

NEW ISSUES – BOOK-ENTRY ONLY

RATINGS⁺: AG INSURED
 S&P: “AA” (STABLE OUTLOOK)
 S&P UNDERLYING RATING: “A+” (STABLE OUTLOOK)

Interest on the 2026C Bonds is includible in gross income of the owners thereof for federal income tax purposes. Subject to compliance by the District with certain covenants, in the opinion of Chapman and Cutler LLP, Chicago, Illinois (“Bond Counsel”), under present law interest on the 2026D Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the 2026D Bonds may affect the corporate alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See “TAX MATTERS” herein for a more complete discussion.

COMMUNITY COLLEGE DISTRICT NO. 530
COUNTIES OF WILLIAMSON, JACKSON, FRANKLIN, PERRY AND RANDOLPH AND STATE OF ILLINOIS
(JOHN A. LOGAN)
\$3,285,000* TAXABLE GENERAL OBLIGATION COMMUNITY COLLEGE BONDS, SERIES 2026C
\$16,770,000* GENERAL OBLIGATION COMMUNITY COLLEGE BONDS, SERIES 2026D

Dated: Date of Issuance

Due: December 1, as Shown on the Inside Cover Page

The Taxable General Obligation Community College Bonds, Series 2026C (the “2026C Bonds”), and General Obligation Community College Bonds, Series 2026D (the “2026D Bonds” and, together with the 2026C Bonds, the “Bonds”) of Community College District No. 530, Counties of Williamson, Jackson, Franklin, Perry and Randolph and State of Illinois (the “District”), are issuable as fully-registered bonds under the global book-entry system operated by The Depository Trust Company, New York, New York (“DTC”). Individual purchases will be made in book-entry system form only. Beneficial owners of the Bonds will not receive physical delivery of the Bonds. The Bonds are issued in fully-registered form in denominations of \$5,000 and integral multiples thereof, and will bear interest payable on June 1 and December 1 of each year, with December 1, 2026, as the first interest payment date. Amalgamated Bank of Chicago, Chicago, Illinois, will act as registrar and paying agent for the Bonds. Details of payment of the Bonds are described herein. Interest is calculated based on a 360-day year consisting of twelve 30-day months.

Proceeds of the Bonds will be used to pay (i) presently outstanding and unpaid claims against the District, as more fully described herein, (ii) pay certain interest on the Bonds and (iii) pay costs associated with the issuance of the Bonds. See “USE OF PROCEEDS” herein.

The Bonds, in the opinion of Bond Counsel, are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. See “THE BONDS – Security and Payment” herein.

The 2026C Bonds are not subject to optional redemption prior to maturity. The 2026D Bonds are subject to optional redemption prior to maturity on the dates and at the redemption price described herein under “THE BONDS – Optional Redemption.”

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by Assured Guaranty Inc. (“AG”).



The Bonds are offered when, as and if issued by the District and received by Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the “Underwriter”), subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Bond Counsel. Chapman and Cutler LLP, Chicago, Illinois, is also acting as Disclosure Counsel to the District. Gilmore & Bell, P.C., Edwardsville, Illinois, will pass on certain matters for the Underwriter. Delivery of the Bonds through the facilities of DTC will be on or about April 27, 2026.



AS UNDERWRITER



AS MUNICIPAL ADVISOR

The date of this Official Statement is April __, 2026.

*Preliminary, subject to change.
 +See “BOND RATINGS” herein.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

MATURITY SCHEDULES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS

\$3,285,000* Taxable General Obligation Community College Bonds, Series 2026C

<u>Maturity</u> <u>(December 1)</u>	<u>Amount (\$)*</u>	<u>Rate (%)</u>	<u>Yield (%)</u>	<u>CUSIP⁽¹⁾</u> <u>(970013)</u>
2027	895,000			
2028	930,000			
2029	1,460,000			

\$16,770,000* General Obligation Community College Bonds, Series 2026D

<u>Maturity</u> <u>(December 1)</u>	<u>Amount (\$)*</u>	<u>Rate (%)</u>	<u>Yield (%)</u>	<u>CUSIP⁽¹⁾</u> <u>(970013)</u>
2029	735,000			
2030	845,000			
2031	1,335,000			
2032	1,400,000			
2033	1,475,000			
2034	1,550,000			
2035	1,630,000			
2036	2,685,000			
2037	2,825,000			
2038	2,290,000			

(1) CUSIP data herein is provided by CUSIP Global Services (“CGS”). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. No representations are made as to the correctness of the CUSIP numbers. These CUSIP numbers are subject to change after the issuance of the Bonds.

*Preliminary, subject to change.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended by the District from time to time (collectively, the “Official Statement”), may be treated as an Official Statement with respect to the Bonds described herein that is deemed final by the District as of the date hereof (or of any such supplement or amendment), except for the omission of certain information permitted to be omitted pursuant to such Rule.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as statements of the District or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. Unless otherwise indicated, the District is the source of all tables and statistical and financial information contained in this Official Statement. The information set forth herein relating to governmental bodies other than the District has been obtained from such governmental bodies or from other sources believed to be reliable. The information and opinions expressed herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date of this Official Statement.

PMA Securities, LLC, Naperville, Illinois, is serving as municipal advisor (the “Municipal Advisor”) to the District in connection with the issuance of the Bonds. In preparing this Official Statement, the Municipal Advisor has relied upon the District, and other sources, having access to relevant data to provide accurate information for this Official Statement. To the best of the Municipal Advisor’s knowledge, the information contained in this Official Statement is true and accurate. However, the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

Any statements made in this Official Statement, including the Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forward-looking statements and information that are based on the District's beliefs as well as assumptions made by and information currently available to the District. Such statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or expected.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

This Official Statement should be considered in its entirety and no one factor considered less important than any other by reason of its position in this Official Statement. Where statutes, resolutions, reports or other documents are referred to herein, reference should be made to such statutes, resolutions, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

Upon issuance, the Bonds will not be registered under the Securities Act of 1933, as amended, and will not be listed on any stock or other securities exchange and neither the Securities and Exchange Commission nor any other Federal, State, Municipal or other governmental entity, other than the District, shall have passed upon the accuracy or adequacy of this Official Statement.

Assured Guaranty Inc. (“AG”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG, supplied by AG and presented under the heading “Bond Insurance” and “Appendix D – Specimen Municipal Bond Insurance Policy”.

Community College District No. 530
Counties of Williamson, Jackson, Franklin, Perry and Randolph and State of Illinois
(John A. Logan)
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Carterville, Illinois 62918
(618) 985-3741

* * * * *

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* * * * *

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Community College District No. 530
Counties of Williamson, Jackson, Franklin, Perry and Randolph and State of Illinois
(John A. Logan)

\$3,825,000* Taxable General Obligation Community College Bonds, Series 2026C
\$16,770,000* General Obligation Community College Bonds, Series 2026D

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning Community College District No. 530, Counties of Williamson, Jackson, Franklin, Perry and Randolph and State of Illinois (the “District”), in connection with the offering and sale of its \$3,825,000* Taxable General Obligation Community College Bonds, Series 2026C (the “2026C Bonds”), and \$16,770,000* General Obligation Community College Bonds, Series 2026D (the “2026D Bonds” and, together with the 2026C Bonds, the “Bonds”). This Official Statement includes the cover page, the reverse thereof and the Appendices. Certain factors that may affect an investment decision concerning the Bonds are described throughout this Official Statement. Persons considering a purchase of the Bonds should read this Official Statement in its entirety.

THE BONDS

General Description

The Bonds will be issued in fully-registered form, without coupons, in denominations of \$5,000 each or authorized integral multiples thereof under a book-entry only system operated by The Depository Trust Company, New York, New York (“DTC”). Principal of and interest on the Bonds will be payable as described under the caption “BOOK-ENTRY SYSTEM” by Amalgamated Bank of Chicago, Chicago, Illinois, as paying agent and registrar (the “Registrar”).

The Bonds will be dated as of the date of delivery and will mature as shown on the inside cover page of this Official Statement. Interest on the Bonds will be payable on each June 1 and December 1, beginning December 1, 2026. The Bonds will bear interest from their dated date, or from the most recent interest payment date to which interest has been paid or provided for, computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Registrar in Chicago, Illinois. Interest on each Bond will be paid by check or draft of the Registrar payable upon presentation in lawful money of the United States of America to the person in whose name such Bond is registered at the close of business on the record date, which is the 15th day of the month next preceding the interest payment date (the “Record Date”).

The 2026C Bonds are not subject to optional redemption prior to maturity. The 2026D Bonds are subject to optional redemption prior to maturity as discussed under “Optional Redemption” herein.

*Preliminary, subject to change.

Registration and Exchange

The Bonds may be transferred, registered and assigned only on the registration books of the Registrar (the “Register”), and such registration shall be at the expense of the District; provided, however, that the District or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except in the case of the issuance of a 2026D Bond or 2026D Bonds for the unredeemed portion of a 2026D Bond surrendered for redemption.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the District shall execute and the Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully-registered Bond or Bonds of the same series and maturity of authorized denominations for a like aggregate principal amount. Any fully-registered Bond or Bonds may be exchanged at said office of the Registrar for a like aggregate principal amount of Bond or Bonds of the same series and maturity of other authorized denominations. The execution by the District of any fully-registered Bond shall constitute full and due authorization of such Bond and the Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each series and maturity authenticated by the Registrar shall not exceed the authorized principal amount of Bonds for such series and maturity less previous retirements.

The Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the Record Date with respect to any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any 2026D Bond after notice calling such 2026D Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any 2026D Bonds.

Authority and Purpose

The Bonds are issued pursuant to the Public Community College Act of the State of Illinois (the “Act”), the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and a bond resolution adopted by the Board of Trustees (the “Board”) of the District on March 25, 2026, as supplemented by a notification of sale (together, the “Bond Resolution”). Proceeds of the Bonds will be used to pay (i) presently outstanding and unpaid claims against the District, namely the District’s outstanding Taxable General Obligation Debt Certificates (Limited Tax), Series 2026A, dated January 26, 2026 (the “2026A Certificates”) and General Obligation Debt Certificates (Limited Tax), Series 2026B, dated January 26, 2026 (the “2026B Certificates” and, together with the 2026A Certificates, the “Certificates” or the “Claims”), (ii) certain interest on the Bonds, and (iii) costs associated with the issuance of the Bonds. See “USE OF PROCEEDS” herein.

Security and Payment

The Bond Resolution provides for the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the District in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds, except for the interest due on the Bonds up to and including June 1, 2027, which will be paid from Bond proceeds. The Bond Resolution will be filed with the County Clerks of The Counties of Williamson, Jackson, Franklin, Perry and Randolph, Illinois (the “County Clerks”), and will serve as authorization to the County Clerks to extend and collect the property taxes as set forth in the Bond Resolution to pay the Bonds.

Reference is made to Appendix A for the proposed forms of legal opinions of Bond Counsel.

Optional Redemption

The 2026C Bonds are not subject to redemption prior to maturity.

The 2026D Bonds due on or after December 1, 2036*, are subject to redemption prior to maturity, at the option of the District as a whole or in part in integral multiples of \$5,000 in any order of their maturity as determined by the District (less than all of the 2026D Bonds of a single maturity to be selected by the Registrar), on December 1, 2035*, and on any date thereafter, at a redemption price of par plus accrued interest to the redemption date.

Redemption Procedures

The District will, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Registrar), notify the Registrar of such redemption date and of the principal amount and maturity or maturities of 2026D Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding 2026D Bonds of a single maturity, the particular 2026D Bonds or portions of 2026D Bonds to be redeemed shall be selected by lot by the Registrar from the 2026D Bonds of such maturity by such method of lottery as the Registrar shall deem fair and appropriate (except when the 2026D Bonds are held in a book-entry system, in which case the selection of 2026D Bonds to be redeemed will be made in accordance with procedures established by DTC or any other book-entry depository); *provided* that such lottery will provide for the selection for redemption of 2026D Bonds or portions thereof in principal amounts of \$5,000 and integral multiples thereof.

Unless waived by any holder of 2026D Bonds to be redeemed, notice of the call for any redemption will be given by the Registrar on behalf of the District by mailing the redemption notice by first-class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the 2026D Bonds to be redeemed at the address shown on the Register or at such other address as is furnished in writing by such registered owner to the Registrar.

*Preliminary, subject to change.

All notices of redemption will state (1) the redemption date, (2) the redemption price, (3) if less than all the outstanding 2026D Bonds are to be redeemed, the identification (and, in the case of partial redemption of 2026D Bonds, the respective principal amounts) of the 2026D Bonds to be redeemed, (4) that on the redemption date the redemption price will become due and payable upon each such 2026D Bond or portion thereof called for redemption and that interest thereon will cease to accrue from and after said date, (5) the place where such 2026D Bonds are to be surrendered for payment of the redemption price, which place of payment will be the principal corporate trust office of the Registrar and (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the 2026D Bonds to be redeemed at the option of the District are received by the Registrar prior to the giving of such notice of redemption, such notice may, at the option of the District, state that said redemption will be conditional upon the receipt of such moneys by the Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the District will not redeem such 2026D Bonds, and the and the Registrar will give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such 2026D Bonds will not be redeemed. Otherwise, prior to any redemption date, the District will deposit with the Registrar an amount of money sufficient to pay the redemption price of all the 2026D Bonds or portions of 2026D Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as described above and in the Bond Resolution, and notwithstanding failure to receive such notice, the 2026D Bonds or portions of 2026D Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price), such 2026D Bonds or portion of 2026D Bonds will cease to bear interest. Upon surrender of such 2026D Bonds for redemption in accordance with said notice, such 2026D Bonds will be paid by the Registrar at the redemption price.

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USE OF PROCEEDS

Proceeds of the 2026C Bonds will be used to pay and redeem the 2026A Certificates. Proceeds of the 2026D Bonds will be used to pay and redeem the 2026B Certificates. Proceeds of the Bonds will also be used to pay interest due on the Bonds up to and including June 1, 2027.

The Certificates were issued to pay for a portion of the costs of improving District facilities and sites, renovating and equipping District buildings and resurfacing and lighting parking lots and adjacent roadways (the “Project”). The Project includes the following projects:

<u>Project</u>	<u>Amount</u>
Lower C Wing (convert CNC Manufacturing/Welding to Cybersecurity).....	\$ 7,000,000
Parking lots and adjacent roadways (resurfacing and lighting).....	4,400,000
B Wing 1st and 2nd floor renovations.....	4,100,000
Remaining contribution to CTC (as herein defined).....	1,603,000
Library renovations.....	800,000
3rd floor Nursing remodel.....	607,000
C Wing Information Technology offices renovation.....	500,000
Conference Center renovations and refurbish.....	400,000
West Lobby furnishings and technology.....	300,000
Lower C Furnishings and technology.....	140,000
B Wing 3rd Floor Nursing furniture.....	150,000
Total.....	<u>\$ 20,000,000</u>

The District expects the Project will be completed by January 2030. The Project is on schedule and on budget. Specifically, the District has binding contracts for the CTC and has signed a contract for the 3rd floor nursing remodel.

The 2026A Certificates
(Dated Date: January 26, 2026)

CUSIP	Maturities	Original	Amount Refunded	Redemption	Redemption Date
(970013)	(June 1)	Outstanding	by the	Price	
		Amount	2026C Bonds		
	2027 ⁽¹⁾	\$ 490,000	\$ 490,000	100%	April 27, 2026
	2028 ⁽¹⁾	575,000	575,000	100%	April 27, 2026
	2029 ⁽¹⁾	615,000	615,000	100%	April 27, 2026
	2030 ⁽¹⁾	655,000	655,000	100%	April 27, 2026
GN2	2031	695,000	695,000	100%	April 27, 2026
	Total:	<u>\$ 3,030,000</u>	<u>\$ 3,030,000</u>		

(1) Mandatory sinking fund payment.

The 2026B Certificates
(Dated Date: January 26, 2026)

CUSIP (970013)	Maturities (June 1)	Original Outstanding Amount	Amount Refunded by the 2026D Bonds	Redemption Price	Redemption Date
	2027 ⁽¹⁾	\$ 1,180,000	\$ 1,180,000	100%	April 27, 2026
	2028 ⁽¹⁾	1,450,000	1,450,000	100%	April 27, 2026
	2029 ⁽¹⁾	1,520,000	1,520,000	100%	April 27, 2026
	2030 ⁽¹⁾	1,595,000	1,595,000	100%	April 27, 2026
	2031 ⁽¹⁾	1,675,000	1,675,000	100%	April 27, 2026
	2032 ⁽¹⁾	1,760,000	1,760,000	100%	April 27, 2026
	2033 ⁽¹⁾	1,850,000	1,850,000	100%	April 27, 2026
	2034 ⁽¹⁾	1,940,000	1,940,000	100%	April 27, 2026
	2035 ⁽¹⁾	2,040,000	2,040,000	100%	April 27, 2026
GP7	2036	2,140,000	2,140,000	100%	April 27, 2026
	Total:	<u>\$ 17,150,000</u>	<u>\$ 17,150,000</u>		

(1) Mandatory sinking fund payment.

The District will call the Certificates for redemption prior to maturity on April 27, 2026, the closing date for the Bonds. Proceeds of the Bonds in an amount sufficient to pay the principal and interest due on the Certificates will be deposited with Amalgamated Bank of Chicago (the “Prior Paying Agent”), the paying agent and registrar of the Certificates, on such date.

SOURCES AND USES

Estimated Sources of Funds

	<u>2026C Bonds</u>	<u>2026D Bonds</u>
Par Amount		
[Net] Original Issue Premium/(Discount).....		
Total Sources	\$ -	\$ -

Estimated Uses of Funds

	<u>2026C Bonds</u>	<u>2026D Bonds</u>
Deposit with the Prior Paying Agent.....		
Pay Interest on the Bonds.....		
Costs of Issuance..... ⁽¹⁾	-	-
Total Uses	\$ -	\$ -

(1) Includes Underwriter's discount, Bond and Disclosure Counsel fees, Municipal Advisor's fee, Registrar's fee, bond insurance premium, rating agency fee and other costs of issuance.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Assured Guaranty Inc. ("AG") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

Assured Guaranty Inc.

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL" and together with its subsidiaries, "Assured Guaranty"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO." AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets, and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates, and in the annuity reinsurance business through Assured Life Reinsurance Ltd. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG ("AGM"), merged with and into AG, with AG as the surviving company (such transaction, the "Merger"). Upon the Merger, all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

Current Financial Strength Ratings

On August 4, 2025, KBRA announced that it had affirmed AG's insurance financial strength rating of "AA+" (stable outlook).

On June 30, 2025, S&P announced that it had affirmed AG's financial strength rating of "AA" (stable outlook).

On July 10, 2024, Moody's, following Assured Guaranty's announcement of the Merger, announced that it had affirmed AG's insurance financial strength rating of "A1" (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Capitalization of AG

At December 31, 2025:

- The policyholders' surplus of AG was approximately \$3,249 million.
- The contingency reserve of AG was approximately \$1,511 million.
- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately \$2,411 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK"), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2025 filed with the Securities and Exchange Commission (the "SEC") on February 27, 2026 that relate to AG are incorporated by reference into this Official Statement and shall be deemed to be a part hereof.

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AG included herein under the caption "BOND INSURANCE – Assured Guaranty Inc." or included in a document incorporated by reference herein (collectively, the "AG Information") shall be modified or superseded to the extent that any subsequently

included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included AG Information. Any AG Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AG makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading “BOND INSURANCE”.

BOOK-ENTRY SYSTEM

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of each series of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non- U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has an S&P Global Ratings (“S&P”) rating of “AA+”. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission (the “Commission”). More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest

of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detailed information from the District or Registrar, on payable date in accordance

with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC, and the District takes no responsibility for the accuracy thereof.

The District will have no responsibility or obligation to any Securities Depository, any Participants in the Book-Entry System or the Beneficial Owners with respect to (i) the accuracy of any records maintained by the Securities Depository or any Participant; (ii) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption price of, or interest on, any Bonds; (iii) the delivery of any notice by the Securities Depository or any Participant; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (v) any other action taken by the Securities Depository or any Participant.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Summary of Property Assessment, Tax Levy and Collection Procedures

A separate tax to pay principal of and interest on the Bonds will be levied on all taxable real property within the District. The information under this caption describes the current procedures for real property assessments, tax levies and collections in the Counties of Williamson, Jackson, Franklin, Perry and Randolph, Illinois. There can be no assurance that the procedures described herein will not change.

Tax Levy and Collection Procedures

Local Assessment Officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue

(the “Department”) assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local Assessment Officers’ valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county’s assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula, which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year.

Unpaid Taxes and Annual Tax Sales

Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are deemed delinquent and bear interest at the rate of 1.5% per month (or portion thereof) until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax. If taxes go unpaid for 13 months, each county treasurer is required to sell the delinquent property taxes at the “Annual Tax Sale” — a sale of tax liens, not properties. A public sale is held, at which time successful tax buyers pay the unpaid taxes plus penalties. Taxpayers can redeem their property by paying the amount paid at the sale, plus interest penalties and fees. If no redemption is made within the applicable redemption period, then the tax buyer can secure a court-ordered deed to the home. If a tax buyer can prove the home has been abandoned, the period for seeking a deed can be shortened to two years. Owners of vacant, commercial and industrial properties have six months to redeem their taxes before the tax buyer can seek ownership of the property.

If there is no sale of the tax lien on a parcel of property at the Annual Tax Sale, the taxes are forfeited and the property becomes eligible to be purchased at any time thereafter at an amount equal to all delinquent taxes and interest accrued to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale.

When taxes go unpaid for more than 20 years, Illinois law states that the property is “forfeited to the state.” As a practical matter, this does not happen. Instead, the taxes are wiped out, as the property remains in its distressed condition barring a change in the owner’s circumstances or it being sold.

Recent federal court decisions have challenged the constitutionality of tax sale systems similar to the Illinois tax sale system in other states. In December 2025, a federal court determined that Cook County’s tax sale system is likewise unconstitutional based on those earlier rulings. The General Assembly (the “General Assembly”) of the State of Illinois (the “State”) has not yet considered legislation to modify the tax sale system in the State. The District makes no prediction as to the effect of such rulings on the State’s tax sale process or the likelihood, or effect, of any legislation modifying such tax sale process in the future.

Exemptions

The Illinois Property Tax Code, as amended (the “Property Tax Code”), exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not-for-profit schools, public schools, churches, not-for-profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the Equalized Assessed Valuation (“EAV”) of certain property owned and used for residential purposes (“Residential Property”) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$6,000. Beginning with tax year 2023, the maximum reduction in the five collar counties (DuPage, Kane, Lake, McHenry and Will) (the “Collar Counties”) is \$8,000.

The Homestead Improvement Exemption applies to Residential Property that has been improved or rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to an annual maximum amount of \$75,000 for up to four years to the extent the assessed value is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. The maximum exemption is \$5,000. Beginning with tax year 2023, the maximum exemption in the Collar Counties is \$8,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen’s residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

Purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by the Consumer Price Index (“CPI”). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth

year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

The Natural Disaster Homestead Exemption (the “Natural Disaster Exemption”) applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Several exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to \$100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran’s disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

The Standard Homestead Exemption for Veterans with Disabilities provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service-connected disability of 30% or more but less than 50%, the annual exemption is \$2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is \$5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans’ Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, and the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time, two-year homestead exemption of \$5,000.

Finally, the Homestead Exemption for Persons with Disabilities provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

Property Tax Extension Limitation Law

The Property Tax Extension Limitation Law, as amended (the “Limitation Law”), limits the amount of the annual increase in property taxes to be extended for certain Illinois non-home rule units of government. In general, the Limitation Law restricts the amount of such increases

to the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Currently, the Limitation Law applies only to and is a limitation upon all non-home rule taxing bodies (including community college districts) in Cook County, the Collar Counties and numerous other counties.

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless the obligations first are approved at a direct referendum, are alternate bonds or are for certain refunding purposes.

Public Act 89-510 permits the county boards of all counties not currently subject to the Limitation Law to initiate binding referenda to extend the provisions of the Limitation Law to all non-home rule taxing bodies in the county.

Under the legislation, the county board of any such county can initiate a binding tax cap referendum at any regularly scheduled election other than the consolidated primary, which is the February election in odd-numbered years. If the referendum is successful, then the Limitation Law will become applicable to those non-home rule taxing bodies having all of their EAV in the county beginning January 1 of the year following the date of the referendum. With respect to multi-county taxing bodies, the Limitation Law becomes applicable only after (a) each county in which the taxing body is located has held a referendum and (b) the proposition is passed in a county or counties containing a majority of the EAV of the taxing body.

As of the date of the referendum causing tax caps to be applicable to a taxing body, referendum approval would be required in order for the taxing body to issue unlimited tax general obligation bonds. At the November 5, 1996 election, Williamson, Franklin, Jackson and Randolph Counties each held a successful referendum on the applicability of the Limitation Law. A referendum on the applicability of the Limitation Law has yet to be initiated in Perry County. No guarantee exists, however, that such referendum will not be held in the future.

If the Limitation Law were to apply in the future to the District, the limitations set forth therein will not apply to the taxes levied by the District to pay the principal of and interest on any of the District's outstanding bonds or the Bonds.

Illinois legislators have introduced several proposals to modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State. The District cannot predict whether, or in what form, any change to the Limitation Law may be enacted into law, nor can the District predict the effect of any such change on the District's finances.

Truth in Taxation Law

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification

requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels.

The provisions of the Law do not apply to levies made to pay principal of and interest on the Bonds. The District covenanted in the Bond Resolution that it will not take any action or fail to take any action which would adversely affect the ability of the District to levy and collect the taxes levied by the District for payment of principal of and interest on the Bonds. The District also covenanted that it will comply with all present and future applicable laws to assure that such taxes will be levied, extended, collected and deposited as provided in the Bond Resolution.

RISK FACTORS

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in this Official Statement and its appendices in order to make an informed investment decision. Certain of the investment risks are described below. The following statements, however, should not be considered a complete description of all risks to be considered in the decision to purchase the Bonds, nor should the order of the presentation of such risks be construed to reflect the relative importance of the various risks. There can be no assurance that other risk factors are not material or will not become material in the future.

Construction Risks

There are potential risks that could affect the ability of the District to timely complete the Project. While preliminary costs have been projected by the District's consulting architects, not all of the construction contracts have been let by the District. No assurance can be given that the cost of completing the Project will not exceed available funds.

Completion of the Project involves many risks common to construction projects such as shortages or delays in the availability of materials and labor, work stoppages, labor disputes, contractual disputes with contractors or suppliers, weather interferences, construction accidents, delays in obtaining legal approvals, unforeseen engineering, archeological or environmental problems and unanticipated cost increases, any of which could give rise to significant delays or cost overruns.

Finances of the State of Illinois

State funding sources constituted 31.22% of the District's combined Educational Fund and Unrestricted Operations and Maintenance Fund revenue sources for the fiscal year ended June 30, 2025. While the finances of the State have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability of approximately \$140 billion and a combined funded ratio of approximately 45%. Also, despite nine credit rating upgrades since June 2021, the State's long-term general obligation bonds carry the lowest ratings of all states.

Federal Revenues

Illinois community college districts receive direct and indirect funding from various federal programs. These programs are subject to the priorities and policies of the federal government, which may change significantly from one administration to another, and such programs may be modified through executive action or through legislation enacted by the Congress of the United States (“Congress”). Under the current administration, the federal government has taken executive actions to reduce the size and scope of the U.S. Department of Education, to terminate or restrict certain programs and services for students with disabilities, low-income students, and students from diverse backgrounds, and to impose new conditions and requirements for federal funding. These actions may impact the availability and amount of federal revenues received by Illinois community college districts, such as the District. A reduction or interruption in federal funding, or an increase in compliance costs, could adversely affect the District’s financial condition and operations. The District makes no prediction as to the effect of these actions on the District’s federal revenues or the District’s ability to comply with federal laws and regulations in the future. See “FEDERAL AID” herein for more information.

Local Economy

The financial health of the District is in part dependent on the strength of the local economy. Many factors impact the local economy, including rates of employment and economic growth and the level of residential and commercial development. It is not possible to predict to what extent any changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur and what impact such changes would have on the finances of the District.

Loss or Change of Bond Ratings

The Bonds have received an underlying credit rating from S&P and are expected to receive an insured credit rating from S&P. The ratings can be changed or withdrawn at any time for reasons both under and outside the District’s control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

Cybersecurity

Computer networks and data transmission and collection are vital to the efficient operation of the District. Despite the implementation of network security measures by the District, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware or computer viruses, or may otherwise be breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the District does not believe that its information technology systems are at a materially greater risk of cybersecurity attacks than other similarly-situated governmental entities, any such disruption, access, disclosure or other loss of information could have an

adverse effect on the District's operations and financial health. Further, as cybersecurity threats continue to evolve, the District may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks.

Secondary Market for the Bonds

No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The hereinafter-defined Underwriter is not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof.

Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Continuing Disclosure

A failure by the District to comply with the Undertaking (as defined herein) for continuing disclosure (see "CONTINUING DISCLOSURE" herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 (the "Rule") adopted by the Commission under the Exchange Act, and may adversely affect the transferability and liquidity of the Bonds and their market price.

Suitability of Investment

The interest rates borne by the Bonds are intended to compensate the investor for assuming the risk of investing in the Bonds. Furthermore, the tax-exempt feature of the 2026D Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Future Changes in Laws

Various state and federal laws, regulations and constitutional provisions apply to the District and to the Bonds. The District can give no assurance that there will not be a change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the District, or the taxing authority of the District. For example, many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by State government. Future actions of the State may affect the overall financial conditions of the District, the taxable value of property

within the District, and the ability of the District to levy property taxes or collect revenues for its ongoing operations.

Factors Relating to Tax Matters

As discussed under “TAX MATTERS” herein, interest on the 2026D Bonds could become includible in gross income for purposes of federal income taxation, retroactive to the date the 2026D Bonds were issued, as a result of future acts or omissions of the District in violation of its covenants in the Bond Resolution. Should such an event of taxability occur, the 2026D Bonds are not subject to any special redemption.

There are or may be pending in Congress legislative proposals relating to the federal tax treatment of interest on the 2026D Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the 2026D Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Finally, reduction or elimination of the tax-exempt status of obligations such as the 2026D Bonds could have an adverse effect on the District’s ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the District.

The tax-exempt bond office of the Internal Revenue Service (the “Service”) is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the 2026D Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the District could adversely affect the market value and liquidity of the 2026D Bonds, regardless of the ultimate outcome.

Bankruptcy

The rights and remedies of the Bondholders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors’ rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The various opinions of counsel to be delivered with respect to the Bonds will be similarly qualified.

THE DISTRICT

General Description

The District is located in southern Illinois and is approximately 100 miles southeast of the City of St. Louis, Missouri, 10 miles west of the City of Marion, Illinois (the County Seat of Williamson County) and seven miles east of Carbondale, Illinois. The District covers most of Williamson and Jackson Counties (89.23% of the District’s 2024 EAV) and parts of Franklin,

Perry and Randolph Counties. Larger municipalities within the District include Carbondale, Herrin, Marion and Murphysboro.

The main campus is located in Carterville. The District also has extension centers in DuQuoin and West Frankfort. The DuQuoin Extension Center and the West Frankfort Extension Center both offer regular college courses as well as adult and continuing education classes, children's classes and seminars for business and industry.

The District, created by public mandate in 1967, first opened its doors to the charter class in 1968. The charter class had 238 members and the teaching staff numbered eight full-time faculty. Students, faculty and administration met and worked out of storefronts, churches, and schools in Herrin, Illinois in its first three years of existence. The District moved to its current location in 1971. The original building, still in use today, boasted a convocation and physical education center (now the Donald Brewer Gymnasium), a student center with dining hall, and lecture spaces to serve their students. During the following 51 years the District has expanded to cover 667,000 square feet over 169 acres of land and includes two extension centers in DuQuoin and West Frankfort. The District has graduated over 35,000 students across its programs.

