PRELIMINARY OFFICIAL STATEMENT, DATED JUNE 16, 2025

NEW ISSUE
BOOK-ENTRY ONLY

Rating:
MOODY'S: "Aa1"
See "BOND RATING" herein

Interest on the 2025A Certificates 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 2025B Certificates is excludible from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the 2025B Certificates may affect the corporate alternative minimum tax for certain corporations. Interest on the Certificates is not exempt from present State of Illinois income taxes. See "TAX MATTERS" herein for a more complete discussion.

Community College District No. 522
Counties of St. Clair, Madison, Monroe, Randolph, Washington, Bond, Perry and Montgomery and State of Illinois
(Southwestern Illinois College)
$20,105,000* Taxable Debt Certificates, Series 2025A
$40,130,000* Debt Certificates, Series 2025B

Dated: Date of Delivery **Due: December 1, as further described on the inside cover page**

The Taxable Debt Certificates, Series 2025A (the *"2025A Certificates"*), and Debt Certificates, Series 2025B (the *"2025B Certificates"* and, together with the 2025A Certificates, the *"Certificates"*), of Community College District No. 522, Counties of St. Clair, Madison, Monroe, Randolph, Washington, Bond, Perry and Montgomery and State of Illinois (the *"District"*), will be issued in fully registered form and will be registered initially only in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York (*"DTC"*). DTC will act as securities depository for the Certificates. Purchasers of the Certificates will not receive certificates representing their interests in the Certificates purchased. Ownership by the beneficial owners of the Certificates will be evidenced by book-entry only. Payments of principal of and interest on the Certificates will be made by UMB Bank, National Association, Kansas City, Missouri, as registrar and paying agent, to DTC, which in turn will remit such payments to its participants for subsequent disbursement to the beneficial owners of the Certificates. As long as Cede & Co. is the registered owner as nominee of DTC, payments of principal of and interest on the Certificates will be made to such registered owner, and disbursement of such payments will be the responsibility of DTC and its participants. Individual purchases of the Certificates will be made in the principal amount of $5,000 or any integral multiple thereof.

The Certificates will bear interest from their dated date at the rates per annum as shown on the inside cover page. Interest on the Certificates (computed on the basis of a 360-day year consisting of twelve 30-day months) will be payable semi-annually on each June 1 and December 1, commencing December 1, 2025.

Proceeds of the Certificates will be used to (a) finance capital improvements in and for the District and (b) pay costs associated with the issuance of the Certificates. See "USE OF PROCEEDS" herein.

The Certificates are subject to redemption prior to maturity at the option of the District, as a whole or in part, on any date on or after September 15, 2025,* at the redemption price of par plus accrued interest to the redemption date. See "THE CERTIFICATES—Redemption" herein.

In the opinion of Bond Counsel, the Certificates are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, except that the rights of the owners of the Certificates and the enforceability of the Certificates 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. There is no statutory authority for the levy of a separate tax in addition to other District taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates. See "THE CERTIFICATES—Security" herein.

The Certificates 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, and certain other conditions. Chapman and Cutler LLP, Chicago, Illinois, will also act as Disclosure Counsel to the District. Becker, Hoerner & Ysursa, P.C., Belleville, Illinois, will pass on certain matters for the District. Gilmore & Bell, P.C., Edwardsville, Illinois, will pass on certain matters for the Underwriter. It is expected that beneficial interests in the Certificates will be available for delivery through the facilities of DTC on or about July 15, 2025.

STIFEL

The date of this Official Statement is _____________, 2025.

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* Preliminary, subject to change.

Community College District No. 522
Counties of St. Clair, Madison, Monroe, Randolph, Washington,
Bond, Perry and Montgomery and State of Illinois
(Southwestern Illinois College)

$20,105,000* TAXABLE DEBT CERTIFICATES, SERIES 2025A

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS*

MATURITY (DECEMBER 1)	AMOUNT	INTEREST RATE	YIELD	CUSIP NUMBER** (85227X)
2025	$8,245,000	%	%	
2026	8,450,000	%	%	
2027	3,410,000	%	%	

$40,130,000* DEBT CERTIFICATES, SERIES 2025B

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS*

MATURITY (DECEMBER 1)	AMOUNT	INTEREST RATE	YIELD	CUSIP NUMBER** (85227X)
2027	$ 5,525,000	%	%	
2028	9,430,000	%	%	
2029	9,935,000	%	%	
2030	10,470,000	%	%	
2031	4,770,000	%	%	

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* Preliminary, subject to change.

** CUSIP data herein is provided by the 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 Certificates.

No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or to make any representations other than those contained in this Official Statement in connection with the offering described herein and if given or made, such other information or representations must not be relied upon as statements having been authorized by the District, the Underwriter or any other entity. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Certificates, nor shall there be any offer to sell or solicitation of an offer to buy the Certificates by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. This Official Statement is submitted in connection with the sale of the securities described in it and may not be reproduced or used, in whole or in part, for any other purposes.

Unless otherwise indicated, the District is the source of all tables and statistical and financial information contained in this Official Statement. The information contained in this Official Statement concerning DTC has been obtained from DTC. The other information set forth herein has been furnished by the District 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.

This Official Statement should be considered in its entirety and no one factor considered more or less important than any other by reason of its position in this Official Statement. Where statutes, reports or other documents are referred to herein, reference should be made to such statutes, 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.

Any statements made in this Official Statement, including the Exhibits and 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.

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

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

TABLE OF CONTENTS

PAGE

INTRODUCTION 1
THE CERTIFICATES 1
Authority and Purpose 1
General Description 2
Registration and Transfer....2
Redemption....2
Security 4
USE OF PROCEEDS....4
SOURCES AND USES 5
RISK FACTORS 6
Construction Risks....6
Finances of the State of Illinois 6
Federal Revenues....6
Local Economy 7
Bond Rating 7
Secondary Market for the Certificates 7
Continuing Disclosure 7
Suitability of Investment....8
Future Changes in Laws....8
Factors Relating to Tax Exemption 8
Cybersecurity 9
Bankruptcy....9
THE DISTRICT 9
General Description 9
Accreditation, Programs and Tuition....10
Scott Air Force Base 10
Transportation....11
District Administration 11
Board of Trustees....12
Enrollment....12
Credit Hours and Student Tuition and Fees....13
Student Tuition and Fees 14
Employee Union Membership and Relations 15
Population Data....16
FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT 17
Direct General Obligation Bonds (Principal Only) 17
Debt Certificates (Principal Only) 18
Overlapping General Obligation Bonds....19
Selected Financial Information 20
Composition of EAV 21
Trend of EAV 21
Tax Increment Financing Districts Located within the District....22

Taxes Extended and Collected....22
District Tax Rates by Purpose....23
Representative Total Tax Rates....23
Ten Largest Taxpayers....24
Retailers' Occupation Tax and Service Occupation Tax....25
Corporate Personal Property Replacement Taxes....25
Largest Employers....27
Unemployment Rates....28
Housing Value and Income Statistics....29
SHORT-TERM BORROWING....29
FUTURE DEBT....29
DEFAULT RECORD....29
WORKING CASH FUND....30
Working Cash Fund Summary....30
REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES....30
Summary of Property Assessment, Tax Levy and Collection Procedures....30
Tax Levy and Collection Procedures....31
Unpaid Taxes and Annual Tax Sales....31
Exemptions....32
Property Tax Extension Limitation Law....33
Truth in Taxation Law....34
STATE AID....35
General....35
Direct Operating Support....35
Indirect Operating Support....35
Institutional Grant Programs....36
History of State Funding....36
Student Financial Aid....36
FEDERAL AID....37
General....37
COVID-19 Funds Distributed to the District....37
RETIREMENT PLAN....38
Pension and Retirement Plan....38
Financial Reporting under GASB Standards....38
BOND RATING....39
TAX MATTERS....40
The 2025A Certificates....40
The 2025B Certificates....40
CONTINUING DISCLOSURE....42
AUDITED FINANCIAL STATEMENTS....43
BOOK-ENTRY ONLY SYSTEM....43
CERTAIN LEGAL MATTERS....46
NO LITIGATION....46
UNDERWRITING....47
AUTHORIZATION....48

EXHIBITS

Exhibit A	—	Combined Statement of Revenues, Expenditures and Changes in Fund Balance, Fiscal Years Ended June 30, 2020-2024
Exhibit B	—	Budget, Fiscal Year Ending June 30, 2025
Exhibit C	—	General Fund Revenue Sources, Fiscal Years Ended June 30, 2020-2024

APPENDICES

Appendix A	—	Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2024
Appendix B	—	Proposed Forms of Opinions of Bond Counsel
Appendix C	—	Proposed Form of Continuing Disclosure Undertaking

COMMUNITY COLLEGE DISTRICT NO. 522
COUNTIES OF ST. CLAIR, MADISON, MONROE, RANDOLPH, WASHINGTON,
BOND, PERRY AND MONTGOMERY AND STATE OF ILLINOIS
(SOUTHWESTERN ILLINOIS COLLEGE)

2500 Carlyle Avenue
Belleville, Illinois 62221

Administration

Nick Mance
President

Jacob Wheeler
Chief Financial Officer and Board Treasurer

Beverly Fiss
Board Secretary

Professional Services

Underwriter
Stifel, Nicolaus & Company, Incorporated
St. Louis, Missouri

Issuer's Counsel
Becker, Hoerner & Ysursa, P.C.
Belleville, Illinois

Bond Counsel and Disclosure Counsel
Chapman and Cutler LLP
Chicago, Illinois

Underwriter's Counsel
Gilmore & Bell, P.C.
Edwardsville, Illinois

Registrar and Paying Agent
UMB Bank, National Association
Kansas City, Missouri

Auditor
CliftonLarsonAllen LLP
Belleville, Illinois

OFFICIAL STATEMENT

Community College District No. 522
Counties of St. Clair, Madison, Monroe, Randolph, Washington,
Bond, Perry and Montgomery and State of Illinois
(Southwestern Illinois College)
$20,105,000* Taxable Debt Certificates, Series 2025A
$40,130,000* Debt Certificates, Series 2025B

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning Community College District No. 522, Counties of St. Clair, Madison, Monroe, Randolph, Washington, Bond, Perry and Montgomery and State of Illinois (the *"District"* or *"SWIC"*), in connection with the offering and sale of its Taxable Debt Certificates, Series 2025A (the *"2025A Certificates"*), and Debt Certificates, Series 2025B (the *"2025B Certificates"* and, together with the 2025A Certificates, the *"Certificates"*).

This Official Statement contains "forward-looking statements" that are based upon the District's current expectations and its projections about future events. When used in this Official Statement, the words "project," "estimate," "intend," "expect," "scheduled," "pro-forma" and similar words identify forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and factors that are outside of the control of the District. Actual results could differ materially from those contemplated by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Neither the District nor any other party plans to issue any updates or revisions to these forward-looking statements based on future events.

THE CERTIFICATES

AUTHORITY AND PURPOSE

The Certificates are being 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 (the *"Debt Reform Act"*), and all laws amendatory thereof and supplementary thereto, and a certificate resolution adopted by the Board of Trustees of the District (the *"Board"*) on the 18th day of June, 2025 (as supplemented by a notification of sale, the *"Certificate Resolution"*).

Proceeds of the Certificates will be used to (a) finance capital improvements in and for the District (the *"Project"*) and (b) pay costs associated with the issuance of the Certificates. See "USE OF PROCEEDS" herein.

* Preliminary, subject to change.

GENERAL DESCRIPTION

The Certificates will be dated the date of issuance thereof, will be in fully registered form, without coupons, and will be in denominations of $5,000 or any integral multiple thereof under a book-entry only system operated by The Depository Trust Company, New York, New York (*"DTC"*). Principal of and interest on the Certificates will be payable by UMB Bank, National Association, Kansas City, Missouri (the *"Registrar"*).

The Certificates will mature as shown on the inside cover page hereof. Interest on the Certificates will be payable each June 1 and December 1, commencing December 1, 2025.

The Certificates 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 Certificates 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. Interest on each Certificates 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 Certificate 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"*).

REGISTRATION AND TRANSFER

The Registrar will maintain books (the *"Register"*) for the registration of ownership and transfer of the Certificates. Subject to the provisions of the Certificates as they relate to book-entry form, any Certificates may be transferred upon the surrender thereof at the principal corporate trust office of the Registrar, together with an assignment duly executed by the registered owner or his or her attorney in such form as will be satisfactory to the Registrar. No service charge shall be made for any transfer or exchange of Certificates, but 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 Certificates except in the case of the issuance of a Certificate or Certificates for the unredeemed portion of a Certificate surrendered for redemption.

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

REDEMPTION

Optional Redemption. The Certificates 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 Certificates of a single series and maturity to be selected by the Registrar), on September 15, 2025,* and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

Mandatory Sinking Fund Redemption. The [2025__] Certificates due on December 1 of the years 20__ and 20__ are subject to mandatory redemption, in integral multiples of $5,000 selected by lot by the Registrar, at a redemption price of par plus accrued interest to the redemption date, on December 1 of the years and in the principal amounts as follows:

FOR THE [2025__] CERTIFICATES DUE DECEMBER 1, 20__

YEAR	PRINCIPAL AMOUNT
20__	$
20__	(stated maturity)

FOR THE [2025__] CERTIFICATES DUE DECEMBER 1, 20__

YEAR	PRINCIPAL AMOUNT
20__	$
20__	(stated maturity)

[The principal amounts of Certificates to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Certificates credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the District may determine. In addition,]on or prior to the 60th day preceding any mandatory redemption date, the Registrar may, and if directed by the District shall, purchase Certificates required to be retired on such mandatory redemption date. Any such Certificates so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

General. 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, series and maturity or maturities of Certificates to be redeemed. For purposes of any redemption of less than all of the outstanding Certificates of a single maturity, the particular Certificates or portions of Certificates to be redeemed shall be selected by lot by the Registrar from the Certificates of such maturity by such method of lottery as the Registrar shall deem fair and appropriate (except when the Certificates are held in a book-entry system, in which case the selection of Certificates to be redeemed will be made in accordance with procedures established by DTC or any other book-entry depository); *provided* that such lottery shall provide for the selection for redemption of Certificates or portions thereof in principal amounts of $5,000 and integral multiples thereof.

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* Preliminary, subject to change.

Unless waived by any holder of Certificates 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 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Certificates 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.

Unless moneys sufficient to pay the redemption price of the Certificates 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 Certificates, and the Registrar will give notice, in the same manner in which the notice of redemption has been given, that such moneys were not so received and that such Certificates 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 Certificates or portions of Certificates 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 Certificate Resolution, and notwithstanding failure to receive such notice, the Certificates or portions of Certificates 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 Certificates or portions of Certificates shall cease to bear interest. Upon surrender of such Certificates for redemption in accordance with said notice, such Certificates will be paid by the Registrar at the redemption price.

SECURITY

The Certificates, in the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel (*"Bond Counsel"*), are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, except that the rights of the owners of the Certificates and the enforceability of the Certificates 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. There is no statutory authority for the levy of a separate tax in addition to other District taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates.

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

USE OF PROCEEDS

Proceeds of the Certificates will be used to finance the Project. The Project includes a new facility in the City of Belleville (the *"City"*) for the District's police academy, which will encompass a shooting facility, a tactical village and a defensive driving course. The police academy building is expected to be completed in the summer of 2027 and cost approximately $25-$30 million.

Proceeds of the Certificates will also fund various remodels and renovations to the District's current buildings, including the Granite City campus.

Proceeds of the Certificates will also be used to build a new building at the Red Bud campus to be used for District purposes, including to house programming for the Perandoe Special Education District (*"Perandoe"*), which is a special education cooperative serving school districts in Monroe and Randolph Counties, and the Career Center of Southern Illinois (*"CCSI"*), which is a vocational cooperative that provides integrated and relevant career and technical education for students from area high schools. The school district members of Perandoe are Chester Community Unit School District Number 139 ("*Chester CUSD 139*"), Chester Non-High School District Number 122, Coulterville Community Unit School District Number 1, Prairie Du Rocher Consolidated School District Number 134, Red Bud Community Unit School District Number 132 ("*Red Bud CUSD 132*"), Sparta Community Unit School District Number 140 ("*Sparta CUSD 140*"), Steeleville Community Unit School District Number 138, Valmeyer Community Unit School District Number 3 ("*Valmeyer CUSD 3*") and Waterloo Community Unit School District Number 5. The school district members of CCSI are Chester CUSD 139, Columbia Community Unit School District Number 4, Dupo Community Unit School District Number 196, Freeburg Community High School District Number 77, Marissa Community Unit School District Number 40, New Athens Community Unit School District Number 60, Red Bud CUSD 132, Sparta CUSD 140 and Valmeyer CUSD 3. The new Red Bud building is expected to be completed in spring of 2028.

SOURCES AND USES

The sources and uses of funds resulting from the Certificates are shown below:

SOURCES:	2025A CERTIFICATES	2025B CERTIFICATES
Principal Amount	$	$
[Net] Original Issue Premium/(Discount)		
Total Sources	$	$
USES:		
Costs of the Project	$	$
Costs of Issuance*		
Total Uses	$	$

* Includes underwriter's discount and other issuance costs.

RISK FACTORS

The purchase of the Certificates involves certain investment risks. Accordingly, each prospective purchaser of the Certificates should make an independent evaluation of the entirety of the information presented in this Official Statement and its appendices and exhibits 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 Certificates, 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 18.86% of the District's General Fund revenue sources for the fiscal year ended June 30, 2024. While the finances of the State of Illinois (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 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 affect 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.

BOND RATING

The Certificates have received a credit rating from Moody's Ratings, New York, New York (*"Moody's"*). The rating 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 Certificates or may affect the price at which they can be sold.

SECONDARY MARKET FOR THE CERTIFICATES

No assurance can be given that a secondary market will develop for the purchase and sale of the Certificates or, if a secondary market exists, that such Certificates 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 Certificates at the request of the owners thereof.

Prices of the Certificates 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 Certificates. 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 Certificates. Any such failure must be reported in accordance with Rule 15c2-12 (the *"Rule"*) adopted by the Securities and Exchange Commission (the *"Commission"*) under the Securities Exchange Act of 1934, as amended (the *"Exchange Act"*), and may adversely affect the transferability and liquidity of the Certificates and their market price.

SUITABILITY OF INVESTMENT

The interest rates borne by the Certificates are intended to compensate the investor for assuming the risk of investing in the Certificates. Furthermore, the tax-exempt feature of the 2025B Certificates 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 Certificates 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 Certificates. 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 EXEMPTION

As discussed under "TAX MATTERS—The 2025B Certificates" herein, interest on the 2025B Certificates could become includible in gross income for purposes of federal income taxation, retroactive to the date the 2025B Certificates were issued, as a result of future acts or omissions of the District in violation of its covenants in the Certificate Resolution. Should such an event of taxability occur, the 2025B Certificates are not subject to any special redemption.

There are or may be pending in the Congress legislative proposals relating to the federal tax treatment of interest on the 2025B Certificates, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the 2025B Certificates. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations issued prior to enactment. Finally, reduction or elimination of the tax-exempt status of obligations such as the 2025B Certificates 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 holders of the 2025B Certificates 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 2025B Certificates, regardless of the ultimate outcome.

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 virus, 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.

BANKRUPTCY

The rights and remedies of the Certificateholders 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 Certificates will be similarly qualified.

THE DISTRICT

GENERAL DESCRIPTION

Established in 1966, the District is located in southwestern Illinois, in the heart of the St. Louis Metropolitan Statistical Area (MSA). The Illinois counties within the St. Louis MSA are commonly referred to as the Metro-East area. The District lies primarily within St. Clair, Madison and Monroe Counties, and is bordered on the west by the Mississippi River. St. Clair County (*"St. Clair County"*), is the largest county in the District and comprises 49.30% of the District's 2023 equalized assessed valuation (*"EAV"*). The District offices and main campus are located in the City, the County Seat of St. Clair County. The District has additional campuses in Granite City (Madison County) (*"Granite City"*), Fairview Heights (St. Clair County) (*"Fairview Heights"*) and the City of Red Bud (Randolph County). The District also has an office and offers classes at the Scott Air Force Base (*"SAFB"*) and offers classes at the East St. Louis Community College Center.

Larger communities in the District include the City (5.43% of the District's 2023 EAV), the City of O'Fallon (*"O'Fallon"*) (9.75% of the District's 2023 EAV), Granite City (4.45% of the District's 2023 EAV), the City of Collinsville (*"Collinsville"*) (5.93% of the District's 2023 EAV) and Fairview Heights (4.71% of the District's 2023 EAV). See "–Population Data" herein.

ACCREDITATION, PROGRAMS AND TUITION

The District is fully accredited by The Higher Learning Commission and is approved by the Illinois Community College Board (ICCB) and the Illinois Board of Higher Education. In addition, individual programs are accredited by associated professional organizations. The District is also a member of numerous other local, state and national organizations which assist the District in meeting its educational goals.

The District offers a number of degree and certificate options 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, as well as an Associate in Fine Arts, Associate in Applied Science and Associate in Engineering Science. 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.

Tuition, local property taxes and state grants support the District. Tuition for in-district residents is currently $123 per credit hour plus a $9 per credit hour student activity fee and is expected to increase for the next fiscal year. See "–Credit Hours and Student Tuition and Fees" and "–Student Tuition and Fees" herein.

SCOTT AIR FORCE BASE

SAFB, located on 3,278 acres within the District, is a cornerstone of the St. Louis Region and is one of the area's largest employers. Established in 1917 as Scott Field, SAFB is one of the oldest continuous-service U.S. Air Force installations in the world. Its primary role when it opened during World War I was as a training field for new aviators, radio operators, and mechanics. Over time, this role has evolved and grown to the point that, during a speech in June 2008, the Secretary of Defense referred to SAFB as one of the most important bases in the entire United States military.

SAFB employs more than 13,000 people and all branches of the armed forces are represented—Army, Navy, Coast Guard, Marines, Space Force and Air Force. SAFB's team of service members, contractors and civilian workforce perform a variety of missions spanning a wide range of specialties. They serve as experts in such areas as cyber operations and network defense, global transportation, coordination via land, sea or air, aeromedical evacuation, aerial refueling and executive airlift.

SAFB is home to thirty-five major organizations with the 375th Air Mobility Wing serving as the host unit responsible for infrastructure, operational support, and medical and family services for all assigned personnel. According to a Leadership Council of Southwestern Illinois economic study, the business and workforce on SAFB contribute over $3 billion a year to the regional economy. Currently, there are construction projects valued over $300 million taking place on SAFB that include a new Joint Operations Mission Planning Center, an addition to a data facility, repairs and renovations to the Air Mobility Command Headquarters building and improvements to a flying operations building.

The units and organizations based on SAFB include the U.S. Transportation Command; Air Mobility Command; Surface Deployment and Distribution Command; Defense Information System Agency; Eighteenth Air Force; 618th Air and Space Operations Center; Cyberspace Capabilities Center; 635th Supply Chain Operations Wing; 375th Medical Group, 375th Mission Support Group, 375th Operations Group; 932d Airlift Wing; 126th Air Refueling Wing; 435th Training Squadron and more than 20 other associate partners.

SAFB survived the 1988, 1991, 1993, 1995, and 2005 rounds of Base Realignment and Closure (BRAC) evaluation, under which Congress made closure or modification of mission recommendations for military installations. This legislation has expired and none is pending in Congress. While numerous other military installations have seen their roles diminish, or have even closed, as a result of the BRAC process, SAFB has expanded to fill these voids. Since the initial round of BRAC evaluations in 1988, SAFB has experienced the following changes: it became a joint use airfield upon construction of MidAmerica Airport in Mascoutah; the 126th Air National Guard Refueling Wing relocated from Chicago to SAFB; it gained regional supply squadron manpower positions from Florida and Germany, logistics positions from Arkansas and Oklahoma, and firefighter manpower positions from Missouri; the U.S. Army Surface Deployment and Distribution Command relocated from Virginia to SAFB; it gained the 54th Airlift Squadron upon its activation; and it gained the Eighteenth Air Force upon its reactivation.

While SAFB is the major regional employer, the District receives no federal funding related to SAFB.

TRANSPORTATION

The District is located within an excellent transportation hub. In addition to the joint-use MidAmerica Airport, St. Louis Lambert International Airport provides international, commercial air transportation. Ground transportation is provided by Interstates 55, 64, 70, 255 and 270, U.S. Highway 50 and State Routes 3, 4, 13, 15, 111, 116, 117, 156, 158, 159, 160, 161, 163, 177 and 203. The St. Louis and the Metro-East area, including the District, is linked by the BiState Transportation System. The BiState Transportation System offers bus service as well as Metro Link, a light rail system.

DISTRICT ADMINISTRATION

The District is governed by a seven-member Board elected from geographic sub-districts for four- or six-year terms and one non-voting student member elected by the student body for a one-year term. The day-to-day affairs of the District are conducted by a full-time staff including the following central administrative positions.

Official	Title	Year Started in Position
Nick Mance	President	2018
Jacob Wheeler	Chief Financial Officer and Board Treasurer	2023

BOARD OF TRUSTEES

Official	Position	Term Expires
Steve Campo	Chair	April 2027
Mark Morton	Vice Chair	April 2029
Matthew Burke	Trustee	April 2027
Sean McPeak	Trustee	April 2029
Nick Raftopoulos	Trustee	April 2029
Dane Tippett	Trustee	April 2029
Tracy Vallett	Trustee	April 2027
Ben Murphy	Student Trustee (non-voting member)	April 2026
Beverly Fiss	Secretary	Appointed

ENROLLMENT

Fiscal Year	Student Enrollment	Annual Full Time Equivalent	Percentage Change in Student Enrollment
2020	15,048	6,200	-1.64%(1)
2021	13,299	5,511	-11.62%
2022	14,474	5,720	+8.84%
2023	14,786	5,675	+2.16%
2024	15,081	5,923	+1.99%
2025	16,394(2)	6,346(2)	+8.71%(2)

Source: The District.
(1) Based on Student Enrollment for fiscal year 2019 of 15,299.
(2) Estimated. The District expects its enrollment to increase by approximately 7% in fiscal year 2026.

The District recently hired a College Inclusion Ambassador to help with recruiting and retention. The District is also offering more programs that cater to the community in hopes of increasing enrollment. For instance, the area is very healthcare services oriented, so the District has added a practical nursing program. The District has also lowered its out-of-district and out-of-state tuition in the hopes of attracting more students.

The District has approved over twenty new programs in the last two-three years. New programs include an avionics program in Granite City and increased cohorts for nursing, medical assistants and licensed practical nurses.

Boeing has developed its newest manufacturing facility at MidAmerica Airport in Mascoutah, Illinois. The 300,000 square-foot facility was built on 34 acres that Boeing is leasing from the Airport. Boeing will make the U.S. Navy's first aircraft-refueling drones at the facility. Boeing and the District are looking to jointly tailor manufacturing coursework to serve the highly specialized needs of the parts that will be designed specifically at the facility. Students who successfully complete this training will be hired by Boeing to work at this location. Representatives from Boeing currently sit on the SWIC Aviation Maintenance Technician (AVMT) advisory board to provide consultation on curriculum, and Boeing has been a reliable partner and employer for graduates of the District throughout the years. Boeing has also expressed support for the District's upcoming avionics programming in Granite City.

In August 2024, the District opened the Advanced Manufacturing Academy at its Belleville campus to expand its precision machining technology program. The District's Advanced Manufacturing Academy will offer training in industrial electricity, robotic and automated welding, precision machining concentrations and EV technologies, among other programs. The addition of this facility allows the District to double potential enrollment numbers.

The District is expanding its career technology education programming at its Red Bud campus with the construction of a new 7,800 square foot facility. At the new facility, the District plans to expand its existing programs for nursing, welding, plumbing and construction management. There are also plans to expand the current parking lot and create walkways that will connect the new building to the rest of the campus. The District anticipates construction to be complete in March 2026.

CREDIT HOURS AND STUDENT TUITION AND FEES

FISCAL YEAR	TOTAL CREDIT HOURS	IN DISTRICT TUITION & FEES PER CREDIT HOUR
2020	159,316	$122
2021	138,623	122
2022	171,610	122
2023	170,251	127
2024	177,701	129
2025	190,381[1]	132

Source: The District.
(1) Estimated

STUDENT TUITION AND FEES

FISCAL YEAR	IN DISTRICT TUITION	STUDENT ACTIVITIES FEE PER CREDIT HOUR	TOTAL
2020	$113	$9	$122
2021	113	9	122
2022	113	9	122
2023	118	9	127
2024	120	9	129
2025	123	9	132

Source: The District.

Tuition for in-district residents will increase by $12 for fall 2025 and will be $135 plus a $9 per credit hour fee. The District expects that this is a one-time increase and was done primarily to cover the increase in faculty salaries that the Board approved in the summer of 2024. See "-Employee Union Membership and Relations" herein.

EMPLOYEE UNION MEMBERSHIP AND RELATIONS

The District has approximately 171 full-time faculty, 651 part-time faculty and 601 administrative staff and other non-teaching professionals. Of the total number of employees, approximately 713 are represented by a union. Employee-union relations are considered to be good. District personnel are organized as follows:

EMPLOYEE GROUP	CONTRACT EXPIRES	UNION AFFILIATION	NUMBER OF MEMBERS
Custodial, Building Service Workers, Grounds Workers and Shift Leaders	06/2025	Local Union 116 Service Employees Union	51
FT Faculty(1)	08/2029	Local 4183 AFT-IFT/AFL-CIO	171
SWIC Public Safety Employees	06/2025	Policemen's Benevolent Labor Committee	22
Adjunct Faculty	07/2029	IFT/AFT, AFL-CIO, Local 6270	209
Maintenance Personnel	06/2026	Local Union 116 Service Employees Union	8
Physical Plant PT	07/2025	Operating Engineers Local 148, AFL-CIO	15
SWIC Educational Employees	08/2025	Local 6600 IFT/AFT, AFL/CIO	151
SWIC ATS	08/2027	Local 6600 IFT/AFT, AFL/CIO	86

Source: The District.

