

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 and Policies

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 revenue 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* expense of that year.

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 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.

Revenue Diversification

The Board shall continue to maximize 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 basic mission of the College.

Tuition and Fees

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

Fees

The College charges other fees to support a variety of 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 that are 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 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 limits of the tax cap. See the other funds section of this document for more detail on debt and its limits in Illinois.

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

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, before the calendar has even been finalized, 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 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 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 the individual 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, 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 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 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"> • Oracle Budget opened for department input • Executive Council reviews all budget requests, facility and furniture requests
May	<ul style="list-style-type: none"> • Oracle Budget 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
July	<ul style="list-style-type: none"> • College Plan documentation finalized
August	<ul style="list-style-type: none"> • Budget adopted at August Board meeting
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 or September, 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 2019 BUDGET			
	DUE DATE	ACTIVITY/TASK DESCRIPTION	RESPONSIBILITY
1	09/01/17 Fri	Begin developing Five Year Financial Plan	EVP
2	10/20/17 Fri	Begin submitting facility remodeling and furniture requests to Facilities Management	Departments
3	11/15/17 Wed	Board designates persons to prepare budget and adopts resolution for estimated tax levy	Board of Trustees
4	11/20/17 Mon	Review of course fees for increases/decreases needed in Provost area	Deans
5	11/29/17 Wed	Executive Vice President (EVP) presents preliminary Five Year Financial Plan to Executive Council	EVP
6	12/04/17 Mon	EVP presents Five Year Financial Plan to Board	EVP
7	12/11/17 Mon	Finance Committee reviews Five Year Financial Plan assumptions	Finance Committee
8	12/15/17 Fri	Proposed course fee changes to Provost	Deans
9	12/18/17 Mon	Final day to submit facility remodeling/furniture requests for estimates to Facilities Management	Departments
10	01/08/18 Mon	Controller brings proposed budget planning calendar to President's Cabinet for review	Controller
11	01/17/18 Wed	EVP informs Executive Council of tuition and fees based on Board Policy	EVP
12	01/17/18 Wed	Compiled lists of furniture and facility requests sent to Executive Council member for preliminary review and prioritization	Facilities Management
13	01/19/18 Fri	Budget instructions, calendar, budget request forms and internal charges price lists available on portal	Budget Manager/IT/CS
14	01/19/18 Fri	Final day for adding departments/divisions to budget hierarchy	Deans/Directors
15	01/22/18 Mon	Finance Committee reviews tuition and fees recommendation from EVP	Finance Committee
16	01/26/18 Fri	EVP determines feasibility of mid-year exceptions for FY 2018	EVP
17	02/05/18 Mon	Preliminary reviewed and prioritized list of furniture and facility requests to Facilities Management for estimating	Executive Council member
18	02/06/18 Tue	Budget information session	Budget Manager
19	02/09/18 Fri	Final day date for entering Technology Requests (TR) to be considered during budget cycle	Departments
20	02/14/18 Wed	EVP provides initial budget parameters to Executive Council	EVP
21	02/14/18 Wed	EVP presents recommendation for tuition and fees to Committee of the Whole	EVP
22	02/15/18 Thu	Budget information session	Budget Manager
23	02/21/18 Wed	Board of Trustees vote on tuition and fees	Board of Trustees
24	02/22/18 Thu	Database of Projects/Technology Requests (TR) completed; Feedback Summary Report sent to Provost	IT/CS
25	03/02/18 Fri	Resources for Excellence Grant requests submitted to Foundation	Deans/Directors
26	03/02/18 Fri	Vocational grant requests submitted to Dean of Career Programs	Deans/Directors
27	03/05/18 Mon	Projects/Technology Requests (TR) prioritized by area & resubmitted to IT/CS	Provost Divisions
28	03/07/18 Wed	Initial budget set-up completed in preparation for training	Budget Manager
29	03/08/18 Thu	Budget exceptions, instructional capital, technology and vehicle requests due to Executive Council member	Deans/Directors
30	03/08/18 Thu	Completed estimates for facility remodeling/furniture requests returned for Executive Council member approval	Facilities Management
31	03/08/18 Thu	Approved Projects/Technology Requests (TR) list submitted to Provost	IT/CS
32	03/12/18 Mon	Finance Committee reviews initial budget parameters from EVP	Finance Committee
33	03/21/18 Wed	Budget training begins	Budget Office/IT/CS
34	03/21/18 Wed	Executive Council member reviews budget requests and prioritizes for their area	Executive Council member

