

Basis of Accounting and Budgeting, and Fund Descriptions

The accounting policies of William Rainey Harper College – Community District No. 512 (the College) conform to generally accepted accounting principles applicable to Government units and Illinois Community Colleges. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing accounting and financial reporting principles. Financial statements are prepared on an accrual basis of accounting, which means that revenues are recorded when earned and expenditures when a liability is created, regardless of the accounting period in which cash payment is actually made.

The College budgets on the same basis as its financial reporting with the exception of depreciation. All capital asset purchases are budgeted as expenses, instead of budgeting for annual depreciation on those assets.

The College records budgets and corresponding transactions in the following funds:

- The Education, Operations and Maintenance Audit and Liability, Protection and Settlement Funds are considered the general operating funds of the College. These are funds that are tax-capped, for which local property taxes can be levied but are subject to the Property Tax Extension Limitation Law. By law, taxes in the Audit Fund are restricted only for the payment of auditing expenditures, and the Liability, Protections and Settlement Fund is restricted only for the payment of tort liability, unemployment insurance, and workers' compensation insurance and claims.
- The Auxiliary Enterprises Fund is an enterprise fund, used to account for operations that are financed and operated in a manner similar to private business enterprise. Examples recorded under this fund would be the Harper Store, Dining and Conference Services, and Continuing Education.
- The Restricted Purposes Fund is a special revenue fund, used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. The majority of this fund accounts for grants and financial aid.
- The Bond and Interest Fund is a debt service fund, restricted to account for the accumulation of resources for and the payment of principal, interest and related costs.
- The Operations and Maintenance (Restricted) Fund is a capital projects fund, used to account for financial resources to be used for the acquisition or construction of major capital facilities.
- The Working Cash Fund is a permanent fund, of which only the accumulated earned interest may be transferred to other funds to meet one-time needs.

BUDGET PREPARATION PROCESS

Board Financial Guidelines

Balanced Budget

The Board shall strive to maintain a balanced budget in the Tax-Capped Funds, which consist of the Education Fund, Operations and Maintenance Fund, Audit Fund, and Liability, Protection and Settlement Fund. The term *balanced budget* shall apply only to the Tax-Capped Funds in the aggregate.

The other funds often support projects where funding is generated (i.e. bond sales) in one year and spent in succeeding years. Accumulated fund balances can be designated, when the need arises, for special one-time uses such as construction expenses, projects or special equipment purchases. This is considered good planning and the budget shall still be considered balanced.

Unbalanced shall mean that the revenue coming into the fund is insufficient to pay all of the *operational or ongoing* expenses of that year.

Revenue Diversification

The Board shall continue to manage its three major sources of revenue: local government, tuition and fees, and state appropriations. The Board's most direct control is over tuition and fee revenue. The College shall continue to develop other revenue streams from bookstore, food service, continuing education, grants and other creative sources within the mission of the College to support the primary mission of the College.

Fees

The College charges other fees to support various services and activities, including student activities, registration fees, application fees, and distance learning fees. Course fees may be assessed as needed to offset the cost of specialized course materials or experiences consumed during the semester.

Use of One-time Revenue

The Board shall not use one-time revenues for ongoing expenditures but rather target these funds for one-time expenditures.

Use of Unpredictable Revenue

The College shall use the Auxiliary Enterprises Fund to record revenue and expense from activities that are expected to break even or better and/or have unpredictable sources of revenue.

Expenses should be of a flexible nature and designed to rise and fall with the revenues. Programs or services that no longer break even must be restructured or discontinued.

Debt

The College will not exceed the debt limits set by state statute (2.875% of EAV) nor exceed bonding authority within the tax cap limits. See the other funds section of this document for more detail on debt and its limitations in Illinois.

Asset Inventory and Appraisal

The assets of the College are inventoried and/or appraised on a 5-year cycle. This includes the condition and value of the buildings and their contents. The result of this work, in conjunction with the Campus Master Plan, provides the basis for approval by the Board and submission to the State for funding through the Resource Allocation Management Program (RAMP) process.

Board Financial Policies

Tuition and Per Credit Hour Fees

Tuition is set by the Board. In December, 2015 the Board policy was amended to limit the annual tuition and per credit hour fee increases to 5% of total tuition and fees or the Illinois statute limitation using the Higher Education Cost Adjustment (HECA) rate change as a guideline, as appropriate, to promote a balanced budget for Harper College and financial consistency for Harper students.

Board policy 07.01.04 Revised 12/16/15

Fund Balance Definition and Target

Fund balance will be defined as the dollars left in a fund at the end of a fiscal year. The College will support quality teaching and learning through sound financial practices consistent with maintaining a Aaa bond rating. This includes maintaining a fund balance in the Tax-Capped Funds between 40% and 60% of the budgeted annual expenditures.

Board policy 07.01.04 Revised 6/20/12

Accountability

The Board of Trustees shall receive a monthly report of the actual expenditures compared to the budget for each Tax-Capped Fund. The Board of Trustees shall also receive a monthly report of investments. The Board of Trustees shall maintain state required levels of Treasurer's Bonds.

Board policy 07.01.05

Annual Budget

An annual budget shall be developed in compliance with all applicable laws. The Board has designated the President and Executive Vice President of Finance and Administrative Services to prepare the annual tentative budget. The budget shall contain appropriate financial guidelines which are to be reviewed annually by the Board, in conjunction with adoption of the budget. No change to the financial guidelines can be made without Board approval. The budget shall be considered as an estimate of revenue to be received as well as a controlled spending plan for the ensuing year.

The tentative budget shall be filed with the Secretary of the Board and notice that the tentative budget is available for public inspection shall be published and a public hearing on the tentative budget shall be conducted on a timely basis in accordance with the law.

Board policy 07.01.07

Inter-fund Transfers

Transfers between various funds may be appropriate from time to time to the extent allowed by law. Such transfers will be presented to the Board of Trustees for approval prior to the completion of the annual financial audit.

Board policy 07.01.13

Investment of College Funds

All investments shall be made in accordance with the Illinois Public Funds Investment Act (30 ILCS 235/1 et seq.) as may be amended from time to time. All transactions involving College funds and related activity of any funds shall be administered in accordance with the provisions of this policy and the canons of the "prudent person" standard. The objectives will be the safety of principal, liquidity, return on investments, and maintaining the public's trust.

The full *Board policy 07.01.17* can be viewed starting on Page 66 of the [Board Policy Manual](#)

Insurance

The Board of Trustees shall provide for a program of risk management for the College consistent with all of the legal requirements pertaining thereto and consistent with the financial ability of the district. The Board shall purchase with College funds the type and amount of insurance necessary to protect itself as a corporate body, its individual members, its appointed officers, and its employees from financial loss arising out of any claim, demand, suit or judgment by reason of alleged negligence or other act resulting in accidental injury to any person or in property damage within or without the College buildings while the above named insured are acting in the discharge of their duties within the scope of their employment and/or under the direction of the Board.

The full *Board policy 07.01.19* can be viewed starting on Page 71 of the [Board Policy Manual](#)

Audit

The Board shall annually engage the services of a public accounting firm to conduct the annual independent external audit of the College's financial activities and to prepare the audit report required by state law to be submitted to the Board and to be filed with the ICCB by October 15 following the end of the College's fiscal year.

The full *Board policy 07.01.23* can be viewed starting on Page 75 of the [Board Policy Manual](#)

Budget Planning Calendar & Process

One of the first steps in the development of the budget is for the Budget Office, under the direction of the Executive Vice President of Finance and Administrative Services, to develop a planning calendar. The Executive Vice President is responsible for directing the budget process through the adoption of the legal budget. Target dates are established for the completion of major tasks that will result in the adoption of the legal budget document. Each member of the Executive Council is asked for their input in setting these target dates and commitment from their respective areas to meet these deadlines.

In November, a preliminary five-year financial plan, with updated revenue and expenditure assumptions, is evaluated at executive meetings. In addition, priorities are set for spending in the areas of capital, technology, and personnel.

In February, decisions regarding the major revenue sources of property taxes and tuition and fees are made. Enrollment projections using the model from the Office of Institutional Research are discussed. The budget intranet portal page is updated with the calendar, instructions, and any related forms for requesting funds in the areas of facilities, furniture, computer needs, personnel, and other needs of a permanent or temporary nature.

The process of building the salary and employee benefits budget for permanent full and part-time positions begins in late February. An extract of current personnel is used as a starting point and placeholders are entered for any vacant positions. By the end of March, estimated changes for salary and employee benefits are entered, pending board approval. A target expenditure budget is then established for each area and is closely monitored by the Budget Office throughout the budget development process. Within each area, decisions are made as to how to allocate the available resources in their respective target budget. Any deviations from the target budget must be explained and approved.

Because departments are allowed access to the budget module at certain levels, it is necessary to provide instructions as to which areas are pre-determined (such as full-time and permanent part-time salaries and benefits) and which they have the flexibility to change. Budget information sessions are held in February to review the budget instructions, and the processes for new requests, and to discuss changes for the new budget year. Starting in April, the Budget Office conducts new-user and refresher software training sessions on inputting the budget into the accounting system.

The budget module is opened the first week of April for input by the departments for a period of approximately four weeks. After this time, it is closed for further input except by the Budget Office. By the first week of May, any additional approved changes are completed and the Budget Office prepares the preliminary legal budget to go to the June Board.

Following is a summary of the key budget process activities by month.

November	<ul style="list-style-type: none"> • Budget process begins with the development of the Five-Year Financial Plan • Course fee changes are reviewed • Facility remodeling and furniture requests are submitted
December	<ul style="list-style-type: none"> • Five-Year Financial Plan presented to Board • Final course fee requests submitted to Provost • Facility remodeling and furniture requests closed for submission
January	<ul style="list-style-type: none"> • Final CPI-U rate for estimated property taxes is published • HECA rate is determined as guidance for tuition increases
February	<ul style="list-style-type: none"> • Tuition and fee rates approved by Board
March	<ul style="list-style-type: none"> • Budget requests due to Executive Council members
April	<ul style="list-style-type: none"> • Budget software opened for department input • Executive Council reviews all budget requests, facility and furniture requests
May	<ul style="list-style-type: none"> • Budget software closed for input and all approved requests entered • All funds summary of preliminary budgeted created
June	<ul style="list-style-type: none"> • Preliminary budget adopted at June Board meeting
August	<ul style="list-style-type: none"> • Budget adopted at August Board meeting • College Plan finalized
September	<ul style="list-style-type: none"> • Budget is submitted to Illinois Community College Board (ICCB), counties and Government Finance Officers Association (GFOA)

Adopting the Budget

The preliminary legal budget is approved at the June Board meeting, after which it is posted for public view. In August, a public hearing takes place where the Board adopts the legal budget, which is then submitted to the Illinois Community College Board (ICCB).

Budget Amendment

An amendment to the budget is required when transfers between programs or object groups within a fund exceed 10% of the fund's total budget. For example, if the Education Fund's budgeted expenditures are \$95 million, the limit for transfers is \$9.5 million for that fund. Transfers between funds after the budget is approved are also subject to this 10% limit.

A two-thirds vote of all the members of the Board is required to amend the budget. A process similar to adopting the original budget must be followed to pass an amendment to the annual budget. It begins with the Board adopting an additional or supplemental preliminary budget. This supplemental budget is then posted for public view for at least thirty days. After a two-thirds vote by the Board, the amendment is passed. The last step is to submit the amended budget to ICCB and the counties.

**WILLIAM RAINY HARPER COLLEGE
PLANNING CALENDAR FOR FISCAL YEAR 2024 BUDGET**

	DUE DATE	ACTIVITY/TASK DESCRIPTION	RESPONSIBILITY
1	10/10/22 Mon	Begin developing Five Year Financial Plan	EVP
2	10/25/22 Tue	Begin submitting facility remodeling and furniture requests to Facilities Management	Departments
3	11/16/22 Wed	Board designates persons to prepare budget and adopts resolution for estimated tax levy	Board of Trustees
4	11/18/22 Fri	Review of course fees for increases/decreases needed in Provost area	Deans
5	11/30/22 Wed	EVP provides initial budget parameters to Executive Cabinet	EVP
6	12/15/22 Thu	Final day to submit facility remodeling/furniture requests for estimates to Facilities Management	Departments
7	01/06/23 Fri	Proposed course fee changes to Provost	Deans
8	01/09/23 Mon	Controller brings proposed budget planning calendar to President's Learning Council for review	Controller
9	01/09/23 Mon	Executive Vice President (EVP) presents preliminary Five Year Financial Plan to Executive Cabinet	EVP
10	01/11/23 Wed	EVP presents Five Year Financial Plan to Board	EVP
11	01/20/23 Fri	Compiled lists of furniture and facility requests sent to Executive Cabinet member for preliminary review and prioritization	Facilities Management
12	01/23/23 Mon	Finance Committee reviews Five Year Financial Plan assumptions	Finance Committee
13	01/23/23 Mon	Finance Committee reviews tuition and fees recommendation from EVP	Finance Committee
14	02/01/23 Wed	Budget instructions, calendar, and budget request forms available on portal	Budget Manager
15	02/01/23 Wed	Final day for adding departments/divisions to budget hierarchy	Deans/Directors
16	02/01/23 Wed	Preliminary reviewed and prioritized list of furniture and facility requests to Facilities Management for estimating	Executive Cabinet member
17	02/03/23 Fri	Final day date for entering Dean's List Technology Requests (TR) to be considered during budget cycle	Departments
18	02/07/23 Tue	Budget information session	Budget Manager
19	02/08/23 Wed	EVP presents recommendation for tuition and fees to Committee of the Whole	EVP
20	02/09/23 Thu	Budget information session	Budget Manager
21	02/15/23 Wed	Board of Trustees vote on tuition and fees	Board of Trustees
22	02/16/23 Thu	Database of Dean's List Projects/Technology Requests (TR) completed; Feedback Summary Report sent to Associate Provost	IT/CS
23	02/17/23 Fri	EVP determines feasibility of mid-year exceptions for current year	EVP
24	03/01/23 Wed	Career and Technical Education grant requests submitted to the Perkins Administrator (Dean of Career and Technical Programs)	Deans/Directors
25	03/01/23 Wed	Dean's List Projects/Technology Requests (TR) prioritized by area & resubmitted to Provost	Provost Divisions
26	03/07/23 Tue	Resources for Excellence Grant requests submitted to Foundation	Deans/Directors
27	03/07/23 Tue	Approved Dean's List Projects/Technology Requests (TR) list submitted to IT/CS	Provost
28	03/07/23 Tue	Budget exceptions, instructional capital, technology and vehicle requests due to Executive Cabinet member	Deans/Directors
29	03/10/23 Fri	Completed estimates for facility remodeling/furniture requests returned for Executive Cabinet member approval	Facilities Management
30	03/16/23 Thu	Executive Cabinet member reviews budget requests and prioritizes for their area	Executive Cabinet member
31	03/17/23 Fri	Initial budget set-up completed in preparation for training	Budget Manager
32	03/31/23 Fri	Budget training begins	Budget Office
33	03/31/23 Fri	Executive Cabinet member submits budget exceptions, instructional capital, technology, vehicle, furniture, and facility remodeling requests for their area to Budget Manager	Executive Cabinet member

**WILLIAM RAINEY HARPER COLLEGE
PLANNING CALENDAR FOR FISCAL YEAR 2024 BUDGET**

	DUE DATE	ACTIVITY/TASK DESCRIPTION	RESPONSIBILITY
34	04/03/23 Mon	Budget files opened for input by departments	Budget Manager
35	04/05/23 Wed	All budget requests blended and submitted to Executive Vice President for Executive Cabinet budget meeting	Budget Manager
36	04/12/23 Wed	Executive Cabinet preliminary review of all blended budget requests	Executive Cabinet
37	04/13/23 Thu	Open budgeted position report submitted to Executive Vice President	Budget Manager
38	04/17/23 Mon	Finance Committee reviews initial budget parameters from EVP	Finance Committee
39	04/19/23 Wed	Controller presents budget parameters to Committee of the Whole	Controller
40	04/19/23 Wed	Executive Cabinet final review of all funds and requests	Executive Cabinet
41	05/02/23 Tue	Budget closed for input for all funds	Budget Manager
42	05/05/23 Fri	Any approved budget exceptions entered	Budget Manager
43	05/05/23 Fri	Resources for Excellence Grant awards communicated to recipients	Foundation
44	05/22/23 Mon	Board exhibit due to EVP for preliminary legal budget	Budget Manager
45	06/01/23 Thu	Deans/Directors receive feedback regarding all budget requests	Executive Cabinet member
46	06/02/23 Fri	Approved facility remodeling and furniture requests submitted to Facilities Management for scheduling	Budget Manager
47	06/14/23 Wed	Preliminary budget presentation to Board at Committee of the Whole meeting	Controller
48	06/21/23 Wed	Board of Trustees adopts preliminary budget	Board of Trustees
49	06/22/23 Thu	Legal budget posted for public view	Budget Manager
50	08/16/23 Wed	Public hearing and Board adoption of the legal budget (minimum 30 days after posting)	Board of Trustees
51	08/18/23 Fri	Budget posted to GL	Budget Manager
52	08/31/23 Thu	All materials for College Plan document in final form	IE/Budget Manager
53	09/11/23 Mon	Electronic draft of College Plan submitted for Board review	Board Liaison
54	09/11/23 Mon	College Plan to print shop for proof copies	IE/Budget Manager
55	09/18/23 Mon	Finance Committee reviews preliminary budget	Finance Committee
56	10/06/23 Fri	Final bound version of College Plan distributed to Board	Board Liaison
57	10/10/23 Tue	Submit budget to ICCB and counties	EVP
58	10/31/23 Tue	Submit College Plan to GFOA for budget awards program	Budget Manager

Fiscal Year 2024 Budget Summary

Each year the budget is guided by the Five-Year Financial Plan, which was presented to the Board of Trustees for fiscal years 2024-2028 in January 2023. Preliminary estimates are used in the financial plan for revenue and expenditure lines, based on various assumptions over that five-year period. To develop the current year's budget, the College uses historical trend analysis, known external factors, conservative estimates, and assumptions based on current economic conditions.

Enrollment declines, exacerbated by the pandemic, and the uncertainty around State of Illinois funding have continued to challenge the College's finances. The College is continuing to limit its reliance on State funding by budgeting in FY 2024 only 75% of the current year's appropriation. The lack of stability in the State's finances has placed pressure on the other revenue sources of property taxes and tuition and fees, however, caps on property taxes limit the ability to raise additional funds from that source, and Board policy and state statute limit tuition and per credit hour fee rate increases. The College continues to look for ways to contain costs to maintain a balanced budget.

The following comments refer to the combined Tax-Capped Funds budgets, which are the main operating funds for the College. This includes the Education, Operations & Maintenance, Audit and Liability, Protection and Settlement Funds.

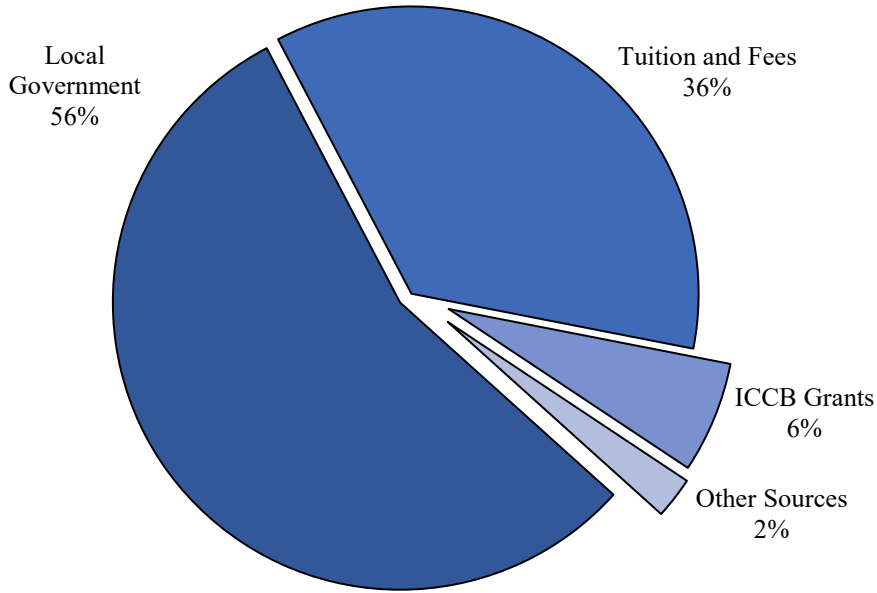
Revenues

The Tax-Capped Funds have three major sources of revenue: local government, tuition and fees, and state government. Budgeted revenues for FY 2024 are \$130,940,881 compared to a budget of \$120,994,495 for FY 2023. This represents an increase of \$9,946,386, or 8.2%. The increase is driven by increases local government revenues, tuition and fee revenues, and investment earnings.

Expenditures

Building the expenditure side of a budget is a coordinated process across all College departments. The Tax-Capped Funds have budgeted expenditures of \$128,810,711, and \$2,130,170 of planned net transfers, for a balanced budget in FY 2024. Compared to the expenditure budget of \$119,942,881 for FY 2023, this represents an increase of \$8,867,830, or 7.4%, driven primarily by increases in salaries, employee benefits, and tuition waivers.

Tax-Capped Funds Revenues by Source FY 2024 Budget



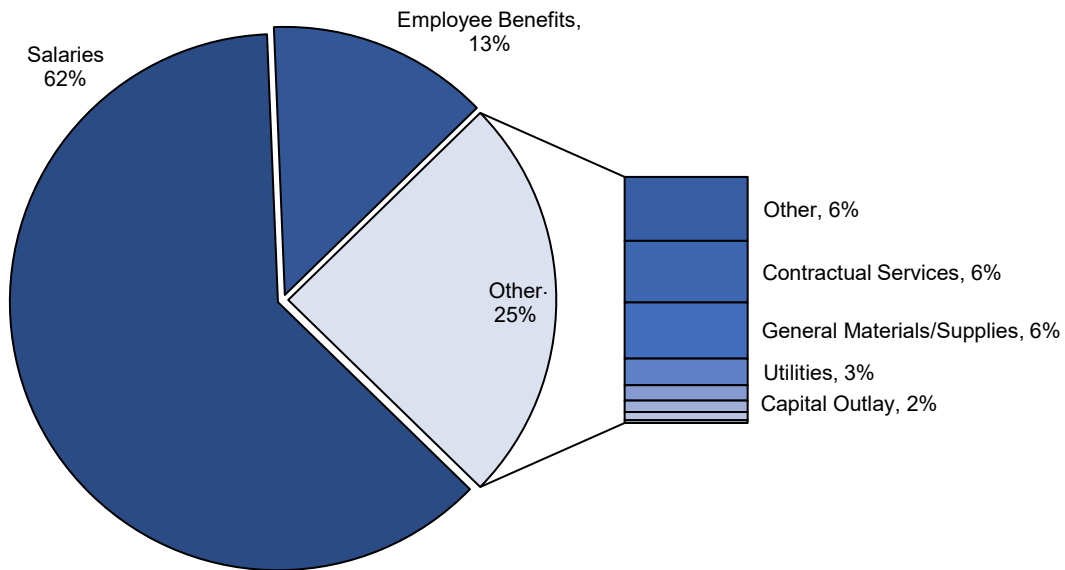
Local government represents 56% of the total budgeted revenues for the Tax-Capped Funds. The majority of this is property tax revenue, which is capped at 5% of the prior year tax extension, or the Consumer Price Index-Urban (CPI-U), whichever is less, plus any new property coming onto the tax rolls. Overall local revenues will increase from \$68,918,149 in FY 2023 to \$72,865,684 in FY 2024, or 5.7%.

