenance of Plant	 <u>9,961,115</u>

INSTITUTIONAL SUPPORT

Executive Management	1,757,451
Fiscal Operations	1,216,241
Community Relations	2,807,927
Administrative Support Services	1,747,266
Board of Trustees	44,559
General Institutional	614,635
Institutional Research	581,913
Administrative Data Processing	3,249,678
Other	<u>6,419,654</u>
 Total Institutional Support	 <u>18,439,324</u>

SCHOLARSHIPS, STUDENTS GRANTS, & WAIVERS 11,503,008

TOTAL CURRENT FUNDS EXPENDITURES \$ 105,144,177

*Current Funds include the Education; Operations and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; Liability, Protection, and Settlement Funds

(See independent auditor's report.)

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Waubonsee Community College
District 516
Sugar Grove, Illinois

We have audited the accompanying balance sheet of the Waubonsee Community College District 516 (the College) State Adult Education and Family Literacy Grant Programs as of June 30, 2021 and the related statements of revenues, expenditures and changes in fund balance for the year then ended and the notes to financial statements - state grant programs.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Waubonsee Community College District 516's State Adult Education and Family Literacy Grant Programs as of June 30, 2021 and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The accompanying balance sheet and statement of revenue and expenditures were prepared for the purpose of complying with the terms of the ICCB Grants and are not intended to be a complete presentation of the College's revenue and expenditures in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the balance sheet of the College State Adult Education and Family Literacy Grant Programs as of June 30, 2020 and the related statement of revenues, expenditures and changes in fund balance for the year then ended. The schedule expenditure amounts and percentages for ICCB Grant Funds only is presented for purposes of additional analysis and is not a required part of these financial statements. The schedule expenditure amounts and percentages for ICCB Grant Funds only is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare these financial statements. The information has been subjected to the auditing procedures applied in the audit of these financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to these financial statements as a whole.

In connection with our audit, nothing came to our attention that caused us to believe that the College 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 College'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
November 4, 2021

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

**STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED FUNDS
BALANCE SHEET**

June 30, 2021

	<u>State Basic</u>	<u>State Performance</u>	<u>Total</u>
ASSETS			
Cash	\$ -	\$ 36,712	\$ 36,712
Due from other funds	25,507	-	25,507
TOTAL ASSETS	\$ 25,507	\$ 36,712	\$ 62,219
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 503	\$ 679	\$ 1,182
Accrued payroll	4,805	11,152	15,957
Accrued compensated absences	20,199	24,881	45,080
Total liabilities	25,507	36,712	62,219
FUND BALANCES			
None	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 25,507	\$ 36,712	\$ 62,219

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

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

For the Year Ended June 30, 2021

	State Basic	State Performance	Total
REVENUES			
State sources	\$ 537,403	\$ 338,706	\$ 876,109
Total revenues	537,403	338,706	876,109
EXPENDITURES			
Direct instruction			
Direct instruction	322,158	14,979	337,137
Total direct instruction	322,158	14,979	337,137
Student services			
Guidance services	177,911	90,231	268,142
Literacy services	-	-	-
Assessment and testing	-	88,736	88,736
Total student services	177,911	178,967	356,878
Direct program support			
Improvement of instructional services	-	835	835
General administration	11,743	94,541	106,284
Workforce coordination	-	2,032	2,032
Data and information systems	-	31,223	31,223
Total program support	11,743	128,631	140,374
Indirect cost	25,591	16,129	41,720
Total expenditures	537,403	338,706	876,109
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	-
FUND BALANCES, JULY 1, 2020			-
FUND BALANCES, JUNE 30, 2021			\$ -

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

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

For the Year Ended June 30, 2021

	<u>Audited Expenditure Amount</u>	<u>Audited Expenditure Percentage</u>
STATE BASIC		
Instruction (45% minimum required)	\$ 322,158	59.95%
General administration (15% maximum allowed)	37,334	6.95%

(See independent auditor's report.)

**WAUBONSEE COMMUNITY COLLEGE
DISTRICT 516
SUGAR GROVE, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS - STATE GRANT PROGRAMS

June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Waubonsee Community College District 516 (the College) conform to generally accepted accounting principles 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 Restricted Grant Program. These transactions have been accounted for in the Restricted Purposes Funds of the governmental subgroup.

b. Basis of Accounting

The statements have been prepared on the modified 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, 2021. 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.

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.

a. Unrestricted Grants

Base Operating Grants

General operating funds provided to colleges based upon credit enrollment.

WAUBONSEE COMMUNITY COLLEGE

DISTRICT 516

SUGAR GROVE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS - STATE GRANT PROGRAMS (Continued)

2. BACKGROUND INFORMATION ON STATE GRANT ACTIVITY (Continued)

a. Unrestricted Grants (Continued)

Equalization Grants

Grants provided to institutions with less than the statewide average of local tax dollars available per full-time equivalent student.

b. Restricted Adult Education Grants/State

State Basic and State Performance

Grant awarded to Adult Education and Family Literacy providers to assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency; to assist adults who are parents to obtain the educational skills necessary to become full partners in the educational development of their children, to assist in completion of a secondary school education, and to assist immigrants and other individuals who are English language learners in improving their reading, writing, speaking and comprehension skills in English and mathematics.

Instructional activities included in the adult education grants may include adult basic education, adult secondary education, English language acquisition, career exploration/awareness skills, integrated English literacy/civics education, bridge programs, integrated career and academic preparation systems, high school credit, vocational training, family literacy, volunteer literacy coordination, workplace literacy and correction education.