35	04/02/18 Mon	Budget files opened for input by departments and divisions	Budget Manager
36	04/02/18 Mon	Open budgeted position report submitted to Executive Vice President for Executive Council budget meeting	Budget Manager
37	04/05/18 Thu	Executive Council member submits budget exceptions, instructional capital, technology, vehicle, furniture, and facility remodeling requests for their area to Budget Manager	Executive Council member
38	04/11/18 Wed	All budget requests blended and submitted to Executive Vice President for Executive Council budget meeting	Budget Manager
39	04/11/18 Wed	Controller presents budget parameters to Committee of the Whole	Controller
40	04/18/18 Wed	Executive Council preliminary review of all blended budget requests	Executive Council
41	04/20/18 Fri	Resources for Excellence Grant awards communicated to recipients	Foundation
42	04/25/18 Wed	Executive Council final review of all funds and requests	Executive Council
43	05/01/18 Tue	Budget closed for input for all funds	Budget Manager
44	05/04/18 Fri	Any approved budget exceptions entered	Budget Manager
45	05/14/18 Mon	Finance Committee reviews preliminary budget	Finance Committee
46	05/21/18 Mon	Board exhibit due to EVP for preliminary legal budget	Budget Manager
47	06/01/18 Fri	Deans/Directors receive feedback regarding all budget requests	Executive Council member
48	06/01/18 Fri	Approved facility remodeling and furniture requests submitted to Facilities Management for scheduling	Budget Manager
49	06/13/18 Wed	Preliminary budget presentation to Board at Committee of the Whole meeting	Controller
50	06/20/18 Wed	Board of Trustees adopts preliminary budget	Board of Trustees
51	06/21/18 Thu	Legal budget posted for public view	Budget Manager
52	08/15/18 Wed	All materials for College Plan document in final form	Chief of Staff/Budget Manager
53	08/15/18 Wed	Public hearing and Board adoption of the legal budget (minimum 30 days after posting)	Board of Trustees
54	08/25/18 Sat	College Plan to print shop for proof copies	Budget Manager
55	09/04/18 Tue	Electronic draft of College Plan submitted for Board review	Budget Manager/Board Liaison
56	09/12/18 Wed	Final bound version of College Plan distributed to Board	Chief of Staff
57	10/15/18 Mon	Submit budget to ICCB and counties	EVP
58	10/15/18 Mon	Submit College Plan to GFOA for budget awards program	Budget Manager

Fiscal Year 2019 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 2019-2023 in December 2017. 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 and the uncertainty around State of Illinois funding have continued to challenge the College's finances. The College has taken action to reduce its reliance on State funding by budgeting in FY 2019 only 25% of the FY 2018 appropriation. Plans are to continue reducing the operating budgets' reliance on the State. The lack of stability in State funding 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.