Tuition and fees make up 36% of total budgeted revenues. The budget includes a \$2.00 per credit hour tuition rate increase. Enrollment is budgeted to increase by 1.2% in FY 2024. Budgeted tuition and fees for the Tax-Capped Funds increased \$3,471,115 compared to the FY 2023 Budget due to the tuition rate and enrollment increases.

State funding (ICCB Grants) represents 6% of total budgeted revenues. Due to the uncertainty of State funding, the College has limited its reliance on State funding with 75% of the current year's appropriation budgeted in FY 2024.

Other sources make up 2.3% of total revenues. This category includes investment revenue which is expected to increase in FY 2024 from \$200,000 budgeted in FY 2023 to \$1,625,000 in FY 2024.

Tax-Capped Expenditure Uses by Object FY 2024 Budget



Salaries and Employee Benefits represent 75% of the College’s expenditures. Approximately 66% of the College’s salary and employee benefit expenditures are covered by collective bargaining agreements. The College has estimated the calendar year 2024 medical insurance rates to increase 4%. Combined salaries and benefits budgets have increased from \$92,483,505 in FY 2023 to \$97,143,121 in FY 2024, or about 5.0%.

All other expenditures, which include contractual services, materials and supplies, travel and meeting, fixed charges, utilities, capital outlay, contingency and other, combined for an increase from \$27,459,376 in FY 2023 to \$31,667,590 in FY 2024, or 15.3%. This increase is primarily due to the increase in tuition waiver budgets of \$2,110,000 related to the ABE/ASE, state mandates, and institutional tuition waivers.

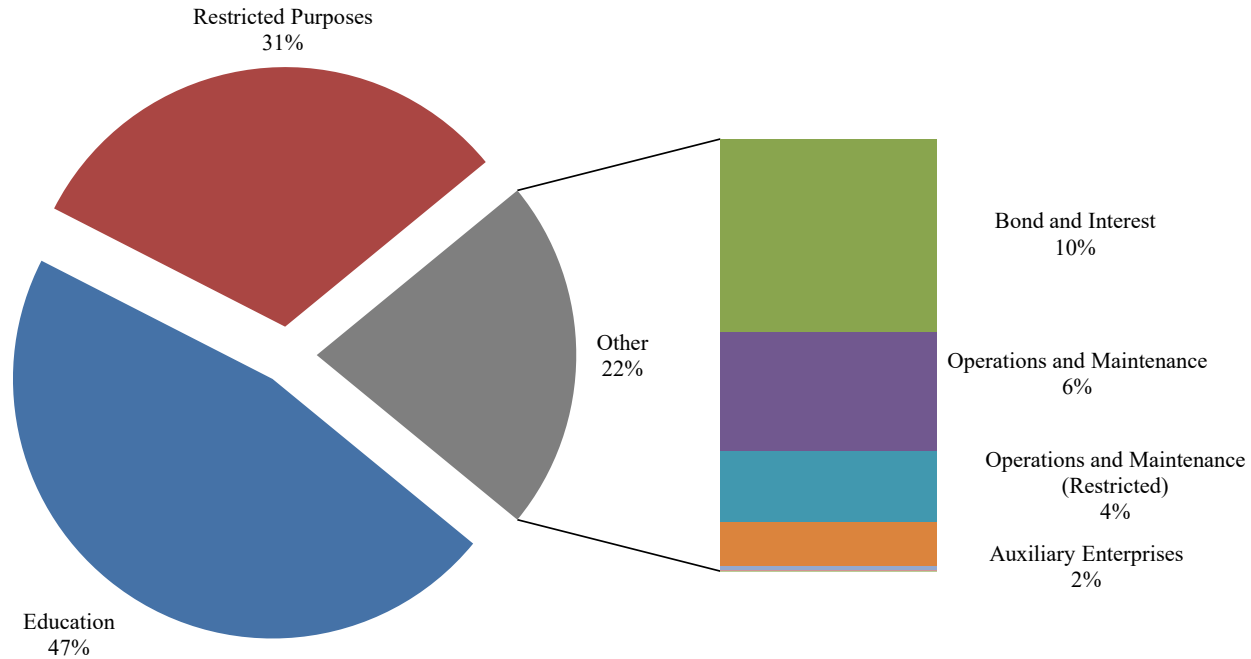
**All Funds Overview
Fiscal Year 2024 Budget**

	Tax Capped					Auxiliary Enterprises	Restricted Purposes	Working Cash	Bond and Interest	Operations and Maintenance (Restricted)	Total All Funds
	Education	Operations and Maintenance	Audit	Liability Protection and Settlement	Total Tax- Capped Funds						
REVENUES											
Local Government	\$ 59,880,605	\$ 12,946,707	\$ 19,186	\$ 19,186	\$ 72,865,684	\$ -	\$ -	\$ -	\$ 23,789,463	\$ 45,000	\$ 96,700,147
ICCB Grants	8,205,116	-	-	-	8,205,116	-	3,253,845	-	-	-	11,458,961
All Other State Government ¹	-	-	-	-	-	-	55,936,500	-	-	-	55,936,500
Federal Government	20,000	-	-	-	20,000	-	18,954,529	-	-	-	18,974,529
Tuition and Fees	45,008,363	1,806,003	-	-	46,814,366	3,426,609	2,000	-	-	470,000	50,712,975
Sales and Services	807,000	-	-	-	807,000	1,106,528	-	-	-	-	1,913,528
Facilities Rental	-	32,410	-	-	32,410	539,969	-	-	-	-	572,379
Other Sources	1,936,305	260,000	-	-	2,196,305	515,523	270,500	\$ 540,000	540,000	8,337,200	12,399,528
Total Revenues	115,857,389	15,045,120	19,186	19,186	130,940,881	5,588,629	78,417,374	540,000	24,329,463	8,852,200	248,668,547
EXPENDITURES											
Instruction	44,939,195	-	-	-	44,939,195	20,000	1,655,051	-	-	-	46,614,246
Academic Support	11,485,396	-	-	-	11,485,396	-	6,296,320	-	-	-	17,781,716
Student Services	14,674,397	-	-	-	14,674,397	931,742	807,835	-	-	-	16,413,974
Public Service	206,606	-	-	-	206,606	2,841,810	2,192,407	-	-	-	5,240,823
Auxiliary Services	-	-	-	-	-	2,499,680	-	-	-	-	2,499,680
Operations and Maintenance	-	16,354,316	-	-	16,354,316	2,500	19,217	-	-	-	16,376,033
Institutional Support ¹	28,697,172	3,154,727	19,186	19,186	31,890,271	220,000	66,245,109	-	22,496,832	54,337,887	175,190,099
Scholarships, Student Grants, and Waivers	9,260,530	-	-	-	9,260,530	10,000	19,962,857	-	-	-	29,233,387
Total Expenditures	109,263,296	19,509,043	19,186	19,186	128,810,711	6,525,732	97,178,796	-	22,496,832	54,337,887	309,349,958
Excess (Deficiency) of Revenue over Expenditures	6,594,093	(4,463,923)	-	-	2,130,170	(937,103)	(18,761,422)	540,000	1,832,631	(45,485,687)	(60,681,411)
Other financing sources(uses)											
Proceeds from bond issue	-	-	-	-	-	-	-	-	-	-	-
Transfers(to) from other funds	(2,130,170)	-	-	-	(2,130,170)	434,167	1,696,003	-	-	-	-
Total other financing sources	(2,130,170)	-	-	-	(2,130,170)	434,167	1,696,003	-	-	-	-
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	4,463,923	(4,463,923)	-	-	-	(502,936)	(17,065,419)	540,000	1,832,631	(45,485,687)	(60,681,411)
Projected Fund Balance July 1, 2023	46,951,009	15,059,731	-	-	62,010,740	11,361,211	41,940,473	17,269,824	11,560,002	219,736,320	363,878,570
Projected Fund Balance June 30, 2024	\$ 51,414,932	\$ 10,595,808	\$ -	\$ -	\$ 62,010,740	\$ 10,858,275	\$ 24,875,054	\$ 17,809,824	\$ 13,392,633	\$ 174,250,633	\$ 303,197,159

¹ Includes contributions made on-behalf of the College to pension and OPEB plans.

\$ 50,000,000

Fiscal Year 2024 Revenues by Fund¹



¹Working Cash, Audit, and Liability Protection and Settlement Fund were excluded from chart because each account for less than 0.25% of total revenues.

Note:

All decreases in fund balance were planned and the money was reserved in prior years. The following footnotes indicate the use of the money in the current year.

Operations and Maintenance: Planned use of fund balance

Auxiliary Enterprises: Planned use of fund balance

Restricted Purposes: Planned use of fund balance for strategic and student initiatives, technology projects, and projects budgeted in prior year but not expended

Operations and Maintenance (Restricted): Planned use for capital projects

**All Funds
Expenditures by Object
Fiscal Year 2024 Budget**

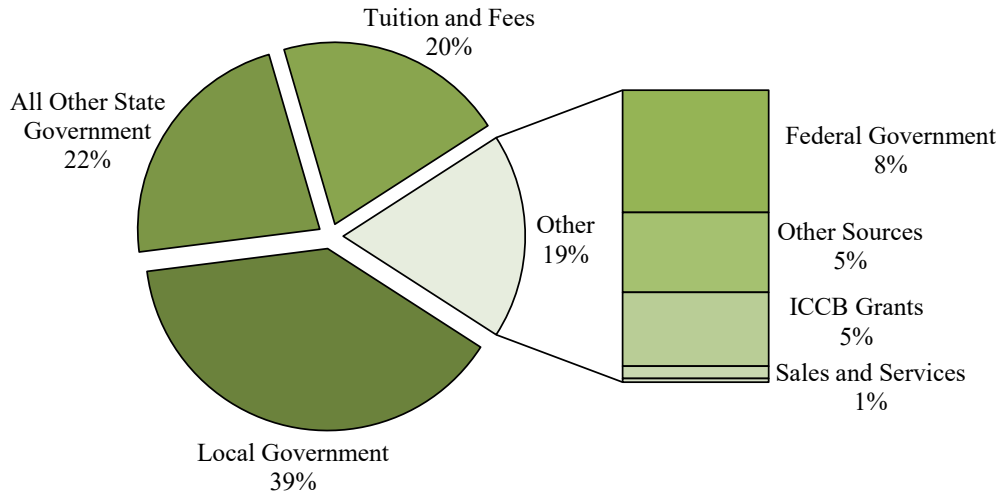
	Tax Capped					Auxiliary Enterprises	Restricted Purposes	Bond and Interest	Operations and Maintenance (Restricted)	Total All Funds
	Education	Operations and Maintenance	Audit	Liability Protection and Settlement	Total Tax- Capped Funds					
EXPENDITURES										
Salaries	\$ 71,805,953	\$ 8,130,609	\$ -	\$ -	\$ 79,936,562	\$ 2,626,119	\$ 4,296,940	\$ -	\$ -	\$ 86,859,621
Employee Benefits ¹	14,820,002	2,367,371	-	19,186	17,206,559	474,902	51,115,567	-	-	68,797,028
Contractual Services	5,018,357	2,888,861	19,186	-	7,926,404	2,314,613	5,418,695	-	6,896,634	22,556,346
General Materials/Supplies	6,099,780	1,121,854	-	-	7,221,634	649,940	2,273,433	-	-	10,145,007
Travel and Meeting	1,440,498	30,134	-	-	1,470,632	101,682	648,264	-	-	2,220,578
Fixed Charges	571,682	491,693	-	-	1,063,375	43,326	489,066	22,491,332	392,340	24,479,439
Utilities	1,320	3,423,935	-	-	3,425,255	130,000	57,583	-	-	3,612,838
Capital Outlay	1,023,866	954,586	-	-	1,978,452	100,695	7,095,223	-	46,048,913	55,223,283
Other	8,231,838	-	-	-	8,231,838	84,455	25,784,025	5,500	-	34,105,818
Contingency	250,000	100,000	-	-	350,000	-	-	-	1,000,000	1,350,000
Total Expenditures	\$ 109,263,296	\$ 19,509,043	\$ 19,186	\$ 19,186	\$ 128,810,711	\$ 6,525,732	\$ 97,178,796	\$ 22,496,832	\$ 54,337,887	\$ 309,349,958

¹ Includes contributions made on-behalf of the College to pension and OPEB plans.

\$ 50,000,000

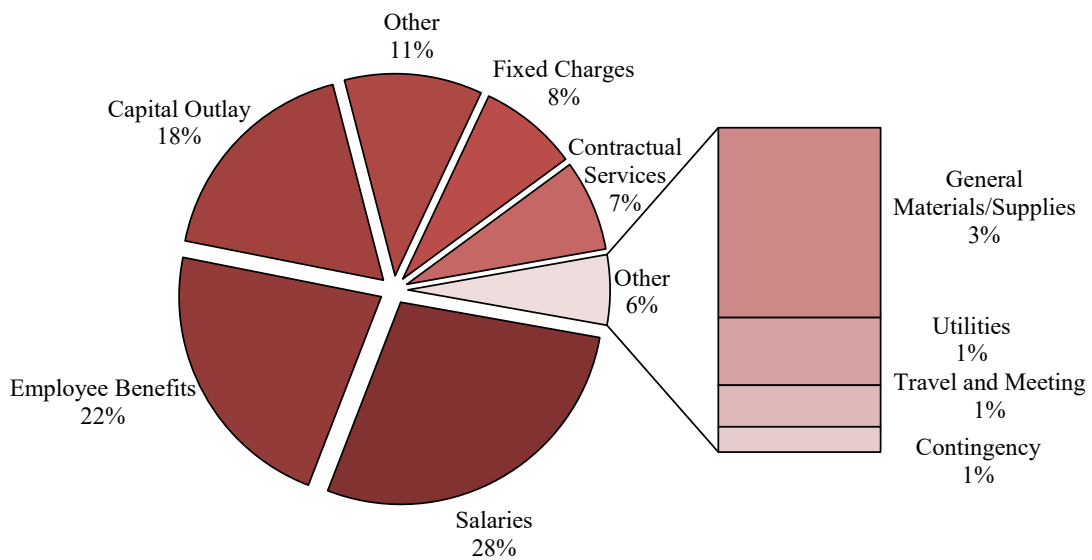
REVENUE SOURCES AND EXPENDITURE USES
All Funds
Fiscal Year 2024 Budget

Revenues by Source



Note: Facilities Rental was excluded from chart because each account for less than 0.25% of total revenues.

Expenditure Uses by Object



**All Funds
Revenues and Expenditures**

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
REVENUES							
Local Government	\$ 87,827,427	\$ 91,245,807	\$ 92,258,821	\$ 95,678,685	\$ 96,700,147	38.89%	4.8%
ICCB Grants	3,456,401	10,521,435	8,029,617	13,080,443	11,458,961	4.61%	42.7%
All Other State Government ¹	78,130,640	39,045,832	56,142,740	23,049,415	55,936,500	22.49%	-0.4%
Federal Government	47,479,664	35,831,401	17,311,029	14,287,032	18,974,529	7.63%	9.6%
Tuition and Fees	52,801,492	45,450,120	46,858,371	50,234,308	50,712,975	20.39%	8.2%
Sales and Services	2,220,860	1,828,614	1,836,007	1,894,546	1,913,528	0.77%	4.2%
Facilities Rental	595,235	544,905	619,120	619,266	572,379	0.23%	-7.5%
Other Sources	1,017,350	447,679	1,132,744	9,043,154	12,399,528	4.99%	994.6%
Total Revenues	273,529,069	224,915,793	224,188,449	207,886,849	248,668,547	100.00%	10.9%
EXPENDITURES							
Instruction	43,897,415	58,611,014	44,481,737	51,011,388	46,614,246	15.07%	4.8%
Academic Support	12,303,656	13,840,434	14,073,035	16,158,065	17,781,716	5.75%	26.4%
Student Services	15,355,672	17,739,509	15,821,058	16,291,957	16,413,974	5.31%	3.7%
Public Service	6,148,867	5,254,724	5,846,772	3,813,056	5,240,823	1.69%	-10.4%
Auxiliary Services	2,425,643	1,826,891	2,501,214	2,088,088	2,499,680	0.81%	-0.1%
Operations and Maintenance	15,135,551	14,626,093	15,472,720	14,853,706	16,376,033	5.29%	5.8%
Institutional Support ¹	188,046,880	69,640,611	142,543,859	69,944,305	175,190,099	56.63%	22.9%
Scholarships, Student Grants, and Waivers	39,843,086	36,934,660	27,501,923	26,815,738	29,233,387	9.45%	6.3%
Total Expenditures	323,156,770	218,473,936	268,242,318	200,976,303	309,349,958	100.00%	15.3%
Excess (Deficiency) of Revenue over Expenditures	(49,627,701)	6,441,857	(44,053,869)	6,910,546	(60,681,411)		-37.7%
Other financing sources(uses) Proceeds from bond issue	-	-	4,700,000	5,184,503	-		
Total Other Financing Sources	-	-	4,700,000	5,184,503	-		
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(49,627,701)	6,441,857	(39,353,869)	12,095,049	(60,681,411)		-54.2%
BEGINNING FUND BALANCE	347,013,451	347,013,451	353,455,308	353,455,308	378,891,689		7.2%
ENDING FUND BALANCE	\$ 297,385,750	\$ 353,455,308	\$ 314,101,439	\$ 365,550,357	\$ 318,210,278		1.3%

¹ Includes contributions made on-behalf of the College to pension and OPEB plans.

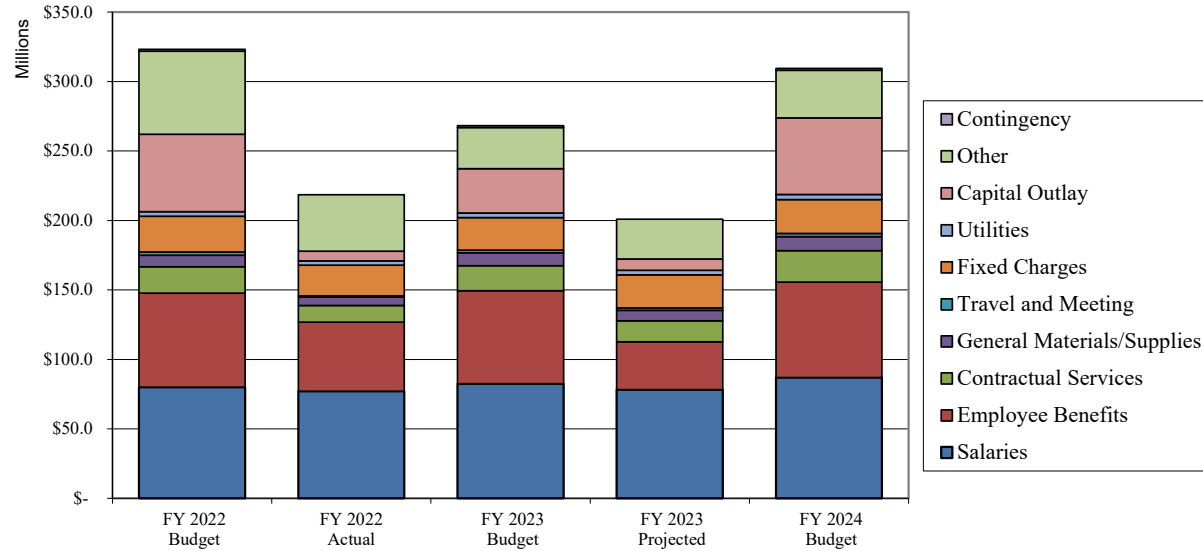
On-Behalf Payment Amounts	\$ 50,000,000	\$ 34,370,102	\$ 50,000,000	\$ 18,657,686	\$ 50,000,000
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All Funds Expenditures by Object

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
Salaries	\$ 79,944,662	\$ 77,091,223	\$ 82,409,438	\$ 78,159,794	\$ 86,859,621	28.08%	5.4%
Employee Benefits ¹	67,667,964	49,651,156	67,037,741	34,438,492	68,797,028	22.24%	2.6%
Contractual Services	19,064,148	12,135,882	17,996,914	15,250,962	22,556,346	7.29%	25.3%
General Materials/Supplies	8,321,674	5,941,069	9,323,262	7,545,946	10,145,007	3.28%	8.8%
Travel and Meeting	2,221,938	931,235	1,943,347	1,665,167	2,220,578	0.72%	14.3%
Fixed Charges	25,793,619	22,084,667	23,402,626	23,767,349	24,479,439	7.91%	4.6%
Utilities	3,324,134	3,067,992	3,328,383	3,283,206	3,612,838	1.17%	8.5%
Capital Outlay	55,739,670	7,007,414	31,805,827	8,098,335	55,223,283	17.85%	73.6%
Other	59,698,961	40,563,298	29,644,780	28,767,052	34,105,818	11.02%	15.0%
Contingency	1,380,000	-	1,350,000	-	1,350,000	0.44%	0.0%
Total Expenditures	\$ 323,156,770	\$ 218,473,936	\$ 268,242,318	\$ 200,976,303	\$ 309,349,958	100.00%	15.3%

¹ Includes SURS on behalf payments

\$ 50,000,000	\$ 34,370,102	\$ 50,000,000	\$ 18,657,686	\$ 50,000,000
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Tax-Capped Funds Descriptions

Funds for which local property taxes can be levied, subject to the Illinois Property Tax Extension Limitation Law

Education Fund (0001)

The Education Fund is established by Section 103-1 of the Illinois Public Community College Act. The statutory maximum tax rate for the Education Fund is 75 cents per \$100 of equalized assessed valuation for community college districts in cities with less than 500,000 inhabitants.

The Education Fund is used to account for the revenues and expenditures of the academic and service programs of the College. It includes the cost of instructional, administrative and professional salaries; supplies and equipment; library books and materials; maintenance of instructional and administrative equipment; and other costs pertaining to the educational program of the College. (See Sections 103-20.3 and 107-18 of the Illinois Public Community College Act.)

The local Board of Trustees may make a determination within the budget for the distribution of unrestricted revenues other than local property taxes among the operating funds, i.e., the Education Fund, the Operations and Maintenance Fund, and the Public building Commission Operation and Maintenance Fund.

Operations and Maintenance Fund (0002)

The Operations and Maintenance Fund is established by Section 103-1 and Section 103-20.3 of the Illinois Public Community College Act. The statutory maximum tax rate is set at 10 cents per \$100 equalized assessed valuation for community college districts in cities with less than 500,000 inhabitants.

This fund is used to account for expenditures for the improvement, maintenance, repair, or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, or repair, replacement, and maintenance of building fixtures; rental of buildings and property for community college purposes; payment of all premiums for insurance upon buildings and building fixtures; salaries of janitors, engineers, or other custodial employees; all costs of fuel, lights, gas, water, telephone service, custodial supplies, and equipment; and professional surveys of the condition of College buildings. (See Section 103-20.3 of the Illinois Public Community College Act.) The local Board of Trustees of any district may make a determination within the budget for the distribution of unrestricted revenues other than local property taxes among the operating funds, i.e., the Education Fund or the Operations and Maintenance Fund.

