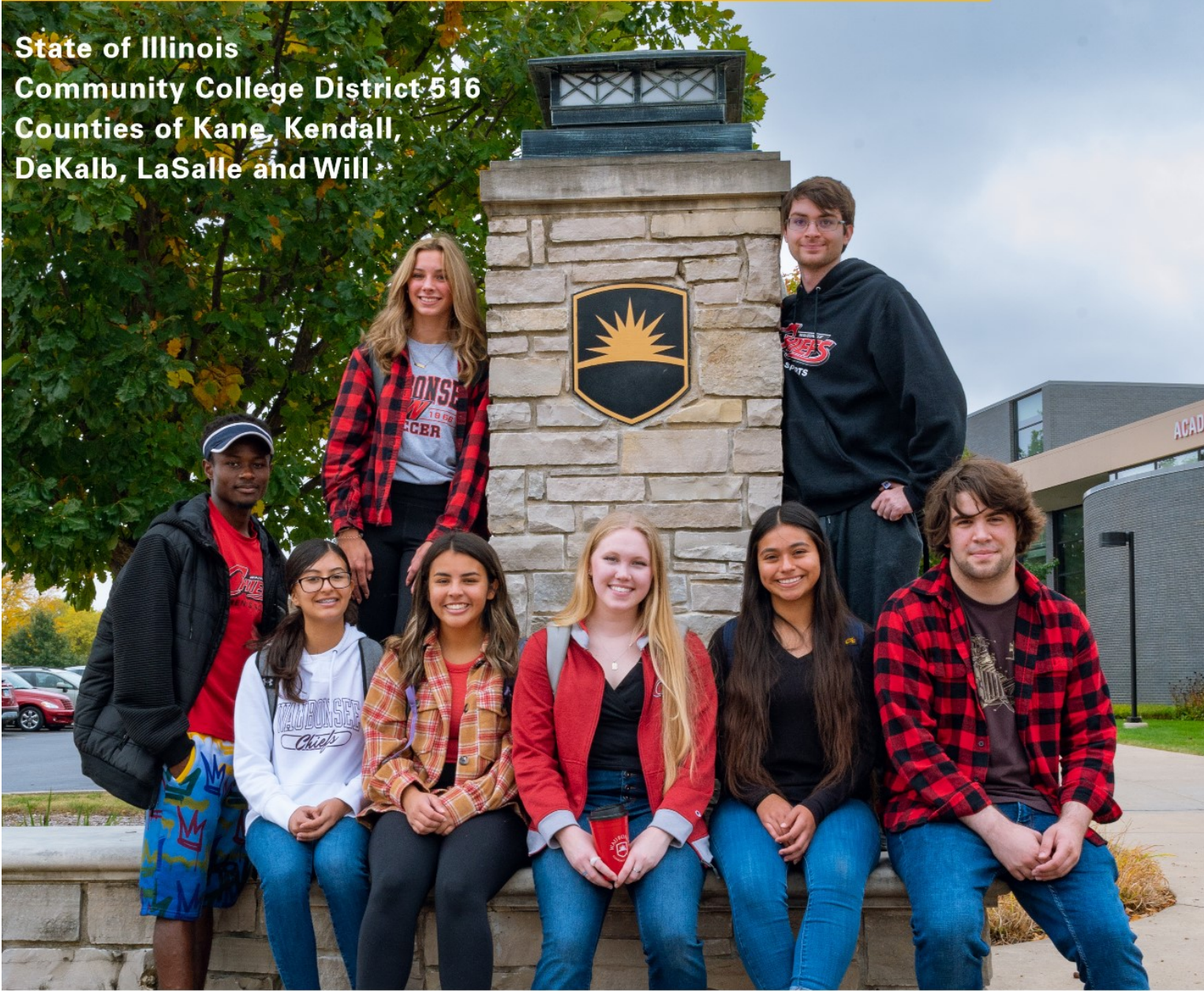


Annual Comprehensive Financial Report

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



For the Fiscal Years Ended June 30, 2023 and 2022



WAUBONSEE
COMMUNITY COLLEGE

The
Community
Colleges
of Illinois

**FOR EVERY
STUDENT**

**FOR EVERY
COMMUNITY**



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

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

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Years Ended
June 30, 2023 and 2022

Prepared by
Finance Department

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

PRINCIPAL OFFICIALS

June 30, 2023

<u>Board Members</u>	<u>Position</u>	<u>Term Expires</u>
Rebecca D. Oliver	Chair	2027
Patrick Kelsey	Vice Chair	2027
Greg Thomas	Secretary	2029
Jimmie Delgado	Trustee	2029
Rick Guzman	Trustee	2025
Stacy Ries	Trustee	2029
Tina Willson	Trustee	2025
Juan Chiu	Student Trustee	2023

OFFICERS OF THE COLLEGE

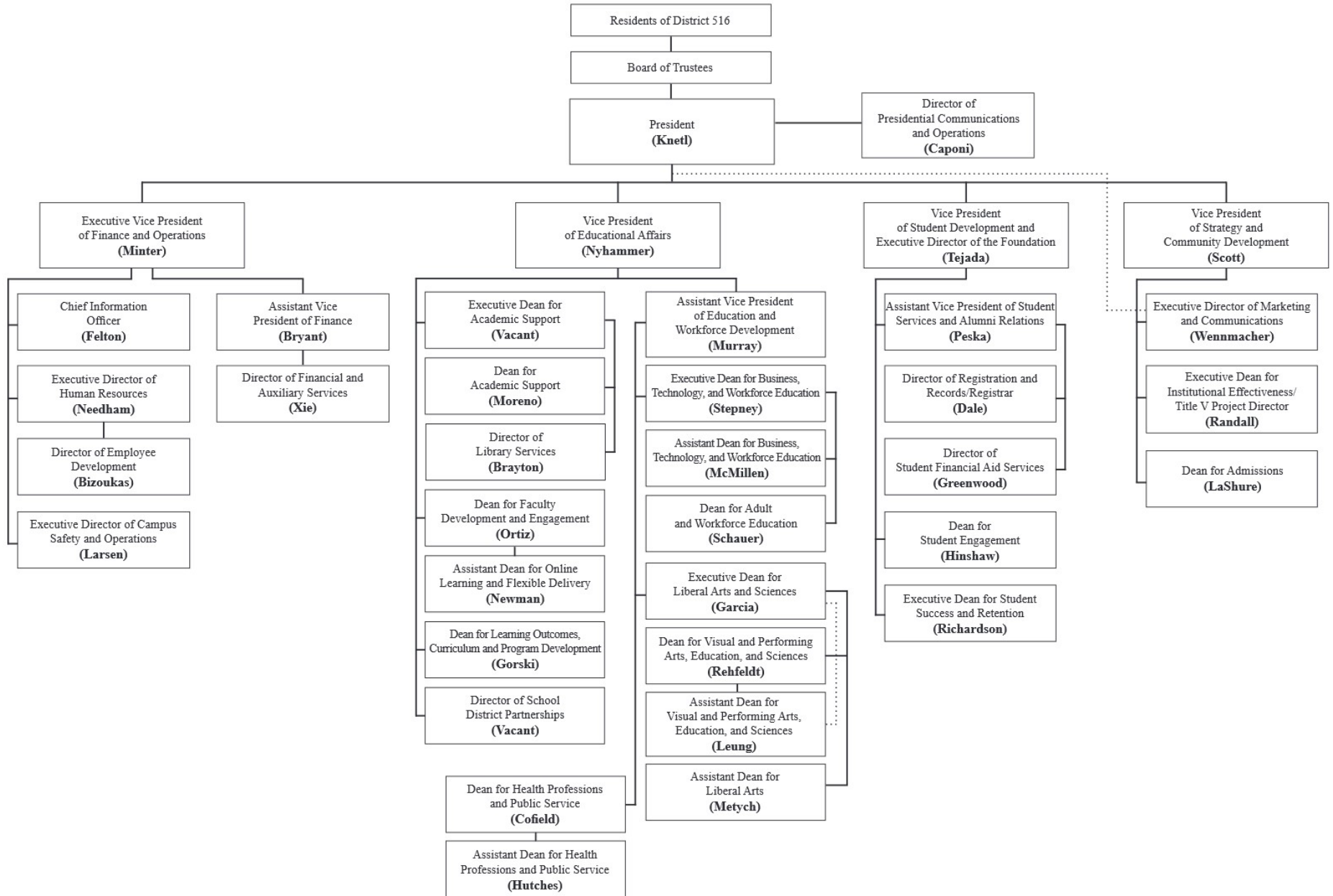
Dr. Brian Knetl	President
Douglas E. Minter	Vice President of Finance and Administration/ College Treasurer
Dr. Diane L. Nyhammer	Vice President of Educational Affairs
Dr. Melinda L. Tejada	Vice President of Student Development and Executive Director of the Foundation

OFFICIALS ISSUING REPORT

Douglas E. Minter	Vice President of Finance and Administration
John Bryant	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, 2022

Christopher P. Morrill

Executive Director/CEO



November 9, 2023

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

The Annual Comprehensive Financial Report (ACFR) of Waubonsee Community College District 516 (the College), for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with 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, John Bryant, at Route 47 at Waubonsee Drive, Sugar Grove, Illinois 60554, (630) 466-7900.

BACKGROUND INFORMATION

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.

Our Mission

Waubonsee Community College provides exceptional learning through accessible, equitable, and innovative education. We are committed to enriching the lives of our students, employees, and community by working together to create opportunities to discover new passions, share knowledge, and embrace diversity.

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.

Our Core 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, finances, experience or beliefs to provide a full range of quality educational opportunities for all who can benefit.

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: Business, health care, technical and professional education programming designed for entry-level employment, transitioning, retraining and/or upgrading skills to meet current and emerging employment needs and trends. Education and training opportunities include 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 holistic development of all students including counseling, advising, transfer planning, admissions, registration and records, assessment, financial aid, scholarships, career development, student life programming, intercollegiate athletics and assistance for 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 Community College draws its students from a vast community of learners that includes more than 450,000 residents across 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. Since its founding in 1966, the college has provided programs and services to more than 332,000 people.

Waubonsee's network of four campuses increases access to face-to-face learning and services across the district. 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, transferable general education courses, 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 that give students hands-on, realistic experience with current equipment and procedures. Located in the southwest portion of Waubonsee's district, our Plano Campus serves as the College's Innovation and Design Center. As such, it houses a variety of programs including welding, computer aided design and drafting, cybersecurity, and more.

The College offers transfer-oriented courses and associate degrees, associate in applied science 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, thanks to a multitude of flexible learning options. Asynchronous and synchronous online courses, blended or hybrid courses with online and select classroom meetings, the flex modality, and accelerated courses all provide flexibility for students. The College offers dual credit programs where enrolled students earn both high school and college credit.

The College also offers noncredit programs that provide individual development and learning, and workforce training services to local organizations and to individuals. Adult Basic Education and English Language Acquisition (ELA) curriculum opens doors to personal achievement for those who need to strengthen their educational foundation.

The percentage of minority students enrolled in credit courses has steadily increased in recent years, currently standing at more than 40%. The change is reflective both of the changing demographics of the college district and of Waubonsee's commitment to accessible and equitable higher education.

From 2020 to 2029 the population in the five counties in Waubonsee Community College's district is projected to increase by just over 19,000 (1.3%). Since 2020, Kendall County experienced a 10.4% population growth and Kane County experienced a 0.4% decrease, compared to a 6% estimated growth rate across the U.S. and a decline of 1.8% in the State of Illinois.

MAJOR INITIATIVES – FY2023 HIGHLIGHTS

The FY2024 Statement of Work (SOW) carries forward the pillars that are essential to our success: Student Equity and Success, Community Connections, and Employee and Organizational Excellence. This framework was first developed in 2020 through a comprehensive research and data gathering process and continues to appropriately outline the stakeholder groups that make up our present and future direction. More detail on the plan can be found at <http://www.waubonsee.edu/strategicplan>.

In addition, during his first 100 days, Dr. Knetl embarked on a listening tour with faculty, staff, and students. Feedback from the tour has helped inform strategic initiatives and priorities for the College. Some of the initiatives identified include developing a new Strategic Plan, analyzing and improving business processes, formulating a strategy to reinstate food services, reopening the fitness center that was taken out of service during the Covid-19 pandemic in support of student and employee wellness, and exploring options to support students' family and childcare need.

Waubonsee is continuing to help students make space for education in their lives, thanks to the flexibility of classes and availability of increased financial resources. The five MyChoice modalities have continued, with a particular increase in flex courses. Essentially, this option allows students to choose from among face-to-face, sync online, or online delivery methods throughout the course, depending on what works best for them on any given day. In FY23, the Waubonsee Success Scholarship was rolled out to assist in removing financial barriers for students. Over \$1 million was awarded in scholarships. Funding was made possible through the Budget Stabilization Fund.

The College provided the community with a better sense of who it is and wants to be through the sharing of its updated mission statement. In alignment with that mission and with the transition to the college's 5th president, the next year will focus on the development of a new strategic plan. Launching in August 2024, this plan engage stakeholders from our college community and will focus on the key goals to support student success, employee satisfaction, and community partnerships.

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 that 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 (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 and 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 FY2024 budget and planning process, Waubonsee's Finance and Institutional Effectiveness teams have continued to focus on developing intentional connections between budgeting and planning and ensuring that both processes are aligned with the Strategic Plan. During the budget and planning process, each college department was asked to identify budget requests or proposed projects for FY2024 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 recommended for continued accreditation by the Higher Learning Commission (Commission). Waubonsee's accreditation is completed through the Commission's Open Pathway, which follows a ten-year cycle and focuses on quality assurance and institutional improvement. In July 2021, Waubonsee successfully completed the fourth year of

the ten-year cycle known as the Assurance Review, a 125-page self-study that is externally reviewed by a team of Commission peer reviewers. The College met all five Commission criteria with no concerns. A summary of the College’s accreditation work can be found on the college’s website at <https://www.waubonsee.edu/about-waubonsee/accreditation>. In addition, Waubonsee successfully met all criteria to maintain a status of “recognized” by the Illinois Community College Board (ICCB), which means that the college meets all ICCB standards and is eligible to receive state grants appropriated through the ICCB.

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 annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2022. 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 annual comprehensive financial report, whose contents conform to program standards. Each ACFR 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 24 consecutive years beginning in 1999.

The College 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 received the ***Distinguished Budget Presentation Award*** for each of the four years for fiscal years 2014 through 2017. Due to the intense resource demands imposed upon the College by the COVID-19 pandemic, the College has not applied for the GFOA budget award for the last few years. However, the College continues to subscribe to and implement procedures and practices to maximize transparency and organizational collaboration in the budget development process.

The College’s bond rating was upgraded by Moody’s Investor Service, Inc. (Moody’s) in 2023 to “Aaa,” the highest possible rating. Moody’s conducted a financial review of outstanding bonds in April 2023 that resulted in the upgrade. The “Aaa” rating was also assigned to the July 2023 bond issuance in support of the Career and Technical Education building. In 2010, S&P Global Ratings (S&P) upgraded the College’s bond rating from “AA-” to “AA+” and in 2016 reaffirmed the College’s bond rating. S&P’s rating is 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 FY2024 budget that includes a 7% increase in funding for community colleges. State funding represents only 8% 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 mid-year budget cuts. While State funding is budgeted as revenue, a similar amount is budgeted as a transfer to the Operations and Maintenance, Restricted Fund to support future capital, deferred maintenance projects or equipment needs of the College; to the Retiree Medical Insurance and Retirement Account to support College costs related to State sponsored pension and retirement related programs; or budgeted to support one-time capital purchases.

Many of the State FY2024 higher education capital funding allocations are still on hold as of the date of this letter. In FY2024, the College is allocated \$12.7 million in State capital funding toward a new Career and Technical Education (CTE) building and \$2.9 million to replace Building A. However, these funds have been allocated but not appropriated in recent years and it is unknown if or when that funding will be released. Due to the urgency to address the needs of district employers and support high-demand enrollment areas, the College has shifted the CTE project to local funding and is working with legislators to move state funding to different projects or have the funds released directly to the College for support of the CTE project. A portion of State funding has been pledged to the repayment of \$30 million in Alternate Revenue General Obligation bonds for the CTE project.

The College continues to monitor the general financial condition of the State, all related activity, and possible effects on the College.

The College's largest source of revenue is local property taxes representing 65.5% of operating revenues. At the time the FY2024 budget was prepared, the 2022 tax extension was known, however, the 2023 tax extension will not be known until spring 2024. The FY2024 budget reflects an overall increase of approximately 6.3% in property taxes due to inflationary pressures resulting in higher Estimated Assessed Values of property. An increase of approximately 6.0% in property taxes is reflected in the operating funds.

Current property tax cap law allows for an increase in property taxes equal to the lesser of the CPI or 5%. The 2020 CPI applied to the 2021 tax levy was 1.4% and the 2021 CPI to be applied to the 2022 tax levy is 7.0%. 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. The College has the capacity to meet a portion of the revenue limitation as a result of this cap through increased tuition rates.

The FY2024 college budget was built upon conservative principles, incorporates college priorities and initiatives identified in the College's FY24 Statement of Work, and reflects a balanced budget for the College's operating funds.

Independent Audit. The Illinois statute requires 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, 2023 and 2022, is included in the financial section of this report.

Acknowledgments. The timely preparation of the annual comprehensive 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,



Brian Knetl, Ed.D.
President



Douglas E. Minter
Vice President of Finance and Administration

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

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the Waubonsee Community College District No. 516 (the College) and the College's discretely presented component unit, Waubonsee Community College Foundation (the Foundation), as of and for the years ended June 30, 2023 and 2022, and the related notes to financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

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, 2023 and 2022, 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

Changes in Accounting Principle

The College adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, for the years ended June 30, 2023 and 2022. The implementation of this guidance resulted in changes to the reporting of right-to-use intangible subscription assets, subscription liabilities and the related notes to the financial statements. Our opinion is not modified with respect to this matter.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The supplementary information, supplemental financial information and uniform financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information, supplemental financial information and uniform financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, supplemental financial information and uniform financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2023 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
November 8, 2023

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

SIKICH.COM

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Waubonsee Community College, Community College District No. 516 (the College) as of and for the year ended June 30, 2023, and the related notes to financial statements, which collectively comprise of the College’s basic financial statements, and have issued our report thereon dated November 8, 2023. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Sikich LLP

Naperville, Illinois
November 8, 2023

Management's Discussion and Analysis

This section of Waubonsee Community College District 516's (the College) Annual Comprehensive Financial Report presents management's discussion and analysis of the College's financial activity during the fiscal years ended June 30, 2023, 2022 and 2021. Since this management's discussion and analysis is designed to focus on current activities, resulting changes 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, 2023, 2022 and 2021, the College recorded total operating revenues of \$20,652,032, \$19,678,593 and \$19,612,051 and total operating expenses of \$94,092,789, \$110,591,390 and \$107,312,290, respectively. The difference produced an operating loss of \$73,440,757 for fiscal year 2023, \$90,912,797 for fiscal year 2022, and \$87,700,239 for fiscal year 2021. For the year ended June 30, 2023, net non-operating revenue of \$91,186,453 offset the loss and resulted in an overall increase in net position of \$17,745,696. For the year ended June 30, 2022, net non-operating revenue of \$97,594,421 offset the loss and resulted in an overall increase in net position of \$6,681,624. For the year ended June 30, 2021, net non-operating revenues of \$108,725,728 offset the loss and resulted in an overall increase in net position of \$21,025,489.

For the years ended June 30, 2023, 2022 and 2021, non-operating revenues included local property taxes of \$53,692,342, \$49,174,006 and \$50,249,331, state grants and contracts of \$18,924,465, \$27,357,739 and \$36,366,385, federal grants and contracts of \$11,469,183, \$22,496,222 and \$21,530,807, respectively. Non-operating miscellaneous revenue and expense included net revenues (expenses) of \$7,100,463, \$(1,433,606) and \$579,205 for 2023, 2022 and 2021, 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, 2023, operating revenue accounted for 18.4 percent of the College's total revenue, while non-operating revenues accounted for the remaining 81.6 percent. Operating revenue consisted of tuition and fees totaling \$16,392,640, auxiliary enterprise revenue of \$3,271,254, and other miscellaneous revenue of \$988,138. For the year ended June 30, 2022, operating revenue accounted for 16.8 percent of the College's total revenue, while non-operating revenues accounted for the remaining 83.2 percent. Operating revenue consisted of tuition and fees totaling \$16,009,119, auxiliary enterprise revenue of \$2,859,255 and other miscellaneous revenue of \$810,219. For the year ended June 30, 2021, operating revenues 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.