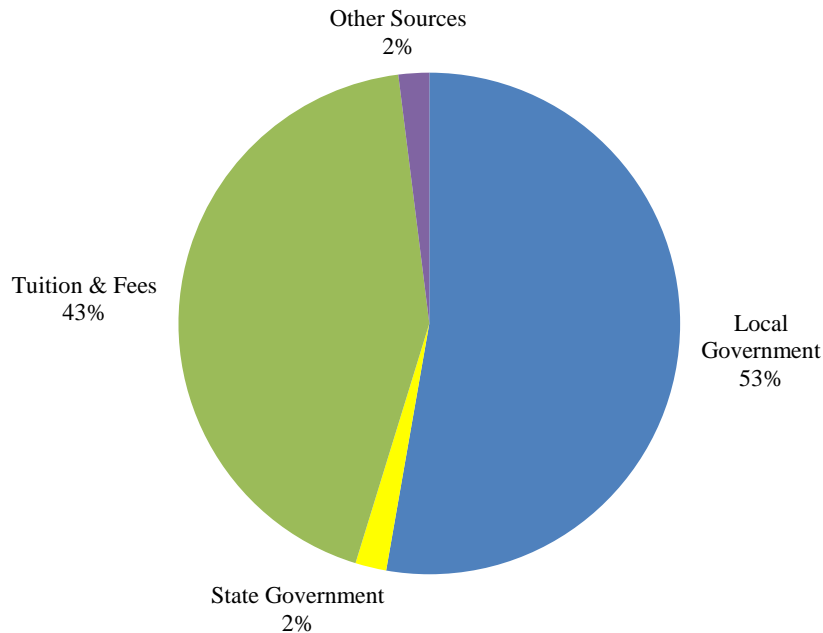
Revenues

The Tax-Capped Funds have three major sources of revenue: local government, tuition and fees, and state government. Budgeted revenues for FY 2019 are \$112,918,646 compared to a budget of \$112,665,068 for FY 2018. This represents an increase of \$253,578, or 0.2%. Budgeted increases for local government and other sources were offset by decreases in state government.

Expenditures

Building the expenditure side of a budget is a coordinated process across all College departments. The Tax-Capped Funds have budgeted expenditures of \$110,568,661, and \$2,349,985 of planned operating transfers, for a balanced budget in FY 2019. Compared to the expenditure budget of \$110,024,091 for FY 2018, this represents an increase of \$544,570, or 0.5%, driven primarily by increases in annual salaries and benefits.

Tax-Capped Funds FY 2019 Budgeted Revenues



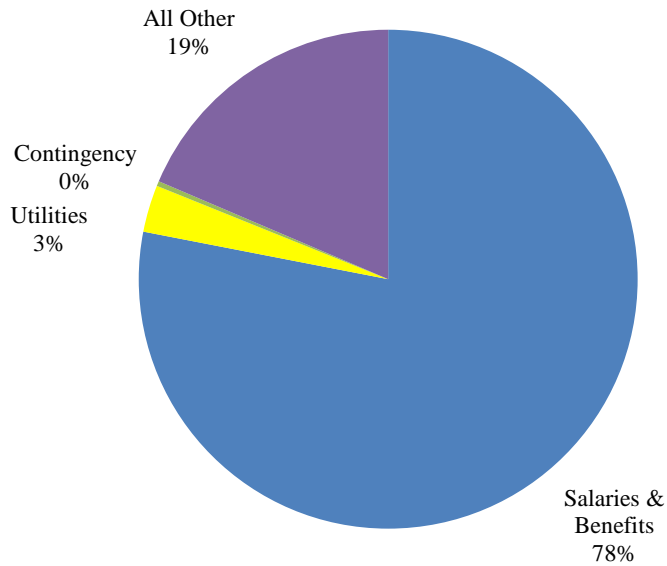
Local government represents 53% of the total budgeted revenues for the Tax-Capped Funds. The majority of this is property tax revenue, which is capped at 5% of the prior year tax extension, or the Consumer Price Index-Urban (CPI-U), whichever is less, plus any new property coming onto the tax rolls. Overall local revenues will increase from \$58,264,216 in FY 2018 to \$59,570,154 in FY 2019, or 2.2%.

Tuition and fees make up 43% of total budgeted revenues. In February 2018, an in-district tuition increase of \$4.75 per credit hour was approved effective Summer 2018, from \$125.00 to \$129.75. Enrollment is budgeted to decrease 0.5% in FY 2019. Budgeted tuition and fees for the Tax-Capped Funds will decrease from \$48,996,762 in FY 2018 to \$48,855,632 in FY 2019, or 0.3%.

State funding represents only 2% of total budgeted revenues. Due to the uncertainty of State funding, the College is reducing its reliance on State funding to provide a balanced or better budget, with only 25% of the previous year's appropriation budgeted in FY 2019, driving a 43.7% decrease from the \$4,015,000 budgeted in FY 2018 to \$2,260,000 in FY 2019.

Other sources make up 2.0% of total revenues. This category includes investment revenue which, with yields on the rise, accounts for the increase from \$1,389,090 budgeted in FY 2018 to \$2,232,860 in FY 2019, or 60.7%.