Audit Fund (0011)

The Audit Fund is established by Chapter 85, Section 709 of the Illinois revised Statutes for recording the payment or auditing expenses. The audit tax levy should be used only for the payment of auditing expenses.

Liability, Protection and Settlement Fund (0012)

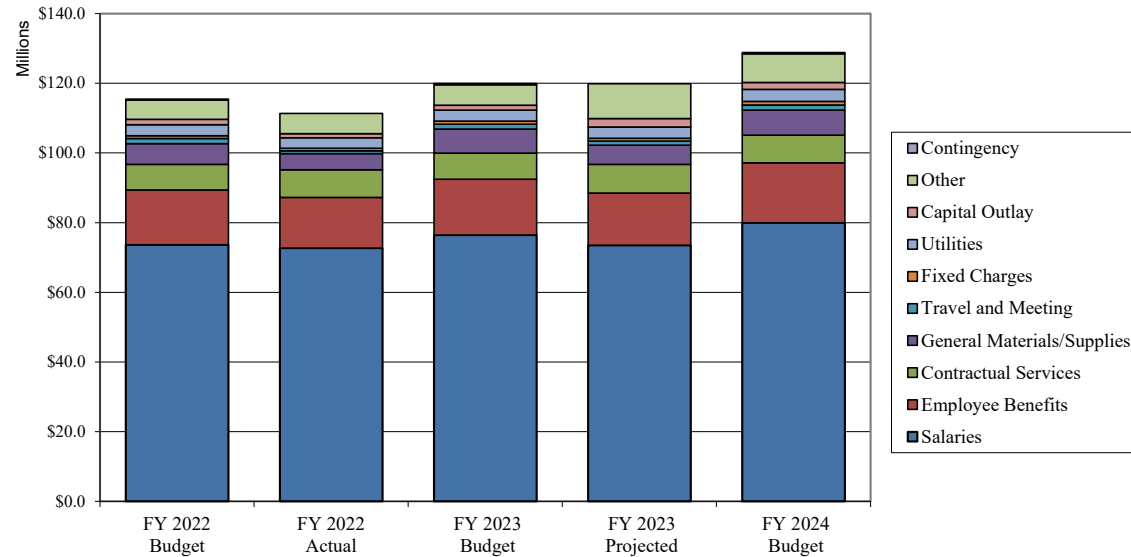
This fund is established by Chapter 85, Section 9-107 of Illinois Revised Statutes. The tort liability, unemployment insurance and worker's compensation levy should be recorded in this fund. The monies in this fund, including interest earned on the assets of this fund, should be used only for the purposes authorized under Section 9-107, i.e., the payment of tort liability, unemployment or workers' compensation insurance or claims.

**Tax-Capped Funds
Revenues and Expenditures**

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
REVENUES							
Local Government	\$ 65,105,011	\$ 68,338,190	\$ 68,918,149	\$ 72,047,575	\$ 72,865,684	55.65%	5.7%
ICCB Grants	2,805,636	9,816,702	7,508,670	10,221,891	8,205,116	6.27%	9.3%
Federal Government	20,000	6,554,557	20,000	15,290	20,000	0.02%	0.0%
Tuition and Fees	49,287,449	43,159,993	43,343,251	47,542,321	46,814,366	35.75%	8.0%
Sales and Services	144,500	173,639	780,685	758,298	807,000	0.62%	3.4%
Facilities Rental	29,970	33,240	29,970	34,525	32,410	0.02%	8.1%
Other Sources	346,000	(223,568)	393,770	4,229,286	2,196,305	1.68%	457.8%
Total Revenues	117,738,566	127,852,753	120,994,495	134,849,186	130,940,881	100.00%	8.2%
EXPENDITURES							
Instruction	41,571,562	40,776,164	42,779,716	40,708,314	44,939,195	34.89%	5.0%
Academic Support	10,897,885	9,278,122	11,313,041	10,083,611	11,485,396	8.92%	1.5%
Student Services	14,366,409	12,541,838	14,709,958	12,769,971	14,674,397	11.39%	-0.2%
Public Service	112,336	77,630	196,700	198,597	206,606	0.16%	5.0%
Operations and Maintenance	15,123,051	12,149,116	15,460,220	13,452,556	16,354,316	12.70%	5.8%
Institutional Support	26,511,262	29,709,473	28,297,716	33,938,633	31,890,271	24.76%	12.7%
Scholarships, Student Grants, and Waivers	6,896,380	6,819,947	7,185,530	8,684,385	9,260,530	7.19%	28.9%
Total Expenditures	115,478,885	111,352,290	119,942,881	119,836,067	128,810,711	100.00%	7.4%
Excess (Deficiency) of Revenue over Expenditures	2,259,681	16,500,463	1,051,614	15,013,119	2,130,170		102.6%
Other financing sources(uses) Transfers(to) from other funds	(2,259,681)	(16,500,463)	(1,051,614)	(10,133,931)	(2,130,170)		-102.6%
Total Other Financing Sources	(2,259,681)	(16,500,463)	(1,051,614)	(10,133,931)	(2,130,170)		-102.6%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	-	-	-	4,879,188	-		
BEGINNING FUND BALANCE	57,131,551	57,131,551	57,131,551	57,131,551	62,010,739		8.5%
ENDING FUND BALANCE	\$ 57,131,551	\$ 57,131,551	\$ 57,131,551	\$ 62,010,739	\$ 62,010,739		8.5%

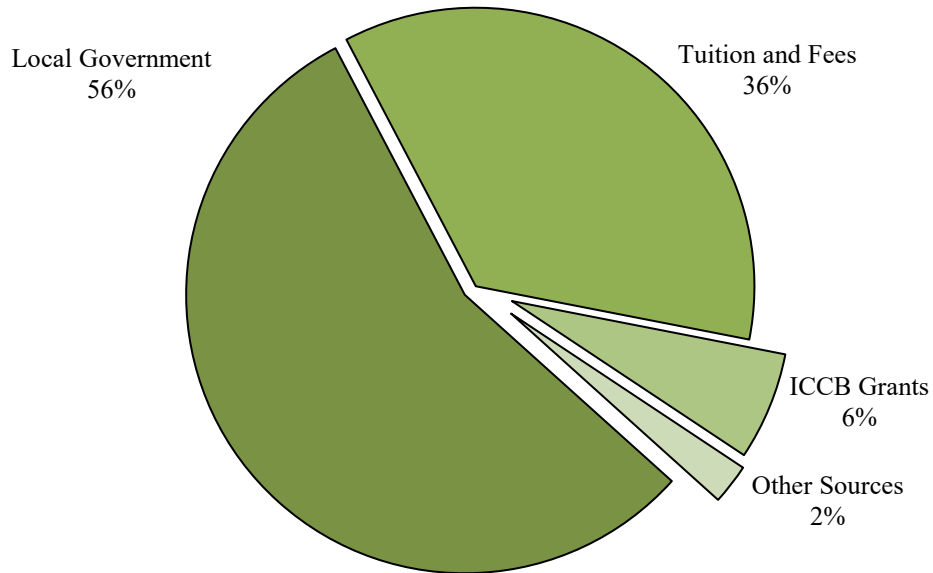
Tax-Capped Funds Expenditures by Object

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
Salaries	\$ 73,628,185	\$ 72,686,858	\$ 76,410,891	\$ 73,485,175	\$ 79,936,562	62.06%	4.6%
Employee Benefits	15,727,573	14,522,198	16,072,614	15,003,061	17,206,559	13.36%	7.1%
Contractual Services	7,368,925	7,991,636	7,457,911	8,241,065	7,926,404	6.15%	6.3%
General Materials/Supplies	5,966,236	4,622,325	6,890,149	5,521,692	7,221,634	5.61%	4.8%
Travel and Meeting	1,460,032	789,790	1,413,148	1,139,964	1,470,632	1.14%	4.1%
Fixed Charges	805,340	742,239	901,500	836,508	1,063,375	0.83%	18.0%
Utilities	3,140,800	3,022,823	3,140,800	3,237,154	3,425,255	2.66%	9.1%
Capital Outlay	1,542,976	1,123,512	1,426,289	2,424,743	1,978,452	1.54%	38.7%
Other	5,488,818	5,850,909	5,879,579	9,946,705	8,231,838	6.39%	40.0%
Contingency	350,000	-	350,000	-	350,000	0.27%	0.0%
Total Expenditures	\$ 115,478,885	\$ 111,352,290	\$ 119,942,881	\$ 119,836,067	\$ 128,810,711	100.00%	7.4%

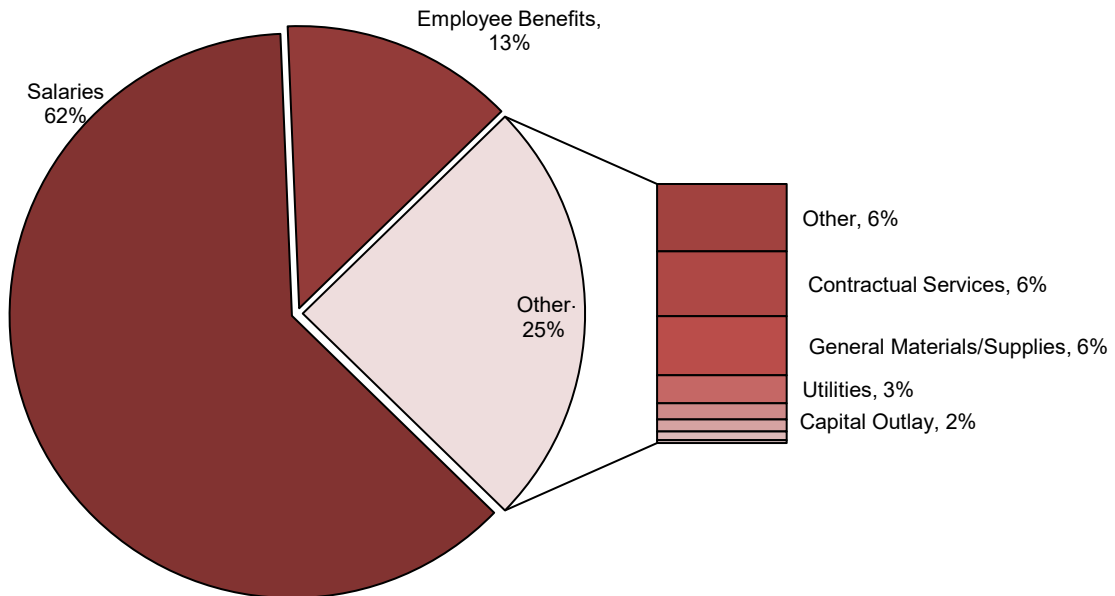


REVENUE SOURCES AND EXPENDITURE USES
Tax-Capped Funds
Fiscal Year 2024 Budget

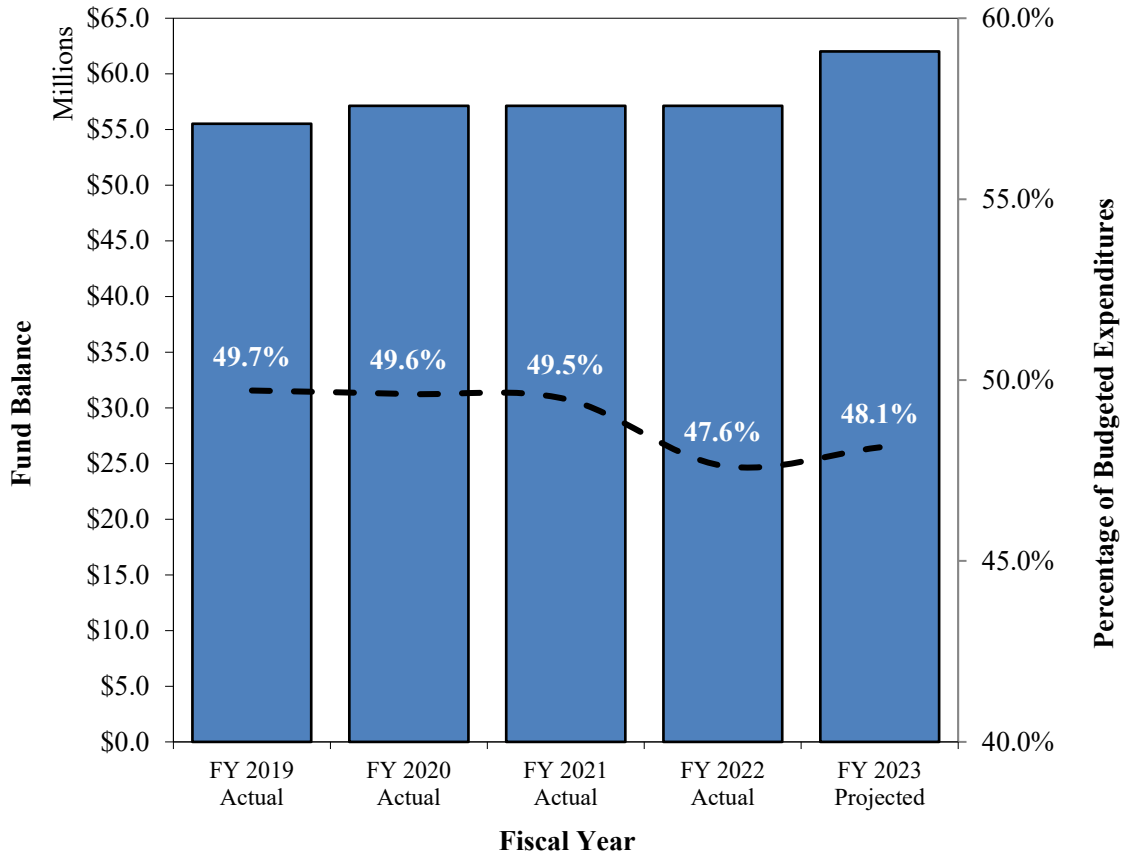
Revenues by Source



Expenditure Uses by Object



Tax-Capped Funds Fund Balance History



Note: Percentages represent fund balance as a percentage of budgeted expenditures. Per Board policy 07.01.04, the College strives to maintain a fund balance in the Tax-Capped Funds between 40% and 60% of the budgeted annual expenditures.

Tax-Capped Funds Expenditure Budgets by Division

Education Fund	
Division	FY 2024 Budget
President, Chief of Staff, and Board of Trustees	\$ 962,226
Provost	1,654,233
Liberal Arts	12,193,994
Math and Science	11,244,574
Health Careers	9,060,591
Career and Technical Programs	8,779,699
Business and Social Science	7,059,894
Associate Provost Student Success	6,518,119
Enrollment Services	5,432,590
Resources for Learning	3,847,266
Dean of Students/Student Engagement	3,885,878
Associate Provost Curriculum Instruction	1,804,061
Total Provost	71,480,899
Executive Vice President Finance & Administrative Services	378,087
Information Technology	11,344,402
Accounting Services	2,316,779
Human Resources	1,921,624
Total EVP	15,960,892
Marketing, Communications, Advancement, Community Relations	
Advancement	1,111,791
Publications and Communications Services	3,429,814
Media Communications	756,471
Total Mktg, Comm, Advncmnt, Com Rel	5,298,076

Tax-Capped Funds Expenditure Budgets by Division

Education Fund (Continued)

Division	FY 2024 Budget
Workforce Solutions	1,499,328
Planning & Institutional Effectiveness	1,309,609
Diversity Equity & Inclusion	862,997
Strategic Alliance and Innovation	643,054
Institutional	11,246,215
Total Education Fund Expenditures Budget	\$ 109,263,296

Operations & Maintenance Fund
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Division	FY 2024 Budget
Facilities Management	\$ 13,779,729
Police	2,499,712
Information Technology	1,230,176
Risk Management	551,926
Institutional	1,447,500
Total Operations & Maintenance Fund Expenditures Budget	\$ 19,509,043

Audit Fund

Division	FY 2024 Budget
Institutional	\$ 19,186

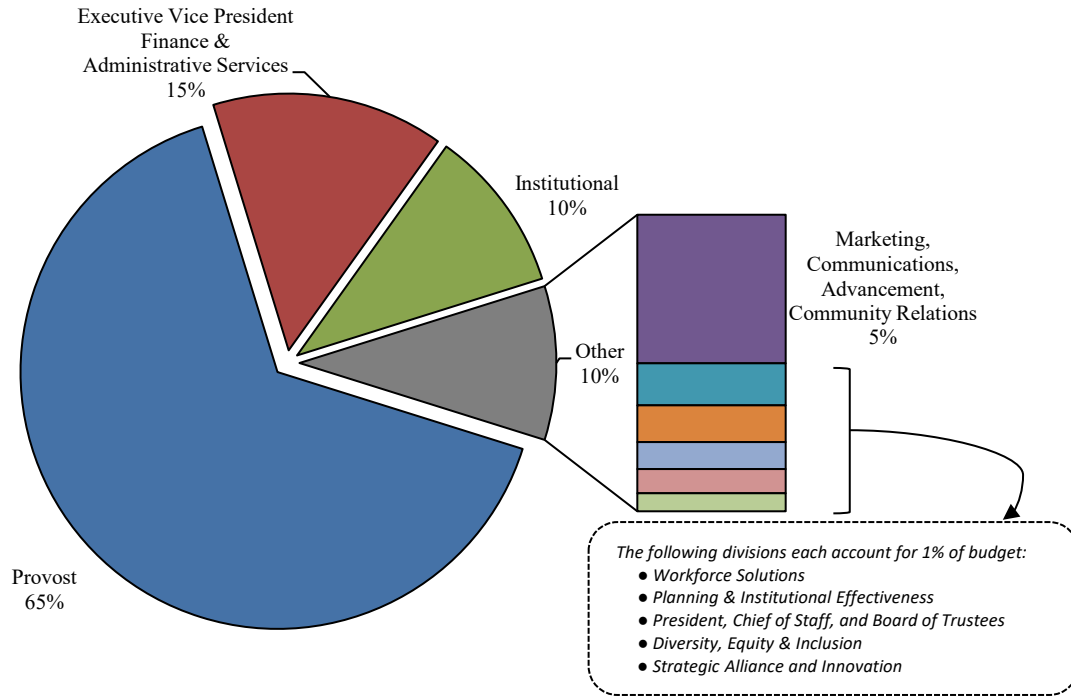
Liability Protection and Settlement Fund

Division	FY 2024 Budget
Institutional	\$ 19,186

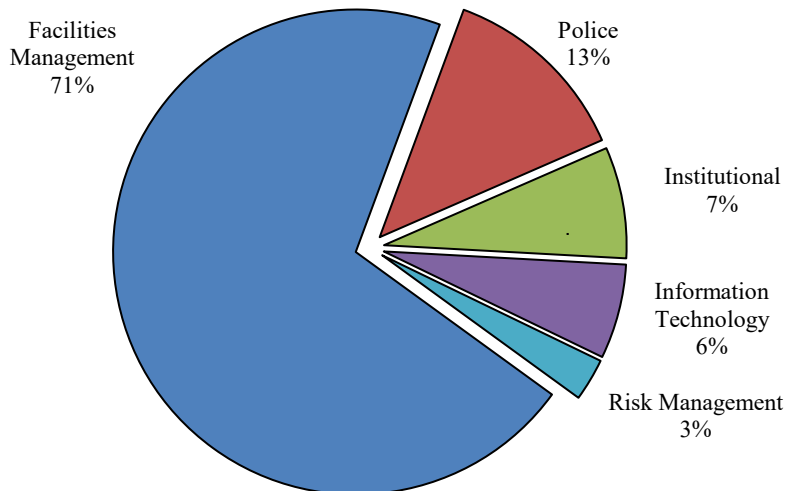
Total Tax-Capped Funds Expenditure Budgets	\$ 128,810,711
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Expenditures by Division
Education and Operations & Maintenance Fund
 Fiscal Year 2024 Budget

Education Fund



Operations & Maintenance Fund

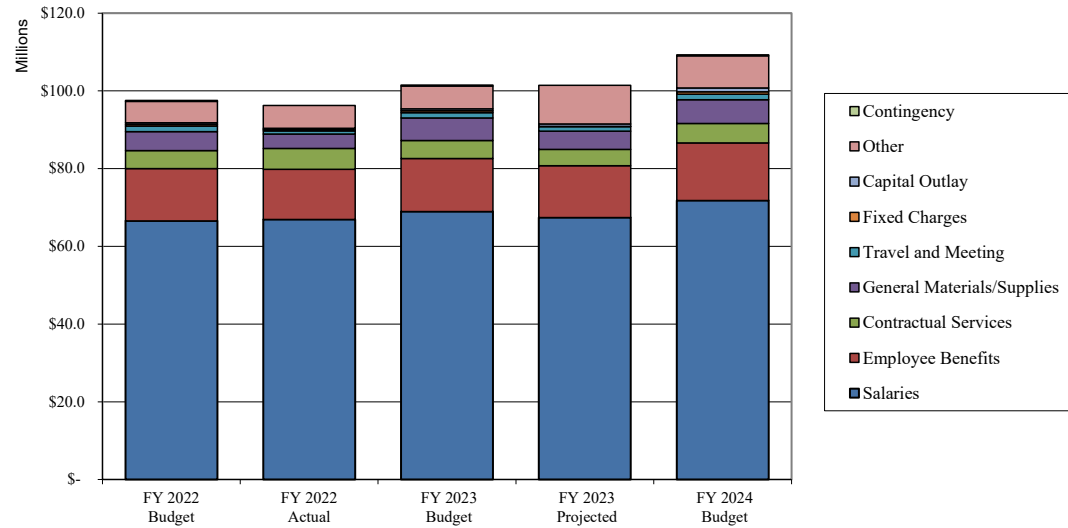


**Education Fund
Revenues and Expenditures**

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
REVENUES							
Local Government	\$ 53,020,333	\$ 56,041,606	\$ 56,030,891	\$ 59,308,722	\$ 59,880,605	51.68%	6.9%
ICCB Grants	2,805,636	9,816,702	7,508,670	10,221,891	8,205,116	7.08%	9.3%
Federal Government	20,000	6,554,557	20,000	15,290	20,000	0.02%	0.0%
Tuition and Fees	47,330,001	41,372,879	41,568,083	45,748,481	45,008,363	38.85%	8.3%
Sales and Services	144,500	173,639	780,685	758,298	807,000	0.70%	3.4%
Other Sources	280,000	(260,946)	337,770	3,704,394	1,936,305	1.67%	473.3%
Total Revenues	103,600,470	113,698,437	106,246,099	119,757,076	115,857,389	100.00%	9.0%
EXPENDITURES							
Instruction	41,571,562	40,776,164	42,779,716	40,708,314	44,939,195	41.13%	5.0%
Academic Support	10,897,885	9,278,122	11,313,041	10,083,611	11,485,396	10.51%	1.5%
Student Services	14,366,409	12,541,838	14,709,958	12,769,971	14,674,397	13.43%	-0.2%
Public Service	112,336	77,630	196,700	198,597	206,606	0.19%	5.0%
Operation and Maintenance	-	5	-	-	-	0.00%	
Institutional Support	23,731,199	26,771,767	25,332,347	28,998,349	28,697,172	26.26%	13.3%
Scholarships, Student Grants, and Waivers	6,896,380	6,819,947	7,185,530	8,684,385	9,260,530	8.48%	28.9%
Total Expenditures	97,575,771	96,265,473	101,517,292	101,443,227	109,263,296	100.00%	7.6%
Excess (Deficiency) of Revenue over Expenditures	6,024,699	17,432,964	4,728,807	18,313,849	6,594,093		39.4%
Other financing sources(uses) Transfers(to) from other funds	(2,259,681)	(16,500,463)	(1,051,614)	(10,133,931)	(2,130,170)		-102.6%
Total Other Financing Sources	(2,259,681)	(16,500,463)	(1,051,614)	(10,133,931)	(2,130,170)		-102.6%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	3,765,018	932,501	3,677,193	8,179,918	4,463,923		21.4%
BEGINNING FUND BALANCE	37,838,590	37,838,590	38,771,091	38,771,091	46,951,009		21.1%
ENDING FUND BALANCE	\$ 41,603,608	\$ 38,771,091	\$ 42,448,284	\$ 46,951,009	\$ 51,414,932		21.1%