(1) In August 2024, the Board approved the following salary increases for the full-time faculty: fiscal year 2025-5%; fiscal year 2026-5%; and fiscal years 2027 through 2029-4% each year.

POPULATION DATA

The District estimates that its current population is approximately 415,041. The estimated populations shown below at the times of the last three U.S. Census surveys were as follows:

NAME OF ENTITY	2000	2010	2020	PERCENTAGE CHANGE 2010/2020
The City	41,570	44,478	42,404	-4.66%
Collinsville	24,707	25,579	24,366	-4.74%
Fairview Heights	15,034	17,078	16,706	-2.18%
Granite City	31,301	29,849	27,549	-7.71%
O'Fallon	21,910	28,281	32,289	+14.17%
St. Clair County	256,067	270,056	257,400	-4.69%
Madison County	258,950	269,282	265,859	-1.27%
Monroe County	27,619	32,957	34,962	+6.08%
The State	12,419,293	12,830,632	12,812,508	-0.14%

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

FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT

DIRECT GENERAL OBLIGATION BONDS (PRINCIPAL ONLY)

CALENDAR YEAR	2023 BONDS[(1)] (DEC. 1)
2025	$ 4,070,000
2026	2,950,000
2027	3,925,000
2028	4,310,000
2029	3,180,000
TOTAL	$18,435,000

(1) General Obligation Community College Bonds, Series 2023, dated December 19, 2023 (the *"2023 Bonds"*).

DEBT CERTIFICATES (PRINCIPAL ONLY)

CALENDAR YEAR	2025A CERTIFICATES[1] (DECEMBER 1)	2025B CERTIFICATES[1] (DECEMBER 1)	TOTAL OUTSTANDING DEBT CERTIFICATES[1]
2025	$ 8,245,000		$ 8,245,000
2026	8,450,000		8,450,000
2027	3,410,000	$ 5,525,000	8,935,000
2028		9,430,000	9,430,000
2029		9,935,000	9,935,000
2030		10,470,000	10,470,000
2031		4,770,000	4,770,000
TOTAL	$20,105,000	$40,130,000	$60,235,000

(1) Preliminary, subject to change.

OVERLAPPING GENERAL OBLIGATION BONDS
(As of April 29, 2025)

TAXING BODY	OUTSTANDING(1)	APPLICABLE TO THE DISTRICT PERCENT	APPLICABLE TO THE DISTRICT AMOUNT
St. Clair County (incl. Public Building Commission)	$ 33,175,000	97.979%	$ 32,504,617
Randolph County	1,354,500	97.227%	1,316,942
Prairie DuPont Levee and Sanitary District	517,000	100.000%	517,000
Stookey Township Road District	2,465,000	100.000%	2,465,000
The City	16,390,000	99.175%	16,254,773
Collinsville	18,260,000	100.000%	18,260,000
City of Edwardsville	26,703,462	8.817%	2,354,517
Fairview Heights	14,370,000	93.974%	13,504,108
Village of Freeburg	100,000	100.000%	100,000
Village of Glen Carbon	6,635,000	0.258%	17,125
Granite City	34,580,000	99.882%	34,539,327
City of Mascoutah	1,490,000	100.000%	1,490,000
O'Fallon	41,915,000	100.000%	41,915,000
Village of Valmeyer	50,000	100.000%	50,000
Emerald Mound-Lebanon Fire	835,000	100.000%	835,000
French Village Fire	1,040,000	44.005%	457,650
Northwest St. Clair County Fire	1,120,000	99.997%	1,119,971
St. Libory Fire	228,000	91.836%	209,387
Villa Hills Fire	933,000	100.000%	933,000
Six-Mile Regional Library District	875,921	99.087%	867,919
Collinsville Area Recreation Dist.	14,535,000	97.468%	14,166,978
Freeburg Park District	120,000	100.000%	120,000
Granite City Park District	1,237,000	99.971%	1,236,638
Waterloo Park District	214,000	100.000%	214,000
Freeburg SD 70	1,099,000	100.000%	1,099,000
Shiloh SD 85	1,086,000	100.000%	1,086,000
Central SD 104	9,500,000	100.000%	9,500,000
Pontiac SD 105	1,520,000	100.000%	1,520,000
Wolf Branch SD 113	6,238,412	100.000%	6,238,412
Whiteside SD 115	13,955,000	100.000%	13,955,000
High Mount SD 116	1,871,000	100.000%	1,871,000
Belleville SD 118	34,570,000	100.000%	34,570,000
Belle Valley SD 119	27,320,000	100.000%	27,320,000
Harmony Emge SD 175	2,185,000	100.000%	2,185,000
Signal Hill SD 181	1,775,000	100.000%	1,775,000
O'Fallon CCSD 90	25,215,000	100.000%	25,215,000
Grant CCSD 110	3,530,000	100.000%	3,530,000
Smithton CCSD 130	4,385,000	100.000%	4,385,000
Millstadt CCSD 160	5,868,000	100.000%	5,868,000
Triad CUSD 2	20,279,417	99.985%	20,276,442
Valmeyer CUSD 3	2,870,000	100.000%	2,870,000
Columbia CUSD 4	22,855,000	100.000%	22,855,000
Highland CUSD 5	46,724,000	98.490%	46,018,644
Waterloo CUSD 5	31,400,000	100.000%	31,400,000
Edwardsville CUSD 7	180,324,566	0.044%	78,580
Granite City CUSD 9	20,000,000	91.828%	18,365,594
Lebanon CUSD 9	7,790,000	100.000%	7,790,000
Collinsville CUSD 10	1,380,000	97.039%	1,339,143
West Washington CUSD 10	4,895,000	69.658%	3,409,779
Madison CUSD 12	3,400,000	100.000%	3,400,000
Mascoutah CUSD 19	39,459,302	100.000%	39,459,302
Marissa CUSD 40	219,000	100.000%	219,000

Taxing Body	Outstanding(1)	Applicable to the District Percent	Applicable to the District Amount
New Athens CUSD 60	2,130,000	100.000%	2,130,000
Red Bud CUSD 132	1,841,000	100.000%	1,841,000
Cahokia CUSD 187	77,940,000	100.000%	77,940,000
Dupo CUSD 196	12,645,000	100.000%	12,645,000
Freeburg HSD 77	13,075,000	99.966%	13,070,609
Nashville CHSD 99	1,525,000	0.277%	4,226
Belleville HSD 201	47,043,405	100.000%	47,043,405
O'Fallon HSD 203	11,975,000	100.000%	11,975,000
TOTAL OVERLAPPING BONDED DEBT			$689,697,088

Source: With respect to the applicable taxing bodies and the information used to calculate the percentage of overlapping EAV, the offices of the County Clerks of the hereinafter-defined Counties (the *"County Clerks"*). Information regarding the outstanding bonds of the overlapping taxing bodies was obtained from publicly-available sources.

(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.

SELECTED FINANCIAL INFORMATION

2023 Estimated Full Value of Taxable Property:	$30,695,891,919
2023 EAV:	$10,231,963,973(1)
Population Estimate:	415,041
General Obligation Bonds:	$ 18,435,000
Other Direct General Obligation Debt:	$ 60,710,904(2)(3)
Total Direct General Obligation Debt:	$ 79,145,904(2)
Percentage to Full Value of Taxable Property:	0.26%(2)
Percentage to EAV:	0.77%(2)
Debt Limit (2.875% of EAV):	$ 294,168,964(4)
Percentage of Debt Limit:	26.90%(2)
Per Capita:	$ 191(2)
General Obligation Bonds:	$ 18,435,000
Overlapping General Obligation Bonds:	$ 689,697,088
General Obligation Bonds and Overlapping General Obligation Bonds:	$ 708,132,088
Percentage to Full Value of Taxable Property:	2.30%
Percentage to EAV:	6.92%
Per Capita:	$ 1,706

(1) Includes Incremental EAV (as hereinafter defined) and Enterprise Zone EAV in the amount of $820,556,423. See "-Tax Increment Financing Districts Located within the District" herein.
(2) Preliminary, subject to change.
(3) Includes the Certificates and $475,904 of lease agreements.
(4) Incremental EAV is included in the calculation of the District's statutory debt limit. The District receives property tax revenues from the property included in the tax increment financing (*"TIF"*) district to the extent that the District has entered into an intergovernmental agreement regarding the TIF district. See "Tax Increment Financing Districts Located within the District" herein.

COMPOSITION OF EAV

	2019	2020	2021	2022	2023
By Property Type					
Residential	$5,112,488,105	$5,297,857,149	$5,496,875,820	$5,906,925,280	$6,487,993,353
Farm	700,424,379	742,474,591	792,430,272	863,950,514	959,510,058
Commercial	1,158,445,905	1,210,574,452	1,297,702,470	1,435,228,053	1,571,394,836
Industrial	270,255,643	259,471,593	258,040,768	267,079,946	272,116,775
Railroad	85,591,362	88,404,754	97,365,031	107,092,384	116,359,276
Mineral	3,575,803	3,030,272	4,017,263	3,580,232	4,033,252
Total EAV(1)	$7,330,781,197	$7,601,812,811	$7,946,431,624	$8,583,856,409	$9,411,407,550

Source: County Clerks' Offices.

(1) Does not include Incremental EAV and Enterprise Zone EAV.

	2019	2020	2021	2022	2023
By County					
St. Clair County	$3,654,921,313	$3,777,681,546	$3,936,297,507	$4,235,811,926	$4,639,652,071
Madison County	2,136,956,125	2,253,672,640	2,374,986,077	2,612,865,479	2,880,241,155
Monroe County	941,054,195	978,022,849	1,030,880,046	1,103,751,444	1,228,004,299
Randolph County	498,348,283	490,945,438	499,290,040	526,198,385	561,674,049
Washington County	81,981,985	83,129,959	85,078,876	83,000,815	77,975,372
Bond County	15,032,452	15,774,569	16,807,297	18,867,062	20,148,698
Perry County	2,293,506	2,376,832	2,864,013	3,113,600	3,444,658
Montgomery County	193,338	208,978	227,768	247,698	267,248
Total EAV(1)	$7,330,781,197	$7,601,812,811	$7,946,431,624	$8,583,856,409	$9,411,407,550

Source: County Clerks' Offices.

(1) Does not include Incremental EAV and Enterprise Zone EAV.

TREND OF EAV

LEVY YEAR	EAV(1)	% CHANGE IN EAV FROM PREVIOUS YEAR
2019	$7,330,781,197	+3.69%(2)
2020	7,601,812,811	+3.70%
2021	7,946,431,624	+4.53%
2022	8,583,856,409	+8.02%
2023	9,411,407,550	+9.64%

Source: County Clerks' Offices.

(1) Does not include Incremental EAV and Enterprise Zone EAV.

(2) Based on the District's 2018 EAV of $7,069,841,927.

TAX INCREMENT FINANCING DISTRICTS LOCATED WITHIN THE DISTRICT

A portion of the District's EAV is contained in TIF districts, as compiled by counties 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 as such (the *"Base EAV"*). Any incremental increases in property tax revenue produced by the increase in EAV (the *"Incremental 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. In fiscal years 2022, 2023 and 2024, the District received $89,907, $129,760 and $1,073,519, respectively, in payments from various governments in association with the TIF districts.

LOCATION OF TIF		TOTAL INCREMENTAL EAV
St. Clair County		$ 467,957,167
Madison County		275,074,381
Monroe County		7,799,369
Randolph County		29,670,543
	Total Incremental EAV	$ 780,501,460
	2023 EAV	9,411,407,550
	Enterprise Zone EAV	40,054,963
	Total EAV	$10,231,963,973

Source: St. Clair, Madison, Monroe and Randolph County Clerks' Offices.

TAXES EXTENDED AND COLLECTED

TAX LEVY YEAR/ COLLECTION YEAR	TAXES EXTENDED	TAXES COLLECTED AND DISTRIBUTED(1)	PERCENT COLLECTED
2019/20	$33,394,136	$33,324,028	99.79%
2020/21	34,088,866	34,008,546	99.76%
2021/22	35,061,382	35,046,851	99.96%
2022/23	35,905,343	35,829,889	99.79%
2023/24	37,452,436	37,353,052	99.73%

Source: County Treasurers and County Clerks' Offices.

(1) Excludes interest.

DISTRICT TAX RATES BY PURPOSE

(Per $100 EAV)

PURPOSE	2019	2020	2021	2022	2023	MAXIMUM RATE
Educational	$0.1320	$0.1317	$0.1318	$0.1299	$0.1271	$0.1320
Bonds and Interest	0.0630	0.0597	0.0574	0.0533	0.0514	None
Building	0.0280	0.0280	0.0280	0.0276	0.0270	0.0280
Audit	0.0009	0.0008	0.0008	0.0011	0.0020	0.0050
Liability Insurance	0.0509	0.0483	0.0464	0.0431	0.0349	None
Social Security	0.0083	0.0079	0.0076	0.0071	0.0065	None
Health/Safety/Handicapped	0.0453	0.0430	0.0413	0.0384	0.0352	0.0500
Statewide Additional Tax(1)	0.1305	0.1306	0.1305	0.1213	0.1187	0.1213
TOTAL	$0.4589	$0.4500	$0.4438	$0.4218	$0.4028	

Source: St. Clair County Clerk's Office.

(1) The District receives State funding through the ICCB. In addition to a base operating grant, the District has also received an equalization grant for the past several years. Receipt of the equalization grant, in combination with the District's total tax rate falling below the State average tax rate for all Illinois community colleges, has enabled the District to access additional operating tax levy authority, the equity tax as authorized by Section 3-14.3 of the Act. This equity tax (also known as the Statewide Additional Tax) provided approximately $10.3 million to the District in fiscal year 2024. The District expects the equity tax to provide approximately $12.8 million to the District in fiscal year 2025. The District has received the equity tax for over five years and expects that it will continue to do so in the near term.

REPRESENTATIVE TOTAL TAX RATES

(Per $100 EAV)

TAXING AUTHORITY	2019	2020	2021	2022	2023
The District	$0.4589	$0.4500	$0.4438	$0.4218	$0.4028
St. Clair County	1.0990	1.0990	1.0983	1.0800	1.0236
O'Fallon Township	0.0722	0.0708	0.0676	0.0636	0.0587
O'Fallon Road District	0.2859	0.2822	0.2757	0.2685	0.2597
O'Fallon	0.7545	0.7373	0.6718	0.6612	0.6260
City of O'Fallon Library District	0.1682	0.1643	0.1640	0.1530	0.1478
O'Fallon SD Number 90	3.0982	3.0512	3.0488	3.0082	2.9664
O'Fallon THSD Number 203	2.2141	2.1952	2.1691	2.1374	2.0915
TOTAL(1)	$8.1510	$8.0500	$7.9391	$7.7937	$7.5765

Source: St. Clair County Clerk's Office.

(1) The total of such rates is the property tax rate paid by a typical resident living in O'Fallon.

TEN LARGEST TAXPAYERS

TAXPAYER NAME	2023 EAV	PERCENT OF DISTRICT'S TOTAL EAV
United States Steel Corp.	$ 85,563,620	0.84%
Union Pacific Railroad Co.	66,210,881	0.65%
Prairie State Generating Co. LLC	56,856,172	0.56%
Westway Industrial LLC	40,772,900	0.40%
NP Tradeport SPV LLC	39,726,190	0.39%
Gateway Energy Coke Co. LLC	35,650,700	0.35%
Exeter Gateway Commerce LLC	32,553,280	0.32%
The Boeing Company	25,039,431	0.24%
CBL St. Clair Square SPE LLC	24,588,884	0.24%
WPT Inner Park Drive LP	17,331,600	0.17%
TOTAL	$424,293,658	4.15%

Source: St. Clair, Madison, Randolph and Washington County Clerks' Offices. Values include Incremental EAV (if any).
The above taxpayers represent 4.15% of the District's $10,231,963,973 2023 EAV (includes Incremental EAV). Reasonable efforts have been made to seek out and report the largest taxpayers. However, many of the taxpayers listed may own multiple parcels and it is possible that some parcels and their valuations may not be included.

RETAILERS' OCCUPATION TAX AND SERVICE OCCUPATION TAX

The following table shows the distribution of the municipal portion of the Retailers' Occupation Tax and Service Occupation Tax collected by the Illinois Department of Revenue (the *"Department"*) from retailers within the municipalities listed below. The table indicates the level of retail activity in the City, Collinsville, Fairview Heights, Granite City and O'Fallon.

STATE SALES TAX DISTRIBUTION(1)

CALENDAR YEAR	THE CITY	COLLINSVILLE	FAIRVIEW HEIGHTS	GRANITE CITY	O'FALLON
2019	$ 7,963,088	$6,836,317	$7,170,266	$3,768,477	$ 8,869,033
2020	8,074,524	7,149,422	6,284,771	4,231,882	8,951,235
2021	9,563,684	7,923,658	8,363,795	4,623,305	10,922,100
2022	9,684,680	8,172,595	6,180,018	4,911,716	10,520,083
2023	10,084,299	8,659,740	8,322,661	5,040,727	10,427,848
2024	10,244,335	9,580,737	8,473,734	5,764,087	11,351,706

Source: The Department.

(1) Tax distributions are based on records of the Department relating to the 1% municipal portion of the Retailers' Occupation Tax and Service Occupation Tax, collected on behalf of each municipality, less a State administration fee. The municipal 1% sales tax includes tax receipts from the sale of food and drugs which are not taxed by the State.

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. Historically, the District has deposited CPPRT in its Education Fund and Operations and Maintenance Fund. The following table sets forth the amount of CPPRT received by the District during fiscal year ended June 30, 2020, through the most-recently ended fiscal year of June 30, 2024, and the estimated amount of CPPRT to be received in fiscal year ending June 30, 2025:

Fiscal Year Ended June 30	CPPRT Receipts
2020	$1,490,764
2021	2,077,076
2022	4,491,015
2023	4,687,003
2024	2,824,296
2025 (Estimate)	2,078,631

Source: The audited financial statements of the District for the fiscal years ended June 30, 2020-June 30, 2024, and the Department for the fiscal year ending June 30, 2025.

Going forward, the District expects CPPRT revenues will continue to be in amounts similar to pre-fiscal year 2022 levels.

LARGEST EMPLOYERS

Below is a listing of large employers within or near the District.

EMPLOYER	PRODUCT OR SERVICE	LOCATION	APPROXIMATE NUMBER OF EMPLOYEES
SAFB	Military air force base	Belleville	13,000
Memorial Hospital	General Hospital	Belleville	2,250
The District	Community college	Belleville	1,423
Regions Bank	Bank	Belleville	1,208
St. Clair County	County government	Belleville	1,057
Gilster-Mary Lee Corp.	Food mixes	various	1,050
American Steel	Undercarriages for rail cars	Granite City	1,000
Gateway Regional Medical Center	Hospital	Granite City	917
Jet Aviation	Aircraft refurbishment	Cahokia	860
Community Unit School District 10	School district	Collinsville	733
United States Steel Corp., Granite City Works	Flat rolled steel and pig iron	Granite City	800
Tri-City Port Authority	Transportation and distribution	Granite City	674
Belleville School District 201	Education	Belleville	673
Menasha Packaging Co., LLC	Packing machinery	Edwardsville	650
State of Illinois	Department of Transportation	Collinsville	594
Touchette Regional Hospital	Hospital	Centreville	542
Luhr Bros., Inc.	Corporate headquarters; heavy construction general contractors	Columbia	520
Cerro Flow Products LLC	Corporate headquarters; copper tubing and billets	Sauget	500
Fairmont Race Track	Horse racing	Collinsville	500
Spartan Light Metal Products, Inc.	Castings - aluminum	Sparta	480

Source: 2025 Illinois Services and 2025 Illinois Manufacturers Directories, the Illinois Department of Commerce and Economic Opportunity, Scott Air Force Base, the school districts and District employee information provided by the District.

UNEMPLOYMENT RATES

Unemployment statistics are not compiled specifically for the District. The following table shows the trend in annual average unemployment rates, as well as the average unemployment rates for the three-month period ending March 2025, for the City, Collinsville, Fairview Heights, Granite City, O'Fallon, St. Clair County, Madison County, Monroe County and the State.

	THE CITY	COLLINSVILLE	FAIRVIEW HEIGHTS	GRANITE CITY
2020 – Average(1)	11.0%	8.1%	9.0%	7.3%
2021 – Average	7.3%	5.1%	5.7%	4.8%
2022 – Average	5.0%	4.0%	4.5%	3.7%
2023 – Average	5.3%	4.2%	4.6%	4.2%
2024 – Average	4.9%	4.1%	4.7%	5.0%
2025 – Average(2)	4.2%	3.7%	NA	4.1%

	O'FALLON	ST. CLAIR COUNTY	MADISON COUNTY	MONROE COUNTY	THE STATE
2020 – Average(1)	7.1%	9.0%	7.6%	5.3%	9.3%
2021 – Average	4.4%	6.2%	4.9%	3.1%	6.1%
2022 – Average	3.8%	4.5%	3.9%	2.9%	4.6%
2023 – Average	4.0%	4.7%	4.2%	3.0%	4.5%
2024 – Average	4.0%	4.7%	4.2%	3.1%	5.0%
2025 – Average(2)	3.4%	4.2%	3.7%	2.7%	5.0%

Source: State of Illinois Department of Employment Security.

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

(2) Three-month average unemployment rate.

HOUSING VALUE AND INCOME STATISTICS

The following table sets forth information regarding median home values and various income related statistics for the City, Collinsville, Fairview Heights, Granite City, O'Fallon, St. Clair County, Madison County, Monroe County and the State.

	MEDIAN HOME VALUE	MEDIAN HOUSEHOLD INCOME	MEDIAN FAMILY INCOME	PER CAPITA INCOME
The City	$131,000	$ 60,529	$ 81,264	$33,315
Collinsville	157,700	65,170	82,306	40,599
Fairview Heights	166,800	77,960	93,778	41,710
Granite City	99,800	60,490	77,616	30,640
O'Fallon	274,100	102,793	126,776	51,826
St. Clair County	168,800	70,178	92,727	37,824
Madison County	167,900	74,800	96,412	40,869
Monroe County	265,600	101,635	128,922	49,438
The State	250,500	81,702	103,504	45,104

Source: U.S. Census Bureau 2019-2023 American Community Survey 5-Year Estimates released by the U.S. Census Bureau December 12, 2024.

SHORT-TERM BORROWING

The District has not issued tax anticipation warrants or revenue anticipation notes during the last five years to meet its short-term current year cash flow requirements.

FUTURE DEBT

Upon closing of the Certificates, the District expects to start the process to issue funding bonds pursuant to Article 3A of the Act in the amount sufficient to pay the Certificates (the *"Funding Bonds"*). Before issuing the Funding Bonds, among other things, the Board must adopt a resolution declaring its intention to issue bonds for said purpose. The notice of intent to issue the Funding Bonds must be published in a newspaper having general circulation within the District. The notice informs the District's voters of (i) the Board's intention to issue the Funding Bonds and (ii) the right to file a petition with the Secretary of the Board within 30 days of the date of publication of the notice, requesting that the proposition to issue the Funding Bonds be submitted to the voters of the District. If a petition signed by at least 10% of the District's registered voters is filed, the electors must approve the proposition at a regularly scheduled election before the Funding Bonds can be issued. If the Funding Bonds, for whatever reason, are not issued, the District would expect to pay the Certificates from lawfully available moneys. See "THE CERTIFICATES –Security" herein for more information. Except for the Funding Bonds, the District does not currently anticipate issuing any debt in the next six months.

DEFAULT RECORD

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

WORKING CASH FUND

The Working Cash Fund of the District 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.

Section 3-33.6a of the Act provides that a community college district may also 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. This Section provides community colleges additional flexibility in meeting their operational and capital needs.

WORKING CASH FUND SUMMARY

FISCAL YEAR	END OF YEAR FUND BALANCE
2020	$26,913,568
2021	39,414,281(1)
2022	39,414,334
2023	39,414,334
2024	52,478,139(1)

Source: Compiled from the District's audited financial statements for the fiscal years ended June 30, 2020-2024.

(1) The increase in the end of year fund balance is due in large part to the issuance of working cash fund bonds and the proceeds thereof being deposited into the Working Cash Fund. See EXHIBIT A for more information.

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 Certificates will not be levied by the District. The District does levy property taxes for general operating purposes and to pay its outstanding general obligation bonds. The information under this caption describes the current procedures for real property assessments, tax levies and collections in the Counties of St. Clair, Madison, Monroe, Randolph, Washington, Bond, Perry and Montgomery (the *"Counties"*). 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 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, except for Madison County where taxes are due and payable in four installments.

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 1.50% 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.

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 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 equalized assessed valuation 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 equalized assessed valuation 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. Monroe, Randolph and Washington Counties held successful referenda regarding the applicability of the Limitation Law in November 1996, November 1996, and November 1998, respectively. A referendum on the applicability of the Limitation Law was defeated in Madison County in April 1999, and a referendum on the applicability of the Limitation Law has yet to be initiated in St. Clair, Bond, Perry and Montgomery Counties. No guarantee exists, however that such referenda 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 its outstanding general obligation 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.

STATE AID

GENERAL

The State provides aid to local community college districts via grant programs administered by 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, 2024, the District received approximately 18.86% of its general fund revenue from sources at the State, including State Aid. See "EXHIBIT C—General Fund Revenue Sources" herein for additional information.

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 (as hereinafter defined).

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 IBHE and then distributed by the IBHE based upon competitive application and program criteria. Private community 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 prescribed formulae. 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.

HISTORY OF STATE FUNDING

The District received an initial allocation of $951,405, under the Governor's Emergency Education Relief Fund (*"GEER"*) and an additional $489,788 from a second round of GEER Funds related to the COVID-19 pandemic.

	YEAR ENDED JUNE 30, 2020	YEAR ENDED JUNE 30, 2021	YEAR ENDED JUNE 30, 2022	YEAR ENDED JUNE 30, 2023	YEAR ENDED JUNE 30, 2024
ICCB Grants	$13,746,829	$14,544,981	$14,342,438	$18,107,936	$22,617,214
MAP Grants	1,239,609	1,226,118	1,542,504	1,621,053	2,032,778
Other State Funds	28,707,669	30,707,582	22,244,458	23,218,573	21,357,612
Total State Funds	$43,694,107	$46,478,681	$38,129,400	$42,947,562	$46,007,604

Source: The District.

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 (MAP), 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.

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.

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 appropriated Higher Education Emergency Relief Funding (*"HEERF"*) of $33,137,635. Of that, half was appropriated to provide emergency financial aid grants to students and the remainder was used by the District for COVID-19 related expenditures. In addition, $19,301,862 was appropriated to the District to offset lost revenue and to defray expenses associated with COVID-19.

RETIREMENT PLAN

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 amount. 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, 2023, SURS reported a Net Pension Liability of $29.4 billion. The proportionate share of the State's Net Pension Liability associated with the District is $243,064,662 or 0.8255%. The amount of the proportionate share of the Net Pension Liability to be recognized for the District as of the measurement date is $0. For 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 on-behalf revenue and pension expense of $15,555,627 for the fiscal year ended June 30, 2024.

Additional information regarding the District's pension plan is described in Note 9 of the District's Annual Financial Report for the fiscal year ended June 30, 2024 (the *"Audit"*), which is included in Appendix A to this Official Statement.

BOND RATING

Moody's has assigned the Certificates a rating of "Aa1". This rating reflects only the views of Moody's. An explanation of the methodology for such rating may be obtained from Moody's. Certain information concerning the Certificates and the District not included in this Official Statement was furnished to Moody's by the District. There is no assurance that the rating will be maintained for any given period of time or that such rating will not be changed by Moody's if, in such rating agency's judgment, circumstances so warrant. Any downward change in or withdrawal of the rating may have an adverse effect on the market price of the Certificates.

Except as may be required by the Undertaking described below under the heading "CONTINUING DISCLOSURE", the form of which is attached hereto as APPENDIX C, neither the District nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Certificates any proposed change in or withdrawal of the rating or to oppose any such revision or withdrawal.

TAX MATTERS

THE 2025A CERTIFICATES

Interest on the 2025A Certificates is includible in gross income of the owners thereof for federal income tax purposes. Ownership of the 2025A Certificates may result in other federal income tax consequences to certain taxpayers. Holders of the 2025A Certificates should consult their tax advisors with respect to the inclusion of interest on the 2025A Certificates in gross income for federal income tax purposes and any collateral tax consequences.

Interest on the 2025A Certificates is not exempt from present State income taxes. Ownership of the 2025A Certificates 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 2025A Certificates. Prospective purchasers of the 2025A Certificates should consult their tax advisors regarding the applicability of any such state and local taxes.

THE 2025B CERTIFICATES

Federal tax law contains a number of requirements and restrictions which apply to the 2025B Certificates, 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 2025B Certificates to be excludible from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the 2025B Certificates to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the 2025B Certificates.

Subject to the District's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the 2025B Certificates 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 2025B Certificates 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 2025B Certificates 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 2025B Certificates 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 2025B Certificates is the price at which a substantial amount of such maturity of the 2025B Certificates 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 2025B Certificates 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 2025B Certificates is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the 2025B Certificates (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 2025B Certificates who dispose of 2025B Certificates prior to the stated maturity (whether by sale, redemption or otherwise), purchase 2025B Certificates in the initial public offering, but at a price different from the OID Issue Price or purchase 2025B Certificates subsequent to the initial public offering should consult their own tax advisors.

If a 2025B Certificate is purchased at any time for a price that is less than the 2025B Certificate'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 2025B Certificate 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 2025B Certificate 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 2025B Certificate. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the 2025B Certificates.

An investor may purchase a 2025B Certificate 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 2025B Certificate 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 2025B Certificate. Investors who purchase a 2025B Certificate at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the 2025B Certificate's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the 2025B Certificate.