Tax-Capped Funds FY 2019 Budgeted Expenditures



Salaries and benefits represent 78% of the College’s expenditures. Approximately 65% of the College’s salary and benefit expenditures are covered by collective bargaining agreements. The College has estimated the calendar year 2019 medical insurance rates to increase 8%. Combined salaries and benefits have increased from \$84,808,691 in FY 2018 to \$86,303,323 in FY 2019, or about 1.8%, due to annual salary increases and projected medical premiums.

All other expenditures, which include contractual services, materials and supplies, travel and meeting, fixed charges, utilities, capital outlay, contingency, and other combined for a decrease from the prior year of \$950,062, or 3.8%. This is primarily due to reductions in institutional waiver expenditures that are offsets to reductions in tuition and fee revenue for adult education and dual credit enrollment. These expenditures represent 22% of the budget.

**All Funds Overview
Fiscal Year 2019 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	\$ 47,505,705	\$ 12,034,665	\$ 14,892	\$ 14,892	\$ 59,570,154				\$ 20,357,307	\$ 1,121,348	\$ 81,048,809
ICCB Grants	2,260,000				2,260,000		\$ 562,668				2,822,668
All Other State Government ¹					-		44,131,337			20,394,500	64,525,837
Federal Government	25,000				25,000		17,759,128				17,784,128
Tuition and Fees	46,789,542	2,066,090			48,855,632	\$ 4,700,000	25,000			535,000	54,115,632
Sales and Services	276,000				276,000	2,338,682	1,000				2,615,682
Facilities Rental		39,360			39,360	905,186					944,546
Other Sources	1,417,500	475,000			1,892,500	531,000	250,000	\$ 190,000	120,000	386,500	3,370,000
Total Revenues	98,273,747	14,615,115	14,892	14,892	112,918,646	8,474,868	62,729,133	190,000	20,477,307	22,437,348	227,227,302
EXPENDITURES											
Instruction	38,564,252				38,564,252	715,000	1,262,144				40,541,396
Academic Support	9,615,306				9,615,306	150,026	1,127,177				10,892,509
Student Services	13,308,821				13,308,821	912,001	-				14,220,822
Public Service	122,180				122,180	4,583,627	2,430,460				7,136,267
Auxiliary Services					-	3,270,058					3,270,058
Operations and Maintenance		14,542,391			14,542,391	12,500					14,554,891
Institutional Support ¹	25,918,802	2,581,717	14,892	14,892	28,530,303	6,801,500	52,134,478		26,811,775	53,319,072	167,597,128
Scholarships, Student Grants, and Waivers	5,885,408				5,885,408	105,000	16,271,997				22,262,405
Total Expenditures	93,414,769	17,124,108	14,892	14,892	110,568,661	16,549,712	73,226,256	-	26,811,775	53,319,072	280,475,476
Excess (Deficiency) of Revenue over Expenditures	4,858,978	(2,508,993)	-	-	2,349,985	(8,074,844)	(10,497,123)	190,000	(6,334,468)	(30,881,724)	(53,248,174)
Other financing sources(uses)											
Proceeds from bond issue					-					12,100,000	12,100,000
Transfers(to) from other funds	(2,349,985)				(2,349,985)	433,900	1,916,085				-
Total other financing sources	(2,349,985)	-	-	-	(2,349,985)	433,900	1,916,085	-	-	12,100,000	12,100,000
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	2,508,993	(2,508,993)	-	-	-	(7,640,944)	(8,581,038)	190,000	(6,334,468)	(18,781,724)	(41,148,174)
Projected Fund Balance July 1, 2018	34,367,660	20,623,122	-	-	54,990,782	15,167,660	11,530,184	16,044,887	14,363,949	36,124,650	148,222,112
Projected Fund Balance June 30, 2019	\$ 36,876,653	\$ 18,114,129	\$ -	\$ -	\$ 54,990,782	\$ 7,526,716	\$ 2,949,146	\$ 16,234,887	\$ 8,029,481	\$ 17,342,926	\$ 107,073,938