**Education Fund
Expenditures by Object**

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
Salaries	\$ 66,516,488	\$ 66,906,197	\$ 68,975,060	\$ 67,431,624	\$ 71,805,953	65.72%	4.1%
Employee Benefits	13,508,029	12,916,128	13,625,657	13,314,630	14,820,002	13.56%	8.8%
Contractual Services	4,599,408	5,363,747	4,644,619	4,229,175	5,018,357	4.59%	8.0%
General Materials/Supplies	4,869,959	3,728,824	5,776,423	4,690,725	6,099,780	5.58%	5.6%
Travel and Meeting	1,435,398	780,081	1,384,014	1,126,634	1,440,498	1.32%	4.1%
Fixed Charges	439,547	395,040	486,157	74,369	571,682	0.52%	17.6%
Capital Outlay	468,124	324,432	495,783	628,645	1,023,866	0.94%	106.5%
Other	5,488,818	5,851,024	5,879,579	9,947,425	8,233,158	7.54%	40.0%
Contingency	250,000	-	250,000	-	250,000	0.23%	0.0%
Total Expenditures	\$ 97,575,771	\$ 96,265,473	\$ 101,517,292	\$ 101,443,227	\$ 109,263,296	100.00%	7.6%

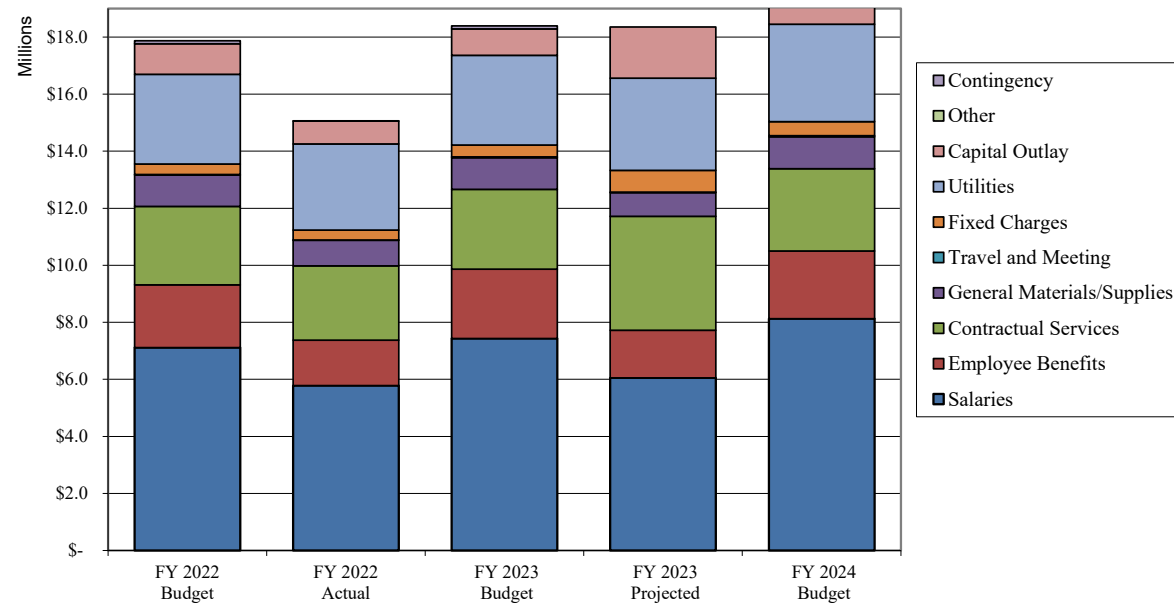


**Operations and Maintenance Fund
Revenues and Expenditures**

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
REVENUES							
Local Government	\$ 12,048,370	\$ 12,262,965	\$ 12,851,256	\$ 12,701,370	\$ 12,946,707	86.05%	0.7%
Tuition and Fees	1,957,448	1,787,115	1,775,168	1,793,840	1,806,003	12.00%	1.7%
Facilities Rental	29,970	-	29,970	34,503	32,410	0.22%	8.1%
Other Sources	66,000	70,617	56,000	524,913	260,000	1.73%	364.3%
Total Revenues	14,101,788	14,120,697	14,712,394	15,054,626	15,045,120	100.00%	2.3%
EXPENDITURES							
Operations and Maintenance	15,123,051	12,149,111	15,460,220	13,452,556	16,354,316	83.83%	5.8%
Institutional Support	2,743,755	2,904,086	2,929,367	4,902,800	3,154,727	16.17%	7.7%
Total Expenditures	17,866,806	15,053,197	18,389,587	18,355,356	19,509,043	100.00%	6.1%
Excess (Deficiency) of Revenue over Expenditures	(3,765,018)	(932,500)	(3,677,193)	(3,300,730)	(4,463,923)		21.4%
Other financing sources(uses)							
Transfers(to) from other funds	-	-	-	-	-		
Total Other Financing Sources	-	-	-	-	-		
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(3,765,018)	(932,500)	(3,677,193)	(3,300,730)	(4,463,923)		21.4%
BEGINNING FUND BALANCE	19,292,961	19,292,961	18,360,461	18,360,461	15,059,731		-18.0%
ENDING FUND BALANCE	\$ 15,527,943	\$ 18,360,461	\$ 14,683,268	\$ 15,059,731	\$ 10,595,808		-27.8%

Operations and Maintenance Fund Expenditures by Object

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
Salaries	\$ 7,111,697	\$ 5,780,661	\$ 7,435,831	\$ 6,053,551	\$ 8,130,609	41.68%	9.3%
Employee Benefits	2,201,390	1,589,260	2,428,956	1,669,690	2,367,371	12.13%	-2.5%
Contractual Services	2,751,363	2,611,079	2,795,291	3,993,148	2,888,861	14.81%	3.3%
General Materials/Supplies	1,096,277	893,500	1,113,726	830,967	1,121,854	5.75%	0.7%
Travel and Meeting	24,634	9,709	29,134	13,330	30,134	0.15%	3.4%
Fixed Charges	365,793	347,198	415,343	762,138	491,693	2.52%	18.4%
Utilities	3,140,800	3,022,643	3,140,800	3,236,434	3,423,935	17.55%	9.0%
Capital Outlay	1,074,852	799,079	930,506	1,796,098	954,586	4.89%	2.6%
Other	-	68	-	-	-	0.00%	
Contingency	100,000	-	100,000	-	100,000	0.51%	0.0%
Total Expenditures	\$ 17,866,806	\$ 15,053,197	\$ 18,389,587	\$ 18,355,356	\$ 19,509,043	100.00%	6.1%



Audit Fund
Revenues and Expenditures

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
REVENUES							
Local Government	\$ 18,154	\$ 16,810	\$ 18,001	\$ 18,742	\$ 19,186	100.00%	6.6%
Total Revenues	<u>18,154</u>	<u>16,810</u>	<u>18,001</u>	<u>18,742</u>	<u>19,186</u>	<u>100.00%</u>	6.6%
EXPENDITURES							
Institutional Support							
Contractual Services	18,154	16,810	18,001	18,742	19,186	100.00%	6.6%
Total Institutional Support	<u>18,154</u>	<u>16,810</u>	<u>18,001</u>	<u>18,742</u>	<u>19,186</u>	<u>100.00%</u>	6.6%
Total Expenditures	<u>18,154</u>	<u>16,810</u>	<u>18,001</u>	<u>18,742</u>	<u>19,186</u>	<u>100.00%</u>	6.6%
Excess (Deficiency) of Revenue over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		
BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

**Liability Protection and Settlement Fund
Revenues and Expenditures**

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
REVENUES							
Local Government	\$ 18,154	\$ 16,810	\$ 18,001	\$ 18,742	\$ 19,186	100.00%	6.6%
Total Revenues	<u>18,154</u>	<u>16,810</u>	<u>18,001</u>	<u>18,742</u>	<u>19,186</u>	<u>100.00%</u>	6.6%
EXPENDITURES							
Institutional Support Employee Benefits*	<u>18,154</u>	<u>16,810</u>	<u>18,001</u>	<u>18,742</u>	<u>19,186</u>	<u>100.00%</u>	6.6%
Total Institutional Support	<u>18,154</u>	<u>16,810</u>	<u>18,001</u>	<u>18,742</u>	<u>19,186</u>	<u>100.00%</u>	6.6%
Total Expenditures	<u>18,154</u>	<u>16,810</u>	<u>18,001</u>	<u>18,742</u>	<u>19,186</u>	<u>100.0%</u>	6.6%
Excess (Deficiency) of Revenue over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		
BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

* Benefits consist of workers compensation which is primarily reported in the Education Fund

Other Funds

Auxiliary Enterprises Fund (0005)

The Auxiliary Enterprises Fund is established by Section 103-31.1 of the Illinois Public Community College Act and accounts for College services where a fee is charged to students or staff. Each enterprise/service should be accounted for separately using a group of self-balancing accounts within the fund. Examples of accounts in this fund include food services, student stores, and Corporate Services.

Only monies over which the institution has complete control should be included in this fund. Subsidies for auxiliary services by the Education Fund should be shown as transfers to the appropriate account.

Restricted Purposes Fund (0006)

The Restricted Purposes Fund, established by ICCB Rules 1501.508 and 1501.509, is for the purpose of accounting for monies that have restrictions regarding their use. Each specific project should be accounted for separately using a complete group of self-balancing accounts within the Restricted Purposes Fund. Care should be taken in establishing each group of self-balancing accounts so that the accounting and reporting requirements of the grantor are met. If the grantor provides an accounting manual, it should be followed for the group of self-balancing accounts.

Working Cash Fund (0007)

The Working Cash Fund is established by Chapter 110, Act 805, Section 3-33.1 of the Illinois Compiled Statutes. This fund is first established without voter approval by resolution of the local Board of Trustees for the purpose of enabling the district to have on hand at all times sufficient cash to meet the demands for ordinary and necessary expenditures. Additional bonds may not be issued without voter approval.

This fund is used to account for the proceeds of working cash bonds. By making temporary transfers, the fund is used as a source of working capital by other funds. Such temporary transfers assist operating funds in meeting the demands for ordinary and necessary expenditures during periods of temporary low cash balances.

Payments for the principal or interest of Working Cash Bonds should be made from within the Bond and Interest Fund.

Bond and Interest Fund (0004)

The Bond and Interest Fund is established by Section 103A-1 of the Illinois Public Community College Act. This fund is used to account for payment of principal, interest, and related charges on any outstanding bonds. Debt service for each bond must be accounted for separately using a group of self-balancing accounts within the fund.

Operations and Maintenance Fund (Restricted) (0003)

Sections 103-14 of the Illinois Public Community College Act allows the local board of trustees to establish this fund by permitting an accumulation of funds for building purposes and the site acquisition not to exceed an amount equal to five percent of the district's equalized assessed valuation. Monies in this fund cannot be permanently transferred or loaned to any other fund or used for any other purpose.

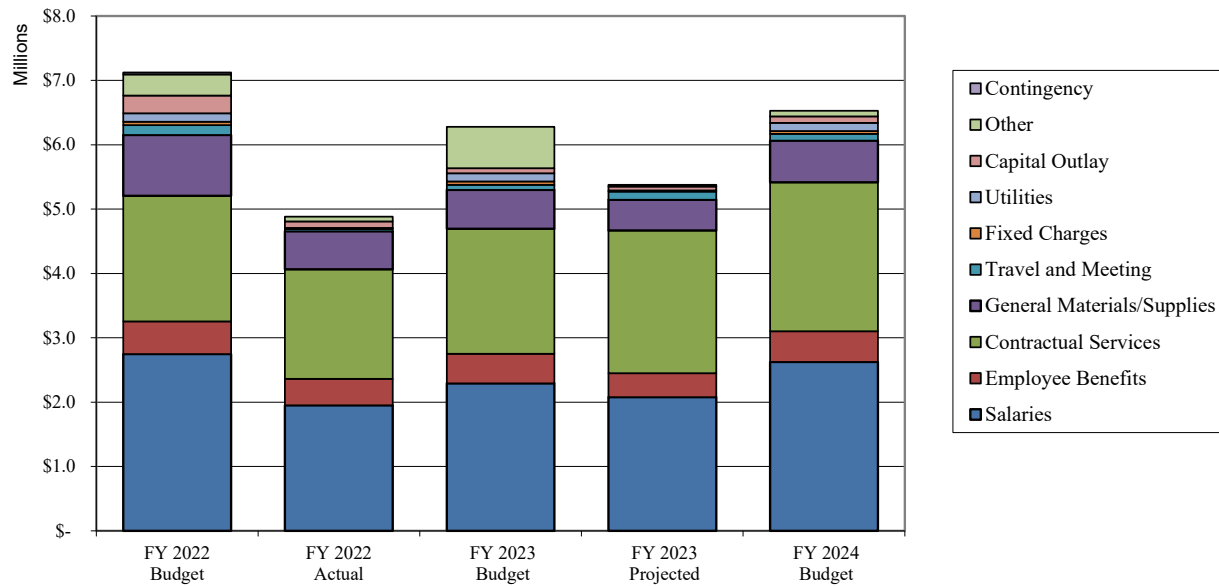
It is suggested that Protection, Health, and Safety levies, Building Bond Proceeds, Repair and Renovation Grants, and accumulation monies restricted from the Operations and Maintenance levy for building purposes be accounted for in a series of self-balancing accounts in this fund.

**Auxiliary Enterprises Fund
Revenues and Expenditures**

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
REVENUES							
Federal Government	\$ -	\$ 2,024,992	\$ -	\$ -	\$ -	0.00%	
Tuition and Fees	3,006,915	1,836,483	3,063,072	2,233,736	3,426,609	61.31%	11.9%
Sales and Services	2,076,360	1,654,975	1,055,322	1,136,249	1,106,528	19.80%	4.9%
Facilities Rental	565,265	511,665	589,150	584,741	539,969	9.66%	-8.3%
Other Sources	263,000	216,145	167,080	434,058	515,523	9.22%	208.5%
Total Revenues	5,911,540	6,244,260	4,874,624	4,388,784	5,588,629	100.00%	14.6%
EXPENDITURES							
Instruction	659,951	137,916	-	637	20,000	0.31%	
Academic Support	170,185	121,628	-	(3,013)	-	0.00%	
Student Services	820,428	655,193	797,600	690,898	931,742	14.28%	16.8%
Public Service	2,673,823	2,011,110	2,691,521	2,379,097	2,841,810	43.55%	5.6%
Auxiliary Services	2,425,643	1,723,781	2,501,214	2,037,097	2,499,680	38.30%	-0.1%
Operations and Maintenance	12,500	2,329	12,500	8,452	2,500	0.04%	-80.0%
Institutional Support	347,988	224,037	263,239	264,255	220,000	3.37%	-16.4%
Scholarships, Student Grants, and Waivers	10,000	5,041	10,000	-	10,000	0.15%	0.0%
Total Expenditures	7,120,518	4,881,035	6,276,074	5,377,423	6,525,732	100.00%	4.0%
Excess (Deficiency) of Revenue over Expenditures	(1,208,978)	1,363,225	(1,401,450)	(988,639)	(937,103)		33.1%
Other financing sources(uses) Transfers(to) from other funds	412,233	371,700	386,446	413,744	434,167		12.3%
Total Other Financing Sources	412,233	371,700	386,446	413,744	434,167		12.3%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(796,745)	1,734,925	(1,015,004)	(574,895)	(502,936)		-50.4%
BEGINNING FUND BALANCE	10,201,181	10,201,181	11,936,106	11,936,106	11,361,211		-4.8%
ENDING FUND BALANCE	\$ 9,404,436	\$ 11,936,106	\$ 10,921,102	\$ 11,361,211	\$ 10,858,275		-0.6%

Auxiliary Enterprises Fund Expenditures by Object

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
Salaries	\$ 2,745,562	\$ 1,949,289	\$ 2,292,158	\$ 2,075,847	\$ 2,626,119	40.24%	14.6%
Employee Benefits	508,540	412,527	460,784	371,822	474,902	7.28%	3.1%
Contractual Services	1,953,449	1,703,565	1,940,433	2,219,095	2,314,613	35.47%	19.3%
General Materials/Supplies	945,258	587,479	603,840	476,519	649,940	9.96%	7.6%
Travel and Meeting	151,702	38,994	79,202	126,669	101,682	1.56%	28.4%
Fixed Charges	52,665	13,103	51,673	19,750	43,326	0.66%	-16.2%
Utilities	130,000	297	130,000	-	130,000	1.99%	0.0%
Capital Outlay	275,959	103,405	77,195	59,877	100,695	1.54%	30.4%
Other	327,383	72,376	640,789	27,844	84,455	1.29%	-86.8%
Contingency	30,000	-	-	-	-	0.00%	
Total Expenditures	\$ 7,120,518	\$ 4,881,035	\$ 6,276,074	\$ 5,377,423	\$ 6,525,732	100.00%	4.0%



Auxiliary Enterprises Fund
By Division and Department
Fiscal Year 2024 Budget

	<u>Revenue</u>	<u>Expenditures</u>	<u>Net Transfers</u>	<u>Surplus/Deficit</u>
Provost				
Business & Social Science - Child Care	\$ 400,000	\$ 400,000	\$ -	\$ -
Resources for Learning - Library, Community Tutoring	6,600	6,450	-	150
Student Engagement - Athletic Facilities Rental, Event Management, Health & Recreation Center	1,232,659	1,700,319	-	(467,660) ¹
Student Involvement - Student Activities	13,000	502,167	434,167	(55,000) ²
Student Development	-	70,000	-	(70,000) ²
Career & Technical Programs - Learning & Career Center	7,500	7,500	-	-
Total Provost	<u>1,659,759</u>	<u>2,686,436</u>	<u>434,167</u>	<u>(592,510)</u>
Workforce Solutions				
Continuing Education	2,853,322	2,593,312	-	260,010
Conference & Event Management Rentals	281,120	281,120	-	-
Harper Business Solutions	256,928	276,928	-	(20,000)
Total Workforce Solutions	<u>3,391,370</u>	<u>3,151,360</u>	<u>-</u>	<u>240,010</u>
EVP Finance & Administrative Services				
Harper Store	56,000	56,000	-	-
Dining Services	71,500	409,436	-	(337,936) ³
Institutional	407,500	220,000	-	187,500
Police	2,500	2,500	-	-
Total EVP Finance & Administrative Services	<u>537,500</u>	<u>687,936</u>	<u>-</u>	<u>(150,436)</u>
FUND TOTALS	<u><u>\$ 5,588,629</u></u>	<u><u>\$ 6,525,732</u></u>	<u><u>\$ 434,167</u></u>	<u><u>\$ (502,936)</u></u>

Notes:

- ¹ Approved use of fund balance for capital reinvestment and institutional initiatives
- ² Approved use of fund balance from programs moved to operating budgets
- ³ Business impact following COVID and employee 3-2-5 hybrid remote work schedules.

**Restricted Purposes Fund
Revenues and Expenditures**

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
REVENUES							
ICCB Grants	\$ 650,765	\$ 704,733	\$ 520,947	\$ 2,858,552	\$ 3,253,845	4.15%	524.6%
All Other State Government ¹	56,268,051	39,045,832	56,142,740	23,049,415	55,936,500	71.33%	-0.4%
Federal Government	47,459,664	27,251,852	17,291,029	14,271,742	18,954,529	24.17%	9.6%
Tuition and Fees	5,000	593	2,000	3,275	2,000	0.00%	0.0%
Sales and Services	-	-	-	-	-	0.00%	
Other Sources	350,000	193,996	455,444	233,194	270,500	0.34%	-40.6%
Total Revenues	104,733,480	67,197,006	74,412,160	40,416,178	78,417,374	100.00%	5.4%
EXPENDITURES							
Instruction ²	1,665,902	17,696,934	1,702,021	10,302,436	1,655,051	1.70%	-2.8%
Academic Support ²	1,235,586	4,440,684	2,759,994	6,077,467	6,296,320	6.48%	128.1%
Student Services ²	168,835	4,542,478	313,500	2,831,088	807,835	0.83%	157.7%
Public Service ²	3,362,708	3,165,984	2,958,551	1,235,362	2,192,407	2.26%	-25.9%
Auxiliary Services ²	-	103,110	-	50,991	-	0.00%	
Operations and Maintenance ²	-	2,474,648	-	1,392,697	19,217	0.02%	
Institutional Support ²	80,336,619	14,175,918	61,606,471	7,171,652	66,245,109	68.17%	7.5%
Scholarships, Student Grants, and Waivers	32,936,706	30,109,672	20,306,393	18,131,353	19,962,857	20.54%	-1.7%
Total Expenditures	119,706,356	76,709,428	89,646,930	47,193,046	97,178,796	100.00%	8.4%
Excess (Deficiency) of Revenue over Expenditures	(14,972,876)	(9,512,422)	(15,234,770)	(6,776,868)	(18,761,422)		-23.1%
Other financing sources(uses) Transfers(to) from other funds	1,847,448	16,128,763	665,168	8,048,399	1,696,003		155.0%
Total Other Financing Sources	1,847,448	16,128,763	665,168	8,048,399	1,696,003		155.0%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(13,125,428)	6,616,341	(14,569,602)	1,271,531	(17,065,419)		-17.1%
BEGINNING FUND BALANCE	34,052,601	34,052,601	40,668,942	40,668,942	41,940,473		3.1%
ENDING FUND BALANCE	\$ 20,927,173	\$ 40,668,942	\$ 26,099,340	\$ 41,940,473	\$ 24,875,054		-4.7%

¹ Includes contributions made on-behalf of the College to pension and OPEB plans.

² SURS on behalf expenditures are within Institutional Support for budgetary purposes and allocated across each program line for actuals.