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 2025B Certificates. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations issued prior to enactment. Prospective purchasers of the 2025B Certificates 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 2025B Certificates. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the holders of the 2025B Certificates may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the 2025B Certificates 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 2025B Certificates, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any 2025B Certificate 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 2025B Certificate 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.

CONTINUING DISCLOSURE

The District will enter into a Continuing Disclosure Undertaking (the *"Undertaking"*) for the benefit of the beneficial owners of the Certificates 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 Certificates. 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 the form of the Undertaking, attached hereto as APPENDIX C.

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

The District posted a notice on the MSRB's Electronic Municipal Market Access (*"EMMA"*) system on January 26, 2021, that the audited financial statements for the fiscal year ended June 30, 2020, would not be available within the required 210 days after the last day of the District's fiscal year (June 30). Such audited financial statements were filed on EMMA on January 12, 2022. For the fiscal year ended June 30, 2023, the District failed to timely file its audited financial statements. A failure by the District to comply with the Undertaking will not constitute a default under the Certificate Resolution and beneficial owners of the Certificates 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 Certificates in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Certificates and their market price.

AUDITED FINANCIAL STATEMENTS

The audited financial statements of the District for the fiscal year ended June 30, 2024 (the *"Audit"*), contained in APPENDIX A, including the independent auditor's report accompanying the Audit, have been prepared by CliftonLarsonAllen LLP, Belleville, Illinois (the *"Auditor"*), and approved by formal action of the Board. 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.

BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Certificates. The Certificates 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 Certificate will be issued for each series and maturity of the Certificates, 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 rating of "AA+". The DTC Rules applicable to its Participants are on file with the Commission. More information about DTC can be found at **www.dtcc.com**.

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate (*"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 Certificates 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 Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

To facilitate subsequent transfers, all Certificates 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 Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates 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 Certificates may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Certificates, such as redemptions, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates 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 Certificates 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 Certificates 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 Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Certificates 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 Certificates 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, 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, 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 (a) the accuracy of any records maintained by the Securities Depository or any Participant; (b) 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 Certificates; (c) the delivery of any notice by the Securities Depository or any Participant; (d) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Certificates; or (e) any other action taken by the Securities Depository or any Participant.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Certificates 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 Certificates. 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 Certificates 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 Certificates 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 Certificates for investment by any investor. Becker, Hoerner & Ysursa, P.C., Belleville, Illinois, will pass on certain matters for the District. Gilmore & Bell, P.C., Edwardsville, Illinois, will pass on certain matters for the Underwriter.

NO LITIGATION

No litigation is now pending or threatened restraining the issuance, sale, execution or delivery of the Certificates, or in any way contesting or affecting the validity or enforceability of the Certificates or any proceedings of the District taken with respect to the issuance or sale thereof. A certificate to this effect will be delivered by the District with the other customary closing papers when the Certificates are delivered.

UNDERWRITING

Pursuant to the terms of a Purchase Agreement (the *"Agreement"*) between the District and Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the *"Underwriter"* or *"Stifel"*), the Underwriter has agreed to purchase the 2025A Certificates at an aggregate purchase price of $___________. The purchase price will produce an underwriting spread of ____% of the principal amount of the 2025A Certificates. Pursuant to the terms of the Agreement, the Underwriter has agreed to purchase the 2025B Certificates at an aggregate purchase price of $___________. The purchase price will produce an underwriting spread of ____% of the principal amount of the 2025B Certificates. The Agreement provides that the obligation of the Underwriter is subject to certain conditions precedent and that the Underwriter will be obligated to purchase all of the Certificates if any of the Certificates are purchased. The Certificates may be offered and sold to certain dealers (including dealers depositing such Certificates into investment trusts, accounts or funds) and others at prices different than the initial public offering price. After the initial public offering, the public offering price of the Certificates may be changed from time to time by the Underwriter.

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 trade 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.

AUTHORIZATION

This Official Statement has been approved by the District for distribution to prospective purchasers of the Certificates. The Board, acting through authorized officers, will provide to the Underwriter at the time of delivery of the Certificates, a certificate confirming that, to the best of its knowledge and belief, this Official Statement, together with any supplements thereto, as of the date hereof, and at the time of delivery of the Certificates, was true and correct in all material respects and did not at any time contain an 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/ ______________________________

Chief Financial Officer
Community College District No. 522, Counties of St. Clair, Madison, Monroe, Randolph, Washington, Bond, Perry and Montgomery and State of Illinois

_____________, 2025

EXHIBITS

Exhibit A shows the District's recent financial history. Exhibit B provides information on the District's 2025 budget. Exhibit C provides information on the general fund revenue sources of the District.

EXHIBIT A — COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE, FISCAL YEARS ENDED JUNE 30, 2020-2024

	Education	Operations & Maintenance	Operations & Maintenance Restricted	Bond and Interest	Auxiliary Enterprise	Restricted Purposes	Working Cash	Audit	Liability Protection & Settlement	Total
Beginning Balance	$24,023,771	$10,392,221	$ 8,816,205	$ 384,749	$(1,759,339)	$ 1,633,734	$26,908,202	$ 62,922	$3,811,405	$ 74,273,872
Revenues	52,546,268	8,016,020	3,350,151	4,552,182	859,852	51,950,036	391,735	62,935	4,328,411	126,057,590
Expenditures	42,618,599	6,036,222	337,314	4,460,625	1,840,410	52,110,030	0	52,091	3,091,794	110,547,085
Net Transfers	(2,957,592)	386,369	0	0	2,939,750	17,842	(386,369)	0	0	0
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/20	$30,993,848	$12,758,388	$11,829,042	$ 476,306	$ 199,853	$ 1,491,582	$26,913,568	$ 73,766	$5,048,022	$ 89,784,377
Beginning Balance	$30,993,848	$12,758,388	$11,829,042	$ 476,306	$ 199,853	$ 1,491,582	$26,913,568	$ 73,766	$5,048,022	$ 89,784,377
Revenues	57,007,785	8,379,424	3,296,644	9,379,426	540,797	62,137,152	12,516,812(1)	64,614	4,307,930	157,630,584
Expenditures	43,904,878	5,908,586	86,765	9,480,772	1,749,127	62,041,368	0	65,370	3,514,091	126,750,957
Net Transfers	(871,732)	16,099	0	0	755,500	116,232	(16,099)	0	0	0
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/21	$43,225,023	$15,245,325	$15,038,921	$ 374,960	$ (252,977)	$ 1,703,598	$39,414,281	$ 73,010	$5,841,861	$120,664,004
Beginning Balance	$43,225,023	$15,245,325	$15,038,921	$ 374,960	$ (252,977)	$ 1,703,598	$39,414,281	$ 73,010	$5,841,861	$120,664,004
Revenues	52,256,178	9,635,983	4,061,352	4,538,963	343,929	58,964,049	63,987	60,493	4,255,824	134,180,758
Expenditures	43,461,645	7,095,033	3,225,270	4,519,926	2,429,221	58,580,866	0	72,120	3,755,119	123,139,200
Net Transfers	(1,356,151)	63,934	0	0	1,315,160	40,991	(63,934)	0	0	0
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/22	$50,663,405	$17,850,209	$15,875,003	$ 393,997	$(1,023,109)	$ 2,127,772	$39,414,334	$ 61,383	$6,342,566	$131,705,562
Beginning Balance	$50,663,405	$17,850,209	$15,875,004	$ 393,997	$(1,023,109)	$ 2,127,772	$39,414,334	$ 61,383	$6,342,566	$131,705,562
Revenues	55,198,255	9,975,001	9,166,986	4,570,762	857,620	51,754,020	1,492,007	63,024	4,286,498	137,364,173
Expenditures	46,398,277	7,170,166	14,237,746	4,475,193	2,460,349	51,066,837	0	63,320	4,069,457	129,941,345
Net Transfers	(2,594,221)	(3,397,440)	5,013,905	0	2,843,000	2,000	(1,492,007)	0	0	375,237
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/23	$56,869,162	$17,257,604	$15,818,149	$ 489,566	$ 217,162	$ 2,816,955	$39,414,334	$ 61,087	$6,559,607	$139,503,627
Beginning Balance	$56,869,160	$17,257,606	$15,818,149	$ 489,566	$ 217,162	$ 2,816,954	$39,414,334	$ 61,087	$6,559,609	$139,504,082
Revenues	62,074,300	9,370,960	5,672,077	5,130,047	616,645	65,096,206	20,903,388(1)	94,467	4,310,625	173,268,715
Expenditures	53,046,777	7,722,888	14,539,789	4,520,598	2,975,964	66,043,827	275,828	154,400	3,881,489	153,161,560
Net Transfers	(5,771,536)	1,971,197	6,606,113	0	5,614,750	(856,769)	(7,563,755)	0	0	0
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/24	$60,125,147	$20,876,875	$13,556,550	$1,099,015	$ 3,472,593	$ 1,012,564	$52,478,139	$ 1,154	$6,988,745	$159,611,237

Source: The audited financial statements of the District for the fiscal years ended June 30, 2020 - June 30, 2024.

(1) Includes proceeds of working cash fund bonds.

EXHIBIT B — BUDGET, FISCAL YEAR ENDING JUNE 30, 2025

	EDUCATION	OPERATIONS & MAINTENANCE	OPERATIONS & MAINTENANCE RESTRICTED	BOND AND INTEREST	AUXILIARY ENTERPRISE	RESTRICTED PURPOSES	AUDIT	LIABILITY PROTECTION & SETTLEMENT	TOTAL
EST. BEGINNING BALANCE, 7/1/24	$63,672,905	$16,078,349	$9,085,000	$1,159,890	$ 100,000	$ 100,000	$(32,002)	$ 616,611	$ 90,780,753
REVENUES	68,014,278	9,436,898	4,860,000	4,747,972	580,000	34,417,000	178,160	3,821,539	126,055,847
EXPENDITURES	64,080,940	9,653,707	6,660,758	4,747,972	4,296,530	34,417,000	113,100	4,155,078	128,125,085
OTHER SOURCES (USES)	(3,716,530)	0	0	0	3,716,530		0	0	0
EST. ENDING BALANCE, 6/30/25	$63,889,713	$15,861,540	$7,284,242	$1,159,890	$ 100,000	$ 100,000	$ 33,058	$ 283,072	$ 88,711,515

Source: Budget for the District for the fiscal year ending June 30, 2025. The beginning fund balances were estimated by the District at the time the budget was adopted. Consequently, such balances may not match the ending fund balances set forth in the District's audited financial statements for the fiscal year ended June 30, 2024.

EXHIBIT C — GENERAL FUND REVENUE SOURCES, FISCAL YEARS ENDED JUNE 30, 2020-2024

	YEAR ENDED JUNE 30, 2020	YEAR ENDED JUNE 30, 2021	YEAR ENDED JUNE 30, 2022	YEAR ENDED JUNE 30, 2023	YEAR ENDED JUNE 30, 2024
Local Sources	36.42%	35.66%	42.79%	42.62%	38.54%
ICCB Grants	21.20%	19.05%	19.97%	18.46%	18.86%
Federal Sources	0.08%	10.67%(1)	0.04%	0.02%	0.01%
Tuition and Fees	39.74%	33.16%	35.43%	31.93%	34.23%
Other Sources	2.57%	1.45%	1.77%	6.97%(2)	8.36%(2)
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%

Source: The audited financial statements of the District for the fiscal years ended June 30, 2020-June 30, 2024. For purposes of this Exhibit, the General Fund includes the Educational Fund and the Operations and Maintenance Fund.

(1) Increased Federal Sources due in large part to the District's receipt of federal COVID-19 funds. See "STATE AID—Federal COVID-19 Funds Distributed to the District" herein.

(2) Increased Other Sources is due in large part to higher investment income.

APPENDIX A

AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Southwestern Illinois College
Community College District #522

Annual Financial Report
For the Fiscal Year Ended June 30, 2024

CPAs | CONSULTANTS | WEALTH ADVISORS

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Contents

INTRODUCTORY SECTION .... **III**

Letter from the President iii
Principal Officials iv
Board of Trustees .... *iv*
Officers of the College .... *iv*
Department Issuing Report .... *iv*
Organizational Chart v

FINANCIAL SECTION **1**

Independent Auditor's Report 2
Management's Discussion and Analysis 6
Basic Financial Statements 14
Statements of Net Position *15*
Statements of Revenues, Expenses and Changes in Net Position *16*
Statements of Cash Flows *17*
Statements of Fiduciary Net Position *19*
Statements of Changes in Fiduciary Net Position *19*
SWIC Foundation Statements of Financial Position *20*
SWIC Foundation Statement of Activities *21*
Notes to Financial Statements 23
Note 1. Organization and Significant Accounting Policies *23*
Note 2. Cash and Cash Equivalents *27*
Note 3. Property Taxes Receivable *28*
Note 4. Changes in Capital Assets *29*
Note 5. Compensated Absences *30*
Note 6. Long-term Liabilities *31*
Note 7. Restricted Net Position – Restricted Current Funds *32*
Note 8. Operating Expenses by Functional Classification *33*
Note 9. Defined Benefit Pension Plans *34*
Note 10. Defined Contribution Pension Plan *39*
Note 11. Postemployment Benefits Other than Pensions *41*
Note 12. Risk Management *44*
Note 13. Commitments and Building Construction *45*
Note 14. Tax Abatements *45*
Note 15. Discretely Presented Component Unit *47*

REQUIRED SUPPLEMENTAL INFORMATION **57**

Schedule of Proportional Share of the Net Pension Liability and Contributions 58
Notes to Schedule of Proportional Share of the Net Pension Liability and Contributions 59
Schedule of the District's Proportionate Share of the Net OPEB Liability 60
Community College Health Insurance Security Fund 60

Notes to the Community College Health Insurance Security Fund Schedule of Contributions 61

SUPPLEMENTARY INFORMATION 62

Uniform Financial Statement No. 1 – All Funds Summary... 63
Uniform Financial Statement No. 2 – Summary of Investment in Plant Fund and Debt 64
Uniform Financial Statement No. 3 – Operating Fund Revenues and Expenditures 65
Uniform Financial Statement No. 4 – Restricted Purposes Fund 67
Uniform Financial Statement No. 5 – Expenditures by Activity 68
Certification of Chargeback Reimbursement for Fiscal Year 2024 69
Combining Balance Sheet – All Fund Types 70
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – All Fund Types 71
Combining Balance Sheet – Current Unrestricted Funds 72
Combining Schedule of Revenue, Expenditures and Changes in Fund Balances – Current Unrestricted Funds 73
Combining Schedule of Revenue, Expenditures and Changes in Fund Balances – Budget vs. Actual Operating Funds . 74
Notes to Supplementary Information.. 75

ICCB STATE GRANTS FINANCIAL COMPLIANCE SECTION 76

Independent Auditor's Report on Adult Education and Family Literacy 77
Adult Education and Family Literacy Grant Programs 80
Balance Sheet 80
Statement of Revenues, Expenditures and Changes in Fund Balance 81
Notes to the Financial Statements-Grants Programs 82

SUPPLEMENTARY ICCB COMPLIANCE SCHEDULE.. 84

Adult Education and Family Literacy Grant Programs 85
Expenditure Amounts and Percentages for ICCB Grant Funds Only 85
Independent Accountant's Report on the Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed.... 86
Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed... 87
Reconciliation of Total Semester Credit Hours 88
Reconciliation of in-District / Chargeback Reimbursable Credit Hours 88
Residency Verification Process 89

ANNUAL STATE OF ILLINOIS FINANCIAL COMPLIANCE SECTION 91

Consolidated Year-End Financial Report (CYEFR)... 92

FEDERAL FINANCIAL COMPLIANCE SECTION 93

Independent Auditors' 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*..................................... 94
Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by *The Uniform Guidance* 96
Schedule of Expenditures of Federal Awards.. 99
Notes to Schedule of Expenditures of Federal Awards 101
Schedule of Findings and Questioned Costs.. 102

June 30, 2024

To the Members of the Board of Trustees and to the Citizens of Community College District No. 522:

I am pleased to submit the Annual Financial Report for the fiscal years ending June 30, 2024 and June 30, 2023 respectively. Southwestern Illinois College (SWIC) is a comprehensive community college operating in accordance with the provisions of the Illinois Public Community Act. SWIC is recognized by the Illinois Community College Board and is an educational institution committed to providing the best learning opportunities at an economical value. We are a starting point for higher education, a bridge to developing career skills, and a pathway to personal achievement.

Founded in 1946, SWIC was originally known as Belleville Junior College. The institution was opened to serve veterans of World War II. Today, SWIC proudly serves the largest veteran and active-duty military student population in the state among community colleges.

For the last 78 years, SWIC has prided itself on fulfilling this motto by providing an affordable, high-quality education to its students. Serving approximately 15,000 students annually, our Triple-A success formula of Accountability, Affordability and Accessibility has allowed us to continue this commitment.

Southwestern Illinois College is accredited by the Higher Learning Commission through 2025. SWIC has held this accreditation since 1961. Regional accreditation is critical to the institution's success. Being an accredited institution allows the college to apply for grants, provide Title IV financial aid and Veterans benefits. Each of these benefits is critical to our core mission of helping students learn.

In addition to devotion to our students, we are committed to fiscal responsibility. We strive to achieve a balanced budget, closely examine spending and implement cost-saving efficiencies to maintain a standard of academic excellence and beneficial student and community services.

We thank the Board of Trustees for its continued interest and support in planning and conducting the financial operations of District No. 522 in a highly responsible and accountable manner and with fiscal integrity. We also thank the staff of the Finance Office and our external auditors, CliftonLarsonAllen, LLP, for their contributions and assistance in preparing this report.

Nick Mance
President

Principal Officials

Board of Trustees

Name	Role	Term expires
Nick Raftopoulos	Chair	April 2029
Steve Campo	Vice Chair	April 2027
Matthew Burke	Trustee	April 2027
Sean McPeak	Trustee	April 2029
Mark Morton	Trustee	April 2029
Dane Tippett	Trustee	April 2029
Tracy Vallett	Trustee	April 2027
Jayden Ashford	Student Trustee	

Officers of the College

Name	Title
Nick Mance	President
Beverly Fiss	Board Secretary, Chief of Staff
Jacob Wheeler	Board Treasurer, Chief Financial Officer
Garrett Hoerner	Board Attorney
Bernie Ysura	Chief Administrative Service Officer
Bradley Sparks	Interim Chief Academic Officer
Danielle Chambers	Chief Student Services and Community Development Officer
Robert Tebbe	Chief Enrollment Development and Institutional Planning Office
Linda Andres	Chief Information Officer
Jane Kim Thompson	Director of Human Resources

Department Issuing Report

Finance Office

District 522 Voters

Board of Trustees (Elected Officials)

General Counsel

- Institutional Policies
- Labor Negotiations
- Legal Counsel

President

Chief of Staff & Board Secretary

- Board & Committee Meetings
- Executive Office Management
- FOIA Deputy Officer
- Institutional Space Allocation

Chief Enrollment Dev & Inst Planning Officer

- Advising/Enrollment Services
- Catalog
- Community Ed (non-credit)
- Course Scheduling
- Dual Credit/Running Start
- Enrollment Development
- Financial Aid
- Grants Administration
- Institutional Planning
- Public Information & Marketing
- Research & Development
- Student Accounts
- Student Employment & Veteran Services
- TRIO

Chief Student & Community Dev Officer

- Career Services
- College for Life Program
- Disability & Access Center
- IL WorkNet/WIOA
- Student Conduct/CBITAT
- Student Life
- Title IX

Chief Academic Officer

- Accreditation
- Adult Education
- Arts & Humanities
- Business
- Career & Technical Education
- Center for Teaching & Learning
- Health Sciences/Homeland Security
- Math & Sciences
- Outcomes Assessment

Chief Financial Officer & Board Treasurer

- Accounts Payable
- Budget Management
- Compliance Officer
- Financial Audit
- Grant Accounting
- Internal Controls
- Payroll
- Plant Accounting
- Purchasing
  - Inventory
  - Shipping/Receiving
- Auxiliary Services
  - Bookstore
  - Mailroom Services
  - Food Service

Chief Administrative Service Officer

- Alternative Transportation Systems
- Athletics
- FOIA Officer
- Foundation
- Physical Plant & Campus Operations
- Programs and Services for Older Persons
- Public Safety

Dir Human Resources

- Benefits Administration
- Employee Relations
- Recruitment/Onboarding

Chief Information Officer

- Learning Resources (Library)
- Database Management
- Development
- Help Desk
- Network Security
- Website

Revised 7/1/2024

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Financial Section

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Southwestern Illinois College
Community College District #522
Belleville, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of Southwestern Illinois College, Community College District #522 (the District), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Districts 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, the discretely presented component unit, and the aggregate remaining fund information of the District, as of June 30, 2024 and 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Southwestern Illinois College Foundation were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Southwestern Illinois 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 Southwestern Illinois 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, defined benefit pension plan information, the schedule of the District's proportionate share of the net OPEB liability and the schedule of the District's contributions, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Uniform Financial Statements, the Certificate of Chargeback Reimbursement, the Combining Schedules, the Internal Service Fund financial statements, the Consolidated Year-End Financial Report 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 GAAS. In our opinion, the Uniform Financial Statements, the Certificate of Chargeback Reimbursement, the Combining Schedules, the Internal Service Fund financial statements, the Consolidated Year-End Financial Report and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Belleville, Illinois
December 16, 2024

Management's Discussion and Analysis

This section of Southwestern Illinois College, Community College District #522's (District), Annual Financial Report presents management's discussion and analysis of the District's financial activity during the fiscal year ended June 30, 2024 with comparison to prior years. Since this management's discussion and analysis is designed to focus on current activities, resulting changes and currently known facts, please read it in conjunction with the transmittal letter (pages iii-v), the District's basic financial statements and the footnotes. Responsibility for the completeness and fairness of this information rests with the District.

Using This Annual Report

The financial statements focus on the District as a whole. The District's basic financial statements are designed to emulate corporate presentation models whereby all District activities are consolidated into one total. The focus of the Statement of Net Position is designed to reflect the District's financial position at a certain time. This statement combines and consolidates current financial resources (short-term spendable resources) with capital assets. The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross costs and the net costs of District activities, which are supported mainly by property taxes, student tuition and fees, and by other governmental revenues. This approach is intended to summarize and simplify the user's analysis of the cost of various District services to students and the public.

Financial Highlights

Net Position

The schedule below is a summary of the District's statement of net position which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

Statement of Net Position Comparative Summary

	2024	2023	Increase (Decrease) 2024-2023	2022	Increase (Decrease) 2023-2022
Current assets	$ 231.8	$ 209.4	$ 22.4	$ 200.1	$ 9.3
Non-current assets					
Capital assets, net of depreciation	82.9	67.0	15.9	57.1	9.9
Deferred outflows	3.1	0.8	2.3	0.9	(0.1)
Total assets	317.8	277.2	40.6	258.1	19.1
Current liabilities	20.9	21.6	(0.7)	20.1	1.5
Non-current liabilities	32.2	14.0	18.2	33.6	(19.6)
Deferred inflows	74.1	73.1	1.0	63.4	9.7
Total liabilities and Deferred inflow	127.2	108.7	18.5	117.1	(8.4)
Net position					
Investment in capital assets	76.4	65.0	11.4	54.4	10.6
Restricted	16.3	20.0	(3.7)	67.9	(47.9)
Unrestricted	97.9	83.5	14.4	18.7	64.8
Total net position	$ 190.6	$ 168.5	$ 22.1	$ 141.0	$ 27.5

During the year ending June 30, 2024

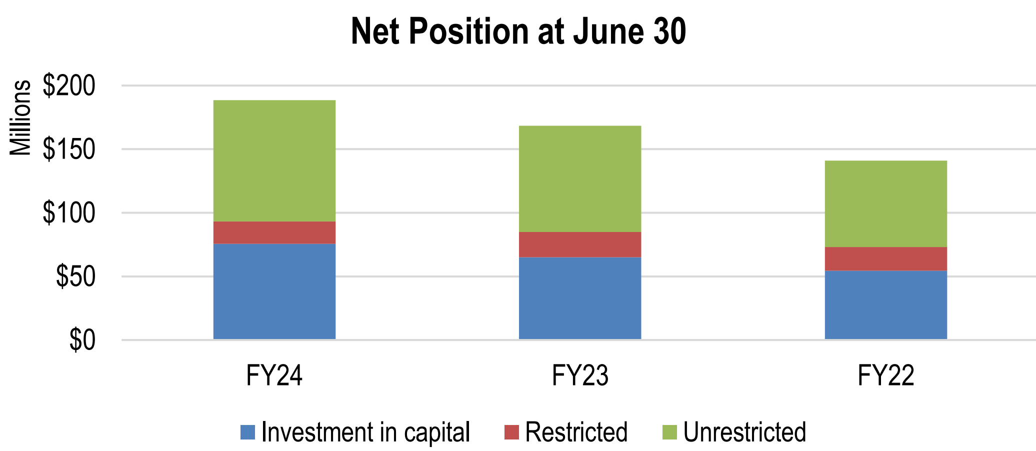
The District's current assets total $231.8 million, an increase of $22.4 million (10.7%) from the previous year. Current assets are comprised of 67.1% cash and 24.8% property taxes receivable with the remaining 8.2% in other receivables and prepaid expenses. The change in current assets is driven by an increase in cash of $15.7 million (11.2%) and an increase in receivables by $7.0 million (10.3%), offset by a decrease in prepaid items of $0.2 million (20.0%).

Total liabilities and deferred inflows of resources were $127.1 million, which is $18.4 million (16.9%) higher than the previous year. Liabilities are comprised of 45.6% deferred inflows from property taxes, 16.4% current liabilities, 12.7% deferred inflows related to OPEB and 25.3% non-current liabilities. The change in liabilities driven by a $18.4 million (133.0%) increase in non-current liabilities, including a $18.2 million increase in long term debt. Current liabilities are $0.7 million (4.3%) lower than the prior year, driven by a $1.6 million (39.4%) reduction in accounts payable partially offset by a $0.7 (34.0%) million increase in compensated absences.

During the year ending June 30, 2023

The District's current assets total $209.4 million, an increase of $9.8 million (4.9%) from the previous year. Current assets comprised of 66.8% cash and 24.9% property taxes receivable with the remaining 8.3% in other receivables and prepaid expenses. The change in current assets is driven by an increase in cash of $8.6 million (6.6%) and an increase in prepaid items of $1.3 million. Total receivables decreased by $0.4 million (0.7%).

Total liabilities and deferred inflows of resources are $108.7 million, which was $8.4 million (7.1%) lower than the previous year. Liabilities are comprised of 48.5% deferred inflows from property taxes, 19.8% current liabilities, 18.7% deferred inflows related to OPEB and 12.9% non-current liabilities. The change in liabilities is the result of $15.1M decrease in Net OPEB liability and $4.6 million (34.9%) decrease in long term debt, partially offset by an increase in deferred inflows related to OPEB of $9.4 million (85.7%).



Southwestern Illinois College strengthened its net position during fiscal year 2024, as assets and deferred outflows exceeded liabilities and deferred inflows (net position) by $190.6 million. The increase of $22.1 million (13.1%) from the previous year reflects increases in unrestricted ($14.4 million, 17.2%) and investment in capital ($11.4 million, 17.5%), and a decrease in net position for restricted purposes (-$3.7 million, -18.5%).

The increase in net invested in capital assets is due primarily to construction-in-progress offset by normal depreciation of capital assets. The increase of unrestricted funds is due the increase in working cash from bond proceeds.

Operating Results

Operating revenue includes activities that have the characteristics of exchange transactions, such as student tuition and fees (net of scholarship discounts and allowances) and sales and services of auxiliary enterprises. Operating expenses are those expenses for the purpose of providing education and operational activities of the District. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenditures. Non-operating revenues include 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.

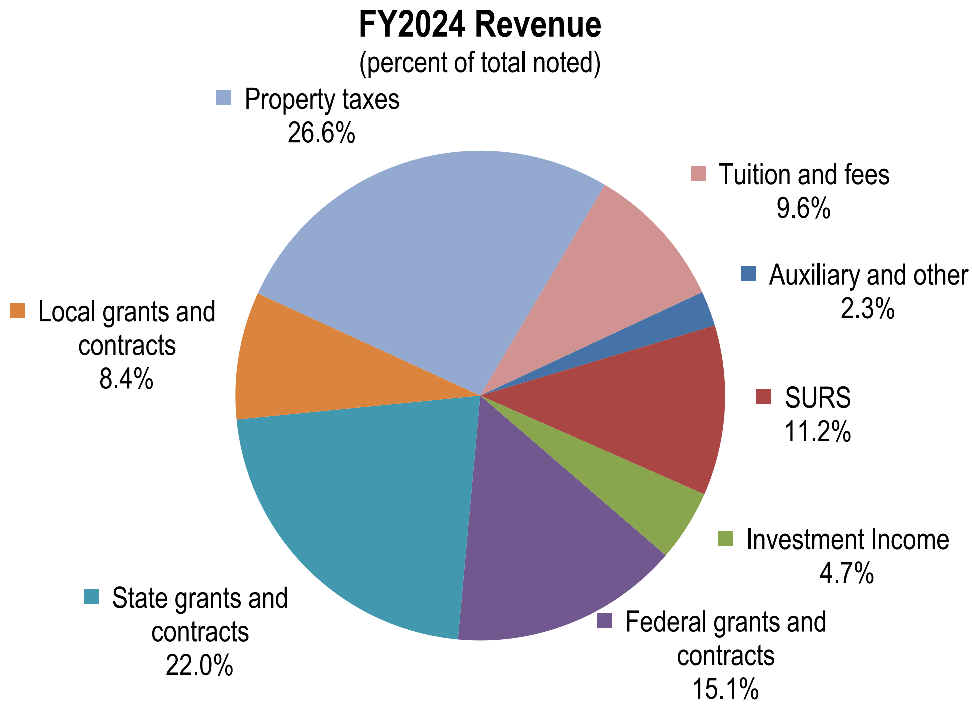
The schedule below is a summary of the District's Statement of Revenues, Expenditures and Changes in Net Position which is presented on an accrual basis.