The District is located in an area which is very productive in agriculture, industry and transportation. The large farming operations located in or near the District are consistently productive and there are many growing commercial and industrial businesses which add diversification to the employment and economic structure of the District and the area.

The District is located near Interstate 57, U.S. Route 51 and Illinois Routes 13, 37, 148 and 149. Interstates 64 and 24 are within close proximity to the District's borders as well. The Union Pacific Railroad provides rail service to the District, and the Veterans Airport of Southern Illinois in Marion, Illinois offers daily flights to and from St. Louis and non-stop to Chicago.

Southern Illinois University Carbondale ("SIUC"), with its main campus located in Carbondale, is a multi-campus university comprising two institutions, SIUC, with a School of Medicine at Springfield, Illinois, and Southern Illinois University Edwardsville, with a School of Dental Medicine at Alton, Illinois, and a center in East St. Louis, Illinois. SIUC enrolls students in programs that lead to associate's, baccalaureate, master's, specialist's and doctoral (including professional practice) degrees in over forty fields, including law, medicine, pharmacy and dental medicine. Like most of the State's universities, SIUC is facing financial and demographic challenges (and uncertainty regarding federal funding). Enrollment dropped by about 45% in the last two decades, from roughly 21,600 to approximately 11,800 in fall 2024. SIUC has reported that its brand and strategic positioning has improved as it has implemented comprehensive strategic plans to grow enrollment and expand its geographic draw. The initiatives focus on programmatic restructurings to better meet student market demand and leverage synergies across its Carbondale and Edwardsville campuses. Last fall, SIUC's enrollment rose for the second year in a row for the first time since 2000, while the freshman class increased for the fifth consecutive year. Overall enrollment for fall 2024 grew 3.8% to 11,790, or 431 more students than the prior year. This is the highest overall boost in the number of students since 1991 and the highest percentage increase since 1987. Specifically, there were 1,758 new freshmen last fall, 137 students or 8.45% more than 2023. Cumulatively, the increase in the freshman class is

69.5% since 2019. The overall enrollment on the 10th day of class for fall 2025 remains steady at 11,785. Overall enrollment for spring 2026 increased 0.5% to 10,919 students, up from 10,869 students in spring 2025. This figure reflects increases among several demographics, including new students from the Southern Illinois region, new students from states bordering the State and online students.

Credit Hours

<u>School Year</u>	<u>Credit Hours</u>	<u>School Year</u>	<u>Projected Credit Hours</u>
2020-2021	59,871	2025-2026	66,253
2021-2022	63,266	2026-2027	67,247
2022-2023	64,926	2027-2028	68,256
2023-2024	65,888	2028-2029	69,279
2024-2025	65,274	2029-2030	70,319

Source: The District

The tenth-day census reporting for the Fall 2025 semester shows a 4.5% increase in student enrollment and a 3.1% increase in credit hours compared to the Fall 2024 semester. The 3,369 students represent the highest enrollment since fall of 2019. The District had a 4.2% increase in enrollment for the Spring 2026 semester compared to Spring 2025, marking the largest annual enrollment increase since 2020. Credit hours from Spring 2025 to Spring 2026 also rose by 1.6%.

The District has made enrollment and retention a campus-wide priority. The District has implemented initiatives designed to expand opportunities and support student success, such as fast-track classes that allow students to choose options other than 16-week classes, along with enhanced services such as counseling and student support services. The District has invested heavily in infrastructure to support student learning. Construction began on the new CTC (see “USE OF PROCEEDS” and “Recent Construction Projects” herein for more information), as well as upgrades to the physical and life science tutoring center have also been completed. The District expects to launch a federally funded project later this year to expand nursing labs and classrooms. The District has also partnered with the Deaconess Illinois Clinic for Family Medicine to provide a medical clinic inside the District’s Community Health Education Complex.

Student Tuition and Fees

Fiscal Year	Tuition & Fees (\$)	Percent of Growth	Tuition Per Semester Hour Residents Rate (\$)	Technology Fees Per Credit Hour (\$)	Total Tuition & Fees Per Credit Hour (\$)
2015	13,326,442	-5.87% ⁽¹⁾	99.00	5.00	104.00
2016	13,269,030	-0.43%	109.00	5.00	114.00
2017	12,007,401	-9.51%	115.00	5.00	120.00
2018	12,045,885	+ 0.32%	115.00	5.00	120.00
2019	11,266,398	-6.47%	115.00	5.00	120.00
2020	10,812,379	-4.03%	115.00	5.00	120.00
2021	9,782,059	-9.53%	125.00	5.00	130.00
2022	9,254,163	-5.40%	133.00	5.00	138.00
2023	10,275,446	+ 11.04%	140.00	5.00	145.00
2024	10,525,126	+ 2.43%	145.00	5.00	150.00
2025	10,804,584	+ 2.66%	145.00	5.00	150.00
2026	11,130,500 ⁽²⁾	+ 3.02% ⁽²⁾	145.00	5.00	150.00

(1) Based on 2014 Tuition & Fees in the amount of \$14,156,792.

(2) Estimate.

Source: The District

The Board of Trustees

The Board appoints the administration. The staff is chosen by the administration with the approval of the Board. In general, policy decisions are made by the Board while specific program decisions are made by the administration. The Board elects a Chair, Vice Chair and Secretary from its membership and also has a non-voting student trustee.

<u>Title</u>	<u>Name</u>	<u>Current Term Expires</u>
Chair.....	Aaron R. Smith	2031
Vice-Chair.....	Jacob "Jake" Rendleman	2027
Secretary.....	Rebecca Borgsmiller	2029
Member.....	Dr. Brent Clark	2027
Member.....	William J. Kilquist	2031
Member.....	Mandy Little	2029
Member	Dr. Glenn Poshard	2027
Student Trustee. ⁽¹⁾	Zoren Anako Mohamad Ali	2026

(1) Non-voting.

Administration

Dr. Kirk Overstreet has served as President since January 2021. Prior to joining the District, Dr. Overstreet served as the Assistant Provost for Instruction at College of DuPage. Dr. Susan LaPanne has served as the Vice President of Business Services and Chief Financial Officer since September 1, 2023. Prior to joining the District, Dr. LaPanne served as the Vice President for Finance and Administration at Keene State College in Keene, New Hampshire. Kara Bevis joined the District in 2018 as the Director of Accounting Services. Ms. Bevis current role is the Assistant Vice President of Business Services and Controller. Prior to joining the District, Ms. Bevis was a Manager at Kemper CPA Group, LLP.

Employees

The District currently has 145 employees not represented by bargaining units, consisting of 4 executive assistants, 61 professional staff, 28 managers, 40 administrators, 9 senior administrators, and 3 executive administrators. All remaining employees are represented by the following bargaining units: 48 members by John A. Logan College Operational Staff Association (“LOSA”), 70 members by IEA-F/T Faculty, 120 employees by IEA Association of Term Faculty, 33 members by Teamsters Local Union Number 50, and 15 members by the Fraternal Order of Police. The collective bargaining agreements expire on the following dates: LOSA June 30, 2027, IEA-F/T Faculty June 30, 2027, Teamsters Local Union Number 50 June 30, 2027, Fraternal Order of Police June 30, 2027 and IEA Association of Term Faculty which expired on June 30, 2024. The union has not requested to negotiate a new contract, and the terms of the 2024 contract remain in place until a new agreement is signed. The District considers its relationship with its employees to be good.

Educational Programs

The District offers a number of degrees and certificate programs to meet the diverse needs of its residents. The Associate in Arts (AA) and the Associate in Science (AS) degrees are designed to serve students planning to continue their formal education at a four-year college or university to obtain a baccalaureate degree. The District also offers the Associate in General Studies (AGS) degree for students who wish to design a course of study to meet their individual needs. Certificates, which require fewer credit hours than degrees and are generally highly specialized and structured courses of study, are available in most of the District's occupational program areas. Students desiring less structured and more flexible programs of study may pursue a certificate in general studies.

The District's student population is split equally between dual enrollment, traditional, and workforce training students. In an effort to support community and local labor demand, the District has partnered with the Illinois Department of Corrections and offers general education courses along with training programs such as forensics, security training, homeland security, and criminal justice to support their local labor needs. The program started with 100 students; the District is now on its third course of 100 students. In addition, management regularly works with its local economic development board and business to further support workforce training in the welding, heating, ventilation, air conditioning, automotive, and manufacturing sectors. One notable development has been in technical programs, particularly those in health care and technology, in response to the evolving job market. The District offers specialized programs in health care and applied technologies.

Recent Construction Projects

The groundbreaking for the new Career And Technical Center ("CTC") took place on August 4, 2025, and the District expects to complete the CTC by December 2026. The CTC includes a new 10,000 square foot welding and CNC manufacturing building. Existing space of 10,000 square feet will be renovated for the HVAC program and for the existing vocational building, 30,000 square feet of existing space will be renovated, and a 6,000 square foot addition will be built, which will house the automotive services and collision programs. The CTC will provide students access to modern equipment and industry-standard labs.

The total cost of the CTC is \$15.2 million, which is being funded by (i) a \$4.2 million grant from the U.S. Economic Development Administration; (ii) a portion of the proceeds of the District's General Obligation (Limited Tax) Debt Certificates, Series 2020 (the "2020 Certificates") (\$2.4 million); (iii) a portion of the proceeds of the District's General Obligation Community College Bonds, Series 2025 (the "2025 Bonds") (\$7.0 million); and (iv) a portion of the proceeds of the Certificates (\$1.6 million).

The District is also expanding its West Lobby, which includes the complete renovation of existing space and a 6,000 square foot addition. The total cost of the West Lobby expansion project is approximately \$8.715 million and will be paid from a portion of the proceeds of the 2020 Certificates (\$4.94 million), and a Capital Development Board appropriation (\$3.775 million). Construction on this project began in November 2025 and is expected to be complete by August 2027.

The projects described above are on schedule and on budget.

SOCIO-ECONOMIC CHARACTERISTICS

Population Trend

The District’s population is estimated at 138,300. Below are the population statistics for the Cities of Carbondale, Herrin, Marion and Murphysboro (the “Cities”), the Counties of Jackson and Williamson (the “Counties”), and the State.

	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>% Change</u> <u>2010-2020</u>
City of Carbondale	20,681	25,902	21,857	-18.51%
City of Herrin	11,298	12,501	12,352	-1.21%
City of Marion	16,035	17,193	16,855	-2.01%
City of Murphysboro	8,694	7,970	7,093	-12.36%
Jackson County	59,612	60,218	52,974	-13.67%
Williamson County	61,296	66,357	67,153	+1.19%
The State.....	12,419,293	12,830,632	12,812,508	-0.14%

Source: U.S. Census Bureau, 2000 Census, 2010 Census and 2020 Census

Income and Housing

The following table sets forth the comparative income and home value levels for the Cities, the Counties, the State and the United States.

	<u>City of</u> <u>Carbondale</u>	<u>City of</u> <u>Herrin</u>	<u>City of</u> <u>Marion</u>	<u>City of</u> <u>Murphysboro</u>
Median Home Value.....	\$127,900	\$113,300	\$158,300	\$85,900
Median Household Income....	32,128	59,975	56,912	44,154
Median Family Income.....	56,955	75,120	84,311	66,336
Per Capita Income.....	22,315	36,228	39,024	29,101
	<u>Jackson</u> <u>County</u>	<u>Williamson</u> <u>County</u>	<u>The</u> <u>State</u>	<u>United</u> <u>States</u>
Median Home Value.....	\$137,300	\$156,400	\$263,300	\$332,700
Median Household Income....	48,763	65,604	83,390	80,734
Median Family Income.....	80,833	87,344	106,018	99,999
Per Capita Income.....	30,227	37,284	46,406	44,673

Source: 2020-2024 American Community Survey 5-year Estimates, U.S. Census Bureau as released by the U.S. Census Bureau on January 29, 2026

Residential Housing Building Permits

The following table sets forth the reported number of residential building permits issued and relative construction costs in the Cities for each of the years listed.

<u>City of Carbondale</u>			<u>City of Herrin</u>		
<u>Year</u>	<u>Reported Number of Building Permits</u>	<u>Construction Cost</u>	<u>Year</u>	<u>Reported Number of Building Permits</u>	<u>Construction Cost</u>
2021.....	4	\$ 620,000	2021.....	11	\$ 2,885,000
2022.....	3	465,000	2022.....	14	2,954,918
2023.....	2	310,000	2023.....	19	3,083,000
2024.....	2	706,929	2024.....	22	3,382,444
2025.....	3	861,930	2025.....	16	4,456,500
2026 ⁽¹⁾	-	-	2026 ⁽¹⁾	3	380,000

<u>City of Marion</u>			<u>City of Murphysboro</u>		
<u>Year</u>	<u>Reported Number of Building Permits</u>	<u>Construction Cost</u>	<u>Year</u>	<u>Reported Number of Building Permits</u>	<u>Construction Cost</u>
2021.....	43	\$ 7,926,820	2021.....	2	\$ 250,000
2022.....	46	9,952,340	2022.....	1	279,000
2023.....	40	7,404,361	2023.....	3	316,000
2024.....	44	8,301,985	2024.....	2	105,000
2025.....	46	8,319,104	2025.....	4	262,833
2026 ⁽¹⁾	3	505,365	2026 ⁽¹⁾	-	-

(1) Through January 2026.

Source: U.S. Census Bureau

Retail Sales

The following table demonstrates the estimated sales reported by retailers in the Cities for the last five calendar years.

Calendar <u>Year</u>	City of <u>Carbondale</u>	City of <u>Herrin</u>	City of <u>Marion</u> ⁽¹⁾	City of <u>Murphysboro</u>
2021	\$ 606,468,524	\$ 202,227,189	\$ 983,806,351	\$ 172,746,020
2022	606,738,852	211,281,114	1,007,167,024	178,330,133
2023	614,046,514	216,162,909	1,045,596,350	185,035,841
2024	632,452,628	224,519,957	1,123,007,799	197,362,902
2025	730,577,616	256,524,558	1,244,940,812	223,599,737

(1) Williamson County portion only.
Source: The Department

Corporate Personal Property Replacement Taxes

Corporate Personal Property Replacement Taxes (“CPPRT”) are revenues received from a tax imposed on corporations, partnerships, trusts, S corporations and public utilities in the State. The purpose of the CPPRT is to replace revenues lost by units of local government (including the District) as a result of the abolishment of the corporate personal property tax (the “Personal Property Tax”) with the adoption of the Illinois Constitution of 1970. The State Revenue Sharing Act (the “Sharing Act”) was passed in 1979, implementing the CPPRT to replace the lost Personal Property Tax revenues and providing the mechanism for distributing collections of CPPRT to taxing districts (including the District) entitled to receive such tax revenues under the Sharing Act. The District receives CPPRT on an annual basis. The following table sets forth the amount of CPPRT over the last five fiscal years and the budgeted amount of CPPRT to be received in fiscal year ending June 30, 2026:

Fiscal Year <u>Ended June 30</u>	CPPRT <u>Receipts</u>
2021	\$ 939,161
2022	2,030,635
2023	2,119,252
2024	1,277,019
2025	856,341
2026	900,000 ⁽¹⁾

(1) As of December 17, 2025, the District has received \$299,377 in CPPRT. The District has budgeted to receive \$900,000 in CPPRT for fiscal year 2026.
Source: The audited financial statements of the District for the fiscal years ended June 30, 2021-2025 and the District for fiscal year 2026.

Largest Area Employers

The following table reflects the major employers in the area surrounding the District by the products manufactured or services performed and approximate number of employees.

Company Name	Product or Service	Location	Approximate employees at location
Southern Illinois University.....	Higher Education.....	Carbondale	6,407
SIH/Carbondale Memorial Hospital.....	Hospital.....	Carbondale	3,975
Marion VA- Health Care System	Veterans healthcare system	Marion	1,500 ⁽¹⁾
AISIN Manufacturing Illinois, LLC ⁽²⁾	Automotive parts.....	Marion	1,360
E.T. Simonds.....	Construction	Carbondale	767
Neuro Restorative.....	Head injury rehab.....	Carbondale	476
General Dynamics Corp.....	Propellant devices & medium caliber ammunition.....	Marion	450
Carbondale School District Number 95 and 165.....	Education.....	Carbondale	421
Deaconess Illinois Medical Center (Heartland Regional Medical Center).....	General hospital.....	Marion	400
Pepsi Mid America.....	Beverage bottling.....	Marion	350

(1) Includes employees in 52 counties in Illinois, western Kentucky and southwest Indiana.

(2) AISIN opened a new 463,000 square foot logistics center in Marion in 2024.

Source: 2025 Manufacturers' News, Inc. Illinois Manufacturers and Illinois Services Directories, The City of Carbondale, Illinois, and telephone survey.

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Historical Unemployment Statistics

Unemployment statistics are not compiled specifically for the District. The following table shows the trend in annual average unemployment rates as well as the monthly unemployment rates for December 2024 and December 2025 for the Cities compared with the Counties and the State.

	City of <u>Carbondale</u>	City of <u>Herrin</u>	City of <u>Marion</u>	City of <u>Murphysboro</u>
Average, 2020.. ⁽¹⁾	9.3%	8.4%	9.7%	8.6%
Average, 2021.....	7.1	5.5	6.4	6.2
Average, 2022.....	4.7	4.0	4.7	5.1
Average, 2023.....	5.3	4.2	4.7	4.7
Average, 2024.....	5.2	4.1	4.9	4.8
December, 2024.....	4.4	N/A ⁽²⁾	N/A ⁽²⁾	N/A ⁽²⁾
December, 2025.....	6.1	N/A ⁽²⁾	N/A ⁽²⁾	N/A ⁽²⁾

	Jackson <u>County</u>	Williamson <u>County</u>	The <u>State</u>
Average, 2020.. ⁽¹⁾	8.4%	8.6%	9.3%
Average, 2021.....	6.2	5.7	6.1
Average, 2022.....	4.7	4.5	4.6
Average, 2023.....	4.9	4.5	4.5
Average, 2024.....	4.8	4.5	5.0
December, 2024.....	3.9	3.6	4.3
December, 2025.....	5.4	4.8	4.8

(1) The District attributes the higher unemployment rates to the COVID-19 pandemic.

(2) There is no monthly data available for the Cities of Herrin, Marion, and Murphysboro since they are communities with a population of less than 25,000.

Source: Illinois Department of Employment Security

FINANCIAL INFORMATION

Trend of EAV

(Estimated 33-1/3% of Fair Market Value)

The following table reflects the EAV trend of the District by property type, growth rate and new property.

<u>Property Type</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Residential	\$ 1,194,556,770	\$ 1,233,411,643	\$ 1,303,429,250	\$ 1,433,896,082	\$ 1,579,035,564
Farm	267,409,870	289,606,631	313,931,247	344,522,050	388,815,776
Commercial	457,014,242	460,869,087	479,524,405	535,584,163	582,473,670
Industrial	77,896,359	78,906,510	84,015,124	80,910,793	94,529,447
Railroad	29,416,433	31,064,653	34,111,515	36,575,498	40,873,941
Minerals.....	4,601,928	4,393,394	5,104,753	7,888,989	7,658,177
Total..... ⁽¹⁾	<u>\$ 2,030,895,602</u>	<u>\$ 2,098,251,918</u>	<u>\$ 2,220,116,294</u>	<u>\$ 2,439,377,575</u>	<u>\$ 2,693,386,575</u>
Percent of Change.....	+ 2.63% ⁽²⁾	+ 3.32%	+ 5.81%	+ 9.88%	+ 10.41%
New Property Amounts..... ⁽³⁾	\$ 29,688,628	\$ 33,437,666	\$ 32,235,636	\$ 33,706,396	\$ 47,287,264

(1) Excludes tax increment financing (“TIF”) incremental EAV and abated enterprise zone EAV. See “Tax Increment Financing Districts Located within the District” and “Enterprise Zones Located within the District” herein.

(2) Based on the District’s 2019 EAV of \$1,978,891,996.

(3) Indicates the EAV of new property within the District.

Source: The County Clerks’ Offices.

EAV by County

<u>Tax Year</u>	<u>Franklin County</u>	<u>Jackson County</u>	<u>Perry County</u>	<u>Randolph County</u>	<u>Williamson County</u>	<u>Total ⁽¹⁾</u>
2020	\$ 96,746,412	\$ 697,616,552	\$ 105,638,374	\$ 13,086,465	\$ 1,117,807,799	\$ 2,030,895,602
2021	98,503,329	709,927,451	113,621,785	14,318,549	1,161,880,804	2,098,251,918
2022	107,333,205	760,945,209	122,807,353	15,316,113	1,213,714,414	2,220,116,294
2023	118,558,177	815,831,864	137,218,927	16,448,447	1,351,320,160	2,439,377,575
2024	126,172,144	905,987,227	146,154,443	17,820,629	1,497,252,132	2,693,386,575

(1) Excludes TIF incremental EAV and enterprise zone EAV.

Source: The County Clerks’ Offices

Tax Increment Financing Districts Located within the District

A portion of the District's EAV is contained in TIF districts, as detailed below. When a TIF district is created within the boundaries of a taxing body, such as the District, the EAV of the portion of real property designated as a TIF district is frozen at the level of the tax year in which it was designated (the "Base EAV"). Any incremental increases in property tax revenue produced by the increase in EAV derived from the redevelopment project area during the life of the TIF district are not provided to the District until the TIF district expires. The TIF districts are not expected to expire in the near future (except as described in the table below) and the District is not aware of any new TIF districts planned in the immediate future.

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<u>Location</u>	<u>Year Established</u>	<u>Adjusted Base EAV</u>	<u>2024 EAV</u>	<u>Incremental EAV</u>
Duquoin TIF District 1.....	2007	\$ 3,129,939	\$ 5,466,593	\$ 2,336,654
Duquoin TIF District 2.....	2008	712,492	1,261,671	549,179
Duquoin TIF District 3.....	2012	203,276	726,850	523,574
Willisville TIF District.....	2012	2,703,307	3,612,999	909,692
Village of Cutler TIF.....	2020	1,434,633	2,178,336	743,703
City of Ava TIF	2009	3,921,356	6,085,151	2,163,795
City of Carbondale TIF.....	2002	1,115,110	3,584,117	2,469,007
City of Carbondale TIF-2.....	2011	22,534,851	33,365,157	10,830,306
City of Carbondale TIF-3.....	2011	208,619	437,708	229,089
Village of Dowell TIF.....	2011	957,427	2,186,877	1,229,450
Elkville TIF.....	2011	4,757,307	6,504,671	1,747,364
Elkville TIF #1.....	2017	47,013	81,422	34,409
City of Murphysboro TIF 2.....	2014	6,501,649	8,851,594	2,349,945
City of Murphysboro TIF	2019	126,532	2,585,754	2,459,222
Crainville TIF 1.....	2008	716,609	1,939,792	1,223,183
Marion 5th TIF..... ⁽¹⁾	1990	929,641	4,657,556	3,727,915
Marion Pepsi Expand TIF.....	2010	681,345	3,621,132	2,939,787
Marion Heights 1st TIF.....	2003	6,421	13,687,595	13,681,174
Marion Heights 2nd TIF.....	2006	358,943	9,002,414	8,643,471
Marion Skyline Drive TIF.....	2007	808,828	1,088,038	279,210
Cambria TIF 1.....	2016	5,393,379	18,957,952	13,564,573
Cambria TIF 2.....	2022	595,491	1,914,219	1,318,728
Energy TIF 1.....	2016	5,539,336	8,347,780	2,808,444
Energy TIF 2.....	2020	579,718	1,980,204	1,400,486
Marion Hub TIF.....	2010	16,468,051	30,131,032	13,662,981
Meadowland Parkway TIF.....	2017	94,580	1,496,033	1,401,453
Marion Route 13 TIF	2014	356,460	3,981,934	3,625,474
Hill View TIF.....	2015	2,279,499	7,510,086	5,230,587
Marion North Comm TIF.....	2017	5,055,983	9,832,862	4,776,879
Marion Little Tractor TIF.....	2017	138,120	732,038	593,918
Marion Highland Street TIF.....	2018	828,547	1,551,504	722,957
Marion Residential I (VTFK).....	2018	49,112,085	80,466,089	31,354,004
Marion Residential II (VTFL).....	2020	33,521,126	57,787,219	24,266,093
Marion TIF District XX.....	2023	56,496,913	67,587,279	11,090,366
Herrin 1st TIF.....	2010	21,216,859	53,248,240	32,031,381
Downtown Herrin 2 TIF	2013	11,834,027	21,981,424	10,147,397
Herrin 3rd Street TIF.....	2018	693,552	1,668,935	975,383
Herrin 4th Street.....	2022	334,262	1,851,907	1,517,645
Herrin 5th Street.....	2022	64,945	188,644	123,699
Johnston City 1st TIF.....	2008	17,606,251	33,841,237	16,234,986
Johnston City 2nd TIF	2012	109,696	156,020	46,324
Colp TIF District.....	2022	1,323,469	1,766,501	443,032
Creal Springs TIF 1.....	2012	2,180,279	4,874,840	2,694,561
Carterville TIF 1.....	2010	917,029	1,712,346	795,317
Carterville TIF 2.....	2014	2,563,159	4,123,787	1,560,628
Carterville TIF 3.....	2018	10,733,571	16,543,626	5,810,055
Percy TIF 1.....	2015	2,146,235	3,201,587	1,055,352
WF Ind Park TIF.....	1996	2,455,265	8,340,780	5,885,515
W Frankfort 2008 TIF 2.....	2007	7,417,648	15,347,325	7,929,677
Total.....		\$ 309,910,833	\$ 572,048,857	\$ 262,138,024

(1) Extended until 2025.

Source: County Clerk's Office

Enterprise Zones Located within the District

A portion of the District’s EAV is contained in an enterprise zone (“EZ”), as detailed below. When an EZ is established, all or a portion of taxes on real property located within the EZ and upon which new improvements have been constructed or upon which existing improvements have been renovated or rehabilitated may be abated. The abatement applies only to taxes on the increase in assessed value attributable to the new construction, renovation or rehabilitation.

<u>Name</u>	<u>Abated EAV</u>
Williamson County Enterprise Zones.....	\$ 37,545,769
Jackson County Enterprise Zones.....	<u>23,367,326</u>
Total.....	<u>\$ 60,913,095</u>

Source: Williamson and Jackson County Clerks’ Offices

The City of Marion Star Bond Project

The City of Marion is redeveloping the area around the former Illinois Centre Mall. This is Marion’s STAR Bond project. This project is the first Sales Tax and Revenue (STAR) Bond Project in the State. The development is part of Marion’s designation as a STAR Bond District under the STAR Bonds Act. In early 2025, the City of Marion issued \$112 million in STAR bonds for the project. According to published reports, as of late 2025, nearly half of the bond proceeds had already been spent on land acquisition and initial site work.

The 550,000 square-foot retail and entertainment complex will include the following: Oasis Powersports (leading retailer for ATVs, UTVs and watercraft), Oasis Family Entertainment Center (laser tag, virtual reality experiences, go-karts and more), Oasis Field House (golf driving range, pickleball courts and putt-putt facilities), Oasis Home Center (retail center for home improvement and interior design) and Hampton Inn. According to published reports, by the middle of 2026, the sports complex and associated hotel are expected to open. Also, the redeveloped mall is expected to be at least partially operational by the end of 2026. Finally, the project developers expect the entire initial phase of the development to be finalized by the first quarter of 2027. It is anticipated that these projects will enhance the area as a major tourist center.

Tax Rates
(Per \$100 EAV)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	Statutory Maximum Rate
Education Purposes.....	\$ 0.300	\$ 0.300	\$ 0.293	\$ 0.276	\$ 0.270	\$ 0.300
Operations and Maintenance.....	0.050	0.050	0.049	0.048	0.045	0.050
Tort Judgement.....	0.088	0.096	0.095	0.089	0.078	N/A
Social Security	0.016	0.015	0.014	0.013	0.012	N/A
Audit.....	0.003	0.003	0.003	0.003	0.003	0.005
Health Safety/Handicap.....	0.048	0.050	0.046	0.047	0.043	0.050
Bond & Interest.....	0.243	0.241	0.228	0.207	0.187	N/A
Prior Year Adjustment.....	0.000	(0.001)	0.000	0.003	0.007	N/A
Total.....	<u>\$ 0.747</u>	<u>\$ 0.755</u>	<u>\$ 0.728</u>	<u>\$ 0.686</u>	<u>\$ 0.645</u>	

Source: Willamson County Clerk’s Office

Representative Tax Rates for Property within the District
(Per \$100 EAV)

The following table of representative tax rates is for a resident of the District living in the City of Marion.

<u>Taxing Body</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
The District.....	\$ 0.747	\$ 0.755	\$ 0.728	\$ 0.686	\$ 0.645
Williamson County.....	1.666	1.656	1.692	1.674	1.520
Williamson County Airport.....	0.104	0.103	0.105	0.100	0.095
City of Marion.....	0.000	0.000	0.000	0.000	0.000
Marion Park District.....	0.298	0.302	0.317	0.317	0.301
Community Unit School District Number 2.....	<u>4.438</u>	<u>4.436</u>	<u>4.564</u>	<u>4.748</u>	<u>4.466</u>
Total.....	<u>\$ 7.253</u>	<u>\$ 7.252</u>	<u>\$ 7.405</u>	<u>\$ 7.525</u>	<u>\$ 7.027</u>

Source: Willaimson County Clerk’s Office

Tax Extensions and Collections

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Extensions	\$15,197,935	\$15,811,483	\$16,281,579	\$16,966,916	\$17,291,834
Collections	15,074,826	15,794,906	16,292,561	16,912,602	12,747,320 ⁽¹⁾
% Collected	99.19%	99.90%	100.07%	99.68%	73.72%

(1) In process as of January 22, 2026.

Source: The District's Annual Financial Reports for fiscal years ended June 30, 2020 through June 30, 2024, the County Treasurers of Williamson, Jackson, Franklin, Perry and Randolph, Illinois and the District.

Largest Taxpayers

The taxpayers listed below represent 6.25% of the District's 2024 EAV which is \$2,693,386,575 (which excludes TIF incremental EAV and abated EZ EAV totaling \$322,991,580). Reasonable efforts have been made to determine and report the largest taxpayers and to include all taxable property of those taxpayers listed. Many of the taxpayers listed, however, may own multiple parcels, and it is possible that some parcels and their valuations may not be included.

<u>Taxpayer</u>	<u>Description</u>	<u>2024 EAV</u>	<u>% of EAV</u>
Southern Illinois Power.....	Electric Power Supply.....	\$ 48,690,205	1.81%
Walker's Bluff Casino Resort.....	Casino and Resort.....	25,902,194	0.96%
Walmart.....	Retail	16,351,597	0.61%
Deaconess Health System, Inc.	General Hospital.....	18,500,605	0.69%
Aisin Manufacturing Illinois LLC.....	Car Components	15,109,956	0.56%
ARG Femaril001 LLC.....	Improved Commercial.....	11,233,201	0.42%
Centennial Pipeline LLC.....	Gas Company.....	9,599,026	0.36%
Levee Farm, LLC.....	Industrial/farmland.....	8,560,630	0.32%
University Place IMP Owner, LLC.....	Commercial.....	8,091,583	0.30%
Aspen Court SIU, LLC.....	Commercial.....	6,251,652	0.23%
Total.....		<u>\$ 168,290,649</u>	<u>6.25%</u>

Source: County Clerks' Offices, other than the taxpayer descriptions, which are derived from publicly-available sources.