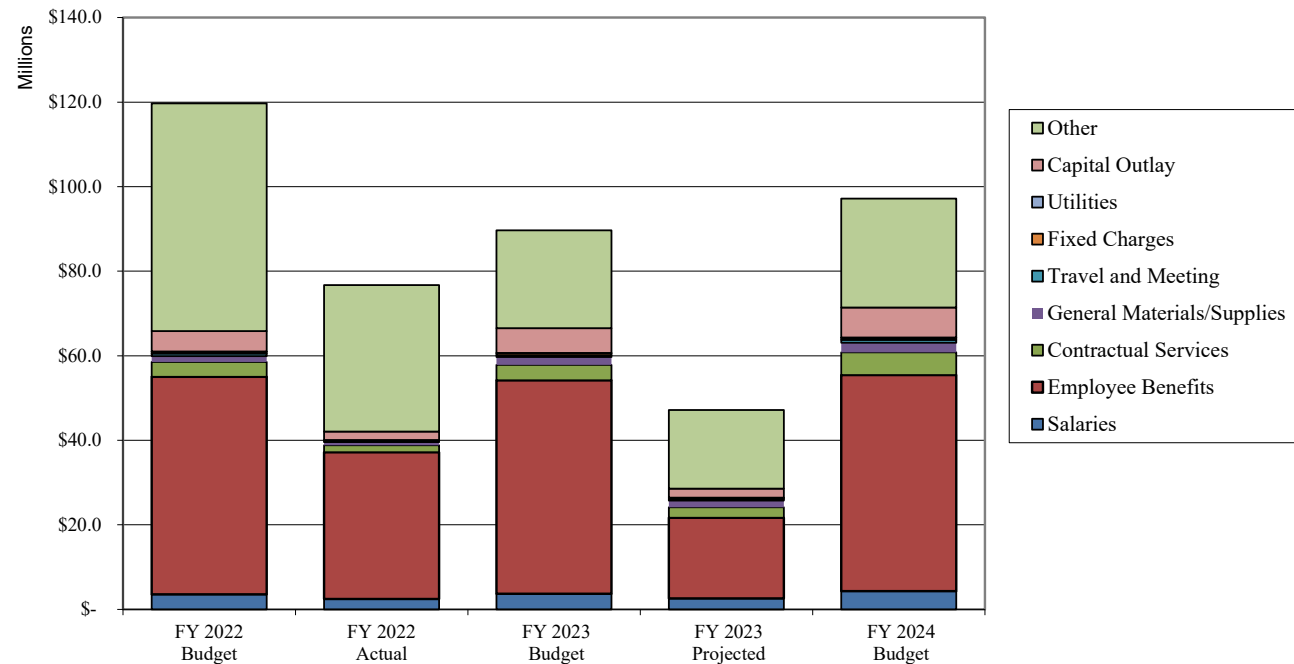
On-Behalf Payment Amounts	50,000,000	34,370,102	50,000,000	18,657,686	50,000,000
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Restricted Purposes Fund Expenditures by Object

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
Salaries	\$ 3,570,915	\$ 2,455,076	\$ 3,706,389	\$ 2,598,771	\$ 4,296,940	4.42%	15.9%
Employee Benefits ¹	51,431,851	34,716,430	50,504,343	19,063,609	51,115,567	52.60%	1.2%
Contractual Services	3,516,192	1,678,043	3,636,555	2,508,466	5,418,695	5.58%	49.0%
General Materials/Supplies	1,409,180	730,767	1,829,273	1,546,818	2,273,433	2.34%	24.3%
Travel and Meeting	610,204	102,452	450,997	398,534	648,264	0.67%	43.7%
Fixed Charges	410,700	340,269	489,066	272,090	489,066	0.50%	0.0%
Utilities	53,334	44,871	57,583	46,052	57,583	0.06%	0.0%
Capital Outlay	4,826,720	2,002,457	5,853,812	2,103,115	7,095,223	7.30%	21.2%
Other	53,877,260	34,639,063	23,118,912	18,655,591	25,784,025	26.53%	11.5%
Total Expenditures	\$ 119,706,356	\$ 76,709,428	\$ 89,646,930	\$ 47,193,046	\$ 97,178,796	100.00%	8.4%

¹ Includes contributions made on-behalf of the College to pension and OPEB plans.

On-Behalf Payment Amounts \$ 50,000,000 \$ 34,370,102 \$ 50,000,000 \$ 18,657,686 \$ 50,000,000



**Working Cash Fund
Revenues and Expenditures**

	<u>FY 2022 Budget</u>	<u>FY 2022 Actual</u>	<u>FY 2023 Budget</u>	<u>FY 2023 Projected</u>	<u>FY 2024 Budget</u>	<u>FY 2024 Percent to Total</u>	<u>Budget % Change FY 2023 to FY 2024</u>
REVENUES							
Other Sources	\$ 20,000	\$ 28,927	\$ 25,000	\$ 484,997	\$ 540,000	100%	2060.0%
Total Revenues	<u>20,000</u>	<u>28,927</u>	<u>25,000</u>	<u>484,997</u>	<u>540,000</u>	<u>100%</u>	<u>2060.0%</u>
EXPENDITURES							
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		
Excess (Deficiency) of Revenue over Expenditures	<u>25,000</u>	<u>28,927</u>	<u>25,000</u>	<u>484,997</u>	<u>540,000</u>		<u>2060.0%</u>
BEGINNING FUND BALANCE	<u>16,755,900</u>	<u>16,755,900</u>	<u>16,784,827</u>	<u>16,784,827</u>	<u>17,269,824</u>		2.9%
ENDING FUND BALANCE	<u>\$ 16,780,900</u>	<u>\$ 16,784,827</u>	<u>\$ 16,809,827</u>	<u>\$ 17,269,824</u>	<u>\$ 17,809,824</u>		5.9%

Debt Obligations

In the tax-capped portions of Illinois, the only bonded debt that can be incurred without voter approval are alternative revenue bonds and the bonding authority available within the debt service extension base. The tax cap laws limit debt to 1994 levels (when tax caps were applied) unless a referendum is approved by the voters. Starting in 2009, the law was amended to allow a CPI factor to be applied to the debt service extension base. For tax levy year 2022 the College's debt service extension base is \$2.8 million, based on the December 2021 CPI rate, capped at 5%. The College has a long-term financial plan which includes utilizing these funds for necessary expenditures. Limited bonds of approximately \$5.0 million were sold in FY 2023 under the debt service extension base to help fund capital projects identified in the campus master plan.

Two successful referendums, a \$153.6 million in November 2008 and a \$180 million in November 2018 account for 97% of the outstanding debt. The 2008 series was refunded in 2017 resulting in millions in interest savings. In November 2018 a new \$180 million referendum was passed, with bonds sold in October 2020. These referendums are providing a funding stream for building, and the repair and replacement of physical plant assets.

The College's debt is modest compared to limits set by the state statute. The debt limit set by law is \$599.7 million based on 2.875% of the 2022 estimated equalized assessed valuation of \$20.9 billion. The College's outstanding principal is \$235.8 million, well below the statutory limitation. A schedule of debt maturities follows on the next page.

Principal and interest payments on debt are paid from the Bond and Interest Fund. A financial summary of that fund follows the debt maturities schedule.

Moody's is a credit-rating service that renders opinions on the ability of a bond-issuer to repay its debt obligations. The criterion that go into analyzing a community college's debt focus on the college's role in providing educational services to its market, the level of financial stability provided by its reserves, its relative debt burden, and its ability to generate consistent operating results.

The College continues to have an outstanding financial reputation as evidenced by its Aaa bond rating issued by Moody's, which is the highest rating it awards. At the time the rating was originally issued in 2001, the College was one of only three community colleges in the United States, and the only one in Illinois, to be granted the Aaa rating. This rating has been maintained and was most recently reaffirmed by Moody's in February 2023. Moody's has issued credit ratings for approximately 140 community colleges nationwide.

The College's credit rating should result in lower interest rates on the College's future bond issuances. The Aaa credit rating is especially important to the taxpayers of the district at this time of financial uncertainty. Districts that have lower ratings will not only pay more interest, but it inhibits their ability to attract buyers for their bonds, because the insurance used to provide coverage for poorer ratings is either no longer available or is considered suspect by bond buyers.

**WILLIAM RAINEY HARPER COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 512**

Schedule of Debt Maturities (Unaudited)
For the year ended June 30, 2023

Total Change in Bond Principal	
Balance at July 1, 2022	\$ 243,530,000
Bonds issued during the year	4,995,000
Bonds retired during the year	<u>(12,765,000)</u>
Balance at June 30, 2023	<u>\$ 235,760,000</u>

General Obligation Refunding Bonds - Series 2017B

	Interest Rate	Amounts due during year		Total
		Principal	Interest	
		Principal	Interest	
2023-2024	5.000	9,635,000	3,134,375	12,769,375
2024-2025	5.000	10,145,000	2,639,875	12,784,875
2025-2026	5.000	10,775,000	2,116,875	12,891,875
2026-2027	5.000	11,500,000	1,560,000	13,060,000
2027-2028	5.000	12,310,000	964,750	13,274,750
2028-2029	5.000	13,140,000	328,500	13,468,500
Total		<u>\$ 67,505,000</u>	<u>\$ 10,744,375</u>	<u>\$ 78,249,375</u>

Limited Tax Bonds – Series 2021

	Interest Rate	Amounts due during year		Total
		Principal	Interest	
		Principal	Interest	
2023-2024	5.000	1,865,000	46,625	1,911,625
Total		<u>\$ 1,865,000</u>	<u>\$ 46,625</u>	<u>\$ 1,911,625</u>

**WILLIAM RAINEY HARPER COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 512**

Schedule of Debt Maturities (Unaudited)
For the year ended June 30, 2023

General Obligation Bonds - Series 2020

	Interest Rate	Amounts		Total
		due during year		
		Principal	Interest	
2023-2024	4.000	1,515,000	5,384,213	6,899,213
2024-2025	4.000	1,845,000	5,317,013	7,162,013
2025-2026	4.000	2,100,000	5,238,113	7,338,113
2026-2027	4.000	2,305,000	5,150,013	7,455,013
2027-2028	4.000	2,475,000	5,054,413	7,529,413
2028-2029	4.000	2,680,000	4,951,313	7,631,313
2029-2030	4.000	16,905,000	4,559,613	21,464,613
2030-2031	4.000	17,905,000	3,863,413	21,768,413
2031-2032	4.000	13,005,000	3,245,213	16,250,213
2032-2033	3.000	13,860,000	2,777,213	16,637,213
2033-2034	3.000	14,620,000	2,350,013	16,970,013
2034-2035	3.000	15,405,000	1,899,638	17,304,638
2035-2036	3.000	16,220,000	1,425,263	17,645,263
2036-2037	3.000	17,065,000	925,988	17,990,988
2037-2038	3.000	17,940,000	400,913	18,340,913
2038-2039	2.375	5,550,000	65,906	5,615,906
Total		<u>\$ 161,395,000</u>	<u>\$ 52,608,244</u>	<u>\$ 214,003,244</u>

Limited Tax Bonds – Series 2023

	Interest Rate	Amounts		Total
		due during year		
		Principal	Interest	
2023-2024	5.000	615,000	296,119	911,119
2024-2025	5.000	2,680,000	152,000	2,832,000
2025-2026	5.000	1,700,000	42,500	1,742,500
Total		<u>\$ 4,995,000</u>	<u>\$ 490,619</u>	<u>\$ 5,485,619</u>

**Bond and Interest Fund
Revenues and Expenditures**

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
REVENUES							
Local Government	\$ 22,384,750	\$ 22,862,616	\$ 22,677,416	\$ 23,586,110	\$ 23,789,463	97.78%	4.9%
Other Sources	40,000	18,402	10,000	223,741	540,000	2.22%	5300.0%
Total Revenues	22,424,750	22,881,018	22,687,416	23,809,851	24,329,463	100.00%	7.2%
EXPENDITURES							
Institutional Support							
Fixed Charges	21,193,375	20,990,007	24,524,914	21,996,432	22,491,332	99.98%	-8.3%
Other	5,500	-	5,500	950	5,500	0.02%	0.0%
Total Institutional Support	21,198,875	20,990,007	24,530,414	21,997,382	22,496,832	100.00%	-8.3%
Total Expenditures	21,198,875	20,990,007	24,530,414	21,997,382	22,496,832	100.00%	-8.3%
Excess (Deficiency) of Revenue over Expenditures	1,225,875	1,891,011	(1,842,998)	1,812,469	1,832,631		-199.4%
Other financing sources(uses)							
Proceeds from bond issue	-	-	-	-	-		
Transfers(to) from other funds	-	-	-	-	-		
Payment to escrow agent for refunded bonds	-	-	-	-	-		
Total Other Financing Sources	-	-	-	-	-		
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	1,225,875	1,891,011	(1,842,998)	1,812,469	1,832,631		-199.4%
BEGINNING FUND BALANCE	7,856,522	7,856,522	9,747,533	9,747,533	11,560,002		18.6%
ENDING FUND BALANCE	\$ 9,082,397	\$ 9,747,533	\$ 7,904,535	\$ 11,560,002	\$ 13,392,633		69.4%

Master Planning and Capital Projects

In the fall of 2018, Harper College’s district passed a \$180 million capital bond referendum. This will fund major building and renovation projects as well as maintain and improve campus infrastructure identified in the updated Campus Master Plan, finalized in June 2021. Every five years the Master Plan is updated, this latest plan creating a vision for the campus through 2031. The FY 2024 budget includes previously identified master plan projects for the state-run projects of Canning Center, now being redesigned to be combined with the University Center, and hospitality program facilities.

Other sources of funding for capital projects include non-referendum limited obligation bonds issued every two years yielding around \$5 million, operating surpluses, and an annual small project operating budget of \$250,000 used for projects under \$25,000.

The capital projects budget is provided in the Operations and Maintenance (Restricted) Fund. The budget for FY 2024 includes total capital projects of \$54.6 million.

	Estimated Project Cost	FY 2024 Budget Request
Building Integrity	\$ 2,607,520	\$ 2,597,516
Sustainability	146,000	146,000
Renewal	1,177,300	1,022,789
Safety and Statutory	10,431,425	8,189,381
System Reliability	26,780,504	23,742,540
Other Renovations	17,812,980	15,414,999
Master Plan	78,000,000	1,965,000
Canning Center	101,620,000	500,000
Contingency	-	1,000,000
Total Capital Projects	\$ 238,575,729	\$ 54,578,225

The FY 24 budget includes several projects which are state-run (Capital Development Board) projects that require the College to contribute matching funds. Two of those projects, which are described below, are part of the State’s Resource Allocation Management Program (RAMP). The Canning Center project was included in the FY 21 Rebuild Illinois Capital Plan. This budget anticipates that the College’s matching funds will be spent in FY 24 and beyond.

- Construction of the new Canning Center – On hold for many years and part of the previous master plan, the project is now moving forward and is being redesigned to include the University Center. Over the past year, the total estimated project cost increased to \$101.6 million compared to \$83.0 million. The project is partially funded by a state contribution of \$42.0 million. The project includes \$4.4 million to address the Hospitality program facilities to be housed in the new Canning Center.

The College has set aside the required matching funds for this major project. These projects will position the College to better serve our students with excellent facilities and accommodate new programs.

Another major project is the \$78.0 million Building I & J renovation. The renovation is a key element in the College's Master Plan and will foster connectivity, innovation, and collaboration across the diverse programs within the space and the neighboring programs of the College. The FY 2024 includes \$2.0 million to begin schematic design and other design development activities.

Other major projects include \$7.6 million for Building B boiler replacements, \$5.5 million for west campus utility relocation and other infrastructure required to accommodate the Canning Center project

Many of the projects scheduled to be completed in FY 2024 are remodeling projects that do not impact the operating budget.

Maintenance projects, such as maintenance of HVAC systems, parking lot and concrete repairs, and utility tunnel repairs do not have an immediate savings but prevent costlier repairs and replacements due to shortened useful life and system failures.

Replacement projects for windows, doors, and roofs and installation of lighting controls and building automation systems serve to reduce energy costs.

Other projects that will impact operating costs are those that will add square footage to the campus. The College currently has one project budgeted that will impact future expenditures. The State-run Canning Center project is expected to add additional costs for utilities, contractual services, and materials. The earliest operating budget impact would likely be FY 2027.

The impact on the operating budget will be monitored and adjusted on an annual basis.

A financial summary of the Operations and Maintenance (Restricted) Fund and detailed list of all budgeted capital projects follows.

**Operations and Maintenance (Restricted) Fund
Revenues and Expenditures**

	FY 2022 Budget	FY 2022 Actual	FY 2023 Budget	FY 2023 Projected	FY 2024 Budget	FY 2024 Percent to Total	Budget % Change FY 2023 to FY 2024
REVENUES							
Local Government	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	0.51%	0.0%
All Other State Government	21,862,589	-	-	-	-	0.00%	
Tuition and Fees	502,128	453,050	450,048	454,976	470,000	5.31%	4.4%
Other Sources	28,350	213,778	78,450	3,437,877	8,337,200	94.18%	10527.4%
Total Revenues	22,438,067	711,828	573,498	3,937,853	8,852,200	100.00%	1443.5%
EXPENDITURES							
Institutional Support							
Contractual Services	6,225,582	762,637	4,962,015	2,282,335	6,896,634	12.69%	39.0%
Materials and Supplies	1,000	498	-	918	-	0.00%	
Fixed Charges	-	-	-	642,569	392,340	0.72%	
Capital Outlay	49,094,015	3,778,041	24,448,531	3,510,599	46,048,913	84.75%	88.4%
Other	-	-	-	135,963	-	0.00%	
Provision for Contingency	1,000,000	-	1,000,000	-	1,000,000	1.84%	0.0%
Total Institutional Support	56,320,597	4,541,176	30,410,546	6,572,384	54,337,887	100.00%	78.7%
Total Expenditures	56,320,597	4,541,176	30,410,546	6,572,384	54,337,887	100.00%	78.7%
Excess (Deficiency) of Revenue over Expenditures	(33,882,530)	(3,829,348)	(29,837,048)	(2,634,531)	(45,485,687)		-52.4%
Other financing sources(uses)							
Proceeds from bond issue	-	-	4,700,000	5,184,503	-		
Transfers(to) from other funds	-	-	-	-	-		
Total Other Financing Sources	-	-	4,700,000	5,184,503	-		
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(33,882,530)	(3,829,348)	(25,137,048)	2,549,972	(45,485,687)		-81.0%
BEGINNING FUND BALANCE	221,015,696	221,015,696	217,186,348	217,186,348	219,736,320		1.2%
ENDING FUND BALANCE	\$ 187,133,166	\$ 217,186,348	\$ 192,049,300	\$ 219,736,320	\$ 174,250,633		-9.3%

FY 2024 Capital Projects

		Project Description	Project Estimated Cost	FY 2024 Budget
<u>Building Integrity</u>				
New	Bldg R Roofing System Upgrades	Building R Roofing System Upgrades: Install new EPDM membrane with insulation to meet code, new prefinished metal copings and counterflashing	\$ 796,000	\$ 796,000
New	Bldg W Roofing System Upgrades	Building W Roofing System Upgrades: Install restoration coating to extend the life of the roofing system 20 years	457,920	457,920
New	Bldg A Roofing System Upgrades	Building A Roofing System Upgrades (partial roof area): Install restoration coating to extend the life of the roofing system 20 years	388,800	388,800
New	Bldg C Roofing System Upgrade	Building C Roofing System Upgrades; Install restoration coating to extend the life of the roofing system 20 years	364,600	364,600
New	Bldg B Roofing System Replacement	Replacement of Roofing System: Install new EPDM membrane with insulation to meet code, new prefinished metal copings and counterflashing	278,600	278,600
Annual	Roof Survey/Repairs Annual	Annual roof survey and study followed by repairs to maintain the manufacturer's warranty where applicable and maintain water-tight roofs	193,600	193,600
Increase	Bldgs S & X Exterior Door Replacements	Replace exterior doors at the following locations: Building S north entrance and Building X north entrance and add vestibule at Building S to meet current energy code	128,000	117,996
TOTAL			\$ 2,607,520	\$ 2,597,516
<u>Sustainability</u>				
Annual	Campus Lighting Control Annual Maintenance	Lighting upgrades to LED and annual maintenance for controls throughout the College	75,000	75,000
Annual	Landscaping and Irrigation Annual Maintenance	Replace failing irrigation controllers and components to meet institutional effectiveness measure for water consumption reduction. Replace damage across campus. Annual requirement. Includes study to identify sustainable options	71,000	71,000
TOTAL			\$ 146,000	\$ 146,000

Renewal

New	Bldg A Flooring Upgrades	Replace VCT flooring in Building A corridors - 2nd, 3rd Floors, southwest stair landings	189,000	189,000
New	Bldg M Dance Studio Wood Flooring Upgrade	Remove and replace the wood flooring in the dance studio M2510. The existing wood flooring has exceeded its life expectancy and requires replacement	120,000	120,000
New	Bldg C Door Hardware Upgrades	Replace knob hardware with new accessible lever hardware in Building C	71,300	71,300
New	Bldg M Refinish Wood Benches	Refinish all wood benches in locker rooms, hallways and fitness center including repainting metal support legs as needed to maintain facility	42,000	42,000
New	Bldg Z Reseal Windows	Reseal all windows on the north and south side at 3rd floor of building Z	42,000	42,000
New	Bldg L Reglaze Windows Feasibility	Feasibility study required to identify options, budget and schedule for replacing the glazing at all windows at the north side of Building L	36,000	36,000
New	Bldg L Resurface Floor in L109D	Resurface Hardwood floor in L109D	28,000	28,000
New	Bldg L Replace Blinds	Replace blinds for new roller shades -Building L: L200, L202, L204, L218, L220, L222, L300, L302, L304	27,000	27,000
Annual	Exterior Gathering Area Improvements Annual	Annual exterior gathering area improvements, tables, benches, trash and recycling containers	70,000	70,000
Annual	Exterior Signage Maintenance Annual	Annual refurbishing of vehicular and external directional signage across campus	50,000	50,000
Annual	Furniture Maintenance Annual	Annual maintenance and repair of damaged furniture across the campus.	50,000	50,000
Annual	Bldg M Gym Floor Recoating and Striping Repair	Annual maintenance of Building M Gymnasium wood flooring and synthetic flooring maintenance to include recoating wood flooring and correcting damaged striping to extend life of floor	36,000	36,000
Annual	Annual Window Blind Maintenance	Annual maintenance and replacement of window blinds across the campus.	35,000	35,000
	Avante Floor Covering Replacement	Replace carpet in heavy traffic area of Avante main concourse with rubber flooring	381,000	226,489

TOTAL	\$	1,177,300	\$	1,022,789
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Safety and Statutory