Revenue, Expenditures and Change in Net Position Summary

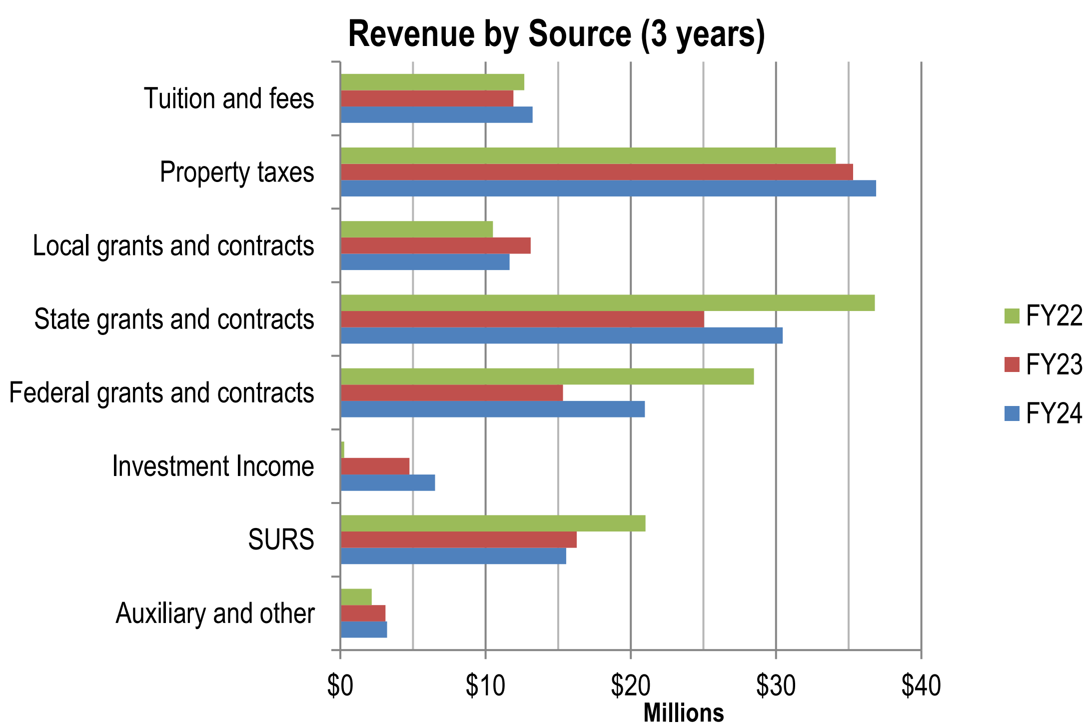
	2024	2023	Increase (decrease) 2024-2023	2022	Increase (decrease) 2023-2022
Operating revenue	$ 16.4	$ 15.0	$ 1.4	$ 14.8	$ 0.2
Less Operating expenses	(115.6)	(96.5)	(19.1)	(103.9)	7.4
Operating loss	(99.2)	(81.5)	(17.7)	(89.1)	7.6
Non-operating revenue	122.0	109.8	12.2	106.7	3.1
Less: Non-operating expenses	(0.7)	(0.2)	(0.5)	(0.3)	0.1
Non-operating revenue, net non-operating expenses	121.3	109.6	11.7	106.4	3.2
Income (loss) before contributions to capital	22.2	28.1	(6.0)	17.3	10.8
Capital contributions	-	(0.6)	-	-	-
Change in net position	**22.2**	**27.5**	**(6.0)**	**17.3**	**10.8**
Net position - beginning of year	168.5	141.0	(6.0)	123.7	10.8
Net position - end of year	$ 190.7	$ 168.5	$ (12.0)	$ 141.0	$ 21.7

Operating revenues (Tuition & fees and Auxiliary and other) make up 11.9% of total revenues and cover approximately 14.2% of operating expenses. The District's operating expenses are primarily funded through the remaining non-operating revenue streams. Non-operating revenue, net of non-operating expenses, for the year ended June 30, 2024, was $122.0 million.

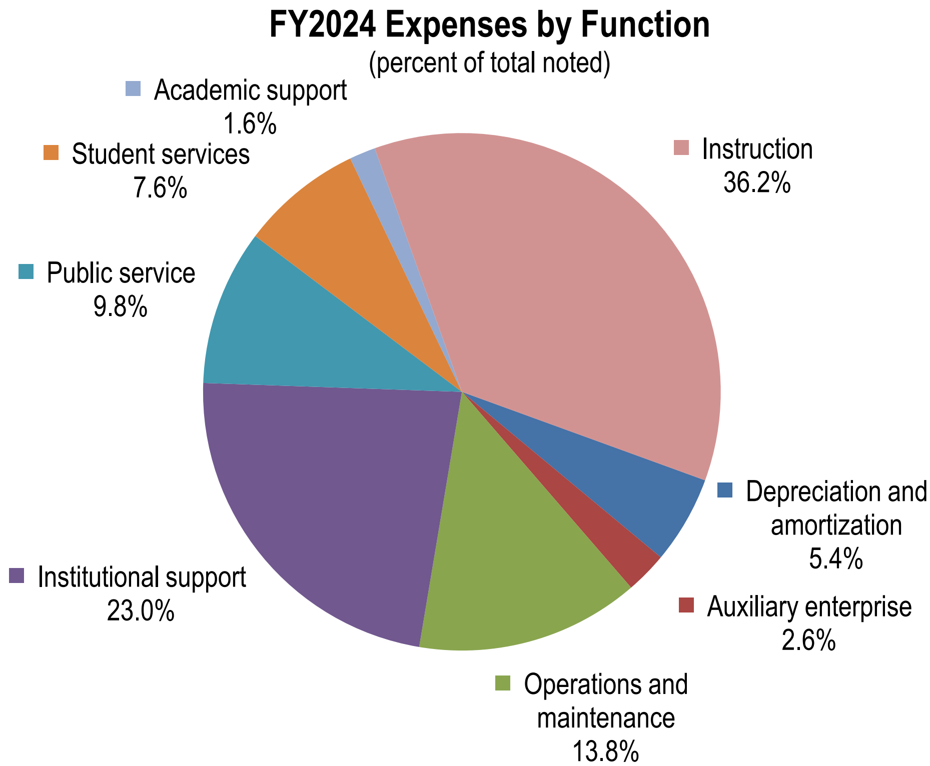
Tuition and fees are reported net of a scholarship allowance of $11.2 million. The allowance is calculated using an alternate method defined by Governmental Accounting Standards Board (GASB). The College provides financial assistance to students with $4.4 million in institutional aid, $0.9 million from athletics, and $18.7 million from granting sources including $14.0 million in Loans and Pell grants from the Department of Education. Additionally, the SWIC Foundation contributed $0.2 million toward financial aid to SWIC students. A summary of revenues for the current year by source are depicted in the graph below.



The graph below shows revenue amounts by source over the past three years. Revenues from tuition and fees are higher than the prior year, reflecting higher enrollment and modest price increases. Property taxes increased for the third consecutive year in spite of minimal levy increases due to accelerated assessment values. While funding from local government sources are lower, both state and federal funding are higher than the prior year, but not quite to the levels received during the pandemic. SURS contributions continue to decrease.



A summary of operating expenditures for the current year by function are depicted in the graph below. Total operating expenditures of $115.6 million is $19.1 million (19.8%) higher than the prior year. Functions contributing directly to student success include Instruction, Academic support and Student services. These three functions had a combined expense of $52.5 million or 45.4% of the total operating expense for the year.

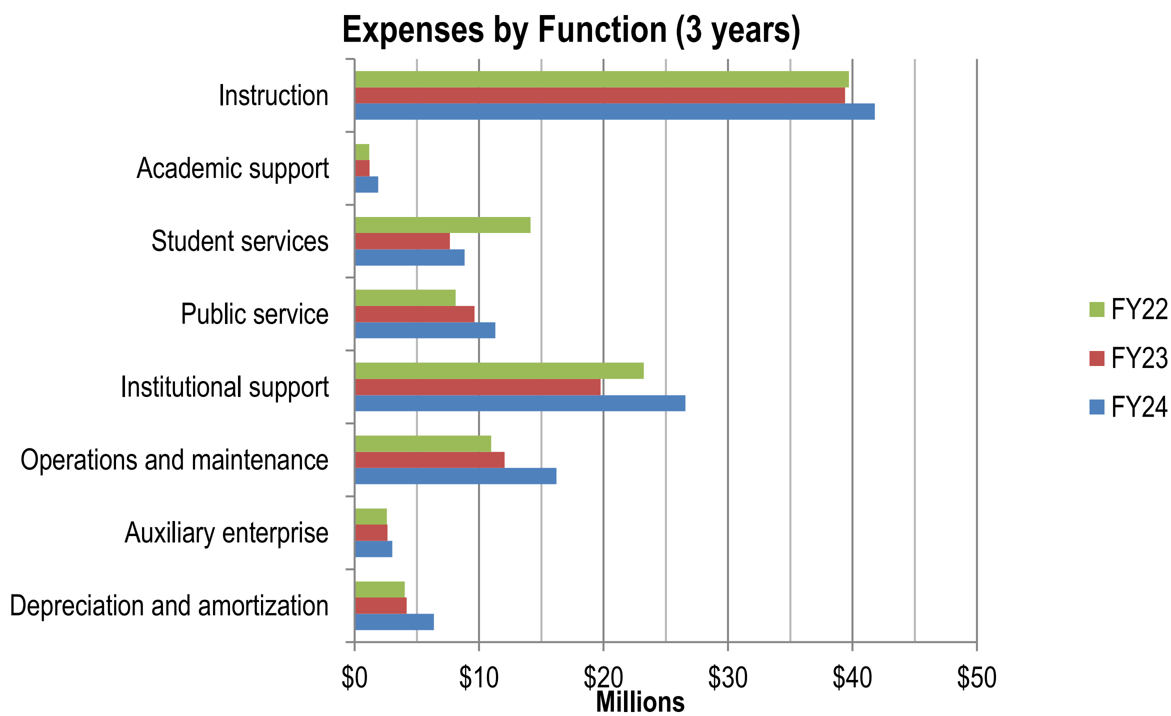


While operating expenses by program provide an important piece of financial information for managing and reporting purposes, operating expenses by object are also a valuable financial management tool. Note 8. Operating Expenses by Functional Classification provides a summary of expenditures by function and object for the years reported. The following schedule is a summary of operating expenses by object for the current and prior years.

Expenditures by Object Summary

	2024	2023	Increase (decrease) 2024-2023	2022	Increase (decrease) 2023-2022
Salary & Benefits	$ 70.6	$ 67.8	$ 2.8	$ 62.0	$ 5.8
Contractual services	14.3	8.6	5.7	6.1	2.5
Materials & supplies	6.1	5.9	0.2	7.4	(1.5)
Travel & meeting	2.7	2.3	0.4	1.7	0.6
Fixed charges	3.7	3.0	0.7	2.5	0.5
Utilities	2.5	2.7	(0.2)	2.0	0.7
Other expenditures	11.5	4.0	7.5	15.4	(11.4)
Capital Outlay	4.2	2.2	2.0	1.6	0.6
	$ 115.6	$ 96.5	$ 19.1	$ 98.7	$ (2.2)

The graph below shows expenditure amounts by function over the past three years. The increase in instruction, academic support, and student services expenses is consistent with higher tuition and fee revenue (and higher enrollment levels). The increase in institutional support is primarily in contracted services which include legal, accounting and consulting services. Increases in operations and maintenance reflect improvements to existing facilities and a reduction of deferred maintenance.



Management uses an annual budget process to guide and monitor financial activity. The schedule below shows the budget and actual revenues and expenditures for the operating funds (Education and Operations and Maintenance). Additional detail with regard to performance to budget can be found in the Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget Vs Actual Operating Funds report in the Supplemental Information section of these statements.

Operating Funds Performance to Budget Summary

	Budget	Education Fund	Operations & Maintenance Fund	Total	Variance Favorable (Unfavorable)
Revenues					
Property taxes	$ 26.7	$ 20.0	$ 7.8	$ 27.8	$ 1.1
State & Federal government	12.0	12.0	1.4	13.4	1.4
Student tuition and fees	21.0	24.5	-	24.5	3.5
Sales & service fees	-	1.1		1.1	1.1
Investment income	3.0	4.2	-	4.2	1.2
Facilities revenue	0.2	-	0.2	0.2	-
Other sources	0.7	0.5	-	0.5	(0.2)
Total Revenues	63.6	62.3	9.4	71.7	8.1
Expenditures					
Instruction	31.0	27.1	-	27.1	3.9
Academic support	1.3	1.3	-	1.3	-
Student services	4.3	3.5	-	3.5	0.8
Public service	0.3	-	-	-	0.3
Institutional support	18.8	18.9	-	18.9	(0.1)
Operation and maintenance of plant	6.3	-	7.2	7.2	(0.9)
Capital outlay	1.1	1.8	0.5	2.3	(1.2)
Total expenditures	63.1	52.6	7.7	60.3	2.8
Excess (deficiency) of revenue over expenditures	0.5	9.7	1.7	11.4	10.9
Transfers in (out)	(4.0)	(5.8)	2.0	(3.8)	(0.2)
Excess (deficiency of revenues over expenditures and other financing sources	$ (3.5)	$ 3.9	$ 3.7	$ 7.6	$ 10.7

The schedule below is a summary of the District's capital assets. The increase in capital assets in fiscal year 2024 is due to the completion of a new building and equipment purchases exceeding regular depreciation expense. The increase in capital assets in fiscal year 2023 is due to the construction-in-progress and equipment purchases exceeding regular depreciation expense. Additional information regarding Capital Assets can be found in Note 4. Changes in Capital Assets of the Financial Statements.

Capital Asset Summary

	2024	2023	Increase (decrease) 2024-2023	2022	Increase (decrease) 2023-2022
Land	$ 6.5	$ 6.5	$ -	$ 6.5	$ -
Land improvements	16.8	16.8	-	16.8	-
Buildings	71.1	53.5	17.6	53.5	-
Building improvements	47.3	47.1	0.2	47.6	(0.5)
Equipment	34.4	25.5	8.9	23.0	2.5
Construction in progress	4.1	12.7	(8.6)	2.1	10.6
Total Capital Assets	180.2	162.1	18.1	149.5	12.6
Less: Accumulated Depreciation	(100.6)	(95.2)	(5.4)	(92.5)	(2.7)
Net Capital Assets	$ 79.6	$ 66.9	$ 12.7	$ 57.0	$ 9.9

Additional information regarding Long-Term Debt can be found in Note 6. Long-term Liabilities of the Financial Statements.

Long Term Debt Summary

	2024	2023	Increase (decrease) 2024-2023	2022	Increase (decrease) 2023-2022
Bonds	$ 22.3	$ 8.3	$ 14.0	$ 13.4	$ (5.1)
Lease & Software Right of Use	2.6	-	2.6	-	-
Total	$ 24.9	$ 8.3	$ 16.6	$ 13.4	$ (5.1)

Basic Financial Statements

Southwestern Illinois College
Community College District # 522

Statements of Net Position

As of June 30,	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	$ 155,434,976	$ 139,772,715
Receivables:		
Property taxes	57,422,470	52,148,190
Grants and sponsored programs	5,670,364	3,812,880
Student tuition and fees, net of allowance of 7,813,152 in 2024 and $7,378,556 in 2023	10,117,196	9,707,742
Other	2,022,477	2,539,524
Total receivables	75,232,507	68,208,336
Prepaid items	1,110,511	1,388,893
Total current assets	231,777,994	209,369,944
Noncurrent Assets		
Land	6,515,480	6,515,480
Construction-in-progress	4,062,016	12,748,885
Depreciable and amortizable property, buildings and equipment, net	69,015,028	47,712,792
Right of use lease and software agreements, net	3,294,214	-
Total noncurrent assets	82,886,738	66,977,157
Deferred Outflows of Resources		
Deferred outflows related to OPEB liability	2,435,106	257,215
Subsequent year's pension expense related to federal, trust or grant contributions in the current year	619,023	587,666
Total Assets and Deferred Outflows of Resources	**$ 317,718,861**	**$ 277,191,982**
Liabilities		
Current Liabilities		
Accounts payable	$ 2,539,320	$ 4,187,242
Accrued expenses	1,152,225	1,546,015
Compensated absences, current	3,140,132	2,343,088
Unearned revenues		
Student tuition and fees	7,050,401	5,767,594
Other	1,712,667	3,398,607
Bonds, lease and note payable, current	5,259,416	4,558,448
Total current liabilities	20,854,161	21,800,994
Noncurrent Liabilities		
Compensated absences due in more than one year	677,453	29,728
Net OPEB liability	11,006,656	9,795,081
Bonds, lease and note payable due in more than one year	20,505,548	3,988,637
Total noncurrent liabilities	32,189,657	13,813,446
Deferred Inflows fo Resources		
Subsequent year's property taxes	57,905,548	52,732,306
Deferred inflow for OPEB liability	16,158,626	20,380,306
Total Liabilities and Deferred Inflows of Resources	**127,107,992**	**108,727,052**
Net Position		
Net invested in capital assets	76,380,574	64,966,658
Restricted	16,341,482	19,980,719
Unrestricted	97,888,813	83,517,553
Total net position	**$ 190,610,869**	**$ 168,464,930**

See accompanying *Notes to Financial Statements*

.

Southwestern Illinois College
Community College District # 522

Statements of Revenues, Expenses and Changes in Net Position

Years ended June 30,		2024		2023
Operating Revenues				
Student tuition and fees, net of scholarship allowances of $11,222,288 and $8,887,107, respectively	$	13,236,898	$	11,922,941
Auxiliary enterprise revenue		206,054		161,701
Facilities revenue		186,342		186,482
Other operating revenue		2,818,589		2,749,286
Total operating revenues	**$**	**16,447,883**	**$**	**15,020,410**
Operating Expenses				
Instruction	$	41,807,462	$	39,398,686
Academic support		1,883,960		1,203,284
Student services		8,839,640		7,650,074
Public service		11,300,838		9,640,373
Insitutionals support		26,594,475		19,756,823
Operation and maintenance of plant and capital outlay		15,924,340		12,037,768
Auxiliary enterprise		3,008,851		2,633,255
Depreciation and amortization		6,226,614		4,191,722
Total operating expenses		**115,586,180**		**96,511,985**
Operating surplus (loss)	$	(99,138,297)	$	(81,491,575)
Nonoperating revenues (expenses)				
Property taxes	$	36,893,821	$	35,289,383
Local grants and contracts		11,654,638		13,107,837
State grants and contracts		30,451,977		25,045,118
Federal grants and contracts		20,956,734		15,326,160
Investment income		6,527,375		4,763,824
Interest expense		(743,752)		(225,547)
Contributions provided by the state		15,555,627		16,281,391
Total nonoperating revenues (expenses)		**121,296,420**		**109,588,166**
Income (loss) before contributions		22,158,123		28,096,591
Capital contributions		(12,184)		(618,408)
Change in net position		22,145,939		27,478,183
Net position				
Net position - beginning of year		168,464,930		140,986,747
Net position - end of year	$	190,610,869	$	168,464,930

See accompanying *Notes to Financial Statements*

Southwestern Illinois College
Community College District # 522

Statements of Cash Flows

Years ended June 30,		2024		2023
Cash Flows from Operating Activities				
Tuition and fees	$	14,110,251	$	11,956,677
Payments to employees		(45,212,089)		(43,356,408)
Payments to suppliers		(54,129,764)		(38,479,655)
Auxiliary enterprise charges Other receipts		206,054		161,701
Other receipts		3,521,977		2,213,887
Net cash provided (used) by operating activities	**$**	**(81,503,571)**	**$**	**(67,503,798)**
Cash Flows from Noncapital Financing Activities				
Federal, state and local grants and contracts	$	59,519,925	$	55,136,540
Property taxes		36,792,784		35,816,629
Net cash provided (used) by noncapital financing activitie	**$**	**96,312,709**	**$**	**90,953,169**
Cash Flows from Capital and Related Financing Activities				
Purchases of capital assets	$	(19,017,147)	$	(14,834,054)
Loss (gains) on disposal of capital assets		-		5,015
Proceeds on bond issuance		19,355,955		-
Principal paid on debt and leases		(5,269,308)		(4,462,609)
Interest paid on debt and leases		(743,752)		(225,547)
Net cash provided (used) by capital and related financing activities	**$**	**(5,674,252)**	**$**	**(19,517,195)**
Cash Flows from Investing Activities				
Interest on investments	$	6,527,375	$	4,763,824
Net cash provided by investing activities		**6,527,375**		**4,763,824**
Net increase (decrease) in cash		**15,662,261**		**8,696,000**
Cash - beginning of year		139,772,715		131,076,715
Cash - end of year		155,434,976		139,772,715
Cash and cash equivalents	$	155,434,976	$	139,772,715

See accompanying *Notes to Financial Statements*

Southwestern Illinois College
Community College District # 522

Statements of Cash Flows

Years ended June 30,		**2024**		**2023**
Reconciliation of Operating Results to Net Cash Used by Operating Activities				
Operating gains (loss)	$	(99,138,297)	$	(81,491,575)
Adjustments to reconcile operating gains (loss) to net cash used by operating activities				
Depreciation and Amortization		6,226,614		4,191,722
Contribution paid by the state		15,555,627		16,281,391
Changes in assets and liabilities				
(Increase) decrease in receivables		107,592		(652,800)
(increase) decrease in prepaid items		278,382		(1,020,012)
Increase (decrease) in accounts payable		(1,647,922)		1,023,805
Increase (decrease) in accrued expenditures		817,785		(15,328,525)
Increase (decrease) in unearned revenue		1,282,807		83,677
Increase (decrease) in compensated absences		1,444,769		(35,344)
Increase in deferred inflows of resources		(4,221,680)		9,407,490
Increase in deferred outflows of resources		(2,209,248)		36,373
Total adjustements		17,634,726		13,987,777
Net cash used by operating activities		**(81,503,571)**		**(67,503,798)**
Noncash, capital and related financing activities				
Capital Assets Acquired through Leases and Subscriptions	$	3,131,232	$	-
SURS contribution paid by the State		15,555,627		16,281,391

See accompanying *Notes to Financial Statements*

Southwestern Illinois College
Community College District # 522

Statements of Fiduciary Net Position

June 30,		2024		2023
Assets				
Cash and cash equivalents	$	821,186	$	904,880
Other receivables		6,729		6,729
Total assets	**$**	**827,915**	**$**	**911,609**
Liabilities				
Accounts payable	$	6,939	$	7,464
Other liabilities		65,481		140,405
Total Liabilities		**72,420**		**147,869**
Net Position				
Restricted for individuals and organizations		755,495		763,740
Total net position	**$**	**755,495**	**$**	**763,740**

Statements of Changes in Fiduciary Net Position

Years ended June 30,		2024		2023
Additions				
Deposits by student clubs and organizations	$	308,539	$	144,973
Total additions	**$**	**308,539**	**$**	**144,973**
Deductions				
Disbursements to student clubs and organizations	$	316,784	$	141,861
Total deductions		**316,784**		**141,861**
Net increase (decrease) in fiduciary net position		(8,245)		3,112
Net position - beginning of year		763,740		760,628
Net position - end of year	$	755,495	$	763,740

See accompanying *Notes to Financial Statements*

Southwestern Illinois College
Community College District # 522

SWIC Foundation Statements of Financial Position

December 31,		2023		2022
Assets				
Cash and cash equivalents	$	2,098,682	$	734,999
Investments		10,083,520		9,285,539
Beneficial interest in perpetual trust		70,972		65,841
Accounts receivable		-		1,500
Pledge receivable		-		200
Property and equipment, net		3,653,950		2,797
Art collections		448,848		448,848
Total Assets	**$**	**16,355,972**	**$**	**10,539,724**
Liabilities and Net Assets				
Accounts payable	$	202,020	$	143,281
Total liabilities		**202,020**		**143,281**
Net assets				
Without donor restrictions		4,817,535		1,376,953
With donor restrictions		11,336,417		9,019,490
Total Net Assets		**16,153,952**		**10,396,443**
Total Liabilities and Net Assets	$	16,355,972	$	10,539,724

See accompanying *Notes to Financial Statements*

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Southwestern Illinois College
Community College District # 522

SWIC Foundation Statement of Activities
Year ended December 31, 2023

	Without Donor Restriction	With Donor Restrictions	Total
Revenue, Gains and Other Support			
Gifts and grants	$ 16,053	$ 1,337,538	$ 1,353,591
Revenue from fundraising events	-	33,306	33,306
Less: Direct cost of fundraising events	-	(19,168)	(19,168)
Net fundraising events	-	14,138	14,138
Investment Income, Net of Fees	8,177	1,316,280	1,324,457
In-Kind Gift	3,915,000	-	3,915,000
Contributed Nonfinancial Assets from Southwestern Illinois College	94,305	-	94,305
Rental Income	-	11,400	11,400
Net assets released from restriction	362,429	(362,429)	-
Total Support and Revenues	**$ 4,395,964**	**$ 2,316,927**	**$ 6,712,891**
Expenses			
Program			
Students grants and scholarships	$ 326,532	$ -	$ 326,532
Interest distributions	-	-	-
Program costs	509,058	-	509,058
Total Program Expenses	**835,590**	**-**	**835,590**
Support			
Management and general costs paid by Southwestern Illinois College	348,067	-	348,067
Fundraising	1,640	-	1,640
Depreciation	23,847	-	23,847
Total Support Expenses	**373,554**	**-**	**373,554**
Total Expenses	1,209,144	-	1,209,144
Transfer of Services - Southwestern Illinois College	253,762	-	253,762
Change in net assets	3,440,582	2,316,927	5,757,509
Net assets - beginning of year	1,376,953	9,019,490	10,396,443
Net assets - end of year	$ 4,817,535	$ 11,336,417	$ 16,153,952

See accompanying *Notes to Financial Statements*

SWIC Foundation Statement of Activities

Year ended December 31, 2022

	Without Donor Restriction	With Donor Restrictions	Total
Revenue, Gains and Other Support			
Gifts and grants	$ 4,902	$ 408,453	$ 413,355
Revenue from fundraising events	-	42,700	42,700
Less: Direct cost of fundraising events	-	(19,851)	(19,851)
Net fundraising events	-	22,849	22,849
Investment Losses	(114,589)	(1,913,729)	(2,028,318)
Contributed Nonfinancial Assets from Southwestern Illinois College	28,141	-	28,141
Net assets released from restriction	459,238	(459,238)	-
Total Support and Revenues	**$ 377,692**	**$ (1,941,665)**	**$ (1,563,973)**
Expenses			
Program			
Students grants and scholarships	$ 292,295	$ -	$ 292,295
Interest distributions	254	-	254
Program costs	165,179	-	165,179
Total Program Expenses	**457,728**	**-**	**457,728**
Support			
Management and general costs paid by Southwestern Illinois College	314,462	-	314,462
Fundraising	1,734	-	1,734
Depreciation	1,178	-	1,178
Total Support Expenses	**317,374**	**-**	**317,374**
Total Expenses	775,102	-	775,102
Transfer of Service - Southwestern Illinois College	286,321	-	286,321
Change in net assets	(111,089)	(1,941,665)	(2,052,754)
Net assets - beginning of year	1,488,042	10,961,155	12,449,197
Net assets - end of year	$ 1,376,953	$ 9,019,490	$ 10,396,443

See accompanying *Notes to Financial Statements*

Note 1. Organization and Significant Accounting Policies

Organization
Southwestern Illinois College (formerly Belleville Area College), Community College District #522 (District) is an Illinois community college. The District includes all or portions of eight counties in Southwestern Illinois. The District is governed by a Board of Trustees.

The financial statements are based on accounts prescribed or permitted by the Fiscal Management Manual of the Illinois Community College Board. The accounting policies of the District conform to accounting principles generally accepted in the United States of America, as set forth in GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*.

Financial reporting entity
The District is a unit of state and local government governed by a Board of Trustees (Board), which is elected by the public and has the exclusive responsibility and accountability for the decisions it makes. The District has the statutory authority to adopt its own budget, to levy taxes, and to issue bonded debt within certain dollar limits without the approval of another government and has the right to sue and be sued.

Accounting principles generally accepted in the United States of America require that the financial statements of the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include (1) the Board of Trustees of the District appointing a voting majority of an organization's governing body, (2) the ability of the District to impose its will on any organization, or (3) the potential for the Organization to provide specific benefits to, or impose specific financial burdens on, the District. Based on these criteria, the District is considered a primary government. GASB has also set forth criteria to be considered in determining the nature and significance of a relationship within the primary government. These criteria include: 1) the economic resources received or held by an organization are entirely or almost entirely for the direct benefit of the District, 2) the District is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the organization, and 3) the economic resources received or held by an organization that the District is entitled to, or has the ability to otherwise access, are significant to the District.

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, as well as its component unit, the Southwestern Illinois College Foundation (the Foundation).

The Foundation is a legally separate, tax-exempt component unit of the District. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the District in support of its programs. Although the District does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, which the Foundation holds and invests, is restricted to the activities of the District by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the District, the Foundation is considered a component unit of the District. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further described below.

Note 1. Organization and Significant Accounting Policies *(continued)*

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 are *Accounting for Contributions Received and Contributions Made, Financial Reporting for Not-for-Profit Organizations.* As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. The Foundation's financial information has been discretely presented. No modifications have been made to the Foundation's financial information in the District's financial reporting entity for these differences; however significant note disclosures to the Foundation's financial statements have been incorporated into the District's notes (see Note 15) to the financial statements.

Financial statements for the Foundation can be obtained by calling the Foundation at (618) 235-2700, ext. 5215.