¹ Includes SURS on behalf payments

\$ 40,000,000

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

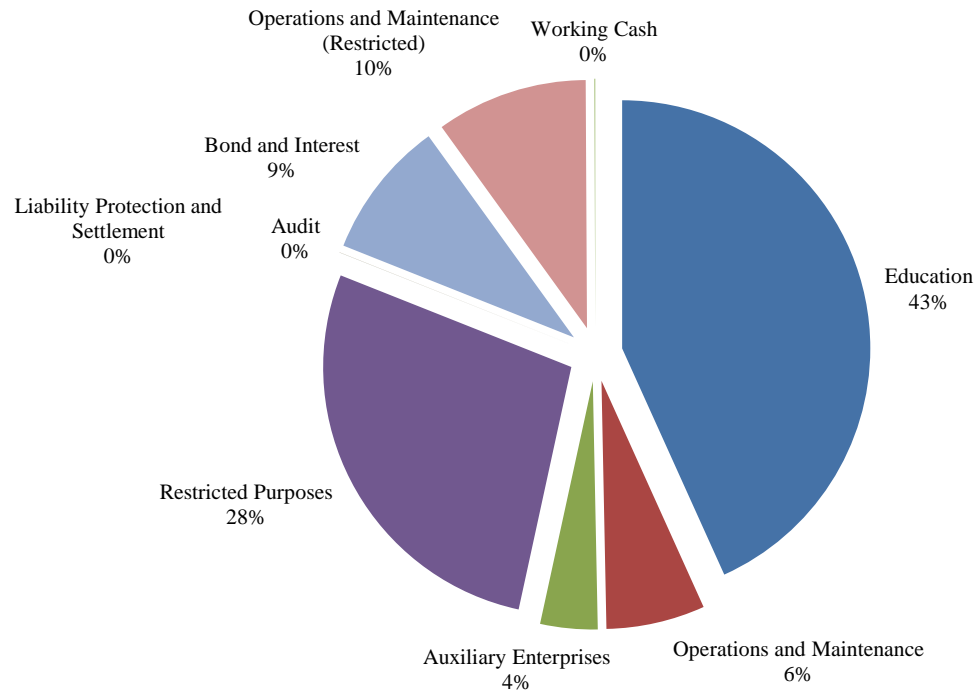
Bond & Interest: Planned use of fund balance

Auxiliary Enterprises: Planned use of fund balance

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

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

Fiscal Year 2019 Revenues by Fund



**All Funds
Expenditures by Object
Fiscal Year 2019 Budget**

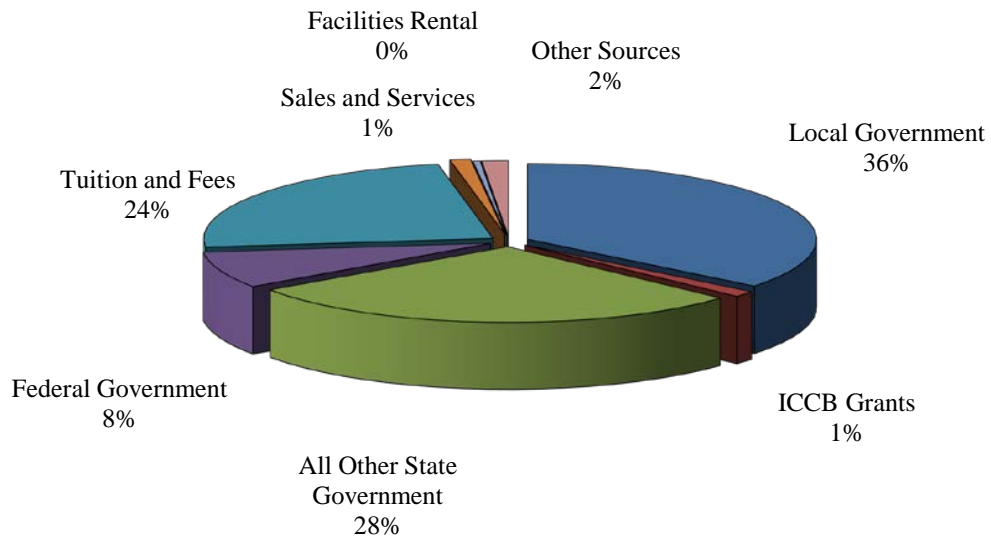
	Tax Capped					Auxiliary Enterprises	Restricted Purposes	Bond and Interest	Operations and Maintenance (Restricted)	Total All Funds
	Education	Operations and Maintenance	Audit	Liability Protection and Settlement	Total Tax- Capped Funds					
EXPENDITURES										
Salaries	\$ 65,069,302	\$ 6,692,083			\$ 71,761,385	\$ 4,289,089	\$ 3,150,998			\$ 79,201,472
Employee Benefits ¹	12,650,658	1,876,388		14,892	14,541,938	650,818	41,060,233			56,252,989
Contractual Services	4,105,531	2,558,230	14,892		6,678,653	2,293,106	4,195,575	\$ 3,594,566		16,761,900
General Materials/Supplies	4,392,023	1,166,531			5,558,554	1,018,572	1,248,406			7,825,532
Travel and Meeting	1,196,923	26,234			1,223,157	335,192	201,816			1,760,165
Fixed Charges	384,991	255,756			640,747	143,500	183,514	\$ 26,806,275		27,774,036
Utilities	960	3,370,800			3,371,760	398,997	13,350			3,784,107
Capital Outlay	1,253,054	1,078,086			2,331,140	646,348	5,424,397		48,519,506	56,921,391
Other	4,111,327				4,111,327	6,714,090	17,597,967	5,500	205,000	28,633,884
Contingency	250,000	100,000			350,000	60,000	150,000		1,000,000	1,560,000
Total Expenditures	\$ 93,414,769	\$ 17,124,108	\$ 14,892	\$ 14,892	\$ 110,568,661	\$ 16,549,712	\$ 73,226,256	\$ 26,811,775	\$ 53,319,072	\$ 280,475,476