Summary of Outstanding Bonded Debt

Shown below is a summary of the outstanding bonded debt of the District as of the closing of the Bonds and payment of the Claims.

Issue Description	Dated Date	Original Amount Of Issue	Current Amount Outstanding	Final Maturity Date
Taxable G.O. Community College Bonds, Series 2016B.....	02/29/16	\$ 5,035,000	\$ 1,960,000	12/1/30
G.O. Refunding Bonds, Series 2017A.....	04/25/17	13,265,000	8,075,000	12/1/29
The 2025 Bonds.....	10/20/25	6,740,000	6,740,000	12/1/35
The 2026C Bonds.....	04/27/26	3,285,000 *	3,285,000 *	12/1/29
The 2026D Bonds.....	04/27/26	16,770,000 *	16,770,000 *	12/1/38
Total			<u>\$ 36,830,000</u> *	

*Preliminary, subject to change.

Debt Repayment Schedule

Shown below is the maturity schedule for the outstanding bonded debt of the District as of the closing of the Bonds and payment of the Claims.

Fiscal Year	Principal Outstanding	Less: The Certificates	The 2026C Bonds*	The 2026D Bonds*	Total Principal*	Cumulative Amount*	Retirement Percent*
2027	\$ 6,000,000	\$ (1,670,000)	\$ -	\$ -	\$ 4,330,000	\$ 4,330,000	11.76%
2028	4,670,000	(2,025,000)	895,000	-	3,540,000	7,870,000	21.37
2029	4,910,000	(2,135,000)	930,000	-	3,705,000	11,575,000	31.43
2030	3,925,000	(2,250,000)	1,460,000	735,000	3,870,000	15,445,000	41.94
2031	3,515,000	(2,370,000)	-	845,000	1,990,000	17,435,000	47.34
2032	2,520,000	(1,760,000)	-	1,335,000	2,095,000	19,530,000	53.03
2033	2,650,000	(1,850,000)	-	1,400,000	2,200,000	21,730,000	59.00
2034	2,780,000	(1,940,000)	-	1,475,000	2,315,000	24,045,000	65.29
2035	2,920,000	(2,040,000)	-	1,550,000	2,430,000	26,475,000	71.88
2036	3,065,000	(2,140,000)	-	1,630,000	2,555,000	29,030,000	78.82
2037	-	-	-	2,685,000	2,685,000	31,715,000	86.11
2038	-	-	-	2,825,000	2,825,000	34,540,000	93.78
2039	-	-	-	2,290,000	2,290,000	36,830,000	100.00
	<u>\$ 36,955,000</u>	<u>\$ (20,180,000)</u>	<u>\$ 3,285,000</u>	<u>\$ 16,770,000</u>	<u>\$ 36,830,000</u>		

*Preliminary, subject to change.

Overlapping General Obligation Bonded Debt
(As of February 17, 2026)

<u>Taxing Body</u>	<u>Bonded Debt</u> ⁽¹⁾	<u>Applicable to the District</u>	
		<u>Percent</u>	<u>Amount</u>
Randolph County.....	\$1,029,600	2.80%	\$28,829
Williamson County.....	4,550,000	99.81%	\$ 4,541,537
Southern Illinois Airport Authority.....	3,510,000	100.00%	3,510,000
Williamson Airport Authority.....	1,464,000	99.93%	1,462,917
City of Carbondale.....	36,305,000	100.00%	36,305,000
City of Carterville.....	1,150,000	100.00%	1,150,000
Village of Crainville.....	210,000	100.00%	210,000
City of DuQuoin.....	5,960,000	100.00%	5,960,000
City of Herrin.....	30,235,000	100.00%	30,235,000
City of Marion.....	6,305,000	100.00%	6,305,000
Carbondale Park District.....	144,000	100.00%	144,000
Marion Park District.....	545,000	100.00%	545,000
Goreville Community Unit School District Number 1.....	5,140,000	0.00%	154
Johnston City Community Unit School District Number 1.....	5,569,000	100.00%	5,569,000
Marion Community Unit School District Number 2.....	10,945,000	99.94%	10,938,105
Crab Orchard Community Unit School District Number 3.....	174,000	100.00%	174,000
Herrin Community Unit School District Number 4.....	1,785,000	100.00%	1,785,000
Carterville Community Unit School District Number 5.....	3,705,000	100.00%	3,705,000
New Simpson Hill Consolidated School Dist. Number 32.....	824,200	3.34%	27,545
DeSoto Consolidated School District Number 86.....	197,100	99.90%	196,905
Giant City Community Consolidated School Dist. Number 130.....	1,300,000	100.00%	1,300,000
Frankfort Community Unit School District Number 168.....	3,195,000	100.00%	3,195,000
Thompsonville Community Unit School District Number 174.....	1,995,000	0.22%	4,349
Trico Community Unit School District Number 176.....	4,890,000	100.00%	4,890,000
Murphysboro Community Unit School District Number 186.....	9,395,000	96.05%	9,023,991
Elverado Community Unit School District Number 196.....	12,760,200	100.00%	12,760,200
Pinckneyville Community Unit School District Number 204.....	325,000	0.45%	1,450
DuQuoin Community Unit School District Number 300.....	1,274,000	98.14%	1,250,265
Pinckneyville High School District Number 101.....	3,070,000	0.30%	9,118
Vienna High School District Number 13-3.....	609,000	1.05%	6,364
Carbondale High School District Number 165.....	3,173,587	100.00%	<u>3,173,587</u>
Total.....			<u>\$ 148,407,315</u>

(1) Does not include alternate revenue bonds. Under the Debt Reform Act, alternate revenue bonds are not included in the computation of indebtedness of the overlapping taxing bodies unless the taxes levied to pay the principal of and interest on the alternate revenue bonds are extended for collection. The District provides no assurance that any of the taxes so levied have not been extended, nor can the District predict whether any of such taxes will be extended in the future.

Source: With respect to the applicable taxing bodies and the percentage of overlapping EAV, the County Clerks' Offices. Information regarding the outstanding indebtedness of the overlapping taxing bodies was obtained from publicly-available sources.

Debt Statement

General Obligation Direct Debt.....	\$36,955,000
Less: The Certificates.....	(\$20,180,000)
The 2026C Bonds.....	\$3,285,000 *
The 2026D Bonds.....	\$16,770,000 *
Leases.....	\$101,132
Net Direct Debt	\$36,931,132 *
Overlapping Bonded Debt.....	\$148,407,315
Net Direct Debt and Overlapping Bonded Debt.....	\$185,338,447 *
EAV (2024) ⁽¹⁾	\$2,693,386,575
Statutory Debt Limit (2.875% of EAV).....	\$77,434,864
Net Direct Debt Applicable to Statutory Debt Limit.....	\$36,931,132 *
Statutory Debt Margin	\$40,503,732 *

(1) Excludes TIF incremental EAV and abated EZ EAV. See “Tax Increment Financing Districts Located within the District” and “Enterprise Zones Located within the District” herein.

*Preliminary, subject to change.

Debt Ratios

Estimated Market Valuation, 2024.....	\$8,080,159,725
EAV, 2024 ⁽¹⁾	\$2,693,386,575
2025 Population Estimate.....	138,300
Net Direct Debt to EAV	1.37% *
Net Direct Debt to Estimated Market Valuation	0.46% *
Net Direct Debt and Overlapping Bonded Debt to EAV.....	6.88% *
Net Direct Debt and Overlapping Bonded Debt to Estimated Market Valuation	2.29% *
Net Direct Debt Per Capita	\$267.04 *
Net Direct Debt and Overlapping Bonded Debt Per Capita.....	\$1,340.12 *

(1) Excludes TIF incremental EAV and abated EZ EAV. See “Tax Increment Financing Districts Located within the District” and “Enterprise Zones Located within the District” herein.

*Preliminary, subject to change.

Short-Term Financing Record

In the last five years, the District has not issued any tax anticipation warrants or revenue anticipation notes and has no plans to issue tax anticipation warrants or revenue anticipation notes in the foreseeable future.

Future Financing

The District does not intend to issue any additional long-term debt in the next six months.

Default Record

The District has no record of default and has met its debt repayment obligations promptly.

SUMMARY OF OPERATING RESULTS

Combined Educational Fund and Unrestricted Operations and Maintenance Fund Revenue Sources

(Years Ended June 30)

Below is a combined summary of the Educational Fund and Unrestricted Operations and Maintenance Fund revenue sources exclusive of “on-behalf” payments made by the State to SURS, as defined herein. This summary is provided since the rating agency combines these funds as the “General Fund” in its report.

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Local Sources.....	25.75 %	28.68 %	29.92 %	28.09 %	27.32 %
State Sources.....	31.41	33.43	32.31	32.89	31.22
Federal Sources.....	10.19 ⁽¹⁾	8.30 ⁽¹⁾	1.11	1.15	1.08
Tuition.....	31.93	28.99	32.21	33.08	32.46
Other.....	<u>0.72</u>	<u>0.60</u>	<u>4.46</u>	<u>4.79</u>	<u>7.97</u>
Total.....	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>

(1) Higher Federal Sources due in large part to the District’s receipt of hereinafter-defined HEERF funds. See “FEDERAL AID-Federal COVID-19 Funds Distributed to the District” herein.

Source: Compiled from the District’s Annual Financial Reports for fiscal years ended June 30, 2021-2025.

Combined Educational Fund and Unrestricted Operations and Maintenance Fund Summary

(Years Ended June 30)

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Receipts.....	\$ 30,576,502	\$ 31,864,774	\$ 31,845,578	\$ 31,765,831	\$ 32,449,460
Disbursements.....	<u>26,771,662</u>	<u>26,843,778</u>	<u>28,141,784</u>	<u>28,531,060</u>	<u>30,931,147</u>
Net Surplus (Deficit).....	3,804,840	5,020,996	3,703,794	3,234,771	1,518,313
Other Sources (Uses)..... ⁽¹⁾	(2,067,856)	(1,755,839)	(2,287,219)	(2,225,203)	(2,062,830)
Beginning Fund Balance.....	<u>6,287,440</u>	<u>8,024,424</u>	<u>11,289,581</u>	<u>12,706,156</u>	<u>15,359,280</u> ⁽²⁾
Ending Fund Balance.....	<u>\$ 8,024,424</u>	<u>\$ 11,289,581</u>	<u>\$ 12,706,156</u>	<u>\$ 13,715,724</u>	<u>\$ 14,814,763</u>

(1) Each fiscal year, the District executes specific operating transfers from its Educational Fund to support specific activities in other fund groups. These operating transfers have historically reduced the fund balance of the Educational Fund. In general, the transfers have been to the (1) Operations and Maintenance-Restricted Fund to support capital projects in the District, (2) Auxiliary Enterprises Fund to offset expenditures for athletic programs and reimburse staff wellness expenses at Logan Fitness and (3) Restricted Purposes Fund to cover technology expenses associated with assessed Technology Fee related to purchases and to meet matching requirements for grants.

(2) Beginning fund balance restated due to reclassification of compensated absences to Fund 09 (Long-Term Debt).
Source: Compiled from the District’s Annual Financial Reports for fiscal years ended June 30, 2021-2025.

Working Cash Fund

The Working Cash Fund is established by Section 3-33.1 of the Act. The fund is established for the purpose of enabling the District to have on hand at all times sufficient money to meet the demands for ordinary and necessary expenditures for all community college purposes. By making temporary transfers, the Working Cash Fund is used as a source of working capital by other funds. Such temporary transfers assist funds in meeting the demands for ordinary and necessary expenditures during periods of temporary low cash balances. Working Cash Fund Bonds may be issued for the purpose of creating or increasing a working cash fund.

Moneys in the Working Cash Fund are not regarded as current assets available for community college purposes and may only be used by to provide moneys with which to meet ordinary and necessary disbursements for salaries and other community college purposes. The moneys may be loaned to the educational or operations and maintenance funds in order to avoid the issuance of tax anticipation warrants and notes.

Public Act 103-0278, effective July 28, 2023, provides that a community college district may abate its working cash fund at any time, upon the adoption of a resolution providing for the same, and may direct the transfer at any time of moneys in the Working Cash Fund to any fund or funds of the district most in need of the money, provided that the district maintains an amount to the credit of the Working Cash Fund at least equal to 0.05% of the then-current value, as equalized or assessed by the Department of the taxable property in the District. The legislation provides community colleges additional flexibility in meeting their operational and capital needs.

Working Cash Fund Summary
(Years Ended June 30)

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Receipts.....	\$ -	\$ -	\$ -	\$ 311,660	\$ 293,904
Disbursements.....	-	-	-	-	-
Net Surplus (Deficit).....	-	-	-	311,660	293,904
Other Sources (Uses).....	-	-	-	(311,660)	(293,904)
Beginning Fund Balance...	<u>7,535,685</u>	<u>7,535,685</u>	<u>7,535,685</u>	<u>7,535,685</u>	<u>7,535,685</u>
Ending Fund Balance.....	<u>\$ 7,535,685</u>				

Source: Compiled from the District’s Annual Financial Reports for fiscal years ended June 30, 2021-2025.

Budget Summary

Below is the District’s budget summary for the fiscal year ending June 30, 2026.

<u>Fund</u>	Estimated Fund Balances <u>July 1, 2025</u>	FY26 <u>Revenue</u>	FY26 <u>Expenditures</u>	FY26 Other Sources/ <u>(Uses)</u>	Estimated Fund Balances <u>June 30, 2026</u>
Education.....	\$ 12,047,500	\$ 27,242,728	\$ 24,877,960	\$ (2,360,000)	\$ 12,052,268
Operations & Maintenance Unrestricted.....	1,126,500	4,935,673	5,202,204	270,000	1,129,969
Restricted Purpose.....	2,728,000	15,512,500	17,074,632	290,000	1,455,868
Audit.....	6,173	86,276	79,500	-	12,949
Liability, Protection, Settlement Fund	1,867,000	2,462,592	2,631,982	-	1,697,610
Debt Service.....	440,270	5,036,152	5,120,228	-	356,194
Working Cash.....	7,535,685	5,270,000	-	(5,270,000)	7,535,685
Capital Projects.....	10,690,000	7,085,364	20,631,797	5,000,000	2,143,567
Auxiliary Enterprises.....	<u>352,400</u>	<u>1,287,300</u>	<u>3,543,031</u>	<u>2,070,000</u>	<u>166,669</u>
Total	<u>\$ 36,793,528</u>	<u>\$ 68,918,585</u>	<u>\$ 79,161,334</u>	<u>\$ -</u>	<u>\$ 26,550,779</u>

Source: The District

STATE AID

The State provides aid to local community college districts via grant programs administered by the Illinois Community College Board (the “ICCB”). Many community college districts rely on such “State Aid” for a significant portion of their budgets. For the fiscal year ended June 30, 2025, the District received approximately 32.46% of its general fund revenue from sources at the State, including State Aid. See “SUMMARY OF OPERATING RESULTS—Combined Educational Fund and Unrestricted Operations and Maintenance Fund Revenue Sources” herein.

The State subsidizes the costs of higher education by allocating tax dollars between the following four areas: (a) direct operating support, (b) indirect operating support, (c) institutional grant programs and (d) student financial aid programs.

The Community College System Operating Budget is funded based upon unrestricted and restricted grants. Unrestricted grants have no grant guidelines or expenditure requirements and can be used for any operating purpose. Such grants include but are not limited to the Base Operating Grant, Equalization Grant, Small College Grant and Technical Education Formula Grant (as more fully discussed below). Restricted grants must be spent according to grant and expenditure guidelines and include the Workforce Development Grant, Adult Education Grant and Career and Technical Education Grant (as more fully discussed below).

Various proposals for changing the Illinois system of state financial aid have been considered over the years. The nature of future modifications to the process for distributing State Aid cannot be predicted, but such modifications could have an adverse effect on the finances of the District should they be enacted.

Direct Operating Support

Public community colleges are funded primarily through direct operating support. Most of the funds for operating support are used for meeting general costs such as salaries, contracts for services, energy, supplies, travel and scholarships; however, operating support can also be appropriated to specific activities such as workforce preparation programs, adult basic education, career and technical education or legislative initiatives.

Indirect Operating Support

Public community colleges also benefit from indirect operating support through payments or benefits provided by the State to or for faculty and staff. Rather than being paid to community colleges, such funds are spent by other State entities on behalf of community college employees. Examples of indirect operating support include employee health insurance provided by the State employee benefits plan and funding for community college employees' pensions paid to SURS.

Institutional Grant Programs

Additionally, grant programs provide funds for specific activities undertaken by educational programs. Funding for such programs as Cooperative Work Study and Nursing Grants is appropriated to the Illinois Board of Higher Education ("IBHE") and then distributed by the IBHE based upon competitive application and program criteria. Private colleges are also eligible to apply for such grants.

As noted previously, the ICCB also administers grant programs and distributes funding to community colleges. The two principal operating grants for community colleges are the Base Operating Grant and the Equalization Grant, both of which are allocated to each local community college district based upon a prescribed formula. Generally, ICCB grants to community colleges amount to the difference between the total funds needed to offer educational

programs and the total funds available from local property taxes and tuition and fees. Rate adjustments are required when State appropriations for ICCB grants fall short of equaling the calculated needs of the system. The funds of both the Base Operating Grant and the Equalization Grant are distributed on a monthly basis, though the State has delayed payment of these grants in recent years.

In addition to the grants discussed in this section, the State distributes numerous other grants to Illinois community colleges on an annual basis.

Student Financial Aid

State tax dollars support higher education through direct support to students; such financial aid is distributed through the Illinois Student Assistance Commission. The primary source of direct student assistance is need-based. Need-based programs, such as the Monetary Award Program, cover a portion of the costs of tuition and fees for students at public community colleges. The State also provides several programs that pay some or all of the costs of tuition and fees for students who have served in the military or are preparing for high-demand occupations such as nursing and certain teaching positions. In the event the federal government, the State or any agency pays tuition for any community college student, neither the district of such student’s residence nor the student is required to pay that tuition, or any portion thereof, that is otherwise paid.

History of State Funding ⁽¹⁾

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Base Operating Grants.....	\$ 2,970,140	\$ 3,211,130	\$ 3,091,794	\$ 3,203,446	\$ 3,070,892
Career & Technical Education.....	418,561	381,239	380,267	347,907	333,442
Equalization Grants.....	6,100,517	6,708,220	6,472,510	6,636,490	6,276,640
Other Grants.....	<u>113,414</u>	<u>352,468</u>	<u>330,319</u>	<u>261,436</u>	<u>450,528</u>
Total.....	<u>\$ 9,602,632</u>	<u>\$ 10,653,057</u>	<u>\$ 10,274,890</u>	<u>\$ 10,449,279</u>	<u>\$ 10,131,502</u>

(1) Includes Educational Fund and Unrestricted Operations and Maintenance Fund.
 Source: The District’s Annual Financial Report for the fiscal years ended June 30, 2021- 2025.

FEDERAL AID

General

Community colleges, like the District, receive federal funding. Most federal funding for the District goes toward financial aid to students and research grants, not operating funds. The District participates in federal financial aid programs like the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG) and the Federal Direct Loan Program. See below for a description of each program.

- Federal Pell Grant: This grant is for students with financial need who are pursuing their first undergraduate degree.
- Federal Supplemental Educational Opportunity Grant: This grant is designed to help students with the lowest expected family contribution with their education costs.
- Federal Direct Loan Program: This program offers different types of student loans, including Direct Subsidized Loans, Direct Unsubsidized Loans and Direct Parent PLUS loans.

Federal COVID-19 Funds Distributed to the District

The COVID-19 pandemic, along with various governmental measures taken to protect public health in light of the pandemic, had an adverse impact on global economies, including economic conditions in the United States. In response to the pandemic, federal legislation, particularly the (i) Coronavirus Aid, Relief, and Economic Security Act, (ii) Coronavirus Response and Relief Supplemental Appropriations Act of 2021, and (iii) American Rescue Plan of 2021, was enacted to provide funds to mitigate the economic downturn and health care crisis caused by COVID-19.

The District was allocated Higher Education Emergency Relief Fund (“HEERF”) funding. The table below describes the HEERF funds received by the District.

HEERF Allocation	Fiscal Year Ended June 30				Total
	2020	2021	2022	2023	
Student Portion.....	\$ 276,100	\$ 775,972	\$ 4,122,450	\$ 627,852	\$ 5,802,374
Institutional Funds.....	173,085	3,537,570	5,274,801	-	8,985,456
Strengthening Institutions Program.....	-	46,550	175,072	53,671	275,293
Total.....	<u>\$ 449,185</u>	<u>\$ 4,360,092</u>	<u>\$ 9,572,323</u>	<u>\$ 681,523</u>	<u>\$ 15,063,123</u>

Institutional Funds Detail	Fiscal Year Ended June 30				Total
	2020	2021	2022	2023	
Lost Revenue.....	\$ -	\$ 3,031,856	\$ 1,873,922	\$ -	\$ 4,905,778
Student Grants.....	276,100	1,199,149	4,122,450	678,852	6,276,551
Other.....	173,085	129,087	3,575,951	2,671	3,880,794
Total.....	<u>\$ 449,185</u>	<u>\$ 4,360,092</u>	<u>\$ 9,572,323</u>	<u>\$ 681,523</u>	<u>\$ 15,063,123</u>

Source: The District

RETIREMENT PLANS

Pension and Retirement Plan

The District contributes to the State Universities Retirement System (“SURS”), a cost-sharing multiple-employer defined benefit pension 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 the state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State’s financial reporting entity and is included in the State’s financial reports as a pension trust fund. SURS is governed by Section 5/15, Chapter 40, of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by accessing the website at www.SURS.org.

Plan members are required to contribute 8.0% of their annual covered salary and substantially all employer contributions are made by the State on behalf of the individual employers at an actuarially determined rate. The State’s contribution is calculated by an actuary pursuant to the provisions of the Illinois Pension Code, as amended (the “Pension Code”). The Pension Code requires the State to contribute annually the constant percent of payroll necessary to allow SURS to achieve a 90% funded ratio by fiscal year 2045.

Financial Reporting under GASB Standards

The Governmental Accounting Standards Board (“GASB”) promulgates standards for financial reporting with respect to financial statements prepared by public pension systems and governments sponsoring such pension systems. Although SURS’s actuary utilizes these standards in preparing certain aspects of the annual actuarial valuation and the State uses these standards for financial reporting purposes, such standards do not impact the calculation of the State contribution or the District contribution for SURS.

The GASB Standards provide standards for financial reporting and accounting related to pension plans.

The GASB Standards require calculation and disclosure of a “Net Pension Liability” or “Net Pension Asset,” which is the difference between the actuarial present value of projected benefit payments that is attributed to past periods of employee service calculated pursuant to the methods and assumptions set forth in the GASB Standards (referred to in such statements as the “Total Pension Liability”) and the fair market value of the pension plan’s assets (referred to as the “Fiduciary Net Position”).

Furthermore, the GASB Standards employ a rate, referred to in such statements as the “Discount Rate,” which is used to discount projected benefit payments to their actuarial present

values. The Discount Rate is a blended rate comprised of (1) a long term expected rate of return on a pension plan's investments (to the extent that such assets are projected to be sufficient to pay benefits), and (2) a tax exempt municipal bond rate meeting certain specifications set forth in the GASB Standards.

Finally, the GASB Standards require that the Net Pension Liability be disclosed in the notes to the financial statements of the pension system and that a proportionate share of the Net Pension Liability be recognized on the balance sheet of the employer, and that an expense be recognized on the income statement of the employer.

At June 30, 2024, SURS reported a Net Pension Liability of \$29.5 billion. The proportionate share of the State's Net Pension Liability associated with the District is \$137,237,740 or 0.4540%. The amount of the proportionate share of the Net Pension Liability to be recognized for the District as of the measurement date is \$0 due to a special funding situation. For the purposes of financial reporting, the State and participating employers (such as the District) are considered to be under a special funding situation.

The District's proportionate share of collective pension expense is recognized similarly to on-behalf payments for both the contributions made by the State and the matching expense in the financial statements. As a result, the District recognized revenue and pension expense of \$9,062,438 for the fiscal year ended June 30, 2025.

OPEB Summary

The District provides a subsidy to eligible retirees to bring the cost of health insurance to current active employee levels ("OPEB"). Eligibility is based on Board policy or the applicable union contract, depending on the employee group. At the death of a retired employee, coverage will be extended to the spouse if previously covered. Retirees from the District will qualify for health insurance under the College Insurance Program (the "Plan") offered through the State office of Central Management Services. Qualifying individuals receive reimbursement of varying amounts from the District in order to keep retirees' net contribution equal to the contribution of a current active employee with similar coverage. The District finances the Plan on a pay-as-you go basis.

The District's total OPEB liability of \$5,810,894 was measured as of June 30, 2025 and was determined by an actuarial valuation as of June 30, 2024, rolled forward to the year ended June 30, 2025. Currently there are 94 inactive employees receiving benefits.

TAX MATTERS

The 2026C Bonds

Interest on the 2026C Bonds is includible in gross income of the owners thereof for federal income tax purposes. Ownership of the 2026C Bonds may result in other federal income tax consequences to certain taxpayers. Holders of the 2026C Bonds should consult their tax advisors with respect to the inclusion of interest on the 2026C Bonds in gross income for federal income tax purposes and any collateral tax consequences.

Interest on the 2026C Bonds is not exempt from present State income taxes. Ownership of the 2026C Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the 2026C Bonds. Prospective purchasers of the 2026C Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

The 2026D Bonds

Federal tax law contains a number of requirements and restrictions which apply to the 2026D Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The District has covenanted to comply with all requirements that must be satisfied in order for the interest on the 2026D Bonds to be excludible from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the 2026D Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the 2026D Bonds.

Subject to the District's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the 2026D Bonds is excludible from the gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the 2026D Bonds may affect the corporate alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the District with respect to certain material facts within the District's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the 2026D Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective

purchasers of the 2026D Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the “OID Issue Price”) for each maturity of the 2026D Bonds is the price at which a substantial amount of such maturity of the 2026D Bonds is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the 2026D Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the OID Issue Price of a maturity of the 2026D Bonds is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the 2026D Bonds (the “OID Bonds”) and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the OID Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the District complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludible from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Department under State income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of 2026D Bonds who dispose of 2026D Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase 2026D Bonds in the initial public offering, but at a price different from the OID Issue Price or purchase 2026D Bonds subsequent to the initial public offering should consult their own tax advisors.

If a 2026D Bond is purchased at any time for a price that is less than the 2026D Bond’s stated redemption price at maturity or, in the case of an OID Bond, its OID Issue Price plus accreted original issue discount (the “Revised Issue Price”), the purchaser will be treated as having purchased a 2026D Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a 2026D Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser’s election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect

the liquidity or secondary market price of such 2026D Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the 2026D Bonds.

An investor may purchase a 2026D Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as “bond premium” and must be amortized by an investor on a constant yield basis over the remaining term of the 2026D Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor’s basis in the 2026D Bond. Investors who purchase a 2026D Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the 2026D Bond’s basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the 2026D Bond.

There are or may be pending in Congress legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the 2026D Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the 2026D Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the 2026D Bonds. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the 2026D Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the 2026D Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the 2026D Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any 2026D Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any 2026D Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Interest on the 2026D Bonds is not exempt from present State income taxes. Ownership of the 2026D Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the 2026D Bonds. Prospective purchasers of the 2026D Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

LITIGATION

There is no controversy or litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds or in any way contesting or affecting the validity of the Bonds or any proceedings of the District taken with respect to the issuance or sale thereof.

BOND RATINGS

S&P is expected to assign its municipal bond insured rating of “AA” (Stable Outlook) to the Bonds with the understanding that upon issuance and delivery of the Bonds the Policy will be issued by AG. See “BOND INSURANCE” above. S&P has assigned its municipal underlying rating of “A+” (Stable Outlook) to the Bonds.

The ratings reflect only the views of S&P and any explanation of the significance of such ratings may only be obtained from S&P. Certain information concerning the Bonds and the District not included in this Official Statement was furnished to S&P by the District. There is no assurance that the ratings will be maintained for any given period of time or that such ratings may not be changed by S&P, if, in the rating agency’s judgment, circumstances so warrant. Any downward change in or withdrawal of the ratings may have an adverse effect on the market price of the Bonds. Except as may be required by the Undertaking described below under the heading “CONTINUING DISCLOSURE,” neither the District nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such ratings or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

The District will enter into a Continuing Disclosure Undertaking (the “Undertaking”) for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the “MSRB”) pursuant to the requirements of the Rule. No person, other than the District, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a statement of other terms of the Undertaking, including termination, amendment and remedies, are set forth in “Appendix C – Form of Continuing Disclosure Undertaking.”

The District has implemented disclosure policies and procedures which specifically include additional procedures to be followed by the District in relation to the two reportable events required by the Rule for undertakings entered into on and after February 27, 2019.

For the fiscal year ended June 30, 2024, the District did not timely file its audited financial statements. The District has retained PMA Securities Inc., Naperville, Illinois (“PMA”) to act as the District’s Dissemination Agent for its future continuing disclosure filings. A failure by the District to comply with the Undertaking will not constitute a default under the Bond Resolution and beneficial owners of the Bonds are limited to the remedies described in the

Undertaking. The District must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois (“Chapman and Cutler”), Bond Counsel, who has been retained by, and acts as, Bond Counsel to the District. Chapman and Cutler has also been retained by the District to serve as Disclosure Counsel to the District with respect to the Bonds. Although as Disclosure Counsel to the District, Chapman and Cutler has assisted the District with certain disclosure matters, Chapman and Cutler has not undertaken to independently verify the accuracy, completeness or fairness of any of the statements contained in this Official Statement or other offering material related to the Bonds and does not guarantee the accuracy, completeness or fairness of such information. Chapman and Cutler’s engagement as Disclosure Counsel was undertaken solely at the request and for the benefit of the District, to assist it in discharging its responsibility with respect to this Official Statement, and not for the benefit of any other person (including any person purchasing Bonds from the Underwriter), and did not include any obligation to establish or confirm factual matters, forecasts, projections, estimates or any other financial or economic information in connection therewith. Further, Chapman and Cutler makes no representation as to the suitability of the Bonds for investment by any investor. Gilmore & Bell, P.C., Edwardsville, Illinois, will pass on certain matters for the Underwriter.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the “Underwriter” or “Stifel”), has agreed, subject to the terms of a bond purchase agreement (the “Purchase Contract”) to purchase the 2026C Bonds from the District at a price of \$_____ and the 2026D Bonds from the District at a price of \$_____. The Purchase Contract provides, in part, that the obligation of the Underwriter is subject to certain conditions precedent and that the Underwriter will be obligated to purchase all of the Bonds if any of the Bonds are purchased. The Underwriter has further agreed to offer the Bonds to the public at the approximate initial offering yields as set forth on the inside cover hereto. The Underwriter may offer and sell the Bonds to certain dealers and others at yields different than the offering yields stated on the inside cover hereto. The aggregate underwriting fee for the 2026C Bonds equals ____ percent of the par amount of the 2026C Bonds and the aggregate underwriting fee for the 2026D Bonds equals ____ percent of the par amount of the 2026D Bonds.

Stifel and its affiliates comprise a full service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Stifel and its affiliates may have provided, and may in the future provide, a variety of these services to the District and to persons

and entities with relationships with the District, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, Stifel and its affiliates may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the District (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the District.

Stifel and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the District.