New	Bldg E Toilet Room Upgrades	Building E Toilet Room Upgrades to comply with current Accessibility standards. Includes feasibility study to verify budget and options.	885,400	885,400
New	HCPD Generator Installation	Install standalone generator in Harper College Police Dept. to meet accreditation requirements. Feasibility study included to verify budget	201,300	201,300
New	Bldg B Receiving Restroom Upgrade	Upgrade restroom in Receiving (B117C) to address ADA and code Issues. Includes feasibility study to verify budget and options	72,300	72,300
New	Maintenance Dock Replacement	Replace maintenance dock	62,000	62,000
New	Concrete Jersey Barriers Installation	Install concrete jersey barriers (for storing materials in an organized manner)	45,000	45,000
New	Sprinkler System Obstruction Testing	Sprinkler system obstruction testing is required every 5 years to ensure sprinkler pipes remain free of debris	42,000	42,000
New	Risk Management Annual Maintenance	Risk management annual maintenance to include eye wash stations, hazardous waste pickup, lab hood testing and any emergency water and/or mold sampling on campus upon request.	40,000	40,000
New	Bldg M Waterproof East Exterior Wall	Waterproof exterior wall east façade outside of M1201. High use area for open rec gaming and clubs/organizations. Feasibility study is needed to identify scope of work and budget	36,000	36,000
New	Pole Barn for Vehicle/Material Storage Feasibility	Feasibility study to identify options and budget for pole barn for vehicle/material storage	26,000	26,000
Annual	Parking Lot Maintenance 2024	Annual maintenance of the parking lots and roadways for safety and to extend the life of the surfaces	930,350	930,350
Annual	Sidewalk Maintenance 2024	Annual maintenance and replacement of sidewalks that were damaged over the winter	491,800	491,800
Annual	Parking Garage Maintenance 2024	Annual inspection and maintenance of the parking garage for safety and to extend the life of the structure	231,000	231,000
Annual	Exterior Stair and Retaining Wall Repairs 2024	Annual exterior stair and retaining wall repairs	181,500	181,500
Annual	Accessibility Upgrades - Annual	Accessible upgrades to comply with Americans with Disabilities Act (ADA) Standards for Accessible Design. Annual project plus funds for old openers upgrade and replacement	50,000	50,000
Annual	Running Track Repairs	Annual repairs to running track	36,000	36,000
Annual	Rescue Assistance Call Box Annual Maintenance	Annual maintenance of the wireless call box system including hardware components and software upgrades to maintain the reliability of the system to maintain safety and security	30,000	30,000

Increase	LCC Elevator Improvements	Upgrade Learning and Career Center elevator to meet accessibility code. Provide new accessible elevator cab, equipment, controls, etc. within existing shaft. Feasibility study completed in FY23	681,100	681,100
Increase	OSHA Roof Compliance	Multi-year project to install guards and anchors on roofs to comply with OSHA requirements Additional funds needed to complete miscellaneous safety items	1,653,893	268,569
Increase	Salt Storage Shed	Salt storage shed project	154,800	154,800
	Campus IT Closet Upgrades	Upgrade IT closet HVAC and power throughout campus	1,470,100	915,442
	Sidewalk Maintenance 2023	Annual maintenance and replacement of sidewalks that were damaged over the winter; includes bollards installation at main campus and LCC	447,120	440,466
	Bldg A West Plaza Concrete Replacement	The existing concrete paving at the west plaza of Building A is deteriorating and requires replacement	388,000	366,687
	Parking Lot Maintenance 2023	Annual maintenance of the parking lots and roadways for safety and to extend the life of the surfaces	504,860	354,252
	Bldg Z Underpass Ceiling Repairs	Replace ceiling at the underpass of Building Z	299,900	299,900
	Security Cameras Upgrade	Security camera transition from a failing video platform (Video Viewer) to updated video platform Avigilon, 205 current cameras	330,964	287,179
	Bldg J Exposed Structural Concrete Beam Repairs	Building J Exposed Structural Concrete Beam Repairs	176,000	165,250
	Exterior Stair and Retaining Wall Repairs 2023	Annual Exterior Stair and Retaining Wall Repairs	165,000	159,048
	Parking Garage Maintenance 2023	Annual Parking Garage Maintenance: Inspection and maintenance of the parking garage for safety and to extend the life of the structure	210,000	147,000
	Bldg F Exit Stair Improvements	Add 42" guard rails at exit stairs F#90 and F#91 to comply with current codes Includes feasibility study to identify options and verify budget	132,400	132,400
	Bldg P Soundproof Doors Installation	Install new soundproof doors with windows on all offices, classrooms, and practice rooms	121,000	121,000
	Bldgs A,D,L,W Security Improvements	Installation of card access, security cameras, and duress alarms at strategic locations at Buildings A, D, L, and W to increase safety	68,138	68,138
	Avante Dock Security Gate Repair	Repair security gate to Avante dock per Tetra Tech report	62,500	62,500
	Bldg P Door Hardware Upgrades	Upgrade door hardware to comply with accessibility code	51,500	51,500
	Fire Hydrant Replacement	Replace four fire hydrants that are past expected life	36,000	36,000
	Parking Lot Lighting Main Campus and LCC Replacement	Replace parking lot lighting in lots two through fourteen, ring road and walkway lighting. Includes feasibility study required to identify options and costs	36,000	36,000
	Bldg B Boiler House Gate Installation	Install open slotted roll down gate for Building B boiler house west door. Ventilation is needed in warm months but needs to be secure per Tetra Tech report	28,000	28,000

Bldg A Emergency Lighting Connection	Connect emergency lighting In Building A to emergency circuit	27,500	27,500
Outdoor Speakers Feasibility	Feasibility study to identify locations and equipment needs for outdoor speakers for emergency alerts	26,000	26,000
		TOTAL	\$ 8,189,381

System Reliability

New	Bldgs B to M Condensate Line Replacement	Replace steam piping from Building B to Building M. Include connections to allow for future steam plant connection to Buildings S, T and U	1,141,000	1,141,000
New	Bldgs D and H HVAC Upgrades	Repair heat recover wheels at energy recovery units at Buildings D and H	492,000	492,000
New	Bldg M Pool Equipment Upgrades	Install external CO2 system for Bldg M pool. Includes screening and bollards	118,250	118,250
New	Bldg S Humidity Control System Upgrades	Upgrade/replace/modify humidity control system to manage environment conditions for production printers in rooms S137 & S140	80,000	80,000
New	Bldgs W and R HVAC Upgrades	Install soft starts at Building W AHU-2 and Building R AHU-1 & AHU-2	42,000	42,000
New	Bldg C Electrical Service Upgrade Feasibility	Feasibility study to verify budget and timeline for new 400A service feeders underground and raceway within building P to MSB, current served from Building A and re-route 20A 1P 120V branch circuits to building C branch circuit panelboards	36,000	36,000
New	Bldgs T & V Ventilation Upgrades Feasibility	Feasibility study to identify scope of work and budget for Building T maintenance garage and V greenhouse ventilation upgrades	26,000	26,000
Annual	Lenel System Maintenance Annual	Annual maintenance of the card access system including hardware components and software upgrades to maintain the reliability of the system to maintain safety and security	224,000	224,000
Annual	Campus Steam Line and Piping Maintenance Annual	Annual campus-wide steam line maintenance, insulation and valves	222,640	222,640
Annual	Building Automation Systems (BAS) Maintenance	Annual building automation systems hardware and software upgrades and maintenance	216,150	216,150
Increase	Bldg B Boiler Replacement and Temporary Rental	Building B replacement of boiler 1 and 2 to include lighting, windows, and piping; upgrade to make-up air system, deaerators, controls, curtain wall, and valves. Rental of temporary boiler included	7,608,340	7,112,786
Increase	Air Handling Unit Improvements	Multi-year project to replace failing variable speed drives for HVAC units in Buildings R, X, Y & Z: Phase II and III Buildings R, Z and Y AHU-3	2,831,600	1,980,563

Increase	BAS Improvements Bldgs R, W, X, Y, Z	Buildings R, W, X, Y and Z Building Automation System Improvements: Phase II, Buildings R and Y Terminal units. Replace original obsolete Honeywell XL-15 controllers with upgraded controllers in Buildings R, W, X, Y and Z. Five year implementation, total cost \$2,221,000	1,413,500	1,341,065
Increase	Bldg B Motor Control Center Replacement	Building B - Motor Control Center Replacement (MCC-1): The MCC-1 in Building B is 46 years old and at the end of its useful life	660,900	657,500
Increase	Bldg E HVAC Replacement	Building E HVAC Replacement Project: Replace AHU1 and AHU2, associated controls and components	642,600	642,600
Increase	Bldg Z Eyewash/Emergency Shower Imprvmnts	Replace shut-off valves for eyewash and emergency shower stations to maintain proper water temperature	196,000	189,131
Increase	Tunnel Repairs Phase IV	Tunnel Repairs Phase IV: Repair or replace steam pipes, racks, etc. associated with corrosion causing erosion increasing the risk of possible utility failure. Multiyear project. Total estimate is \$2,421,900. Feasibility study to be updated.	78,000	78,000
	West Campus Infrastructure	Utility relocation and other infrastructure items required to accommodate the Canning Center project	5,505,822	5,505,822
	Replace and Upgrade Wireless Network	Replace and upgrade wireless network and associated infrastructure	1,300,000	1,300,000
	Campus HVAC Improvements (CDB)	Campus Wide Steam System Condensate Improvements: Replace condensate stations and flash tanks in Buildings A, B, H, I, M and V, reroute Building I condensate to Building H and the replace condensate pumps in Buildings I, L, P, R, W, and Z. The existing equipment is undersized or has exceeded its life expectancy and requires replacement. CDB Project (Harper's share \$705,888)	1,725,902	705,888
	BAS Improvements Bldgs D, E, H, M, S, and HPC	Buildings D, E, H, M, S, and HPC Building Automation System Improvements: Upgrade proprietary BAS controls in rooftop equipment	695,000	626,393
	Bldg B Water Service Improvements	Building B Water Service Improvements: Provide redundant boiler feed water service	360,000	359,355
	Bldg B Steam System Upgrades	Building B Steam System Upgrades: Replace four condensate stations, associated piping and valves	140,050	106,600
	Tunnel Repairs Phase III (CDB)	Utility tunnels repairs Phase III: replacement of expansion joints, condensate piping, gate valves, pipe supports, and demolition of abandoned components Capital Development Board (CDB) project (Harper's share \$135,825)	543,300	91,586
	Bldg F HVAC System Commissioning	Commission the heating hot water and chilled water systems in Building F to rebalance system	101,500	89,838

Bldg M Pool Equipment Room and Mechanical Loft Improvements	Building M Pool Equipment Room and Mechanical Loft Improvements: Add roof access for routine maintenance, install hoist for loft, chemical system for pool	87,000	85,465
Bldg L HVAC Upgrades	Replace make-up air unit in the wood shop (L130)	84,950	78,103
Bldg A Data Center Relocation Feasibility	Building A Data Center Relocation: Feasibility study to identify options and costs for the relocation of the Data Center in Building A	48,000	48,000
Bldg D HVAC System Commissioning	Building D commissioning of HVAC to address temperature issues and air flow	48,000	48,000
Bldg S Electrical Service Upgrades Feasibility	Feasibility study for new 800A switchboard and increased service transformer kVA with primary/secondary feeders to accommodate existing DP-U (~400A) serving Buildings U and T	36,000	36,000
Bldg H HVAC Upgrades	Install cooling system in Building H to provide year round cooling at east mechanical room	28,000	28,000
Bldg B Sanitary Sewer Improvements Feasibility	Feasibility study to identify options for Building B sanitary sewer improvements to install connection from boiler house trench drain line to sanitary sewer line and bring up to code	32,000	17,805
Bldgs X & Z Wi-Fi Upgrade	The Wi-Fi at the lower level of Buildings X and Z is unreliable and requires upgrades	16,000	16,000
		TOTAL	
		\$ 26,780,504	\$ 23,742,540

Other Renovations

New	Emergency Services Center	Construct a new emergency services center in Lot 11 to conduct hands-on training that is required by the State Fire Marshal to become and remain a firefighter	7,000,000	7,000,000
New	Bldg R Lighting Fixture Replacement	Architectural lighting fixture replacement to include house lighting and orchestra shell fixtures, address poor coverage, replace inefficient incandescent lighting with theatrical-grade LEDs. Feasibility study included to verify scope of work and budget.	462,000	462,000
New	Bldg H Welding Lab Smoke Extractor Replacement	Smoke extractor snorkel replacement in welding lab booths Feasibility study is included to verify scope of work and budget	432,000	432,000
New	Bldg H Forensic Lab Remodel	Remodel classroom H147 into forensic lab. Scope of work will include the replacement of the existing tables and chairs with forensic work stations. Includes feasibility study to verify scope of work and budget	152,000	152,000
New	Bldg H Welding Lab Lighting Improvements	Install additional lighting at welding booths in H190	144,000	144,000
New	LCC Improvements Master Plan	Master plan to identify current and future space and infrastructure improvements to the Learning and Career Center over the next 10 years	68,000	68,000

New	Bldg M Additional Lockers Installation	Install additional bank of lockers in fitness center east wall to address shortage Includes study to verify cost and options	50,000	50,000
New	Bldg M Acoustic AV Equipment	Building M acoustic A/V equipment for events	50,000	50,000
New	Bldg S Install Carpet & Reconfigure Office S130E	Install floor carpet tiles and office reconfiguration of desk, return, file cabinets and meeting table in S130E	36,000	36,000
New	Bldg H Classroom Improvements H185 Feasibility	Feasibility study to identify the scope of work, code review and budget for classroom H185 improvements to included installing utilities in H185 lab: 2-dual natural gas lines 1/2 inch in diameter, 120 volt power supply and 230 volts - two lines of power per voltage, in addition to two flue vents and four electrical power non-fused disconnects. The utilities are needed for completing the installation of residential HVAC system and a ductless system.	36,000	36,000
New	Outdoor Amphitheater Expansion Feasibility	Feasibility study to expand the use of the outdoor amphitheater to include installation of additional lighting and sound equipment and positions, expansion of the performance space, storage options, sheltered areas to serve as “backstage” spaces, and improvements to the seating area, guest amenities, and crowd control. The results of the feasibility study will provide realistic options and their respective projected costs, information that stakeholders will then use to determine priorities and programmatic goals.	36,000	36,000
New	Bldg M Expand Esports Capabilities	Expand esports capabilities by adding 10 gaming desks/chairs and dedicated electrical for all hardware.	35,000	35,000
New	Bldg S Soundproofing Rm S137	Remove foam covering that is peeling and falling off from the wall. Patch/Paint walls and install new sound dampening panels in S137	26,000	26,000
New	Bldg E Film Screening Room E105 Feasibility	Feasibility study film screening room E105	26,000	26,000
Increase	Bldg E Lecture Film Screening Rooms	Building E lecture film screening rooms upgrades	2,420,500	2,393,949
Increase	PAC Theatre Improvements	Theatre improvements to include motorized linesets, rigging repairs, orchestra pit safety net, main curtain, lighting console, projection screen, and audio monitors. Phase II: Provide motorized controls for fire curtain and first electric to counterweight assist and replace lighting console in PAC.	859,500	814,181
Increase	Bldg P AVAT Lab	New Program Audiovisual Arts Technology (AVAT): Remodel P105, P106, and P107 into an AVAT lab Feasibility study completed in FY23	736,000	736,000
Increase	Dental Hygiene Clinic Work Station	Pipe water to work station in DHY Clinic X102 and add sink and eye wash station	367,000	361,176

Increase	Bldg D Mass Comm and Digital Music Program D110	Remodel D110 for a podcast studio to accommodate growing Mass Comm and Digital Music Program Feasibility study completed in FY23	319,700	319,700	
Increase	Bldg X DHY Dental Operatories Upgrades	Hook up air, water, light, ultrasonic scalers, ADEC dental chairs and operating systems to make X-156, X-158, X-160, X-162 fully operational dental operatories Budget includes feasibility study	262,500	257,963	
Increase	Bldg X HC Division Office Reception Remodel	Remodel of Health Careers division office X250 reception area to remove high cubicles to create more visibility Feasibility Study completed in FY23	187,000	187,000	
Increase	Radio Station Upgrades Feasibility	Feasibility study to relocate the existing antenna from Building A to Building R for the Harper College Radio Station.	36,000	36,000	
	Massage Therapy Clinic	Remodel massage clinic spaces to expand capacity and update rooms	411,400	411,400	
	Bldg Z Remodel Z204/206	Remodel Z204 and Z206 to expand capacity in Z204 and create two offices	384,000	363,760	
	HawksCare Space	Develop a space to service student needs	500,000	147,873	
	Bldg D Artwork	Building D Art-in-Architecture artwork for major capital projects	144,000	144,000	
	Bldg H Remodel H193 for Additive Manufacturing Lab	Remodel of classroom H193 for additive manufacturing lab/classroom	143,000	143,000	
	HCPD Remodel B110	HCPD Improvements: Remodel B110, B110A & B110C to provide a conference room, an interview room, and a secure weapons and equipment storage room.	380,647	103,847	
	Bldg H Lab Upgrades	Upgrades to Labs H130 and H149 for equipment exhaust systems and storage	97,200	92,663	
	Bldg F Atrium	Development of space below main stairway in the atrium of Building F	88,244	83,918	
	Bldg M Artwork	Building M Art-in-Architecture artwork for major capital projects	81,901	81,901	
	Parking Structure Artwork	Building G Art-in-Architecture artwork for major capital projects	63,000	63,000	
	Bldg Y Electrical Lab Remodel	Bldg Y Room Y116 remodel for the vending machine technician program	54,000	54,000	
	Bldg L Corridor Lighting Improvements	Corridor lighting improvements L119U	32,500	26,290	
	Bldg B Police Operations Ctr Update	Update police operations center to include new computer station and hardware and additional furniture and bring toilet rooms up to code	651,895	25,673	
	Apple TV in Ceramics Lab	Apple TV for ceramics lab	28,700	14,705	
Hold	Department Temporary Relocation Services	Professional services for temporary departmental relocations to accommodate renovation projects	1,011,293	-	
			TOTAL	\$ 17,812,980	\$ 15,414,999

Master Plan

Increase	Bldgs I & J Renovation/Replacement	Buildings I and J Renovation/Replacement Project: Schematic design and design development phase	78,000,000	1,965,000	
			<u>TOTAL</u>	<u>\$ 78,000,000</u>	<u>\$ 1,965,000</u>

Canning Center

	Canning Student Center (CDB)	Canning Center: New building to house all student services and related functions into one location on campus Capital Development Board (CDB) project (Harper share \$55,250.00).	101,620,000	500,000	
			<u>TOTAL</u>	<u>\$ 101,620,000</u>	<u>\$ 500,000</u>

Building Integrity			\$ 2,607,520	\$ 2,597,516
Sustainability			146,000	146,000
Renewal			1,177,300	1,022,789
Safety and Statutory			10,431,425	8,189,381
System Reliability			26,780,504	23,742,540
Other Renovations			17,812,980	15,414,999
Master Plan			78,000,000	1,965,000
Canning Center			101,620,000	500,000
	Grand Total		<u>\$ 238,575,729</u>	<u>\$ 53,578,225</u>
	Contingency			\$ 1,000,000
	Total Budget Request			<u>\$ 54,578,225</u>

Financial Forecasting and Long Range Financial Planning

The College devotes considerable time and resources to long range strategic and operational planning as described in the planning section of this document. The College is equally committed to long range financial planning. Each fall the Five-Year Financial Plan is updated, forecasting financial trends into the future. Excerpts from the January 2023 financial plan follow.

The Five-Year Financial Plan contains the following:

- Executive Summary and Financial Policies and Guidelines
- Historical Information
- Five-Year Projections by Fund and Fund Groupings
- Financial Plan Alternatives

The purpose of the Five-Year Financial Plan is to create a framework which allows the College and the Board of Trustees to examine the long range financial implications of the many major financial decisions that are made. The Five-Year Financial Plan is not intended to be a detailed line item budget for five years, but rather, it is intended to provide a “broad brush” overview of the financial position and the resulting impact of the financial decisions that must be made. The Five-Year Financial Plan is also intended to look prospectively at expenditures, the means of financing those expenditures, and the financial position over a longer period of time than the traditional one-year budget.

Financial Guidelines

- Continue the current practice of maintaining a balanced budget across the tax-capped funds, which include the Education, Operations and Maintenance, Audit, and Liability, Protection, and Settlement Funds.
- Limit annual tuition and per credit hour fee increases to 5% of total tuition and fees or the Illinois statute limitation using the Higher Education Cost Adjustment (HECA) rate change as a guideline, as appropriate, to promote a balanced budget for Harper College and financial consistency for Harper students. (*Board Policy 07.01.04 Revised 12/16/15*)
- Maintain current practice of increasing and/or adding fees to make up for shortfalls in other revenue sources including state funding and property tax reductions due to successful Property Tax Appeal Board appeals.
- Continue the board policy of maintaining a fund balance in the combined Tax Capped Funds (Education, Operations and Maintenance, Audit, and Liability, Protection, and Settlement Funds) between 40% and 60% of the budgeted annual expenditures. (*Board Policy 07.01.04 Revised 6/20/12*)
- Support quality teaching and learning through sound financial practices consistent with maintaining a Aaa bond rating. (*Board Policy 07.01.04*)

William Rainey Harper College
Five-Year Financial Plan

All Tax Capped Funds

Revenue Major Assumptions

Local Tax Revenue – Levy Year

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
CPI-U Change (Tax levy limited to 5%)	4.9%	4.9%	3.1%	2.4%	2.3%	2.3%
New Construction	0.0%	0.0%	0.4%	0.4%	0.4%	0.4%

Other Revenues

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
ICCB Grants (FY 24 is percentage of previous year's allocation)	75.0%	0%	0%	0%	0%
Credit Hour Enrollment	1.2%	2.0%	2.0%	1.8%	1.6%
Credit Hour Based Tuition and Fees	<u>FY 2023 Base</u>	<u>Increase</u>	<u>Increase</u>	<u>Increase</u>	<u>Increase</u>
HECA Projected Change (maximum of 5%)	5.0%	4.1%	3.3%	3.0%	2.8%
HECA Calculated Tuition Increase (rounded)	\$7.75	\$6.50	\$5.25	\$4.75	\$4.50
Tuition Increase used in Plan	\$133.50	\$3.00	\$3.00	\$3.00	\$3.00
Universal Fee	19.00	-	-	-	-
Total Credit Hour Based Tuition and Fees	<u>\$152.50</u>	<u>\$155.50</u>	<u>\$158.50</u>	<u>\$161.50</u>	<u>\$167.50</u>

William Rainey Harper College
Five-Year Financial Plan

All Tax Capped Funds

Expenditure Major Assumptions

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
Salaries-Full-Time Faculty ¹	5.50%	3.10%	2.40%	2.30%	2.30%
Salaries-Adjunct Faculty	3.00%	3.10%	2.40%	2.30%	2.30%
Salaries-Professional/Technical	4.00%	3.10%	2.40%	2.30%	2.30%
Salaries-IEA/NEA Service Staff ²	3.00%	3.10%	2.40%	2.30%	2.30%
Salaries-ICOPS Service Staff ³	3.00%	3.10%	2.40%	2.30%	2.30%
Salaries – All other employee groups	3.00%	3.10%	2.40%	2.30%	2.30%
Benefits-Ed and O&M Funds	6.00%	6.00%	6.00%	6.00%	6.00%
Benefits-LPS Fund	0.00%	3.10%	2.40%	2.30%	2.30%
Contractual Services	0.00%	3.10%	2.40%	2.30%	2.30%
General Materials and Supplies	0.00%	3.10%	2.40%	2.30%	2.30%
Conference and Meeting	0.00%	3.10%	2.40%	2.30%	2.30%
Fixed Charges	0.00%	3.10%	2.40%	2.30%	2.30%
Utilities	0.00%	3.10%	2.40%	2.30%	2.30%
Capital Outlay	0.00%	3.10%	2.40%	2.30%	2.30%
Other Expenditures	0.00%	3.10%	2.40%	2.30%	2.30%