<u>Basis of accounting</u>
Basis of accounting refers to when revenues received and expenses disbursed are recognized in the accounts and how they are reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred. All significant intra-District transactions have been eliminated. Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes; federal, state, and local grants; state appropriations and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenues from grants, state appropriations, and other contributions are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when the use is first permitted, matching requirements in which the District must provide local resources to be used for a specified purpose and expenditure requirements in which the resources are provided to the District on a reimbursement basis.

The District has a fiduciary fund type which accounts for assets held by the District as an agent for the students, faculty, and other governmental units. These funds are custodial in nature and are classified as custodial funds.

<u>Net position</u>
The District's net position is classified as follows:

> *<u>Net investment in capital assets</u>* – This represents the District's total investment in capital assets, net of accumulated depreciation and amortization and outstanding debt incurred to acquire, construct, or improve those assets.
>
> *<u>Restricted net position</u>* – This includes resources that the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources when they are needed.
>
> *<u>Unrestricted</u>* – This includes resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District and may be used at the discretion of the governing board to meet current expenses for any purpose.

Note 1. Organization and Significant Accounting Policies *(continued)*

Cash and cash equivalents: For purposes of reporting cash flows, the District considers all highly liquid investments purchased with a maturity of three months or less, and investments to be cash equivalents.

Investments: Investments are reported at fair value in accordance with guidelines defined by GASB Statement No. 72. Bank deposits, money market accounts and certificates of deposit are recorded at cost. Investment income consists of interest earned on bank deposits and money market accounts. Investments in securities are reported at market value as determined by the major securities market.

Capital assets: Capital assets are defined by the District as assets with estimated useful lives in excess of one year and initial individual costs in excess of $5,000. Capital assets, which include property, plant, equipment, and infrastructure assets (*i.e.*, roads, curbs, gutters, sidewalks, and similar items), are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Interest costs on construction in progress are capitalized when amounts are significant. During the fiscal year ended June 30, 2023 and 2022, the College did not capitalize interest.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	25-45
Other structures and improvements	10-45
Equipment	5-10

The District does not capitalize or depreciate its art collections or collection of library books. These collections are unencumbered, held for public education, protected, and preserved. Any proceeds from sale of collections are insignificant.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Deferred Outflows of Resources
Deferred outflows are defined as a consumption of net position by the District that is applicable to a future reporting period, and should be reported as having a similar impact on net position as assets. For the District, pension payments related to federal grants and payments related to postemployment benefits other than pensions and made subsequent to the liability measurement date are considered to be deferred outflows.

Deferred Inflows of Resources
Deferred inflows reflect an increase in net position or fund equity that applies to a future period. The District will not recognize the related revenue until a future event occurs. The District has two types of these items. One occurs related to revenue recognition because property tax receivables are recorded in the current year. The other occurs because of postemployment benefits other than pensions.

Note 1. Organization and Significant Accounting Policies *(continued)*

Classification of revenues and expenses
Operating revenue includes activities that have the characteristics of exchange transactions, such as student tuition and fees and sales and services of auxiliary enterprise, net of scholarship discounts and allowances. Non-operating revenues include 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 for the purpose of providing education and operational activities of the District. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenditures.

Use of estimates in preparing financial statements: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Federal Financial Assistance Programs: The District participates in federally funded Pell Grants, Supplemental Educational Opportunity Grants (SEOG), Federal Work-Study, Federal family education loans, Student Support Services and other educational programs. Federal programs are audited in accordance with the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget Uniform Grant Guidance for States, Local Governments and Non-Profit Organizations, and the Compliance Supplement.

Allowance for doubtful accounts: Management has reviewed the collectability of its ordinary receivables and has deemed that all are collectible. However, the District has set up an allowance for doubtful accounts relative to the student tuition receivable.

Claims and judgments: Liability resulting from claims and judgments, if any, is recorded as the liability is incurred.

Summer school revenue and expenses: Summer session revenues and expenses are split between the two fiscal years, with appropriate amounts being recognized in the accounting period in which they are earned or incurred and become measurable.

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 statements 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 District, and the amount that is paid by students and/or third parties making payments on the student's behalf.

On-Behalf payments for fringe benefits and salaries: The District recognizes as revenues and expenses contributions made by the State of Illinois to the State Universities Retirement System (SURS) and the Illinois Community College Health Insurance Security Fund on behalf of the District's employees.

Note 2. Cash and Cash Equivalents

At June 30 the District's deposits had the following balance.

	2024	2023
Cash and cash equivalents	155,434,976	139,772,715
Fiduciary cash and cash equivalents	816,734	904,880
Total deposits	156,251,710	140,677,595
Less: Amounts reclassified as investments	(143,391,454)	(128,066,557)
Carrying amounts of deposits	12,860,256	12,611,038

At June 30, the District's investment balances were as follows:

2024	Fair Market Value	Less than 6 Months	6-12 Months	1-3 Years	Standard & Poor's Rating
Illinois Funds	$ 56,127,188	$ 56,127,188	$ -	$ -	AAAm
Illinois School District Liquid					
Asset Fund-Money Market	28,868,265	-	28,868,265	-	AAAm
Certificates of Deposits	45,391,689	3,105,400	18,308,600	23,977,689	Not Rated
Savings Deposit Accounts	62,223	62,223			Not Rated
Treasury Notes	12,942,090	-	4,354,863	8,587,227	Not Rated
Total	$ 143,391,455	$ 59,294,811	$ 51,531,728	$ 32,564,916	

2023	Fair Market Value	Less than 6 Months	6-12 Months	1-3 Years	Standard & Poor's Rating
Illinois Funds	$ 82,144,855	$ 82,144,855	$ -	$ -	AAAm
Illinois School District Liquid					
Asset Fund-Money Market	2,159,049	2,159,049	-	-	Not Rated
Savings Deposit Accounts	43,762,653	43,762,653	-	-	Not Rated
Total	$ 128,066,557	$ 128,066,557	$ -	$ -	

Credit Risk: The Board of Trustees has authorized the District to invest funds in accordance with the Illinois Community College Act and the Investment of Public Funds Act. The District's investment policy is to apply the prudent person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to conform to legal requirements, seek reasonable income, preserve capital, maintain liquidity and, in general, avoid speculative investments.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's investment policy allows that funds on deposit in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement, and held at an independent, third party institution in the name of the District. The District's collateralization policy is currently set at 102% of uninsured deposits. At June 30, 2024 and 2023, the District's deposits were not fully collateralized.

Note 2. Cash and Cash Equivalents *(continued)*

Interest Rate Risk: The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The State Treasurer maintains the Illinois Funds Money Market at cost and fair value through daily adjustment in the interest earnings. Based upon the State Treasurer's Office Investment policy, the Districts funds are pooled in a manner that provides the highest investment return using authorized instruments while meeting the daily cash flow demands and conforming to all pertinent statutes governing the investment of public funds.

The Illinois Funds invests in U.S. Treasury obligations, repurchase agreements collateralized at 102% by U.S. Treasury obligations, certificates of deposit issued by an Illinois financial institution, U.S. agency mortgage-backed securities, and U.S. Treasury only money-market funds rated 'AAAm' by Standard & Poor's. Other investments include commercial paper rated in one of the two highest rating categories by Standard & Poor's with a maximum final maturity of 270 days, and no asset-backed securities. The final maturity on all securities is limited to one year.

All funds deposited in the pool are classified as investments even though some could be withdrawn on a day's notice. Although not subject to direct regulatory oversight, the fund is administered in accordance with the provision of the Illinois Public Investment Act, 30 ILCS 235.

Note 3. Property Taxes Receivable

Property taxes are levied each year on all taxable real property in the District. The property tax calendar is specified by the Board of Trustees. Property taxes are certified on or before the last Tuesday in December and attach as an enforceable lien on the property as of the preceding January 1. These taxes become due and collectible in the following calendar year and are collected by the county collectors in the District who, in turn, remit to the District its respective share. Collection dates vary according to the schedules of the individual counties with disbursements to the District normally made within thirty days of collection.

Property taxes receivable represents the prior year's levy and an estimate of the current year's levy applicable to the portion of the current fiscal year. Property taxes that are not intended for current year operations are shown as a deferred inflow of resources. The amounts accrued from year to year will vary based upon the tax collections of the respective counties.

The following are the tax rates permitted and the actual rates levied per $100 of assessed valuation.

	Maximum	Levy Year	
	Rate	2025	2024
Education	0.1320	0.1279	0.1317
Equity	0.1307	0.1217	0.1304
Building	0.0280	0.0275	0.0279
Tort immunity	-	0.0369	0.0539
Audit	0.0050	0.0018	0.0008
Bond and interest	-	0.0530	0.0573
Protection, health, safety	0.0500	0.0365	0.0412
Social security	-	0.0067	0.0079
		0.4120	0.4511

Note 4. Changes in Capital Assets

A summary of changes in capital assets for the year ended June 30, 2024, is as follows.

	Balance July 1, 2023	Additions	Disposals	Balance June 30, 2024
Capital assets not depreciated				
Land	$ 6,515,480	$ -	$ -	$ 6,515,480
Construction in progress	12,748,885	9,828,507	(18,515,375)	4,062,017
Total capital assets not depreciated	19,264,365	9,828,507	(18,515,375)	10,577,497
Capital assets being depreciated				
Buildings	53,524,255	17,544,902	-	71,069,157
Building improvements	47,108,529	222,522	-	47,331,051
Land improvements	16,812,979	29,640	-	16,842,619
Equipment	24,666,814	9,495,587	(594,687)	33,567,714
Right-of-use leased assets	613,177	1,144,380	(466,876)	1,290,681
Right-of-use software	-	2,386,285	-	2,386,285
Total capital assets being depreciated	142,725,754	30,823,316	(1,061,563)	172,487,507
Less accumulated depreciation and amortization for				
Buildings	21,251,654	1,556,610	-	22,808,264
Building improvements	44,510,623	236,106	-	44,746,729
Land improvements	11,123,605	735,742	-	11,859,347
Equipment	17,660,457	3,461,957	(594,687)	20,527,727
Right-of-use leased assets	466,623	236,199	(466,623)	236,199
Total accumulated depreciation	95,012,962	6,226,614	(1,061,310)	100,178,266
Total capital assets being depreciated	47,712,792	24,596,702	(253)	72,309,241
Total capital assets, net	$66,977,157	$34,425,209	$(18,515,628)	$82,886,738

Note 4. Changes in Capital Assets *(continued)*

A summary of changes in capital assets for the year ended June 30, 2023, is as follows:

	Balance July 1, 2022	Additions	Disposals	Balance June 30, 2023
Capital assets not depreciated				
Land	$ 6,515,480	$ -	$ -	$ 6,515,480
Construction in progress	2,140,541	11,989,824	(1,381,480)	12,748,885
Total capital assets not depreciated	8,656,021	11,989,824	(1,381,480)	19,264,365
Capital assets being depreciated				
Buildings	53,524,255	-	-	53,524,255
Building improvements	47,581,755	836,117	(1,309,343)	47,108,529
Land improvements	16,819,234	-	(6,255)	16,812,979
Equipment	22,228,237	2,645,790	(207,213)	24,666,814
Right-of-use leased assets	613,177	-	-	613,177
Total capital assets being depreciated	140,766,658	3,481,907	(1,522,811)	142,725,754
Less accumulated depreciation and amortization for				
Buildings	20,084,931	1,166,723	-	21,251,654
Building improvements	45,578,260	241,706	(1,309,343)	44,510,623
Land improvements	10,390,756	738,296	(5,447)	11,123,605
Equipment	15,961,803	1,901,660	(203,006)	17,660,457
Right-of-use leased assets	323,286	143,337	-	466,623
Total accumulated depreciation	92,339,036	4,191,722	(1,517,796)	95,012,962
Total capital assets being depreciated, net	48,427,622	(709,815)	(5,015)	47,712,792
Total capital assets, net	$ 57,083,643	$ 11,280,009	$ (1,386,495)	$ 66,977,157

Note 5. Compensated Absences

District employees are entitled to certain compensated absences based on their length of employment. Compensated absences accumulate and are accrued when they are earned.

As of June 30, 2024, and 2023, employees had earned but not taken annual vacation leave which, at salary rates in effect at the end of the year, totaled $1,971,038 and $1,805,236, respectively. These amounts are considered current.

The District operates under a personnel policy which allows accumulation of sick leave from year to year. The District estimates its liability for accrued sick leave and related benefits as of June 30, 2024 and 2023, to be $1,097,851 and $565,592, respectively, using the termination payment method. Of such amounts, the District estimated that $420,398 and $535,865 at June 30, 2024 and 2023, respectively, would be paid in the next fiscal year.

Note 6. Long-term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, is as follows:

2024	Balance July 1, 2023	Additions	Repayments	Balance June 30, 2024	Due Within One Year
Bonds, contracts and					
leases payable					
Bonds payable	$ 8,245,000	$18,435,000	$ (4,335,000)	$ 22,345,000	$ 3,910,000
Lease payable	146,555	1,144,380	(356,522)	934,413	475,904
Software payable	-	2,386,285	(724,534)	1,661,751	604,060
Unamortized bond premium	155,530	920,955	(252,686)	823,799	269,452
Total bonds, contracts					
and leases payable	8,547,085	22,886,620	(5,668,742)	25,764,963	5,259,416
Other liabilities					
Compensated absences					
and sick leave	2,370,829	3,722,299	(2,275,543)	3,817,585	3,140,132
Total other liabilities	2,370,829	3,722,299	(2,275,543)	3,817,585	3,140,132
Total Long-Term Liabilities	$10,917,914	$26,608,919	$ (7,944,285)	$ 29,582,548	$ 8,399,548

2023	Balance July 1, 2022	Additions	Repayments	Balance June 30, 2023	Due Within One Year
Bonds, contracts and					
leases payable					
Bonds payable	$12,535,000	$ -	$ (4,290,000)	$ 8,245,000	$ 4,335,000
Lease payable	319,163	-	(172,608)	146,555	105,828
Unamortized bond premium	280,926	-	(125,396)	155,530	117,620
Total bonds, contracts					
and leases payable	13,135,089	-	(4,588,004)	8,547,085	4,558,448
Other liabilities					
Compensated absences					
and sick leave	2,289,139	1,013,498	(931,808)	2,370,829	2,343,088
Total other liabilities	2,289,139	1,013,498	(931,808)	2,370,829	2,343,088
Total Long-Term Liabilities	$15,424,228	$ 1,013,498	$ (5,519,812)	$ 10,917,914	$ 6,901,536

Note 6. Long-term Liabilities *(continued)*

General obligation bonds
Series 2020B: In September 2020, the Board approved a $4,290,000 General Obligation Refunding Bond Issue. The proceeds of the bonds were used to refinance the District's General Obligation 2007 bond series issued in fiscal year 2008. Serial retirement of principal and interest began on December 1, 2023, with interest payable semiannually at 4.0% which began on June 1, 2022. Maturity date is December 1, 2024. District debt issuances issued after the Federal Tax Reform Act of 1986 are subject to federal arbitrage regulations. This results when earnings on investments purchased from the gross proceeds of a bond issue exceed the issuer's tax-exempt borrowing rates. The District continues to monitor and report any arbitrage in accordance with the Internal Revenue Code.

Obligations in fiscal year	Principal	Interest	Total
2025	3,910,000	78,200	3,988,200

Series 2023: In November 2023, the Board approved a $18,435,000 tax exempt General Obligation Bonds (Series 2023) dated December 19, 2023. The proceeds of the bonds were used to increase the District's Working Cash Fund. Serial retirement of principal and interest for the 2023 series begins on December 1, 2025, with interest payable semiannually at 5% starting December 1, 2024. Maturity date is December 1, 2029.

Obligations in fiscal year	Principal	Interest	Total
2025	-	1,336,498	1,336,498
2026	4,070,000	819,000	4,889,000
2027	2,950,000	644,500	3,594,500
2028	3,925,000	472,625	4,397,625
2029	4,310,000	266,750	4,576,750
2030	3,180,000	79,500	3,259,500

Note 7. Restricted Net Position – Restricted Current Funds

At June 30, 2023, the restricted for current funds net position amount consists of:

	2024	**2023**
Debt service	$ 1,099,014	$ 489,566
Restricted current funds	1,110,511	1,388,893
Grant programs	575,408	2,284,111
Operations & Maintenance	13,556,549	15,818,149
Total Restricted Current Funds	$ 16,341,482	$ 19,980,719

Note 8. Operating Expenses by Functional Classification

The following table provides information related to operating expenses by functional classification for the year ended June 30, 2024:

	Salaries & Benefits	Contractual Services	Supplies	Travel & Meeting	Fixed Charges	Utilities	Other	Capital Outlay	Total
Instruction	$33,903,035	$ 2,389,523	$ 3,262,030	$ 1,259,647	$ 173,163	$ 6,263	$ 813,800	$ -	$ 41,807,461
Academic support	999,016	532,449	215,157	81,979	55,360	-	-	-	1,883,961
Student services	6,015,464	539,752	215,529	96,075	9,017	484	1,963,319	-	8,839,640
Public service	7,629,816	710,991	253,251	377,950	1,399,742	10,777	918,311	-	11,300,838
Institutional support	14,149,610	7,234,623	1,342,908	177,992	1,638,667	566,925	1,483,750	-	26,594,475
Operation & maintenace of plant and capital outlay	6,929,945	2,114,642	700,108	4,744	62,671	1,872,217	507	4,239,506	15,924,340
Auxiliary enterprises	953,185	764,905	124,415	661,700	400,536	1,208	102,902	-	3,008,851
Depreciation & amortization	-	-	-	-	-	-	6,226,614	-	6,226,614
	$70,580,071	$14,286,885	$ 6,113,398	$ 2,660,087	$ 3,739,156	$ 2,457,874	$11,509,203	$ 4,239,506	$115,586,180

The following table provides information related to operating expenses by functional classification for the year ended June 30, 2023:

	Salaries & Benefits	Contractual Services	Supplies	Travel & Meeting	Fixed Charges	Utilities	Other	Capital Outlay	Total
Instruction	$33,754,226	$ 1,621,465	$ 2,623,725	$ 1,137,947	$ 7,872	$ 3,848	$ 249,603	$ -	$ 39,398,686
Academic support	976,711	126,339	50,308	836	49,090	-	-	-	1,203,284
Student services	5,504,908	305,214	238,463	93,125	503	710	1,507,149	-	7,650,072
Public service	7,210,292	350,711	135,208	363,847	1,035,797	7,148	537,370	-	9,640,373
Institutional support	13,139,456	4,857,855	2,077,622	157,581	1,475,236	591,037	(2,541,964)	-	19,756,823
Operation & maintenace of plant and capital outlay	6,269,048	662,719	719,946	40,360	45,515	2,116,438	(610)	2,184,352	12,037,768
Auxiliary enterprises	863,519	705,671	62,579	494,614	417,606	1,680	87,586	-	2,633,255
Depreciation & amortization	-	-	-	-	-	-	4,191,722	-	4,191,722
	$67,718,160	$ 8,629,974	$ 5,907,851	$ 2,288,310	$ 3,031,619	$ 2,720,861	$ 4,030,856	$ 2,184,352	$ 96,511,983

Note 9. Defined Benefit Pension Plans

Plan description: The District contributes to the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (State) makes substantially all actuarially determined 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 considered a component unit of the State's financial reporting entity and is included in the State's Annual Comprehensive Financial Report (ACFR) 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 (effective January 1, 1998) established an alternative defined benefit program known as the portable benefit package. Tier 1 of the traditional and portable plan 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, 2023, can be found in the Financial Section of SURS ACFR.

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 2023 and fiscal year 2024, respectively, was 12.83% and 12.53% 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 Pensions

Net Pension Liability at June 30, 2024: The net pension liability (NPL) was measured as of June 30, 2023. At June 30, 2023, SURS defined benefit plan reported a NPL of $29,444,538,098.

Net Pension Liability at June 30, 2023: The net pension liability (NPL) was measured as of June 30, 2022. At June 30, 2022, SURS defined benefit plan reported a NPL of $29,078,053,857.

Note 9. Defined Benefit Pension Plans *(continued)*

Employer Proportionate Share of Net Pension Liability at June 30, 2024: The amount of the proportionate share of the NPL to be recognized for the District is $0. The proportionate share of the State's NPL associated with the District is $243,064,662 or 0.8255%. The District's proportionate share changed by (0.0102%) from 0.8357% since the last measurement date on June 30, 2022. This amount is not recognized in the District's financial statements. The NPL and total pension liability as of June 30, 2023, was determined based on the June 30, 2022, actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2022.

Employer Proportionate Share of Net Pension Liability at June 30, 2023: The amount of the proportionate share of the NPL to be recognized for the District is $0. The proportionate share of the State's NPL associated with the District is $242,999,190 or 0.8357%. The District's proportionate share changed by (0.0478%) from 0.8835% since the last measurement date on June 30, 2021. This amount is not recognized in the District's financial statements. The NPL and total pension liability as of June 30, 2022, was determined based on the June 30, 2021, actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2021.

Defined Benefit Pension Expense at June 30, 2024: For the year ending June 30, 2023, SURS defined benefit plan reported a collective net pension expense of $1,884,388,521.

Defined Benefit Pension Expense at June 30, 2023: For the year ending June 30, 2022, SURS defined benefit plan reported a collective net pension expense of $1,903,314,699.

Employer Proportionate Share of Defined Benefit Pension Expense at June 30, 2024: 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 2022. As a result, the District recognized revenue and defined benefit pension expense of $15,555,627 from this special funding situation during the year ended June 30, 2024.

Employer Proportionate Share of Defined Benefit Pension Expense at June 30, 2023: 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 2022. As a result, the District recognized revenue and defined benefit pension expense of $15,905,601 from this special funding situation during the year ended June 30, 2023.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: Deferred outflows of resources are the consumption of net position by the system 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.

***Note 9. Defined Benefit Pension Plans** (continued)*

SURS Collective Deferred Outflows and Deferred Inflows of Resrouces by Sources

June 30, 2024	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 62,591,844	$ 12,277,871
Changes in assumptions	70,957,694	420,880,693
Net difference between projected and actual earnings on pension plan investments	187,992,691	-
	$ 321,542,229	$ 433,158,564

June 30, 2023	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 31,973,496	$ 28,674,599
Changes in assumptions	279,362,441	982,954,268
Net difference between projected and actual earnings on pension plan investments	31,628,935	-
	$ 342,964,872	$ 1,011,628,867

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

Year ending June 30,	Net deferred Outflows of Resources
2025	$ (428,264,966)
2026	(171,164,633)
2027	465,174,033
2028	22,639,231
	$ (111,616,335)

Employer Deferral of Fiscal Year 2024 Contributions: Employer paid $619,023 in federal, trust or grant contributions to SURS defined benefit pension plan during the year ended June 30, 2024. These contributions were made subsequent to the pension liability measurement date of June 30, 2023, and are recognized as deferred outflows of resources as of June 30, 2024.

Employer Deferral of Fiscal Year 2023 Contributions: Employer paid $587,666 in federal, trust or grant contributions to SURS defined benefit pension plan during the year ended June 30, 2023. These contributions were made subsequent to the pension liability measurement date of June 30, 2022, and are recognized as deferred outflows of resources as of June 30, 2023.

Note 9. Defined Benefit Pension Plans *(continued)*

Assumptions and Other Inputs

Actuarial Assumptions: 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, through June 30, 2020. The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	3.00 to 12.725 percent, including inflation
Investment rate of return	6.50 percent

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

The long-term expected rate of return on defined benefit pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultants and actuary. For each major asset class that is included in the pension plan's target asset allocation as of June 30, these best estimates are summarized in the following table:

Note 9. Defined Benefit Pension Plans *(continued)*

	June 30, 2024		June 30, 2023	
Defined Benefit Plan	**Strategic Policy Allocaiton**	**Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)**	**Strategic Policy Allocaiton**	**Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)**
Traditional Growth				
Global Public Equity	36.0%	7.97%	38.0%	7.97%
Stabilized Growth				
Core Real Assets	8.0%	4.68%	9.0%	4.68%
Public Credit Fixed Income	6.5%	4.52%	4.5%	4.52%
Options Strategies	0.0%	0.00%	2.5%	4.91%
Private Credit	2.5%	7.36%	1.0%	7.36%
Non-Traditional Growth				
Private Equity	11.0%	11.32%	10.5%	11.91%
Non-Core Real Assets	4.0%	8.67%	2.5%	9.43%
Inflation Sensitive				
US TIPS	5.0%	2.09%	5.0%	1.23%
Principal Protection				
Core Fixed Income	10.0%	1.13%	8.0%	1.79%
Crisis Risk Offset				
Systematic Trend Following	10.0%	3.18%	10.0%	4.33%
Alternative Risk Premia	3.0%	3.27%	5.0%	3.59%
Long Duration	2.0%	3.02%	4.0%	2.16%
Long Volatility/Tail Risk	2.0%	-1.14%	0.0%	0.00%
Total	100.0%	5.98%	100.0%	6.08%
Inflation		2.60%		2.25%
Expected Arithmetic Return		8.58%		8.33%

Discount Rate at June 30, 2024: A single discount rate of 6.37% 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 3.86% (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2023). 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 2074. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2074, and the municipal bond rate was applied to all benefit payments after that date.

***Note 9. Defined Benefit Pension Plans** (continued)*

Discount Rate at June 30, 2023: A single discount rate of 6.39% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and a municipal bond rate of 3.69% (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2022). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under SURS funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2076. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2076, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of SURS Net Pension Liability to Changes in the Discount Rate: Regarding the sensitivity of the NPL to changes in the single discount rate, the following presents the State's NPL, calculated using a single discount rate of 6.37% for the year ending June 30, 2024 and 6.39% for the year ending June 30, 2023, as well as what the State's NPL would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher for each year:

June 30, 2024

1% Decrease 5.37%	Current Single Discount Rate Assumption 6.37%	1% Increase 7.37%
$ 35,695,434,682	$ 29,444,538,098	$ 24,236,489,318

June 30, 2023

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

Additional information regarding the SURS basic financial statements including the Plan Net Position can be found in the SURS comprehensive annual financial report by accessing the website at www.SURS.org.

Note 10. Defined Contribution Pension Plan

Plan Description. The District contributes to the Retirement Savings Plan (RSP) administered by the State Universities Retirement System (SURS), a cost-sharing multiple-employer defined contribution pension plan with a special funding situation whereby the State of Illinois (State) makes substantially all required contributions on behalf of the participating employers. SURS was established July 21, 1941, 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.

Note 10. Defined Contribution Pension Plan *(continued)*

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, 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, 2023, can be found in SURS Annual Comprehensive Financial Report- Notes to the Financial Statements.

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 at June 30, 2024: For the year ended June 30, 2023, the State's contributions to the RSP on behalf of individual employers totaled $90,330,044. Of this amount, $81,991,471 was funded via an appropriation from the State and $8,338,573 was funded from previously forfeited contributions.

Defined Contribution Pension Expense at June 30, 2023: For the year ended June 30, 2022, the State's contributions to the RSP on behalf of individual employers totaled $89,770,940. Of this amount, $80,902,699 was funded via an appropriation from the State and $8,868,241 was funded from previously forfeited contributions.

Employer Proportionate Share of Defined Contribution Pension Expense at June 30, 2024: 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 2023. The District's share of pensionable contributions was 0.3957%. As a result, the District recognized revenue and defined contribution pension expense of $357,452 from this special funding situation during the year ended June 30, 2024, of which $32,997 constituted forfeitures.

Note 10. Defined Contribution Pension Plan *(continued)*

Employer Proportionate Share of Defined Contribution Pension Expense at June 30, 2023: The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2022. The District's share of pensionable contributions was 0.4186%. As a result, the District recognized revenue and defined contribution pension expense of $375,790 from this special funding situation during the year ended June 30, 2023, of which $37,123 constituted forfeitures.

Note 11. Postemployment Benefits Other than Pensions

Plan Administration: The District participates in the state of Illinois Community College Health Insurance Security Fund (CCHISF) (also known as the College Insurance Program, "CIP"). CIP 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 the health benefits to retirees, as established under the plan, and associated administrative costs. CIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees and their dependents of Illinois community college districts throughout the State of Illinois, excluding the City Colleges of Chicago. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to CIP were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the State Universities Retirement System and the boards of trustees of the various community college districts.

Plan Membership: All members receiving benefits from the State Universities Retirement System (SURS) who have been full-time employees of a community college district or an association of a community college who have paid the required active member CIP contributions prior to retirement are eligible to participate in CIP. Survivors of an annuitant or benefit recipient eligible for CIP coverage are also eligible for coverage under CIP.

Benefits Provided: CIP health coverage includes provisions for medical, prescription drugs, vision, dental and behavioral health benefits. Eligibility to participate in CIP is defined in the State Employees Group Insurance act of 1971 (Act) (5 ILCS 375/3). The Act (5 ILCS 375/6.9) also establishes health benefits for community college benefit recipients and dependent beneficiaries.

Required 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 contribution to the plan at a 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 ILCS 15/1.4) 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 their district. Administrative costs are paid by the CCHISF.

Employer Contributions at June 30, 2024: The employer contributions made by the State of Illinois on behalf of the District to CIP for the year ended June 30, 2023 was $154,125. The District's proportionate share in fiscal year 2023 was 1.5583%, an increase of 0.1274% from the previous year.

Note 11. Postemployment Benefits Other than Pensions *(continued)*

Employer Contributions at June 30, 2023: The employer contributions made by the State of Illinois on behalf of the District to CIP for the year ended June 30, 2022 was $134,936. The District's proportionate share in fiscal year 2022 was 1.4309%, a decrease of 0.0021% from the previous year.

OPEB Expense at June 30, 2024: The District recognized OPEB expense of $(3,945,537) for its proportionate share of the OPEB expense and $(987,562) of net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions.

OPEB Expense at June 30, 2023: The District recognized OPEB expense of $(4,098,899) for its proportionate share of the OPEB expense and $(1,194,460) of net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions.