The increase in net position of \$17,745,696 for the year ended June 30, 2023 brought the total net position to \$230,158,905. The increase in net position of \$6,681,624 for the year ended June 30, 2022 brought the total net position to \$212,413,209. The increase in net position of \$21,025,489, for the year ended June 30, 2021 brought the total net position to \$205,564,800.

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



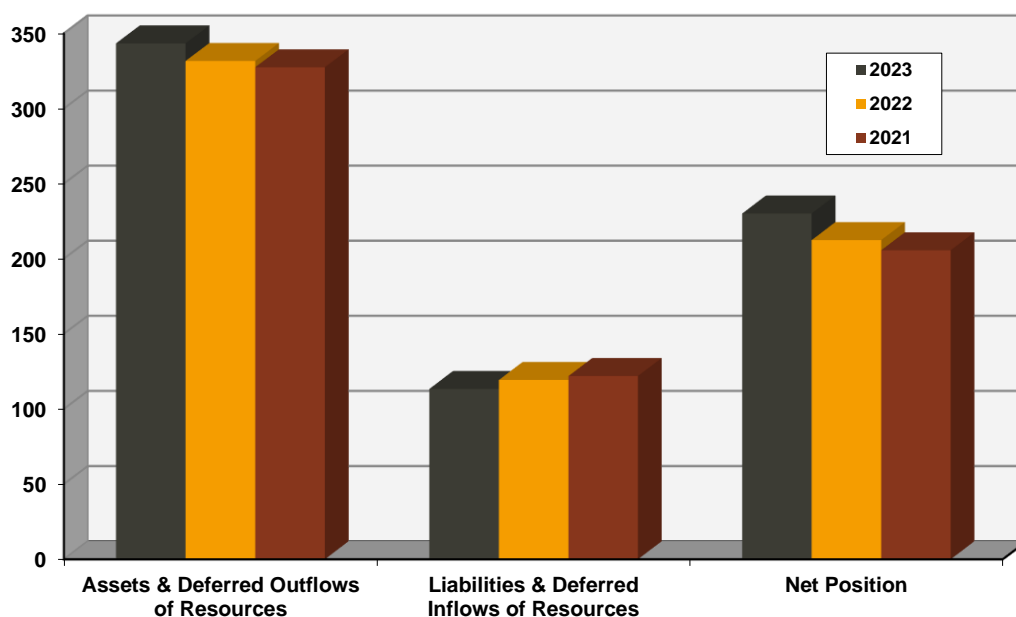
The decrease in noncurrent liabilities as of June 30, 2023, 2022 and 2021 is primarily due to payments on outstanding bonds.

Financial Analysis of the
College as a Whole

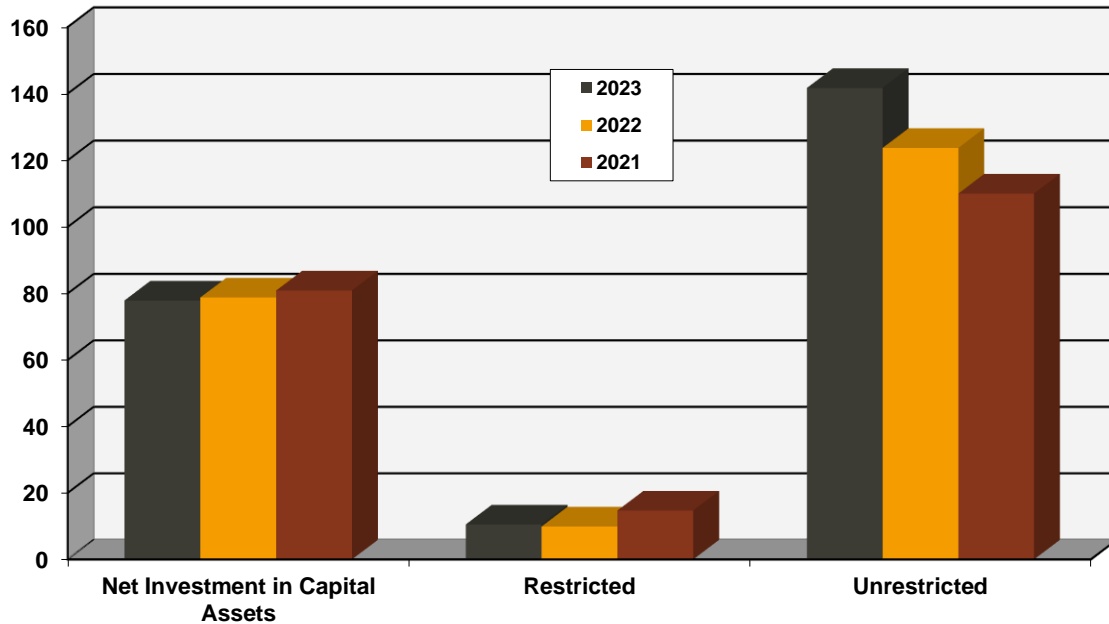
Net Position As of June 30
(in millions)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Current assets	\$ 238.6	\$ 222.7	\$ 215.3
Capital assets	<u>102.7</u>	<u>106.8</u>	<u>109.0</u>
Total assets	341.3	329.5	324.3
Deferred outflows of resources	<u>2.1</u>	<u>2.2</u>	<u>3.2</u>
Total assets and deferred outflows of resources	<u>343.4</u>	<u>331.7</u>	<u>327.5</u>
Current liabilities	20.6	18.3	20.5
Noncurrent liabilities	<u>43.4</u>	<u>65.8</u>	<u>70.6</u>
Total liabilities	64.0	84.1	91.1
Deferred inflows of resources	<u>49.3</u>	<u>35.2</u>	<u>30.8</u>
Total liabilities and deferred inflows of resources	<u>113.3</u>	<u>119.3</u>	<u>121.9</u>
Net position			
Net investment in capital assets	77.9	78.8	80.9
Restricted	10.5	9.9	14.7
Unrestricted	<u>141.7</u>	<u>123.7</u>	<u>110.0</u>
Total Net Position	<u>\$ 230.1</u>	<u>\$ 212.4</u>	<u>\$ 205.6</u>

Assets, Liabilities, and Net Position - As of June 30, 2023, 2022 and 2021
(in millions of dollars)



Analysis of Net Position - As of June 30, 2023, 2022 and 2021
(in millions of dollars)



Capital Assets, Net
June 30,
(in millions)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Capital Assets			
Land and Land Improvements	\$ 17.4	\$ 17.4	\$ 17.4
Buildings and Improvements	150.3	150.3	150.3
Equipment	12.4	12.2	12.4
Intangible Assets	5.5	5.1	1.4
Construction in Progress	<u>1.3</u>	<u>0.6</u>	<u>.06</u>
 Total	 186.9	 185.6	 182.1
 Less Accumulated Depreciation and Amortization	 <u>(84.2)</u>	 <u>(78.8)</u>	 <u>(73.1)</u>
Net Capital Assets	<u>\$ 102.7</u>	<u>\$ 106.8</u>	<u>\$ 109.0</u>

As of June 30, 2023, 2022 and 2021, respectively, the College had recorded \$186.9, \$185.6 and \$182.1 million in capital assets, \$84.2, \$78.8 and \$73.1 million in accumulated depreciation and amortization and \$102.7, \$106.8 and \$109.0 million in net capital assets. The detail changes in activities for capital assets are provided in Note 4 to the financial statements.

As of June 30, 2023, 2022 and 2021, the College has \$30,550,000, \$34,550,000 and \$41,430,000 in long-term debt outstanding, respectively, excluding accrued compensated absences, Other Postemployment Benefits (OPEB) liability, special termination health insurance benefits payable, unamortized bond premium and subscription-based information technology arrangements. 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>2023</u>	<u>2022</u>	<u>2021</u>
Operating revenue			
Tuition and fees	\$ 16.4	\$ 16.0	\$ 16.4
Auxiliary	3.2	2.9	2.3
Other	<u>1.0</u>	<u>0.8</u>	<u>.9</u>
Total operating revenue	<u>20.6</u>	<u>19.7</u>	<u>19.6</u>
Non-operating revenue			
Property taxes	53.7	49.2	50.2
State grants and contracts	18.9	27.3	36.4
Federal grants and contracts	11.5	22.5	21.5
Investment income	4.1	(4.0)	0.6
Other income	<u>3.4</u>	<u>2.8</u>	<u>1.4</u>
Total non-operating revenue	<u>91.6</u>	<u>97.8</u>	<u>110.1</u>
Total revenues	<u>112.2</u>	<u>117.5</u>	<u>129.7</u>
Operating expenses	94.1	110.6	107.3
Non-operating expenses	<u>0.4</u>	<u>0.3</u>	<u>1.3</u>
Total expenses	<u>94.5</u>	<u>110.9</u>	<u>108.6</u>
Increase in net position	<u>17.7</u>	<u>6.6</u>	<u>21.1</u>
Net position, beginning of year	<u>212.4</u>	<u>205.6</u>	<u>184.5</u>
Change in accounting principle	-	.2	-
Net position, beginning of year, restated	<u>212.4</u>	<u>205.8</u>	<u>184.5</u>
Net position, end of year	<u>\$ 230.1</u>	<u>\$ 212.4</u>	<u>\$ 205.6</u>



Operating revenues totaled \$20.7, \$19.7 and \$19.6 million for the years ended June 30, 2023, 2022 and 2021, respectively. The College's main source of operating revenue is derived from tuition and fees, which accounted for 79.4 percent, 81.2 percent and 83.7 percent of total operating revenues for the years ended

June 30, 2023, 2022 and 2021, respectively.

Tuition rates for fiscal years 2023, 2022 and 2021 were \$132 per credit hour. Total credit hours generated for fiscal years 2023, 2022 and 2021 were 147,894, 134,023 and 137,157, respectively. The increase in total credit hours the College experienced from 2022 to 2023 was primarily in adult education, career and technical education and baccalaureate with other areas remaining steady. The decrease in total credit hours the College experienced in 2022 from 2021 was primarily in baccalaureate and health that was offset by increases in career and technical education and adult education.

For the year ended June 30, 2023, non-operating revenues totaled \$91.6 million. Property taxes are the largest source comprising 58.6 percent of total non-operating revenues. State grants and contracts are also a significant source of non-operating revenues at \$18.9 million or 20.6 percent of total non-operating revenues. Another significant source is federal grants and contracts at \$11.5 million or 12.6 percent of total non-operating revenues.

For the year ended June 30, 2022, non-operating revenues totaled \$97.8 million. Again, property taxes represent 50.3 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 \$27.3 million or 28.0 percent of total non-operating revenues. Another significant source is federal grants and contracts at \$22.5 million or 23.0 percent of total non-operating revenues, which primarily reflects financial aid to students.

For the year ended June 30, 2021, non-operating revenues totaled \$110.1 million. 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.

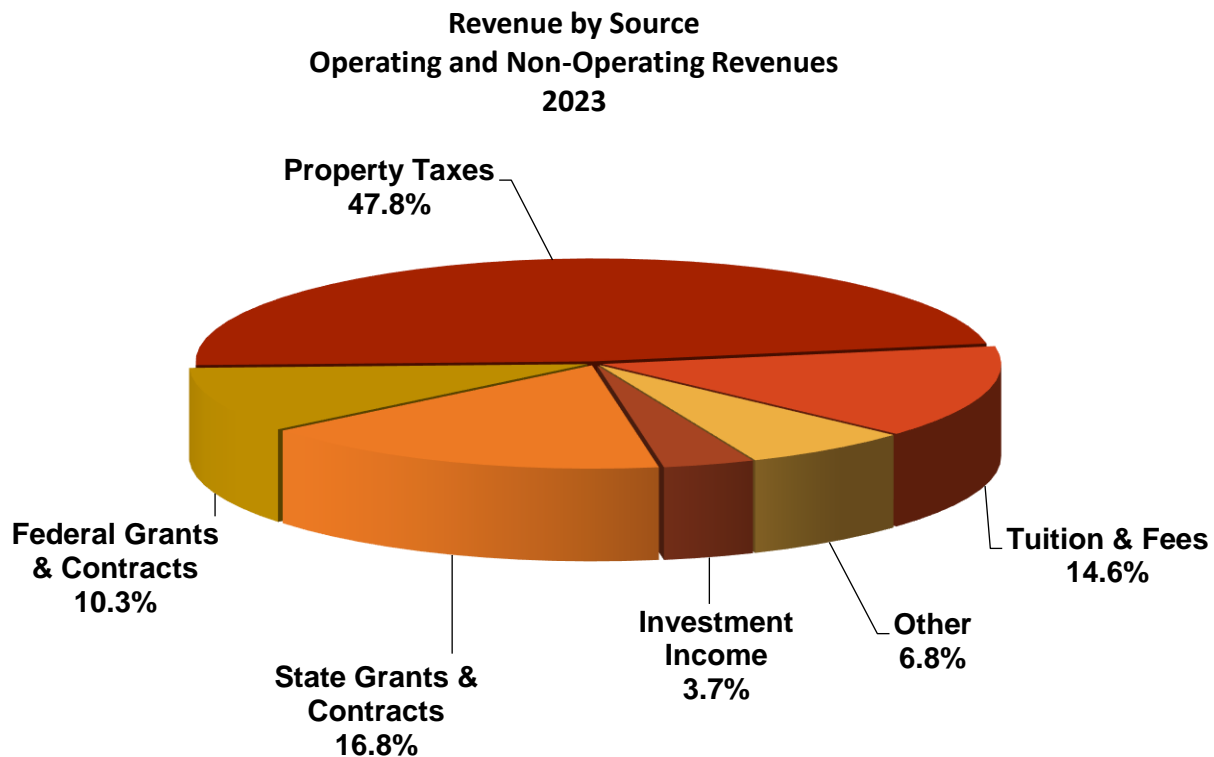
State grants and contracts decreased from FY2022 to FY2023 which is a result of recording \$21.7 million less in the State of Illinois proportionate share of revenue and expense for both the Community College Health Insurance Program, and also the State of Illinois

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 7 and 8. The College's proportionate share of the State of Illinois pension and retiree health insurance costs ranges from \$932,000 to a negative \$4.6 million each of the last three years and are recognized in both revenues and expenses. The increase reflected in federal grants from fiscal year 2021 to 2022 is primarily from Federal stimulus grants related to the COVID-19 pandemic from the Higher Education Emergency Relief Funds (HEERF). The decrease reflected in federal grants in fiscal year 2023 is primarily due to no additional HEERF funding. The increase in investment income in fiscal year 2023 reflects the rise in interest rates providing increased income and recapture of prior year unrealized losses.

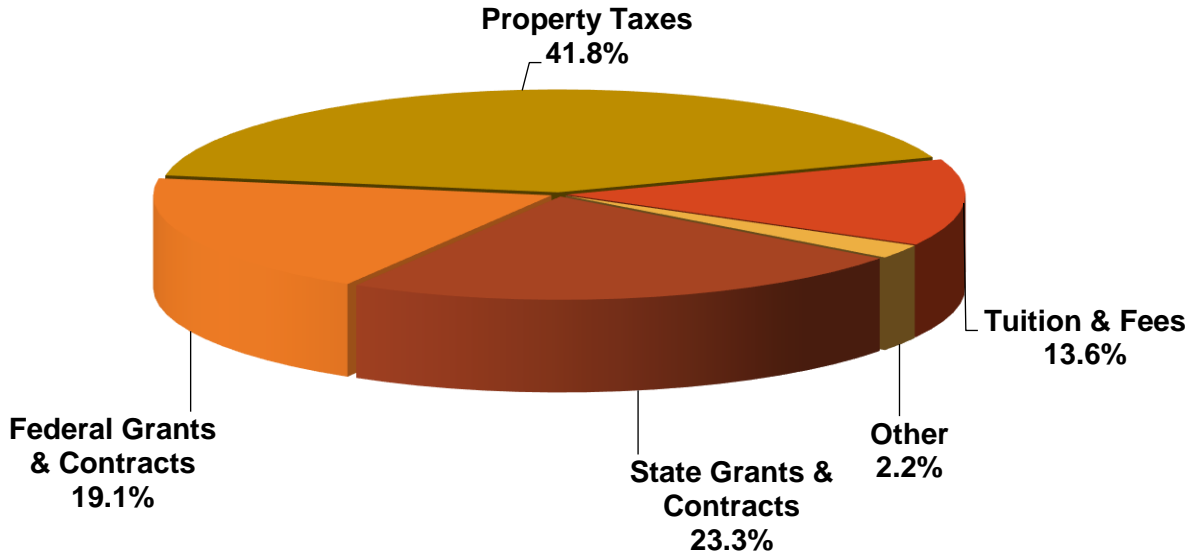
Public Act 89-1 placed limitations on the annual growth of the College's property tax levies. The College has recognized increased property tax revenues under the current property tax cap law, which allows for an increase in property taxes equal to the lesser of the Consumer Price Index (CPI) or 5 percent 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.

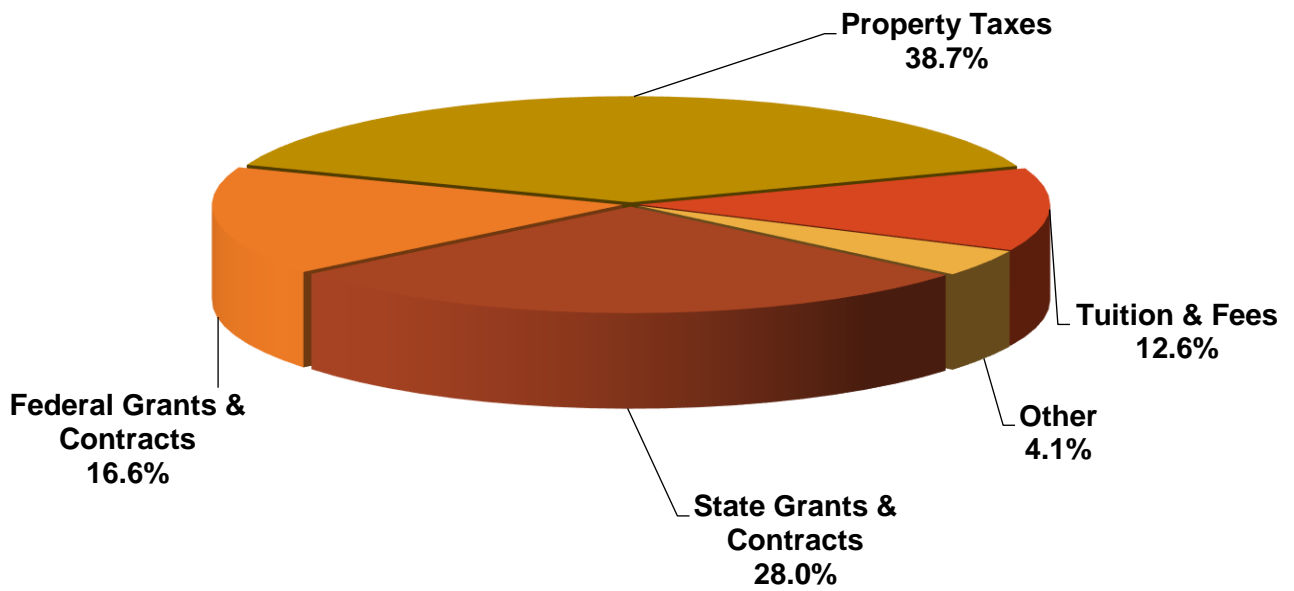
The following are graphic illustrations of revenues by source for the years ended June 30, 2023, 2022 and 2021:



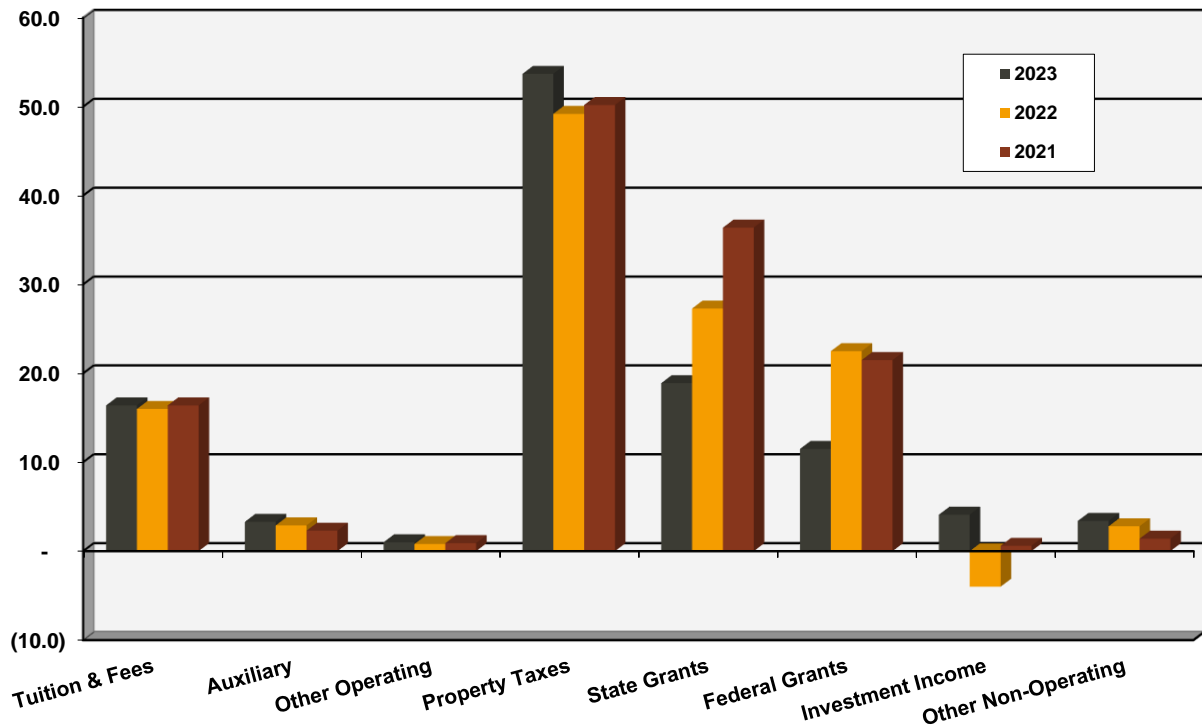
**Revenue by Source
Operating and Non-Operating Revenues
2022**



**Revenue by Source
Operating and Non-Operating Revenues
2021**



Comparison of Operating and Non-Operating Revenues
June 30, 2023, 2022 and 2021
(in millions of dollars)



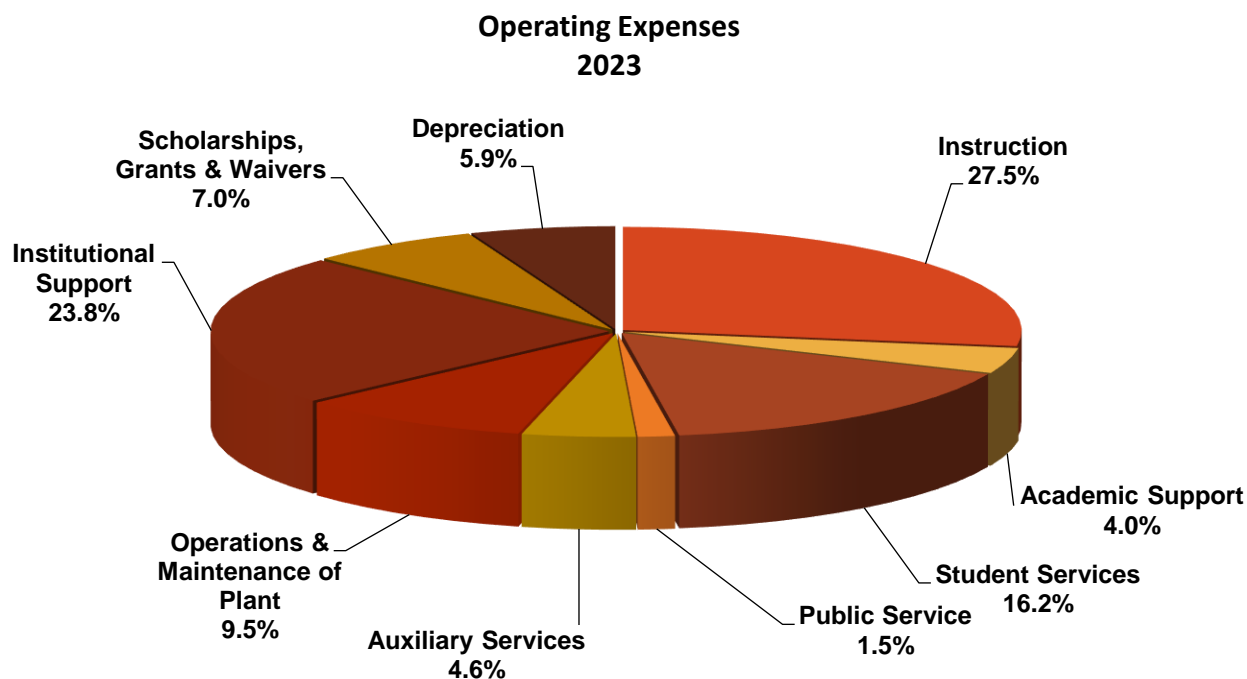
Operating Expenses
For the Years Ended June 30,
(in millions)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Operating expenses			
Instruction	\$ 25.7	\$ 28.8	\$ 34.0
Academic support	4.5	6.3	5.7
Student services	14.0	15.9	15.3
Public services	1.4	1.5	1.9
Auxiliary services	4.3	4.1	3.8
Operation and maintenance of plant	8.9	9.4	10.0
Institutional support	21.4	24.6	23.2
Scholarships, grants and waivers	7.7	13.8	8.0
Depreciation and amortization	<u>6.2</u>	<u>6.2</u>	<u>5.4</u>
Total	<u>\$ 94.1</u>	<u>\$ 110.6</u>	<u>\$ 107.3</u>

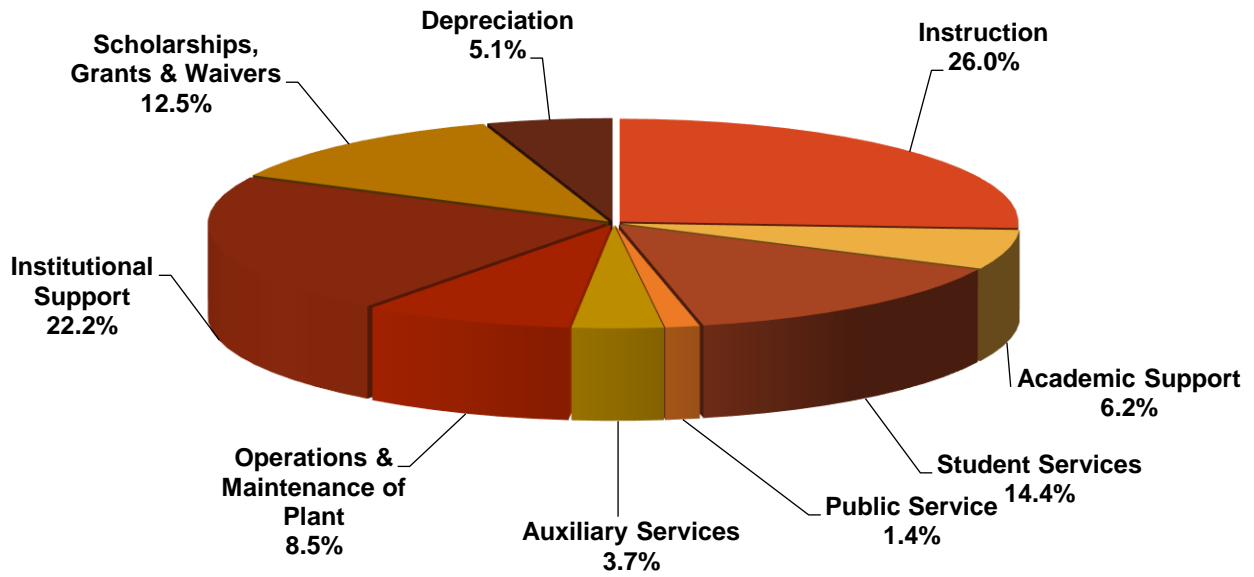
Operating expenses totaled \$94.1, \$110.6 and \$107.3 million with instruction representing the largest percentage of operating expenses at 27.5 percent, 26.1 percent and 31.7 percent for all three years ended June 30, 2023, 2022 and 2021, respectively. Operating expense, scholarships, grants and waivers declined in 2023 primarily due to the reduction in Restricted Purposes Fund, specifically HEERF. Expenditures, excluding the Restricted Purposes Fund, reflected increases across all functional areas, however they were below budget expectations.

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, athletics and student life activities. Institutional support represents 23.8 percent, 22.2 percent and 21.6 percent of operating expenses for the years ended June 30, 2023, 2022 and 2021, respectively. Institutional support includes expenses for central activities and support services that benefit the entire institution including information technology and fiscal operations. In 2023, the expenditures reflect the return to normal operations without the effects of HEERF and COVID funding that were included in 2022 and 2021. Functional areas reflect increases in 2023 over 2022 excluding HEERF and COVID related expenditures in line with expectations.

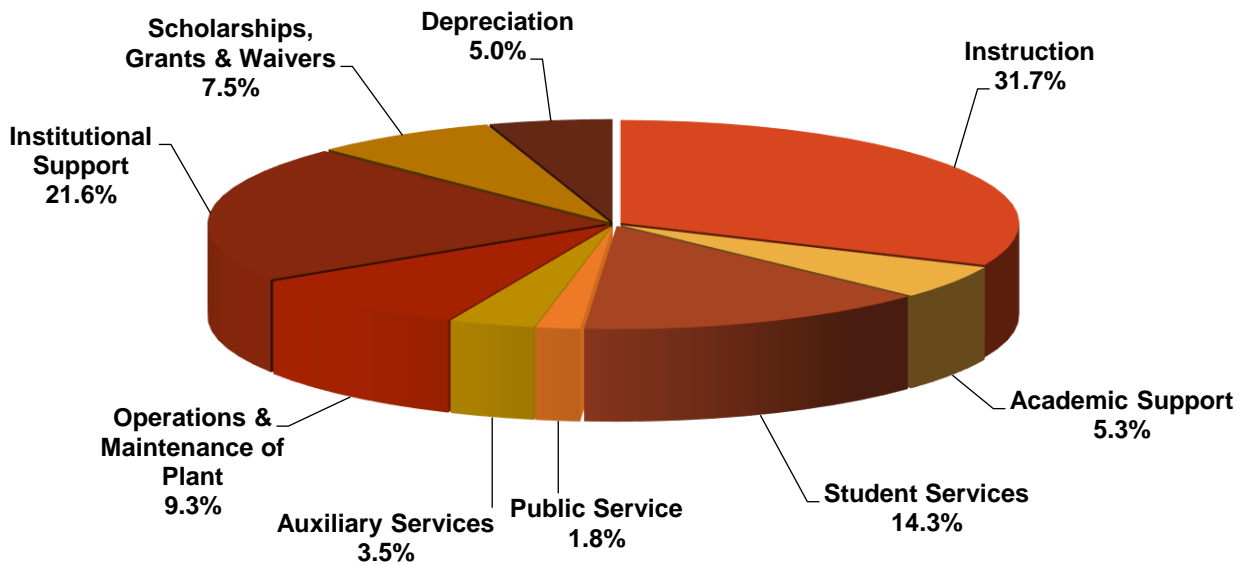
The following are graphic illustrations of operating expenses for the years ended June 30, 2023, 2022 and 2021:



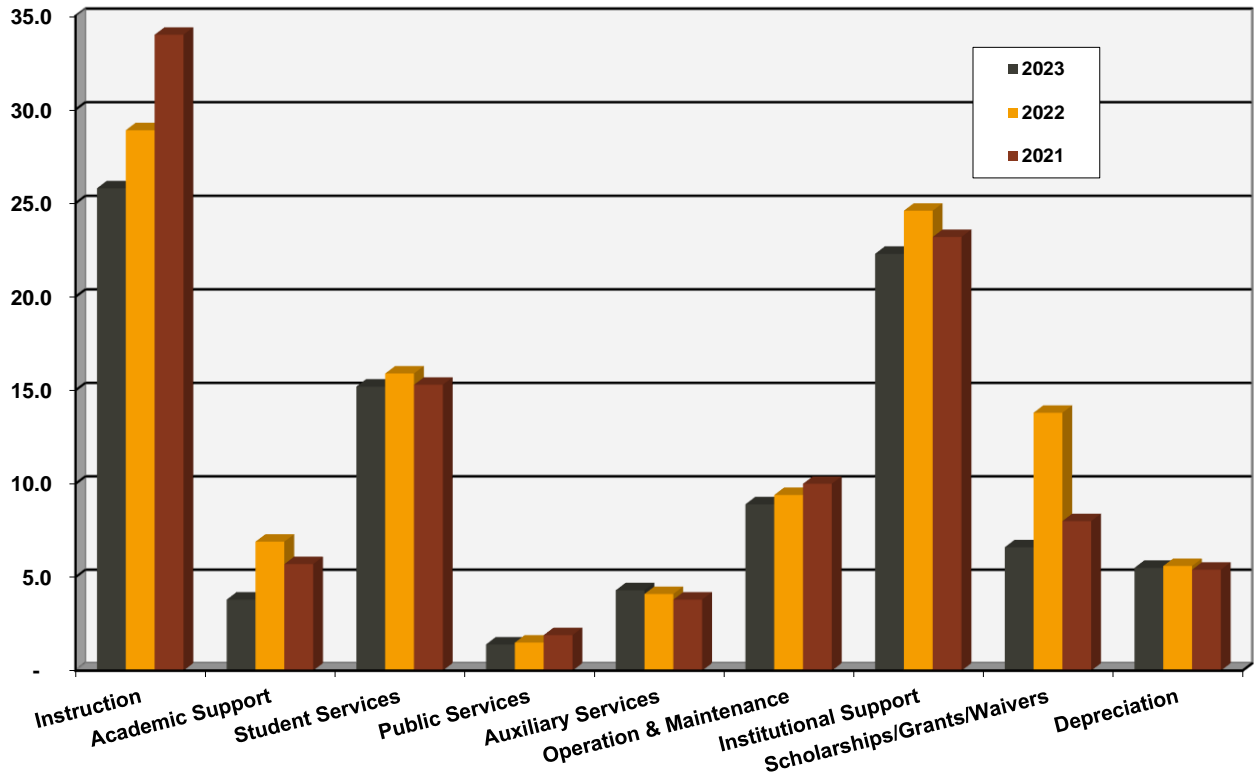
Operating Expenses 2022



Operating Expenses 2021



**Comparison of Operating Expenses
June 30, 2023, 2022 and 2021**
(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, 2023 and 2022

	2023	2022
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,693,289	\$ 2,654,285
Investments	196,663,684	183,328,034
Receivables, net of allowances for uncollectibles		
Taxes	28,073,389	25,684,327
Accrued interest	1,317,208	249,719
Accounts	1,627,774	3,220,018
Tuition and fees	4,462,029	3,268,832
Rent	2,503,033	2,571,726
Other	113,649	86,075
Prepaid expenses	1,649,798	1,139,282
Inventories	540,266	530,046
	238,644,119	222,732,344
NONCURRENT ASSETS		
Capital assets, tangible and intangible	186,850,573	185,552,126
Less accumulated depreciation and amortization	(84,150,831)	(78,762,593)
	102,699,742	106,789,533
Net capital assets		
	102,699,742	106,789,533
Total noncurrent assets		
	341,343,861	329,521,877
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on refunding	584,229	666,632
CIP other postemployment benefit items	1,315,174	1,295,960
SURS pension contributions	239,779	206,570
	2,139,182	2,169,162
Total deferred outflows of resources		
	343,483,043	331,691,039
Total assets and deferred outflows of resources		

(This statement is continued on the following page.)

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

STATEMENTS OF NET POSITION (Continued)

June 30, 2023 and 2022

	2023	2022
CURRENT LIABILITIES		
Accounts payable	\$ 1,427,398	\$ 1,152,064
Accrued salaries and payroll deductions payable	1,692,289	1,440,077
Health claims payable	1,247,257	1,243,618
Unearned tuition and fees	7,315,931	6,028,223
Unearned revenue	3,030,917	2,790,928
Accrued compensated absences	356,055	372,228
Bonds payable	4,055,000	4,005,000
Lease payable	191,718	190,983
SBITA payable	741,200	612,243
Other postemployment benefit liability	473,804	432,233
Interest payable	12,576	14,071
Other current liabilities	36,280	32,056
Total current liabilities	20,580,425	18,313,724
NONCURRENT LIABILITIES		
Special termination health insurance benefits payable	362,206	929,236
Accrued compensated absences	3,455,449	3,384,619
Other postemployment benefit liability	11,266,013	28,613,122
Lease payable	401,785	593,503
SBITA payable	1,126,807	1,320,463
Bonds payable	26,813,240	30,908,020
Total noncurrent liabilities	43,425,500	65,748,963
Total liabilities	64,005,925	84,062,687
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue - property taxes	27,598,857	26,182,432
CIP other postemployment benefit items	21,719,356	9,032,711
Total deferred inflows of resources	49,318,213	35,215,143
Total liabilities and deferred inflows of resources	113,324,138	119,277,830
NET POSITION		
Net investment in capital assets	77,793,056	78,729,248
Restricted for		
Audit	35,810	27,414
Liability, protection and settlement	3,235,021	2,922,877
Debt service	2,486,691	2,353,516
Working cash	4,472,319	4,380,674
Pension contributions	239,779	206,570
Unrestricted	141,896,229	123,792,910
TOTAL NET POSITION	\$ 230,158,905	\$ 212,413,209

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, 2023 and 2022

	2023	2022
OPERATING REVENUES		
Tuition and fees	\$ 16,392,640	\$ 16,009,119
Auxiliary enterprises revenue	3,271,254	2,859,255
Other operating revenue	988,138	810,219
	20,652,032	19,678,593
OPERATING EXPENSES		
Instruction	25,724,531	28,844,428
Academic support	4,462,009	6,279,424
Student services	14,019,874	15,876,823
Public services	1,438,587	1,521,453
Auxiliary services	4,306,210	4,126,539
Operation and maintenance of plant	8,855,718	9,439,349
Institutional support	21,365,923	24,573,522
Scholarships, grants and waivers	7,694,895	13,777,011
Amortization	918,859	1,011,336
Depreciation	5,306,183	5,141,505
	94,092,789	110,591,390
OPERATING INCOME (LOSS)	(73,440,757)	(90,912,797)
NON-OPERATING REVENUES (EXPENSES)		
Property taxes	53,692,342	49,174,066
Personal property replacement tax	3,111,339	2,752,682
Local grants and contracts	259,622	118,194
State grants and contracts	18,924,465	27,357,739
Federal grants and contracts	11,469,183	22,496,222
Investment income	4,101,241	(3,961,260)
Interest expense and fiscal charges	(367,025)	(323,779)
Other non-operating revenue	2,020	2,519
Gain (loss) on disposal of capital assets	(6,734)	(21,962)
	91,186,453	97,594,421
CHANGE IN NET POSITION	17,745,696	6,681,624
NET POSITION, JULY 1	212,413,209	205,564,800
Change in accounting principle	-	166,785
NET POSITION, JULY 1, RESTATED	212,413,209	205,731,585
NET POSITION, JUNE 30	\$ 230,158,905	\$ 212,413,209

See accompanying notes to financial statements.

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

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 16,487,151	\$ 17,002,279
Payments to suppliers	(37,825,852)	(42,167,287)
Payments to employees	(43,914,706)	(39,601,057)
Auxiliary enterprise charges	3,271,254	2,859,255
Other	988,138	810,219
	<hr/>	<hr/>
Net cash from operating activities	(60,994,015)	(61,096,591)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Local property taxes	52,719,705	49,470,267
State grants and contracts	10,870,696	9,743,019
Federal grants and contracts	13,102,546	27,340,548
Other grants and contracts	261,642	120,713
	<hr/>	<hr/>
Net cash from noncapital financing activities	76,954,589	86,674,547
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(1,422,842)	(525,060)
Proceeds from sale of capital assets	17,183	64,942
Principal paid on bonds	(4,005,000)	(6,875,000)
Principal paid on leases	(190,983)	(174,732)
Principal paid on SBITAs	(692,133)	(612,243)
Interest paid on bonds, leases & SBITAs	(325,897)	(510,066)
	<hr/>	<hr/>
Net cash from capital and related financing activities	(6,619,672)	(8,632,159)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	116,384,779	62,412,372
Interest on investments	3,033,752	1,960,088
Purchase of investments	(129,720,429)	(81,685,249)
	<hr/>	<hr/>
Net cash from investing activities	(10,301,898)	(17,312,789)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(960,996)	(366,992)
CASH AND CASH EQUIVALENTS, JULY 1	<hr/> 2,654,285	<hr/> 3,021,277
CASH AND CASH EQUIVALENTS, JUNE 30	<hr/> <u>\$ 1,693,289</u>	<hr/> <u>\$ 2,654,285</u>

(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, 2023 and 2022

	2023	2022
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (73,440,757)	\$ (90,912,797)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation and amortization	6,225,042	6,152,841
State proportionate share for SURS/OPEB	11,131,899	20,298,475
Accounts receivable	(1,193,197)	1,004,820
Inventories	(10,220)	408,563
Prepaid items	(510,516)	(577,557)
Accounts payable	166,442	89,324
Accrued salaries	252,212	17,694
Health claims payable	247,852	2,586,072
Accrued compensated absences	54,657	(46,044)
CIP other postemployment benefit liability	(17,305,538)	(2,033,492)
CIP deferred outflows	(19,214)	743,958
CIP deferred inflows	12,686,645	1,300,295
Other accrued liabilities	1,287,708	(11,660)
Special termination benefits	(567,030)	(117,083)
NET CASH FROM OPERATING ACTIVITIES	\$ (60,994,015)	\$ (61,096,591)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
State proportionate share for SURS	\$ 15,803,215	\$ 20,356,641
State proportionate share for OPEB	(4,638,107)	10,761
Unrealized gain (loss) on investments	547,501	(5,777,575)
Issuance of lease	-	959,218
Issuance of SBITA	627,434	148,902
Capital assets purchased in accounts payable	152,716	43,824
TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	\$ 12,492,759	\$ 15,741,771

See accompanying notes to financial statements.