MUNICIPAL ADVISOR

PMA has been retained as municipal advisor (the “Municipal Advisor”) in connection with the issuance of the Bonds. In preparing this Official Statement, the Municipal Advisor has relied upon the District, and other sources, having access to relevant data to provide accurate information for this Official Statement. To the best of the Municipal Advisor’s knowledge, the information contained in this Official Statement is true and accurate. However, the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

PMA is a broker-dealer and municipal advisor registered with the Commission and the MSRB and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In these roles, PMA generally provides fixed income brokerage services and public finance services to municipal entity clients, including municipal advisory services and advice with respect to the investment of proceeds of municipal securities. PMA is affiliated with PMA Financial Network, LLC, a financial services provider, and PMA Asset Management, LLC, and Public Trust Advisors, LLC, both investment advisers registered with the Commission. These entities operate under common ownership with PMA and are collectively referred to in this disclosure as the “Affiliates.” Each of these Affiliates also provides services to municipal entity clients and PMA and Affiliates market the services of the other Affiliates. Unless otherwise stated, separate fees are charged for each of these products and services and referrals to its Affiliates result in an increase in revenue to the overall Affiliated companies.

The Municipal Advisor’s duties, responsibilities, and fees in connection with this issuance arise solely from the services for which it is engaged to perform as municipal advisor on the Bonds. PMA’s compensation for serving as municipal advisor on the Bonds is conditional on the final amount and successful closing of the Bonds. PMA receives additional fees for the services used by the District, if any, described in the paragraph above. The fees for these services arise from separate agreements with the District and with institutions of which the District may be a member.

THE OFFICIAL STATEMENT

This Official Statement includes the cover page, reverse thereof and the Appendices hereto.

All references to material not purporting to be quoted in full are only summaries of certain provisions thereof and do not purport to summarize or describe all the provisions thereof. Reference is hereby made to such instruments, documents and other materials for the complete provisions thereof, copies of which will be furnished upon request to the District.

Accuracy and Completeness of the Official Statement

This Official Statement has been approved by the District for distribution to the Underwriter.

The District's officials will provide to the Underwriter at the time of delivery of the Bonds, a certificate confirming to the Underwriter that, to the best of their knowledge and belief, this Official Statement as of the date hereof and at the time of the sale and delivery of the Bonds, was true and correct in all material respects and did not at any time contain any untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

/s/ _____
Vice President of Business Services and Chief
Financial Officer
Community College District No. 530, Counties
of Williamson, Jackson, Franklin, Perry and
Randolph and State of Illinois

April __, 2026

Forms of Legal Opinions of Bond Counsel

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Community College District No. 530
Counties of Williamson, Jackson, Franklin,
Perry and Randolph and State of Illinois

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the Board of Trustees of Community College District No. 530, Counties of Williamson, Jackson, Franklin, Perry and Randolph and State of Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered Taxable General Obligation Community College Bonds, Series 2026C (the “*Bonds*”), to the amount of \$_____, dated _____, 2026, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2027	\$	%
2028		%
2029		%

and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the District and is payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is our opinion that under present law, interest on the Bonds is includible in gross income of the owners thereof for federal income tax purposes. Ownership of the Bonds may result in other federal income tax consequences to certain taxpayers. Bondholders should consult their own tax advisors concerning tax consequences of ownership of the Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the District with respect to certain material facts within the District's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Community College District No. 530
Counties of Williamson, Jackson, Franklin,
Perry and Randolph and State of Illinois

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the Board of Trustees of Community College District No. 530, Counties of Williamson, Jackson, Franklin, Perry and Randolph and State of Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation Community College Bonds, Series 2026D (the “*Bonds*”), to the amount of \$_____, dated _____, 2026, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2029	\$	%
2030		%
2031		%
2032		%
2033		%
2034		%
2035		%
2036		%
2037		%
2038		%

the Bonds due on or after December 1, 20__, being subject to redemption prior to maturity at the option of the District as a whole or in part in any order of their maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on December 1, 20__, or on any date thereafter, at the redemption price of par plus accrued interest to the redemption date, as provided in the Proceedings, and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the District and is payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is our opinion that, subject to the District's compliance with certain covenants, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended. Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the District with respect to certain material facts within the District's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Appendix B

Annual Financial Report for Fiscal Year Ended June 30, 2025

The Annual Financial Report of the District contained in this Appendix B (the “Audit”), including the independent auditor’s report accompanying the Audit, has been prepared by Kemper CPA Group LLP, Marion, Illinois (the “Auditor”), and approved by formal action of the Board of Trustees of the District. The District has not requested the Auditor to update information contained in the Audit; nor has the District requested that the Auditor consent to the use of the Audit in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Audit has not been updated since the date of the Audit. The inclusion of the Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the District since the date of the Audit.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**ANNUAL FINANCIAL REPORT
AND
SINGLE AUDIT REPORT**

FOR THE YEAR ENDED JUNE 30, 2025

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

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**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT #530
CARTERVILLE, ILLINOIS**

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**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT #530
CARTERVILLE, ILLINOIS**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
John A. Logan College
Community College District No. 530
Carterville, Illinois 62918

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of John A. Logan College, Community College District No. 530 (the College), as of and for the year ended June 30, 2025, and the related notes to the 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 respective financial position of the business-type activities and the discretely presented component unit of John A. Logan College, Community College District No. 530 as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those 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. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

Change in Accounting Principle

As described in Note 16 to the financial statements, the College adopted the Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, for the year ended June 30, 2025. The implementation of this guidance resulted in changes to the accrual of compensated absence balances and a restatement of beginning net position. Our opinion was not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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 twelve 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 generally accepted auditing standards 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 generally accepted auditing standards 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the pension schedules, and other postemployment benefit (OPEB) schedules, as 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 John A. Logan College, Community College District No. 530's basic financial statements. The Uniform Financial Statements, as required by the Illinois Community College Board, and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 Uniform Financial Statements and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Information

Management is responsible for the Other Supplemental Information included in the annual report. The Other Supplemental Information, as listed in the table of contents, 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 Supplemental 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 Supplemental Information and consider whether a material inconsistency exists between the Other Supplemental Information and the basic financial statements, or the Other Supplemental Information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the Other Supplemental 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 February 19, 2026, 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.

Kemper CPA Group LLP

KEMPER CPA GROUP LLP

Certified Public Accountants and Consultants

Marion, Illinois
February 19, 2026

**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***

To the Board of Trustees
John A. Logan College
Community College District No. 530
Carterville, Illinois 62918

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of John A. Logan College, Community College District No. 530 (the College) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College’s basic financial statements, and have issued our report thereon dated February 19, 2026. The financial statements of the John A. Logan College Foundation (the Foundation), a discretely presented component unit, 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 were not 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.

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
February 19, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT #530
CARTERVILLE, ILLINOIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025
(Unaudited)**

This section of John A. Logan College's Annual Comprehensive Financial Report presents management's discussion and analysis of the College's financial activity during the fiscal years ended June 30, 2025 and 2024. Management's discussion and analysis is designed to focus on current activities, resulting change, and currently known facts. Please read it in conjunction with the College's audited basic financial statements and the notes to financial statements. Responsibility for the completeness and fairness of this information rests with management of the College.

Using the Annual Comprehensive Financial Report

The basic financial statements focus on the College as a whole and are designed to emulate corporate presentation models whereby all College activities are consolidated into one total. The focus of the Statement of Net Position is designed to reflect the College's financial position at a certain date. This statement combines and consolidates current financial resources (short-term spendable resources) with capital assets. Net position is one indicator of the current financial condition of the College, while the change in net position is another indicator of whether the overall financial condition has improved or deteriorated during the year.

The Statement of Revenues, Expenses, and Changes in Net Position presents the College's financial results for the fiscal year. This statement includes the College's revenues and expenses, both operating and non-operating. Operating revenues and expenses are those for which the College directly exchanges goods and services. The primary operating revenues for the College are tuition and fees (net of scholarship allowances) and auxiliary services (net). Non-operating revenues and expenses are those that exclude specific, direct exchanges of goods and services. The major components of the College's non-operating revenues include local property taxes and government grants and contracts. The reporting model classifies these revenues as non-operating because no direct exchange of goods and services are received from local taxpayers or the government, respectively. This approach is intended to summarize and simplify the user's analysis of costs of various College services to students and the public.

Financial Highlights

The College implemented GASB Statement No. 101 – *Compensated Absences* during the year ended June 30, 2025. This implementation resulted in recalculation of the College's current- and non-current liabilities for compensated absences. This change resulted in a restatement of the June 30, 2024 ending net position as described in Note 16 to the financial statements.

The College's net position increased \$8.6 million from \$56.8 million at June 30, 2024, as restated, to \$65.4 million at June 30, 2025. The total increase in the College's net position was split between a \$6.6 million increase in net investment in capital assets, a \$2.2 million increase in unrestricted net position, and a \$0.2 million decrease in restricted net position. Net position represents the balance in the College's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT #530
CARTERVILLE, ILLINOIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2025**

Financial Highlights (Concluded)

Operating revenues decreased \$0.7 million from fiscal year 2024 to 2025. Non-operating revenues and expenses, net, increased \$1.8 million. State on-behalf revenues, which increased by \$0.4 million, are included in non-operating revenues. These on-behalf revenues represent the College's proportionate share of pension and other post-employment benefit (OPEB) contributions made on-behalf of the College by the State of Illinois to the State University Retirement System (SURS) and State of Illinois College Insurance Program (CIP).

Total revenues and capital contributions, excluding State on-behalf contributions, increased \$2.6 million from \$48.5 million to \$51.1 million in fiscal years 2024 and 2025, respectively. This increase is primarily due to an increase in capital contributions of \$2.1 million, an increase in property taxes of \$0.6 million, an increase in federal grants and contacts of \$0.6 million, and an increase in nongovernmental gifts, grants, and bequests of \$0.5 million. These increases were partially offset by a decrease in student tuition and fees, net of scholarships and allowances, of \$0.9 million, and a decrease in corporate personal property replacement taxes of \$0.4 million.

Total College expenses increased \$2.5 million from \$46.9 million to \$49.4 million in fiscal years 2024 and 2025, respectively. More discussion of the change in operating expenses is available on the following pages.

Financial Analysis of the College as a Whole

Net Position as of June 30				
(in millions)				
	2025	2024 (as restated)	Increase (Decrease)	Percent Change
Current assets	\$ 38.3	\$ 38.2	\$ 0.1	0.3 %
Non-Current				
Restricted assets	24.2	26.6	(2.4)	(9.0)
Tangible and intangible capital assets, net	66.0	60.0	6.0	10.0
Total assets	128.5	124.8	3.7	3.0
Deferred Outflows of Resources	1.1	1.8	(0.7)	(38.9)
Current liabilities	11.3	9.6	1.7	17.7
Non-current liabilities	26.6	32.3	(5.7)	(17.6)
Total liabilities	37.9	41.9	(4.0)	(9.5)
Deferred Inflows of Resources	26.3	27.9	(1.6)	(5.7)
Net Position				
Net investment in capital assets	53.4	46.8	6.6	14.1
Restricted	23.1	23.3	(0.2)	(0.9)
Unrestricted	(11.1)	(13.3)	2.2	(16.5)
Total net position	\$ 65.4	\$ 56.8	\$ 8.6	15.1

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT #530
CARTERVILLE, ILLINOIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2025**

Financial Analysis of the College as a Whole (Continued)

The College's statement of net position, as summarized in the above schedule, is presented on the accrual basis of accounting whereby assets are capitalized and depreciated or amortized and deferred outflows and inflows of resources are recognized.

Current assets increased \$0.1 million during the year ended June 30, 2025. Within current assets, cash and cash equivalents increased \$0.3 million, prepaid expenses increased \$0.1 million, and receivables decreased \$0.4 million. The decrease in total receivables was driven by a decrease of \$0.8 million in net tuition and fees receivable, offset partially by an increase of \$0.5 million in governmental claims. Current assets account for approximately 30% of total assets.

Non-current assets increased \$3.6 million due to a \$6.0 million increase in tangible and intangible capital assets, net of depreciation and amortization, partially offset by a \$2.4 million decrease in restricted assets. The use of restricted cash for the construction of the Harrison Bruce Player Development Center, the Career and Technical Center, the C and E Wing renovations and HVAC replacement, and the elevator project is reflected in a reduction in restricted cash and cash equivalents and an increase in construction in progress within capital assets. Restricted assets account for 19% of total assets and tangible and intangible capital assets, net, account for 51% of total assets.

Current liabilities increased \$1.7 million, which was primarily driven by increases of \$0.9 million in compensated absences due in one year (compared to the restated balance at June 30, 2024 of \$0.1 million), \$0.8 million in accounts payable, \$0.4 million in subscription liabilities due in one year, \$0.1 million in the current portion of bonds payable, offset partially by decreases of \$0.3 million in accrued expenses and \$0.3 million in refundable advances. Current liabilities represent 30% of total liabilities.

Non-current liabilities decreased \$5.7 million to \$26.6 million on June 30, 2025, compared to \$32.3 million on June 30, 2024, as restated. \$10.7 million of the total non-current liabilities are those associated with the long-term portion of bonds payable. This debt is the result of past-year bond financing that has been assumed to take advantage of favorable market conditions and to allow the College to finance needed expansion of facilities and to maximize investment potential.

Deferred outflows of resources decreased \$0.7 million due to decreases in OPEB plan related amounts. Deferred inflows of resources decreased \$1.6 million due to a \$1.8 million decrease in OPEB plan related amounts, offset partially by a \$0.3 million increase in deferred property tax revenue.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT #530
CARTERVILLE, ILLINOIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2025**

Financial Analysis of the College as a Whole (Continued)

Operating Results for the Years Ended				
(in millions)				
	2025	2024	Increase (Decrease)	Percent Change
Operating Income (Loss)				
Operating revenues				
Student tuition and fees, net	\$ 3.9	\$ 4.8	\$ (0.9)	(18.8)%
Auxiliary enterprises revenue	1.2	1.0	0.2	20.0
Other operating revenue	0.5	0.5	-	-
Total operating revenue	5.6	6.3	(0.7)	(11.1)
Less operating expenses	48.8	46.3	2.5	5.4
Operating income (loss)	(43.2)	(40.0)	(3.2)	(8.0)
 Non-Operating Revenues (Expenses)				
Property taxes	16.9	16.3	0.6	3.7
Corporate personal property replacement taxes	0.9	1.3	(0.4)	(30.8)
State grants and contracts	12.4	12.2	0.2	1.6
Federal grants and contracts	9.9	9.3	0.6	6.5
Nongovernmental gifts, grants and bequests	1.3	0.8	0.5	62.5
On-behalf revenues – SURS & CIP	6.9	6.5	0.4	6.2
Investment income	1.6	1.9	(0.3)	(15.8)
Bond premium amortization (interest expense), net	(0.5)	(0.7)	0.2	28.6
Total non-operating revenues (expenses)	49.4	47.6	1.8	3.8
 Capital Contributions	2.5	0.4	2.1	525.0
 Change in Net Position	\$ 8.7	\$ 8.0	\$ 0.7	8.7

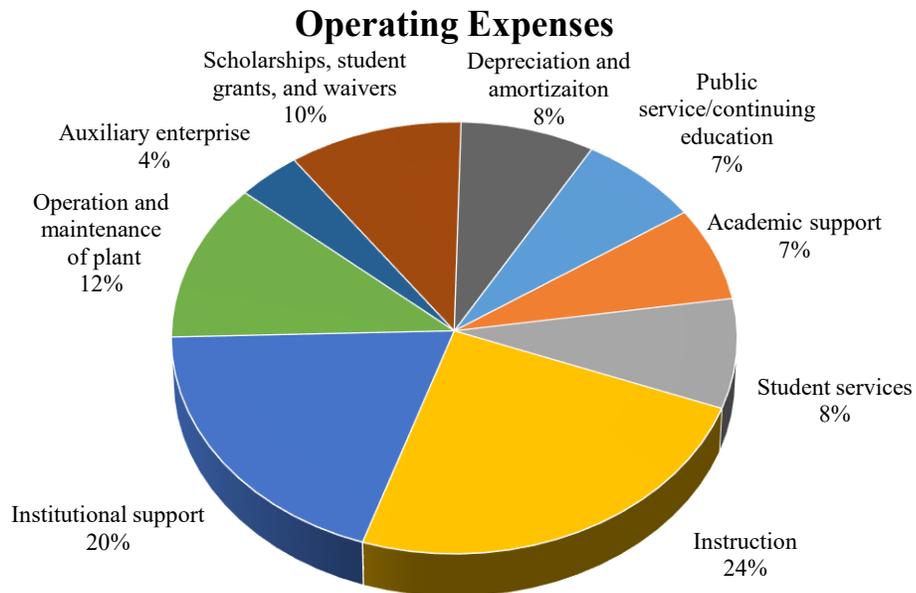
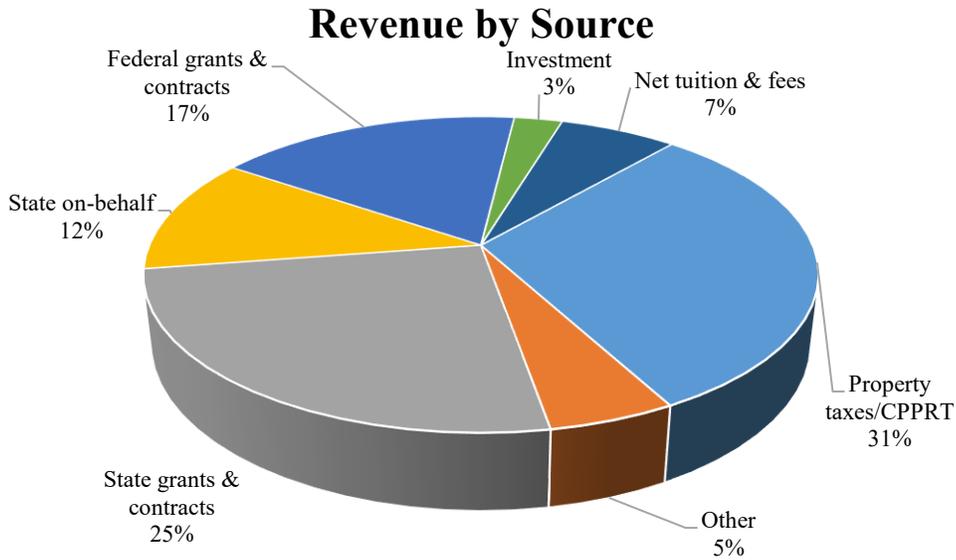
When reviewing the operating results, it should be noted the tuition and fees amount has been adjusted for scholarship discounts and allowances. Scholarship discounts and allowances represent the portion of tuition and fees that the College does not collect because it has granted financial aid that has been applied directly to those charges. Scholarship discounts and allowances for the fiscal years 2025 and 2024 were \$6.6 million and \$5.7 million, respectively. The fiscal year 2025 scholarship discounts and allowances includes \$3.4 million institutional scholarships and waivers, \$3.0 million federal Pell grants, and \$0.2 million other federal and state grants. If tuition and fees were presented on a gross basis, a greater dependence on tuition and fees would be noted.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT #530
CARTERVILLE, ILLINOIS**

**MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2025**

Financial Analysis of the College as a Whole (Continued)

The following are graphic illustrations of total revenue, including capital contributions, and operating expenses, including payments made by the State of Illinois on behalf of the College, for the year ended June 30, 2025:



**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT #530
CARTERVILLE, ILLINOIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2025**

Financial Analysis of the College as a Whole (Continued)

Operating Expenses for the Years Ended				
(in millions)				
	2025	2024	Increase (Decrease)	Percent Change
Instruction	\$ 11.9	\$ 10.8	\$ 1.1	10.2 %
Academic support	3.4	3.1	0.3	9.7
Student services	4.0	4.1	(0.1)	(2.4)
Public service/continuing education	3.5	3.6	(0.1)	(2.8)
Operation and maintenance of plant	5.8	5.6	0.2	3.6
Institutional support	9.5	9.2	0.3	3.3
Auxiliary enterprise	1.8	1.6	0.2	12.5
Scholarships, student grants, and waivers	5.0	4.6	0.4	8.7
Depreciation and amortization	3.9	3.7	0.2	5.4
Total operating expenses	\$ 48.8	\$ 46.3	\$ 2.5	5.4

Operating Expenses, Excluding State On-behalf Payments, for the Years Ended
(in millions)

	2025	2024	Increase (Decrease)	Percent Change
Excluding On-Behalf Payments				
Instruction	\$ 9.3	\$ 8.5	\$ 0.8	9.4 %
Academic support	2.9	2.5	0.4	16.0
Student services	3.2	3.3	(0.1)	(3.0)
Public service/continuing education	3.0	3.0	-	-
Operation and maintenance of plant	4.8	4.7	0.1	2.1
Institutional support	8.2	8.1	0.1	1.2
Auxiliary enterprise	1.6	1.4	0.2	14.3
Scholarships, student grants, and waivers	5.0	4.6	0.4	8.7
Depreciation and amortization	3.9	3.7	0.2	5.4
Total operating expenses	\$ 41.9	\$ 39.8	\$ 2.1	5.3

Total operating expenses for the year ended June 30, 2025 increased \$2.5 million compared to the year ended June 30, 2024. Included in total operating expenses are \$6.9 million of combined pension and OPEB expenses paid on-behalf of the College by the State of Illinois, which are allocated pro-rata across operating expense programs based on salary expenses. These on-behalf expenses represent the College's portion of the SURS pension and CIP OPEB contributions. The State of Illinois has the legal obligation to make contributions directly to the SURS pension plan. The College recognizes revenue and a corresponding employee benefit expense for the College's proportionate share of the State's payments. The revenues and expenses recorded for these payments do not pass through the College. These on-behalf payments occur annually, and amounts may fluctuate significantly year to year. The CIP on-behalf amounts for both fiscal years 2024 and 2025 were net OPEB benefits, which reduce the total on-behalf expense. For the year ended June 30, 2025, the College recognized revenue and expense of \$9.2 million for on-behalf SURS pension contributions, offset by \$2.3 million on-behalf CIP OPEB benefits.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT #530
CARTERVILLE, ILLINOIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2025**

Financial Analysis of the College as a Whole (Concluded)

Excluding these on-behalf expense allocations, operating expenses increased \$2.1 million compared to the year ended June 30, 2024. The largest increase was in instructional expenses, which increased \$0.8 million largely due to a \$0.6 million increase in combined salaries and benefits and a \$0.4 million increase in materials and supplies, offset partially by a \$0.2 million decrease in other expenses. The increase in materials and supplies occurred in the restricted purposes fund and was supported by grants and donations, primarily for the allied health and career and technical education programs.

Across all programs, total salaries increased \$0.1 million and the cost of employee benefits decreased \$0.2 million. Contractual services increased \$0.3 million, depreciation increased \$0.2 million, utilities increased \$0.1 million, general materials and supplies increased \$0.4 million, fixed charges decreased \$0.4 million, and conference and meeting expenses remained flat. The effect of pensions and other post-employment benefit plans, excluding state on-behalf payments, remained consistent from fiscal year 2024 to fiscal year 2025.

Capital and Debt Activities

**Capital Assets, Net, as of June 30
(in millions)**

Capital Assets	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Site and site improvements	\$ 6.6	\$ 6.6	\$ -	- %
Buildings and improvements	95.8	95.4	0.4	0.4
Equipment and other	12.5	11.3	1.2	10.6
Intangible assets	2.9	0.8	1.4	175.0
Construction in progress	6.9	1.1	5.8	527.3
Total historical cost	<u>124.7</u>	<u>115.2</u>	<u>9.5</u>	8.2
Less accumulated depreciation and amortization	<u>58.7</u>	<u>55.2</u>	<u>3.5</u>	6.3
Net capital assets	<u>\$ 66.0</u>	<u>\$ 60.0</u>	<u>\$ 6.0</u>	10.0 %

Net capital assets increased by \$6.0 million, or 10.0%. Depreciation expense increased by \$0.2 million. During the year ended June 30, 2025, the College completed the B-Wing basement level renovations for the allied health program. Construction in progress, with an increase of \$5.8 million from June 30, 2024, contains several other significant construction projects, including the Harrison Bruce Player Development Center, the Career and Technical Center project, C- and E-Wing renovations, C-Wing HVAC upgrades, the west entry elevator, the Logan Hall expansion, electrical system and transformer upgrades, and several other smaller projects. See Note 15 of the notes to the financial statements for a list of these projects and the estimated remaining project commitments as of June 30, 2025.

Instructional, office, and service equipment of \$1.5 million was placed into service during the year. The net book value of asset disposals during the fiscal year was not significant. Intangible capital assets increased by \$1.4 million. The College's intangible capital assets are comprised of right-to-use leased equipment and subscription-based information technology arrangements (SBITAs).

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT #530
CARTERVILLE, ILLINOIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONCLUDED)
JUNE 30, 2025**

Capital and Debt Activities (Concluded)

The College's debt activity for the year consisted of:

Bonds payable, July 1, 2024	\$ 18,890,000
Bonds issued	-
Bonds retired	<u>(4,360,000)</u>
Bonds payable, June 30, 2025	<u>\$ 14,530,000</u>

Bond retirements of \$4.4 million occurred during the year in accordance with the original debt retirement schedules of previously issued bonds.

Lease liability, July 1, 2024	\$ 142,765
Increases	-
Decreases	<u>(41,633)</u>
Lease liability, June 30, 2025	<u>\$ 101,132</u>

Subscription liability, July 1, 2024	\$ 316,664
Increases	1,645,796
Decreases	<u>(124,746)</u>
Subscription liability, June 30, 2025	<u>\$ 1,837,714</u>

See Note 5 in the notes to the financial statements for a list of additional changes in general long-term debt.

BASIC FINANCIAL STATEMENTS

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**STATEMENT OF NET POSITION
JUNE 30, 2025**

	John A. Logan College	Component Unit John A. Logan College Foundation
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 16,125,463	\$ 583,538
Receivables		
Property Taxes	17,415,783	-
Governmental Claims	1,739,363	-
Tuition and Fees, Net of Allowance for Doubtful Accounts of \$823,253	1,058,722	-
Other	1,042,293	1,728
Inventories	48,277	-
Prepaid Expenses	866,007	3,250
Total Current Assets	<u>38,295,908</u>	<u>588,516</u>
Non-Current Assets		
Restricted Cash and Cash Equivalents	24,165,982	-
Investments	-	11,300,455
Tangible and Intangible Capital Assets, Net	65,993,566	-
Total Non-Current Assets	<u>90,159,548</u>	<u>11,300,455</u>
Total Assets	<u>128,455,456</u>	<u>11,888,971</u>
Deferred Outflows of Resources		
College OPEB Plan Related Amounts	269,522	-
CIP OPEB Plan Related Amounts	446,963	-
Pension Related Amounts	193,240	-
Deferred Loss on Refunded Bonds Payable	205,730	-
Total Deferred Outflows of Resources	<u>1,115,455</u>	<u>-</u>
Liabilities		
Current Liabilities		
Accounts Payable	2,328,042	247,673
Accrued Expenses	1,711,596	-
Refundable Advances	1,032,464	3,400
Accrued Bond Interest	46,824	-
Accrued Compensated Absences, Due in One Year	1,019,366	-
Lease Liability, Due in One Year	47,362	-
Subscription Liability, Due in One Year	574,430	-
Bonds Payable, Due in One Year	4,495,000	-
Total Current Liabilities	<u>11,255,084</u>	<u>251,073</u>

The accompanying notes are an integral part of these financial statements.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**STATEMENT OF NET POSITION (Concluded)
JUNE 30, 2025**

	John A. Logan College	Component Unit John A. Logan College Foundation
Non-Current Liabilities		
Accrued Compensated Absences	\$ 2,659,880	\$ -
Net OPEB Liability	11,845,443	-
Lease Liability	53,770	-
Subscription Liability	1,263,284	-
Bonds Payable, Net of Unamortized Premium of \$696,534	10,731,534	-
Total Non-Current Liabilities	<u>26,553,911</u>	<u>-</u>
Total Liabilities	<u>37,808,995</u>	<u>251,073</u>
Deferred Inflows of Resources		
College OPEB Plan Related Amounts	275,796	-
CIP OPEB Plan Related Amounts	7,475,228	-
Deferred Property Tax Revenue	17,268,114	-
Deferred Tuition and Fees	463,961	-
Deferred Pepsi Agreement	845,000	-
Total Deferred Inflows of Resources	<u>26,328,099</u>	<u>-</u>
Net Position		
Net Investment in Capital Assets	53,438,916	-
Restricted for		
Debt Service	376,557	-
Capital Projects	11,804,391	-
Employee Benefits	1,569,818	-
Liability Protection	1,773,377	-
Working Cash	7,535,685	-
Other	54,173	-
Without Donor Restrictions	-	1,717,295
With Donor Restrictions	-	9,920,603
Unrestricted	<u>(11,119,100)</u>	<u>-</u>
Total Net Position	<u>\$ 65,433,817</u>	<u>\$ 11,637,898</u>

The accompanying notes are an integral part of these financial statements.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025**

	John A. Logan College	Component Unit John A. Logan College Foundation
Revenues		
Operating Revenues:		
Student Tuition and Fees, Net of Scholarships and Allowances of \$6,619,514	\$ 3,923,330	\$ -
Contributions of Financial Assets	-	972,828
Contributions of Nonfinancial Assets	-	441,521
Auxiliary Enterprise Revenue	1,247,069	-
Other	465,826	61,863
Total Operating Revenues	5,636,225	1,476,212
Expenses		
Operating Expenses:		
Instruction	11,860,486	105,000
Academic Support	3,434,277	-
Student Services	4,003,982	1,545,616
Public Service/Continuing Education	3,524,087	-
Operation and Maintenance of Plant	5,762,250	-
Institutional Support	9,497,182	191,168
Auxiliary Enterprise	1,838,859	-
Scholarships, Student Grants, and Waivers	5,017,935	-
Depreciation and amortization	3,872,793	-
Total Operating Expenses	48,811,851	1,841,784
Operating Income (Loss)	(43,175,626)	(365,572)
Non-Operating Revenues (Expenses)		
Property Taxes	16,912,602	-
Corporate Personal Property Replacement Taxes	856,341	-
State Grants and Contracts	12,381,740	-
Federal Grants and Contracts	9,905,727	-
Nongovernmental Gifts, Grants, and Bequests	1,332,583	-
On-Behalf Revenues - SURS & CIP	6,929,451	-
Investment Income	1,621,895	361,335
Bond Premium Amortization (Interest Expense), Net	(552,122)	-
Realized Capital Gains (Losses)	-	(21,249)
Unrealized Capital Gains (Losses)	-	840,580
Total Non-Operating Revenues (Expenses)	49,388,217	1,180,666
Income before Capital Contributions	6,212,591	815,094
Capital Contributions	2,464,608	-
Change in Net Position	8,677,199	815,094
Net Position, July 1, 2024 (as restated)	56,756,618	10,822,804
Net Position, June 30, 2025	\$ 65,433,817	\$ 11,637,898

The accompanying notes are an integral part of these financial statements.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025**

Cash Flows from Operating Activities	
Tuition and Fees	\$ 4,728,949
Payments to Suppliers	(10,514,471)
Payments to and Benefits for Employees	(29,508,435)
Auxiliary Enterprise Charges	1,247,069
Other Receipts	319,735
Net Cash Provided (Used) by Operating Activities	<u>(33,727,153)</u>
Cash Flows from Noncapital Financing Activities	
Property Taxes	16,964,431
Corporate Personal Property Replacement Taxes	924,956
Grants, Contracts, Gifts, and Bequests	20,858,361
Net Cash Provided (Used) by Noncapital Financing Activities	<u>38,747,748</u>
Cash Flows from Capital and Related Financing Activities	
Capital Grants, Contracts, Gifts, and Bequests	4,762,442
Principal Paid on Bonds	(4,360,000)
Principal Paid on Lease Liabilities	(41,633)
Principal Paid on SBITAs	(124,746)
Interest Paid on Debt	(676,347)
Purchases of Capital Assets	(8,291,523)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(8,731,807)</u>
Cash Flows from Investing Activities	
Interest Income	1,621,895
Net Cash Provided (Used) by Investing Activities	<u>1,621,895</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,089,317)
Cash and Cash Equivalents, July 1, 2024	<u>42,380,762</u>
Cash and Cash Equivalents, June 30, 2025	<u>\$ 40,291,445</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (43,175,626)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
On-Behalf - SURS & CIP	6,929,451
Depreciation Expense	3,872,793
Loss on Disposed Capital Assets	21,347
Change in Assets, Liabilities, and Deferred Outflows (Inflows):	
Tuition and Fees Receivables (net)	767,771
Other Receivables	179,921
Inventories	(9,495)
Prepaid Expenses	(141,737)
Net College OPEB-Related Deferred Outflows/Inflows	795,899
Net CIP OPEB-Related Deferred Outflows/Inflows	(1,922,191)
Pension Related Deferred Outflows	19,208
Net OPEB Liability	(1,258,342)
Accounts Payable	791,988
Accrued Expenses	(309,976)
Deferred Tuition and Fees	(17,958)
Refundable Advances	(270,206)
Net Cash Provided (Used) by Operating Activities	<u>\$ (33,727,153)</u>

Noncash Capital and Related Financing Activities

During the year ended June 30, 2025, the College entered into three new subscription-based information technology arrangements (SBITAs) as detailed in Note 12. The total cost of these SBITAs was \$2,155,269, with a related subscription liability of \$1,645,796 recorded at commencement of these SBITAs. A cash downpayment of \$509,473 was made on these SBITAs.