OPEB Liabilities at June 30, 2024: The District's proportion of the net OPEB liability was based on the District's share of contributions to the OPEB plan relative to the contributions of all participating employers and the state of Illinois. The District reported a liability of $11,006,656 as of June 30, 2024. The State of Illinois is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation.

OPEB Liabilities at June 30, 2023: The District's proportion of the net OPEB liability was based on the District's share of contributions to the OPEB plan relative to the contributions of all participating employers and the state of Illinois. The District reported a liability of $9,795,081 as of June 30, 2023. The State of Illinois is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation.

Sensitivity of CIP's Net OPEB Liability to Changes in the Single Discount Rate
Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with 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 3.86% as of June 30, 2023, and 3.69% as of June 30, 2022. The increase in the single discount rate from 3.69% to 3.86% caused the total OPEB liability to decrease by approximately $10.2 million from 2022 to 2023.

The following presents the District's proportionate share of the plan's net OPEB liability as well as what the District's proportionate share of the plan's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point higher or lower than the current rate for the years ending June 30, 2024 and June 30, 2023:

Note 11. Postemployment Benefits Other than Pensions *(continued)*

June 30, 2024		
1% Decrease 2.86%	Current Single Discount Rate Assumption 3.86%	1% Increase 4.86%
$ 12,008,375	$ 11,006,659	$ 10,144,090

June 30, 2023		
1% Decrease 2.69%	Current Single Discount Rate Assumption 3.69%	1% Increase 4.69%
$ 10,722,464	$ 9,795,084	$ 9,002,041

Sensitivity of the CIP's plan Net OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the District's proportionate share of the plan's net OPEB liability, calculated using the healthcare cost trend rates as well as what the District's proportionate share of the plan's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates for the years ending June 30, 2024 and June 30, 2023.

June 30, 2024		
1% Decrease	Healthcare Cost Trend Rates Assumptions	1% Increase
$ 9,886,630	$ 11,006,659	$ 12,357,265

June 30, 2023		
1% Decrease	Healthcare Cost Trend Rates Assumptions	1% Increase
$ 8,755,408	$ 9,795,084	$ 11,067,923

Assumptions for June 30, 2024

(a) Current healthcare trend rates – Pre-Medicare per capita costs: 9.14% in 2024, 8.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 6.08% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2040.

(b) One percentage point decrease in current healthcare trend rates - Pre-Medicare per capita costs: 8.14% in 2024, 7.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 18.42% from 2029 to 2023, 5.08% in 2034 decreasing ratably to an ultimate trend rate of 3.25% in 2040.

(c) One percentage point increase in current healthcare trend rates – Pre-Medicare per capita costs: 10.14% in 2024, 9.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 20.42% from 2029 to 2023, 7.08% in 2034 decreasing ratably to an ultimate trend rate of 5.25% in 2040.

Note 11. Postemployment Benefits Other than Pensions *(continued)*

Assumptions for June 30, 2023

(d) Current healthcare trend rates – Pre-Medicare per capita costs: 9.18% in 2023, 8.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2039. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 5.86% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2039.

(e) One percentage point decrease in current healthcare trend rates - Pre-Medicare per capita costs: 8.18% in 2023, 7.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2039. Post-Medicare per capita costs: 1.98% in 2023, 0.00% from 2024 to 2028, 18.42% from 2029 to 2023, 4.86% in 2034 decreasing ratably to an ultimate trend rate of 3.25% in 2039.

(f) One percentage point increase in current healthcare trend rates – Pre-Medicare per capita costs: 10.18% in 2023, 9.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2039. Post-Medicare per capita costs: 3.98% in 2023, 1.00% from 2024 to 2028, 20.42% from 2029 to 2033, 6.86% in 2034 decreasing ratably to an ultimate trend rate of 5.25% in 2039.

Deferred Outflows and Inflows of Resources

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	June 30, 2024		June 30, 2023	
Deferred Amounts Related to OPEB	**Deferred Outflow of Resources**	**Deferred Inflow of Resources**	**Deferred Outflow of Resources**	**Deferred Inflow of Resources**
Deferred Amounts to be Recognized in OPEB Expense in Future Periods				
Differences between expected and actual experience	$ 165,630	$ 3,313,628	$ 77,380	$ 4,079,955
Changes of assumptions	-	10,759,988	-	13,203,464
Net difference between projected and actual investment earnings on OPEB Plan investment earnings on OPEB Plan investments	-	2,353	-	507
Changes in proportion and differences between employer contributions and share of contributions	2,014,579	2,082,657	25,710	3,096,381
Total deferred amounts to be recognized in OPEB expense in future periods	2,180,209	16,158,626	103,090	20,380,307
OPEB contributions made subsequent to the measurement date	254,897	-	-	-
Total deferred amounts related to OPEB	$ 2,435,106	$ 16,158,626	$ 103,090	$ 20,380,307

Note 12. Risk Management

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance to handle these risks of loss. The aggregate loss limits for the commercial insurance vary depending on the type of loss and include the following limits at June 30,

Note 12. Risk Management *(continued)*

	2024	2023
Property	$ 288,422,816	$ 274,192,243
Business auto liability	1,000,000	1,000,000
Commercial general liability	1,000,000	1,000,000
Commercial umbrella liability	10,000,000	10,000,000
Workers' compensation, self-insured retention	2,500,000	2,500,000
Workers' compensation, Part B, each accident/each employee for disease	2,500,000	2,500,000
Cyber liability	1,000,000	2,000,000

All employees are covered under the workers' compensation, Self-Insured Retention policy. The District utilizes the services of a third-party administrator for claims management and payments. The District purchases commercial insurance for claims in excess of the Self-Insured Retention amount. For the years ended June 30, 2024 and 2023, there have been no claims exceeding the Self-Insured Retention amount of $450,000 for regular employees.

The District is named as a defendant in various legal actions arising in the normal course of operations. The District's management believes the resolution of those actions will not have material effect on the District's financial statements.

Note 13. Commitments and Building Construction

All known asbestos, if not in the process of being abated during a current renovation project, is contained and poses no immediate threat to public health. Such asbestos may be remediated when future renovation occurs, if the District deems appropriate. The amount expended in fiscal years 2024 and 2023 for asbestos remediation was $348,019 and $194,457 respectively. The amounts were funded by Protection, Health and Safety property tax revenues.

Southwestern Illinois College has a contract with Bi-State Development Agency of the Missouri-Illinois Metropolitan District for transportation services. The contract requires the College to pay a set boarding fee for passes adopted by the Agency Board of Commissioners. During fiscal years 2024 and 2023, the District paid approximately $232,650 and $223,883, respectively for boarding passes under this contract.

Note 14. Tax Abatements

Tax abatements, as defined by Governmental Accounting Standards Board ("GASB") Statement No. 77, Tax Abatement Disclosures ("GASB 77"), are agreements between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

Since the District does not and has not entered into tax abatement agreements directly with any individuals or entities, the following estimates are from tax abatements entered into by other governments, specifically the county and municipalities within the District's boundary, that have reduced the District's tax revenues.

Note 14: Tax Abatement *(continued)*

Tax Increment Financing affecting SWIC
Illinois' Tax Increment Allocation Redevelopment Act enables local governments to finance certain redevelopment costs with the revenue generated from (i) payments in lieu of real estate taxes, as measured by the net increase in assessed valuation resulting from redevelopment and (ii) a portion of the increase in other local tax revenue associated with new economic activity. When a tax increment financing ("TIF") plan is adopted, real estate taxes in the redevelopment are affected. By applying the real estate tax rate of all taxing districts having taxing power within the redevelopment area to the increased assessed valuation resulting from redevelopment, a tax "increment" is produced.

The estimated TIF incremental values and the District's net reduced tax revenue resulting from the TIFs adopted are as follows for the years ended June 30,

2024	TIF Incremental Value / Assessments	Reduced Tax Revenues
Various Redevelopment Project Areas within the District's Geographic Area	$ 522,135,191	$ 2,152,241

2023	TIF Incremental Value / Assessments	Reduced Tax Revenues
Various Redevelopment Project Areas within the District's Geographic Area	$ 665,856,618	$ 2,848,045

In addition, during the years ended June 30, 2024 and 2023 the District has received $1,073,519 and $129,760, respectively, of payments from various governments in association of the forgone revenue.

Tax Abatements affecting SWIC
The District's property tax revenues were reduced through Enterprise Zone Abatements. The Illinois Enterprise Zone Program is designed to stimulate economic growth and neighborhood revitalization in economically depressed areas of the state through state and local tax incentives, regulatory relief and improved governmental services. The amount of the District's tax revenues that were abated by the county and cities initiating the programs are reported in the following table for the years ended of June 30, 2023 and 2022.

	2024	2023
Madison	$ 156,313	$ 121,608
St. Clair	3,359	914
Total	$ 159,672	$ 122,522

Note 15. Discretely Presented Component Unit

The December 31, 2023 and 2022 footnotes of Southwestern Illinois College Foundation, a discretely presented component unit of the District are as follows:

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
The following is a summary of certain significant accounting policies followed in the preparation of the financial statements.

Nature of Activities
The Southwestern Illinois College Foundation (the Foundation) was organized in 1975 as a nonprofit corporation. The purpose of the Foundation is to assist in developing and increasing the facilities of Southwestern Illinois College by encouraging the donation of gifts, to administer such gifts, and to solicit, receive, hold, and administer contributions for scholarships, programs, and enhancement grants.

The SWIC Foundation, which raises and holds economic resources for the direct benefit of Southwestern Illinois College, is considered to have a significant relationship with and is considered a component unit of Southwestern Illinois College.

Basis of Accounting
The financial statements of the Foundation have been prepared on the accrual basis.

Use of Estimates
The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

Basis of Presentation
The Foundation reports information regarding its financial position and activities according to four categories of net assets. A description of the net asset categories follows:

> *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.
>
> *Net Assets With Donor Restrictions* – Net assets subject to donor-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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. 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.

Cash and Cash Equivalents
For purposes of reporting cash flows, cash and cash equivalents include money market funds with average maturities of three months or less.

Note 15. Discretely Presented Component Unit *(continued)*

Investments
The Foundation carries all investments in debt securities and investments in equity securities with readily determinable fair values at fair value in the statement of financial position, with realized and unrealized gains and losses being reflected in the statement of activities.

Beneficial Interest in Perpetual Trusts
The Foundation is the beneficiary of a perpetual trust held by a third party. Under the terms of the trust, the Foundation has the irrevocable right to receive the income generated by the trust in perpetuity, but never receive the corpus of the trust. The beneficial interest in the perpetual trust is recorded at the Foundation's proportional share of the fair value of the underlying trust assets.

Pledge Receivables
Management believes pledge receivables are fully collectible; consequently, no allowance for bad debts has been recorded.

Property and Equipment
Property and equipment is recorded at cost and depreciated on a straight-line basis over the estimated useful life of each asset.

Art Collections
Accessions of art collection items are capitalized at cost if the items were purchased or at their appraised fair value on the accession date (the date which the item is accepted by the Foundation’s board of directors) or insurance replacement value if the items were contributed. Art collection items are not depreciated. Gains and losses from deaccessions of these items are reflected in the statement of activities as changes in the appropriate net asset classes, depending on the existence and type of donor-imposed restrictions, if any.

Gifts and Grants
Gifts and grants are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions.

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as “Net Assets Released from Restrictions.”

Donated marketable securities and other noncash donations are recorded as gifts at their estimated fair values at the date of donation.

Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases in liabilities, or decreases in expenses depending on the form of the benefits received. Unconditional promises to give that are expected to be collected are recorded at net realizable value.

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. When collected prior to satisfaction of donor restrictions, amounts are reported as refundable advances.

Note 15. Discretely Presented Component Unit *(continued)*

Investment Income
Investment income consists of interest and dividends. Income and losses are allocated based on the percentage of the respective ending unrestricted, temporarily restricted, and permanently restricted net asset balance, before the allocation of investment income. Investment income earned on permanently restricted funds is reported in temporarily restricted net assets, as income earned on these funds is available for current use.

Investment income is reported as follows:

- As increases in permanently restricted net assets if the terms of the gift or the board's interpretation of relevant state law requires that they be added to the principal of a permanent endowment fund;
- As increases in temporarily restricted net assets if the terms of the gift impose restrictions on the use of the income; and
- As increases in unrestricted net assets in all other cases.

Contributed Nonfinancial Materials, Facilities, and Services
Donated supplies and materials are recorded as contributions and as expenses of the appropriate program or supporting service at their determinable fair value at the date of donation.

Donated property and equipment and art collections are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment and art collections are reported as increases in restricted net assets. Absent donor stipulations regarding how long the donated assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Foundation reclassifies temporarily restricted net assets to unrestricted assets at that time.

Donated facilities are recorded as contributions and expenses at the date of donation at the amount of (a) the fair rental value of the facilities if the Foundation receives the use of the facilities at no cost or (b) the fair rental value of the facilities less the Foundation's contractual lease obligation if it receives the use of the facilities at below-market rates.

Donated services are recorded as contributions and expenses at their estimated fair value at the date of donation if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation.

Functional Allocation of Expenses
The costs of providing the various programs and other activities of the Foundation have been summarized on a functional basis in the statements of activities. Expenses are charged to program, management and general, and fundraising based on management's best estimates of payroll allocation, square footage, and total direct expenses. Management and general expenses include those expenses that are not directly identifiable with direct benefit of the students at SWIC but provide for the overall support and direction of the Foundation. Program expenses include direct support of programs offered and scholarships provided to students of Southwestern Illinois College.

Income Taxes
The Foundation is an organization exempt from income taxes as defined in the Internal Revenue Code Section 501(c)(3).

Note 15. Discretely Presented Component Unit *(continued)*

The Foundation follows standards governing the accounting for uncertainty in income taxes. This guidance prescribes a recognition threshold and measurement principles for the financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. The Foundation evaluated its tax positions and determined it has no uncertain tax positions as of December 31, 2023 and 2022.

The Foundation's income tax returns are subject to review and examination by federal and state authorities. The Foundation is not aware of any activities that would jeopardize its tax-exempt status. The Foundation is not aware of any activities that are subject to tax on unrelated business income or excise or other taxes.

Adoption of New Accounting Standards

The Foundation has adopted Accounting Standards Update (ASU) 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, as amended, which modified the measurement of expected credit losses. The adoption of this standard did not have a material impact on the Foundation's financial statements.

LIQUIDITY

The following represents financial assets as of December 31, reduced by the amounts not available for general use within one year of the date of the financial position.

	2023	2022
Cash	$ 2,098,683	$ 676,373
Unconditional Promise to Give	-	200
Accounts Receivable	-	1,500
Short Term Investments	-	390,516
Total Financial Assets Available Within One Year	$ 2,098,683	$ 1,068,589

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Foundation manages its liquidity by investing in securities which can be sold readily and efficiently to ensure the ability to meet all expected or unexpected cash flow needs.

Note 15. Discretely Presented Component Unit *(continued)*

INVESTMENTS
The cost and fair value of investments as of December 31, 2023, are as follows:

	Cost	Fair Value
US Treasury Securities	$ 3,632,729	$ 3,305,146
Government and Corporate Debt Securities	120,722	119,302
Fixed Income Mutual Funds	571,036	537,195
Equity Mutual Funds	2,956,832	2,901,002
Common Stocks	2,339,316	3,220,875
Total	$ 9,620,635	$ 10,083,520

The cost and fair value of investments as of December 31, 2022, are as follows:

	Cost	Fair Value
US Treasury Securities	$ 3,134,267	$ 2,716,079
Government and Corporate Debt Securities	55,470	53,189
Fixed Income Mutual Funds	531,815	467,100
Equity Mutual Funds	3,137,924	2,593,944
Common Stocks	3,087,421	3,455,227
Total	$ 9,946,897	$ 9,285,539

Fair value of investments and cash and cash equivalents held for Endowment are $632,523 and $523,179 at December 31, 2023 and 2022, respectively.

FAIR VALUE MEASUREMENTS
Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. It also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market, as well as U.S. Treasury securities.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted prices that are traded less frequently than exchange-traded instruments. The category generally includes certain U.S. Government and agency mortgage-backed debt securities and corporate debt securities.

Note 15. Discretely Presented Component Unit *(continued)*

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant measurement judgment or estimation. This category generally includes certain private debt and equity investments.

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset, including estimates of timing, amount of expected future cash flows, and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. Potential taxes and other expenses that would be incurred in an actual sale or settlement are not reflected in amounts disclosed. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial asset. In addition, the disclosed fair values do not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular asset.

The following tables present the Foundation's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2023 and 2022:

	December 31, 2023			
	Total	Level 1	Level 2	Level 3
US Treasury Securities	$ 3,305,146	$ -	$ 3,305,146	$ -
Government and Corporate				
Debt Securities	119,302	-	119,302	-
Fixed Income Mutual Funds	537,195	537,195	-	-
Equity Mutual Funds	2,901,002	2,901,002	-	-
Common Stocks	322,875	322,875	-	-
Total Investments	7,185,520	3,761,072	3,424,448	-
Beneficial Interest in Perpetual Trust	70,972	-	-	70,972
Total	$ 7,256,492	$ 3,761,072	$ 3,424,448	$ 70,972

	December 31, 2022			
	Total	Level 1	Level 2	Level 3
US Treasury Securities	$ 2,716,079	$ -	$ 2,716,079	$ -
Government and Corporate				
Debt Securities	53,189	-	53,189	-
	467,100	467,100	-	-
Equity Mutual Funds	2,593,944	2,593,944	-	-
Common Stocks	3,455,227	3,455,227	-	-
Total Investments	9,285,539	6,516,271	2,769,268	-
Beneficial Interest in Perpetual Trust	65,841	-	-	65,841
Total	$ 9,351,380	$ 6,516,271	$ 2,769,268	$ 65,841

The fair value of common stocks, mutual funds, brokered certificates of deposit, and U.S. Treasury securities has been determined from observable market quotations. Government and corporate debt securities have been valued using market quotations of similar financial instruments.

Note 15. Discretely Presented Component Unit *(continued)*

The Foundation's Level 3 financial assets for the years ended December 31, 2023 and 2022 consisted of a beneficial interest in perpetual trust. Change in Level 3 financial assets for the years ended December 31, 2023 and 2022 were:

	2023	2022
Balance as of January 1	$ 65,841	$ 77,144
Contributions	319	195
Scholarship Disbursement	(2,306)	(3,422)
Investment Return, net	7,001	(8,076)
Balance as of December 31	$ 70,855	$ 65,841

PROPERTY AND EQUIPMENT, NET
Property and equipment, net at December 31 consisted of the following:

	2023	**2022**
Land	$ 2,460,000	$ -
Buildings	1,215,000	-
Equipment	28,528	28,528
Total Property and Equipment	3,703,528	28,528
Less: Accumulated Depreciaiton	49,579	25,731
Total	$ 3,653,949	$ 2,797

NET ASSETS
Net assets are available as follows at December 31:

	2023	2021
Net Assets without Donor Restrictions		
Unrestricted	$ 4,379,322	$ 905,911
Board-Designated for Scholarships	438,213	471,042
Total Net Assets without Donor Restriction	$ 4,817,535	$ 1,376,953
Net Assets with Donor Restrictions		
Life Income Fund	$ 21,035	$ 18,225
Scholarships	6,487,105	4,633,662
Academic Costs	4,356,411	3,899,291
	10,864,551	8,551,178
Net Assets Held in Perpetuity		
Scholarships	471,866	468,312
Total Net Assets with Donor Restriction	$ 11,336,417	$ 9,019,490

Note 15. Discretely Presented Component Unit *(continued)*

ASSETS RELEASED FROM DONOR RESTRICTION
Net Assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors as follows for the years ended December 31:

	2023	2022
Scholarships and Grants	$ 326,532	$ 292,295
Academic Expenses	35,897	166,943
Total	$ 362,429	$ 459,238

RELATED PARTY CONTRIBUTION OF FACILITIES, EQUIPMENT, AND SERVICES
Southwestern Illinois College pays certain direct operating expenses on behalf of the Foundation that are utilized by the Foundation. These expenses are reflected in accompanying financial statements as management and general costs paid by Southwestern Illinois College. Transfer of services is comprised of administrative salary and benefits which amounted to $253,762 and $128,454 for the years ended December 31, 2023 and 2022, respectively.

	2023	2022
Contribution of Nanfinancial Assets:		
Office Space	$ 21,924	$ 21,924
Supplies and Materials	72,381	6,217
Total Contribution of Nonfinancial Asse	$ 94,305	$ 28,141
Transfer of Services:		
Personnel, Benefits and Professional Services	$ 253,762	$ 286,321

For the fair value techniques for nonfinancial contributions, most in-kind goods are valued using estimated retail process of identical or similar products. In-kind services are valued based on current rates of professional services provided by the service providers.

Note 15. Discretely Presented Component Unit *(continued)*

FUNCTIONAL EXPENSES

The following is a detail of expenses by functional classification for the year ended December 31, 2023:

	Program	General & Administrative	Fundraising	Total
Scholarship Awards	$ 326,532	$ -	$ -	$ 326,532
Grants to College Programs	509,058	-	-	509,058
Interest	-	-	-	-
Fundraising Events	-	-	19,851	19,851
Depreciation	-	23,847	-	23,847
Supplies and Other	-	1,640	-	1,640
Expenses Paid by the College				
Salaries	-	207,333	-	207,333
Benefits	-	46,429	-	46,429
Supplies and Other	-	6,711	-	6,711
Contracted Services	-	65,670	-	65,670
Accounting	-	-	-	-
Occupancy	-	21,924	-	21,924
Total Expenses	$ 835,590	$ 373,554	$ 19,851	$ 1,228,995
Less: Expenses netted against revenue on the Statement of Activities	-	-	(19,851)	(19,851)
Total Expenses presented on the Statement of Activities	$ 835,590	$ 373,554	$ -	$ 1,209,144

The following is a detail of expenses by functional classification for the year ended December 31, 2022:

	Program	General & Administrative	Fundraising	Total
Scholarship Awards	$ 292,295	$ -	$ -	$ 292,295
Grants to College Programs	165,179	-	-	165,179
Interest	254	-	-	254
Fundraising Events	-	-	19,851	19,851
Depreciation	-	1,178	-	1,178
Supplies and Other	-		1,734	1,734
Expenses Paid by the College				
Salaries	-	195,808	-	195,808
Benefits	-	41,341	-	41,341
Supplies and Other	-	6,217	-	6,217
Contracted Services	-	42,172	-	42,172
Accounting	-	7,000	-	7,000
Occupancy	-	21,924	-	21,924
Total Expenses	$ 457,728	$ 315,640	$ 21,585	$ 794,953
Less: Expenses netted against revenue on the Statement of Activities	-	-	(19,851)	(19,851)
Total Expenses presented on the Statement of Activities	$ 457,728	$ 315,640	$ 1,734	$ 775,102

Note 15. Discretely Presented Component Unit *(continued)*

CONCENTRATION OF CREDIT RISK
During the years ended December 31, 2023 and 2022, certain cash and investment balances exceeded the Federal Deposit Insurance Corporation (FDIC) insurance limits and the Securities Investors Protection Corporation (SIPC) insurance limits. However, the Foundation has not experienced any losses in such accounts.

SUBSEQUENT EVENTS
In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through December 16, 2024, the date the financial statements were available to be issued.

Required Supplemental Information

Southwestern Illinois College
Community College District # 522
Required Supplementary Information for the Years Ended June 30, 2024 and 2023

Schedule of Proportional Share of the Net Pension Liability and Contributions

Schedule of the Districts Proportionate Share of the Net Pension Liability

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY2023
District's Percentage of the Collective Net Pension Liability	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Amount of the Collective net Pension Liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's Proportionate Amount of the Collective Net Pension Liability associated with the District	$ 248,326,776	$ 257,936,876	$ 286,888,725	$ 274,660,842	$ 266,697,200	$ 273,673,558	$ 270,530,699	$ 252,054,801	$ 242,999,190	$ 243,064,662
Total	$ 248,326,776	$ 257,936,876	$ 286,888,725	$ 274,660,842	$ 266,697,200	$ 273,673,558	$ 270,530,699	$ 252,054,801	$ 242,999,190	$ 243,064,662
Employer DB Covered Employee Payroll	$ 41,382,491	$ 39,610,061	$ 39,884,515	$ 38,040,432	$ 34,632,804	$ 34,395,356	$ 32,782,689	$ 31,080,799	31,411,843	35,150,657
Proportion of Collective net Pension Laibility associated with the District as a percentage of covered employee payroll	600.08%	651.19%	719.30%	722.02%	770.07%	795.67%	825.22%	810.97%	773.59%	691.49%
SURS Plan Net Position as a Percentage of Total Pension Liability	44.39%	42.37%	39.57%	42.04%	41.27%	40.71%	39.05%	45.45%	43.65%	44.06%

Schedule of Contributions	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Federal, Trust, Grant and Other Contribution	$ 390,857	$ 327,910	$ 349,672	$ 364,466	$ 350,665	$ 372,679	$ 417,699	$ 360,563	$ 404,690	$ 587,666	$ 619,023
Contribution in relation to required contribution	$ (390,857)	$ (327,910)	$ (349,672)	$ (364,466)	$ (350,665)	$ (372,679)	$ (417,699)	$ (360,563)	$ (404,690)	$ (587,666)	$ (619,023)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer Covered-Employee Payroll		$ 39,693,600	$ 38,702,135	$ 36,655,837	$ 34,535,892	$ 30,461,098	$ 32,509,146	$ 32,243,334	$ 31,411,843	$ 35,150,657	$ 37,980,743
Contributions as a percentage of covered employee payroll		0.83%	0.90%	0.99%	1.02%	1.22%	1.28%	1.12%	1.29%	1.67%	1.63%

Additional Information	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2023
On-Behalf Payments for Community College Health Insurance Program	$ 155,682	$ 153,386	$ 158,365	$ 155,863	$ 147,172	$ 146,107	$ 138,091	$ 133,235	$ 134,936	$ 154,125	$ 254,897

Notes to Schedule of Proportional Share of the Net Pension Liability and Contributions

These pension schedules are presented to illustrate the requirements of the Governmental Accounting Standards Board's Statement No. 68 to show information for 10 years. However, until a full 10-year trend is compiled, the District will only present available information measured in accordance with the requirements of Statement No. 68.

Changes of Benefit Terms
Public Act 103-0080, effective June 9, 2023, created a disability benefit for police officers injured in the line of duty on or after January 1, 2022. This benefit was first reflected in theTotal Pension Liability as of June 30, 2023.

Changes of Assumptions
In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest, and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2017, to June 30, 2020, was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021. These assumptions are listed below and remained the same for the June 30, 2022, actuarial valuation.

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

Schedule of the District's Proportionate Share of the Net OPEB Liability
Community College Health Insurance Security Fund

Fiscal Year Ending June 30,	2017	2018	2019	2020	2021	2022	2023
District's portion of the net OPEB liability	1.796539%	1.685298%	1.627655%	1.501525%	1.432963%	1.430858%	1.558281%
Portion of nonemployer contributing entities' total proportion of collective net OPEB liability associated with employer	$ 31,867,733	$ 30,730,314	$ 29,533,140	$ 26,022,528	$ 24,869,454	$ 9,795,081	$ 11,006,656
District's proportionate share of the net OPEB liability	$ 32,762,356	$ 31,722,113	$ 30,738,924	$ 27,369,252	$ 24,869,545	$ 9,795,081	$ 11,006,656
District's covered payroll	$ 31,171,527	$ 29,429,339	$ 29,195,729	$ 26,562,600	$ 26,647,000	$ 26,987,298	$ 30,913,910
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	105.10%	107.79%	105.29%	103.04%	93.33%	36.30%	35.60%
Plan fiduciary net position as a percentage of the total OPEB liability	-2.87%	-3.54%	-4.13%	-5.07%	-6.28%	-22.03%	-17.87

Schedule of District's Contributions

Fiscal Year Ending June 30,	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	155,863	147,172	146,107	138,091	133,235	134,936	154,125	254,888
Contributions in Relation to the Contractually Required Contribution	155,863	147,150	146,131	138,077	133,235	134,936	154,125	254,888
Contribution Deficiency (Excess)	-	22	(24)	14	-	-	-	
District's covered payroll	$ 31,171,527	$ 29,429,339	$ 29,195,729	$ 26,562,600	$ 26,647,000	$ 26,987,298	$ 30,913,910	$ 33,985,080
Contributions as a Percentage of Covered Payroll	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.7%

Notes to the Community College Health Insurance Security Fund Schedule of 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. Contribution rates are defined by statute. For fiscal year end June30, 2023, contribution rates are 0.50% of pay for active members, 0.50% of pay for community colleges and 0.50% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Market value
Investment Rate of Return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
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 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.
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. Disabled Annuitants: Pub-2010 Disabled Retiree Mortality Table. Pre-Retirement: Pub-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 used plan year end 2024 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2025 and decrease gradually to an ultimate rate of 4.25% in 2040. For MAPD costs, trend rates are 0% in 2024 to 2028,19.42% in 2029 to 2033 and 5.86% in 2034, declining gradually to an ultimate rate of 4.25% in 2040.
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.