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

STATEMENTS OF FINANCIAL POSITION

June 30, 2023 and 2022

	2023	2022
ASSETS		
Cash and cash equivalents	\$ 57,484	\$ 48,996
Investments	2,538,399	2,622,260
Pledges receivable, net	67,663	121,892
Accrued interest receivable	5,316	2,876
Prepaid expenses	2,344	3,188
Cash surrender value - life insurance policy	90,756	86,375
Investments, long-term	3,919,883	2,947,235
	6,681,845	5,832,822
LIABILITIES		
Accounts payable	2,198	2,499
Deferred revenue	3,000	26,500
	5,198	28,999
NET ASSETS		
Without donor restrictions - board designated	1,897,458	1,696,507
With donor restrictions	4,779,189	4,107,316
	\$ 6,676,647	\$ 5,803,823
	TOTAL NET ASSETS	TOTAL NET ASSETS

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, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES						
Contributions	\$ 4,775	\$ 694,185	\$ 698,960	\$ 23,320	\$ 335,478	\$ 358,798
In-kind donations	28,398	-	28,398	5,076	-	5,076
Fundraising events	25,471	102,302	127,773	-	57,250	57,250
Investment return, net	171,104	294,773	465,877	(312,403)	(451,084)	(763,487)
Net assets released from restrictions	419,387	(419,387)	-	427,674	(427,674)	-
Total revenues	649,135	671,873	1,321,008	143,667	(486,030)	(342,363)
EXPENSES						
Program services	489,537	-	489,537	455,061	-	455,061
Management and general expenses	247,831	-	247,831	208,647	-	208,647
Fundraising	104,335	-	104,335	95,071	-	95,071
Total expenses	841,703	-	841,703	758,779	-	758,779
TRANSFERS FROM AFFILIATE - WAUBONSEE COMMUNITY COLLEGE						
Contributed services	393,519	-	393,519	355,802	-	355,802
Total transfers from affiliate	393,519	-	393,519	355,802	-	355,802
CHANGE IN NET ASSETS	200,951	671,873	872,824	(259,310)	(486,030)	(745,340)
NET ASSETS, JULY 1	1,696,507	4,107,316	5,803,823	1,955,817	4,593,346	6,549,163
NET ASSETS, JUNE 30	\$ 1,897,458	\$ 4,779,189	\$ 6,676,647	\$ 1,696,507	\$ 4,107,316	\$ 5,803,823

See accompanying notes to financial statements.

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2023 and 2022

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, 2023 and 2022 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, 2023 and 2022. 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

In addition to the intangible assets reported above, the College reports intangible right-to-use assets as defined by GASB Statement No. 87, *Leases* and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*.

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Accrued Compensated Absences (Continued)

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.

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, 2023 and 2022 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 unmatured 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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Net Position (Continued)

Unrestricted Net Position

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

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, 2023 and 2022, 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, 2023 and 2022, 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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704. The credit rating provided by Standard & Poor's of The Illinois Funds was AAAM at June 30, 2023 and 2022.

The Illinois School District Liquid Asset Fund Plus (ISDLAF), operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at net asset value (NAV) rather than market value. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shares may be redeemed with seven day's advance notice. 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, 2023 and 2022.

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

2. CASH AND INVESTMENTS (Continued)

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.

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.

Investments

The following table presents the debt investments of the College as of June 30, 2023 and 2022, by type of investment:

June 30, 2023

Investment	Total Fair Value	Maturity (0-3 years)	Maturity (4-6 years)	Maturity (7-9 years)	Maturity (9+ years)
U.S. agency obligations	\$ 55,539,183	\$ 28,618,828	\$ 23,248,138	\$ 742,470	\$ 2,929,747
U.S. Treasury obligations	63,772,232	62,600,168	1,172,064	-	-
Municipal bonds	22,773,053	14,871,650	7,901,403	-	-
Corporate bonds	4,205,280	2,805,965	469,695	-	929,620
TOTAL	\$ 146,289,748	\$ 108,896,611	\$ 32,791,300	\$ 742,470	\$ 3,859,367

June 30, 2022

Investment	Total Fair Value	Maturity (0-3 years)	Maturity (4-6 years)	Maturity (7-9 years)	Maturity (9+ years)
U.S. agency obligations	\$ 55,065,011	\$ 30,895,972	\$ 21,084,279	\$ 2,006,281	\$ 1,078,479
U.S. Treasury obligations	71,642,969	70,298,015	1,344,954	-	-
Negotiable CDs	1,487,522	1,487,522	-	-	-
Municipal bonds	28,762,036	18,561,450	10,200,586	-	-
Corporate bonds	5,317,178	1,091,003	3,290,675	-	935,500
TOTAL	\$ 162,274,716	\$ 122,333,962	\$ 35,920,494	\$ 2,006,281	\$ 2,013,979

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

2. CASH AND INVESTMENTS (Continued)

Investments (Continued)

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.

The College has the following recurring fair value measurements as of June 30, 2023 and June 30, 2022: U.S. agency securities of \$55,539,183 and \$55,065,011, respectively, U.S. Treasury securities of \$63,772,232 and \$71,642,969, respectively, negotiable CDs of \$0 and \$1,487,522, respectively, municipal bonds of \$22,773,053 and \$28,762,036, respectively, and corporate bonds of \$4,205,280 and \$5,317,178, 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 rated AA+ by Standards and Poor's. The negotiable CDs 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.

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

2. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Concentration of credit risk - At June 30, 2023 and 2022, 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.

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 2022 was passed on December 14, 2022 and the annual tax levy ordinance of 2021 was passed on December 15, 2021;
- 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 2023 and 2022.

Property taxes are recognized as revenue in the year intended to finance, regardless of when collected. The second half of the 2021 levy and the first half of the 2022 levy are recognized as revenue in the 2023 fiscal year. The second half of the 2022 levy is intended to finance the 2024 fiscal year and, accordingly, is reported as deferred revenue. The 2023 tax levy, which attached as an enforceable lien on property as of January 1, 2023, has not been recorded as a receivable as of June 30, 2023 as the tax has not yet been levied and will not be levied until December 2023 and, therefore, the levy is not measurable at June 30, 2023.

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

4. CAPITAL ASSETS

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

	Beginning Balances	Increases	Decreases	Ending Balances
Tangible capital assets not being depreciated				
Land	\$ 4,555,311	\$ -	\$ -	\$ 4,555,311
Construction in progress	615,417	1,132,742	485,937	1,262,222
Total tangible capital assets not being depreciated	5,170,728	1,132,742	485,937	5,817,533
Tangible capital assets being depreciated				
Land improvements	12,862,757	-	-	12,862,757
Buildings and improvements	150,270,371	-	-	150,270,371
Equipment	12,217,691	846,679	615,182	12,449,188
Total tangible capital assets being depreciated	175,350,819	846,679	615,182	175,582,316
Intangible capital assets being amortized				
Intangible assets	1,359,627	38,250	-	1,397,877
Software	2,711,734	627,434	245,539	3,093,629
Equipment	959,218	-	-	959,218
Total intangible capital assets being amortized	5,030,579	665,684	245,539	5,450,724
Less accumulated depreciation for				
Land improvements	10,529,436	621,519	-	11,150,955
Buildings and improvements	56,969,922	3,482,873	-	60,452,795
Equipment	9,673,392	882,969	591,265	9,965,096
Total accumulated depreciation	77,172,750	4,987,361	591,265	81,568,846
Less accumulated amortization for				
Intangible assets	890,954	318,822	-	1,209,776
Software	524,157	727,015	245,539	1,005,633
Equipment	174,732	191,844	-	366,576
Total accumulated amortization	1,589,843	1,237,681	245,539	2,581,985
Total capital assets being depreciated and amortized, net	101,618,805	(4,712,679)	23,917	96,882,209
CAPITAL ASSETS, NET	\$ 106,789,533	\$ (3,579,937)	\$ 509,854	\$ 102,699,742

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

4. CAPITAL ASSETS (Continued)

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

	Beginning Balances, As Restated	Increases	Decreases	Ending Balances
Tangible capital assets not being depreciated				
Land	\$ 4,555,311	\$ -	\$ -	\$ 4,555,311
Construction in progress	607,331	8,086	-	615,417
Total tangible capital assets not being depreciated	5,162,642	8,086	-	5,170,728
Tangible capital assets being depreciated				
Land improvements	12,862,757	-	-	12,862,757
Buildings and improvements	150,270,371	-	-	150,270,371
Equipment	12,428,536	291,386	502,231	12,217,691
Total tangible capital assets being depreciated	175,561,664	291,386	502,231	175,350,819
Intangible capital assets being amortized				
Intangible assets	1,359,627	-	-	1,359,627
Software	2,396,047	315,687	-	2,711,734
Equipment	-	959,218	-	959,218
Total intangible capital assets being amortized	3,755,674	1,274,905	-	5,030,579
Less accumulated depreciation for				
Land improvements	9,834,382	695,054	-	10,529,436
Buildings and improvements	53,451,939	3,517,983	-	56,969,922
Equipment	9,160,251	928,468	415,327	9,673,392
Total accumulated depreciation	72,446,572	5,141,505	415,327	77,172,750
Less accumulated amortization for				
Intangible assets	578,507	312,447	-	890,954
Software	-	524,157	-	524,157
Equipment	-	174,732	-	174,732
Total accumulated amortization	578,507	1,011,336	-	1,589,843
Total capital assets being depreciated and amortized, net	106,292,259	(4,586,550)	86,904	101,618,805
CAPITAL ASSETS, NET	\$ 111,454,901	\$ (4,578,464)	\$ 86,904	\$ 106,789,533

Beginning balances were restated in accordance with GASB Statement No. 96, *Subscription-Based IT Arrangements*. See footnote #5 and #11 for additional information.

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, 2023 and 2022 are as follows:

	Balance July 1, 2022	Issuance	Repayment/ Refunding	Balance June 30, 2023	Current Portion
Accrued compensated absences	\$ 3,756,847	\$ 426,885	\$ 372,228	\$ 3,811,504	\$ 356,255
Other postemployment benefit liability	29,045,355	-	17,305,538	11,739,817	473,804
General Obligation Limited Tax Bonds, Series 2021A	1,910,000	-	520,000	1,390,000	535,000
General Obligation Limited Tax Bonds, Series 2021B	32,645,000	-	3,485,000	29,160,000	3,520,000
Unamortized bond premium	358,020	-	39,780	318,240	-
Lease payable	784,486	-	190,983	593,503	191,718
SBITA payable	1,932,706	627,434	692,133	1,868,007	741,200
TOTAL	\$ 70,432,414	\$ 1,054,319	\$ 22,605,662	\$ 48,881,071	\$ 5,817,977

	Balance July 1, 2021, As Restated	Issuance	Repayment/ Refunding	Balance June 30, 2022	Current Portion
Accrued compensated absences	\$ 3,802,891	\$ 742,012	\$ 788,056	\$ 3,756,847	\$ 372,228
Other postemployment benefit liability	31,078,847	-	2,033,492	29,045,355	432,233
General Obligation Limited Tax Bonds, Series 2011C	325,000	-	325,000	-	-
General Obligation Bonds, Series 2012A	6,375,000	-	6,375,000	-	-
General Obligation Limited Tax Bonds, Series 2012B	130,000	-	130,000	-	-
General Obligation Limited Tax Bonds, Series 2021A	1,955,000	-	45,000	1,910,000	520,000
General Obligation Limited Tax Bonds, Series 2021B	32,645,000	-	-	32,645,000	3,485,000
Unamortized bond premium	860,504	-	502,484	358,020	-
Lease payable	-	959,218	174,732	784,486	190,983
SBITA payable*	79,568,289	148,902	612,243	1,932,706	612,243
TOTAL	\$ 77,172,242	\$ 1,850,132	\$ 10,986,007	\$ 70,432,414	\$ 5,612,687

Beginning balances were restated in accordance with GASB Statement No. 96, *Subscription-Based IT Arrangements*. See footnote #5 and #11 for additional information.

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

5. LONG-TERM DEBT (Continued)

Accrued Compensated Absences

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

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 was due December 15, 2021, with interest at 4%, payable June 15, 2021 and December 15, 2021. The bonds matured and were paid off during fiscal year 2022.

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 was due December 15, 2021, with interest at 5%, payable June 15, 2021 and December 15, 2021. The bonds matured and were paid off during fiscal year 2022.

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 was due December 15, 2021, with interest at 3%, payable June 15, 2021 and December 15, 2021. The bonds matured and were paid off during fiscal year 2022.

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
2024	\$ 535,000	\$ 4,695	\$ 539,695
2025	540,000	2,813	542,813
2026	315,000	866	315,866
TOTAL	\$ 1,390,000	\$ 8,374	\$ 1,398,374

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
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	\$ 29,160,000	\$ 1,217,042	\$ 30,377,042

2021A and 2021B Refunding

During fiscal year 2021, 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.

Leases

The College entered into a lease arrangement on August 1, 2021, for the right-to-use equipment. Payments of \$16,138 are due monthly over a 60 month term. Total intangible right-to-use assets acquired under this agreement are \$959,218.

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

5. LONG-TERM DEBT (Continued)

Leases (Continued)

Obligations of the College under this lease payable, typically paid from the Education Fund, including future interest payments at June 30, 2023, are as follows:

Fiscal Year Ending June 30,	Leases	
	Principal	Interest
2024	\$ 191,718	\$ 1,942
2025	192,455	1,204
2026	193,196	464
2027	16,134	5
TOTAL	\$ 593,503	\$ 3,615

Subscription-Based Information Technology Arrangements (SBITA)

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

The College has entered into various SBITAs for the right to use another party's information technology software. These agreements range, in term, from fiscal year 2022 through fiscal year 2028. Additionally, payment terms on these agreements vary in frequency with payments due in either monthly or annual installments, depending on the agreement.

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

Fiscal Year Ending June 30,	SBITA	
	Principal	Interest
2024	\$ 741,200	\$ 6,013
2025	619,866	3,961
2026	371,845	1,974
2027	72,956	593
2028	62,140	277
TOTAL	\$ 1,868,007	\$ 12,818

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 2022 and 2023 was 12.32% and 12.83%, 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, 2022 and 2021, SURS reported a net pension liability of \$29,078,053,857 and \$28,528,477,079, respectively. The net pension liability was measured as of June 30, 2022 and 2021.

Employer Proportionate Share of Net Pension Liability

For the year ended June 30, 2023, the amount of the proportionate share of the net pension liability to be recognized for the College is \$0. The proportionate share of the state's net pension liability associated with the College is \$231,435,720 or 0.7959%. This amount is not recognized in the financial statement due to the special funding situation. The net pension liability was measured as of June 30, 2022 and the total pension used to calculate the net pension liability was determined based on the June 30, 2021 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable earnings made to SURS during fiscal year 2022.

For the year ended June 30, 2022, the amount of the proportionate share of the net pension liability to be recognized for the College is \$0. The proportionate share of the state's net pension liability associated with the College is \$241,396,847 or 0.8462%. 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, 2021 and the total pension used to calculate the net pension liability was determined based on the June 30, 2020 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable earnings made to SURS during fiscal year 2021.

Pension Expense

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

Employer Proportionate Share of Pension Expense

The College's proportionate share of collective net pension expense is recognized as both revenue and matching expense in the 2023 financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable earnings made to SURS during fiscal year 2022. As a result, the College recognized revenue and pension expense of \$15,803,215 for the fiscal year ended June 30, 2023.

The College's proportionate share of collective net pension expense is recognized as both revenue and matching expense in the 2022 financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable earnings made to SURS during fiscal year 2021. As a result, the College recognized revenue and pension expense of \$20,356,641 for the fiscal year ended June 30, 2022.

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

Deferred outflows of resources are the consumption of net assets by the College that is applicable to future reporting periods. The College paid \$239,779 in federal, trust or grant contributions for the fiscal year ended June 30, 2023. These contributions were made subsequent to the pension liability measurement date of June 30, 2022 and are recognized as deferred outflows of resources as of June 30, 2023.

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 \$206,570 in federal, trust or grant contributions for the fiscal year ended June 30, 2022. These contributions were made subsequent to the pension liability measurement date of June 30, 2021 and are recognized as deferred outflows of resources as of June 30, 2022.

- b. Assumptions and Other Inputs

Actuarial Assumptions

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

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

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period June 30, 2017 to 2020. The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.25% to 12.25%, including inflation
Investment rate of return	6.50% beginning with the actuarial valuation as of June 30, 2021

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 Pub-2020 employee and retiree 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, 2022 and 2021, these best estimates are summarized in the following table:

	2022	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	38.00%	7.62%
Public Credit Fixed Income	9.00%	4.20%
Credit Real Assets	4.50%	4.98%
Options Strategies	2.50%	4.91%
Private Credit	1.00%	7.45%
Private Equity	10.50%	11.91%
Non-Core Real Assets	2.50%	9.43%
U.S. TIPS	5.00%	1.23%
Core Fixed Income	8.00%	1.79%
Systematic Trend Following	10.00%	4.33%
Alternative Risk Premia	5.00%	3.59%
Long Duration	4.00%	2.16%
Total	100.00%	6.08%
Inflation		2.25%
EXPECTED ARITHMETIC RETURN		8.33%

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)

	2021	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	41.00%	6.30%
Credit Fixed Income	14.00%	1.82%
Core Real Assets	5.00%	3.92%
Options Strategies	6.00%	4.20%
Private Equity	7.50%	1.45%
Non-Core Real Assets	2.50%	8.83%
U.S. TIPS	6.00%	(0.22%)
Core Fixed Income	8.00%	(0.81%)
Systematic Trend Following	3.50%	3.45%
Alternative Risk Premia	3.00%	2.30%
Long Duration	3.50%	0.91%
Total	100.00%	4.43%
Inflation		2.25%
EXPECTED ARITHMETIC RETURN		<u>6.68%</u>

Discount Rate

2023

A single discount rate of 6.39% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and a municipal bond rate of 3.69% (based on 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 2076. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2076, and the municipal bond rate was applied to all benefit payments after that date.

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)

2023 (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 6.39%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1 percentage point lower or 1 percentage point higher:

	1% Decrease (5.39%)	Current Single Discount Rate Assumption (6.39%)	1% Increase (7.39%)
Net pension liability	\$ 35,261,802,968	\$ 29,078,053,857	\$ 23,928,731,076

2022

A single discount rate of 6.12% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and a municipal bond rate of 1.92% (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under SURS' funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075 and the municipal bond rate was applied to all benefit payments after that date.

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)

2022 (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 6.12%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1 percentage point lower or 1 percentage point higher:

	1% Decrease (5.12%)	Current Single Discount Rate Assumption (6.12%)	1% Increase (7.12%)
Net pension liability	\$ 35,000,704,353	\$ 28,528,477,079	\$ 23,155,085,730

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 0.50% of covered payroll and every community college district to contribute 0.50% of covered payroll. Retirees pay a premium for coverage that is also determined by ILCS. The State Pension Funds Continuing Appropriation Act (40/ILCS 15/1.4) requires the state 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, 2022 and 2021, 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, 2023, the College reported a liability of \$11,739,817 for its proportionate share of the total other postemployment benefit liability that reflected a reduction for state other postemployment benefit support of \$11,739,817 resulting in a total other postemployment benefit liability associated with the College of \$23,479,634. The other postemployment benefit liability was measured as of June 30, 2022, 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, 2021 rolled forward to June 30, 2022. 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, 2023, the College's proportionate share was 1.714943%.