¹ Includes SURS on behalf payments

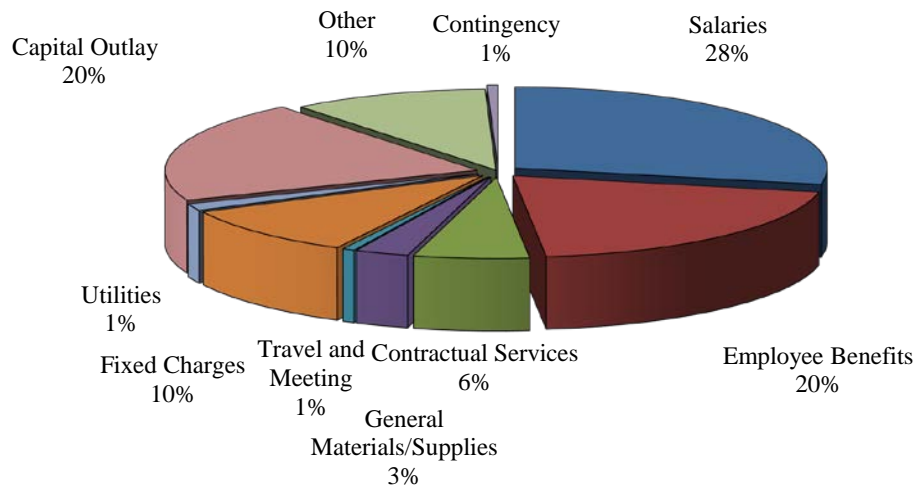
\$ 40,000,000

REVENUE SOURCES AND EXPENDITURE USES
All Funds
Fiscal Year 2019 Budget

Revenues by Source



Expenditure Uses by Object

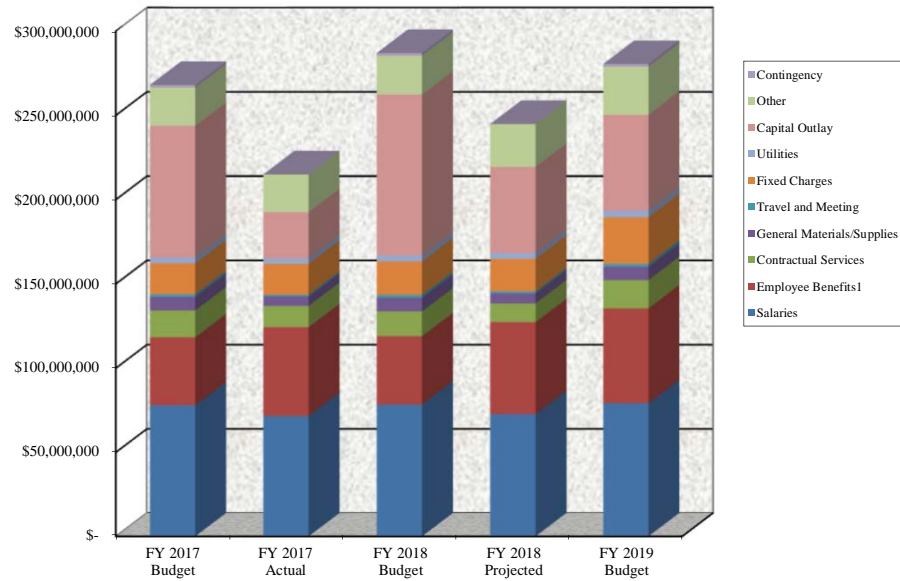


**All Funds
Revenues and Expenditures**

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
REVENUES							
Local Government	\$ 84,875,799	\$ 77,849,094	\$ 86,165,491	\$ 83,874,217	\$ 81,048,809	35.67%	-5.9%
ICCB Grants	6,226,465	8,874,499	4,478,570	8,184,835	2,822,668	1.24%	-37.0%
All Other State Government ¹	48,017,345	41,806,250	49,823,487	44,370,348	64,525,837	28.40%	29.5%
Federal Government	18,376,814	15,477,951	18,245,379	16,300,440	17,784,128	7.83%	-2.5%
Tuition and Fees	52,522,697	50,444,769	53,481,347	50,267,320	54,115,632	23.82%	1.2%
Sales and Services	2,307,731	2,113,792	2,871,660	2,078,191	2,615,682	1.15%	-8.9%
Facilities Rental	617,040	597,262	446,100	405,755	944,546	0.42%	111.7%
Other Sources	1,424,210	1,871,273	2,160,500	2,887,177	3,370,000	1.48%	56.0%
Total Revenues	214,368,101	199,034,890	217,672,534	208,368,283	227,227,302	100.00%	4.4%
EXPENDITURES							
Instruction	39,987,218	38,207,163	39,535,756	39,279,602	40,541,396	14.45%	2.5%
Academic Support	10,448,874	9,140,637	10,588,051	9,324,879	10,892,509	3.88%	2.9%
Student Services	14,171,165	13,337,471	14,776,966	13,725,949	14,220,822	5.07%	-3.8%