The accompanying notes are an integral part of these financial statements.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

John A. Logan College, Community College District No. 530 (the College) is organized under the Illinois Public Community College Act with partial funding by the Illinois Community College Board. The College encompasses parts of five counties in Southern Illinois.

The accounting policies of the College conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to colleges and universities as well as those prescribed by the Illinois Community College Board (ICCB). The College reports are based on all applicable Government Accounting Standards Board (GASB) pronouncements.

The following is a summary of the more significant accounting policies followed by the College.

A. Reporting Entity

The accompanying financial statements include all entities for which the elected, eight-member Board of Trustees of the College has financial accountability.

The College has developed criteria to determine whether other entities are component units of the College. Component units are legally separate organizations for which the elected officials of the College are financially accountable. The College would be considered financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will (significantly influence the programs, projects, activities, or level of services performed or provided by the organization) on the organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the College (i.e., entitled to or can access the organization's resources, is legally obligated or has otherwise assumed the obligation to finance deficits of, or provide financial support to the organization, or is obligated in some manner for the debt of the organization). If an organization is fiscally dependent on the College, the College is considered financially accountable regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

Additionally, organizations that raise and hold economic resources for the direct benefit of the College are considered to be component units.

Based on the foregoing criteria, the following organization is considered to be a component unit and is discretely presented in the basic financial statements.

The John A. Logan College Foundation (the Foundation) is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the College. The Foundation is governed by a separate board of directors and consists of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the Foundation, the resources, or income thereon, which the Foundation holds and invests are restricted for the benefit of the College, its students, and its programs. Because the restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered to be a component unit of the College.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Concluded)

The Foundation is a private nonprofit organization that reports its financial results under Financial Accounting Standards Board (FASB) Statements. Most significant to the Foundation's operations and reporting model is FASB Accounting Standards Codification 958-205, *Presentation of Financial Statements for Not-For-Profit Entities*. As such, certain revenue recognition criteria and presentation differ from GASB revenue recognition criteria and presentation. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences; however, significant note disclosures (see Component Unit Notes 1W & 18) to the Foundation's financial statements have been incorporated into the College's notes to the financial statements.

Separate financial statements for the Foundation can be obtained from the Foundation office at 700 Logan College Drive, Carterville, IL 62918.

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

As a public institution, the College is considered a special-purpose government under the provisions of GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities – An Amendment of GASB Statement No. 34*. The College records revenue in part from tuition, fees, and other charges for services to external users, and, accordingly, has chosen to present its financial statements using the reporting model for special-purpose governments engaged in business-type activities. This model allows for all financial information of the College to be reported in a single column in each of the financial statements, accompanied by a separate column for its discretely presented component unit. All significant internal activity between funds has been eliminated from these financial statements.

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues from exchange transactions are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Intergovernmental revenues, such as federal, state, and local grants, and state shared revenues generally meet the definition of non-exchange transactions and are accounted for as non-operating revenues, with the exception of intergovernmental revenues used for capital assets which are accounted for as capital contributions. Revenue from these sources is recognized when all applicable eligibility requirements have been met. 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 specific purpose; and expenditure requirements, in which the resources are provided to the College on a reimbursement basis. Receivables are reported for these amounts for which revenue has been recognized but the related payments have not been received.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Concluded)

Property tax revenues are reported in accordance with National Council on Governmental Accounting (NCGA) Interpretation No. 3, *Revenue Recognition – Property Taxes*, GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, and GASB Interpretation No. 5, *Property Tax Revenue Recognition in Governmental Funds*. Consequently, under the accrual basis of accounting, property tax revenue is recognized in the period for which the taxes are levied. Property tax receivables are reported when the College has an enforceable legal claim to the taxes, which is considered to be the lien date.

The accounting and reporting policies of the College conform to generally accepted accounting principles applicable to government units and Illinois community colleges. The GASB is the accepted standard setting body for establishing accounting and financial reporting principles. These authoritative pronouncements are consistent with the accounting practices prescribed or permitted by the Illinois Community College Board (ICCB), as set forth in the ICCB Fiscal Management Manual. The following is a summary of the more significant policies.

C. Budgets

Although the College adopts an expanded operational budget, the budget legally required by the Illinois Community College Board contains only a statement of cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during such fiscal year from all sources, an estimate of the expenditures contemplated for such fiscal year, and a statement of the estimated cash expected to be on hand at the end of such year.

D. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash and Cash Equivalents

Cash includes deposits held at banks and small amounts of cash held for change funds. Cash equivalents include deposits held in the Illinois Funds Money Market Fund due to its liquidity and/or short-term nature.

The College's investment policy allows for cash deposits to be invested in accordance with those securities allowed for by statute. Chapter 122, Section 103.47 of the Illinois Public Community College Act and Chapter 85, Sections 901-907 of the Investment of the Public Funds Act allow current operating funds, special funds, interest and sinking funds, and other funds belonging to or in the custody of a community college, including restricted and non-restricted funds, to be invested in U.S. Treasury and U.S. Agencies, repurchase agreements, certificates of deposit, the Illinois School District Liquid Asset Fund Plus, and the Illinois Treasurers' Investment Pool (Illinois Funds).

The Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments in the State to pool their funds for investment purposes. Illinois Funds is not registered with the Securities and Exchange Commission (SEC) as an investment company. Illinois Funds does meet all the criteria in GASB Statement No. 79, paragraph 4, which allows the reporting of its investments at amortized cost. Investments in Illinois Funds are valued at share price, which is the price the investment could be sold for.

The College's investment policy reduces the risk related to cash deposits through requiring deposits in excess of the federally insured amount to be appropriately collateralized to the extent of 110% and such collateralization shall be evidenced by an approved written agreement.

F. Restricted Cash and Cash Equivalents

Cash that is externally restricted to make debt service payments, or to purchase or construct capital or other noncurrent assets, is classified as noncurrent assets in the Statement of Net Position.

G. Receivables

Receivables consist of tuition and fee charges to students, auxiliary enterprise fees for services provided to students, faculty, and staff, the majority of each residing in Illinois, and property tax receivables. These receivables are recorded net of estimated uncollectible amounts, which is based on management's assessment of collectability of specific students' accounts and the aging of the accounts receivable. If the actual defaults are higher than the historical experience, management's estimates of the recoverability of amounts due could be adversely affected. All accounts, or portions thereof, deemed to be uncollectible or to require an excessive collection cost are written-off to the allowance for doubtful accounts.

Receivables also include amounts due from various state and federal granting agencies. These amounts are considered to be 100% collectible.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Inventories

Inventories are stated at the lower of cost or net realizable value on the first in, first out (FIFO) basis. Inventories represent items held for resale by the College's auxiliary enterprises.

I. Prepaid Expenses

Prepaid expenses represent current expenditures which benefit future periods.

J. Capital Assets

Capital assets include property, improvements to property, vehicles, and equipment. Capital assets are defined by the College as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Certain assets have higher capitalization thresholds, including leasehold improvements of \$20,000, site of \$25,000, building improvements and site improvements of \$50,000, and buildings of \$100,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is computed by the straight-line method over the estimated useful lives as follows:

Buildings and Improvements	50 Years
Leasehold Improvements	15 Years
Site Improvements	10 Years
Equipment	8 Years
Vehicles	5 Years
Computer Software	3 Years

K. Leases

The College is a lessee for a noncancelable lease of copiers. The College recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements.

At the commencement of a lease, the College initially measure the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The right-to-use asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Right-to-use lease assets useful lives are determined by the length of the lease period and are amortized using the straight-line method. The College has elected to use a capitalization threshold for leased assets of \$25,000.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Leases (Concluded)

Key estimates and judgments include how the College determines the discount rate and lease term it uses to discount the expected lease payments to present value. The College uses the market rate of interest at lease inception as the discount rate for leases. Lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease payable are composed of fixed payments as outlined in the lease agreements.

L. Subscription-Based Information Technology Agreements (SBITAs)

The College obtains the right to use vendor's information technology software through various long-term contracts. The College recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide financial statements.

At the commencement of a subscription, the College initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of the subscription payments made. The right-to-use asset is initially measured as the initial amount of the subscription liability adjusted for subscription payments made at or before the subscription commencement date, plus certain initial implementation costs. Right-to-use subscription assets' useful lives are determined by the length of the subscription period and are amortized using the straight-line method. The College has elected to use a capitalization threshold for subscription assets of \$25,000.

Key estimates and judgments include how the College determines the discount rate and subscription term it uses to discount the expected subscription payments to present value. The College uses the market rate of interest at the subscription's inception as the discount rate. The subscription's term includes the noncancelable period of the subscription. Subscription payments included in the measurement of the subscription payable are composed of fixed payments as outlined in the subscription.

M. Amortization of Debt Issuance Premiums

The College amortizes debt issuance premiums by the straight-line method over the period the related debt issue is outstanding. The debt premium is amortized by using the same interest rate as the related debt issue, and the current period amortization is shown as a decrease to current period interest expense. Bond issuance costs are expensed at the time debt is issued.

**JOHN A. LOGAN COLLEGE
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CARTERVILLE, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Deferred Outflows (Inflows) of Resources

Deferred outflows are defined under GASB Statement No. 63 as a consumption of net assets by the College that is applicable to a future reporting period and should be reported as having a similar impact on net position as assets. For the College, pension payments related to employees with federally funded positions and made subsequent to the pension liability measurement date are considered to be deferred outflows in accordance with GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* – An Amendment of GASB Statement No. 68. Changes in assumptions and differences between expected and actual experience of the College’s other postemployment benefit (OPEB) plans are considered to be deferred outflows. Changes in proportion and differences between employer contributions and actual contributions and its proportionate share of contributions to the plan relative to all employers is also considered to be a deferred outflow. Deferred outflows also include losses on debt refundings, which are amortized over the remaining life of the new debt, or refunded debt, whichever is shorter.

Deferred inflows of resources are defined under GASB Statement No. 63 as acquisitions of net assets that are applicable to a future reporting period and should be reported as having a similar impact on net position as liabilities. At June 30, 2025, deferred inflows of resources included tax levies accrued that are levied for use in the next fiscal year, student tuition and fees that were collected or accrued for the next academic year, the unamortized portion of the net difference between projected and actual earnings on OPEB investments, and the unrecognized portion of revenues from a long-term vendor contract.

O. Net Position

The College’s net position is classified as follows:

Net Investment in Capital Assets – This represents the College’s total investment in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This represents assets/resources that are legally or contractually obligated to be spent in accordance with restrictions imposed by external third parties, reduced by liabilities and deferred inflow resources related to those assets. Sources of restricted revenue include federal, state, and private grants and contracts. Externally restricted funds may be utilized only in accordance with the purpose established by the source of such funds and are in contrast with unrestricted funds over which the Board of Trustees retains full control to use in achieving any of its institutional purposes. 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.

Unrestricted – This represents unrestricted assets/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 Board of Trustees to meet current expenses for any lawful purpose.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Classification of Revenues and Expenses

Operating revenue includes activities that have the characteristics of exchange transactions such as (1) student tuition and fees, net of scholarship allowances, and (2) sales and services of auxiliary enterprises. Non-operating revenue includes activities that have the characteristics of non-exchange transactions, such as (1) local property taxes, (2) state appropriations, (3) most federal, state, and local grants and contracts and federal appropriations, and (4) gifts and contributions. Operating expenses are those expenses directly attributable to the operations of the College. Incidental expenses are classified as non-operating expenses.

Q. Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state, or nongovernmental programs, are recorded as nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

R. Property Taxes

The 2024 property tax extension has been deferred to comply with GASB Statement No. 33 since it was levied to finance activities of the 2025/2026 academic year. In accordance with these guidelines, property tax revenue is to be recognized in the period the levy is intended to finance.

The College must file its tax levy ordinance by the last Tuesday in December of each year. The College's property tax is levied each year on all taxable real property located within the District. These taxes attach an enforceable lien on real property as of January 1 and are payable in two installments; due dates vary by county. The College receives significant property tax receipts from July through November.

S. Federal Financial Assistance Programs

The College participates in federally funded PELL Grants, FSEOG Grants, and Federal Work-Study. Federal programs are audited in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), *Federal Awarding Agency Regulatory Implementation of Office Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audit of States, Local Governments and Non-Profit Organizations*, and the *Compliance Supplement*.

**JOHN A. LOGAN COLLEGE
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the plan net position of the State Universities Retirement System (SURS or the System) and additions to/deductions from SURS plan net position has been determined on the same basis as they are reported by SURS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For financial reporting purposes, the State of Illinois (State) and its public universities and community colleges are under a special funding situation. A special funding situation exists when a non-employer entity (the State) is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity (John A. Logan College) and the non-employer (the State) is the only entity with a legal obligation to make contributions directly to a pension plan. John A. Logan College recognizes its proportionate share of the State's pension expense relative to John A. Logan College's employees as non-operating revenue and pension expense, with the expense further allocated to the related function by employees.

U. Other Postemployment Benefits (OPEB)

For purposes of measuring the other postemployment benefits (OPEB) obligations, deferred outflows of resources and deferred inflows of resources related to OPEB, and benefits expense, information about the net position of the OPEB plans and additions to and deductions from the OPEB plans' net positions have been determined on the same basis as they are reported by the OPEB plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

V. Insurance Coverage

The College is exposed to various risks of loss including, but not limited to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To limit exposure to these risks, the College has obtained coverage from commercial insurance companies for all major programs: property, liability, and workmen's compensation. Expenditures and claims are recognized in the year in which they are notified of the loss. During the current fiscal year, there were no significant reductions in insurance coverage. Also, there have been no settlements which have exceeded insurance coverage during the past three fiscal years.

W. Component Unit

The Foundation is required to report information regarding its financial position and activities based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

W. Component Unit (Concluded)

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

X. Subsequent Events

The College has evaluated subsequent events through February 19, 2026, the date which the financial statements were available to be issued.

NOTE 2: CASH AND CASH EQUIVALENTS

At June 30, 2025, the carrying amount and bank balance of the College’s deposits is as follows:

	Carrying Amount	Bank Balance
Cash and Cash Equivalents		
Cash Accounts	\$ 19,183,812	\$ 19,278,934
US Treasury Obligations	2,202,806	2,202,806
Illinois Funds Money Market Fund	18,904,827	18,898,239
Total Cash and Cash Equivalents	\$ 40,291,445	\$ 40,379,979
	Carrying Amount	Bank Balance
Current Assets:		
Cash and Cash Equivalents	\$ 16,125,463	\$ 16,213,997
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	24,165,982	24,165,982
	\$ 40,291,445	\$ 40,379,979

Custodial Credit Risk

With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the College’s deposits may not be returned to it. The College’s investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of Federal Deposit Insurance Corporation (FDIC) insurable limits to be secured by collateral and held at an independent, third-party institution, in the name of the College. As of June 30, 2025, the bank balances of the College’s deposits with financial institutions were all fully insured or collateralized by securities pledged by the College’s financial institution’s agent in the College’s name. There were no investments exposed to custodial credit risk.

**JOHN A. LOGAN COLLEGE
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 2: CASH AND CASH EQUIVALENTS (CONCLUDED)

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will decrease as a result of an increase in interest rates. The College's investment policy does not limit the maturities of investments as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Illinois Funds are measured at net asset value (NAV) amortized cost. There are no limitations on redemption frequency or redemption notice. Redemption frequency is daily and redemption notice period is one day.

Credit Risk

Credit risk is the risk that the College will not recover its investments due to the ability of the counterparty to fulfill its obligation. Illinois statutes authorize the College to invest in obligations of the US Treasury and US Agencies, interest-bearing savings accounts, interest-bearing time deposits, money market mutual funds registered under the Investment Company Act of 1940 (limited to US Government obligations), shares issued savings and loan associations (provided the investments are insured by the FSLIC, short term discount obligations issued by the FNMA), share accounts of certain credit unions, investments in the Illinois Funds Money Market Fund, and certain repurchase agreements.

The College is also authorized to invest in short-term obligations of corporations organized in the United States with assets exceeding \$500,000 if such obligations are rated at the time of purchase within the three highest classifications established by two or more standard rating services, the obligations mature within 180 days, no more than 1/3 of the total average balances from all funds available at the end of each month is invested in such obligations at any time, and such purchases do not exceed 10% of a corporation's outstanding obligations. Investments may be made only in banks, which are insured by the FDIC.

The College's investment policy does not further limit its investment choices. The College's investments in the Illinois Funds Money Market Fund were rated AAmmf by Fitch's at June 30, 2025.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in any one single issuer. The College's investment policy limits the amount the College may invest in any one issuer to 75% of the College's total invested funds. The College is considered to have a concentration of credit risk of its investments if any one single issuer is greater than 5% of the total fixed income investments. At June 30, 2025, the College did not have a concentration of credit risk.

**JOHN A. LOGAN COLLEGE
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 3: CAPITAL ASSETS

The following is a schedule of changes in capital asset categories for the fiscal year ended June 30, 2025. The investment in capital assets is determined by reducing historical cost by accumulated depreciation and amortization. Depreciation and amortization expense for June 30, 2025 was \$3,872,793.

	Primary Government/Business-Type Activity			
	Balance 07/01/24	Additions	Deletions	Balance 06/30/25
Historical Cost:				
Tangible Capital Assets, Not Being Depreciated:				
Site	\$ 346,427	\$ -	\$ -	\$ 346,427
Construction in Progress	<u>1,069,623</u>	<u>5,989,317</u>	<u>(125,239)</u>	<u>6,933,701</u>
	<u>1,416,050</u>	<u>5,989,317</u>	<u>(125,239)</u>	<u>7,280,128</u>
Tangible Capital Assets, Being Depreciated:				
Site Improvements	6,341,773	-	-	6,341,773
Buildings and Improvements	95,445,503	376,594	-	95,822,097
Equipment	<u>11,252,335</u>	<u>1,541,376</u>	<u>(336,959)</u>	<u>12,456,752</u>
	<u>113,039,611</u>	<u>1,917,970</u>	<u>(336,959)</u>	<u>114,620,622</u>
Intangible Capital Assets, Being Amortized:				
Right to Use Leased Equipment	211,084	-	-	211,084
Right to Use SBITAs	<u>539,805</u>	<u>2,155,270</u>	<u>-</u>	<u>2,695,075</u>
	<u>750,889</u>	<u>2,155,270</u>	<u>-</u>	<u>2,906,159</u>
Total Capital Assets:	<u>115,206,550</u>	<u>10,062,557</u>	<u>(462,198)</u>	<u>124,806,909</u>
Less Accumulated Depreciation for				
Tangible Capital Assets:				
Site Improvements	2,434,926	513,990	-	2,948,916
Buildings and Improvements	44,412,060	1,860,025	-	46,272,085
Equipment	<u>8,195,476</u>	<u>781,055</u>	<u>(315,614)</u>	<u>8,660,917</u>
	<u>55,042,462</u>	<u>3,155,070</u>	<u>(315,614)</u>	<u>57,881,918</u>
Less Accumulated Amortization for				
Intangible Capital Assets:				
Right to Use Leased Equipment	68,319	41,633	-	109,952
Right to Use SBITAs	<u>145,383</u>	<u>676,090</u>	<u>-</u>	<u>821,473</u>
	<u>213,702</u>	<u>717,723</u>	<u>-</u>	<u>931,425</u>
Capital Assets, Net	<u>\$ 59,950,386</u>			<u>\$ 65,993,566</u>

**JOHN A. LOGAN COLLEGE
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 4: ACCRUED EXPENSES

Accrued expenses consisted of the following at June 30, 2025:

Accrued Payroll	\$ 1,614,748
Accrued Benefits	38,248
Accrued Expenses - Other	<u>58,600</u>
	<u>\$ 1,711,596</u>

NOTE 5: CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of long-term debt transactions of the College for the year ended June 30, 2025:

	Balance July 1, 2024, as restated	Additions	Deletions	Balance June 30, 2025
Bonds Payable	\$ 18,890,000	\$ -	\$ 4,360,000	\$ 14,530,000
Bond Premium	855,484	-	158,950	696,534
Accrued Compensated Absences (net change)	3,647,592	31,654	-	3,679,246
Lease Liability	142,765	-	41,633	101,132
Subscription Liability	316,664	1,645,796	124,746	1,837,714
Net OPEB Liability (net change)	<u>13,103,785</u>	-	<u>1,258,342</u>	<u>11,845,443</u>
Total	<u>\$ 36,956,290</u>	<u>\$ 1,677,450</u>	<u>\$ 5,943,671</u>	<u>\$ 32,690,069</u>

	Amount Due Within One Year
Bonds Payable	\$ 4,495,000
Accrued Compensated Absences	1,019,366
Lease Liability	47,362
Subscription Liability	<u>574,430</u>
Total	<u>\$ 6,136,158</u>

**JOHN A. LOGAN COLLEGE
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 6: BONDS PAYABLE

Bonds payable consists of the following at June 30, 2025:

On February 29, 2016 the College issued \$5,035,000 of Taxable General Obligation Community College Bonds, Series 2016B to refund the College's Series 2015 bonds. Principal is payable December 1 st of each year beginning on December 1, 2016. Interest is payable on these bonds on June 1 st and December 1 st of each year at 3.00% to 3.75%. The final maturity date of these bonds is December 1, 2030. The money is restricted for making future OPEB contributions.	\$ 2,315,000
On April 25, 2017, the College issued \$13,265,000 of General Obligation Community College Bonds, Series 2017A to advance refund the College's Series 2007 bonds. Principal is payable December 1 st of each year beginning on December 1, 2023. Interest is payable on these bonds on June 1 st and December 1 st of each year at 3.25% to 5.00%. The final maturity date of these bonds is December 1, 2029.	10,125,000
On December 29, 2020, the College issued General Obligation Community College Bonds, Series 2020A, which created an obligation against the College in order to pay off the General Obligation (Limited Tax) Debt Certificates, Series 2020A-D. \$10,160,000 was the bond issue, of which \$98,235 was bond issuance costs, \$10,058,184 paid off the Debt Certificates, and \$3,581 was deposited in College funds. Principal is payable December 1 st of each year beginning on December 1, 2021. Interest is payable on these bonds on June 1 st and December 1 st of each year at 1.15%. The final maturity date of these bonds is December 1, 2025.	<u>2,090,000</u>
Total Bonds Payable	<u>\$ 14,530,000</u>

**JOHN A. LOGAN COLLEGE
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 6: BONDS PAYABLE (CONCLUDED)

At June 30, 2025, the College's future cash flow requirements of long-term debt obligations by fiscal year were as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	4,495,000	519,278	5,014,278
2027	2,520,000	390,879	2,910,879
2028	2,645,000	267,988	2,912,988
2029	2,775,000	138,355	2,913,355
2030	1,675,000	43,779	1,718,779
2031	<u>420,000</u>	<u>7,875</u>	<u>427,875</u>
	14,530,000	<u>\$ 1,368,154</u>	<u>\$ 15,898,154</u>
Unamortized Bond Premium	<u>696,534</u>		
	<u>\$ 15,226,534</u>		

NOTE 7: DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description

John A. Logan College, Community College District No. 530 contributes to the State Universities Retirement System of Illinois (SURS), a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (the State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941, to provide retirement annuities and other benefits for staff members and employees of state universities and community colleges, 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 Comprehensive Annual Financial Report (CAFR) as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.surs.org.

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. Tier I of 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 began participation on or after January 1, 2011, and who do not have other eligible reciprocal system service. 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 whether to participate in either the traditional or portable benefit plans. A summary of the benefit provisions as of June 30, 2024, can be found in the Financial Section of SURS ACFR.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Concluded)

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 within SURS to reach 90% of the total Actuarial Accrued Liability by the end of fiscal year 2045. Employer contributions from “trust, federal, and other funds” are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2024 and fiscal year 2025, respectively, was 12.53% and 11.98% of employee payroll. The normal cost is equal to the value of current year’s pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the State’s 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), Section 15.155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period), and Section 15-155(j-5) (relating to contributions payable due to earnings exceeding the salary set for the Governor).

Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Defined Benefit Pensions

Net Pension Liability

The net pension liability (NPL) was measured as of June 30, 2024. At June 30, 2024, SURS defined benefit plan reported a NPL of \$30,230,907,727.

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the NPL to be recognized for the College is \$0. The proportionate share of the State’s NPL associated with the College is \$137,237,740 or 0.4540%. John A. Logan College’s proportionate share changed by (0.0103%) from 0.4643% since the last measurement date on June 30, 2023. This amount is not recognized in the College’s financial statements. The NPL and total pension liability as of June 30, 2024 was determined based on the June 30, 2023 actuarial evaluation rolled forward. The basis of allocation used in the proportionate share of the net pension liability is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2023.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Defined Benefit Pension Expense

For the year ending June 30, 2024, SURS defined benefit plan reported a collective net pension expense of \$1,996,285,670.

Employer Proportionate Share of Defined Benefit Pension Expense

The employer proportionate share of collective defined benefit pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2023. As a result, the College recognized revenue and defined benefit pension expense of \$9,062,438 from this special funding situation during the year ended June 30, 2025.

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

Deferred outflows of resources are the consumption of net position by SURS that is applicable to future reporting periods. Conversely, deferred inflows of resources are the acquisition of net position by SURS that is applicable to future reporting periods.

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 305,114,071	\$ -
Changes in assumptions	483,809,428	-
Net difference between projected and actual earnings on pension plan investments	-	27,577,324
Total	<u>\$ 788,923,499</u>	<u>\$ 27,577,324</u>

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Defined Benefit Pensions (Concluded)

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses:

<u>Years ending June 30,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ 126,531,380
2026	756,545,086
2027	(49,545,529)
2028	(72,184,762)
2029	-
Thereafter	-
Total	<u>\$ 761,346,175</u>

Employer Deferral of Fiscal Year June 30, 2025 Contributions

The College paid \$193,240 in federal, trust or grant contributions to SURS defined benefit pension plan during the year ended June 30, 2025. These contributions were made subsequent to the pension liability measurement date of June 30, 2024, and are recognized as deferred outflows of resources as of June 30, 2025.

Assumptions and Other Inputs

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period June 30, 2020 through June 30, 2023. The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.15% to 15%, including inflation
Investment rate of return	6.50%

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

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Assumptions and Other Inputs (Continued)

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 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 consultants and actuary. For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2024, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Traditional Growth – Global Public Equity	36.0%	7.13%
Stabilized Growth		
Core Real Assets	8.0%	5.06%
Public Credit Fixed Income	6.5%	4.10%
Private Credit	2.5%	7.36%
Non-Traditional Growth		
Private Equity	11.0%	10.92%
Non-Core Real Assets	4.0%	9.09%
Inflation Sensitive – US TIPS	5.0%	2.12%
Principal Protection – Core Fixed Income	10.0%	1.34%
Crisis Risk Offset		
Systematic Trend Following	10.0%	2.90%
Alternative Risk Premia	3.0%	2.62%
Long Duration	2.0%	2.84%
Long Volatility/Tail Risk	2.0%	(1.22%)
Total	<u>100%</u>	<u>5.63%</u>
Inflation		<u>2.80%</u>
Expected Arithmetic Return		<u>8.43%</u>

Discount Rate

A single discount rate of 6.35% 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 3.97% (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2024). 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.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 7: DEFINED BENEFIT PENSION PLAN (CONCLUDED)

Assumptions and Other Inputs (Concluded)

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 State's net pension liability, calculated using a single discount rate of 6.35%, as well as what the State'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 5.35%	Current Single Discount Rate Assumption 6.35%	1% Increase 7.35%
\$ 36,700,168,358	\$ 30,230,907,727	\$ 24,839,790,537

Additional information regarding the SURS basic financial statements, including the plan's net position, can be found in SURS Comprehensive Annual Financial Report by accessing the website at www.SURS.org.

NOTE 8: DEFINED CONTRIBUTION PENSION PLAN

General Information about the Pension Plan

Plan Description

The College contributes to the Retirement Savings Plan (RSP) administered by the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined contribution pension plan with a special funding situation whereby the State of Illinois (State) makes substantially all required contributions on behalf of the participating employers. SURS was established July 21, 1941, and provides retirement annuities and other benefits for staff members and employees of state universities and community colleges, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is governed by Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.surs.org. The RSP and its benefit terms were established and may be amended by the State's General Assembly.

Benefits Provided

A defined contribution pension plan, originally called the Self-Managed Plan, was added to SURS benefit offerings as a result of Public Act 90-0448 enacted effective January 1, 1998. The plan was renamed the RSP effective September 1, 2020, after an extensive plan redesign. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable defined benefit pension plans or the RSP. A summary of the benefit provisions as of June 30, 2024, can be found in SURS Annual Comprehensive Financial Report- Notes to the Financial Statements.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 8: DEFINED CONTRIBUTION PENSION PLAN (CONCLUDED)

General Information about the Pension Plan (Concluded)

Contributions

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

Forfeitures

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

Pension Expense Related to Defined Contribution Pensions

Defined Contribution Pension Expense

For the year ended June 30, 2024, the State’s contributions to the RSP on behalf of individual employers totaled \$96,741,887. Of this amount, \$89,857,115 was funded via an appropriation from the State and \$6,884,772 was funded from previously forfeited contributions.

Employer Proportionate Share of Defined Contribution Pension Expense

The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2024. The College’s share of pensionable contributions was 0.1597%. As a result, the College recognized revenue and defined contribution pension expense of \$154,502 from this special funding situation during the year ended June 30, 2025, of which \$10,995 constituted forfeitures.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

The College participates in two postemployment benefit (OPEB) plans: the State of Illinois' College Insurance Program (CIP) and an OPEB plan provided by the College.

A. State of Illinois' College Insurance Program

Plan Description

The College contributes to the Community College Health Insurance Security Fund (CCHISF) (also known as the College Insurance Program "CIP") that was established under the State Employees Group Insurance Act of 1971, as amended, 5 ILCS 375/6.9(f), which became effective July 1, 1999. The CIP is a cost-sharing, multiple-employer defined benefit OPEB Trust Fund, which has a special funding situation as described in 40 ILCS 15/1.4. A non-employer (the State) is required by statute to contribute a defined percentage of participant payroll directly to the OPEB plan, which is administered through the trust.

CIP has no component units and is not a component unit of any other entity. However, because CIP is not legally separate from the State of Illinois, the financials statements of the CIP are included in the financial statements of the State of Illinois as a pension (and other employee benefit) trust fund. This fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing health benefits to retirees, as established under the plan and associated administrative cost.