Supplementary Information

Southwestern Illinois College
Community College District # 522

Uniform Financial Statement No. 1 – All Funds Summary
Year Ended June 30, 2024

	Education Fund	Operations & Maintenance Fund	Operations & Maintenance Fund-Restricted	Bond & Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection Settlement Fund	Total
Fund balance (deficit)										
Beginning of year	$ 56,869,160	$ 17,257,606	$ 15,818,149	$ 489,566	$ 217,617	$ 2,816,954	$ 39,414,334	$ 61,087	$ 6,559,609	$ 139,504,082
Revenues:										
Local tax revenue	19,786,661	7,747,842	3,266,481	4,552,040		-		94,467	4,270,627	39,718,118
All other local revenue	-	-	-		294,116	8,536,226				8,830,342
ICCB Grants	12,046,041	1,429,593	-			11,174,359				24,649,993
All other state revenue	-	-	2,301,504			3,500,481				5,801,985
Federal Revenue	2,095	-	-			24,791,315				24,793,410
Student tuition & fees	24,459,186	-	-			-				24,459,186
On-Behalf CIP		-	-			-				-
On-Behalf SURS		-	-			15,555,627				15,555,627
All other revenue	5,780,317	193,525	104,092	578,007	322,529	1,538,198	20,903,388		39,998	29,460,054
Total revenue	62,074,300	9,370,960	5,672,077	5,130,047	616,645	65,096,206	20,903,388	94,467	4,310,625	173,268,715
Expenditures										
Instruction	27,886,418	-	-	-	-	10,084,096	-			37,970,514
Academic support	1,317,578	-	-	-	-	868,543	-			2,186,121
Student services	4,283,587	-	-	-	14,337	1,306,680	-			5,604,604
Public service/continuing educa	409,500	-	-	-	-	9,544,379	-			9,953,879
Auxiliary services	-	-	-	-	2,867,438	-	-			2,867,438
Operations & maintenance	-	7,659,917	1,446,894	-	-	-	-	-	2,142,870	11,249,681
Institutional support	15,163,399	62,971	13,092,895	4,520,598	-	25,525,406	275,828	154,400	1,738,619	60,534,116
Scholarships, student grants & w	3,986,295	-	-	-	94,189	18,714,723	-	-	-	22,795,207
Total expenditures	53,046,777	7,722,888	14,539,789	4,520,598	2,975,964	66,043,827	275,828	154,400	3,881,489	153,161,560
Net Transfers	(5,771,536)	1,971,197	6,606,113		5,614,750	(856,769)	(7,563,755)			-
Fund balance (deficit)										
Net position - end of year	$ 60,125,147	$ 20,876,875	$ 13,556,550	$ 1,099,015	$ 3,473,048	$ 1,012,564	$ 52,478,139	$ 1,154	$ 6,988,745	$ 159,611,237

Uniform Financial Statement No. 2 – Summary of Investment in Plant Fund and Debt
Year Ended June 30, 2024

	Investment in Plant Fund June 30, 2023	Additions	Deletions	Investment in Plant Fund June 30, 2024
Fixed assets				
Land	$ 6,515,480	$ -	$ -	$ 6,515,480
Construction in progress	12,748,887	9,828,507	(18,515,375)	4,062,019
Equipment	25,477,837	9,495,587	(594,687)	34,378,737
Other fixed assets	117,445,763	21,327,729	(466,623)	138,306,869
Accumulated depreciation	(95,210,807)	(6,226,614)	1,061,054	(100,376,367)
Net fixed assets	$ 66,977,160	$ 34,425,209	$ (18,515,631)	$ 82,886,738
Fixed debt				
Bonds payable	$ 8,245,000	$ 18,435,000	$ (4,335,000)	$ 22,345,000
Other fixed liabilities	302,085	4,451,620	(1,333,742)	3,419,963
Total fixed liabilities	$ 8,547,085	$ 22,886,620	$ (5,668,742)	$ 25,764,963

Southwestern Illinois College
Community College District # 522

Uniform Financial Statement No. 3 – Operating Fund Revenues and Expenditures
Year Ended June 30, 2024

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating revenue by source			
Local government			
Local taxes	$ 18,233,298	$ 6,476,909	$ 24,710,207
CPRT	1,553,363	1,270,933	2,824,296
	19,786,661	7,747,842	27,534,503
State government			
ICCB Base Operating grant	6,877,919	-	6,877,919
ICCB Equalization grant	4,288,778	1,429,593	5,718,371
ICCB Career & Technical Education	871,089	-	871,089
ICCB Performance grant	8,255	-	8,255
	12,046,041	1,429,593	13,475,634
Federal government	2,095	-	2,095
Student tuition and fees			
Tuition	18,327,139	-	18,327,139
Fees	5,423,725	-	5,423,725
Other student assessments	708,322	-	708,322
	24,459,186	-	24,459,186
Other sources			
Sales and service fees	1,056,066	-	1,056,066
Facilities revenue	-	186,192	186,192
Investment revenue	4,240,217	7,333	4,247,550
Other	484,034	-	484,034
	5,780,317	193,525	5,973,842
Total Revenues	**$ 62,074,300**	**$ 9,370,960**	**$ 71,443,165**
Less: Non-operating items			
Tuition chargeback rvenue	-	-	-
Adjusted revenues	**$ 62,074,300**	**$ 9,370,960**	**$ 71,443,165**

Uniform Financial Statement No. 3 – Operating Fund Revenues and Expenditures (continued)
Year Ended June 30, 2024

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
Operating expenditures by program			
Instruction	$ 27,886,418	$ -	$ 27,886,418
Academic support	1,317,578	-	1,317,578
Student services	4,283,587	-	4,283,587
Public service / Continuing education	409,500	-	409,500
Auxiliary services	-	-	-
Operations and Maintenance	-	7,659,918	7,659,918
Instructional support	15,163,399	62,971	15,226,370
Scholarships, grants, waivers	3,986,295	-	3,986,295
Total expenditures	**53,046,777**	**7,722,889**	**60,769,666**
Less: Non-operating items			
Tuition chargeback	(416,023)		(416,023)
Instructional service contract	(144,119)		(144,119)
Transfers	(5,771,535)	1,971,197	(3,800,338)
Adjusted expenditures	**$ 46,715,100**	**$ 9,694,086**	**$ 56,409,186**
Operating expenditures by object			
Salaries	$ 33,559,465	$ 2,984,877	$ 36,544,342
Employee benefits	5,500,252	673,664	6,173,916
Contractual services	3,445,797	1,021,631	4,467,428
General materials and supplies	2,944,814	630,342	3,575,156
Conference and meeting expenses	328,707	529	329,236
Fixed charges	223,281	49,722	273,003
Utilities	8,583	1,869,257	1,877,840
Capital outlay	1,791,960	492,360	2,284,320
Other	5,243,918	507	5,244,425
Total expenditures	**53,046,777**	**7,722,889**	**60,769,666**
Less: Non-operating items			
Tuition chargeback	(416,023)		(416,023)
Instructional service contract	(144,119)		(144,119)
Transfers	(5,771,535)	1,971,197	(3,800,338)
Adjusted expenditures	**$ 46,715,100**	**$ 9,694,086**	**$ 56,409,186**

Southwestern Illinois College
Community College District # 522

Uniform Financial Statement No. 4 – Restricted Purposes Fund
Year Ended June 30, 2024

Revenue by source		
Total local government	$	8,536,226
State Government		
ICCB - Adult Education		549,400
ICCB - Other		10,624,959
Illinois Student Assistance Commission		2,034,437
On-Behalf SURS		15,555,627
Other		1,466,044
		30,230,467
Federal Government		
Department of Education		19,600,899
Department of Labor		82,817
Department of Health & Human Services		1,617,809
Other		3,489,790
		24,791,315
Other Sources		
Tuition and Fees		
Other		1,538,198
		1,538,198
Total restricted purposes fund revenues	**$**	**65,096,206**
Expenditures by program		
Instruction	$	10,084,096
Academic Support		868,543
Student Services		1,306,680
Public Service/Continuing Education		9,544,379
Auxiliary Services		-
Operations and Maintenance		-
Institutional Support		25,525,406
Scholarships, Grants and Waivers		18,714,723
Total expenditures by program	**$**	**66,043,827**
Expenditures by object		
Salaries	$	7,983,134
Employee Benefits (Including SURS On-Behalf)		17,362,063
Contractual Services		6,670,084
General Materials and Supplies		2,301,545
Travel & Conference//Meeting Expenses		1,671,308
Fixed Charges		1,879,880
Utilities		572,904
Capital Outlay		7,943,570
Other		19,659,337
Total expenditures by object	**$**	**66,043,825**

Southwestern Illinois College
Community College District # 522

Uniform Financial Statement No. 5 – Expenditures by Activity
Year Ended June 30, 2024

Instruction	**$**	**37,970,514**
Academic support		
Library center		577,293
Instructional baterials center		130,831
Educational media services		483,872
Academic computing support		9,117
Academic administration and planning		-
Other		985,008
Total Academic Support		**2,186,121**
Student services support		
Admissions and records		1,251,450
Counseling and career services		2,442,000
Financial aid administration		992,576
Other		904,241
Total Student Services Support		**5,590,267**
Public service / continuing education		
Customized training (instructional)		625,190
Community services		8,521,449
Other		821,577
Total Public Services / Continuing Education		**9,968,216**
Auxiliary Services		**2,867,438**
Operations and maintenance		
Maintenance		1,432,328
Custodial services		2,978,810
Grounds		865,272
Campus security		2,142,870
Utilities		1,933,136
Administration		450,372
Other		-
Total Operations and Maintenance		**9,802,788**
Institutional support		
Executive management	$	1,364,219
Fiscal operations		1,726,033
Community relations		1,100,306
Administrative support services		3,610,586
Board of trustees		317,534
General institutional		9,994,312
Institutional research		251,115
Administrative data processing		5,926,851
Other		18,353,837
Total Institutional Support		**42,644,793**
Scholarships, student grans and waivers		22,795,208
Total current funds expenditures	**$**	**133,825,345**

Southwestern Illinois College
Community College District # 522

Certification of Chargeback Reimbursement for Fiscal Year 2024

SOUTHWESTERN ILLINOIS
COMMUNITY COLLEGE DISTRICT #522
Fiscal Year 2025 Certification of Per Capita Cost
For the Fiscal Year Ended June 30, 2024

All Fiscal Year 2024 Noncapital Audited operating Expenditures from the following Funds:

1. Education Fund	$	51,254,817
2. Operations and Maintenance Fund	$	7,230,528
3. Opertions and Maintenance Fund (Restricted)	$	1,989,829
4. Bond and Interest Fund	$	4,520,598
5. Public Building Commission Rental Fund	$	-
6. Restricted Purposes Fund	$	38,707,955
7. Audit Fund	$	154,400
8. Liability, Protection and Settlement Fund	$	3,641,554
9. Auxiliary Enterprise Fund (Subsidy Only)	$	2,963,620
10. TOTAL NONCAPITAL EXPENDITURES (sum of lines 1-9)	**$**	**110,463,301**
11. Depreciation on capital outlay expenditures (equipment, building and fixed equipment paid) from sources other than state and federal funds	$	4,033,850
12. TOTAL COSTS INCLUDED (line 10 plus line 11)	**$**	**114,497,151**
13. Total certified semester credit hours for FY2024		148,677.50
14. PER CAPITA COST (line 12 divided by line 13)	**$**	**770**

Approved: ______________________ 12/4/24
Jacob L. Wheeler, Chief Financial Officer — Date

Approved: ______________________ 12-4-24
Nicholas J. Mance, Chief Executive Officer — Date

Combining Balance Sheet – All Fund Types

June 30, 2024

	Current Funds			Plant Funds			
	Unrestricted	Restricted	Loan Funds	Operations & Maintenance	Investment in Plant	Recon-ciliation	Total
Assets							
Cash and cash equivalents	$ 141,753,448	$ (2,320,831)	$ 1,161,355	$ 14,841,004	$ -		$ 155,434,976
Receivables					-		
Property taxes	44,943,317	-	7,387,840	5,091,313	-		57,422,470
Grants and sponsored programs	478,341	5,172,533	-	-	-	19,490	5,670,364
Student tuition and fees, net of allowance	10,117,196	-	-	-	-		10,117,19
Other	2,022,477	-	-	-	-		2,022,477
Total receivables	57,561,331	5,172,533	7,387,840	5,091,313	-	19,490	75,232,507
Due from other funds	77,195	66,937	-	-	-	6,360	150,492
Prepaid items	1,526,658	437,155	-	-	-	(853,302)	1,110,51
Land	-	-	-	-	6,515,480	-	6,515,480
Depreciable property, buildings and equipment, net	755	-	-	-	69,014,273	-	69,015,028
Construction in progress	-	-	-	-	4,062,016	3,294,214	7,356,230
Total assets	200,919,387	3,355,794	8,549,195	19,932,317	79,591,769	2,466,762	314,815,224
Deferred outflows of resources							
Deferred outflows related to OPEB liability	-	-	-	-	-	2,435,106	2,435,106
Subsequent years pension expense related to		-	-	-	-	619,023	619,023
Total assets and deferred outflow of resources	$ 200,919,387	$ 3,355,794	$ 8,549,195	$ 19,932,317	$ 79,591,769	$ 5,520,891	$ 317,869,353
Liabilities, deferred inflows of resources and fund balance							
Accounts payable	$ 848,187	$ 1,184,303	$ -	$ 506,830	$ -	$ -	2,539,320
Accrued liabilities	479,842	167,515	-	-	-	504,868	1,152,225
Compensated absences, current	3,140,132	-	-	-	-	-	3,140,132
Due to other Funds	136,813	13,678	-	-	-	-	150,491
Unearned revenue							
Student tuition & fees	7,050,401	-	-	-	-	-	7,050,401
Other	-	977,735	-	734,932	-	-	1,712,667
Total Unearned Revenue	7,050,401	977,735	-	734,932	-	-	8,763,068
Compensated absences due in more than one year	-	-	-	-	-	677,453	677,453
Unamortized bond premium	-	-	-	-	-	823,800	823,800
Net OPEB liability	-	-	-	-	-	11,006,656	11,006,656
Bonds, contracts and leases payable	-	-	-	-	-	24,941,164	24,941,164
Total liabilities	11,655,375	2,343,231	-	1,241,762	-	37,953,941	53,194,309
Deferred inflows of resources							
Subsequent year's property taxes	45,321,361	-	7,450,181	5,134,006	-	-	57,905,548
Deferred inflows related to OPEB	-					16,158,626	16,158,626
Net Position							
Non-spendable	1,526,658	437,155	-	-	-	(853,302)	1,110,51
Investment in plant, net of related debt	755	-	-	-	75,529,753	(3,910,000)	71,620,508
Restricted	-	575,408	1,099,014	13,556,549	-	-	15,230,971
Unassigned	142,415,238	-	-	-	4,062,016	(43,828,374)	102,648,880
Total Fund Balance	143,942,651	1,012,563	1,099,014	13,556,549	79,591,769	(48,591,676)	190,610,870
Total liabilities, deferred inflows of resources and fund balance	$ 200,919,387	$ 3,355,794	$ 8,549,195	$ 19,932,317	$ 79,591,769	$ 5,520,891	$ 317,869,353

Southwestern Illinois College
Community College District # 522

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – All Fund Types
Year Ended June 30, 2024

	Current Funds			Plant Funds			
	Unrestricted	Restricted	Loan	Operations & Maintenance - Restricted	Investment in Plant	Reconciliation	Total
Revenues:							
Local Government Sources							
Property Taxes	$ 29,075,301	$ -	$ 4,552,040	$ 3,266,481	$ -	$ -	$ 36,893,822
Corporate personal property replacement taxes	2,824,296	-	-	-	-	-	2,824,296
Other Local Sources	294,116	8,536,226	-	-	-	-	8,830,342
State Government Sources	-					-	-
ICCB state grants	13,475,634	11,174,359	-	-	-	-	24,649,993
Other state grants	-	3,500,480	-	2,301,504	-	-	5,801,984
Federal government	2,095	24,791,315	-	-	-	(3,836,676)	20,956,734
Student tuition and fees	24,459,186	-	-	-	-	(11,222,288)	13,236,898
Investment income	6,371,748	50,294	1,241	104,092	-	-	6,527,375
Auxiliary enterprise revenue	206,054						206,054
Facilities Revenue	186,342	-	-	-	-	-	186,342
Other Sources	20,475,613	1,487,905	576,766	-	-	(19,721,696)	2,818,588
Payments on Behelf of the Distri	-	15,555,627	-	-	-	-	15,555,627
Expended on capital assets	-	-	-	-	18,593,599	(18,605,783)	(12,184
Total Revenues	$ 97,370,385	$ 65,096,206	$ 5,130,047	$ 5,672,077	$ 18,593,599	$ (53,386,443)	$ 138,475,871
Expenditures:							
Current							
Instruction	$ 27,151,412	$ 14,656,050	$ -	$ -	$ -	$ -	$ 41,807,462
Academic Support	1,317,579	574,434	-	-	-	(8,053)	1,883,960
Student Services	3,458,156	20,446,748	-	-	-	(15,065,264)	8,839,640
Public Service	423,839	11,242,749	-	-	-	(365,750)	11,300,838
Institutional Support	21,105,099	9,492,382	2,101	895,328	-	(4,647,747)	26,847,163
Operation and Maintenance of Plant	9,107,409	1,482,924	-	1,094,502	-	-	11,684,835
Auxiliary enterprises	2,866,040	204,971	-	-	-	(62,160)	3,008,851
Depreciation & Amortization	91,219	-	-	-	5,899,196	236,199	6,226,614
Capital Outlay	2,536,599	7,943,570	-	12,549,960	-	(18,790,624)	4,239,505
Debt Service:							
Principal	-	-	4,335,000	-	-	(4,335,000)	-
Interest	-	-	183,498	-	-	560,254	743,752
Total Expenditures	68,057,352	66,043,828	4,520,599	14,539,790	5,899,196	(42,478,145)	116,582,620
Excess (deficiency of revenue over expenditures	29,313,033	(947,622)	609,448	(8,867,713)	12,694,403	(10,908,298)	21,893,251
Other Financing Sources (uses):							
Transfers in	7,593,753	22,264	-	6,606,113	-		14,222,130
Transfers out	(13,343,097)	(879,033)	-	-	-	-	(14,222,130
Bond premium amortization	-	-	-	-	-	252,686	252,686
	(5,749,344)	(856,769)	-	6,606,113	-	252,686	252,686
Excess (deficiency of revenue over expenditures and trnasfers	23,563,689	(1,804,391)	609,448	(2,261,600)	12,694,403	(10,655,612)	22,145,937
Fund Equity - Beginning of Year	120,378,959	2,816,954	489,566	15,818,149	66,897,366	(37,936,064)	168,464,930
Fund Equity - End of Year	$ 143,942,648	$ 1,012,563	$ 1,099,014	$ 13,556,549	$ 79,591,769	$ (48,591,676)	$ 190,610,867

Southwestern Illinois College
Community College District # 522

Combining Balance Sheet – Current Unrestricted Funds
June 30, 2024

	Education	Operations & Maintenance	Auxiliary Enterprises	Working Cash	Audit	Liability, Protection & Settlement	Total
Assets							
Cash and cash equivalents	$ 57,796,345	$ 20,878,664	$ 3,489,249	$ 52,478,139	$ (43,846)	$ 7,154,897	$ 141,753,448
Receivables							
Property taxes	27,996,601	10,606,376	-	-	257,538	6,082,802	44,943,317
Grants and sponsored programs	263,087	215,254	-	-	-	-	478,341
Student tuition and fees,							
net of allowance	10,117,196	-	-	-	-	-	10,117,19
Other	1,958,657	4,500	59,320	-	-	-	2,022,477
Total receivables	40,335,541	10,826,130	59,320	-	257,538	6,082,802	57,561,331
Due from other funds	40,881	2,480	14,362	-	2,426	17,046	77,195
Prepaid items	1,301,694	122,445	48,107	-	-	54,412	1,526,658
Depreciable property, buildings and equipment, net of depreciation	-	-	755	-	-	-	755
Total assets	$ 99,474,461	$ 31,829,719	$ 3,611,793	$ 52,478,139	$ 216,118	$ 13,309,157	$ 200,919,387
Liabilities, deferred inflows of resources, and fund balance							
Accounts payable	$ 822,210	$ 51,157	$ 78,588	$ -	$ -	$ (103,768)	$ 848,187
Accrued liabilities	253,464	14,108	8,872	-	-	203,398	479,842
Compensated absences, current	2,810,829	171,340	72,149	-	-	85,814	3,140,132
Due to other Funds	159,402	19,530	927	-	(45,000)	1,954	136,813
Unearned revenue							
Student tuition & fees	7,071,737	-	(21,336)	-	-	-	7,050,401
Other	-	-	-	-	-	-	-
Total Unearned Revenue	7,071,737	-	(21,336)	-	-	-	7,050,401
Total liabilities	11,117,642	256,135	139,200	-	(45,000)	187,398	11,655,375
Deferred inflows of resources							
Subsequent year's property taxes	28,231,675	10,696,709	-	-	259,964	6,133,013	45,321,361
Fund Balance							
Non-spendable	1,301,694	122,445	48,107	-	-	54,412	1,526,658
Investment in plant, net of related	-	-	755	-	-	-	755
Restricted							
Unassigned	58,823,450	20,754,430	3,423,731	52,478,139	1,154	6,934,334	142,415,238
Total Fund Balance	60,125,144	20,876,875	3,472,593	52,478,139	1,154	6,988,746	143,942,651
Total liabilities, deferred inflows of resources and fund balance	$ 99,474,461	$ 31,829,719	$ 3,611,793	$ 52,478,139	$ 216,118	$ 13,309,157	$ 200,919,387

Southwestern Illinois College
Community College District # 522

Combining Schedule of Revenue, Expenditures and Changes in Fund Balances – Current Unrestricted Funds
Year Ended June 30, 2024

	Education	Operatioons & Maintenance	Auciliary Enterprises	Working Cash	Audit	Liability, Protection & Settlement	Total
Revenues							
Local Government Sources							
Property Taxes	$ 18,233,298	$ 6,476,909	$ -	$ -	$ 94,467	$ 4,270,627	$ 29,075,301
Corporate personal property replacement taxes	1,553,363	1,270,933	-	-	-	-	2,824,296
Other Local Sources	-	-	294,116	-	-	-	294,116
State Government Sources							-
ICCB state grants	12,046,041	1,429,593	-	-	-	-	13,475,634
Other state grants	-	-	-	-	-	-	-
Federal government	2,095	-	-	-	-	-	2,095
Student tuition and fees	24,459,186	-	-	-	-	-	24,459,186
Investment income	4,240,217	7,333	-	2,124,198	-	-	6,371,748
Auxiliary enterprise revenue			206,054				206,054
Facilities Revenue	-	186,192	150	-	-	-	186,342
Other Sources	1,540,100	-	116,325	18,779,190	-	39,999	20,475,614
Payments on Behelf of the District	-	-	-	-	-	-	-
Expended on capital assets	-	-	-	-	-	-	-
Total Revenues	62,074,300	9,370,960	616,645	20,903,388	94,467	4,310,626	97,370,386
Expenditures							
Current							
Instruction	27,151,412	-	-	-	-	-	27,151,412
Academic Support	1,317,579	-	-	-	-	-	1,317,579
Student Services	3,466,132	-	(7,976)	-	-	-	3,458,156
Public Service	409,501	-	14,338	-	-	-	423,839
Institutional Support	18,910,197	40,874	-	275,829	154,400	1,723,799	21,105,099
Operation and Maintenance of Pla	-	7,189,654	-	-	-	1,917,755	9,107,409
Auxiliary enterprises	-	-	2,866,040	-	-	-	2,866,040
Depreciation & Amortization	-	-	91,219	-	-	-	91,219
Capital Outlay	1,791,960	492,360	12,344	-	-	239,935	2,536,599
Debt Service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total Expenditures	53,046,781	7,722,888	2,975,965	275,829	154,400	3,881,489	68,057,352
Excess (deficiency) of revenues over expenditures	9,027,519	1,648,072	(2,359,320)	20,627,559	(59,933)	429,137	29,313,034
Other Financing Sources (uses)							
Transfers in	-	1,971,197	5,622,557	-	-	-	7,593,754
Transfers out	(5,771,535)	-	(7,807)	(7,563,754)	-	-	(13,343,096
Bond premium amortization							
	(5,771,535)	1,971,197	5,614,750	(7,563,754)	-	-	(5,749,342)
Excess (deficiency) of revenues over expenditures and other financing uses	3,255,984	3,619,269	3,255,430	13,063,805	(59,933)	429,137	23,563,692
Fund Equity - Beginning of Year	56,869,160	17,257,606	217,163	39,414,334	61,087	6,559,609	120,378,959
Fund Equity - End of Year	$ 60,125,144	$ 20,876,875	$ 3,472,593	$ 52,478,139	$ 1,154	$ 6,988,746	$ 143,942,651

Southwestern Illinois College
Community College District # 522

Combining Schedule of Revenue, Expenditures and Changes in Fund Balances – Budget vs. Actual Operating Funds

Year Ended June 30, 2024

Property Taxes	$ 25,064,511	$ 18,223,298	$ 6,476,909	$ 24,700,207	$ (364,304)
Corporate personal property replacement taxes	1,585,115	1,533,363	1,270,933	2,804,296	1,219,181
State Government Sources					
ICCB state grants	12,031,070	12,046,041	1,429,593	13,475,634	1,444,564
Federal government	1,200	2,095	-	2,095	895
Student tuition and fees	21,006,996	24,459,186	-	24,459,186	3,452,190
Investment income	3,006,000	4,240,217	7,333	4,247,550	1,241,550
Auxiliary enterprise revenue	-	1,056,066		1,056,066	1,056,066
Facilities Revenue	175,000	-	186,192	186,192	11,192
Other Sources	704,996	484,033	-	484,033	(220,963)
Total Revenues	63,574,888	62,044,299	9,370,960	71,415,259	7,840,371
Expenditures					
Instruction	31,038,108	27,135,487	-	27,135,487	3,902,621
Academic Support	1,333,043	1,318,119	-	1,318,119	14,924
Student Services	4,318,380	3,469,765	-	3,469,765	848,615
Public Service	271,512	(48,031)	-	(48,031)	319,543
Institutional Support	18,798,995	18,921,735	40,876	18,962,611	(163,616)
Operation and Maintenance of Plant	6,341,415	-	7,199,772	7,199,772	(858,357)
Capital Outlay	1,090,000	1,791,960	492,360	2,284,320	(1,194,320)
Total Expenditures	63,191,453	52,589,035	7,733,008	60,322,043	2,869,410
Excess (deficiency) of revenues over expenditures	383,435	9,455,264	1,637,952	11,093,216	4,970,961
Other Financing Sources (uses)					
Transfers in	-	-	1,971,197	1,971,197	(1,971,197)
Transfers out	4,025,000	(5,771,535)	-	(5,771,535)	9,796,535
	4,025,000	(5,771,535)	1,971,197	(3,800,338)	7,825,338
Excess (deficiency) of revenues over expenditures and other financing uses	4,408,435	3,683,729	3,609,149	7,292,878	12,796,299
Fund Equity - Beginning of Year	50,938,246	56,869,160	17,257,606	74,126,766	
Fund Equity - End of Year	$ 55,346,681	$ 60,552,889	$ 20,866,755	$ 81,419,644	$ 12,796,299

Notes to Supplementary Information
Basis of Presentation

Supplemental financial statements: In order to ensure observation of limitations and restrictions placed on the use of available resources, the accounts are maintained in accordance with the principles of fund accounting as promulgated by the Illinois Community College Board *Fiscal Management Manual*. Accordingly, supplemental financial information of the District is presented on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenue, and expenditures. For reporting purposes, funds that have similar characteristics have been combined into fund groups. The various fund groups and their designated purposes are as follows:

Current Funds - The Current Funds are utilized to account for those economic resources that are expendable for the purpose of performing the primary and supporting missions of the District and consist of the following:

> Unrestricted Fund - The Unrestricted Fund accounts for the general operations of the District. All property tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this subgroup. From this subgroup are paid the general operating expenses, the fixed charges, and the expenditures for plant assets that are not paid from other funds.
>
> Restricted Funds - The Restricted Fund is used to account for resources that are available for the operation and support of the educational program but which are restricted as to their use by outside agencies.

Loan Fund - This subfund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Plant Funds - The Plant Funds are used to account for the transactions relating to investment in the District properties, and consist of the following self-balancing subfunds:

> Operations and Maintenance: - This subfund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.
>
> Investment in Plant: - This subfund is used to account for the excess of the carrying value of plant assets over the related liabilities.

ICCB State Grants Financial Compliance Section

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Southwestern Illinois College
Community College District #522
Belleville, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Adult Education and Family Literacy Grants of Southwestern Illinois College, Community College District #522 (the District), as of and for the year ended June 30, 2024 and the related notes to the financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Adult Education and Family Literacy Grant Program as of June 30, 2024, and the changes in its financial position for the year then ended in accordance 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 (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

The financial statements of the Adult Education and Family Literacy Grant Program are intended to present the net position and changes in net position of only that portion of the business-type activities of the District that is attributable to the Adult Education and Family Literacy Grant Program. These financial statements do not purport to, and do not, present fairly the financial position of the District as of June 30, 2024, or the statement of revenues, expenses, and changes in its financial position of the District 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Adult Education and Family Literacy Grant Program '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.