Public Service	6,111,097	5,359,256	7,304,788	5,812,936	7,136,267	2.54%	-2.3%
Auxiliary Services	891,510	788,970	1,114,269	894,160	3,270,058	1.17%	193.5%
Operations and Maintenance	14,623,267	12,840,997	14,555,915	12,651,348	14,554,891	5.19%	0.0%
Institutional Support ¹	159,413,214	114,365,607	176,312,038	140,483,744	167,597,128	59.75%	-4.9%
Scholarships, Student Grants, and Waivers	22,356,477	20,964,303	22,800,211	22,697,604	22,262,405	7.94%	-2.4%
Total Expenditures	268,002,822	215,004,404	286,987,994	244,870,222	280,475,476	100.00%	-2.3%
Excess (Deficiency) of Revenue over Expenditures	(53,634,721)	(15,969,514)	(69,315,460)	(36,501,939)	(53,248,174)		23.2%
Other financing sources(uses)							
Proceeds from bond issue	5,100,000	5,120,800	-	122,223,805	12,100,000		
Payment to escrow agent for refunded bonds	-	-	-	(121,665,354)	-		
Total Other Financing Sources	5,100,000	5,120,800	-	558,451	12,100,000		
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(48,534,721)	(10,848,714)	(69,315,460)	(35,943,488)	(41,148,174)		40.6%
BEGINNING FUND BALANCE	195,014,314	195,014,314	184,165,600	184,165,600	148,222,112		-19.5%
ENDING FUND BALANCE	\$ 146,479,593	\$ 184,165,600	\$ 114,850,140	\$ 148,222,112	\$ 107,073,938		-6.8%
¹ Includes SURS on behalf payments	\$ 25,000,000	\$ 38,799,701	\$ 25,000,000	\$ 36,188,946	\$ 40,000,000		