Benefits Provided

Through the trust the State provides health, dental, vision, and life insurance benefits for retirees and their dependents. Substantially all State employees become eligible for post-employment benefits if they eventually become annuitants of one of the State sponsored pension plans. Health, dental and vision benefits include basic benefits for annuitants and their dependents under the State's self-insurance plan and insurance contracts currently in force. Annuitants may be required to contribute towards health, dental, and vision benefits with the amount based on factors such as date of retirement, years of credited service with the State, whether the annuitant is covered by Medicare, and whether the annuitant has chosen a managed health care plan. Annuitants who retired prior to January 1, 1998, and who are vested in the State Employees' Retirement System do not contribute towards health, dental, and vision benefits. For annuitants who retire on or after January 1, 1998, the annuitant's contribution amount is reduced five percent for each year of credited service with the State allowing those annuitants with twenty or more years of credited service to not have to contribute towards health, dental, and vision benefits. Annuitants also receive life insurance coverage equal to the annual salary of the last day of employment until age 60, at which time the benefit becomes \$5,000.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program (Continued)

Benefits Provided (Concluded)

The State pays for a portion of the employer costs for the benefits provided. The total cost of the State's portion of the health, dental, vision, and life insurance benefits of all members, including post-employment health, dental, vision, and life insurance benefits, is recognized as an expenditure by the State in the Illinois Comprehensive Annual Financial Report. The State finances the costs on a pay-as-you-go basis. The total costs incurred for health, dental, vision, and life insurance benefits are not separated by department or component unit for annuitants and their dependents nor active employees and the dependents.

A summary of post-employment benefit provision, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services. A copy of the financial statements of the Department of Central Management Services, may be obtained by writing to the Department of Central Management Services, Stratton Office Building, 401 South Spring Street, Springfield, IL 62706.

Contributions

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.10) requires every active contributor of the State Universities Retirement System (SURS), who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.5% of salary. The same section of statute requires every community college district or association of community college boards that is an employer under the SURS, to contribute to the plan an amount equal to 0.5% of the salary paid to its full-time employees who participate in the plan. The State Pension Funds Continuing Appropriation Act (40 ILCS15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.9) requires the Director of the Department to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the board of trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from the district. Administrative costs are paid by the CIP. At June 30, 2025, the College's policy was not required to subsidize health insurance premiums of their retirees.

Employers participating in a cost-sharing OPEB plan, and any non-employer contributing entities that meet the definition of a special funding situation, are required to recognize their proportionate share of the collective OPEBs amounts for the OPEB benefits provided to members through the CIP plan. During fiscal year 2025, the College recognized OPEB contributions of \$169,688.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The collective net OPEB liability was measured as of June 30, 2024. At June 30, 2024, the CIP reported a net OPEB liability of \$665,190,300.

At June 30, 2024, the College reported a liability for its proportionate share of the net OPEB liability that is reflected as a reduction for State OPEB support provided to the College. The collective net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. The College's proportion of the collective net OPEB liability was based on a projection of the College's long-term share of contributions to the OPEB plan relative to the projected contributions of the College, actuarially determined. At June 30, 2024, the College's proportion was \$6,034,549 (0.907%), which was a decrease of 0.050% from its proportion measured as of June 30, 2023 of \$6,758,784 (0.957%). The State's support and total are for disclosure purposes only. The amount recognized by the College as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the College were as follow:

College's proportionate share of the collective net OPEB liability	\$ 6,034,549
State's proportionate share of the collective net OPEB liability associated with the employer	<u>6,034,549</u> <u>\$ 12,069,098</u>

For the year ending June 30, 2025, the College recognized OPEB revenue and expense of (\$2,287,489) for support provided on-behalf by the State. At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 76,503	\$ (1,818,180)
Changes in assumptions	44,623	(4,384,465)
Net difference between projected and actual earnings on OPEB plan investments	-	(2,992)
Changes in proportion and differences between employer contributions and proportionate share of contributions	156,149	(1,269,591)
Total deferred amounts to be recognized in expense in future periods	277,275	(7,475,228)
Employer contributions subsequent to the measurement date	169,688	-
Total	\$ 446,963	\$ (7,475,228)

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Concluded)

The College reported \$169,688 as deferred outflows of resources related to OPEB resulting from College contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability for the measurement period ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CIP will be recognized in OPEB expense as follows:

<u>Years ending June 30,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ (3,797,822)
2026	(2,746,117)
2027	(709,033)
2028	37,642
2029	17,377
Total	<u>\$ (7,197,953)</u>

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified:

Inflation	2.25%
Salary increases	Depends on age and service and ranges from 12.75% at less than 1 year of service to 3.50% at 34 or more years of service for employees under 50 and ranges from 12.00% at less than one 1 year of service to 3.00% at 34 or more years of service for employees over 50. Salary increase includes a 3.00% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend rates for plan year 2025 are based on actual premium increases. For non-Medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00% in 2026 to 2030, and 7.00% in 2013, declining gradually to an ultimate rate of 4.25% in 2041.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program (Continued)

Actuarial Assumptions (Concluded)

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 annuitants were based on the Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.

The actuarial assumptions used in the June 30, 2023 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 values 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 bonds 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 the CIP fund is financed on a pay-as-you-go basis, a discount rate consistent with fixed income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 3.97% as of June 30, 2024, and 3.86% as of June 30, 2023. The increase in the single discount rate from 3.86% to 3.97% caused the trust's total OPEB liability to decrease by approximately \$6.3 million from 2023 to 2024.

The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of the future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of the benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

During the plan year ending June 30, 2024, the trust earned \$277,000 in interest and due to a significant benefit payable, the market value of assets at June 30, 2024, is a negative \$103.6 million. Given the significant benefit payable, negative asset value and pay-as-you-go funding policy, the long-term expected rate of return assumptions was set to zero.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program (Continued)

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Single Discount Rate

The following table presents the College's proportionate share of the collective net OPEB liability as of June 30, 2024, calculated using a single discount rate of 3.97% as well as what the College's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.97%) or 1-percentage-point higher (4.97%) than the current discount rate:

	1% Decrease 2.97%	Current Discount Rate 3.97%	1% Increase 4.97%
Employer's proportionate share of the collective net OPEB liability	\$ 6,592,894	\$ 6,034,549	\$ 5,556,640

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table presents the College's collective net OPEB liability as of June 30, 2024, calculated using the healthcare cost trend rates as well as what the College's OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point higher or lower, than the current healthcare cost trend rates. The key trend rates are 15.00% in 2026 decreasing to an ultimate trend rate of 4.25% in 2041:

	1% Decrease (a)	Healthcare Cost Trend Rates Assumptions	1% Increase (b)
Employer's proportionate share of the collective net OPEB liability	\$ 5,422,063	\$ 6,034,549	\$ 6,776,657

(a) One percentage point decrease in current healthcare trend rates - Pre-Medicare per capita costs: 8.02% in 2025, 7.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2041. Post-Medicare per capital costs: based on actual increase in 2025, 14.00% from 2026 to 2030, 6.00% in 2031 decreasing ratably to an ultimate trend rate of 3.25% in 2041.

(b) One percentage point increase in current healthcare trend rates - Pre-Medicare per capita costs: 10.02% in 2025, 9.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2041. Post-Medicare per capital costs: based on actual increase in 2025, 16.00% from 2026 to 2030, 8.00% in 2031 decreasing ratably to an ultimate trend rate of 5.25% in 2041.

Payable to the OPEB Plan

The College had no outstanding contributions payable to the CIP plan for the year ended June 30, 2025.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

A. State of Illinois' College Insurance Program (Concluded)

Request for information

The State of Illinois' Comprehensive Annual Financial Report may be obtained by writing to the State Comptroller's office, Division of Financial Reporting, 325 West Adams Street, Springfield, Illinois, 62704-1871.

B. John A. Logan College Single Employer Defined Benefit Postemployment Benefit Healthcare Plan

Retirees' Health Insurance Reimbursement

In addition to the pension benefits described in Note 8, the College provides a subsidy to eligible retirees to bring their cost of health insurance to current active employee levels. Eligibility is based on board policy or the applicable union contract, depending on the employee group. At the death of a retired employee, coverage will be extended to the spouse if previously covered. Retirees from the College will qualify for health insurance coverage under the College Insurance Program (Plan) offered through the State office of Central Management Services. Qualifying individuals receive reimbursement of varying amounts from the College in order to keep retirees' net contributions equal to the contribution of a current active employee with similar coverage. The College finances the Plan on a pay-as-you go basis.

Employees Covered by the Benefit Term

As of June 30, 2025, the following employees were covered by the benefit term:

Active employees	82
Inactive employees entitled to but not receiving benefits	-
Inactive employees currently receiving benefits	94
Total	176

Total OPEB Liability

The College's total OPEB liability of \$5,810,894 was measured as of June 30, 2025 and was determined by an actuarial valuation as of June 30, 2024, rolled forward to June 30, 2025.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
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NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

**B. John A. Logan College Single Employer Defined Benefit Postemployment Benefit Healthcare Plan
(Continued)**

Actuarial Assumptions

The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary rate increase	4.00%
Discount rate	4.81%
Healthcare cost trend rates	6.36%, managed care option, 6.36% CCHP option for 2025 decreasing to an ultimate rate of 4.50% for 2039 and later years
Retirees' share of benefit-related costs	Same as healthcare trend

Since the Plan is financed on a pay-as-you-go basis, a long-term rate of return was not used, and the discount rate used to measure the total OPEB liability was a 20-year tax-exempt general obligation municipal bond index rate. The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2025. The discount rate as of June 30, 2025 was 4.81%, which was an increase from the June 30, 2024 rate of 4.21%.

Mortality rates were based on the PubT.H-2010 Mortality Table for males and females, as appropriate.

Changes in the Total OPEB Liability

Balance as of June 30, 2024	\$ <u>6,345,001</u>
Changes for the year:	
Service cost	14,191
Interest	259,606
Changes of benefit terms	-
Difference between expected and actual experience	-
Changes in assumptions and other inputs	(450,718)
Benefit payments	(357,186)
Other changes	-
Net changes	<u>(534,107)</u>
Balance as of June 30, 2025	<u>\$ 5,810,894</u>

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

B. John A. Logan College Single Employer Defined Benefit Postemployment Benefit Healthcare Plan (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following is a sensitivity analysis of the OPEB liability to changes in the discount rate and the healthcare cost trend rates.

The table below presents the OPEB liability of the College calculated using a discount rate of 4.81% as well as what the College's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.81%) or 1-percentage-point higher (5.81%) than the current rate:

	1% Decrease 3.81%	Current Discount Rate 4.81%	1% Increase 5.81%
Employer's proportionate share of the collective net OPEB liability	\$ 6,540,854	\$ 5,810,894	\$ 5,211,097

The table below presents the College's OPEB liability, calculated using the healthcare cost trend rates as well as what the College's OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point higher or lower, than the current healthcare cost trend rates. The key trend rates are 6.36%, managed care option, and 6.36%, CCHP option, decreasing to an ultimate trend rate of 4.50% in 2039:

	1% Decrease (a)	Healthcare Cost Trend Rates Assumptions	1% Increase (b)
Employer's proportionate share of the collective net OPEB liability	\$ 5,201,015	\$ 5,810,894	6,542,995

(a) One percentage point decrease in healthcare trend rates is 5.36%, managed care option, and 5.36%, CCHP option, in 2025 decreasing to an ultimate trend rate of 3.50% in 2039.

(b) One percentage point increase in healthcare trend rates is 7.36%, managed care option, and 7.36%, CCHP option, in 2025 decreasing to an ultimate trend rate of 5.50% in 2039.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONCLUDED)

B. John A. Logan College Single Employer Defined Benefit Postemployment Benefit Healthcare Plan (Concluded)

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the College recognized OPEB expense of \$618,978. At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 95,757	\$ -
Changes in assumptions	173,765	(275,796)
Net difference between projected and actual earnings on OPEB plan investments	-	-
Total deferred amounts to be recognized in expense in future periods	\$ 269,522	\$ (275,796)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Net Deferred Outflows (Inflows) of Resources
<u>Years ending June 30,</u>	
2026	\$ 67,032
2027	(73,306)
Total	\$ (6,274)

NOTE 10: INTERGOVERNMENTAL AGREEMENT

In September 2017, the College entered into an educational partnership agreement (Community College Education Agreement) with 36 other Illinois community colleges to provide additional educational programs to the citizens of each district. The cooperating institutions in this agreement will be treated as in district in relation to admission policies for their programs. Colleges sending students to any receiving cooperating institution will no longer pay chargebacks to the receiving college.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 11: LEASES

The College is the lessee in a lease agreement with the following terms:

Operating Lease – On September 27, 2022, the College entered into an operating lease with Konica Minolta for copiers. The lease term is 60 months, the interest rate is 4.70%, and the monthly lease payment is \$3,955. The leased equipment and accumulated amortization of the right-to-use assets are outlined in Note 3 and below.

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Copier Lease	\$ 211,084	\$ -	\$ -	\$ 211,084
Less: Accumulated Amortization	<u>(68,319)</u>	<u>(41,633)</u>	-	<u>(109,952)</u>
Right-of-Use Assets, Net	<u>\$ 142,765</u>	<u>\$ (41,633)</u>	<u>\$ -</u>	<u>\$ 101,132</u>

The following is a maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2025:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 47,362	\$ 3,821	\$ 51,183
2027	41,999	1,726	43,725
2028	<u>11,771</u>	<u>92</u>	<u>11,863</u>
	<u>\$ 101,132</u>	<u>\$ 5,639</u>	<u>\$ 106,771</u>

NOTE 12: SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The College has entered into seven qualifying subscription-based technology agreements (SBITAs) involving:

- Cybersecurity software,
- Enterprise resource planning software,
- Fitness center management software,
- Budgeting software,
- Disaster recovery and risk management software, and
- Learning management software.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

**NOTE 12: SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS
(CONCLUDED)**

	Balance <u>July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2025</u>
SBITAs	\$ 539,805	\$ 2,155,270	\$ -	\$ 2,695,075
Less: Accumulated Amortization	<u>(145,383)</u>	<u>(676,090)</u>	<u>-</u>	<u>(821,473)</u>
Right-of-Use Assets, Net	<u>\$ 394,422</u>	<u>\$ 1,479,180</u>	<u>\$ -</u>	<u>\$ 1,873,602</u>

The future subscription payments under SBITA arrangements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 574,430	\$ 99,247	\$ 673,677
2027	531,396	67,515	598,911
2028	346,801	39,977	386,778
2029	<u>385,087</u>	<u>21,034</u>	<u>406,121</u>
	<u>\$ 1,837,714</u>	<u>\$ 227,773</u>	<u>\$ 2,065,487</u>

NOTE 13: PEPSI AGREEMENT

On October 23, 2018, the College entered into an agreement with Pepsi MidAmerica Co. (Pepsi) in which Pepsi will be the exclusive beverage and line snack provider for a period of 20 years. In accordance with the agreement, Pepsi made an upfront payment to the College for \$130,000 for the first two years of the agreement. Pepsi will then make payments of \$65,000 per year for years 3-20 of the agreement. The total monetary payments over the contract will be \$1,300,000. During the year ended June 30, 2025, the College recognized \$65,000 as revenue, accounts receivable of \$845,000, and \$845,000 as a deferred inflow of resources related to this contract.

NOTE 14: RELATED PARTIES

For the year ended June 30, 2025, there were no related party transactions.

NOTE 15: CONTINGENT LIABILITIES AND COMMITMENTS

Federal and State Grants

The College has received a number of Federal and State grants from specific purposes which are subject to review and audit by grantor agencies. Such audits may result in requests for reimbursement to granting agencies for expenditures disallowed under the terms of the grants. Based on prior experience, College management believes that such disallowances, if any, will not be material.

Compensated Absences – Vacation and Sick Leave

As of June 30, 2025, employees had earned but not taken vacation and sick leave, which at salary rates in effect at the end of the year, totaled \$3,679,246. The College has accrued this liability and considers \$1,019,366 of the liability to be payable within one year. The remaining liability of \$2,659,880 is considered to be long-term.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 15: CONTINGENT LIABILITIES AND COMMITMENTS (CONCLUDED)

Construction in Progress

At June 30, 2025, the College had construction project commitments totaling approximately \$34,460,000. These commitment totals include the grant funded portions, as applicable, and are detailed below:

Approved prior to June 30, 2025:	
Career and Technical Center Project	\$ 14,702,000
West lobby expansion	8,346,000
G wing labs first floor moisture mitigation	3,404,000
B wing 3 rd floor nursing renovation	1,835,000
G building chiller replacement	1,218,000
Communications cooling tower replacement	1,065,000
F wing roof replacement	795,000
C and E wing renovations and upper C wing HVAC upgrades	663,000
D wing roof replacement	491,000
Boiler replacement	418,000
Elevator	412,000
Julia Harrison-Bruce Prairie Museum	400,000
Harrison Bruce Player Development Center	400,000
Highway construction careers program building – Phase 1	192,000
H building main breaker replacement	50,000
F wing building envelope project	48,000
Fitness Center exercise room renovation	21,000
	<hr/>
Total construction commitments	<u>\$ 34,460,000</u>

NOTE 16: RESTATEMENT

During the year ended June 30, 2025, the College implemented GASB Statement No. 101 – *Compensated Absences*. This implementation resulted in recalculation of the College’s liabilities for compensated absences. The effects of this change in accounting principle are detailed below:

Government-wide – Business-type Activities	
Net Position – July 1, 2024, as previously reported	\$ 58,723,952
Restatement – GASB 101 implementation	<u>(1,967,334)</u>
Net Position – July 1, 2024, as restated	<u>\$ 56,756,618</u>

NOTE 17: SUBSEQUENT EVENTS

On October 20, 2025, the College issued \$6,740,000 in General Obligation Community College Bonds with an interest rate of 5.00%. The bonds mature on December 1, 2035. The net proceeds of \$7,001,383 (after reoffering premium of \$625,385, issuance costs of \$157,121, and capitalized interest of \$206,881) were used to increase the College’s Working Cash Fund which was abated in November 2025. The funds will be used for the purpose of improving District facilities.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 17: SUBSEQUENT EVENTS (CONCLUDED)

On January 26, 2026, the College issued \$3,030,000 in Taxable General Obligation Debt Certificates (Limited Tax), Series 2026A and \$17,150,000 in General Obligation Debt Certificates (Limited Tax), Series 2026B with interest rates ranging from 4.95% - 6.50% and 3.50% - 5.00%, respectively. These debt certificates mature June 1, 2031 and June 1, 2026, respectively. The net proceeds of \$3,000,107 (after issuance costs of \$29,893) and \$17,004,239 (after issuance costs of \$145,761) will be used to pay the cost of improving District facilities. The College intends to issue refunding bonds to repay these debt certificates in April 2026.

NOTE 18: DISCRETELY PRESENTED COMPONENT UNIT

The Foundation's notes to the financial statements are as follows:

A. Summary of Significant Accounting Policies

John A. Logan College Foundation (the Foundation) is organized exclusively for educational and charitable purposes. The Foundation provides financial support to the educational programs and services at John A. Logan College (the College) to assist in increasing and enhancing the physical and cultural environment of the College; to broaden the educational opportunities and services for its students, alumni, and citizens of the District; and to provide funds to implement scholarships and various awards.

Basis of Accounting – The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP) and, accordingly, reflect all significant receivables, payables, and other liabilities. The Foundation has presented its assets and liabilities on its Statement of Financial Position in an unclassified manner, but in order of liquidity.

Basis of Presentation – The Foundation classifies its net assets, revenues, gains, and other support on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for various purposes, including quasi-endowments.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 18: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

A. Summary of Significant Accounting Policies (Continued)

Cash Equivalents – For the purpose of the Statement of Cash Flows, cash equivalents consist of highly-liquid short-term investments including money market account deposits with original maturity of three months or less from the date of purchase.

Contributions of Financial Assets – Contributions of financial assets, including unconditional pledges, are recognized in the appropriate category of net assets in the period received. The Foundation evaluates contributions for criteria indicating the existence of measurable barriers to entitlement for the contribution and the right of return to the donor. When a barrier to entitlement exists, the contribution is treated as a conditional contribution. If both the barrier to entitlement and right of return do not exist, the contribution is unconditional. Conditional pledges are not recognized until the conditions on which they depend are substantially met. Contributions of financial assets other than cash are recorded at estimated fair value. Contributions to be received after one year are discounted and recorded at the present value using a risk-adjusted rate of return. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. There were no contributions to be received after one year at June 30, 2025 or 2024. An allowance for uncollectible pledges is recognized based on historical experience, as necessary. No allowance for uncollectible pledges was recognized for the year ended June 30, 2025 or 2024.

Contributions of financial assets received in the same year in which the restriction is met are recorded as contributions with donor restrictions and released from restriction.

Contributions of Nonfinancial Assets – Contributions of nonfinancial assets are provided to the Foundation by the College and include office space, accounting and record-keeping services, and necessary administrative services. The rental value of the office space is recorded at fair rental value equivalent to similar facility space. Other amounts have been recorded based on actual cost to the College for the services. The services would typically need to be purchased if not provided by donation by the College. See Note 16F below.

Investments – Investments are reported at fair value. Investment income, gains and losses, and any investment-related expenses are recorded as changes in net assets without donor restrictions in the Statement of Activities unless their use is temporarily or permanently restricted by explicit donor stipulations or laws. In the absence of donor stipulations or law to the contrary, losses on the investments of donor-restricted endowment funds are recognized as reductions of net assets with donor restrictions to the extent that donor-imposed restrictions on net appreciation of the funds have not been met before the loss occurs. Any remaining loss reduces net assets without donor restrictions.

Investment Expenses – Investment expenses, including custodial fees and investment advisory fees, relating to investment income amounted to \$47,602 and have been netted with investment income in the accompanying Statement of Activities.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 18: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

A. Summary of Significant Accounting Policies (Continued)

Fair Value – The Foundation follows FASB ASC 820-10 "Fair Value Measurements," which provides a framework for measuring fair value under U.S. generally accepted accounting principles. FASB ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. FASB ASC 820-10 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. FASB ASC 820-10 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels as described below.

Level 1: Inputs to the valuation methodology derived from unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Other observable inputs including quoted prices for similar assets or liabilities in active or inactive markets, and inputs that are principally derived from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology which are unobservable and significant to the fair value measurements. These inputs are only used when Level 1 or Level 2 inputs are not available.

Income Taxes – The Foundation is recognized as exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. The Foundation may be subject to federal and state income taxes on any net income from unrelated business activities. The Foundation files a form 990 (Return of Organization Exempt from Income Tax) annually, and unrelated business income (UBI) is reported on Form 990-T, as appropriate. Management has evaluated the Foundation's material tax positions, which include such matters as the tax-exempt status of each entity and various positions relative to potential sources of UBI. As of June 30, 2025, there were no uncertain tax benefits identified and recorded as a liability. The Foundation is no longer subject to U.S. federal or state income tax authorities for the years ending prior to June 30, 2022.

Use of Estimates – The preparation of financial statements in conformity with United States generally accepted accounting principles requires the use of management's estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Accordingly, actual results may differ from those estimates.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 18: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

A. Summary of Significant Accounting Policies (Concluded)

Functional Allocation of Expenses – The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities. The Statement of Functional Expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. This presentation requires allocation of expenses on a reasonable basis that is consistently applied. Expenses are allocated based on the Foundation’s best estimate of the time spent by employees on program services vs. supporting services functions. Directly identifiable expenses are charged to the appropriate program or supporting service. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide the overall support and direction of the Foundation.

Date of Management’s Review – Management has reviewed subsequent events through February 19, 2026, the date the financial statements were available to be issued.

B. Investments and Fair Value Measurements

The Foundation’s investments are held by the trust and custody division of a national bank and managed by an investment advisor in accordance with the terms of an investment advisor agreement. Investments detailed below were measured at fair value as described in Note 15A.

Investments as of June 30, 2025 consisted of the following:

	Cost	Fair Value		Total
		Quoted Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	
Mutual Funds				
Equity	\$ 519,573	\$ 579,650	\$ -	\$ 579,650
Fixed Income	2,903,492	2,700,283	-	2,700,283
Exchange-traded Funds	3,769,410	4,631,076	-	4,631,076
Corporate Stock	1,898,559	3,187,702	-	3,187,702
Certificates of Deposit	199,800	-	201,744	201,744
Total Investments	<u>\$ 9,290,834</u>	<u>\$ 11,098,711</u>	<u>\$ 201,744</u>	<u>\$ 11,300,455</u>

There were no transfers between Levels 1, 2, or 3 of the fair value hierarchy during the year ended June 30, 2025.

C. Net Assets with Donor Restrictions

The Foundation reports gifts of cash and other assets as restricted if they are received with donor stipulations that limit the use of the donated assets. When donor restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 18: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

C. Net Assets with Donor Restrictions (Concluded)

The Foundation reports gifts of cash and other assets as restricted if they are received with donor stipulations that limit the use of the donated assets. When donor restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

At June 30, 2025, the Foundation held \$9,920,603 in net assets with donor restrictions. These assets will be used for scholarships for students of the College as well as grants benefiting the College in amounts as follows:

Scholarships		
Endowment	\$	8,310,596
Non-endowed		648,437
Athletics		
Endowment		205,796
Non-endowed		313,647
Other		
Endowment		170,222
Non-endowed		271,905
Total		<u>\$ 9,920,603</u>

During the year ended June 30, 2025, \$1,219,128 was released from restrictions and used for the following purposes:

Scholarships	\$	758,778
Athletics		331,897
Fundraising		21,035
Other Student Support		107,127
Management & General		291
Total		<u>\$ 1,219,128</u>

D. Endowment Funds

The Foundation's endowment consists of funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law: The Board of Directors of the Organization, through obtaining a legal opinion and committee review, has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 18: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

D. Endowment Funds (Continued)

interpretation, the Foundation classifies as net assets with donor restrictions to be held in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not considered to be held in perpetuity, is also classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the funds;
2. The purposes of the Foundation and the donor-restricted endowment fund;
3. General economic conditions;
4. The possible effect of inflation and deflation;
5. The expected total return from income and the appreciation of investments;
6. Other resources of the Foundation; and
7. The Foundation's investment policies.

Spending Policy. The Foundation has a policy in which any accumulated earnings in excess of a calculated reserve are available for distribution each year. In establishing this policy, the Foundation considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. The Foundation expects the current spending policy to allow its endowment funds to grow at a nominal average rate of 4% annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return. The Board-approved spending was \$485,164 for the fiscal year ended June 30, 2025.

Investment Return Objectives, Risk Parameters and Strategies. The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to preserve and increase the real principal value of the fund over the long-term. The investment objective is to earn an average annual rate of return over a 10-15 year period which exceeds the average annual change in the Consumer Price Index by 4%. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2025**

NOTE 18: DISCRETELY PRESENTED COMPONENT UNIT (CONTINUED)

D. Endowment Funds (Concluded)

Endowment net assets as June 30, 2025 are as follows:

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	Total <u>Endowment Net Assets</u>
Donor-restricted Endowment Funds	\$ -	\$ 8,686,614	\$ 8,686,614
Board-designated Endowment Funds	<u>1,714,683</u>	<u>-</u>	<u>1,714,683</u>
	<u>\$ 1,714,683</u>	<u>\$ 8,686,614</u>	<u>\$ 10,401,297</u>

Changes in endowment net assets as of June 30, 2025 are as follows:

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	Total <u>Endowment Net Assets</u>
Endowment Net Assets, Beginning of Year	\$ 1,658,723	\$ 8,062,362	\$ 9,721,085
Contributions	-	80,000	80,000
Investment Income, Net of Fees	56,752	273,018	329,770
Realized Net Gain (Loss)	(3,436)	(16,108)	(19,544)
Unrealized Net Gain (Loss)	135,506	639,644	775,150
Amounts Appropriated for Expenditures	<u>(132,862)</u>	<u>(352,302)</u>	<u>(485,164)</u>
Endowment Net Assets, End of Year	<u>\$ 1,714,683</u>	<u>\$ 8,686,614</u>	<u>\$ 10,401,297</u>

E. Liquidity and Availability

The Foundation's financial assets available for general expenditures, that is, without donor restrictions or other limitations, such as Board designations, within one year of the Statement of Net Position date, comprise the following:

Cash and Cash Equivalents	\$ 583,538
Investments	11,300,455
Contributions Receivable	1,728
Less: Amount Designated or Restricted for Specific Purposes	<u>(11,376,518)</u>
Total	<u>\$ 509,203</u>

The Foundation's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditures.

Board-designated endowments of \$1,228,719 are reserved for special purposes. Most of these board-designated endowments are subject to annual spending limit as described in Note 18D. Although the Foundation does not intend to spend from the board-designated endowments (other than amounts appropriated for general expenditures as part of the Board's annual approved budget), these amounts could be made available if necessary.

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**NOTES TO FINANCIAL STATEMENTS (CONCLUDED)
JUNE 30, 2025**

NOTE 18: DISCRETELY PRESENTED COMPONENT UNIT (CONCLUDED)

E. Liquidity and Availability (Concluded)

As part of the Foundation's liquidity management plan, cash in excess of the Foundation's daily requirements are invested in short-term investments, certificates of deposit, and money market funds as determined by the Foundation's investment committee.

F. Relationship to John A. Logan College and Related Transactions

As part of the Foundation efforts, donations are accepted for the purchase of equipment to be used at the College or to fund construction projects as the College. The College makes the initial purchase and submits invoices to the Foundation for reimbursement. The amounts reimbursed to the College are expensed as title to the assets remains with the College.

The College furnishes the Foundation with certain services and facilities at no charge. The total value of the services and facilities provided by the College during the year ended June 30, 2025 is recognized as contributions revenue in the Statement of Activities as detailed below:

Occupancy	\$ 18,000
Contractual Services	23,811
Supplies, Materials, and Travel	9,258
Personnel	<u>390,452</u>
Total	<u>\$ 441,521</u>

The total value of the services and the facilities provided by the College during the year ended June 30, 2025 is also recognized as expenses as follows:

Scholarships	\$ 100,631
Other Student Services	57,116
Management and General	112,731
Fundraising	<u>171,043</u>
Total	<u>\$ 441,521</u>

G. Concentrations of Credit Risk

The Foundation maintains cash and cash equivalents at its financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2025, the Foundation had cash and cash equivalents totaling \$155,867 that were exposed to custodial credit risk but were collateralized by securities pledged by the Foundation's financial institution on-behalf of the Foundation.

REQUIRED SUPPLEMENTARY INFORMATION

**JOHN A. LOGAN COLLEGE
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STATE UNIVERSITIES RETIREMENT SYSTEM OF ILLINOIS (SURS) PENSION PLAN - GASB 68

SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

State Universities Retirement System - Unaudited

	<u>FY2025*</u>	<u>FY2024*</u>	<u>FY2023*</u>	<u>FY2022*</u>	<u>FY2021*</u>	<u>FY2020*</u>	<u>FY2019*</u>	<u>FY2018*</u>	<u>FY2017*</u>	<u>FY2016*</u>
College's proportionate percentage of the collective net pension liability	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
College's proportionate amount of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of collective net pension liability associated with the College	137,237,740	136,715,113	144,216,097	143,278,856	153,781,255	146,156,442	141,981,891	132,756,562	150,631,522	142,796,497
Total	<u>\$ 137,237,740</u>	<u>\$ 136,715,113</u>	<u>\$ 144,216,097</u>	<u>\$ 143,278,856</u>	<u>\$ 153,781,255</u>	<u>\$ 146,156,442</u>	<u>\$ 141,981,891</u>	<u>\$ 132,756,562</u>	<u>\$ 150,631,522</u>	<u>\$ 142,796,497</u>
College's DB covered payroll	\$ 18,378,557	\$ 18,156,618	\$ 17,709,871	\$ 18,485,610	\$ 18,661,907	\$ 18,387,517	\$ 18,444,296	\$ 18,370,903	\$ 20,970,430	\$ 21,977,912
College's proportionate share of collective net pension liability as a percentage of its DB covered payroll	746.73%	752.98%	814.33%	775.08%	824.04%	794.87%	769.79%	722.65%	718.30%	649.73%
SURS plan fiduciary net position as a percentage of the total pension liability	44.60%	44.06%	43.65%	45.45%	39.05%	40.71%	41.27%	42.04%	39.57%	42.37%

*The amounts presented were determined as of the prior fiscal year end.