Board of Trustees
Southwestern Illinois College
Community College District #522

Required Supplementary Information

Management has omitted the management's discussion and analysis, defined benefit pension plan information, the schedule of the District's proportionate share of the net OPEB liability and the schedule of the District's contributions that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Adult Education and Family Literacy Grant Program's financial statements. The Supplementary ICCB Compliance Schedule, is presented for purposes of additional analysis 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 GAAS. In our opinion, the Supplementary ICCB Compliance Schedule is fairly stated in all material respects in relation to the financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Belleville, Illinois
December 16, 2024

Adult Education and Family Literacy Grant Programs

Balance Sheet
June 30, 2024

	State Basic	Performance	Total (Memorandum Only)
Assets			
Cash	$ 12,850	$ 1,282	$ 14,132
Total Assets	$ 12,850	$ 13,032	$ 25,882
Liabilities and fund balance			
Accounts Payable	$ 3,096	$ -	$ 3,096
Accrued Payroll	7,771	1,108	8,879
Accrued Liabilities	1,983	174	2,157
Total Liabilities	12,850	1,282	14,132
Fund Balance - Unreserved	-	-	-
Total Fund balance	-	-	-
Liabilities and fund balance	$ 12,850	$ 1,282	$ 14,132

See notes to financial statements - grant programs

Southwestern Illinois College
Community College District # 522

Adult Education and Family Literacy Grant Programs

Statement of Revenues, Expenditures and Changes in Fund Balance
Year ended June 30, 2024

	State Basic	Performance	Total (Memorandum Only)
Revenue			
State Sourced Revenue	421,580.00	127,820.00	$ 549,400.00
Total Revenue	$ 421,580.00	$ 127,820.00	$ 549,400.00
Expenditures			
Instruction Expenses			
Professional/Tech Salaries	117,179.00	30,920.00	148,099.00
Part-Time Salaries	7,168.00	-	7,168.00
Faculty Salaries	156,244.00	1,834.00	158,078.00
Total Instructional Salaries	280,591.00	32,754.00	313,345.00
Benefits	42,339.00	10,826.00	53,165.00
Instructional Supplies	19,975.00	-	19,975.00
Scholarships/Tuition	16,448.00	-	16,448.00
Total Instructional Expenses	359,353.00	43,580.00	402,933.00
Administrative Expenses			
Administrative Salaries	34,759.00	29,364.00	64,123.00
Clerical Salaries	3,856.00	30,848.00	34,704.00
Total Administrative Salaries	38,615.00	60,212.00	98,827.00
Benefits	5,827.00	19,901.00	25,728.00
Office Supplies	10,929.00	2,100.00	13,029.00
Telephone/Utilities	2,936.00	-	2,936.00
Travel and Meeting	3,920.00	2,027.00	5,947.00
Total Administrative Expenses	62,227.00	84,240.00	146,467.00
Total Expenses	421,580.00	127,820.00	549,400.00
Revenues over (under) expenditures	$ -	$ -	$ -

See Note to Financial Statements - Grant Programs

Notes to the Financial Statements-Grants Programs

Significant Accounting Policies

General
The accompanying statements include only those transactions resulting from the Career and Technical Education – Program Improvement and the Education & Family Literacy programs. These transactions have been accounted for in the Restricted Purposes Fund.

Basis of accounting
The statements have been prepared on the modified accrual basis of accounting. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2024. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31 are recorded as encumbrances. Unexpended funds are reflected as a reduction to fund balance and a liability due to the ICCB by October 15.

Capital assets
Capital asset purchases are recorded as capital outlay expenditures and not capitalized.

Payments of Prior Year's Encumbrances
Payments of prior year's encumbrances for goods received prior to August 31 are reflected as expenditures during the current fiscal year.

Credit Risk
The Board of Trustees has authorized the District to invest funds in accordance with the Illinois Community College Act and the Investment of Public Funds Act. The District's investment policy is to apply the prudent person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to conform with legal requirements, seek reasonable income, preserve capital, maintain liquidity and, in general avoid speculative investments.

Custodial Credit Risk
Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's investment policy allows that funds on deposit in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement, and held at an independent, third party institution in the name of the District. The District's collateralization policy is currently set at 105% of uninsured deposits. At June 30, 2023 and 2022, the District's deposits were not fully collateralized.

Concentration of Credit Risk
At June 30, 2024 and 2023, the District had greater than 5% of its overall portfolio invested in Illinois School District Liquid Asset Fund Plus Money Market. This is in accordance with the District's investment policy.

Interest Rate Risk
The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The State Treasurer maintains the Illinois Funds Money Market at cost and fair value through daily adjustment in the interest earnings. The State Treasurer also maintains the average duration of the pool at less than 25 days. The fair value of the College's investment in the funds is the same as the value of the pool shares. The Pool is audited annually by an outside independent auditor and copies of the report are distributed to participants. The District's investments in the Illinois Funds are not required to be categorized because these are not securities. The relationship between the District and the investment agent is a direct contractual relationship and the investments are not supported by a transferable instrument that evidences ownership or creditorship.

All funds deposited in the pool are classified as investments even though some could be withdrawn on a day's notice. Although not subject to direct regulatory oversight, the fund is administered in accordance with the provision of the Illinois Public Investment Act, 30 ILCS 235.

Note 2. Unrestricted Grants

Base Operating Grants
General operating funds provided to colleges based upon credit enrollment, with a small portion of the allocation based upon gross square footage of space at the college.

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

Note 3. Restricted Grants / Special Initiatives

Career and Technical Education - Program Improvement Grants
Grant funding requires that keeping career and technical education programs current and reflective of the highest quality practices in the workplace is necessary to prepare students to be successful in their chosen careers and to provide employers with the well-trained workforce they require. The grant funds are dedicated to enhancing instruction and academic support activities to strengthen and improve career and technical programs and services.

Note 4. Restricted Adult Education Grants / State

State Basic
Grant awarded to Adult Education and Family Literacy providers to establish special classes for the instruction of persons of age 21 and over or persons under the age of 21 and not otherwise in attendance in public school for the purpose of providing adults in the community, and other instruction as may be necessary, to increase their qualifications for employment or other means of self-support and their ability to meet their responsibilities as citizens including courses of instruction regularly accepted for graduation from elementary and/or high schools and for Americanization and General Education Development Review classes. Included in this grant are funds for support services, such as student transportation and child care facilities or provision.

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

Supplementary ICCB Compliance Schedule

Adult Education and Family Literacy Grant Programs

Expenditure Amounts and Percentages for ICCB Grant Funds Only
Year Ended June 30, 2023

State Basic	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% minimum required)	$ 359,353	85.2%

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INDEPENDENT ACCOUNTANTS' REPORT

Board of Trustees
Southwestern Illinois College
Community College District #522
Belleville, Illinois

We have examined Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed of Southwestern Illinois College, Community College District #522 (District) for the year ended June 30, 2024. District's Management is responsible for preparation of the Schedules in accordance with the guidelines of the Illinois Community College Board's Fiscal Management Manual. Our responsibility is to express an opinion on the Schedules 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 Schedules are in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the Schedules. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Schedules, 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 Schedules for the year ended June 30, 2024 are presented in accordance with the Illinois Community College Board's Fiscal Management Manual, in all material respects.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Belleville, Illinois
December 16, 2024

Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed

Year Ended June 30, 2024

Total Reimbursable Semester Credit Hours by Term

	Summer		Fall		Spring		
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Total
Baccalaureate	8,311.0	25.5	33,722.0	183.0	33,692.0	50.0	75,983.5
Business Occupational	2,847.0	-	9,492.5	114.0	9,507.0	70.0	22,030.5
Technical Occupational	1,666.0	194.5	11,346.0	919.5	12,601.5	768.5	27,496.0
Health Occupational	1,529.0	332.5	5,672.5	766.0	6,097.5	791.0	15,188.5
Remedial/Development	438.0	-	1,665.0	-	1,215.0	-	3,318.0
Adult Basic Education / Adult Secondary Education	-	627.0	-	1,806.0	-	2,228.0	4,661.0
Total credit hours certified	14,791.0	1,179.5	61,898.0	3,788.5	63,113.0	3,907.5	148,677.5

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.

	Attending In-District	Attending Out-of-District on Chargeback or Contractual Agreement	Total
Semester credit hours (all terms)	122,213.0	2,064.0	124,277.0

	Dual Credit	Dual Enrollment	Total
Semester credit hours (all terms)	24,863.5	1,107.0	25,970.5

District 2024 Equalized Assess Valuation	$ 9,287,154,695

Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed (continued)

Year Ended June 30, 2024

Reconciliation of Total Semester Credit Hours

	Total Unrestricted Credit Hours	Total Unrestricted Credit Hours Certfied to the ICCB	Difference	Total Restricted Credit Hours	Total Restricted Credit Hours Cerfied to the ICCB	Difference
Baccalaureate	75,725.0	75,725.0	-	258.50	258.50	-
Business Occupational	21,847.0	21,847.0	-	184.00	184.00	-
Technical Occupational	25,613.5	25,613.5	-	1,882.50	1,882.50	-
Health Occupational	13,299.0	13,299.0	-	1,889.50	1,889.50	-
Remedial/Development	3,318.0	3,318.0	-	-	-	-
Adut Basic Education						
Adult Secondary Education	-	-	-	4,661.00	4,661.00	-
Total credit hours	139,802.50	139,802.50	-	8,875.50	8,875.50	-

Reconciliation of in-District / Chargeback Reimbursable Credit Hours

	Total Attending	Total Attending as Certified to the ICCB	Difference
Reimbursable in-district residents	122,213.0	122,213.0	-
Reimbursable out-of-district on chargeback or contractual agreement	2,064.0	2,064.0	-
Total credit hours	124,277.0	124,277.0	-

	Total Reimbursable	Total Reimbursable as Certified to the ICCB	Difference
Dual Credit	24,863.5	24,863.5	-
Dual Enrollment	1,107.0	1,107.0	-
Total credit hours	25,970.5	25,970.5	-

Residency Verification Process

Residency is verified by Admissions and Records personnel or program coordinators of the College. The following items are acceptable forms of documentation:

Automobile insurance ID card
Automobile license registration card
Bank statements
Driver's license
Federal, state, or county official documents
Income tax forms (i.e., W-2)
Lease agreement
Military orders
Occupancy permit
Pay stub
Real estate or property tax bill
Utility bill or receipt
Voter's registration card

New students and those changing from an out-of-district to an in-district address will be required to provide proof of residency.

Residency for students under age 18 shall be considered to be that of the parent or legal guardian, unless the student is self- supporting.

College personnel will verify residency visually for new students visiting Southwestern in-person and then indicate on the New Student Information Form that they attest to having reviewed documentation supporting residency and understand the impact with respect to state funding.

New students who mail, fax, or submit via our website the New Student Information form are sent a letter requesting that they submit acceptable documentation proving residency within 14 days. If they do not respond within that timeframe, their student record is restricted and they are not allowed to register until they do so.

Employees who verify residency of students after the 14-day grace period photocopy the documentation for appropriate filing in the student's permanent file.

Students are appropriately coded in our student information system for state funding purposes as follows:

A student is considered to be in-district if the student's legal residence is within the boundaries of Community College District #522 and can be established 30 days prior to the beginning date of the student's earliest class of the semester.

A student living outside District #522, who is a resident of the state of Illinois and does not attend Southwestern under the terms of a joint agreement or chargeback agreement, will be designated as an out-of-district student and will be charged the appropriate tuition.

RESIDENCY VERIFICATION PROCESS (Continued)

Any student who is a resident of another state or country will be considered an out-of-state student and will be charged the appropriate tuition. International students who have been issued an I-20 to attend Southwestern may not establish eligibility for in-district tuition rates.

Out-of-district and out-of-state students who receive training from and are employed at least 35 hours per week by an entity located within District #522 may qualify for in-district rates. These students must complete an appropriate Southwestern form from the Admissions and Records Office and have it completed and signed by their employee. This form must be submitted to Southwestern before the midterm date of the affected class(es).

Out-of-district students who have received chargeback tuition authorization from the community college district in which they live, will pay Southwestern in-district tuition. Students must contact the community college district in which they live for chargeback authorization at least 30 days prior to the beginning of any semester. Out-of-district students attending Southwestern without chargeback authorization will pay out-of-district tuition.

Out-of-district students who attend Southwestern Illinois College under the terms of a joint agreement between Southwestern and another community college district will pay Southwestern in-district tuition.

Students attending McKendree College, located in district with Southwestern, may attend Southwestern as an in-district student if they provide a student ID card from McKendree. The Director of Admissions from Southwestern, then verifies current enrollment status with the Registrar at McKendree College. This document becomes part of the student's Southwestern permanent file and must be provided and verified each semester he/she wishes to attend Southwestern.

Annual State of Illinois Financial Compliance Section

Southwestern Illinois College
Community College District # 522

Consolidated Year-End Financial Report (CYEFR)

Year Ended June 30, 2024

CSFA Number	Program Name	State	Federal	Other	Total
402-00-1458	Foster Grandparent Program	$ 44,600	$ -	$ -	$ 44,600
402-00-1459	Retired and Senior Volunteer Program	25,053	-	-	25,053
402-00-1481	Federal Senior Companion Program State Match	142,318	-	-	142,318
420-00-2361	Manufacturing Training Academies	3,145,568	-	-	3,145,568
420-27-2731	Job Training Economic Development Program (ARPA)	-	282,000	-	282,000
420-30-2614	Illinois Works Pre-apprenticeship Program	418,534	-	-	418,534
420-75-1631	Community Service Block Grant Discretionary Grant Program	17,726	-	-	17,726
444-80-2810	AmeriCorps Formula Traditional	19,789	136,102	-	155,891
482-00-0781	Serve Illinois - AmeriCorps Competitive (transferred to DHS)	-	31,960	-	31,960
494-80-1133	Transit Illinois Jobs Now for the Retional Transportation Authority	-	314,190	-	314,190
503-00-0883	Arts Education	-	(1)	-	(1)
601-00-1591	Nurse Educator Fellowship Program	22,589	-	-	22,589
684-00-0465	Postsecondary Perkins Basic Grant - Federal CTE	-	1,238,643	-	1,238,643
684-00-0818	Illinois Veteran's Grant (Obsolete)	198,293	-	-	198,293
684-00-0819	East St Louis Education Center (Obsolete)	310,826	-	-	310,826
684-00-0820	Career and Technical Education Formula Grants (not a grant)	871,089	-	-	871,089
684-00-0825	Base Operating Grant	6,877,919	-	-	6,877,919
684-00-0826	Equalization Grant	5,718,370	-	-	5,718,370
684-00-2727	Governor's Emergency Education Relief Fund II - Federal	-	60,024	-	60,024
684-01-1625	Adult Education and Literacy Basic Grants - Federal and State	551,245	459,788	-	1,011,033
684-01-2213	Workforce Equity Initiative	672,077	-	-	672,077
684-01-1670	Innovative Bridge	59,490	-	-	59,490
684-05-2840	College Bridge Programs	135,945	-	-	135,945
684-05-2866	Early Childhood Access Consortium for Equity	1,612,019	820,861	-	2,432,880
691-00-1381	ISAC Monetary Award Program	2,032,778	-	-	2,032,778
	Other Grant Programs and Activities		20,229,236	11,573,242	31,802,478
	All other costs not allocated	-	1,218,511	56,342,927	57,561,438
	Total	$ 22,876,228	$ 24,793,783	$ 67,916,169	$ 115,586,180

Federal Financial Compliance Section

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

Board of Trustees
Southwestern Illinois College
Community College District #522
Belleville, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of Southwestern Illinois College, Community College District #522 (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 16, 2024. The financial statements of the District's component unit, Southwestern Illinois College Foundation (the Foundation) were not audited in accordance with *Government Auditing Standards* , and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with Southwestern Illinois College Foundation.

Report on Internal Control Over Financial Reporting

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

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

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

Board of Trustees
Southwestern Illinois College
Community College District #522

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southwestern Illinois 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Belleville, Illinois
December 16, 2024

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Trustees
Southwestern Illinois College
Community College District #522
Belleville, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Southwestern Illinois College, Community College District #522's (the District) 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 District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District 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, 2024.

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 (GAAS); 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District 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 District'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 District's federal programs.

Auditors' 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 District'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 GAAS, *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 District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 District'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 District'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 District'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.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-001, 2024-002 and 2024-003. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. the District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Board of Trustees
Southwestern Illinois College
Community College District #522

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-003 to be a material weakness.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002, to be significant deficiencies.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. the District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Belleville, Illinois
December 16, 2024

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor / *Pass-Through Grantor* / Program Title or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures through 6/30/2024	Passed to Subrecipients
Department of Education				
Work Study	84.033		182,066	-
Supplemental Education Opportunity Grant	84.007		302,239	-
Pell Grant	84.063		9,801,159	-
Direct Loans	84.268		3,553,414	-
Subtotal Student Financial Assistance Cluster			13,838,878	-
COVID-19 Education Stabilization Fund - Institution	84.425F		2,723,187	-
Passed through Illinois Community College Board				
Governer's Emergency Education Relief (GEER)	84.425C	GEER 522	60,024	-
Subtotal ALN 84.425			2,783,211	-
TRIO Programs	84.042A		323,505	-
Passed through Illinois Community College Board				
Career and Technical Education - Perkins Postsecondary	84.048	CTE-522-24	1,238,643	-
Adult Basic Education	84.002		459,788	-
Early Childhood Consortium	93.575	ECE-52201-22	820,861	-
Subtotal - Illinois Community College Board			2,519,292	-
Total - Department of Education			**19,464,886**	**-**
The Corporation for National and Community Services				
Senior Companion Program	94.016		392,931	-
Foster Grandparent Program	94.011		307,291	-
Retired and Senior Volunteer Program	94.002		84,828	-
Passed through the State of Illinois, Department of Public Health				
Southwestern Illinois College - Belleville Americorps	94.006		168,062	-
Total - Corporation for National and Community Services			**953,112**	**-**
Department of Commerce				
Build Back Better	11.300		2,285,564	-
Total - Department of Commerce			**2,285,564**	**-**

Schedule of Expenditures of Federal Awards (continued)

Year Ended June 30, 2024

Federal Grantor *Pass-Through Grantor* Program Title or Cluster Title	**Federal Assistance Listing Number**	**Pass-Through Entity Identifying Number**	**Expenditures through 6/30/2024**	**Passed to Subrecipients**
Department of Labor				
Passed through St Clair County Intergovernmental Grants				
Out of School Youth - Fee for Services	17.259		165,072	-
Passed through Madison Education and Training Division				
Pre-Apprenticeship Training	17.285		15,183	-
Total - Department of Labor			**180,256**	**-**
Department of Housing and Urban Development				
Passed through St Clair County Housing Authority				
Service Coordination Program	14.850		76,259	-
Total - Department of Housing and Urban Development			**76,259**	**-**
Department of Health and Human Services				
Passed through AgeSmart Community Resources				
3E Caregiver Counseling	93.052		12,518	-
Senior health Insurance Program	93.324		-	-
Total - Department of Health and Human Services			**12,518**	**-**
Federal Highway Administration				
Passed Through Illinois Department of Transportation				
Highway Construction Careers Training program	20.205		314,190	-
Total - Federal Highway Administration			**314,190**	**-**
National Endowment for the Arts				
Passed through Illinois Art Council Agency				
Poetry Out Loud	45.025		4,020	-
Total - National Endowment for the Arts			**4,020**	**-**
Department of the Treasury				
Job Training Economic Development	21.027		282,000	-
Total - Department of the Treasury			**282,000**	**-**
GRAND TOTAL			**23,572,805**	**-**

Notes to Schedule of Expenditures of Federal Awards

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Accounting
The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Southwestern Illinois College and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Grant Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements. Southwestern Illinois College has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Grant Guidance.

NOTE 2 NONCASH ASSISTANCE

Southwestern Illinois College did not receive any noncash assistance through federal award programs during the year ended June 30, 2024. In addition, there was no insurance in effect during the year that came through federal sources.

NOTE 3 LOANS OUTSTANDING

The federal award program of Southwestern Illinois College had no outstanding loan balances nor were there any loan guarantees as of June 30, 2024.

NOTE 4 SUB-RECIPIENTS

All of the federal award program funds received by Southwestern Illinois College were retained by the District. There were no amounts passed to sub-recipients.

STUDENT FINANCIAL AID INSTITUTIONAL AND PROGRAM ELIGIBILITY METRICS

The Institution is in compliance with the following institutional and program eligibility requirements under the Higher Education Act of 1965 and Federal regulations under 34 CFR 668.23:

- Correspondence courses the institution offers under 34 CFR 600.7(b) and (g)
- Regular students that enroll in correspondence courses under 34 CFR 600.7(b) and (g)
- Institution’s regular students that are incarcerated under 34 CFR 600.7(c) and (g)
- Completion rates for confined or incarcerated individuals enrolled in non-degree programs at nonprofit institutions under 34 CFR 600.7(c)(3)(ii) and (g)
- Institution’s regular students that lack a high school diploma or its equivalent under 34 CFR 600.7(d) and (g)
- Completion rates for short-term programs under 34 CFR 668.8(f) and (g)
- Placement rates for short-term programs under 34 CFR 668.8(e)(2)

SOUTHWESTERN ILLINOIS COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified

2. Internal control over financial reporting:

- Material weakness(es) identified? ___ yes x no
- Significant deficiency(ies) identified? ___ yes x none reported

3. Noncompliance material to financial statements noted? ___ yes x no

Federal Awards

1. Internal control over major federal programs:

- Material weakness(es) identified? x yes ___ no
- Significant deficiency(ies) identified? x yes ___ none reported

2. Type of auditors' report issued on compliance for major federal programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes ___ no

Identification of Major Federal Programs

Assistance Listing Number(s)	**Name of Federal Program or Cluster**
Various	Student Financial Assistance Cluster
11.300	Economic Development Cluster
84.048	Career and Technical Education – Basic Grants to States
93.575	Child Care and Development Block Grant (CCDF Cluster)

Dollar threshold used to distinguish between Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee? ___ yes X no

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2024-001 Reporting

Federal agency: U.S Department of Commerce

Federal program title: Investments for Public Works and Economic Development Facilities

Assistant Listing Number: 11.300

Federal Award Identification Number: 05-79-06232 - 2024

Award Period: July 1, 2023 to June 30, 2024

Type of Finding:

- Compliance, Other Matters
- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: Uniform Grant Guidance (2 CFR 200.303) requires nonfederal entities receiving Federal awards establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Effective internal controls should include procedures to ensure reports are formally reviewed by someone who did not prepare the report to verify the correct information and data is submitted. Additionally, per 2 CFR 200.328(c) the recipient or subrecipient must submit financial reports as required by the Federal award. Reports submitted annually by the recipient or subrecipient must be due no later than 90 calendar days after the reporting period. Reports submitted quarterly or semiannually must be due no later than 30 calendar days after the reporting period.

Condition: The College did not have a formal review process in place as well as submit report timely.

Context: During our testing, we identified 2 out of 2 financial reports did not have documentation of formal review. Additionally, 1 of the 2 reports was not submitted within the required timeframe.

Questioned costs: None.

Cause: Supervisory review and approval is currently undocumented, and is only communicated verbally.

Effect: Improper data could be submitted to the awarding agency.

Repeat Finding: No.

Recommendation: The College should implement formal review procedures to document review and approvals over required reports in addition to procedures to ensure reports are being submitted timely.

Views of responsible officials: Management agrees with the finding.

2024-002 Special Tests and Provisions

Federal agency: U.S Department of Education

Federal program title: Student Financial Assistance Cluster

Assistant Listing Number: 84.007/84.033/84.063/84.268

Federal Award Identification Number: P007A233410, P033A233410, P063P232032, P268K24032

Award Period: July 1, 2023 to June 30, 2024

Type of Finding:

- Compliance, Other Matters
- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: Per 34 CFR 668.22(j)(1) an institution must return the amount of title IV funds for which it is responsible as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew.

Per 2 CFR 200.303, nonfederal entities receiving federal awards are required to establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements.

Condition: The College used the incorrect withdrawal date when calculating Return to Title IV (R2T4) calculation and returned funds late.

Context: During our testing, we identified 3 out of 40 R2T4 calculations used an incorrect withdrawal date in their calculation. Also, 2 out of 40 of the R2T4 selections had funds that were not returned timely (after 45 days).

Questioned costs: None.

Cause: The College input the incorrect dates when completing R2T4 calculations.

Effect: The College could return incorrect amounts based off of their calculations, which could affect student repayment amounts based off of amount earned.

Repeat Finding: No.

Recommendation: We recommend that the College review policies and procedures related to R2T4 calculations to ensure calculations are performed accurately and federal funds are returned timely.

Views of responsible officials: Management agrees with the finding.

2024-003 Allowable Costs

Federal agency: U.S Department of Education & Department of Health and Human Services

Federal program title: Career and Technical Education - Basic Grant to States & Child Care and Development Block Grant

Assistant Listing Number: 84.048 & 93.575

Federal Award Identification Number: V048A220030-2024 and 2101ILccc5-2024

Award Period: July 1, 2023 to June 30, 2024

Type of Finding:

- Compliance, Other Matters
- Material Weakness in Internal Control over Compliance

Criteria or specific requirement: Per 2 CFR 200.430(g)(1) states charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must be supported by a system of internal control that provides reasonable assurance that the charges are accurate, allowable, and properly allocated.

Per 2 CFR 200.303, nonfederal entities receiving federal awards are required to establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements.

Condition: The College did not have proper documentation of Time and Effort reporting.

Context: During our testing, we identified that time and effort reports were not documented properly to track hours worked on federal grant and did not have documentation of formal review.

Questioned costs: None.

Cause: The College did not have proper procedures in place to track time and effort for personnel on federal grants.

Effect: The College could potentially expense incorrect amount to federal grants.

Repeat Finding: No.

Recommendation: We recommend the College review policies and procedures to ensure all personnel on federal grants have documented time and effort reports as stated in federal regulations.

Views of responsible officials: Management agrees with the finding.

APPENDIX B-1

PROPOSED FORM OF OPINION OF BOND COUNSEL

[2025A CERTIFICATES]

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Community College District No. 522
Counties of St. Clair, Madison, Monroe,
Randolph, Washington, Bond, Perry and
Montgomery 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. 522, Counties of St. Clair, Madison, Monroe, Randolph, Washington, Bond, Perry and Montgomery and State of Illinois (the *"District"*), passed preliminary to the issue by the District of its fully registered Taxable Debt Certificates, Series 2025A (the *"Certificates"*), to the amount of $__________, dated ____________, 2025, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2025	$	%
2026		%
2027		%

the Certificates 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 Certificates of a single maturity to be selected by the Registrar), on ____________, 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 certificate 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, except that the rights of the owners of the Certificates and the enforceability of the Certificates 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. There is no statutory authority for the levy of a separate tax in addition to other District taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates. We express no opinion as to (a) the ability or the likelihood of the District to make such payments when due or (b) the validity or feasibility of any future financings that the District may undertake in order to provide funds to make such payments.

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

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 Certificates.

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-2

PROPOSED FORM OF OPINION OF BOND COUNSEL

[2025B CERTIFICATES]

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Community College District No. 522
Counties of St. Clair, Madison, Monroe,
Randolph, Washington, Bond, Perry and
Montgomery 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. 522, Counties of St. Clair, Madison, Monroe, Randolph, Washington, Bond, Perry and Montgomery and State of Illinois (the *"District"*), passed preliminary to the issue by the District of its fully registered Debt Certificates, Series 2025B (the *"Certificates"*), to the amount of $__________, dated ____________, 2025, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2027	$	%
2028		%
2029		%
2030		%
2031		%

the Certificates 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 Certificates of a single maturity to be selected by the Registrar), on __________, 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 certificate 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, except that the rights of the owners of the Certificates and the enforceability of the Certificates 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. There is no statutory authority for the levy of a separate tax in addition to other District taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates. We express no opinion as to (a) the ability or the likelihood of the District to make such payments when due or (b) the validity or feasibility of any future financings that the District may undertake in order to provide funds to make such payments.

It is our opinion that, subject to the District's compliance with certain covenants, under present law, interest on the Certificates 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 Certificates may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Certificates to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Certificates. Ownership of the Certificates 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 Certificates.

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 Certificates.

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 C

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. 522, Counties of St. Clair, Madison, Monroe, Randolph, Washington, Bond, Perry and Montgomery and State of Illinois (the *"District"*), in connection with the issuance of $__________ Taxable Debt Certificates, Series 2025A (the *"2025A Certificates"*), and $_______ Debt Certificates, Series 2025B (the *"2025B Certificates"* and, together with the 2025A Certificates, the *"Certificates"*). The Certificates are being issued pursuant to a resolution adopted by the Board of Trustees of the District on the 18th day of June 2025 (as supplemented by a notification of sale, the *"Resolution"*).

In consideration of the issuance of the Certificates by the District and the purchase of such Certificates 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 Certificates 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 Certificates at the time the Certificates are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Certificates.

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 exhibits to, the Official Statement:

THE DISTRICT
—Enrollment
—Credit Hours and Student Tuition and Fees
FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT
—Direct General Obligation Bonds (Principal Only)
—Selected Financial Information (only as it relates to direct debt)
—Composition of EAV
—Trend of EAV
—Taxes Extended and Collected
—District Tax Rates by Purpose
Exhibit A—Combined Statement of Revenues, Expenditures and Changes in Fund Balance
Exhibit C—General Fund Revenue Sources

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 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 __________, 2025, and relating to the Certificates.

Participating Underwriter means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Certificates.

Reportable Event means the occurrence of any of the Events with respect to the Certificates 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 Certificates are set forth in *Exhibit III*. All filings required under this Agreement will be filed on EMMA under these CUSIP Numbers. If the Certificates 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 Certificates as a result of such refunding, to the extent the District remains legally liable for the payment of such Certificates. The District will not make any filings pursuant to this Agreement under new CUSIP Numbers assigned to any of the Certificates after the date hereof as a result of a holder of the Certificates obtaining a bond insurance policy or other credit enhancement with respect to some or all of the outstanding Certificates 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. References to "material" in *Exhibit II* refer to materiality as it is interpreted under the Exchange Act. 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 Certificates or defeasance of any Certificates need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the holders of the Certificates 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 Certificate 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 Certificates, 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 Certificates 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 Certificates, 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. 522,
COUNTIES OF ST. CLAIR, MADISON,
MONROE, RANDOLPH, WASHINGTON, BOND,
PERRY AND MONTGOMERY AND STATE OF
ILLINOIS

By ____________________________________
Chair, Board of Trustees

Date: ________________, 2025

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 an Official Statement, the Official Statement must be available on EMMA; the 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, 2025. 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 CERTIFICATES 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. Certificate 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 of the District, 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 of the District, any of which reflect financial difficulties

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* 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 NUMBERS

2025A CERTIFICATES

MATURITY (DECEMBER 1)	CUSIP NUMBER (85227X)
2025	
2026	
2027	

2025B CERTIFICATES

MATURITY (DECEMBER 1)	CUSIP NUMBER (85227X)
2027	
2028	
2029	
2030	
2031	