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

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

At June 30, 2022, the College reported a liability of \$29,045,355 for its proportionate share of the total other postemployment benefit liability that reflected a reduction for state other postemployment benefit support of \$29,045,355 resulting in a total other postemployment benefit liability associated with the College of \$58,090,710. The other postemployment benefit liability was measured as of June 30, 2021, 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, 2020 rolled forward to June 30, 2021. 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, 2022, the College's proportionate share was 1.673570%.

2023

For the year ended June 30, 2023, the College recognized other postemployment benefit expense of \$(4,638,107) and revenue of \$(4,638,107) for support provided by the state. At June 30, 2023, 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	\$ 92,743	\$ 4,889,998
Changes in assumption	-	15,824,907
Changes in proportionate share and differences between college contributions and proportionate share of contributions	1,046,999	1,003,845
Contributions made after the measurement date	175,432	-
Net difference between projected and actual earnings on other postemployment benefit plan investments	-	607
	<u> </u>	<u> </u>
TOTAL	<u><u>\$ 1,315,174</u></u>	<u><u>\$ 21,719,356</u></u>

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

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2023 (Continued)

\$175,432 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, 2023. 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>	
2024	\$ (5,144,903)
2025	(4,749,775)
2026	(4,253,806)
2027	(3,646,708)
2028	<u>(2,784,422)</u>
 TOTAL	 <u>\$(20,579,614)</u>

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

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

2022

For the year ended June 30, 2022, the College recognized other postemployment benefit expense of \$10,761 and revenue of \$10,761 for support provided by the state. At June 30, 2022, 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
Difference between expected and actual experience	\$ 183,810	\$ 2,122,872
Changes in assumption	-	5,548,581
Changes in proportionate share and differences between college contributions and proportionate share of contributions	950,423	1,360,421
Contributions made after the measurement date	161,727	-
Net difference between projected and actual earnings on other postemployment benefit plan investments	-	837
TOTAL	\$ 1,295,960	\$ 9,032,711

\$161,727 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, 2022. 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,	
2023	\$ (1,316,413)
2024	(1,316,413)
2025	(1,316,413)
2026	(1,316,413)
2027	(1,316,413)
Thereafter	(1,316,413)
TOTAL	\$ (7,898,478)

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

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

Actuarial Assumptions

2023

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

Assumptions	
Inflation	2.25%
Salary increases	3.50% to 12.75%
Investment rate of return	0.00%
Healthcare cost trend rates	8.00% trending to 4.25%
Asset valuation method	Fair value

2022

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

Assumptions	
Inflation	2.25%
Salary increases	3.25% to 12.25%
Investment rate of return	0.00%
Healthcare cost trend rates	8.00% trending to 4.25%
Asset valuation method	Fair value

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

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

Actuarial Assumptions (Continued)

2023

Mortality rates for retirement and beneficiary annuitants were based on the Pub-2010 Healthy Retiree Mortality Table and PubT-2010 Healthy Retiree Mortality Table. For disabled annuitants, mortality rates were based on the Pub-2010 Disabled Retiree Mortality Table. Mortality rates for pre-retirement were based on the Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020. The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period June 30, 2017 to June 30, 2020.

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rate was 3.69% as of June 30, 2022.

2022

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 1.92% as of June 30, 2021.

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

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

Rate Sensitivity

2023

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

	1% Decrease (2.69%)	Current Discount Rate (3.69%)	1% Increase (4.69%)
Other postemployment benefit liability	\$ 12,851,320	\$ 11,739,817	\$ 10,789,322

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 9.18% in 2023 decreasing to an ultimate trend rate of 4.25% in 2038.

	1% Decrease	Current Healthcare Rate	1% Increase
Other postemployment benefit liability	\$ 10,491,324	\$ 11,739,817	\$ 13,265,367

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

7. RETIREE HEALTH PLAN (Continued)

Plan Description (Continued)

Rate Sensitivity (Continued)

2022

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

	1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
Other postemployment benefit liability	\$ 33,091,196	\$ 29,045,355	\$ 25,551,405

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

	1% Decrease	Current Healthcare Rate	1% Increase
Other postemployment benefit liability	\$ 23,932,913	\$ 29,045,355	\$ 35,892,433

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 7, 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 54 and 55 members (including spouses) receiving benefits as of June 30, 2023 and 2022, respectively.

The College engaged an actuary to perform an actuarial valuation of the benefits as of June 30, 2023 and 2022. Actual retirees were 29 and 31 as of June 30, 2023 and 2022, respectively. The actuarial assumptions used in the valuations were a discount rate of 2.89% and 1% at June 30, 2023 and 2022, respectively, the health care trend rate of 7% (non-Medicare) and 5% (Medicare) and 5%, respectively. The actuarial valuation calculated a liability of \$362,206 and \$929,236 at June 30, 2023 and 2022, 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, 2023 and 2022.

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 \$7,874,225 on a calendar year basis. A liability of \$1,247,257 and \$1,243,618 for claims incurred but not paid as of June 30, 2023 and 2022, respectively, including an estimate of incurred but not reported claims as of June 30, 2023 and 2022.

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

	2021	2022	2023
CLAIMS PAYABLE, JULY 1	\$ 1,128,411	\$ 1,152,748	\$ 1,243,618
Claims paid	(5,818,299)	(7,293,039)	(7,185,015)
Claims incurred	5,842,636	7,383,909	7,188,654
CLAIMS PAYABLE, JUNE 30	<u>\$ 1,152,748</u>	<u>\$ 1,243,618</u>	<u>\$ 1,247,257</u>

10. CHANGE IN ACCOUNTING PRINCIPLE

The beginning net position of the following opinion units have been restated to reflect the new guidance as follows:

Business-Type Activities

BEGINNING NET POSITION, JULY 1, 2021	<u>\$ 205,564,800</u>
Recording initial balance of intangible right-to-use SBITA assets	2,396,047
Recording initial balance of SBITA liability	<u>(2,396,047)</u>
Total net restatement	<u>-</u>
BEGINNING NET POSITION, JULY 1, 2021	<u><u>\$ 205,564,800</u></u>

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

10. CHANGE IN ACCOUNTING PRINCIPLE (Continued)

BEGINNING NET POSITION, JULY 1, 2022	<u>\$ 212,246,424</u>
Record activity specific to SBITAs	<u>166,785</u>
Total net restatement	<u>166,785</u>
BEGINNING NET POSITION, JULY 1, 2022	<u><u>\$ 212,413,209</u></u>

11. SUBSEQUENT EVENT

Subsequent to June 30, 2023, the College issued General Obligation Bonds (Alternate Revenue Source), Series 2023, in the amount of \$27,820,000. Proceeds from the bonds will be used to construct and equip a new Career and Technical Education Building and to pay costs associated with the issuance of the Bonds.

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.

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:

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

13. DISCRETELY PRESENTED COMPONENT UNIT (Continued)

a. Basis of Presentation (Continued)

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.

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. There are no conditional contributions as of June 30, 2023 and 2022.

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

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

13. DISCRETELY PRESENTED COMPONENT UNIT (Continued)

b. Revenue Recognition (Continued)

as prior collection history, type of contribution and nature of fundraising activity. No allowance was deemed necessary as of June 30, 2023 or 2022.

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 statements of financial position. For events held during the year ending June 30, 2023, commensurate value of \$25,471 was recognized as fundraising revenue in the statements of activities. There was no commensurate value for events held during 2022.

Contributions (Continued)

The Foundation recognizes the fair value of contributed services received if such services create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. Donated assets are recorded in the financial statements as assets and revenue at their estimated fair market value on the dates the assets are contributed. Donated supplies are expensed in the year received.

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, 2023 and 2022, 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)

13. 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. The Foundation evaluates its uncertain tax positions on an annual basis, and there have been no recorded uncertain tax positions recorded in fiscal year 2023, 2022 or 2021. Therefore, no provision or liability for income taxes has been included in the financial statements. The Foundation files various federal or state non-profit tax returns. The Foundation is no longer subject to U.S. Federal or state examinations by tax authorities for tax years prior to 2020.

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 516
SUGAR GROVE, ILLINOIS**

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

Last Nine Years

MEASUREMENT DATE JUNE 30,	2014	2015	2016	2017
(a) Proportion percentage of the collective net pension liability	0.00%	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	224,615,949
Total (b) + (c)	\$ 175,301,717	\$ 190,918,931	\$ 221,092,313	\$ 224,615,949
Covered payroll	\$ 35,293,307	\$ 36,108,287	\$ 37,931,009	\$ 38,779,937
Proportion of collective net pension liability associated with employer as a percentage of covered payroll	496.70%	528.74%	582.88%	579.21%
SURS plan net position as a percentage of total pension liability	44.39%	42.37%	39.57%	42.04%
FISCAL YEAR ENDED JUNE 30,	2014	2015	2016	2017
WAUBONSEE COMMUNITY COLLEGE				
Federal, trust, grant and other contributions	\$ 151,310	\$ 157,195	\$ 148,188	\$ 129,704
Contribution in relation to required contribution	151,310	157,195	148,188	129,704
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 35,293,307	\$ 36,108,287	\$ 37,931,009	\$ 38,779,937
Contributions as a percentage of covered payroll	0.43%	0.44%	0.39%	0.33%

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, 2022 and 2021.

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, 2017, to June 30, 2020, was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021.

- Salary increase - Change in the overall assumed salary increase rates, ranging from 3.00% to 12.75% based on years of service, while maintaining the underlying wage inflation rate of 2.25%.
- Investment return - Decrease the investment return assumption to 6.50%. This reflects decreasing the assumed real rate of return to 4.25% and maintaining the underlying assumed price inflation of 2.25%.
- Effective rate of interest - Decrease the long-term assumption for the effective rate of interest for crediting the money purchase accounts to 6.50%.
- Normal retirement rates - Establish separate rates for members in academic positions and nonacademic positions to reflect that retirement rates for academic positions are lower than for nonacademic positions.
- Early retirement rates - Establish separate rates for members in academic positions and nonacademic positions to reflect that retirement rates for academic positions are lower than for nonacademic positions.
- Turnover rates - Change rates to produce slightly lower expected turnover for most members, while maintaining pattern of decreasing termination rates as years of service increase.
- Mortality rates - Change from the RP-2014 to the Pub-2010 mortality tables to reflect the latter's higher applicability to public pensions. Update the projection scale from the MP-2017 to the MP-2020 scale.
- Disability rates - Establish separate rates for members in academic positions and non-academic positions and maintain separate rates for males and females.
- Plan election - Change plan election assumptions to 75% Tier 2 and 25% Retirement Savings Plan (RSP) for non-academic members. Change plan election assumptions to 55% Tier 2 and 45% Retirement Savings Plan (RSP) for academic members.

	2018	2019	2020	2021	2022	
	0.00%	0.00%	0.00%	0.00%	0.00%	
\$	-	\$ -	\$ -	\$ -	\$ -	
	246,158,766	251,989,904	259,739,781	241,396,847	231,435,720	
\$	246,158,766	\$ 251,989,904	\$ 259,739,781	\$ 241,396,847	\$ 231,435,720	
\$	40,024,842	\$ 39,687,030	\$ 40,261,318	\$ 38,111,793	\$ 39,583,468	
	615.01%	634.94%	645.13%	633.39%	584.68%	
	41.27%	40.71%	39.05%	45.45%	43.65%	
	2018	2019	2020	2021	2022	2023
\$	108,983	\$ 132,377	\$ 151,497	\$ 137,643	\$ 206,570	\$ 239,779
	108,983	132,377	151,497	137,643	206,570	239,779
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	40,024,842	\$ 39,687,030	\$ 40,261,318	\$ 38,111,793	\$ 39,583,468	\$ 42,808,371
	0.27%	0.33%	0.38%	0.36%	0.52%	0.56%

(See independent auditor's report.)

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

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

Last Six Years

MEASUREMENT DATE JUNE 30,	2017	2018	2019	2020	2021	2022
College's proportion of the total OPEB liability	1.675759%	1.764152%	1.739747%	1.705040%	1.673570%	1.714943%
College's proportionate share of the total OPEB liability	\$ 30,559,765	\$ 33,258,707	\$ 32,855,835	\$ 31,078,847	\$ 29,045,355	\$ 11,739,817
Portion of State's total proportion of total OPEB liability associated with the College	<u>30,157,270</u>	<u>33,258,707</u>	<u>32,855,835</u>	<u>31,078,847</u>	<u>29,045,355</u>	<u>11,739,817</u>
TOTAL	<u>\$ 60,717,035</u>	<u>\$ 66,517,414</u>	<u>\$ 65,711,670</u>	<u>\$ 62,157,694</u>	<u>\$ 58,090,710</u>	<u>\$ 23,479,634</u>
Covered payroll	\$ 31,729,696	\$ 34,713,453	\$ 33,547,619	\$ 33,681,095	\$ 33,929,308	\$ 35,007,849
Proportion of collective net pension liability associated with the College as a percentage of covered payroll	191.36%	191.62%	195.88%	184.55%	171.21%	67.07%
CIP plan net position as a percentage of total OPEB liability	(2.87%)	(3.54%)	(4.13%)	(5.07%)	(6.38%)	(22.03%)
FISCAL YEAR ENDED JUNE 30,	2018	2019	2020	2021	2022	2023
Statutorily required contribution	\$ 154,058	\$ 156,169	\$ 156,807	\$ 155,607	\$ 161,727	\$ 176,892
Contribution in relation to the statutorily required contribution	<u>154,058</u>	<u>156,169</u>	<u>156,807</u>	<u>155,607</u>	<u>161,727</u>	<u>176,892</u>
CONTRIBUTION EXCESS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 34,713,453	\$ 33,547,619	\$ 33,681,095	\$ 33,929,308	\$ 35,007,849	\$ 33,855,824
Contributions as a percentage of covered payroll	0.44%	0.47%	0.47%	0.46%	0.46%	0.52%
Discount rate	3.56%	3.62%	3.13%	2.45%	1.92%	3.69%

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, 2022 and 2021.

(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, 2023

	Governmental Subgroup	Auxiliary Subgroup	Eliminations	Total
CURRENT ASSETS				
Cash	\$ 1,305,590	\$ 387,699	\$ -	\$ 1,693,289
Investments	191,770,549	4,893,135	-	196,663,684
Receivables, net of allowance for uncollectibles				
Taxes	28,073,389	-	-	28,073,389
Accrued interest	1,276,160	41,048	-	1,317,208
Accounts	1,616,111	11,663	-	1,627,774
Other	78,086	35,563	-	113,649
Tuition and fees	4,442,064	19,965	-	4,462,029
Rent	2,503,033	-	-	2,503,033
Prepaid expenses	1,610,098	39,700	-	1,649,798
Inventories	-	540,266	-	540,266
Total current assets	<u>232,675,080</u>	<u>5,969,039</u>	<u>-</u>	<u>238,644,119</u>
NONCURRENT ASSETS				
Capital assets and intangible capital assets	186,810,404	40,169	-	186,850,573
Less accumulated depreciation and accumulated amortization	<u>(84,110,662)</u>	<u>(40,169)</u>	<u>-</u>	<u>(84,150,831)</u>
Net capital assets	<u>102,699,742</u>	<u>-</u>	<u>-</u>	<u>102,699,742</u>
Total noncurrent assets	<u>102,699,742</u>	<u>-</u>	<u>-</u>	<u>102,699,742</u>
Total assets	<u>335,374,822</u>	<u>5,969,039</u>	<u>-</u>	<u>341,343,861</u>
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized loss on refunding	584,229	-	-	584,229
CIP other postemployment benefit items	1,315,174	-	-	1,315,174
SURS pension contributions	<u>239,779</u>	<u>-</u>	<u>-</u>	<u>239,779</u>
Total deferred outflows of resources	<u>2,139,182</u>	<u>-</u>	<u>-</u>	<u>2,139,182</u>
Total assets and deferred outflows of resources	<u>337,514,004</u>	<u>5,969,039</u>	<u>-</u>	<u>343,483,043</u>

(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, 2023

	Governmental Subgroup	Auxiliary Subgroup	Eliminations	Total
CURRENT LIABILITIES				
Accounts payable	\$ 1,176,595	\$ 250,803	\$ -	\$ 1,427,398
Accrued salaries and payroll deductions payable	1,670,347	21,942	-	1,692,289
Health claims payable	1,247,257	-	-	1,247,257
Unearned tuition and fees	7,315,931	-	-	7,315,931
Unearned revenue	3,030,917	-	-	3,030,917
Accrued compensated absences	285,839	70,216	-	356,055
Bonds payable	4,055,000	-	-	4,055,000
Lease payable	191,718	-	-	191,718
SBITA payable	741,200	-	-	741,200
Other postemployment benefit liability	473,804	-	-	473,804
Interest payable	12,576	-	-	12,576
Other current liabilities	-	36,280	-	36,280
Total current liabilities	20,201,184	379,241	-	20,580,425
NONCURRENT LIABILITIES				
Special termination health insurance benefits payable	362,206	-	-	362,206
Accrued compensated absences	3,455,449	-	-	3,455,449
Other postemployment benefit liability	11,266,013	-	-	11,266,013
Lease payable	401,785	-	-	401,785
SBITA payable	1,126,807	-	-	1,126,807
Bonds payable	26,813,240	-	-	26,813,240
Total noncurrent liabilities	43,425,500	-	-	43,425,500
Total liabilities	63,626,684	379,241	-	64,005,925
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue - property taxes	27,598,857	-	-	27,598,857
CIP other postemployment benefit items	21,719,356	-	-	21,719,356
Total deferred inflows of resources	49,318,213	-	-	49,318,213
Total liabilities and deferred inflows of resources	112,944,897	379,241	-	113,324,138
NET POSITION				
Net investment in capital assets	77,793,056	-	-	77,793,056
Restricted for				
Audit	35,810	-	-	35,810
Liability, protection and settlement	3,235,021	-	-	3,235,021
Debt service	2,486,691	-	-	2,486,691
Working cash	4,472,319	-	-	4,472,319
Pension contributions	239,779	-	-	239,779
Unrestricted	136,306,431	5,589,798	-	141,896,229
TOTAL NET POSITION	\$ 224,569,107	\$ 5,589,798	\$ -	\$ 230,158,905

(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, 2023

	Governmental Subgroup	Auxiliary Subgroup	Eliminations	Total
OPERATING REVENUES				
Tuition and fees	\$ 16,392,640	\$ -	\$ -	\$ 16,392,640
Auxiliary enterprises revenue	-	3,661,553	(390,299)	3,271,254
Other operating revenue	988,138	-	-	988,138
Total operating revenues	17,380,778	3,661,553	(390,299)	20,652,032
OPERATING EXPENSES				
Instruction	25,724,531	-	-	25,724,531
Academic support	4,462,009	-	-	4,462,009
Student services	14,019,874	-	-	14,019,874
Public services	1,438,587	-	-	1,438,587
Auxiliary services	122,040	4,184,170	-	4,306,210
Operation and maintenance of plant	8,855,718	-	-	8,855,718
Institutional support	21,365,923	-	-	21,365,923
Scholarships, grants and waivers	8,085,194	-	(390,299)	7,694,895
Amortization	918,859	-	-	918,859
Depreciation	5,306,183	-	-	5,306,183
Total operating expenses	90,298,918	4,184,170	(390,299)	94,092,789
OPERATING INCOME (LOSS)	(72,918,140)	(522,617)	-	(73,440,757)
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	53,692,342	-	-	53,692,342
Personal property replacement tax	3,111,339	-	-	3,111,339
Local grants and contracts	259,622	-	-	259,622
State grants and contracts	18,924,465	-	-	18,924,465
Federal grants and contracts	11,469,183	-	-	11,469,183
Investment income	3,960,975	140,266	-	4,101,241
Interest expense	(367,025)	-	-	(367,025)
Other non-operating revenue	2,020	-	-	2,020
Gain (loss) on disposal of capital assets	(6,734)	-	-	(6,734)
Total non-operating revenues (expenses)	91,046,187	140,266	-	91,186,453
CHANGE IN NET POSITION	18,128,047	(382,351)	-	17,745,696
NET POSITION, JULY 1, AS RESTATED	206,441,060	5,972,149	-	212,413,209
NET POSITION, JUNE 30	\$ 224,569,107	\$ 5,589,798	\$ -	\$ 230,158,905

(See independent auditor's report.)