SCHEDULE OF COLLEGE CONTRIBUTIONS

State Universities Retirement System - Unaudited

	<u>FY2025</u>	<u>FY2024</u>	<u>FY2023</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>	<u>FY2017</u>	<u>FY2016</u>
Federal, trust, grant and other contributions (required contributions)	\$ 193,240	\$ 212,448	\$ 236,546	\$ 149,463	\$ 155,757	\$ 153,469	\$ 148,117	\$ 159,156	\$ 161,062	\$ 167,235
Contributions in relation to required contributions	193,240	212,448	236,546	149,463	155,757	153,469	148,117	159,156	161,062	167,235
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll	\$ 1,613,022	\$ 1,695,515	\$ 1,843,694	\$ 1,213,174	\$ 1,226,434	\$ 1,178,720	\$ 1,205,183	\$ 1,277,335	\$ 1,285,411	\$ 1,317,849
Contributions as a percentage of covered payroll	11.98%	12.53%	12.83%	12.32%	12.70%	13.02%	12.29%	12.46%	12.53%	12.69%
On-behalf payments for Community College Health Insurance Program	<u>\$ 169,688</u>	<u>\$ 144,236</u>	<u>\$ 94,643</u>	<u>\$ 92,291</u>	<u>\$ 92,522</u>	<u>\$ 89,969</u>	<u>\$ 86,591</u>	<u>\$ 85,396</u>	<u>\$ 84,297</u>	<u>\$ 100,481</u>

Fiscal Year 2025 Total DB Contributions: \$1,501,774

Fiscal Year 2025 Total RSP Contributions: \$203,271

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**SCHEDULE OF CHANGES IN THE COLLEGE'S TOTAL OPEB LIABILITY AND RELATED RATIOS
COLLEGE PLAN - GASB 75 - UNAUDITED**

Fiscal Year Ended	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability								
Service Cost	\$ 14,191	\$ 16,441	\$ 4,831	\$ 9,148	\$ 6,793	\$ 5,389	\$ 17,357	\$ 17,620
Interest on Total OPEB Liability	259,606	204,751	208,735	127,088	148,082	158,767	169,959	148,927
Changes of Benefit Terms	-	-	-	31,247	-	-	-	-
Differences Between Expected and Actual Experience	-	499,084	-	188,844	-	(94,383)	-	497,910
Changes of Assumptions or Other Inputs	(450,718)	833,823	(20,569)	(760,638)	380,555	107,469	162,832	116,522
Benefit Payments	(357,186)	(333,527)	(344,213)	(299,561)	(245,817)	(368,328)	(373,937)	(475,247)
Other Changes	-	-	-	-	-	6,269	8,234	349,370
Net Change in Total OPEB Liability	<u>(534,107)</u>	<u>1,220,572</u>	<u>(151,216)</u>	<u>(703,872)</u>	<u>289,613</u>	<u>(184,817)</u>	<u>(15,555)</u>	<u>655,102</u>
Total OPEB Liability - Beginning	<u>6,345,001</u>	<u>5,124,429</u>	<u>5,275,645</u>	<u>5,979,517</u>	<u>5,689,904</u>	<u>5,874,721</u>	<u>5,890,276</u>	<u>5,235,174</u>
Total OPEB Liability - Ending	<u>\$ 5,810,894</u>	<u>\$ 6,345,001</u>	<u>\$ 5,124,429</u>	<u>\$ 5,275,645</u>	<u>\$ 5,979,517</u>	<u>\$ 5,689,904</u>	<u>\$ 5,874,721</u>	<u>\$ 5,890,276</u>
Covered Payroll	\$ 6,118,663	\$ 5,883,129	\$ 7,435,428	\$ 7,435,428	\$ 10,868,249	\$ 10,868,249	\$ 13,411,239	\$ 13,411,239
Total OPEB Liability as a Percentage of Covered Payroll	94.97%	107.85%	68.92%	70.95%	55.02%	52.35%	43.80%	43.92%

Notes to Schedule

The information in this schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75.

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

COLLEGE INSURANCE PROGRAM (CIP) - GASB 75

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY†
College Insurance Program (CIP) - Unaudited

	<u>FY2025</u>	<u>FY2024</u>	<u>FY2023</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>	<u>FY2017</u>
College's proportion of the collective net OPEB liability	0.907000%	0.956883%	0.978650%	0.995086%	0.978269%	0.964645%	0.977891%	0.971646%	1.108664%
College's proportionate share of the collective net OPEB liability	\$ 6,034,549	\$ 6,758,784	\$ 6,699,449	\$ 17,270,036	\$ 17,831,530	\$ 18,217,715	\$ 18,435,712	\$ 18,011,609	\$ 20,177,182
State's proportionate share of the collective net OPEB liability associated with the College	6,034,549	6,758,784	6,699,449	17,270,036	17,831,530	18,217,617	18,435,620	23,653,716	21,023,006
Total	<u>\$ 12,069,098</u>	<u>\$ 13,517,568</u>	<u>\$ 13,398,898</u>	<u>\$ 34,540,072</u>	<u>\$ 35,663,060</u>	<u>\$ 36,435,332</u>	<u>\$ 36,871,332</u>	<u>\$ 41,665,325</u>	<u>\$ 41,200,188</u>
College's covered payroll	\$ 33,937,600	\$ 28,847,200	\$ 18,928,600	\$ 18,458,200	\$ 18,504,390	\$ 17,993,700	\$ 17,318,296	\$ 17,078,749	\$ 16,859,262
College's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	17.8%	23.4%	35.4%	93.6%	96.4%	101.2%	106.5%	105.5%	119.7%
Plan fiduciary net position as a percentage of the total OPEB liability	-15.58%	-15.16%	-18.05%	-6.00%	-4.83%	-3.96%	-3.42%	-2.81%	N/A

†The information in this schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75.

SCHEDULE OF STATE CONTRIBUTIONS†
College Insurance Program (CIP) - Unaudited

	<u>FY2025</u>	<u>FY2024</u>	<u>FY2023</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>	<u>FY2017</u>
Statutorily Required Contributions**	\$ 169,688	\$ 144,236	\$ 94,643	\$ 92,291	\$ 92,522	\$ 89,969	\$ 86,591	\$ 85,396	\$ 84,297
Contributions in relation to the College's covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Annual contribution deficiency (excess)**	N/A								

**Statutorily required contributions = actual contributions

†The information in this schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75.

**LOGAN, JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - *UNAUDITED*
JUNE 30, 2025**

NOTE 1: SURS PENSION PLAN

Changes of Benefit Terms.

Public Act 103-0548, effective August 11, 2023, made changes to the calculation of service and eliminated the part-time adjustment for participants on or after September 1, 2024. This change was first reflected in the Total Pension Liability as of June 30, 2024.

Changes of Assumptions.

In accordance with *Illinois Complied 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, 2020 to June 30, 2023 was performed in Spring 2024, resulting in the adoption of new assumptions as of June 30, 2024. These assumptions are listed below.

- **Salary Increase:** The overall assumed rates of salary increase range from 3.15% to 15.00% based on years of service, with an underlying wage inflation rate of 2.40%. Separate rates of increase are assumed for members in academic and non-academic positions.
- **Investment Return:** The investment return is assumed to be 6.50%. This reflects an assumed real rate of return to 4.10% and assumed price inflation of 2.40%.
- **Effective Rate of Interest (ERI):** The long-term assumption for the ERI for crediting the money purchase accounts is 7.00%.
- **Normal Retirement Rates:** Separate rates are assumed for members in academic positions, non-academic positions, and public safety positions. Rates are generally highest for public safety positions and lowest for academic positions.
- **Early Retirement Rates:** Separate rates are assumed for members in academic positions, non-academic positions, and public safety positions. Rates are generally higher for non-academic positions.
- **Turnover Rates:** Assumed rates maintain the pattern of decreasing termination rates as years of service increase, with separate rates for academic and non-academic positions.
- **Mortality Rates:** Use of Pub-2010 mortality tables reflects its high applicability to public pensions. The projection scale utilized is the MP-2021 scale, with separate rates for academic, non-academic, and public safety members.
- **Disability Rates:** Separate rates are assumed for members in academic positions, non-academic positions and public safety positions, as well as for males and females. Public safety disability incidence is assumed to be 50.00% line-of-duty related and 50.00% ordinary.
- **Plan Election:** For new non-academic members, assumed plan election are 75% for Tier 2 and 25% for Retirement Savings Plan (RSP). For new academic members, assumed plan election rates are 55% for Tier 2 and 45% Retirement Savings Plan (RSP).
- **Cost of living adjustment:** Annual annuity increases are assumed to be 3.00% for Tier 1 members and 1.20% for Tier 2 members.

Special Funding Situation

For the purposes of financial reporting, the State of Illinois and participating employers are considered to be under a special funding situation. A special funding situation is defined as a circumstance in which a nonemployer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either (1) the amount of the contributions for which the nonemployer entity is legally responsible is not dependent upon one or more events unrelated to pensions or (2) the nonemployer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a nonemployer contributing entity. Participating employers are considered employer contributing entities. The State is responsible for the collective net pension liability of the plan with the exception of federal, trust, or grant contributions made by the College that are recognized as deferred outflows of resources.

**LOGAN, JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONCLUDED) - *UNAUDITED*
JUNE 30, 2025**

NOTE 2: COLLEGE INSURANCE PLAN

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Sponsor's Fiscal Year-End	June 30, 2025

Methods and Assumptions Used to Determine Actuarial Liability and Contributions:

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you-go basis. Retired members contribute a percentage of premium rates based on service at retirement. The sponsor contributes claims and expenses in excess of retired member contributions. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Not applicable
Investment Rate of Return	Not applicable
Inflation	2.25%
Salary Increases	Depends on service and ranges from 12.75% at less than 1 year of service to 3.50% at 20 or more years of service for employees under 50, and ranges from 12.00% at less than 1 year of service to 3.00% at 20 or more years of service, for employees over 50 years of age. Salary increases include a 3.00% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2021 actuarial valuation of SURS.
Mortality	Retirement and Beneficiary Annuitants: Pub-2010 Healthy Mortality Table and PubT-2010 Healthy Retiree Mortality Table. Disabled Annuitants: Pub-2010 Disabled Retiree Mortality Table. Pre-Retirement: Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.
Healthcare Cost Trend Rates	Trend rates for plan year 2025 are based on actual premium increases. For non-Medicare costs, trends start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00% in 2026 to 2030, and 7.00% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

OTHER SUPPLEMENTAL INFORMATION

Other

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530**

**SCHEDULE OF ASSESSED VALUATIONS, TAX RATES, AND TAXES EXTENDED
UNAUDITED
LEVY YEARS 2022, 2023 AND 2024**

	<u>2024 Levy Payable in 2025*</u>	<u>2023 Levy Payable in 2024*</u>	<u>2022 Levy Payable in 2023*</u>
Assessed Valuation (by County)			
Franklin County	\$ 126,172,144	\$ 118,558,177	\$ 107,333,205
Jackson County	905,987,227	815,831,864	760,945,209
Perry County	146,154,443	137,218,927	122,807,353
Randolph County	17,820,629	16,448,447	15,316,113
Williamson County	1,497,252,132	1,351,320,160	1,213,714,414
	<u>\$ 2,693,386,575</u>	<u>\$ 2,439,377,575</u>	<u>\$ 2,220,116,294</u>
Tax Rates (Per \$100 of Assessed Valuation)			
Education	0.27016	0.27592	0.29345
Operations and Maintenance	0.04503	0.04798	0.04887
Bond and Interest	0.18679	0.20686	0.22848
Audit	0.00308	0.00277	0.00270
Liability, Protection, and Settlement	0.09006	0.10230	0.10809
Health, Life, and Safety	0.04266	0.04717	0.04625
Prior Year Adjustment	0.00717	0.00296	0.00033
	<u>0.64495</u>	<u>0.68596</u>	<u>0.72817</u>
Taxes Extended			
Education	\$ 7,462,889	\$ 6,899,328	\$ 6,580,851
Operations and Maintenance	1,243,934	1,189,235	1,096,344
Bond and Interest	5,161,738	5,196,670	5,147,355
Audit	85,164	69,644	60,958
Liability, Protection, and Settlement	2,488,017	2,568,975	2,434,588
Health, Life, and Safety	1,178,515	1,177,193	1,041,718
Prior Year Adjustment	(324,504)	(134,128)	(80,233)
	<u>\$ 17,295,753</u>	<u>\$ 16,966,917</u>	<u>\$ 16,281,581</u>

* Tax rates vary by county. Williamson County rates are reflected in the table. Tax extended represents actual extensions from all counties. Therefore, rate times assessed valuation does not compute to taxes extended.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**SCHEDULE OF LEGAL DEBT MARGIN
UNAUDITED
FOR THE YEAR ENDED JUNE 30, 2025**

Assessed Valuation - 2023 Levy

Franklin County	\$ 118,558,177
Jackson County	815,831,864
Perry County	137,218,927
Randolph County	16,448,447
Williamson County	1,351,320,160
	<u>\$ 2,439,377,575</u>
Debt Limit, 2.875% of Assessed Valuation (50 ILCS 405/1)	\$ 70,132,105
Less: Total Indebtedness	<u>(16,468,846)</u>
Legal Debt Margin	<u>\$ 53,663,259</u>

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

CERTIFICATION OF PER CAPITA COST

FOR FISCAL YEAR 2026

All Fiscal Year 2025 Noncapital Audited Operating Expenditures from the following funds:

1	Education Fund	\$ 23,939,825
2	Operations and Maintenance Fund	\$ 4,933,283
3	Operations and Maintenance Fund (Restricted)	\$ 216,223
4	Bond and Interest Fund	\$ 430,460
5	Public Building Commission Rental Fund	\$ -
6	Restricted Purposes Fund	\$ 12,579,983
7	Audit Fund	\$ 76,300
8	Liability, Protection, and Settlement Fund	\$ 2,060,648
9	Auxiliary Enterprises Fund (Subsidy Only)	<u>\$ 2,077,355</u>
10	TOTAL NONCAPITAL EXPENDITURES (sum of lines 1-9)	\$ 46,314,077
11	Depreciation on Capital Outlay Expenditures (equipment, buildings, and fixed equipment paid) From Sources Other than State and Federal Funds	<u>\$ 1,719,980</u>
12	TOTAL COSTS INCLUDED (line 10 plus line 11)	\$ 48,034,057
13	Total Certified Semester Credit Hours for FY 2025	<u>60,567.50</u>
14	PER CAPITA COST (line 12 divided by line 13)	<u>\$ 793.07</u>

APPROVED: *Suzanne K. Renne, PhD, CPA* 2-19-2026
 Chief Fiscal Officer Date

APPROVED: *Kim E. O'Connell, PhD* 2/19/2026
 Chief Executive Officer Date

UNIFORM FINANCIAL STATEMENTS

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**ALL FUNDS SUMMARY
UNIFORM FINANCIAL STATEMENT #1
FISCAL YEAR ENDED JUNE 30, 2025**

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection and Settlement Fund	Total
Fund Balance, July 1, 2024, Restated	\$ 14,067,777	\$ 1,291,503	\$ 12,479,513	\$ 276,263	\$ 418,110	\$ 3,892,997	\$ 7,535,685	\$ 9,112	\$ 1,546,312	\$ 41,517,272
Revenues										
Local Tax Revenue	7,681,060	1,176,533	1,164,505	5,137,963	-	-	-	68,856	2,540,026	17,768,943
All Other Local Revenue	-	-	-	-	-	-	-	-	-	-
ICCB Grants	6,597,263	3,194,721	-	-	-	1,466,549	-	-	-	11,258,533
All Other State Revenue	237,663	101,855	1,635,514	-	-	1,406,049	-	-	-	3,381,081
Federal Revenue	245,377	105,162	183,248	-	-	9,578,674	-	-	-	10,112,461
Student Tuition and Fees	10,524,864	-	-	-	261,740	17,980	-	-	-	10,804,584
On-Behalf CIP	-	-	-	-	-	(2,287,489)	-	-	-	(2,287,489)
On-Behalf SURS	-	-	-	-	-	9,216,940	-	-	-	9,216,940
All Other Revenue	2,336,176	248,786	373,877	23,773	1,086,730	1,416,179	293,904	4,151	390,601	6,174,177
Total Revenues	<u>27,622,403</u>	<u>4,827,057</u>	<u>3,357,144</u>	<u>5,161,736</u>	<u>1,348,470</u>	<u>20,814,882</u>	<u>293,904</u>	<u>73,007</u>	<u>2,930,627</u>	<u>66,429,230</u>
Expenditures										
Instruction	9,001,273	-	-	-	-	4,383,266	-	-	-	13,384,539
Academic Support	2,716,309	-	-	-	-	996,853	-	-	-	3,713,162
Student Services	2,771,970	-	-	-	-	1,480,343	-	-	-	4,252,313
Public Service/Continuing Education	625,430	12,593	-	-	1,094,117	2,020,557	-	-	-	3,752,697
Auxiliary Services	-	-	-	-	1,795,091	2,621,769	-	-	-	4,416,860
Operations and Maintenance	-	4,426,645	-	-	-	984,044	-	-	763,429	6,174,118
Institutional Support	7,888,814	569,047	4,304,374	5,014,618	116,336	2,000,956	-	76,300	1,940,133	21,910,578
Scholarships, Grants, and Waivers	2,919,066	-	-	-	461,881	8,148,575	-	-	-	11,529,522
Total Expenditures	<u>25,922,862</u>	<u>5,008,285</u>	<u>4,304,374</u>	<u>5,014,618</u>	<u>3,467,425</u>	<u>22,636,363</u>	<u>-</u>	<u>76,300</u>	<u>2,703,562</u>	<u>69,133,789</u>
Net Transfers	<u>(2,209,782)</u>	<u>146,952</u>	<u>-</u>	<u>-</u>	<u>2,077,355</u>	<u>279,379</u>	<u>(293,904)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30, 2025	<u>\$ 13,557,536</u>	<u>\$ 1,257,227</u>	<u>\$ 11,532,283</u>	<u>\$ 423,381</u>	<u>\$ 376,510</u>	<u>\$ 2,350,895</u>	<u>\$ 7,535,685</u>	<u>\$ 5,819</u>	<u>\$ 1,773,377</u>	<u>\$ 38,812,713</u>

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**RECONCILIATION OF THE UNIFORM FINANCIAL STATEMENT NO. 1
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025**

Total Fund Balance - Uniform Financial Statement No. 1	\$	38,812,713
Amounts reported in the basic financial statements for net position are different because:		
Capital assets used in College activities are not current financial resources and therefore are not reported in the Uniform Financial Statements.		64,018,832
Right-of-use assets used in College activities are not current financial resources and therefore are not reported in the Uniform Financial Statements.		1,974,734
Pension contributions made after the actuarial valuation date are considered expenditures in the Uniform Financial Statements but are deferred outflows of resources in the basic financial statements.		193,240
OPEB contributions made after the actuarial measurement date are considered expenditures in the Uniform Financial Statements but are deferred outflows of resources in the basic financial statements.		169,688
Premiums on fixed debt are other financial sources in the Uniform Financial Statements but are liabilities that are amortized over the life of the fixed debt in the basic financial statements.		(696,534)
Deferred losses on refunded fixed debt are other financing uses in the Uniform Financial Statements but are reported as deferred outflows of resources that are amortized over the life of the fixed debt in the basic financial statements.		205,730
Changes in assumptions, experiences, and other calculations are reported as deferred outflows/inflows in the basic financial statements; however, they are not recorded in the Uniform Financial Statements.		(7,204,227)
Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and therefore are not reported as liabilities in the Uniform Financial Statements. These liabilities consist of:		
Bonds payable		(14,530,000)
Lease liability		(101,132)
Subscription liability		(1,837,714)
Postemployment benefits		(11,845,443)
Compensated absences		(3,679,246)
Accrued interest		(46,824)
		(24,433,263)
Net Position - Statement of Net Position	\$	65,433,817

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**RECONCILIATION OF THE UNIFORM FINANCIAL STATEMENT NO. 1
TO THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024**

Net Change in Fund Balances - Uniform Financial Statement No. 1 \$ (2,704,559)

Amounts reported in the general-purpose Statement of Revenues, Expenses, and Changes in Net Position are different because:

The Uniform Financial Statements report capital outlays as expenditures paid while the basic financial statements report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlays	\$	9,937,318	
Depreciation and amortization expense		<u>(3,872,793)</u>	6,064,525

Net book value of disposed capital assets is not reported in the Uniform Financial Statements. (21,347)

Contributions to pension funds are recognized as expenditures when paid to the pension fund on the Uniform Financial Statements. These expenses are recorded on the basic financial statements based on the pension expense, corresponding with the most recent measurement period. This is the difference between these amounts. (19,208)

Contributions to the OPEB plans are recognized as expenditures when paid to the plans on the Uniform Financial Statements. These expenses are recorded on the basic financial statements based on the OPEB expense, corresponding with the most recent measurement period. This is the difference between these amounts. 169,688

Proceeds from long-term debt are recognized as other local revenue in the Uniform Financial Statements but have no impact on net assets in the Statement of Revenues, Expenses, and Changes in Net Position. (1,645,796)

Some expenses reported in the Uniform Financial Statements use current financial resources to reduce long-term liabilities reported on the basic financial statements. These activities consist of:

Bonds payable, including amortization of bond premiums		4,473,750	
Lease liability		41,633	
SBITA liability		124,746	
Postemployment benefits		2,214,946	
Compensated absences		(31,654)	
Accrued interest		<u>10,475</u>	

Increase in Net Position - Statement of Revenues, Expenses, and Changes in Net Position \$ 8,677,199

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**SUMMARY OF FIXED ASSETS AND DEBT
UNIFORM FINANCIAL STATEMENT #2
FISCAL YEAR ENDED JUNE 30, 2025**

	Fixed Asset/Debt Account Groups July 1, 2024	Additions	Deletions	Fixed Asset/Debt Account Groups June 30, 2025
Fixed Assets				
Site	\$ 346,427	\$ -	\$ -	\$ 346,427
Construction in Progress	1,069,623	5,989,317	(125,239)	6,933,701
Site Improvements	6,341,773	-	-	6,341,773
Buildings and Improvements	95,445,503	376,594	-	95,822,097
Equipment	11,252,335	1,541,376	(336,959)	12,456,752
Right to Use Leased Equipment	211,084			211,084
Right to Use SBITAs	539,805	2,155,270		2,695,075
Total Fixed Assets	<u>115,206,550</u>	<u>10,062,557</u>	<u>(462,198)</u>	<u>124,806,909</u>
Less: Accumulated Depreciation and Amortization	<u>55,256,164</u>	<u>3,872,793</u>	<u>(315,614)</u>	<u>58,813,343</u>
Net Fixed Assets	<u><u>\$ 59,950,386</u></u>	<u><u>\$ 6,189,764</u></u>	<u><u>\$ (146,584)</u></u>	<u><u>\$ 65,993,566</u></u>
Fixed Debt				
Bonds Payable	\$ 18,890,000	\$ -	\$ (4,360,000)	\$ 14,530,000
Bond Premium	855,484	-	(158,950)	696,534
Accrued Compensated Absences	1,680,257	1,998,989	-	3,679,246
Lease Liability	142,765	-	(41,633)	101,132
Subscription Liability	316,664	1,645,796	(124,746)	1,837,714
Net OPEB Liability	13,103,785	-	(1,258,342)	11,845,443
Total Fixed Debt	<u><u>\$ 34,988,955</u></u>	<u><u>\$ 3,644,785</u></u>	<u><u>\$ (5,943,671)</u></u>	<u><u>\$ 32,690,069</u></u>

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**OPERATING FUNDS REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #3
FISCAL YEAR ENDED JUNE 30, 2025**

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Revenues by Sources			
Local Government Revenues:			
Local Taxes	\$ 6,824,719	\$ 1,176,533	\$ 8,001,252
Corporate Personal Property Replacement Tax	856,341	-	856,341
Total Local Government	<u>7,681,060</u>	<u>1,176,533</u>	<u>8,857,593</u>
State Government:			
ICCB Base Operating Grant	2,057,498	1,013,394	3,070,892
ICCB Equalization Grant	4,205,349	2,071,291	6,276,640
ICCB Career and Technical Education	223,406	110,036	333,442
ICCB Performance Grant	20,355	-	20,355
Other ICCB Unrestricted Grants not listed above	90,655	-	90,655
Other State not listed above	237,663	101,855	339,518
Total State Government	<u>6,834,926</u>	<u>3,296,576</u>	<u>10,131,502</u>
Federal Government:			
Department of Education	36,300	15,558	51,858
Department of Labor	-	-	-
Department of Health & Human Services	208,793	89,482	298,275
Other	284	122	406
Total Federal Government	<u>245,377</u>	<u>105,162</u>	<u>350,539</u>
Student Tuition and Fees:			
Tuition	9,803,043	-	9,803,043
Fees	721,821	-	721,821
Total Student Tuition and Fees	<u>10,524,864</u>	<u>-</u>	<u>10,524,864</u>
Other Sources:			
Sales and Service Fees	219,009	-	219,009
Facilities Revenue	-	140,622	140,622
Investment Revenue	740,061	82,703	822,764
Non-Governmental Grants	6,566	-	6,566
Other	1,370,540	25,461	1,396,001
Total Other Sources	<u>2,336,176</u>	<u>248,786</u>	<u>2,584,962</u>
Total Revenue	27,622,403	4,827,057	32,449,460
Less Non-Operating Items:*	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Revenue	<u><u>\$ 27,622,403</u></u>	<u><u>\$ 4,827,057</u></u>	<u><u>\$ 32,449,460</u></u>

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

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**OPERATING FUNDS REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #3
FISCAL YEAR ENDED JUNE 30, 2025**

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating Expenditures			
By Program:			
Instruction	\$ 9,001,273	\$ -	\$ 9,001,273
Academic Support	2,716,309	-	2,716,309
Student Services	2,771,970	-	2,771,970
Public Service/Continuing Education	625,430	12,593	638,023
Auxiliary Services	-	-	-
Operations and Maintenance	-	4,426,645	4,426,645
Institutional Support	7,888,814	569,047	8,457,861
Scholarships, Grants, and Waivers	2,919,066	-	2,919,066
Total Expenditures	25,922,862	5,008,285	30,931,147
Less Non-Operating Items:*	-	-	-
Adjusted Expenditures	\$ 25,922,862	\$ 5,008,285	\$ 30,931,147
By Object:			
Salaries	\$ 15,789,143	\$ 2,787,065	\$ 18,576,208
Employee Benefits	2,089,526	387,303	2,476,829
Contractual Services	1,501,984	185,755	1,687,739
General Materials and Supplies	1,065,681	432,986	1,498,667
Library Materials**	25,208	-	25,208
Conference and Meeting Expenses	373,101	4,386	377,487
Fixed Charges	142,558	552	143,110
Utilities	9,909	1,135,003	1,144,912
Capital Outlay	1,983,037	75,002	2,058,039
Other	2,967,923	233	2,968,156
Student Grants and Scholarships**	2,919,066	-	2,919,066
Total Expenditures	25,922,862	5,008,285	30,931,147
Less Non-Operating Items:*	-	-	-
Adjusted Expenditures	\$ 25,922,862	\$ 5,008,285	\$ 30,931,147

*Intercollege expenditures that do not generate related local college credit hours are subtracted to allow for statewide comparisons.

**Non-add line

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
UNIFORM FINANCIAL STATEMENT #4
FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Restricted Purposes Fund</u>
Revenues by Source	
Total Local Government	\$ -
State Government:	
ICCB - Adult Education	142,034
ICCB - Other	1,324,515
On-Behalf CIP	(2,287,489)
On-Behalf SURS	9,216,940
Other	1,406,049
Total State Government	<u>9,802,049</u>
Federal Government:	
Department of Education	8,316,569
Department of Labor	107,122
Department of Health and Human Services	1,048,973
Other	106,010
Total Federal Government	<u>9,578,674</u>
Other Sources:	
Tuition and Fees	17,980
Other	1,416,179
Total Other Sources	<u>1,434,159</u>
Total Restricted Purposes Fund Revenues	<u>\$ 20,814,882</u>
Expenditures By Program	
Instruction	\$ 4,383,266
Academic Support	996,853
Student Services	1,480,343
Public Service/Continuing Education	2,020,557
Auxiliary Services	2,621,769
Operations and Maintenance	984,044
Institutional Support	2,000,956
Scholarships, Grants, and Waivers	8,148,575
Total Restricted Purposes Fund Expenditures	<u>\$ 22,636,363</u>
Expenditures By Object	
Salaries	\$ 2,000,014
Employee Benefits (Including SURS & CIP On-Behalf)	7,757,287
Contractual Services	192,374
General Materials and Supplies	1,056,899
Library Materials*	-
Travel & Conference/Meeting Expenses	74,482
Fixed Charges	89,560
Utilities	24,742
Capital Outlay	3,126,928
Other	8,314,077
Scholarships, Grants, and Waivers*	8,148,575
Total Restricted Purposes Fund Expenditures	<u>\$ 22,636,363</u>

*Non-add line

JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS

CURRENT FUNDS * EXPENDITURES BY ACTIVITY
UNIFORM FINANCIAL STATEMENT #5
FISCAL YEAR ENDED JUNE 30, 2025

Instruction	
Instructional Programs	\$ 13,224,669
Other	159,870
Total Instruction	<u>13,384,539</u>
Academic Support	
Library Center	308,473
Instructional Materials Center	93,099
Academic Computing Support	403,493
Academic Administration and Planning	2,459,547
Other	448,550
Total Academic Support	<u>3,713,162</u>
Student Services	
Admissions and Records	503,647
Counseling and Career Guidance	2,383,115
Financial Aid Administration	496,410
Other	869,141
Total Student Services Support	<u>4,252,313</u>
Public Service/Continuing Education	
Community Education	351,647
Customized Training (Instructional)	232,229
Community Services	3,153,826
Other	14,995
Total Public Service/Continuing Education	<u>3,752,697</u>
Auxiliary Services	
	<u>4,416,860</u>
Operations and Maintenance of Plant	
Maintenance	1,246,812
Custodial	2,070,234
Grounds	765,533
Campus Security	950,909
Transportation	-
Utilities	1,135,003
Administration	-
Other	5,627
Total Operations and Maintenance of Plant	<u>6,174,118</u>
Institutional Support	
Executive Management	1,402,679
Fiscal Operations	1,254,780
Community Relations	1,053,455
Administrative Support Services	1,035,047
Board of Trustees	103,779
General Institution	2,000,702
Institutional Research	355,501
Administrative Data Processing	4,987,306
Other	398,337
Total Institutional Support	<u>12,591,586</u>
Scholarships, Student Grants, and Waivers	
	<u>11,529,522</u>
Total Current Funds Expenditures	<u>\$ 59,814,797</u>

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

STATE COMPLIANCE SECTION

**Illinois Community College Board
State Grants Financial Compliance Section**

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE REQUIREMENTS
FOR ADULT EDUCATION AND FAMILY LITERACY GRANTS**

To the Board of Trustees
John A. Logan College
Community College District No. 530
Carterville, Illinois 62918

Opinion

We have audited the accompanying financial statements of the Adult Education and Family Literacy Grants (State Basic and Performance) (grant program) of John A. Logan College, Community College District No. 530 (the College) as of June 30, 2025, and the related notes to the grant program 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 respective financial position of the Adult Education and Family Literacy Grants (State Basic and Performance) of John A. Logan College, Community College District No. 530 as of June 30, 2025, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those 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.