¹Based on contract through FY 2024

²Based on contract through FY 2024

³Based on contract through FY 2024

William Rainey Harper College
All Funds
Five Year Projection

	Base Year					
	FY 2023 Budget	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenues						
Local Tax Revenue	\$ 91,163,821	\$ 95,027,827	\$ 98,477,293	\$ 101,243,887	\$ 103,773,363	\$106,329,237
All other local revenue	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
ICCB grants	8,029,617	8,029,617	8,029,617	8,029,617	8,029,617	8,029,617
All other state revenue ¹	6,142,740	6,142,740	6,142,740	6,142,740	6,142,740	6,142,740
Federal revenue	17,311,029	18,158,289	18,720,576	19,169,390	19,609,826	20,060,392
Student tuition and fees	46,856,371	47,872,997	49,626,767	51,386,830	53,106,087	54,782,593
All other revenue	3,634,871	10,083,052	10,156,838	10,215,733	10,273,529	10,332,654
Total Revenues	174,188,449	186,364,522	192,203,831	197,238,197	201,985,162	206,727,233
Expenditures						
Salaries	82,409,438	86,428,275	89,231,553	91,469,110	93,664,896	95,911,189
Benefits ¹	17,037,741	18,060,674	19,143,289	20,291,318	21,508,131	22,797,922
Contractual Services	17,996,914	13,336,648	14,605,080	14,859,750	14,109,617	12,865,223
General Materials & Supplies	9,323,262	8,273,262	8,220,433	8,417,723	8,611,332	8,809,393
Conference & Meeting	1,943,347	1,943,347	2,003,590	2,051,676	2,098,864	2,147,138
Fixed Charges	23,402,626	23,870,333	24,328,559	24,737,081	25,128,754	25,524,020
Utilities	3,270,800	3,270,800	3,372,195	3,453,128	3,532,550	3,613,798
Capital Outlay	31,805,827	19,018,309	40,874,677	50,919,669	36,963,821	18,508,989
Other Expenditures	29,702,363	28,102,363	28,973,365	29,668,594	30,350,846	31,048,789
Contingency	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000
Total Expenditures	218,242,318	203,654,011	232,102,741	247,218,049	237,318,811	222,576,461
Excess (Deficiency) of						
Revenue over Expenditures	(44,053,869)	(17,289,489)	(39,898,910)	(49,979,852)	(35,333,649)	(15,849,228)
Other financing sources (uses):						
Proceeds from bond issue	4,700,000	-	4,700,000	-	4,700,000	-
Total other financing sources (uses)	4,700,000	-	4,700,000	-	4,700,000	-
Excess (Deficiency) of						
Revenue over Expenditures and other Financing Sources (uses)	(39,353,869)	(17,289,489)	(35,198,910)	(49,979,852)	(30,633,649)	(15,849,228)
Beginning Fund Balance	353,455,308	314,101,439	296,811,950	261,613,040	211,633,188	180,999,539
Ending Fund Balance	\$ 314,101,439	\$296,811,950	\$ 261,613,040	\$ 211,633,188	\$ 180,999,539	\$165,150,311

¹ Excludes SURS on-behalf payments

William Rainey Harper College
All Tax Capped Funds (Education, Operations and Maintenance, Audit, and Liability, Protection, and Settlement Funds)
Five Year Projection

	Base Year					
	FY 2023 Budget	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenues						
Local Tax Revenue	\$ 67,868,149	\$ 71,449,494	\$ 74,466,105	\$ 76,828,117	\$ 78,958,561	\$ 81,108,316
All other local revenue	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
ICCB grants	7,508,670	7,508,670	7,508,670	7,508,670	7,508,670	7,508,670
Federal revenue	20,000	20,000	20,000	20,000	20,000	20,000
Student tuition and fees	43,343,251	44,063,313	45,703,896	47,371,633	49,000,864	50,586,261
All other revenue	1,204,425	2,554,425	2,554,425	2,554,425	2,554,425	2,554,425
Total Revenues	120,994,495	126,645,902	131,303,096	135,332,845	139,092,520	142,827,672
Expenditures						
Salaries	76,410,891	80,249,021	82,860,741	84,945,398	86,991,140	89,083,938
Benefits	16,072,614	17,037,639	18,058,872	19,141,836	20,289,680	21,506,364
Contractual Services	7,457,911	7,459,660	7,690,456	7,875,175	8,056,397	8,241,778
General Materials & Supplies	6,890,149	6,890,149	7,103,744	7,274,234	7,441,542	7,612,698
Conference & Meeting	1,413,148	1,413,148	1,456,955	1,491,922	1,526,236	1,561,340
Fixed Charges	901,500	901,500	929,447	951,753	973,643	996,036
Utilities	3,140,800	3,140,800	3,238,165	3,315,881	3,392,146	3,470,165
Capital Outlay	1,426,289	1,587,302	1,636,509	1,675,785	1,714,328	1,753,757
Other Expenditures	5,879,579	5,879,579	6,061,846	6,207,330	6,350,099	6,496,151
Contingency	350,000	350,000	350,000	350,000	350,000	350,000
Total Expenditures	119,942,881	124,908,798	129,386,735	133,229,314	137,085,211	141,072,227
Excess (Deficiency) of						
Revenue over Expenditures	1,051,614	1,737,104	1,916,361	2,103,531	2,007,309	1,755,445
Other financing sources (uses):						
Transfers (to) from other funds	(1,051,614)	(2,012,264)	(2,052,770)	(2,094,084)	(2,132,015)	(2,166,336)
Excess (Deficiency) of						
Revenue over Expenditures and other Financing Sources (uses)	-	(275,160)	(136,409)	9,447	(124,706)	(410,891)
Beginning Fund Balance	57,131,552	57,131,552	56,856,392	56,719,983	56,729,430	56,604,724
Ending Fund Balance	\$ 57,131,552	\$ 56,856,392	\$ 56,719,983	\$ 56,729,430	\$ 56,604,724	\$ 56,193,833
Local Revenue/Total Revenue	57.0%	57.2%	57.5%	57.5%	57.5%	57.5%
ICCB Grants/Total Revenue	6.2%	5.9%	5.7%	5.5%	5.4%	5.3%
Student tuition and fees/Total Revenue	35.8%	34.8%	34.8%	35.0%	35.2%	35.4%
Salaries and Benefits/Total Expenditures	77.1%	77.9%	78.0%	78.1%	78.3%	78.4%
Fund Balance/Budgeted Expenditures	45.0%	43.3%	41.9%	40.7%	39.5%	39.2%

William Rainey Harper College
Five-Year Financial Plan

All Tax Capped Funds Effect of Change of "1"

<u>Item</u>	<u>FY 2023 Base</u>	<u>Change</u>	<u>One-Year Dollar Impact</u>
Revenue			
CPI-U Increase	4.9%	1%	\$601,448
Tax Rate	\$0.3418	\$.01	\$2,067,275
State Base Operating Grant	\$9,454,116	1%	\$94,541
Tuition and Fees	\$152.50	\$1	\$220,658
Credit Hour Enrollment	220,658	1%	\$336,503
Expenditures			
Salaries-All	\$80,410,891	1%	\$804,108
Salaries-Administration	\$6,563,761	1%	\$65,638
Salaries-Professional/Technical	\$13,081,740	1%	\$130,817
Salaries-Full-Time Faculty	\$21,498,224	1%	\$214,982
Salaries-Full-Time Faculty Overload	\$4,788,736	1%	\$47,887
Salaries-Adjunct Faculty	\$8,867,548	1%	\$88,675
Salaries-Supervisory/Management	\$9,670,036	1%	\$96,700
Salaries-Classified	\$8,916,960	1%	\$89,170
Salaries-Service Staff	\$5,414,212	1%	\$54,142
Salaries-Student Employees	\$993,074	1%	\$9,931
Salaries-Other	\$616,600	1%	\$6,166

Enrollment Projections
FY 2024 - 2028

Fiscal Year FTE Totals

Projection

Tuition Bearing	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Continuing	6,552	6,305	6,207	5,930	5,297	5,131	5,101	5,140	5,182	5,200	5,200
New HS Grad	951	943	990	927	870	885	915	942	959	967	967
New Adult/Transfer	880	840	821	701	711	719	731	738	741	745	750
CPE	83	71	63	51	60	58	64	64	64	64	64
Concurrent	21	21	18	24	17	19	20	20	20	20	20
Dual Credit (On-Campus)	36	37	45	25	22	25	28	31	35	39	41
Tuition Bearing Total	8,523	8,217	8,145	7,658	6,976	6,836	6,858	6,936	7,001	7,036	7,042
		-3.6%	-0.9%	-6.0%	-8.9%	-2.0%	0.3%	1.1%	0.9%	0.5%	0.1%

Non-Tuition Bearing	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
AED	366	384	331	217	262	434	442	442	442	442	442
Dual Credit (Off-Campus)	487	565	670	789	812	896	968	1,056	1,156	1,271	1,404
Non-Tuition Bearing Total	854	949	1,000	1,005	1,074	1,330	1,410	1,498	1,598	1,713	1,846
		11.2%	5.4%	0.5%	6.8%	23.9%	6.0%	6.2%	6.7%	7.2%	7.7%

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Overall Total	9,376	9,166	9,146	8,664	8,050	8,166	8,268	8,434	8,599	8,750	8,888
		-2.2%	-0.2%	-5.3%	-7.1%	1.4%	1.2%	2.0%	2.0%	1.8%	1.6%

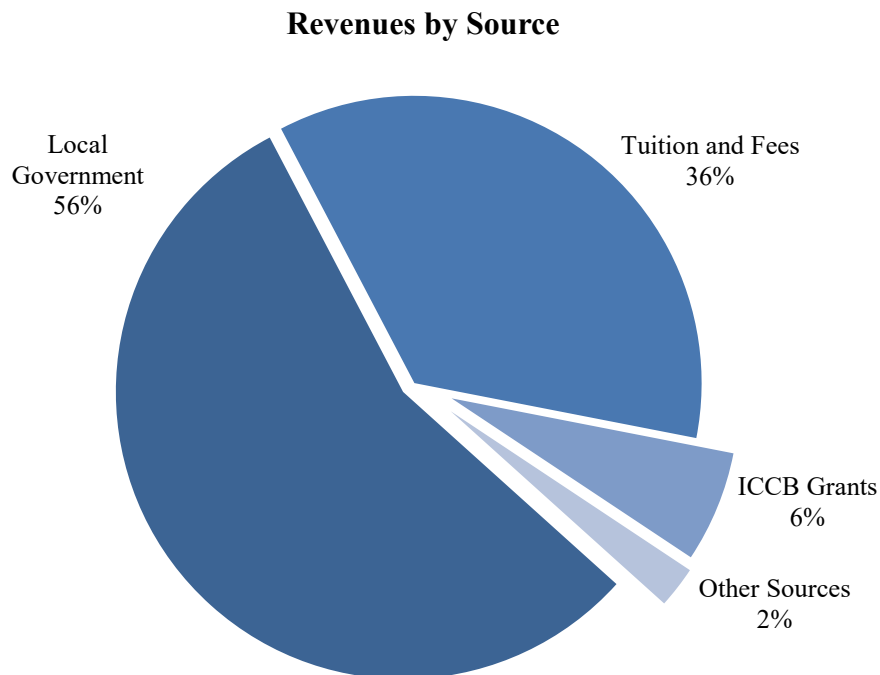
Overview of Revenues and Expenditures – Budget Assumptions and Historical Trends

The Five-Year Financial Plan lays the groundwork for the many financial decisions to be made, as the initial step in building the next year’s budget. Preliminary estimates are used in the financial plan for revenue and expenditure lines, and assumptions could change for the next budget year, as more information becomes available in areas such as property taxes, enrollment, and state funding.

The following narrative refers to the combined Tax Capped Funds, which include the Education, Operations and Maintenance, Audit, and Liability, Protection and Settlement Funds, and are considered the main operating funds of the College. These are the funds for which local property taxes can be levied, and that are subject to the Property Tax Extension Limitation Law. The discussion includes historical information, as well as assumptions for Fiscal Year 2024’s budget.

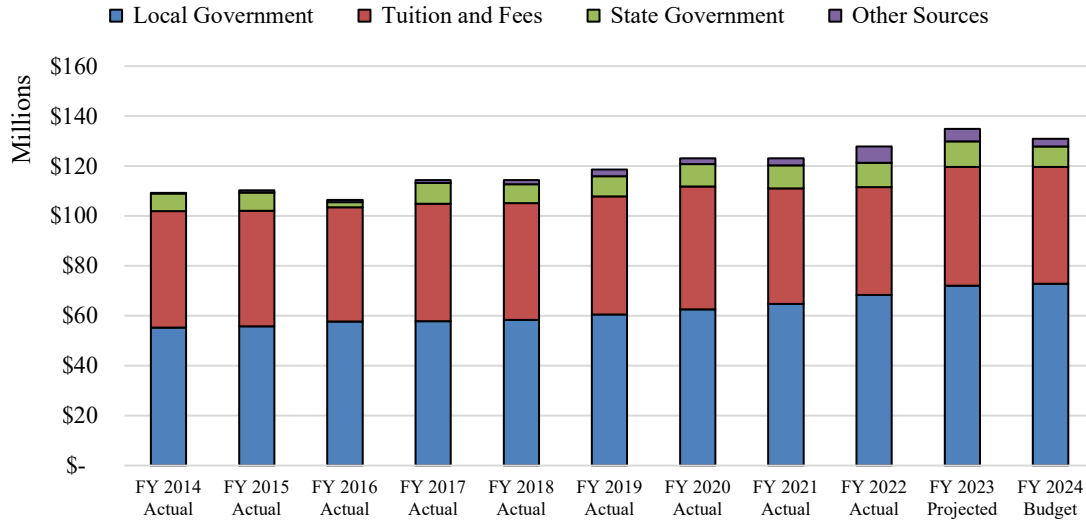
Revenue

The Tax Capped Funds have three major sources of revenue: local government, tuition and fees, and state government. Budgeted revenues for FY 2024 are \$130,940,881 compared to a budget of \$120,994,495 for FY 2023. This represents an increase of \$9,946,386, or 8.2%. The increase is driven by increases in local government revenues, tuition and fee revenues, and investment earnings.



The following table and graph show revenues for the previous ten years and the budgeted revenues for FY 2024. The graph below shows the dependence on local government revenues in the last several years as the other sources of revenue decline or remain relatively flat.

History of Tax-Capped Funds Revenues by Source



	Local Government	Tuition and Fees	State Government	Other Sources	Total Revenues
FY 2014 Actual	\$ 55,317,505	\$ 46,577,180	\$ 7,035,549	\$ 365,421	\$ 109,295,655
FY 2015 Actual	55,813,661	46,203,422	7,359,309	818,947	110,195,339
FY 2016 Actual	57,675,831	45,802,519	1,992,338	957,857	106,428,545
FY 2017 Actual	57,862,117	46,990,717	8,418,809	1,051,078	114,322,721
FY 2018 Actual	58,331,093	46,839,619	7,538,647	1,637,767	114,347,126
FY 2019 Actual	60,529,923	47,304,600	8,097,810	2,707,538	118,639,871
FY 2020 Actual	62,613,751	49,142,827	8,981,135	2,393,001	123,130,714
FY 2021 Actual	64,785,505	46,233,132	9,197,968	2,883,775	123,100,380
FY 2022 Actual	68,338,190	43,159,993	9,816,702	6,537,868	127,852,753
FY 2023 Projected	72,047,575	47,542,321	10,221,891	5,037,399	134,849,186
FY 2024 Budget	72,865,684	46,814,366	8,205,116	3,055,715	130,940,881

Local Government

Local government represents 56% of the total budgeted revenues for the Tax Capped Funds. The majority of this is property tax revenue. Overall budgeted local revenues will increase from \$68,918,149 in FY 2023 to \$72,865,684 in FY 2024, or 5.7%.

Property Taxes

The Consumer Price Index for All Urban Consumers (CPI-U), which is the primary driver of property tax revenue increases, is released in mid-January, for the previous calendar year. The CPI-U for 2022 was 6.5%, which will be capped at 5% affecting the 2023 tax levy and approximately half of the tax revenues budgeted for FY 2024.

Public Act 89-1 made Cook County taxing districts subject to the Property Tax Extension Limitation Law (PTELL), beginning with the 1994 levy year (taxes payable in calendar year 1995). That legislation limits the increase in tax extensions to the lesser of 5% or the change in the consumer price index for all urban consumers (CPI-U). The table below shows the percentage increase limit for each tax year, which is set at the CPI-U level. In addition, the law provides for increases in tax extensions due to new property growth. Excluded are existing resolutions on file for debt retirement, and any subsequent bond sales or tax rate referenda that require taxpayer approval.

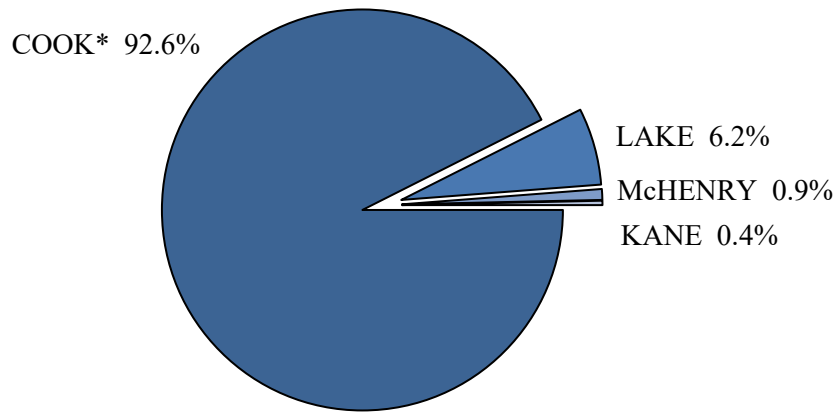
Tax Year	Prior Year CPI-U	PTELL Limit	Net Reduction
2014	1.5%	1.5%	0.0%
2015	0.8%	0.8%	0.0%
2016	0.7%	0.7%	0.0%
2017	2.1%	2.1%	0.0%
2018	2.1%	2.1%	0.0%
2019	1.9%	1.9%	0.0%
2020	2.3%	2.3%	0.0%
2021	1.4%	1.4%	0.0%
2022	7.0%	5.0%	-2.0%
2023	6.5%	5.0%	-1.5%

The 2022 CPI-U capped increase of 5% will provide a modest increase in property tax revenue for the year, however, there remains downward pressure on this major revenue source due to property tax refunds from successful assessment appeals. Refunds paid in FY 2023, which are deducted from current-year tax distributions, totaled \$2.0 million.

Real estate property values, as determined by the County Assessors’ offices, are the basis upon which local taxing bodies obtain their annual tax revenues. Under state law, the College may levy an annual tax upon the taxable real estate within its jurisdiction. The amount of the levy is divided by the equalized assessed value (EAV) of the real estate to determine the tax rate. The rate as calculated may not exceed the district’s maximum legal rate. Further restrictions may apply based upon the tax cap legislation.

Harper assesses its levy upon real estate within four counties as follows:

2022 EAV By County



2022 TAX YEAR VALUATIONS

	<u>COOK*</u>	<u>LAKE</u>	<u>McHENRY</u>	<u>KANE</u>	<u>TOTAL</u>
EAV for 2022 levy	\$ 19,307,641,230	1,295,351,574	181,741,011	73,121,550	\$ 20,857,855,365
EAV for 2021 levy	\$ 18,745,282,748	1,258,206,665	168,573,570	68,574,852	\$ 20,240,637,835
Change from prior year	3.0%	3.0%	7.8%	6.6%	3.0%
Percentage of total 2022 EAV by county	92.6%	6.2%	0.9%	0.4%	100.00%

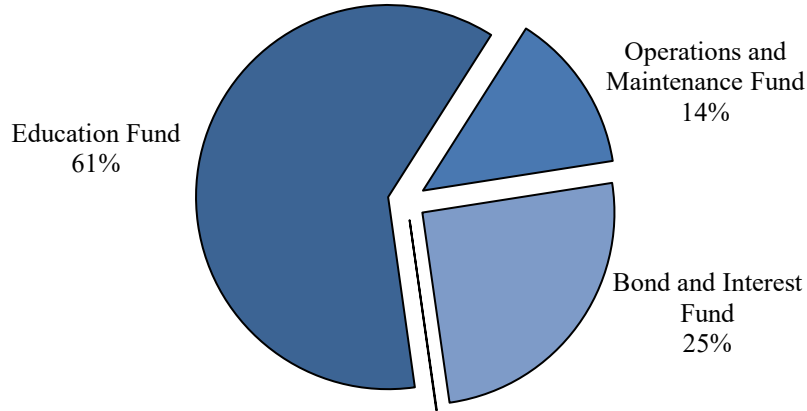
* 2022 Estimated

Tax rates and extensions are determined by each individual county. Cook County uses prior year EAV for determining the maximum allowable levy, whereas the other district counties use the current year EAV for both levy and rate determination. This process causes rates to vary by county.

The following page displays the blended extensions and rates by fund for all counties in the district, of which Cook County represents 93%. As noted, Cook County's numbers for 2022 are estimated.

Distribution of each 2022 Tax Dollar

2022 Levy as Extended by Fund



2022 TAX RATES BY FUND

	<u>2022</u>	<u>% of</u>	<u>2022</u>	<u>2021</u>	<u>% of</u>	<u>2021</u>	<u>Max Legal</u>	<u>% Change</u>
	<u>Extensions*</u>	<u>Total</u>	<u>Tax Rates</u>	<u>Extensions</u>	<u>Total</u>	<u>Tax Rates</u>	<u>Rates</u>	<u>2022/2021</u>
Education	\$ 58,717,020	61.5%	0.2815	\$ 54,290,989	60.1%	0.2682	0.7500	8.15%
Operation and Maintenance	12,963,144	13.6%	0.0621	12,607,555	14.0%	0.0623	0.1000	2.82%
Liability Protection and Settlement	19,198	0.0%	0.0001	19,135	0.0%	0.0001	none	0.33%
Audit	19,198	0.0%	0.0001	19,135	0.0%	0.0001	0.0050	0.33%
Subtotal Tax-Capped Funds	\$ 71,718,560	75.1%	0.3438	\$ 66,936,814	74.2%	0.3307		7.14%
Bond and Interest	23,774,425	24.9%	0.1140	23,326,614	25.8%	0.1152	none	1.92%
Total	\$ 95,492,985	100.0%	0.4578	\$ 90,263,428	100.0%	0.4460		5.79%

*Estimated

Illinois community colleges are on a June 30 fiscal year, with fiscal year 2024 covering the period between July 1, 2023 and June 30, 2024. County assessments and tax levies are based on a calendar year. Because of this, tax levies and related collections affect two budget years. For fiscal year 2024, approximately ½ of the property tax revenue is from the calendar year 2022 levy, and ½ from the 2023 estimated levy.

The 2023 real estate levy must be filed with the County Clerk’s office during December 2023 and applies to the property values as of December 31, 2023. Those property values will be determined during calendar year 2023, with first installment tax bills mailed by the counties during spring 2024. Each county allows installment payments, with 50% due in the spring, and 50% due in late summer. Only Cook County follows the practice of issuing estimated tax bills for the first installment, based on 55% of the previous year’s tax bill. The final and actual tax bill is sent out by Cook County between July and August.

Recognition of real estate taxes in local government revenue are determined and affected by collections during the fiscal and year-end audit adjustments, based upon the information released by the counties prior to the audit cut-off. It is not unusual for actual

real estate tax revenues to deviate from the budget due to the annual fluctuation in Cook County’s issuance of tax rates, variances between budgeted collection rates and actual collections, and volume of property tax refunds.