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

COMBINING SCHEDULE OF NET POSITION ACCOUNTS - BY GOVERNMENTAL GROUP

June 30, 2023

	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	\$ 82,989	\$ (16,161)	\$ (747,107)	\$ (1,299,909)	\$ 2,152	\$ 132,323	\$ 561,713	\$ 1,791,991
Investments	26,480,730	22,314,401	8,941,405	171,609	51,280	3,104,196	2,413,025	75,997,575
Receivables								
Taxes	21,124,349	-	3,959,821	-	51,019	699,679	2,238,521	-
Accrued interest	320,136	216,860	70,631	-	1,043	19,372	28,150	400,311
Accounts	1,357	-	-	1,597,524	-	992	-	-
Other	78,086	-	-	-	-	-	-	-
Tuition and fees	4,442,064	-	-	-	-	-	-	-
Rent	2,503,033	-	-	-	-	-	-	-
Prepaid expenses	1,520,205	-	54,750	35,143	-	-	-	-
Total current assets	56,552,949	22,515,100	12,279,500	504,367	105,494	3,956,562	5,241,409	78,189,877
NONCURRENT ASSETS								
Capital assets and intangible capital assets	-	-	-	-	-	-	-	-
Less accumulated depreciation and accumulated amortization	-	-	-	-	-	-	-	-
Net capital assets	-	-	-	-	-	-	-	-
Total noncurrent assets	-	-	-	-	-	-	-	-
Total assets	56,552,949	22,515,100	12,279,500	504,367	105,494	3,956,562	5,241,409	78,189,877
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	56,552,949	22,515,100	12,279,500	504,367	105,494	3,956,562	5,241,409	78,189,877

	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	\$ 571,394	\$ -	\$ 303,006	\$ 118,892	\$ 20,000	\$ 6,875	\$ -	\$ 152,715
Accrued salaries and payroll deductions payable	1,496,461	-	81,612	63,518	-	28,756	-	-
Health claims payable	-	-	-	-	-	-	-	-
Unearned tuition	7,315,931	-	-	-	-	-	-	-
Unearned revenue	2,446,023	-	-	23,494	-	-	561,400	-
Accrued compensated absences	146,394	-	4,796	134,649	-	-	-	-
Bonds payable	-	-	-	-	-	-	-	-
Lease payable	-	-	-	-	-	-	-	-
SBITA payable	-	-	-	-	-	-	-	-
Other postemployment benefit liability	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
Total current liabilities	11,976,203	-	389,414	340,553	20,000	35,631	561,400	152,715
NONCURRENT LIABILITIES								
Special termination health insurance benefits payable	-	-	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-	-	-
Other postemployment benefit liability	-	-	-	-	-	-	-	-
Lease payable	-	-	-	-	-	-	-	-
SBITA payable	-	-	-	-	-	-	-	-
Bonds payable	-	-	-	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	-	-	-	-
Total liabilities	11,976,203	-	389,414	340,553	20,000	35,631	561,400	152,715
DEFERRED INFLOWS OF RESOURCES								
Deferred revenue - property taxes	20,786,629	-	3,883,316	-	49,684	685,910	2,193,318	-
CIP other postemployment benefit items	-	-	-	-	-	-	-	-
Total deferred inflows of resources	20,786,629	-	3,883,316	-	49,684	685,910	2,193,318	-
Total liabilities and deferred inflows of resources	32,762,832	-	4,272,730	340,553	69,684	721,541	2,754,718	152,715
NET POSITION								
Net investment in capital assets	-	-	-	-	-	-	-	-
Restricted for								
Audit	-	-	-	-	35,810	-	-	-
Liability, protection and settlement	-	-	-	-	-	3,235,021	-	-
Debt service	-	-	-	-	-	-	2,486,691	-
Working cash	-	-	-	-	-	-	-	-
Pension contributions	-	-	-	-	-	-	-	-
Unrestricted (deficit)	23,790,117	22,515,100	8,006,770	163,814	-	-	-	78,037,162
TOTAL NET POSITION (DEFICIT)	\$ 23,790,117	\$ 22,515,100	\$ 8,006,770	\$ 163,814	\$ 35,810	\$ 3,235,021	\$ 2,486,691	\$ 78,037,162

(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, 2023

	Medical Insurance Account	Retiree Medical Insurance and Retirement Account	Working Cash Account	Long- Term Obligations	Capital Assets	Eliminations	Total
CURRENT ASSETS							
Cash	\$ 657,991	\$ 139,553	\$ 55	\$ -	\$ -	\$ -	\$ 1,305,590
Investments	4,889,664	42,964,202	4,442,462	-	-	-	191,770,549
Receivables							
Taxes	-	-	-	-	-	-	28,073,389
Accrued interest	38,087	151,768	29,802	-	-	-	1,276,160
Accounts	16,238	-	-	-	-	-	1,616,111
Other	-	-	-	-	-	-	78,086
Tuition and fees	-	-	-	-	-	-	4,442,064
Rent	-	-	-	-	-	-	2,503,033
Prepaid expenses	-	-	-	-	-	-	1,610,098
Total current assets	5,601,980	43,255,523	4,472,319	-	-	-	232,675,080
NONCURRENT ASSETS							
Capital assets and intangible capital assets	-	-	-	-	186,810,404	-	186,810,404
Less accumulated depreciation and accumulated amortization	-	-	-	-	(84,110,662)	-	(84,110,662)
Net capital assets	-	-	-	-	102,699,742	-	102,699,742
Total noncurrent assets	-	-	-	-	102,699,742	-	102,699,742
Total assets	5,601,980	43,255,523	4,472,319	-	102,699,742	-	335,374,822
DEFERRED OUTFLOWS OF RESOURCES							
Unamortized loss on refunding	-	-	-	584,229	-	-	584,229
CIP other postemployment benefit items	-	1,315,174	-	-	-	-	1,315,174
SURS pension contributions	-	-	-	239,779	-	-	239,779
Total deferred outflows of resources	-	1,315,174	-	824,008	-	-	2,139,182
Total assets and deferred outflows of resources	5,601,980	44,570,697	4,472,319	824,008	102,699,742	-	337,514,004

	Medical Insurance Account	Retiree Medical Insurance and Retirement Account	Working Cash Account	Long- Term Obligations	Capital Assets	Eliminations	Total
CURRENT LIABILITIES							
Accounts payable	\$ -	\$ 3,713	\$ -	\$ -	\$ -	\$ -	\$ 1,176,595
Accrued salaries and payroll deductions payable	-	-	-	-	-	-	1,670,347
Health claims payable	1,247,257	-	-	-	-	-	1,247,257
Unearned tuition	-	-	-	-	-	-	7,315,931
Unearned revenue	-	-	-	-	-	-	3,030,917
Accrued compensated absences	-	-	-	-	-	-	285,839
Bonds payable	-	-	-	4,055,000	-	-	4,055,000
Lease payable	-	-	-	191,718	-	-	191,718
SBITA payable	-	-	-	741,200	-	-	741,200
Other postemployment benefit liability	-	473,804	-	-	-	-	473,804
Interest payable	-	-	-	12,576	-	-	12,576
Total current liabilities	1,247,257	477,517	-	5,000,494	-	-	20,201,184
NONCURRENT LIABILITIES							
Special termination health insurance benefits payable	-	362,206	-	-	-	-	362,206
Accrued compensated absences	-	-	-	3,455,449	-	-	3,455,449
Other postemployment benefit liability	-	11,266,013	-	-	-	-	11,266,013
Lease payable	-	-	-	401,785	-	-	401,785
SBITA payable	-	-	-	1,126,807	-	-	1,126,807
Bonds payable	-	-	-	26,813,240	-	-	26,813,240
Total noncurrent liabilities	-	11,628,219	-	31,797,281	-	-	43,425,500
Total liabilities	1,247,257	12,105,736	-	36,797,775	-	-	63,626,684
DEFERRED INFLOWS OF RESOURCES							
Deferred revenue - property taxes	-	-	-	-	-	-	27,598,857
CIP other postemployment benefit items	-	21,719,356	-	-	-	-	21,719,356
Total deferred inflows of resources	-	21,719,356	-	-	-	-	49,318,213
Total liabilities and deferred inflows of resources	1,247,257	33,825,092	-	36,797,775	-	-	112,944,897
NET POSITION							
Net investment in capital assets	-	-	-	(24,906,686)	102,699,742	-	77,793,056
Restricted for							
Audit	-	-	-	-	-	-	35,810
Liability, protection and settlement	-	-	-	-	-	-	3,235,021
Debt service	-	-	-	-	-	-	2,486,691
Working cash	-	-	4,472,319	-	-	-	4,472,319
Pension contributions	-	-	-	239,779	-	-	239,779
Unrestricted (deficit)	4,354,723	10,745,605	-	(11,306,860)	-	-	136,306,431
TOTAL NET POSITION (DEFICIT)	\$ 4,354,723	\$ 10,745,605	\$ 4,472,319	\$ (35,973,767)	\$ 102,699,742	\$ -	\$ 224,569,107

(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, 2023

	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	\$ 18,367,176	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other operating revenue	867,295	-	120,843	-	-	-	-	-
Total operating revenues	19,234,471	-	120,843	-	-	-	-	-
OPERATING EXPENSES								
Instruction	21,503,061	-	-	1,875,235	-	-	-	-
Academic support	4,084,257	64,302	-	-	-	-	-	-
Student services	10,037,519	-	-	2,736,969	-	-	-	-
Public services	783,175	-	-	550,727	-	-	-	-
Auxiliary services	6,196	-	-	-	-	-	-	-
Operation and maintenance of plant	267,051	-	6,951,036	-	-	-	-	1,808,416
Institutional support	18,966,804	-	-	1,828	88,947	2,224,468	-	9,693
Scholarships, grants and waivers	715,924	1,232,630	-	8,111,176	-	-	-	-
Amortization	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Total operating expenses	56,363,987	1,296,932	6,951,036	13,275,935	88,947	2,224,468	-	1,818,109
OPERATING INCOME (LOSS)	(37,129,516)	(1,296,932)	(6,830,193)	(13,275,935)	(88,947)	(2,224,468)	-	(1,818,109)
NON-OPERATING REVENUES (EXPENSES)								
Property taxes	40,387,276	-	7,501,283	-	95,771	1,327,333	4,380,679	-
Personal property replacement tax	3,111,339	-	-	-	-	-	-	-
Local grants and contracts	-	-	-	259,622	-	-	-	-
State grants and contracts	6,201,932	-	-	1,557,425	-	-	-	-
Federal grants and contracts	205,512	-	-	11,437,787	-	-	-	-
Investment income	1,264,300	803,359	190,576	-	1,572	59,279	77,257	1,185,282
Interest expense	(6,136)	-	-	-	-	-	(319,761)	-

	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	\$ (883,117)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,005,000)	\$ -
SBITA issuance	627,434	-	-	-	-	-	-	-
Other non-operating revenue	-	-	-	-	-	-	-	2,020
Gain (loss) on disposal of capital assets	17,183	-	-	-	-	-	-	-
Total non-operating revenues (expenses)	50,925,723	803,359	7,691,859	13,254,834	97,343	1,386,612	133,175	1,187,302
NET INCOME (LOSS) BEFORE TRANSFERS	13,796,207	(493,573)	861,666	(21,101)	8,396	(837,856)	133,175	(630,807)
TRANSFERS								
Transfers in	824	2,500,000	200,000	174,639	-	1,150,000	-	7,271,915
Transfers (out)	(12,267,118)	-	(1,000,000)	(30,260)	-	-	-	-
Total transfers	(12,266,294)	2,500,000	(800,000)	144,379	-	1,150,000	-	7,271,915
CHANGE IN NET POSITION	1,529,913	2,006,427	61,666	123,278	8,396	312,144	133,175	6,641,108
NET POSITION (DEFICIT), JULY 1	22,260,204	20,508,673	7,945,104	40,536	27,414	2,922,877	2,353,516	71,396,054
NET POSITION (DEFICIT), JUNE 30	\$ 23,790,117	\$ 22,515,100	\$ 8,006,770	\$ 163,814	\$ 35,810	\$ 3,235,021	\$ 2,486,691	\$ 78,037,162

(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, 2023

	Medical Insurance Account	Retiree Medical Insurance and Retirement Account	Working Cash Account	Long- Term Obligations	Capital Assets	Eliminations	Total
OPERATING REVENUES							
Tuition and fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,974,536)	\$ 16,392,640
Other operating revenue	-	-	-	-	-	-	988,138
Total operating revenues	-	-	-	-	-	(1,974,536)	17,380,778
OPERATING EXPENSES							
Instruction	83,881	2,779,234	-	98,512	(441,276)	(174,116)	25,724,531
Academic support	9,617	318,629	-	(14,796)	-	-	4,462,009
Student services	37,604	1,245,932	-	100	(38,250)	-	14,019,874
Public services	3,445	114,139	-	(12,899)	-	-	1,438,587
Auxiliary services	3,394	112,450	-	-	-	-	122,040
Operation and maintenance of plant	16,345	541,558	-	41,142	(769,830)	-	8,855,718
Institutional support	42,707	1,015,223	502	(74,437)	(909,812)	-	21,365,923
Scholarships, grants and waivers	-	-	-	-	-	(1,974,536)	8,085,194
Amortization	-	-	-	-	918,859	-	918,859
Depreciation	-	-	-	-	5,306,183	-	5,306,183
Total operating expenses	196,993	6,127,165	502	37,622	4,065,874	(2,148,652)	90,298,918
OPERATING INCOME (LOSS)	(196,993)	(6,127,165)	(502)	(37,622)	(4,065,874)	174,116	(72,918,140)
NON-OPERATING REVENUES (EXPENSES)							
Property taxes	-	-	-	-	-	-	53,692,342
Personal property replacement tax	-	-	-	-	-	-	3,111,339
Local grants and contracts	-	-	-	-	-	-	259,622
State grants and contracts	-	11,165,108	-	-	-	-	18,924,465
Federal grants and contracts	-	-	-	-	-	(174,116)	11,469,183
Investment income	-	287,203	92,147	-	-	-	3,960,975
Interest expense	-	-	-	(41,128)	-	-	(367,025)

	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	\$ -	\$ -	\$ -	\$ 4,888,117	\$ -	\$ -	\$ -
Lease/SBITA issuance	-	-	-	(627,434)	-	-	-
Other non-operating revenue	-	-	-	-	-	-	2,020
Gain (loss) on disposal of capital assets	-	-	-	-	(23,917)	-	(6,734)
Total non-operating revenues (expenses)	-	11,452,311	92,147	4,219,555	(23,917)	(174,116)	91,046,187
NET INCOME (LOSS) BEFORE TRANSFERS	(196,993)	5,325,146	91,645	4,181,933	(4,089,791)	-	18,128,047
TRANSFERS							
Transfers in	-	2,000,000	-	-	-	(13,297,378)	-
Transfers (out)	-	-	-	-	-	13,297,378	-
Total transfers	-	2,000,000	-	-	-	-	-
CHANGE IN NET POSITION	(196,993)	7,325,146	91,645	4,181,933	(4,089,791)	-	18,128,047
NET POSITION (DEFICIT), JULY 1, AS RESTATED	4,551,716	3,420,459	4,380,674	(40,155,700)	106,789,533	-	206,441,060
NET POSITION (DEFICIT), JUNE 30	\$ 4,354,723	\$ 10,745,605	\$ 4,472,319	\$ (35,973,767)	\$ 102,699,742	\$ -	\$ 224,569,107

(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, 2023

	Bookstore Account	Auto Parts Account	Student Life and Athletics Account	Total
CURRENT ASSETS				
Cash	\$ (237,250)	\$ 82,970	\$ 541,979	\$ 387,699
Investments	4,893,135	-	-	4,893,135
Receivables				
Accrued interest	41,048	-	-	41,048
Accounts	-	11,663	-	11,663
Other	35,563	-	-	35,563
Tuition and fees	19,965	-	-	19,965
Prepaid expenses	39,700	-	-	39,700
Inventories	503,675	36,591	-	540,266
	<hr/>			
Total current assets	5,295,836	131,224	541,979	5,969,039
NONCURRENT ASSETS				
Capital assets	40,169	-	-	40,169
Less accumulated depreciation	(40,169)	-	-	(40,169)
	<hr/>			
Net capital assets	-	-	-	-
	<hr/>			
Total noncurrent assets	-	-	-	-
	<hr/>			
Total assets	5,295,836	131,224	541,979	5,969,039
CURRENT LIABILITIES				
Accounts payable	236,369	355	14,079	250,803
Accrued salaries and payroll deductions payable	21,942	-	-	21,942
Accrued compensated absences	70,216	-	-	70,216
Other current liabilities	36,280	-	-	36,280
	<hr/>			
Total current liabilities	364,807	355	14,079	379,241
	<hr/>			
Total liabilities	364,807	355	14,079	379,241
NET POSITION				
Unrestricted	4,931,029	130,869	527,900	5,589,798
	<hr/>			
TOTAL NET POSITION	\$ 4,931,029	\$ 130,869	\$ 527,900	\$ 5,589,798
	<hr/>			

(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, 2023

	Bookstore Account	Auto Parts Account	Student Life and Athletics Account	Total
OPERATING REVENUES				
Auxiliary enterprises revenue	\$ 3,431,153	\$ 50,334	\$ 180,066	\$ 3,661,553
Total operating revenues	3,431,153	50,334	180,066	3,661,553
OPERATING EXPENSES				
Auxiliary services	3,879,305	43,846	261,019	4,184,170
Total operating expenses	3,879,305	43,846	261,019	4,184,170
OPERATING INCOME (LOSS)	(448,152)	6,488	(80,953)	(522,617)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	140,266	-	-	140,266
Total non-operating revenues (expenses)	140,266	-	-	140,266
CHANGE IN NET POSITION	(307,886)	6,488	(80,953)	(382,351)
NET POSITION, JULY 1	5,238,915	124,381	608,853	5,972,149
NET POSITION, JUNE 30	\$ 4,931,029	\$ 130,869	\$ 527,900	\$ 5,589,798

(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, 2023

REVENUES	
Program revenue	\$ 405,421
	<u>405,421</u>
Total revenues	<u>405,421</u>
EXPENSES	
Salaries	220,212
Employee benefits	68,383
Materials and supplies	72,627
Conference and staff development	5,052
Facility rental	8,280
Administrative support services	191,023
	<u>565,577</u>
Total expenses	<u>565,577</u>
EXCESS OF REVENUES OVER (UNDER) EXPENSES	<u><u>\$ (160,156)</u></u>

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Waubensee Community College District 516's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information displays about the 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.	68-71
Revenue Capacity These schedules contain information to help the reader assess the College's most significant local revenue source, the property tax.	72-75
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.	76-80
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.	81-82
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.	83-85

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

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

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2017
NET POSITION				
Net investment in capital assets	\$ 62,388,979	\$ 70,777,060	\$ 73,358,760	\$ 73,656,099
Restricted	5,598,214	6,109,725	6,640,248	7,084,033
Unrestricted	65,226,503	69,568,746	74,259,236	87,688,193
TOTAL NET POSITION	\$ 133,213,696	\$ 146,455,531	\$ 154,258,244	\$ 168,428,325

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

Data Source

Audited Financial Statements

2018*	2019	2020	2021	2022	2023
\$ 73,282,369	\$ 72,833,131	\$ 78,903,515	\$ 80,882,958	\$ 78,729,248	\$ 77,793,056
8,139,457	9,293,796	9,986,615	14,741,441	9,891,051	10,469,620
68,268,807	82,917,721	95,649,181	109,940,401	123,792,910	141,896,229
\$ 149,690,633	\$ 165,044,648	\$ 184,539,311	\$ 205,564,800	\$ 212,413,209	\$ 230,158,905

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

CHANGES IN NET POSITION

For the Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2017
OPERATING REVENUES				
Tuition and fees	\$ 16,305,032	\$ 16,223,294	\$ 16,775,162	\$ 18,430,223
Chargeback revenue	506	-	-	-
Auxiliary enterprises revenue	3,685,698	3,644,310	3,807,735	3,927,071
Other operating revenue	2,252,212	2,565,860	2,303,015	1,956,830
Total operating revenues	22,243,448	22,433,464	22,885,912	24,314,124
OPERATING EXPENSES				
Instruction	27,452,295	28,799,208	30,509,632	32,337,005
Academic support	3,422,436	3,388,961	3,698,169	4,982,036
Student services, scholarships, grants and waivers	14,505,530	15,656,600	15,406,299	16,818,130
Public services	3,379,827	3,465,512	3,679,864	3,970,697
Auxiliary services	5,508,492	5,434,458	5,421,335	5,284,486
Operation and maintenance of plant	8,249,079	7,394,954	8,231,829	9,677,961
Institutional support	11,693,407	16,401,336	17,932,356	18,604,942
Amortization	-	-	-	-
Depreciation	4,354,954	4,864,003	4,862,601	5,073,146
Total operating expenses	78,566,020	85,405,032	89,742,085	96,748,403
OPERATING INCOME (LOSS)	(56,322,572)	(62,971,568)	(66,856,173)	(72,434,279)
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	44,772,454	46,235,795	47,268,226	48,424,979
Personal property replacement tax	938,710	982,533	789,403	1,119,936
Local grants and contracts	73,215	60,488	98,540	351,301
State grants and contracts	18,174,857	19,537,788	18,195,652	28,369,587
Federal grants and contracts	13,057,848	11,907,499	11,062,847	10,034,531
Investment income	339,338	382,580	524,472	748,638
Interest expense and fiscal charges	(2,896,570)	(2,729,908)	(2,606,700)	(2,459,808)
Other non-operating revenue (expense)	185,593	7,854	4,344	15,000
Gain (loss) on disposal of capital assets	-	(171,226)	(677,898)	196
Total non-operating revenues (expenses)	74,645,445	76,213,403	74,658,886	86,604,360
CHANGE IN NET POSITION	\$ 18,322,873	\$ 13,241,835	\$ 7,802,713	\$ 14,170,081