Emphasis of Matter

The grant program financial statements on pages 71-72 are intended to present the financial position and changes in financial position of the Adult Education and Family Literacy Grants. They do not purport to, and do not, present fairly the financial position of the College as of June 30, 2025, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these grant program financial statements in accordance with accounting principles general 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 the 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 generally accepted 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 generally accepted 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.

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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 2026, 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.

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
February 19, 2026

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

STATE ADULT EDUCATION RESTRICTED FUNDS

**BALANCE SHEET
JUNE 30, 2025**

	State Basic	Performance	Total (Memorandum Only)
Assets			
Current Assets			
Cash Held by John A. Logan College	\$ 9,513	\$ 4,043	\$ 13,556
Total Assets	\$ 9,513	\$ 4,043	\$ 13,556
 Liabilities and Fund Balances			
Current Liabilities			
Accounts Payable	\$ 5,265	\$ 2,123	\$ 7,388
Accrued Expenses	4,248	1,920	6,168
Total Liabilities	9,513	4,043	13,556
 Fund Balance			
Reserved	-	-	-
Total Liabilities and Fund Balances	\$ 9,513	\$ 4,043	\$ 13,556

The accompanying notes are an integral part of these financial statements.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

STATE ADULT EDUCATION RESTRICTED FUNDS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2025**

	State Basic	Performance	Total (Memorandum Only)
Revenues			
Grant	\$ 92,039	\$ 49,995	\$ 142,034
Expenditures by Program			
Personnel Services	70,068	38,100	108,168
Fringe Benefits	11,250	5,820	17,070
Travel	1,310	209	1,519
Supplies	7,731	3,137	10,868
Contractual Services	-	-	-
Occupancy	-	1,200	1,200
Telecommunications	742	-	742
Training and Education	-	1,529	1,529
Miscellaneous	938	-	938
Total Expenditures	<u>92,039</u>	<u>49,995</u>	<u>142,034</u>
Excess of Revenues Over (Under) Expenditures	-	-	-
Fund Balance, July 1, 2024	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**NOTES TO GRANT PROGRAM FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1: PROGRAM DESCRIPTIONS

The College is responsible for administering the programs listed below in accordance with “Policy Guidelines for Restricted Grant Expenditures and Reporting” set forth by ICCB in its *Fiscal Management Manual*. Program funds are accounted for in the College’s current restricted fund.

Adult Education and Family Literacy Grant Program

ICCB awards funding to eligible applicants to develop, implement, and improve adult education and literacy activities. The provider must use the grant to establish or operate programs that provide services or instruction in one or more of the following categories:

- Adult education and literacy services (including workplace),
- Family literacy services, and/or
- English literacy programs.

ICCB provides funding for adult education and family literacy from State and federal sources. State funds include three categories (1) State Basic, (2) State Public Assistance, and (3) State Performance. Federal funds include two categories: (1) Federal Basic and (2) Federal EL/Civics. Funding is allocated through a competitive process. The funding source determined the applicable statutory regulations, policies, and guidelines, including allowable costs. State Performance – Grants are awarded to adult education and family literacy providers based upon performance outcomes.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The statements have been prepared on the modified accrual basis.

Expenditures are reported when services are rendered or when goods are received. The grant funds shall be expended or obligated prior to June 30 each year, the last day of the fiscal year. Grant funds should be accounted for in the same period as in the credit hour claiming process. Unexpended funds shall be returned to ICCB by October 15 following the end of the fiscal year.

Grant revenues are reported in these grant program financial statements when allowable grant expenditures are made. Expenditures are allowable if they comply with “Policy Guidelines for Restricted Grant Expenditures and Reporting” set forth in ICCB’s *Fiscal Management Manual*. Grant funds should be accounted for in the same period as in the credit hour claiming process.

These grant program financial statements cover only the State Adult Education Grant Programs. They are not intended to, and do not, present the financial position or results of operations of the College in its entirety.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**NOTES TO GRANT PROGRAM FINANCIAL STATEMENTS (CONCLUDED)
JUNE 30, 2025**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

B. Cash Held by John A. Logan College

To facilitate sound management, substantially all grant program cash for the State Adult Education Grant Program is pooled with the College.

C. Receivables – Governmental Claims

A receivable is recorded for the funds to be received from ICCB at June 30, 2025, for reimbursement of allowable expenditures incurred during the fiscal year. These amounts are considered to be 100% collectible.

D. Due to Other Funds

This account presents the amount to be reimbursed to other funds for the use of the other funds' resources to pay for the expenses incurred by the grant program.

E. Capital Assets

Acquisitions of capital assets, if any, are reported as capital assets in the College's financial statements. They are recorded as capital outlay and are not capitalized in the grant program financial statements. There were no capital assets purchased with the grant funds during the fiscal year ended June 30, 2025.

F. Use of Estimates

The preparation of the grant program financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that could affect certain reported amounts and disclosures. Actual results could differ from those estimates and assumptions.

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

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

To the Board of Trustees
John A. Logan College
Community College District No. 530
Carterville, Illinois 62918

We have examined the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed of John A. Logan College, Community College District No. 530 for the year ended June 30, 2025 (the Schedule). The College's management is responsible for preparing the Schedule in accordance with the guidelines of the Illinois Community College Board's *Fiscal Management Manual*. Our responsibility is to express an opinion on the Schedule based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Schedule referred to above is in accordance with the guidelines of the Illinois Community College Board's *Fiscal Management Manual*, 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 the Schedule referred to above, 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 to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Schedule is presented in accordance with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* in all material respects.

The supplementary information on pages 78-80 discusses the College's residency verification steps and is the responsibility of the College's management. This information has not been subjected to the audit procedures applied in the audit of the Schedule, and accordingly, we do not express an opinion or provide any assurance on it.

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
February 19, 2026

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**SCHEDULE OF ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED
FOR THE YEAR ENDED JUNE 30, 2025**

Total Semester Credit Hours by Term (In-District and Out of District Reimbursable)

Categories	Summer		Fall		Spring		Total (Note 3)	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
(Notes 1 & 2)								
Baccalaureate	4,131.5	-	17,044.5	110.0	15,047.0	148.5	36,223.0	258.5
Business Occupational	662.5	-	2,653.5	31.5	2,133.5	36.5	5,449.5	68.0
Technical Occupational	51.0	6.0	3,214.0	165.0	3,161.5	137.5	6,426.5	308.5
Health Occupational	743.5	2.0	3,472.0	6.0	3,450.0	5.5	7,665.5	13.5
Remedial Developmental	65.0	-	640.0	-	409.0	-	1,114.0	-
Adult Education	-	224.5	66.0	1,255.5	449.0	1,045.5	515.0	2,525.5
Total	5,653.5	232.5	27,090.0	1,568.0	24,650.0	1,373.5	57,393.5	3,174.0

- Note 1) Unrestricted credit hours are supported with 50% or more of unrestricted sources of funding and are reimbursable if they meet all eligibility requirements.
- Note 2) Restricted credit hours are supported with more than 50% of restricted sources of funding.
- Note 3) Total of unrestricted and restricted should equal the SU and SR record totals.

	Attending In-District	Attending Out-of District on Chargeback or Contractual Agreement	Total
Reimbursable Semester Credit Hours (All Terms)	<u>52,762.0</u>	<u>2,686.0</u>	<u>55,448.0</u>
	Dual Credit	Dual Enrollment	
Reimbursable Semester Credit Hours (All Terms)	<u>6,007.0</u>	<u>2,673.0</u>	
District Prior Year Equalized Assessed Valuation			<u>\$2,439,377,575</u>

Correctional Semester Credit Hours by Term

Categories	Summer	Fall	Spring	Total
Baccalaureate	-	-	-	-
Business Occupational	-	-	-	-
Technical Occupational	-	-	-	-
Health Occupational	-	-	-	-
Remedial Developmental	-	-	-	-
Adult Education	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Signatures


Chief Executive Officer (CEO)


Chief Fiscal Officer (CFO)

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**RECONCILIATION OF TOTAL REIMBURSABLE SEMESTER CREDIT HOURS
FOR THE YEAR ENDED JUNE 30, 2025**

<u>Categories</u>	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	36,223.0	36,223.0	-	258.5	258.5	-
Business Occupational	5,449.5	5,449.5	-	68.0	68.0	-
Technical Occupational	6,426.5	6,426.5	-	308.5	308.5	-
Health Occupational	7,665.5	7,665.5	-	13.5	13.5	-
Remedial Developmental	1,114.0	1,114.0	-	-	-	-
Adult Education	515.0	515.0	-	2,525.5	2,525.5	-
Total	<u>57,393.5</u>	<u>57,393.5</u>	<u>-</u>	<u>3,174.0</u>	<u>3,174.0</u>	<u>-</u>

**RECONCILIATION OF IN-DISTRICT/CHARGEBACK AND COOPERATIVE/CONTRACTUAL AGREEMENT CREDIT HOURS
FOR THE YEAR ENDED JUNE 30, 2025**

	Total Attending (Unrestricted and Restricted)	Total Attending As Certified To The ICCB	Difference
Reimbursable In-District Residents	52,762.0	52,762.0	-
Reimbursable Out-of-District on Chargeback or Contractual Agreement	2,686.0	2,686.0	-
Total	<u>55,448.0</u>	<u>55,448.0</u>	<u>-</u>

	Total Reimbursable	Total Reimbursable Certified to ICCB	Difference
Dual Credit	6,007.0	6,007.0	-
Dual Enrollment	2,673.0	2,673.0	-
Total	<u>8,680.0</u>	<u>8,680.0</u>	<u>-</u>

**RECONCILIATION OF TOTAL CORRECTIONAL SEMESTER CREDIT HOURS
FOR THE YEAR ENDED JUNE 30, 2025**

<u>Categories</u>	Total Reimbursable Correctional Credit Hours	Total Reimbursable Correctional Credit Hours Certified to The ICCB	Difference
Baccalaureate	-	-	-
Business Occupational	-	-	-
Technical Occupational	-	-	-
Health Occupational	-	-	-
Remedial Developmental	-	-	-
Adult Education	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**DOCUMENTATION OF RESIDENCY VERIFICATION STEPS
JUNE 30, 2025**

In-District Student

Description: A student who has lived in Franklin, Jackson, Perry, Randolph, or Williamson counties for at least 30 days prior to the beginning of the semester.

Residency Code: In-district

Acceptable Documentation: Includes driver's license, voter registration card, or a property tax statement, and the proof must show an in-district address.

If none of the above items are available, the student may establish proof of in-district residency by providing a notarized statement signed by the student and his/her parents stating that the student's residence is within the boundaries of the district. In the event that parents are not appropriate or available as co-signers on a notarized statement, such a statement can be co-signed by a city clerk or the county clerk in the city or county where the student has a permanent address.

Tuition Charge: Current in-district tuition charge

Student Employed Full-Time in the District

Description: An Illinois resident who lives outside the College's district but works at least 35 hours per week at a business or industry located in the district.

Residency Code: Out-of-district

Acceptable Documentation: A signed letter from employer verifying that the student works at least 35 hours in the district.

Tuition Charge: Current in-district tuition charge

Out-of-District Student

Description: A student who has lived outside the district boundaries but within the State of Illinois for at least 30 days prior to the beginning of the semester.

Residency Code: Out-of-district

Acceptable Documentation: Includes driver's license, voter registration card, or property tax statement.

Tuition Charge: Current out-of-district tuition charge

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**DOCUMENTATION OF RESIDENCY VERIFICATION STEPS (CONTINUED)
JUNE 30, 2025**

Chargeback Student

Description: A student who lives in Illinois outside the district boundaries but attends the College because his/her home Community College does not offer a specific degree/certificate program.

Residency Code: Out-of-district

Acceptable Documentation: A signed chargeback agreement from the home community college.

Tuition Charge: Current out-of-district tuition charge, but a waiver is processed for the difference between in-district and out-of-district

Reciprocal Agreement Student

Description: A student who lives in the Shawnee College, Rend Lake College, or Southeastern Illinois Community College district but attends John A. Logan College for the purpose of enrolling in a specific course not offered by the home community college. Since this is an agreement made among these four colleges, a chargeback request is not required.

Residency Code: Out-of-district

Acceptable Documentation: A letter of reciprocity from the home community college.

Tuition Charge: Current in-district tuition charge

Out-of-State Student

Description: A student who lives outside the State of Illinois.

Residency Code: Out-of-state

Acceptable documentation: None is required.

Tuition Charge: Current out-of-state tuition charge

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**DOCUMENTATION OF RESIDENCY VERIFICATION STEPS (CONCLUDED)
JUNE 30, 2025**

International Student

Description: A student who lives outside of the United States.

Residency Code: Foreign

Acceptable Documentation: None, other than the typical international student admission paperwork which is completed with the Director of Counseling.

Tuition Charge: Current out-of-state tuition charge

International Athlete

Description: A student who lives outside of the United States but who attends the College for the purpose of playing collegiate sports.

Residency Code: Foreign

Acceptable Documentation: None, other than the typical international student admission paperwork which is completed with the Director of Counseling.

Tuition Charge: Current in-district tuition charge

International Student with U.S. In-District Sponsor

Description: A student whose permanent residence is outside of the United States but who lives with and is financially sponsored by a resident within the college district.

Residency Code: Out-of-country

Acceptable Documentation: A signed letter from an in-district resident verifying financial sponsorship.

Tuition Charge: Current in-district tuition charge

STATE OF ILLINOIS CONSOLIDATED YEAR-END FINANCIAL REPORT

**INDEPENDENT AUDITOR'S REPORT ON
THE STATE OF ILLINOIS
CONSOLIDATED YEAR-END FINANCIAL REPORT**

To the Board of Trustees
John A. Logan College
Community College District No. 530
Carterville, Illinois 62918

We have audited the financial statements of John A. Logan College, Community College District No. 530 (the College) as of and for the year ended June 30, 2025, and have issued our report thereon dated February 19, 2026, which expressed an unmodified opinion on those financial statements, and appears on pages 1-3.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The "Consolidated Year-End Financial Report" for the State of Illinois on pages 82a-821, for the fiscal year ended June 30, 2025, is presented for purposes of additional analysis, as required by the State of Illinois, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 the financial statements as a whole.

This report is intended solely for the information and use of management of the College and the State of Illinois and is not intended to be and should not be used by anyone other than those specified parties.

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
February 19, 2026

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

Grantee Name	John A Logan College
ID Numbers	Audit: 57935 Grantee: 673225 UEI: JFLWC7MNURM5 FEIN: 370905504
Audit Period	7/1/2024 12:00:00 AM - 6/30/2025 12:00:00 AM
Last Update	1/6/2026 1:58:26 PM
Program Count	6

EXPENDITURES BY PROGRAM

CSFA #	Program Name	State	Federal	Total	Match
684-01-1625	Adult Education and Literacy Basic Grants - Federal and State	142,034.00	69,597.00	211,631.00	0.00
444-84-2884	Child Care Resource and Referral Program - Child Care Assistance Program	435,482.21	1,346,919.42	1,782,401.63	0.00
420-35-3071	Energy Transition Community Grant Program	272,769.00	0.00	272,769.00	0.00
601-00-1591	Nurse Educator Fellowship Program	10,000.00	0.00	10,000.00	0.00
684-00-0465	Postsecondary Perkins Basic Grants - Federal CTE	0.00	347,414.53	347,414.53	0.00
586-13-0542	Truants' Alternative/Optional Ed	153,867.00	0.00	153,867.00	0.00
	All other federal expenditures		8,348,530.05	8,348,530.05	
	TOTALS	1,014,152.21	10,112,461.00	11,126,613.21	0.00

EXPENDITURES BY CATEGORY

Amount	Category
1,081,097.16	Personal Services (Salaries and Wages)
317,767.64	Fringe Benefits
20,903.88	Travel
23,486.36	Equipment
220,318.62	Supplies
20,173.36	Contractual Services
10,000.00	Consultant (Professional Services)
103,200.00	Occupancy - Rent and Utilities
742.36	Telecommunications
1,734.00	Training and Education
140,921.30	Miscellaneous Costs
411,102.48	Indirect Costs
153,867.00	Expenditure-Grant Projects during the Audit Period
272,769.00	Expenditures for all budget lines for DCEO grants
2,778,083.16	TOTAL

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	Illinois Community College Board
CSFA Number	684-01-1625
Program Name	Adult Education and Literacy Basic Grants - Federal and State
Popular Name	Adult Education Grant
Program Contact	Name: Kathy Olesen-Tracey Phone: 2175572740 Email: kathy.olesen-tracey@illinois.gov
State Amount Expended	142034.00
Federal Amount Expended	69597.00

Expenditures by Category

163,910.76	Personal Services (Salaries and Wages)
24,396.15	Fringe Benefits
1,519.46	Travel
14,680.54	Supplies
2,400.00	Occupancy - Rent and Utilities
742.36	Telecommunications
1,529.00	Training and Education
2,452.73	Miscellaneous Costs
211,631.00	TOTAL

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	Department Of Human Services
CSFA Number	444-84-2884
Program Name	Child Care Resource and Referral Program - Child Care Assistance Program
Popular Name	Child Care Resource and Referral Program
Program Contact	Name: Hollie Hoole Phone: 217/785-2559 Email: Hollie.Hoole@illinois.gov
State Amount Expended	435482.21
Federal Amount Expended	1346919.42

Expenditures by Category

838,324.38	Personal Services (Salaries and Wages)
281,674.11	Fringe Benefits
1,626.73	Travel
5,053.34	Supplies
11,775.00	Contractual Services
10,000.00	Consultant (Professional Services)
100,800.00	Occupancy - Rent and Utilities
138,468.57	Miscellaneous Costs
394,679.50	Indirect Costs
1,782,401.63	TOTAL

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	Department Of Commerce And Economic Opportunity
CSFA Number	420-35-3071
Program Name	Energy Transition Community Grant Program
Popular Name	Energy Transition Community Grant Program
Program Contact	Name: Matthew Swaine Phone: 217-720-5910 Email: CEO.CEJACommTransition@illinois.gov
State Amount Expended	272769.00
Federal Amount Expended	0.00

Expenditures by Category

272,769.00	Expenditures for all budget lines for DCEO grants
272,769.00	TOTAL

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	Board Of Higher Education
CSFA Number	601-00-1591
Program Name	Nurse Educator Fellowship Program
Popular Name	Nurse Educator Fellowship Program
Program Contact	Name: Brook Stewart Phone: 217-866-1473 Email: stewart@ibhe.org
State Amount Expended	10000.00
Federal Amount Expended	0.00

Expenditures by Category

8,729.01	Personal Services (Salaries and Wages)
1,270.99	Fringe Benefits
10,000.00	TOTAL

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	Illinois Community College Board
CSFA Number	684-00-0465
Program Name	Postsecondary Perkins Basic Grants - Federal CTE
Popular Name	Perkins Grant
Program Contact	Name: Janelle Washington Phone: 217-785-0068 Email: janelle.washington@illinois.gov
State Amount Expended	0.00
Federal Amount Expended	347414.53

Expenditures by Category

70,133.01	Personal Services (Salaries and Wages)
10,426.39	Fringe Benefits
17,757.69	Travel
23,486.36	Equipment
200,584.74	Supplies
8,398.36	Contractual Services
205.00	Training and Education
16,422.98	Indirect Costs
347,414.53	TOTAL

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education
CSFA Number	586-13-0542
Program Name	Truants' Alternative/Optional Ed <i>This program was added by the grantee</i>
Popular Name	Truants' Alternative and Optional Education Program (TAOEP); Truants' Alternative/Optional Ed
Program Contact	Name: Brian Houser Phone: 217-782-5270 Email: bhouser@isbe.net
State Amount Expended	153867.00
Federal Amount Expended	0.00

Expenditures by Category

153,867.00	Expenditure-Grant Projects during the Audit Period
153,867.00	TOTAL

FEDERAL COMPLIANCE SECTION

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees
John A. Logan College
Community College District No. 530
Carterville, Illinois 62918

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited John A. Logan College, Community College District No. 530's (the College) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2025. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the College's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants

Marion, Illinois
February 19, 2026

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grant/Program or Cluster Title	Assistance Listing Number	Contract or Pass-Through Identifying Number	Provided to Subrecipients	Federal Expenditures
U.S. Department of Education				
Direct Grant				
TRIO Cluster				
TRIO Student Support Services	84.042A	P042A200753-23	\$ -	\$ 44,833
TRIO Student Support Services	84.042A	P042A200753-24	-	297,892
Total TRIO Cluster			<u>-</u>	<u>342,725</u>
Student Financial Assistance Cluster				
Federal Pell Grant Program (M)	84.063	P063P230542	-	526,896
Federal Pell Grant Program (M)	84.063	P063P240542	-	6,836,931
Federal Supplemental Educational Opportunity Grants (M)	84.007	P007A231184	-	7,357
Federal Supplemental Educational Opportunity Grants (M)	84.007	P007A241184	-	120,413
Federal Work-Study Program (M)	84.033	P033A231184	-	8,526
Federal Work-Study Program (M)	84.033	P033A241184	-	108,567
Total Student Financial Assistance Cluster			<u>-</u>	<u>7,608,690</u>
Adult Education - Basic Grants to States	84.002	AE-53001-25	-	69,597
Career and Technical Education - Basic Grants to States	84.048	CTE-530-25	-	347,415
Total U.S. Department of Education			<u>-</u>	<u>8,368,427</u>
U.S. Department of Labor				
Passed through Parkland College				
Strengthening Community Colleges Training Grant	17.261	CC-38940-22-60-A-17	-	107,122
Total U.S. Department of Labor			<u>-</u>	<u>107,122</u>
U.S. Department of Health and Human Services				
Direct Grant				
Congressional Directives				
	93.493	6 CE1HS53756-01-03	-	4,533
Passed through the Illinois Department of Human Services:				
Child Care and Development Fund Cluster				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	FCSDI04632	-	1,346,919
Total Child Care and Development Fund Cluster			<u>-</u>	<u>1,346,919</u>
Passed through Southern Illinois University Carbondale				
Biomedical Research and Research Training	93.859	SIUC 20-02	-	328
Total U.S. Department of Health and Human Services			<u>-</u>	<u>1,351,780</u>
U.S. Department of Veterans Affairs				
Direct Grant				
Post-9/11 Veterans Education Assistance - GI Bill Chapter 33	64.028	N/A	-	106,416
Total U.S. Department of Veterans Affairs			<u>-</u>	<u>106,416</u>
U.S. Department of Commerce				
Direct Grant				
Economic Development Cluster				
Investments for Public Works and Economic Development Facilities	11.300	06-01-06399	-	178,716
Total Economic Development Cluster			<u>-</u>	<u>178,716</u>
Total U.S. Department of Commerce			<u>-</u>	<u>178,716</u>
Total Federal Awards			<u>\$ -</u>	<u>\$ 10,112,461</u>

The accompanying notes are an integral part of this schedule.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1: BASIS OF PRESENTATION

A. General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of John A. Logan College, Community College District No. 530 (the College) under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title I *U.S. Code of Federal Regulation* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position, or cash flows of the College.

B. Basis of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursements.

NOTE 2: SUBRECIPIENTS

No federal awards were provided to subrecipients for the year ended June 30, 2025 as detailed on the Schedule.

NOTE 3: NONCASH AWARDS

There were no noncash awards reported on the Schedule for the year ended June 30, 2025.

NOTE 4: LOANS OR LOAN GUARANTEES OUTSTANDING

There were no loan programs for the year ended June 30, 2025.

NOTE 5: INDIRECT COST RATE

The College has a plan for allocation of common and indirect costs related to grant programs in accordance with the Uniform Guidance. The indirect cost rate used to allocate amounts to grant programs during the fiscal year ended June 30, 2025, is primarily based on a federally negotiated higher education rate agreement. The College has elected not to use the 10% de Minimis indirect cost rate.

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- | | |
|--|---------------|
| 1. Type of auditor’s report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a.) Material weaknesses identified? | No |
| b.) Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| c.) Noncompliance material to the financial statements noted? | No |

Federal Awards

- | | |
|--|---------------|
| 1. Internal control over major program: | |
| a.) Material weaknesses identified? | No |
| b.) Significant deficiencies identified that are not considered to be material weaknesses? | None Reported |
| 2. Type of auditor’s report issued on compliance for major programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of the Uniform Guidance? | No |
| 4. Identification of major programs: | |

CFDA Number	Name of Federal Program
	Student Financial Assistance Cluster:
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal Work-Study Program
84.063	Federal Pell Grant Program

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
| 6. Auditee qualified as a low-risk auditee? | Yes |

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2025**

SECTION II – FINANCIAL STATEMENT FINDINGS

None Reported

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2025**

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None Reported

**JOHN A. LOGAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 530
CARTERVILLE, ILLINOIS**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025**

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
2024-001	During the compliance testing of “Special Tests and Provisions” requirements related to Enrollment Reporting, we noted the following exceptions: Two (2) students were not reported to the Clearinghouse after withdrawing from the institution.	Not Repeated

Form of Continuing Disclosure Undertaking

**PROPOSED FORM OF
CONTINUING DISCLOSURE UNDERTAKING
FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER SECTION (b)(5) OF RULE 15c2-12**

This Continuing Disclosure Undertaking (this “*Agreement*”) is executed and delivered by Community College District No. 530, Counties of Williamson, Jackson, Franklin, Perry and Randolph and State of Illinois (the “*District*”), in connection with the issuance of \$_____ Taxable General Obligation Community College Bonds, Series 2026C, and \$_____ General Obligation Community College Bonds, Series 2026D (together, the “*Bonds*”). The Bonds are being issued pursuant to a resolution adopted by the Board of Trustees of the District on the 24th day of March, 2026, as supplemented by a notification of sale (together, the “*Resolution*”).

In consideration of the issuance of the Bonds by the District and the purchase of such Bonds by the beneficial owners thereof, the District covenants and agrees as follows:

1. PURPOSE OF THIS AGREEMENT. This Agreement is executed and delivered by the District as of the date set forth below, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). The District represents that it will be the only obligated person with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Bonds.

2. DEFINITIONS. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

Annual Financial Information means information of the type contained under the following headings and subheadings of, and in the following appendices and exhibits to, the Official Statement:

FINANCIAL INFORMATION

- Trend of EAV
- EAV by County
- Tax Rates
- Tax Extensions and Collections
- Summary of Outstanding Bonded Debt
- Debt Repayment Schedule
- Debt Statement (with respect to the District’s debt only)
- Debt Ratios (with respect to the District’s debt only)

SUMMARY OF OPERATING RESULTS

- Combined Educational Fund and Unrestricted Operations and Maintenance Fund Revenue Sources
- Combined Educational Fund and Unrestricted Operations and Maintenance Fund Summary
- Operations and Maintenance Capital Projects (Restricted) Fund
- Working Cash Fund Summary
- Budget Summary

Annual Financial Information Disclosure means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

Audited Financial Statements means the audited financial statements of the District prepared pursuant to the principles and as described in *Exhibit I*.

Commission means the Securities and Exchange Commission.

Dissemination Agent means any agent designated as such in writing by the District and which has filed with the District a written acceptance of such designation, and such agent’s successors and assigns.

EMMA means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

Exchange Act means the Securities Exchange Act of 1934, as amended.

Financial Obligation of the District means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; *provided* that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

Official Statement means the Official Statement, dated _____, 2026, and relating to the Bonds.

Participating Underwriter means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Bonds.

Reportable Event means the occurrence of any of the Events with respect to the Bonds set forth in *Exhibit II*.

Reportable Events Disclosure means dissemination of a notice of a Reportable Event as set forth in Section 5.

Rule means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

State means the State of Illinois.

Undertaking means the obligations of the District pursuant to Sections 4 and 5.

3. CUSIP NUMBERS. The CUSIP Numbers of the Bonds are set forth in *Exhibit III*. All filings required under this Agreement will be filed on EMMA under these CUSIP Numbers. If the Bonds are refunded after the date hereof, the District will also make all filings required under this Agreement under any new CUSIP Numbers assigned to the Bonds as a result of such refunding, to the extent the District remains legally liable for the payment of such Bonds. The District will not make any filings pursuant to this Agreement under new CUSIP Numbers assigned to any of the Bonds after the date hereof for any reason other than a refunding, as described in the previous sentence, including, but not limited to, new CUSIP Numbers assigned to the Bonds as a result of a holder of the Bonds obtaining a bond insurance policy or other credit enhancement with respect to some or all of the outstanding Bonds in the secondary market.

4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the District will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided

to EMMA) shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

5. REPORTABLE EVENTS DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Resolution.

6. CONSEQUENCES OF FAILURE OF THE DISTRICT TO PROVIDE INFORMATION. The District shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the District to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the District to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Agreement in the event of any failure of the District to comply with this Agreement shall be an action to compel performance.

7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the District by resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the District, or type of business conducted; or

(ii) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the District (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made

to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the District shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. **TERMINATION OF UNDERTAKING.** The Undertaking of the District shall be terminated hereunder if the District shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Resolution.

9. **FUTURE CHANGES TO THE RULE.** As set forth in Section 1 of this Agreement, the District has executed and delivered this Agreement solely and only to assist the Participating Underwriters in complying with the requirements of the Rule. Therefore, notwithstanding anything in this Agreement to the contrary, in the event the Commission, the MSRB or other regulatory authority shall approve or require changes to the requirements of the Rule, the District shall be permitted, but shall not be required, to unilaterally modify the covenants in this Agreement, without complying with the requirements of Section 7 of this Agreement, in order to comply with, or conform to, such changes. In the event of any such modification of this Agreement, the District shall file a copy of this Agreement, as revised, on EMMA in a timely manner.

10. **DISSEMINATION AGENT.** The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

11. **ADDITIONAL INFORMATION.** Nothing in this Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the District chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the District shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

12. **BENEFICIARIES.** This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the District, the Dissemination Agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

13. **RECORDKEEPING.** The District shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

14. ASSIGNMENT. The District shall not transfer its obligations under the Resolution unless the transferee agrees to assume all obligations of the District under this Agreement or to execute an Undertaking under the Rule.

15. GOVERNING LAW. This Agreement shall be governed by the laws of the State.

COMMUNITY COLLEGE DISTRICT No. 530,
COUNTIES OF WILLIAMSON, JACKSON,
FRANKLIN, PERRY AND RANDOLPH AND
STATE OF ILLINOIS

By _____
Chair, Board of Trustees

Date: _____, 2026

EXHIBIT I
ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED
FINANCIAL STATEMENTS

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA; the Final Official Statement need not be available from the Commission. The District shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be submitted to EMMA by 270 days after the last day of the District's fiscal year (currently June 30), beginning with the fiscal year ending June 30, 2026. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, Audited Financial Statements will be submitted to EMMA within 30 days after availability to the District.

Audited Financial Statements will be prepared in accordance with accounting principles generally accepted in the United States of America.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the District will disseminate a notice of such change as required by Section 4.

EXHIBIT II
EVENTS WITH RESPECT TO THE BONDS
FOR WHICH REPORTABLE EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the District*
13. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material
15. Incurrence of a Financial Obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties

* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

**EXHIBIT III
CUSIP NUMBER**

2026C BONDS

YEAR OF MATURITY	CUSIP NUMBER (970013)
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2026D BONDS

YEAR OF MATURITY	CUSIP NUMBER (970013)
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Specimen Municipal Bond Insurance Policy



MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No.: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By _____
Authorized Officer

1633 Broadway, New York, N.Y. 10019

(212) 974-0100

Form 500 (8/24)