Below is the anticipated tax revenue to be received in fiscal year 2024, net of projected refunds.

2023 Calendar Year Levy by Fund and Amounts Anticipated for Fiscal Year 2024

	2022 Adopted Levy	2022 Final Extension*	FY 2024 Anticipated Revenue from 2022 Levy	FY 2024 Anticipated Revenue from 2023 Levy	FY 2024 Total Anticipated Revenue
Education	\$ 57,525,000	\$ 58,717,020	\$ 27,973,832	\$ 30,706,773	\$ 58,680,605
Operation and Maintenance	12,700,000	12,963,144	6,163,508	6,783,199	12,946,707
Liability Protection and Settlement	20,000	19,198	9,966	9,220	19,186
Audit	20,000	19,198	9,966	9,220	19,186
Subtotal Tax-Capped Funds	70,265,000	71,718,560	34,157,272	37,508,412	71,665,684
Bond and Interest	22,699,631	23,774,425	11,478,197	12,311,266	23,789,463
Total	\$ 92,964,631	\$ 95,492,985	\$ 45,635,469	\$ 49,819,678	\$ 95,455,147

* Estimated

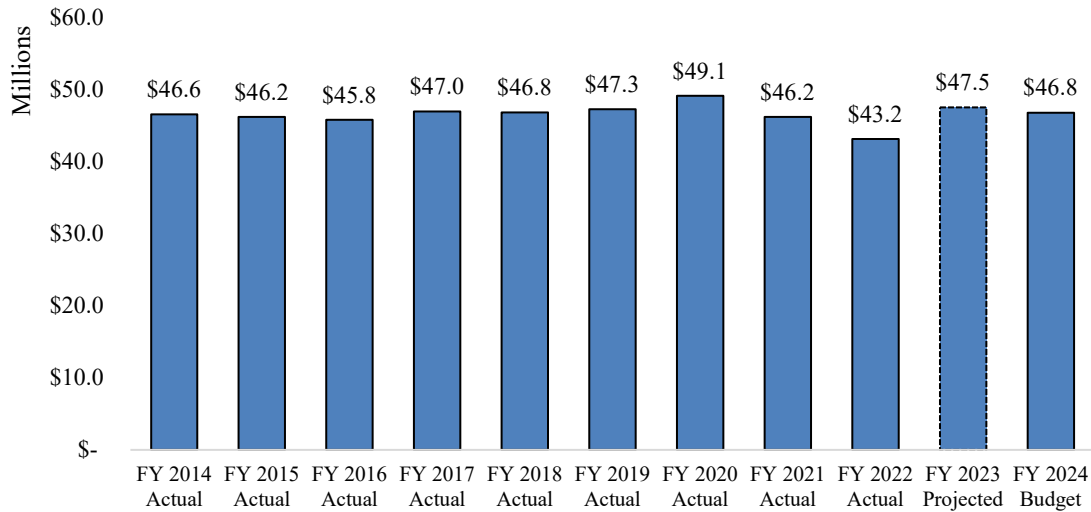
Following is a ten-year history and the FY 2024 budget of property tax revenues in the tax-capped funds and percentage changes.

	Property Tax	
	Revenues	% Change
FY 2014 Actual	\$ 54,184,718	
FY 2015 Actual	\$ 54,669,281	0.9%
FY 2016 Actual	\$ 56,622,586	3.6%
FY 2017 Actual	\$ 56,765,994	0.3%
FY 2018 Actual	\$ 57,477,710	1.3%
FY 2019 Actual	\$ 59,580,279	3.7%
FY 2020 Actual	\$ 61,586,915	3.4%
FY 2021 Actual	\$ 63,354,821	2.9%
FY 2022 Actual	\$ 65,244,794	3.0%
FY 2023 Projected	\$ 68,819,405	5.5%
FY 2024 Budget	\$ 71,665,684	4.1%

Tuition and Fees

Tuition and fees account for 36% of the total budgeted revenues for the Tax Capped Funds. Tuition and fee revenues are driven by two key variables: 1) Tuition rates and 2) Enrollment.

History of Tax-Capped Tuition and Fee Revenues



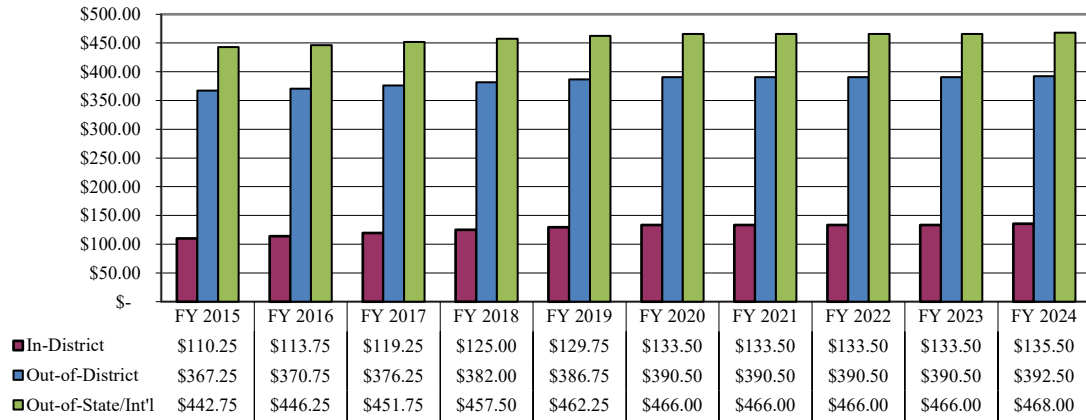
Tuition Rates

The tuition board policy limits the annual tuition and per credit hour fee increases to 5% of total tuition and fees or the Illinois statute limitation using the Higher Education Cost Adjustment (HECA) rate change as a guideline, as appropriate, to promote a balanced budget for Harper College and financial consistency for Harper students. HECA is an inflationary index developed by the State Higher Education Executive Officers Association. The index is used to estimate inflation in the costs paid by colleges and universities, which are primarily personnel. It is constructed from two federally maintained price indices, the Employment Costs Index (ECI) which makes up 75% of the HECA rate, and the Gross Domestic Product Implicit Price Deflator (GDP-IPD) which makes up 25% of the rate. These percentages mirror the breakdown of college and university costs, 75% for salaries and benefits, and 25% for all other. The ECI tracks employer compensation costs including salaries and benefits, while the GDP IPD tracks general price inflation in the U.S. economy.

Decisions are made each February regarding tuition and fee rates for the following fiscal year. For FY 2024, a \$2.00 per credit hour tuition increase was approved. This marked the first tuition increase since FY 2020. The combined tuition and per credit hour fees of \$154.50 (tuition rate of \$135.50 plus per credit hour fees of \$19.00).

The following chart shows the per credit hour tuition rate history.

Tuition Rates per Credit Hour



Tuition rates have remained below annual Higher Education Cost Adjustment (HECA) percentages for several years. The following table compares fiscal year tuition rate changes with HECA. Board Policy 07.01.04 limits annual tuition and per credit hour fee increases to 5% of total tuition and fees or the Illinois statute limitation using the Higher Education Cost Adjustment rate change as a guideline, as appropriate, to promote a balanced budget.

Fiscal Year	In-District		Out-of-District		Out-of-State		International		HECA
	\$	% Change	\$	% Change	\$	% Change	\$	% Change	
2013	\$ 106.50		\$ 363.50		\$ 439.00		\$ 439.00		
2014	108.50	1.9%	365.50	0.6%	441.00	0.5%	441.00	0.5%	2.0%
2015	110.25	1.6%	367.25	0.5%	442.75	0.4%	442.75	0.4%	1.9%
2016	113.75	3.2%	370.75	1.0%	446.25	0.8%	446.25	0.8%	2.1%
2017	119.25	4.8%	376.25	1.5%	451.75	1.2%	451.75	1.2%	1.8%
2018	125.00	4.8%	382.00	1.5%	457.50	1.3%	457.50	1.3%	1.8%
2019	129.75	3.8%	386.75	1.2%	462.25	1.0%	462.25	1.0%	2.3%
2020	133.50	2.9%	390.50	1.0%	466.00	0.8%	466.00	0.8%	2.5%
2021	133.50	0.0%	390.50	0.0%	466.00	0.0%	466.00	0.0%	2.3%
2022	133.50	0.0%	390.50	0.0%	466.00	0.0%	466.00	0.0%	1.8%
2023	133.50	0.0%	390.50	0.0%	466.00	0.0%	466.00	0.0%	3.5%
2024	135.50	1.5%	392.50	0.5%	468.00	0.4%	468.00	0.4%	

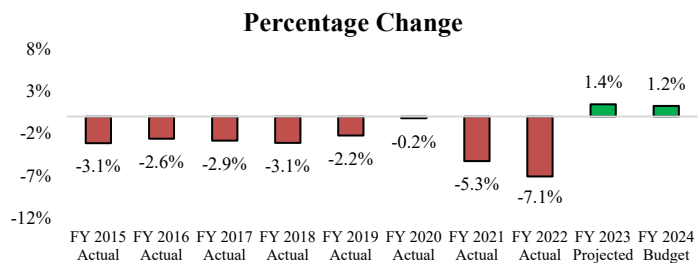
Enrollment

Enrollment is the second key variable of tuition and fee revenues. Enrollment projections begin with a model maintained by the Institutional Research department, which looks at trends and projects future enrollments. The College utilizes this model as a guide for beginning the process of estimating full-time equivalent (FTE) credit enrollment for budgeting purposes. Other external factors within the first time in college, young adult, and adult market segments are then considered when estimating enrollment, as well as the impact of any program changes.

The table below provides a history of FTE counts and percentage changes by year. After multiple periods of enrollment declines, the College is beginning to experience moderate enrollment increases which are projected to continue. Additional details surrounding the enrollment projects are found in the preceding pages.

Full-Time Equivalent (FTE) Credit Enrollment and Percentage Change

	FTE
FY 2014 Actual	10,560
FY 2015 Actual	10,229
FY 2016 Actual	9,961
FY 2017 Actual	9,676
FY 2018 Actual	9,376
FY 2019 Actual	9,166
FY 2020 Actual	9,146
FY 2021 Actual	8,664
FY 2022 Actual	8,050
FY 2023 Projected	8,166
FY 2024 Budget	8,268



State Funding

State Funding represents 6.3% of the total budgeted revenues for the Tax-Capped Funds. The original concept of state funding for community colleges was that the State would fund one-third of the costs, with tuition and local sources funding the other two-thirds. That balance has not been achieved since 1981.

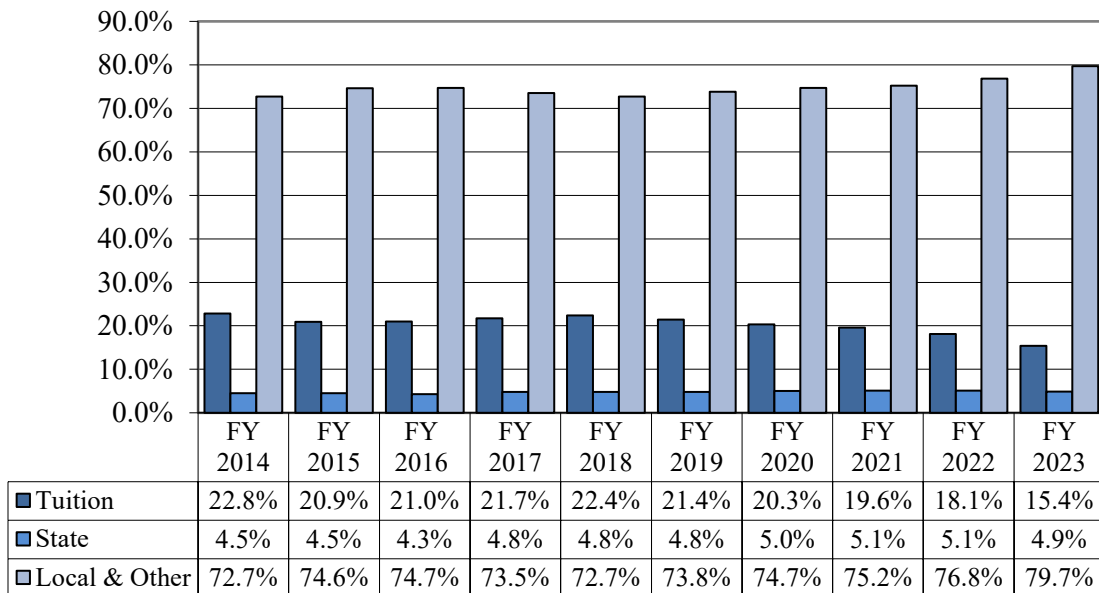
The unrestricted funding from the State, of which the base operating grant is the primary source, is budgeted at 75% of the current year’s appropriation. The College has limited its reliance on State funding because of the uncertainties surrounding the finances of the State of Illinois.

The tables below show the history and budget of the unrestricted State Funding within the Tax-Capped Funds.

Fiscal Year	Unrestricted		Total	% of Total
	Funding	% Change	Revenues	Revenues
FY 2014 Actual	7,035,549	1.4%	109,295,655	6.4%
FY 2015 Actual	7,359,310	4.6%	110,195,339	6.7%
FY 2016 Actual	1,992,338	-72.9%	106,428,545	1.9%
FY 2017 Actual	8,418,809	322.6%	114,322,721	7.4%
FY 2018 Actual	7,538,647	-10.5%	114,347,126	6.6%
FY 2019 Actual	8,097,810	7.4%	112,918,646	7.2%
FY 2020 Actual	8,981,135	10.9%	123,130,714	7.3%
FY 2021 Actual	9,197,968	2.4%	121,821,329	7.6%
FY 2022 Actual	9,816,702	6.7%	127,852,753	7.7%
FY 2023 Projected	10,221,891	4.1%	134,849,186	7.6%
FY 2024 Budget	8,205,116	-19.7%	130,940,881	6.3%

The chart below compares the percentage of per capita cost for each major source of revenue.

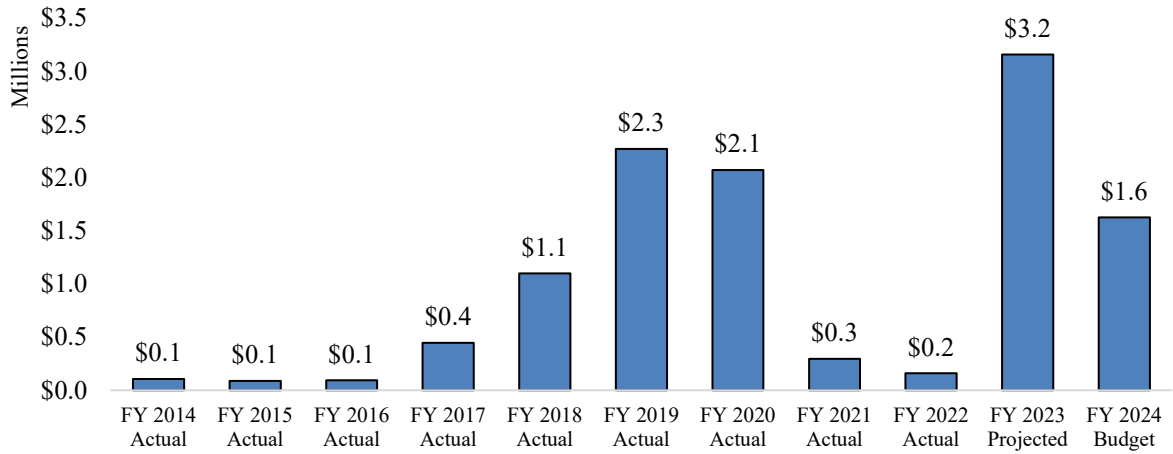
Percentage of Per Capita Cost



All Other Revenue

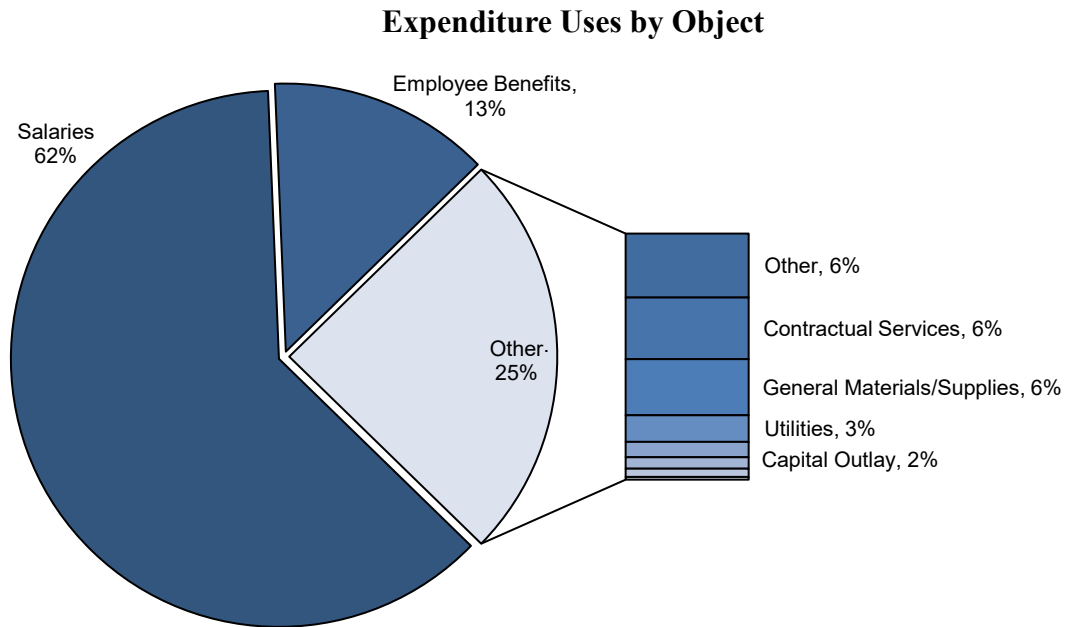
All other revenue sources represent 2.3% of the total budgeted revenues for the Tax-Capped Funds. This category includes investment revenue and other sales and services which are expected to increase from \$1,224,425 budgeted in FY 2023 to \$3,055,715 in FY 2024. The budget change is directly related to an increase in investment revenue due to the recent interest rate increases.

Investment Income by Fiscal Year



Expenditures

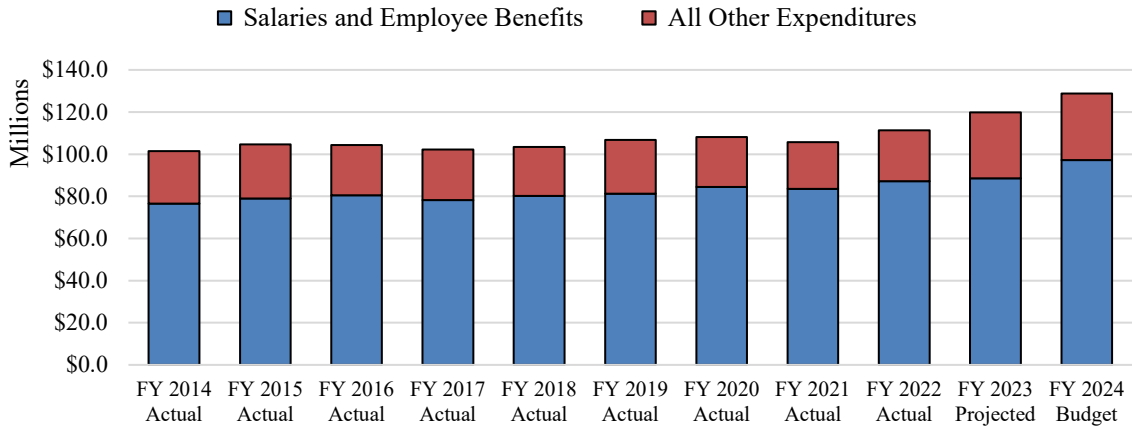
Building the expenditure side of the budget is a coordinated process across all College departments. Reallocation of existing budgets is always considered before funding any new budget requests. The Tax Capped Funds budgeted expenditures for FY 2024 are \$128,810,711 compared to \$119,942,881 for FY 2023. This represents an increase of \$8,867,830, or 8.2%, driven primarily by increases in annual salaries, employee benefits, and tuition waivers.



The following table and graph show historical expenditures, exclusive of fund transfers, for the previous nine years, as well as the budgeted expenditures for FY 2024.

	Salaries and Employee Benefits	All Other Expenditures	Total Expenditures
FY 2014 Actual	\$ 76,569,300	\$ 24,821,933	\$ 101,391,233
FY 2015 Actual	78,919,149	25,788,327	104,707,476
FY 2016 Actual	80,481,863	23,846,403	104,328,266
FY 2017 Actual	78,189,574	24,060,263	102,249,837
FY 2018 Actual	80,217,826	23,226,437	103,444,263
FY 2019 Actual	81,235,641	25,604,724	106,840,365
FY 2020 Actual	84,374,972	23,807,508	108,182,480
FY 2021 Actual	83,496,844	22,235,487	105,732,331
FY 2022 Actual	87,209,056	24,143,234	111,352,290
FY 2023 Projected	88,488,236	31,347,831	119,836,067
FY 2024 Budget	97,143,121	31,667,590	128,810,711

Tax-Capped Funds Expenditures



Salaries and Benefits

Salaries and benefits represent 75% of the College’s expenditures. Approximately 66% of the College’s salaries and benefits are driven by collective bargaining agreements. Five of the College’s six unionized groups have settled contracts through at least FY 2024. Vacant positions are budgeted at the expected annual salary needed to fill the position.

Health insurance benefits for employees are budgeted based on current benefit elections and any expected change in the benefit rates. The College has estimated the calendar year 2024 medical insurance rates to increase 4%.

Combined salaries and benefits budgets have increased from \$4,659,616 in FY 2023 to \$97,143,121 in FY 2024, or about 5.0%. This is due to annual salary and benefit increases.

The table on the following page is a summary of the detailed personnel headcount schedule located in the Appendix section. Overall total headcount increased by eleven over the past year.

Personnel Headcount Summary

<u>Employee Group</u>	<u>FY 2021</u> <u>Actual</u>	<u>FY 2022</u> <u>Actual</u>	<u>FY 2023</u> <u>Actual</u>	<u>FY 2024</u> <u>Budget</u>
Faculty - Full-Time	222	222	223	225
Administrators - Full-Time	39	40	38	37
Professional/Technical - Full-Time	179	188	200	200
Professional/Technical - Part-Time	31	31	31	32
Supervisory/Management - Full-Time	114	114	117	123
Supervisory/Management - Part-Time	2	1	1	1
Classified - Full-Time	125	128	121	121
Classified - Part-Time	58	58	61	61
Security - Full-Time	17	20	20	23
Security - Part-Time	15	5	5	5
Custodial/Maintenance - Full-Time	86	86	77	77
Custodial/Maintenance - Part-Time	4	4	4	4
Totals - Permanent Employees	892	897	898	909

All other expenditures, which include contractual services, materials and supplies, travel and meeting, fixed charges, utilities, capital outlay, contingency, and other combined for an increase from \$27,459,376 in FY 2023 to \$31,667,590 in FY 2024, or 15.3%. These expenditures represent 24.6% of the budget.