Data Source

Audited Financial Statements

	2018	2019	2020	2021	2022	2023
\$	18,158,240	\$ 17,512,204	\$ 17,322,063	\$ 16,361,456	\$ 16,009,119	\$ 16,392,640
	-	-	-	-	-	-
	3,639,636	3,290,671	2,996,837	2,352,651	2,859,255	3,271,254
	2,276,098	1,903,684	1,430,661	897,944	810,219	988,138
	24,073,974	22,706,559	21,749,561	19,612,051	19,678,593	20,652,032
	34,582,294	35,321,005	35,988,815	34,022,261	28,844,428	25,724,531
	5,483,930	4,992,499	5,464,512	5,645,634	6,279,424	4,462,009
	18,103,893	19,027,298	19,679,628	23,320,074	29,653,834	21,714,769
	4,756,946	3,436,633	3,109,381	1,916,783	1,521,453	1,438,587
	5,300,236	4,960,152	4,528,041	3,845,600	4,126,539	4,306,210
	9,998,635	10,258,834	9,315,782	9,975,787	9,439,349	8,855,718
	22,353,685	23,630,722	24,373,008	23,185,657	24,573,522	21,365,923
	-	-	-	-	1,011,336	918,859
	5,021,218	5,198,526	5,086,990	5,400,494	5,141,505	5,306,183
	105,600,837	106,825,669	107,546,157	107,312,290	110,591,390	94,092,789
	(81,526,863)	(84,119,110)	(85,796,596)	(87,700,239)	(90,912,797)	(73,440,757)
	49,910,982	51,737,359	53,563,496	50,249,331	49,174,066	53,692,342
	840,763	909,552	995,625	1,262,849	2,752,682	3,111,339
	213,607	163,326	106,052	38,311	118,194	259,622
	31,212,793	33,301,767	35,862,238	36,366,385	27,357,739	18,924,465
	10,367,760	10,657,188	10,746,840	21,530,807	22,496,222	11,469,183
	540,841	4,639,374	5,371,588	639,263	(3,961,260)	4,101,241
	(2,278,543)	(2,069,448)	(1,852,621)	(1,336,666)	(323,779)	(367,025)
	200,000	129,050	46,088	251	2,519	2,020
	(26,346)	4,957	831	(24,803)	(21,962)	(6,734)
	90,981,857	99,473,125	104,840,137	108,725,728	97,594,421	91,186,453
\$	9,454,994	\$ 15,354,015	\$ 19,043,541	\$ 21,025,489	\$ 6,681,624	\$ 17,745,696

**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	Mineral Rights	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
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%
2021	335,709,954	8,731,385,787	1,316,684,507	691,232,473	-	45,321,017	11,120,333,738	0.4710	33,361,001,214	33.333%
2022	353,856,517	9,366,836,003	1,384,035,685	740,961,649	526,275	50,559,128	11,896,775,257	0.4639	35,690,325,771	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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
COLLEGE DIRECT RATES										
Education	0.3937	0.3910	0.3793	0.3729	0.3787	0.3695	0.3683	0.3491	0.3534	0.3494
Operations and maintenance	0.0847	0.0841	0.0705	0.0693	0.0707	0.0690	0.0687	0.0669	0.0658	0.0653
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	0.0133	0.0132	0.0125	0.0123	0.0125	0.0122	0.0121	0.0118	0.0116	0.0115
Audit	0.0010	0.0010	0.0009	0.0009	0.0009	0.0009	0.0009	0.0009	0.0008	0.0008
Public Building Commission rental	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0369
Bond and interest	0.0834	0.0875	0.0845	0.0851	0.0899	0.0903	0.0877	0.0000	0.0394	-
Total direct rate	0.5761	0.5768	0.5477	0.5405	0.5527	0.5419	0.5377	0.4287	0.4710	0.4639
OVERLAPPING RATES										
School district	6.7592	6.8578	6.5898	6.1478	5.9882	5.8301	5.6274	5.4393	5.2857	5.1444
County	0.7637	0.7810	0.7423	0.6454	0.5683	0.5484	0.5288	0.5095	0.3319	0.3319
Township	0.2517	0.2602	0.2478	0.2261	0.2163	0.2210	0.2107	0.2002	0.1884	0.1709
City	3.2412	3.5964	3.5050	3.3624	3.3048	3.2150	3.2310	3.1618	3.2599	3.2599
Park district	0.6257	0.6307	0.5999	0.5590	0.5322	0.4903	0.4916	0.4557	0.4337	0.4199
TOTAL RATES	12.2176	12.7029	12.2325	11.4812	11.1625	10.8467	10.6272	10.1952	9.9706	9.7909

Data Source

Office of the County Clerk

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

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

2023				2014			
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	\$ 74,691,180	1	0.63%	Simon/Chelsea Chicago Dev.	\$ 45,065,231	1	0.57%
Prologis LP	30,665,911	2	0.26%	Liberty Property LP	35,533,993	2	0.45%
LPF Geneva Commons LLC	26,497,350	3	0.22%	LPF Geneva Commons, LLC	28,821,541	3	0.36%
Menards, Inc.	23,198,844	4	0.20%	Toyota Motor Sales, USA, Inc.	25,554,433	4	0.32%
Chicago Premium Outlets Expansion LLC	21,374,578	5	0.18%	Menards, Inc.	23,404,408	5	0.30%
Montgomery Properties LLC	15,063,810	6	0.13%	Caterpillar Tractor Co.	13,270,535	6	0.17%
325 South Route 31 LLC	13,910,602	7	0.12%	Aldi, Inc.	12,861,109	7	0.16%
Aldi Inc	13,370,932	8	0.11%	Aurora Industrial Holding Company, LLC	9,611,625	8	0.12%
NR Kirkland Crossing LLC	12,301,665	9	0.10%	United Facilities Inc.	9,603,598	9	0.12%
Continental 424 Fund LLC	11,315,626	10	0.10%	Kimco Realty Corp.	8,734,666	10	0.11%
	<u>\$ 242,390,498</u>		<u>2.05%</u>		<u>\$ 212,461,139</u>		<u>2.68%</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
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%	22,790,026	46,027,193	99.90%
2021	52,364,866	26,680,539	50.95%	25,487,946	52,168,485	99.62%
2022	55,197,715	27,124,325	49.14%	-	27,124,325	49.14%

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	General Obligation Bonds	Assessed Valuation of District	As a Percentage of Taxable Property	District Population Estimate	Debt Per Capita	As a Percentage of Personal Income
2014	\$ 81,947,542	\$ 7,905,101,945	1.04%	\$ 443,938	\$ 184.59	0.40%
2015	77,887,844	7,859,377,538	0.99%	444,813	175.10	0.37%
2016	73,203,145	8,166,791,328	0.90%	449,304	162.93	0.32%
2017	68,088,447	8,760,497,836	0.78%	463,938	146.76	0.28%
2018	62,504,836	9,217,240,197	0.68%	453,044	137.97	0.25%
2019	56,232,312	9,733,334,511	0.58%	454,246	123.79	0.21%
2020	49,249,787	10,215,782,251	0.48%	453,240	108.66	0.18%
2021	42,290,504	10,657,298,125	0.40%	454,127	93.12	0.15%
2022	34,913,020	11,120,333,738	0.31%	462,770	75.44	0.12%
2023	30,868,240	11,896,775,257	0.26%	428,180	72.09	0.10%

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 81 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
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%	141.46
2018	62,504,836	2,860,886	59,643,950	0.65%	131.65
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
2022	34,913,020	2,353,516	32,559,504	0.29%	70.36
2023	30,868,240	2,486,691	28,381,549	0.24%	66.28

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 72 for property value data.

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

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

June 30, 2023

Governmental Unit	Gross Debt	Percentage Debt Applicable to the College (1)	College's Share of Debt
Community College District No. 516	\$ 30,868,240	100.00%	\$ 30,868,240
Schools			
Unit School District Number 1 (Leland)	2,180,000	99.91%	2,178,038
Unit School District Number 2 (Serena)	13,910,000	0.19%	26,429
Unit School District Number 88 (Plano)	35,710,789	100.00%	35,710,789
Unit School District Number 101 (Batavia)	20,950,000	100.00%	20,950,000
Unit School District Number 115 (Yorkville)	49,205,000	97.82%	48,132,331
Unit School District Number 129 (West Aurora)	89,603,000	100.00%	89,603,000
Unit School District Number 131 (East Aurora)	80,115,000	100.00%	80,115,000
Unit School District Number 204 (Indian Prairie)	83,850,000	0.11%	92,235
Unit School District Number 302 (Kaneland)	54,197,865	100.00%	54,197,865
Unit School District Number 304 (Geneva)	95,515,000	100.00%	95,515,000
Unit School District Number 308 (Oswego)	229,598,792	100.00%	229,598,792
Unit School District Number 429 (Hinckley-Big Rock)	1,840,000	100.00%	1,840,000
Unit School District Number 430 (Sandwich)	2,544,000	100.00%	2,544,000
Unit School District Number 432 (Somonauk)	5,320,000	100.00%	5,320,000
Kane County Forest Preserve	92,320,000	42.05%	38,820,560
Kendall County Forest Preserve	22,565,000	85.40%	19,270,510
Will County Forest Preserve	68,580,000	1.62%	1,110,996
Campton Township	12,360,000	9.22%	1,139,592
Cities and Villages			
City of Aurora	136,355,000	57.14%	77,913,247
City of Batavia	28,065,000	100.00%	28,065,000
City of Plano	54,000	100.00%	54,000
City of St. Charles	101,885,000	0.13%	132,451
City of Yorkville	1,630,000	99.92%	1,628,696
Village of Oswego	52,300,000	100.00%	52,300,000

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

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (Continued)

June 30, 2023

Governmental Unit	Gross Debt	Percentage Debt Applicable to the College (1)	College's Share of Debt
Library Districts			
Aurora Library District	\$ 16,590,000	57.14%	\$ 9,479,526
Geneva Public Library District	17,680,000	100.00%	17,680,000
Oswego Library District	3,010,000	100.00%	3,010,000
Sandwich Library District	1,820,000	100.00%	1,820,000
Somonauk Library District	866,000	97.65%	845,649
Sugar Grove Library District	815,000	100.00%	815,000
Park Districts			
Fox Valley Park District	15,374,180	66.56%	10,233,054
Geneva Park District	-	100.00%	-
Oswegoland Park District	4,435,000	99.22%	4,400,407
Plainfield Township Park District	8,753,620	1.38%	120,800
St. Charles Park District	<u>12,550,000</u>	0.09%	<u>11,295</u>
Total Overlapping Debt	<u>1,362,547,246</u>		<u>934,674,262</u>
Total Primary and Overlapping Debt	<u>\$ 1,393,415,486</u>		<u>\$ 965,542,502</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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Legal debt limit	\$ 227,271,681	\$ 225,957,104	\$ 234,795,251	\$ 251,864,313	\$ 264,995,656	\$ 279,833,367	\$ 293,703,740	\$ 306,397,321	\$ 319,709,595	\$ 342,032,289
Total net debt applicable to limit	74,330,000	71,050,000	67,145,000	62,810,000	58,005,000	56,232,312	49,249,787	42,290,504	34,913,020	30,868,240
LEGAL DEBT MARGIN	\$ 152,941,681	\$ 154,907,104	\$ 167,650,251	\$ 189,054,313	\$ 206,990,656	\$ 223,601,055	\$ 244,453,953	\$ 264,106,817	\$ 284,796,575	\$ 311,164,049
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT	32.71%	31.44%	28.60%	24.94%	21.89%	20.09%	16.77%	13.80%	10.92%	9.02%
Legal debt margin calculation for fiscal 2023										
										\$ 11,896,775,257
										2.875%
										342,032,289
										30,868,240
										\$ 311,164,049

**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	
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%
2022	462,770 B/C/L	478,503	29,723,588,000	55,976	5.60%	3.40%	5.10%	5.90%	4.30%	4.80%
2023	428,180 B/C/L	454,871	32,397,823,000	62,837	5.40%	3.80%	4.60%	6.00%	4.20%	4.30%

Personal income figures are not available for the College.

Kane County is the largest county in the College with 62% of the assessed valuation of the College.

Sources of information:

Sources of information:

B = Bureau of Economic Analysis, US Department of Commerce, "BearFacts" for Geography Kane County, IL (2020)

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

C = 2021 Nielsen demographics purchase, 2022 current population estimate, all in district residential zip codes (including all Aurora)

L = Bureau of Labor Statistics: January to April 2022, 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

2023				2014			
Employer	Rank	Employees	% of District Population	Employer	Rank	Employees	% of District Population
Indian Prairie CUSD #204	1	3,519	0.76%	Caterpillar, Inc.	1	3,500	0.79%
Oswego CUSD #308	2	2,821	0.61%	Rush Copley Medical Center	2	2,000	0.45%
Will County	3	2,372	0.51%	Fermi National Accelerator Lab	3	1,800	0.41%
Rush Copley Medical Center	4	2,200	0.48%	Oswego CUSD 308	4	1,667	0.38%
Aurora School District #129	5	1,817	0.39%	Cadence Health (Delnor)	5	1,650	0.37%
Aurora School District #131	6	1,789	0.39%	Aurora School District #129	6	1,500	0.34%
Fermi National Accelerator Lab	7	1,750	0.38%	Aurora School District #131	7	1,320	0.30%
Northwestern Medicine Delnor Hospital	8	1,650	0.36%	City of Aurora	8	1,280	0.29%
Kane County	9	1,375	0.30%	Aurora School District #204	9	1,200	0.27%
Amita Health Mercy Medical Center	10	1,300	0.28%	Waubonsee Community College	10	1,174	0.26%

Data Sources

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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Faculty										
Full-time	116	118	118	116	115	111	109	105	96	100
Part-time	504	509	501	463	344	332	339	379	320	446
Full-time administrators	38	38	38	42	42	38	39	37	35	43
Classified staff										
Full-time	253	268	260	261	276	275	266	266	293	329
Part-time	229	218	215	224	234	200	221	221	254	291
Total employees	1,140	1,151	1,132	1,106	1,011	956	974	1,008	998	1,209
Total full-time staff	407	424	416	419	433	424	414	408	424	472

Data Source

College records

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

OPERATING INDICATORS

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Credit Hours Generated										
Baccalaureate	117,666.0	115,683.0	117,477.0	117,457.5	111,117.0	105,886.0	106,284.0	102,678.0	96,243.0	97,140.0
Business	13,525.0	12,698.0	12,055.0	11,699.0	11,269.0	11,320.0	10,423.0	8,882.0	8,617.0	8,622.0
Technical	10,519.0	10,760.0	11,150.0	10,217.5	9,800.0	9,248.0	8,787.0	7,302.5	7,773.0	9,547.0
Health	10,099.0	8,946.0	8,995.0	9,153.5	8,735.5	9,320.0	8,374.0	7,379.5	6,834.0	6,542.0
Remedial	15,846.0	13,434.0	11,509.0	10,401.0	10,327.0	9,785.0	8,561.0	6,177.0	5,897.0	5,570.0
ABE, ASE, GED	25,472.0	24,161.0	21,937.0	16,501.5	15,933.5	15,383.0	14,525.0	4,738.0	8,659.0	20,473.0
Total	193,127	185,682	183,123	175,430	167,182	160,942	156,954	137,157	134,023	147,894
Student headcount	29,371	28,961	28,670	27,164	26,237	25,176	24,349	19,828	18,927	20,099
Student FTE	13,546	13,050	12,712	12,304	11,670	11,324	11,001	9,635	9,207	9,574
Tuition Rate per Hour	\$ 100.00	\$ 104.00	\$ 110.00	\$ 118.00	\$ 126.00	\$ 128.00	\$ 130.00	\$ 132.00	\$ 132.00	\$ 132.00
Tuition and Fee Revenue	\$ 20,577,627	\$ 20,495,799	\$ 21,103,357	\$ 22,486,607	\$ 22,610,250	\$ 21,577,079	\$ 20,949,837	\$ 19,250,298	\$ 18,114,593	\$ 18,367,176
Degrees and Certificates awarded:										
A.A., A.S., A.E.S.	740	787	765	823	816	797	733	738	737	730
A.G.S.	54	66	37	46	56	70	72	52	52	55
A.A.S.	247	242	226	253	263	283	215	252	253	209
Certificates	780	1081	730	702	789	742	606	558	560	570

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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Acres (all campuses)	216	216	216	216	216	216	216	216	216	216
Net utilizable square feet (all campuses)	816,841	895,361	895,046	905,308	906,155	906,155	906,155	906,155	906,155	906,155
Number of buildings (all campuses)	22	23	22	22	22	22	22	22	22	22
Number of classrooms	163	166	157	170	150	150	150	150	150	150
Number of laboratories	121	121	120	135	140	140	140	140	140	140
Number of libraries	4	4	4	4	4	4	4	4	4	4
Number of offices	516	533	532	552	547	547	547	547	547	547
Number of other	827	851	863	885	886	886	886	886	886	886
Square feet - classrooms	142,671	147,962	139,117	148,795	139,551	139,551	139,551	139,551	139,551	139,551
Square feet - labs	99,223	99,201	98,253	110,932	117,017	117,017	117,017	117,017	117,017	117,017
Square feet - libraries	27,237	29,093	28,572	30,883	31,634	31,634	31,634	31,634	31,634	31,634
Square feet - offices	112,005	116,302	116,155	116,631	115,483	115,483	115,483	115,483	115,483	115,483
Square feet - other	435,705	502,803	512,949	498,067	502,470	502,470	502,470	502,470	502,470	502,470
Total square feet	816,841	895,361	895,046	905,308	906,155	906,155	906,155	906,155	906,155	906,155

Data Source

College RAMP reports filed with ICCB

SUPPLEMENTAL FINANCIAL INFORMATION

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

CERTIFICATION OF CHARGEBACK REIMBURSEMENT FOR FISCAL YEAR 2023

ALL FISCAL YEAR 2023 NONCAPITAL AUDITED OPERATING EXPENDITURES FROM THE FOLLOWING FUNDS:

1 Education Fund	\$ 57,264,220	
2 Operation and Maintenance Fund	6,841,989	
3 Public Building Commission Operation and Maintenance Fund	-	
4 Bond and Interest Fund	-	
5 Public Building Commission Rental Fund	-	
6 Restricted Purposes Fund	13,275,934	
7 Audit Fund	88,947	
8 Liability, Protection and Settlement Fund	2,224,468	
9 Auxiliary Enterprises Fund (subsidy only)	-	
10 TOTAL NONCAPITAL EXPENDITURES (sum of lines 1-9)		<u>\$ 79,695,558</u>
11 Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid) from sources other than state and federal funds		<u>5,168,886</u>
12 TOTAL COSTS INCLUDED (line 10 plus line 11)		<u><u>\$ 84,864,444</u></u>
13 TOTAL SEMESTER CREDIT HOURS FOR FY 2023		<u>147,894</u>
14 PER CAPITA COST (line 12 divided by line 13)		<u><u>\$ 573.82</u></u>
15 All FY 2023 state and federal operating grants for noncapital expenditures DO NOT INCLUDE ICCB GRANTS		<u>20,745,309</u>
16 FY 2023 state and federal grants per semester credit hour (line 15 divided by line 13)		<u>140.27</u>
17 District's average ICCB grant rate (excluding equalization grants) for FY 2023		<u>45.31</u>
18 District's student tuition and fee rate per semester credit hour for FY 2023		<u>140.00</u>
19 Chargeback reimbursement per semester credit hour (line 14 less lines 16, 17 and 18)		<u>248.24</u>

(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, 2023

	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, 2022	\$ 42,768,877	\$ 7,945,104	\$ 71,396,054	\$ 2,353,516	\$ 13,944,324	\$ 40,536	\$ 4,380,674
REVENUES							
Local tax revenue	40,387,276	7,501,283	-	4,380,679	-	-	-
All other local revenue	3,111,339	-	-	-	-	-	-
ICCB grants	6,201,932	-	-	-	-	1,529,363	-
All other state revenue	-	-	-	-	-	11,193,172	-
Federal revenue	205,512	-	-	-	-	11,437,787	-
Student tuition and fees	18,367,176	-	-	-	-	-	-
All other revenue	3,579,571	311,419	1,187,302	77,257	4,089,022	259,622	92,147
Total revenues	71,852,806	7,812,702	1,187,302	4,457,936	4,089,022	24,419,944	92,147
EXPENDITURES							
Instruction	21,503,061	-	-	-	(1,974,934)	6,629,404	-
Academic support	5,037,812	-	-	-	(226,418)	545,047	-
Student services	10,037,519	-	-	-	(885,363)	4,868,265	-
Public service/continuing education	783,175	-	-	-	(81,107)	745,973	-
Organized research	-	-	-	-	-	-	-
Auxiliary services	6,196	-	-	-	4,301,256	192,357	-
Operations and maintenance	267,051	6,951,036	1,808,416	-	(384,833)	926,391	-
Institutional support	18,966,804	-	9,693	4,324,761	(1,405,381)	2,422,432	502
Scholarships, student grants, waivers	1,948,554	-	-	-	-	8,111,176	-
Total expenditures	58,550,172	6,951,036	1,818,109	4,324,761	(656,780)	24,441,045	502
NET TRANSFERS	(9,766,294)	(800,000)	7,271,915	-	2,000,000	144,379	-
FUND BALANCES, JUNE 30, 2023	\$ 46,305,217	\$ 8,006,770	\$ 78,037,162	\$ 2,486,691	\$ 20,690,126	\$ 163,814	\$ 4,472,319

(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, 2023

	Audit Fund	Liability, Protection Settlement Fund	Building Bonds Proceeds Fund	PBC** Rental Fund	PBC** Operations and Maintenance Fund	Total
FUND BALANCES, JULY 1, 2022	\$ 27,414	\$ 2,922,877	\$ -	\$ -	\$ -	\$ 145,779,376
REVENUES						
Local tax revenue	95,771	1,327,333	-	-	-	53,692,342
All other local revenue	-	-	-	-	-	3,111,339
ICCB grants	-	-	-	-	-	7,731,295
All other state revenue	-	-	-	-	-	11,193,172
Federal revenue	-	-	-	-	-	11,643,299
Student tuition and fees	-	-	-	-	-	18,367,176
All other revenue	1,572	59,279	-	-	-	9,657,191
Total revenues	97,343	1,386,612	-	-	-	115,395,814
EXPENDITURES						
Instruction	-	-	-	-	-	26,157,531
Academic support	-	-	-	-	-	5,356,441
Student services	-	-	-	-	-	14,020,421
Public service/continuing education	-	-	-	-	-	1,448,041
Organized research	-	-	-	-	-	-
Auxiliary services	-	-	-	-	-	4,499,809
Operations and maintenance	-	-	-	-	-	9,568,061
Institutional support	88,947	2,224,468	-	-	-	26,632,226
Scholarships, student grants, waivers	-	-	-	-	-	10,059,730
Total expenditures	88,947	2,224,468	-	-	-	97,742,260
NET TRANSFERS	-	1,150,000	-	-	-	-
FUND BALANCES, JUNE 30, 2023	\$ 35,810	\$ 3,235,021	\$ -	\$ -	\$ -	\$ 163,432,930

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 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 participation 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.

*Includes Budget Stabilization sub-fund

**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, 2023

	Capital Asset/Debt Account Groups July 1, 2022*	Additions	Deletions	Capital Asset/Debt Account Groups June 30, 2023
CAPITAL ASSETS AND INTANGIBLE CAPITAL ASSETS				
Sites and improvements	\$ 17,418,068	\$ -	\$ -	\$ 17,418,068
Buildings, additions and improvements	150,270,371	-	-	150,270,371
Equipment	12,217,691	846,679	(615,182)	12,449,188
Other capital assets	615,417	1,132,742	(485,937)	1,262,222
Intangible assets	5,030,579	665,684	(245,539)	5,450,724
Total capital assets	185,552,126	2,645,105	(1,346,658)	186,850,573
Less accumulated depreciation and accumulated amortization	(78,762,593)	(6,225,042)	836,804	(84,150,831)
NET CAPITAL ASSETS	\$ 106,789,533	\$ (3,579,937)	\$ (509,854)	\$ 102,699,742
FIXED DEBT				
Bonds payable	\$ 34,913,020	\$ -	\$ (4,044,780)	\$ 30,868,240
Lease payable	784,486	-	(190,983)	593,503
SBITA payable	1,932,706	627,434	(692,133)	1,868,007
Other post employment benefit liability	29,045,355	-	(17,305,538)	11,739,817
TOTAL FIXED DEBT	\$ 66,675,567	\$ 627,434	\$ (22,233,434)	\$ 45,069,567
*Restated in accordance with GASB Statement No. 96				
	Outstanding July 1, 2022*	Issued	Redeemed	Outstanding June 30, 2023
EDUCATION FUND				
Tax anticipation warrants	\$ -	\$ -	\$ -	\$ -
Tax anticipation notes	-	-	-	-
OPERATIONS AND MAINTENANCE FUND				
Tax anticipation warrants	-	-	-	-
Tax anticipation notes	-	-	-	-
BOND AND INTEREST FUND				
Tax anticipation warrants	-	-	-	-
Tax anticipation notes	-	-	-	-
AUDIT FUND				
Tax anticipation warrants	-	-	-	-
Tax anticipation notes	-	-	-	-
LIABILITY, PROTECTION AND SETTLEMENT FUND				
Tax anticipation warrants	-	-	-	-
Tax anticipation notes	-	-	-	-
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, 2023**

	Education Fund*	Operations and Maintenance Fund	PBC Operations and Maintenance Fund	Total Operating Funds
OPERATING REVENUES BY SOURCE				
Local Government				
Local Taxes	\$ 40,387,276	\$ 7,501,283	\$ -	\$ 47,888,559
Chargeback Revenue	-	-	-	-
CPPRT	3,111,339	-	-	3,111,339
Other	-	-	-	-
Total Local Government	43,498,615	7,501,283	-	50,999,898
State Government				
ICCB Base Operating Grant	5,738,765	-	-	5,738,765
ICCB Equalization Grant	50,000	-	-	50,000
ICCB Career & Technical Education	409,650	-	-	409,650
ICCB Adult Education	-	-	-	-
Other ICCB Grants not listed above	3,517	-	-	3,517
Dept. of Corrections	-	-	-	-
Dept. of Veteran Affairs	-	-	-	-
Illinois Student Assistance Commission	-	-	-	-
Other State not listed above	-	-	-	-
Total State Government	6,201,932	-	-	6,201,932
Federal Government				
Department of Education	149,800	-	-	149,800
Department of Labor	24,315	-	-	24,315
Department of Health and Human Services	20,001	-	-	20,001
Other	11,396	-	-	11,396
Total Federal Government	205,512	-	-	205,512
Student Tuition and Fees				
Tuition	16,509,780	-	-	16,509,780
Fees	1,857,396	-	-	1,857,396
Other Student Assessments	-	-	-	-
Total Student Tuition and Fees	18,367,176	-	-	18,367,176
Other Sources				
Sales and Service fees	666,411	-	-	666,411
Facilities Revenue	177,167	120,843	-	298,010
Investment Revenue	2,067,659	190,576	-	2,258,235
Non-Governmental Grants	-	-	-	-
Other	3,169,158	200,000	-	3,369,158
Total Other Revenue Sources	6,080,395	511,419	-	6,591,814
Total Revenue	74,353,630	8,012,702	-	82,366,332
Less Non-Operating Items				
Tuition Chargeback Revenue	-	-	-	-
Instructional Service Contracts	-	-	-	-
Transfers	(2,500,824)	(200,000)	-	(2,700,824)
ADJUSTED REVENUE	\$ 71,852,806	\$ 7,812,702	\$ -	\$ 79,665,508

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, 2023

	Education Fund*	Operations and Maintenance Fund	PBC Operations and Maintenance Fund	Total Operating Funds
OPERATING EXPENDITURES BY PROGRAM				
Instruction	\$ 21,503,061	\$ -	\$ -	\$ 21,503,061
Academic Support	5,037,812	-	-	5,037,812
Student Services	10,037,519	-	-	10,037,519
Public Service/Continuing Education	783,175	-	-	783,175
Organized Research	-	-	-	-
Auxiliary Services	6,196	-	-	6,196
Operations and Maintenance	267,051	6,951,036	-	7,218,087
Institutional Support	18,966,804	-	-	18,966,804
Scholarships, Grants, Waivers	1,948,554	-	-	1,948,554
Total Expenditures	58,550,172	6,951,036	-	65,501,208
Adjustments				
Tuition Chargeback	-	-	-	-
Instructional Service Contracts	-	-	-	-
Transfers	12,267,118	1,000,000	-	13,267,118
ADJUSTED EXPENDITURES	\$ 70,817,290	\$ 7,951,036	\$ -	\$ 78,768,326
OPERATING EXPENDITURES BY OBJECT				
Salaries	\$ 36,793,768	\$ 2,519,782	\$ -	\$ 39,313,550
Employee Benefits	6,165,222	498,341	-	6,663,563
Contractual Services	4,640,986	1,243,580	-	5,884,566
General Materials and Supplies	5,274,302	444,405	-	5,718,707
Conference and Meeting Expenses	662,414	5,420	-	667,834
Fixed Charges	1,069,104	1,047	-	1,070,151
Utilities	6,866	2,128,670	-	2,135,536
Capital Outlay	1,285,952	109,047	-	1,394,999
Other	2,651,558	744	-	2,652,302
Total Expenditures	58,550,172	6,951,036	-	65,501,208
Adjustments				
Tuition Chargeback	-	-	-	-
Instructional Service Contracts	-	-	-	-
Transfers	12,267,118	1,000,000	-	13,267,118
ADJUSTED EXPENDITURES	\$ 70,817,290	\$ 7,951,036	\$ -	\$ 78,768,326

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

*Includes Budget Stabilization sub-fund

(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, 2023**

REVENUES BY SOURCE

Local Government	\$	<u>-</u>
Total Local Government		<u>-</u>
State Government		
ICCB - Workforce Development Grants		-
ICCB - Retirees Health Insurance Grants		-
ICCB - P-16 Initiative Grants		-
ICCB - Special Initiative Grants		721,361
ICCB - Program Improvement Grant		-
ICCB - Adult Education		808,002
ICCB - (Other, Attach Itemization)		-
Department of Corrections		-
Illinois Student Assistance Commission		-
Other		<u>11,193,172</u>
Total State Government		<u>12,722,535</u>
Federal Government		
Department of Education		10,243,578
Department of Labor		365,582
Department of Health and Human Services		427,045
Other		<u>401,582</u>
Total Federal Government		<u>11,437,787</u>
Other Sources		
Tuition and Fees		-
Other		<u>259,622</u>
Total Other Sources		<u>259,622</u>
TRANSFERS		<u>144,379</u>
TOTAL RESTRICTED PURPOSES FUND REVENUES	\$	<u><u>24,564,323</u></u>

(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, 2023

EXPENDITURES BY PROGRAM

Instruction	\$ 6,629,404
Academic Support	545,047
Student Services	4,868,265
Public Service/Continuing Education	745,973
Organized Research	-
Auxiliary Services	192,357
Operations and Maintenance	926,391
Institutional Support	2,422,432
Scholarships, Grants, Waivers	8,111,176

TOTAL RESTRICTED PURPOSES FUND EXPENDITURES	\$ 24,441,045
--	----------------------

EXPENDITURES BY OBJECT

Salaries	\$ 2,938,368
Employee Benefits	11,781,900
Contractual Services	493,723
Student Financial Aid	8,111,176
General Materials and Supplies	439,786
Travel & Conference/Meeting Expenses	198,437
Fixed Charges	3,775
Utilities	-
Capital Outlay	92,999
Other	380,881

TOTAL RESTRICTED PURPOSES FUND EXPENDITURES	\$ 24,441,045
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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).

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

**CURRENT FUNDS* - EXPENDITURES BY ACTIVITY
UNIFORM FINANCIAL STATEMENT #5
FISCAL YEAR ENDED JUNE 30, 2023**

INSTRUCTION

Instructional Programs	\$ 23,069,782
Other	<u>5,062,683</u>
Total Instruction	<u>28,132,465</u>

ACADEMIC SUPPORT

Library Center	1,499,628
Instructional Materials Center	2,148,256
Educational Media Services	218,376
Academic Computing Support	4,885,229
Academic Administration and Planning	532,126
Other	<u>545,047</u>
Total Academic Support	<u>9,828,662</u>

STUDENT SERVICES SUPPORT

Admissions and Records	2,242,902
Counseling and Career Services	5,034,786
Financial Aid Administration	2,811,167
Other	<u>5,067,364</u>
Total Student Services Support	<u>15,156,219</u>

PUBLIC SERVICE/CONTINUING EDUCATION

Community Education	560
Customized Training (Instructional)	952,326
Professional Development	147,143
Community Services	182,793
Other	<u>246,326</u>
Total Public Service/Continuing Education	<u>1,529,148</u>

ORGANIZED RESEARCH

-

AUXILIARY SERVICES

(458,226)

(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, 2023**

OPERATIONS AND MAINTENANCE OF PLANT

Maintenance	\$ 1,409,957
Custodial Services	1,266,152
Grounds	1,266,153
Campus Security	2,592,675
Transportation	64,171
Utilities	2,128,670
Administration	447,726
Other	943,489

Total Operations and Maintenance of Plant 10,118,993

INSTITUTIONAL SUPPORT

Executive Management	2,008,219
Fiscal Operations	2,549,844
Community Relations	2,510,556
Administrative Support Services	2,146,443
Board of Trustees	57,544
General Institutional	399,977
Institutional Research	891,562
Administrative Data Processing	4,247,631
Other	2,461,619

Total Institutional Support 17,273,395

SCHOLARSHIPS, STUDENTS GRANTS, & WAIVERS 10,018,232

TOTAL CURRENT FUNDS EXPENDITURES \$ 91,598,888

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

(See independent auditor's report.)

**ILLINOIS COMMUNITY COLLEGE BOARD
STATE GRANTS FINANCIAL - COMPLIANCE SECTION**

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INDEPENDENT AUDITOR'S REPORT

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

Opinions

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, 2023 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.

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, 2023 and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Other Matters

Our audit was conducted for the purpose of forming opinions on the balance sheet the College's State Adult Education and Family Literacy Grant Programs as of June 30, 2023, and the related statement of revenues, expenditures and changes in program balances for the year then ended. The schedule of expenditure amounts and percentages for ICCB Grant Funds only is presented for purposes of additional analysis and is not a required part of these financial statements. The schedule of expenditure amounts and percentages for ICCB Grant Funds only is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare these financial statements.

The information has been subjected to the auditing procedures applied in the audit of these financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to these financial statements as a whole.

In connection with our audit, nothing came to our attention that caused us to believe that the 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 8, 2023

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

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

June 30, 2023

	<u>State Basic</u>	<u>State Performance</u>	<u>Total</u>
ASSETS			
Cash	\$ 31,063	\$ 29,533	\$ 60,596
TOTAL ASSETS	<u>\$ 31,063</u>	<u>\$ 29,533</u>	<u>\$ 60,596</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accrued payroll	\$ 13,455	\$ 3,747	\$ 17,202
Accrued compensated absences	17,608	25,786	43,394
Total liabilities	<u>31,063</u>	<u>29,533</u>	<u>60,596</u>
FUND BALANCES			
None	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 31,063</u>	<u>\$ 29,533</u>	<u>\$ 60,596</u>

(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, 2023

	State Basic	State Performance	Total
REVENUES			
State sources	\$ 570,867	\$ 237,135	\$ 808,002
Total revenues	570,867	237,135	808,002
EXPENDITURES			
Direct instruction			
Direct instruction	282,646	57,136	339,782
Total direct instruction	282,646	57,136	339,782
Student services			
Guidance services	169,266	77,374	246,640
Literacy services	-	-	-
Assessment and testing	15,427	43,221	58,648
Total student services	184,693	120,595	305,288
Direct program support			
Improvement of instructional services	-	-	-
General administration	31,459	48,112	79,571
Workforce coordination	1,948	-	1,948
Data and information systems	42,937	-	42,937
Total program support	76,344	48,112	124,456
Indirect cost	27,184	11,292	38,476
Total expenditures	570,867	237,135	808,002
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	\$ -	-
FUND BALANCES, JULY 1, 2022			-
FUND BALANCES, JUNE 30, 2023			\$ -

(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, 2023

	Audited Expenditure Amount	Audited Expenditure Percentage
STATE BASIC		
Instruction (45% minimum required)	\$ 282,646	49.51%
General administration (15% maximum allowed)	58,643	10.27%

(See independent auditor's report.)

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

NOTES TO FINANCIAL STATEMENTS - STATE GRANT PROGRAMS

June 30, 2023

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, 2023. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31, if any, are recorded as restricted fund balances.

c. Capital Assets

Capital asset purchases are recorded as expenditures - capital outlay.

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.

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

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

We have examined management of Waubonsee Community College - Illinois Community College District 516’s (the College) assertion that the College complied with the guidelines of the Illinois Community College Board’s *Fiscal Management Manual* included in the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed and the Reconciliation of Total Semester Credit Hours of Waubonsee Community College during the period July 1, 2022 through June 30, 2023. The College’s management is responsible for its assertion. Our responsibility is to express an opinion on management’s assertion about the College’s compliance with the specified requirements based on our examination.

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

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

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

In our opinion, management’s assertion that the College complied with the guidelines of the Illinois Community College Board’s *Fiscal Management Manual* included in the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed and the Reconciliation of Total Semester Credit Hours of Waubonsee Community College is fairly stated, in all material respects.

Sikich LLP

Naperville, Illinois
November 8, 2023

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

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

For the Year Ended June 30, 2023

CATEGORIES	Total Semester Credit Hours by Term							
	Summer		Fall		Spring		Total	
	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted
Baccalaureate	-	12,328.0	-	42,850.0	-	41,962.0	-	97,140.0
Business occupational	-	831.0	-	3,626.5	54.00	4,110.5	54.00	8,568.0
Technical occupational	-	356.0	-	4,536.5	-	4,654.5	-	9,547.0
Health occupational	-	598.0	-	2,942.0	140.00	2,862.0	140.00	6,402.0
Remedial developmental	-	584.0	-	2,855.0	-	2,131.0	-	5,570.0
Adult basic education/adult secondary education	397.0	853.0	9,690.0	-	9,336.0	197.0	19,423.00	1,050.0
TOTAL CREDIT HOURS VERIFIED	397.0	15,550.0	9,690.0	56,810.0	9,530.0	55,917.0	19,617.0	128,277.0

	In-District	Chargeback/ Contractual Agreement	Total
Reimbursable credit hours (unrestricted)	115,829.5	2,762.0	118,591.5
Reimbursable credit hours (restricted)	17,087.0		17,087.0
Reimbursable credit hours (unrestricted)	21,081.5		483.5
Reimbursable credit hours (restricted)	9.0		-

A student's legal residence is used to determine the student's residency for both tuition calculation and submission of reports for state funding purposes. According to ICCB guidelines, a student must reside within the district for at least 30 days prior to the start of the semester in order to meet in district residency requirements.

The College uses the U.S. Postal Service to verify a student's permanent residence. If there is a question about a student's residency, the student must submit a combination of three types of documentation:

- (1) rental or property ownership documentation
- (2) governmental recognition of the residential address (employer, state or federal documents)
- (3) institutional recognition of the residential address (utilities, bank, etc.)

Each case is treated individually and documentation tailored to the student's specific situation.

DISTRICT'S 2022 EQUALIZED ASSESSED VALUATION \$ 11,896,775,257

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

RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS

For the Year Ended June 30, 2023

	Total Unrestricted Credit Hours	Total Unrestricted Credit Hours Certified to the ICCB	Difference	Total Restricted Credit Hours	Total Restricted Credit Hours Certified to the ICCB	Difference
Baccalaureate	97,140.0	97,140.0	-	-	-	-
Business occupational	8,568.0	8,568.0	-	54.0	54.0	-
Technical occupational	9,547.0	9,547.0	-	-	-	-
Health occupational	6,402.0	6,402.0	-	140.0	140.0	-
Remedial developmental	5,570.0	5,570.0	-	-	-	-
Adult basic education/adult secondary education	1,050.0	1,050.0	-	19,423.0	19,423.0	-
TOTAL	128,277.0	128,277.0	-	19,617.0	19,617.0	-