**All Funds
Expenditures by Object**

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
Salaries	\$ 78,012,071	\$ 71,627,139	\$ 78,416,776	\$ 72,671,182	\$ 79,201,472	28.24%	1.0%
Employee Benefits ¹	40,319,550	52,753,241	40,574,233	54,582,754	56,252,989	20.06%	38.6%
Contractual Services	15,899,986	12,559,211	14,671,260	11,156,133	16,761,900	5.98%	14.2%
General Materials/Supplies	7,995,536	5,537,171	8,045,268	5,908,092	7,825,532	2.79%	-2.7%
Travel and Meeting	1,580,052	1,092,278	1,686,906	1,235,047	1,760,165	0.63%	4.3%
Fixed Charges	18,470,936	18,338,582	19,985,657	19,358,452	27,774,036	9.90%	39.0%
Utilities	3,436,690	3,202,855	3,432,290	3,325,522	3,784,107	1.35%	10.3%
Capital Outlay	78,050,755	27,475,610	95,528,445	51,178,269	56,921,391	20.29%	-40.4%
Other	22,787,246	22,418,317	23,117,159	25,454,771	28,633,884	10.21%	23.9%
Contingency	1,450,000	-	1,530,000	-	1,560,000	0.56%	2.0%
Total Expenditures	\$ 268,002,822	\$ 215,004,404	\$ 286,987,994	\$ 244,870,222	\$ 280,475,476	100.00%	-2.3%
¹ Includes SURS on behalf payments	\$ 25,000,000	\$ 38,799,701	\$ 25,000,000	\$ 36,188,946	\$ 40,000,000		



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)

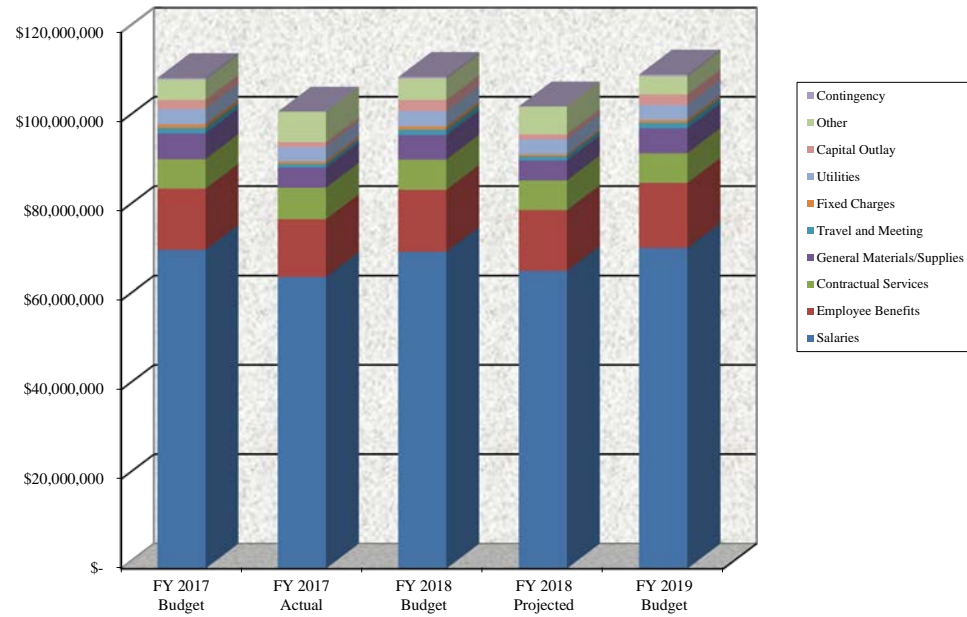
This fund is established by Chapter 85, Section 9-107 of Illinois Revised Statutes. The tort liability, unemployment insurance and worker's compensation levy should be recorded in this fund. The monies in this fund, including interest earned on the assets of this fund, should be used only for the purposes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

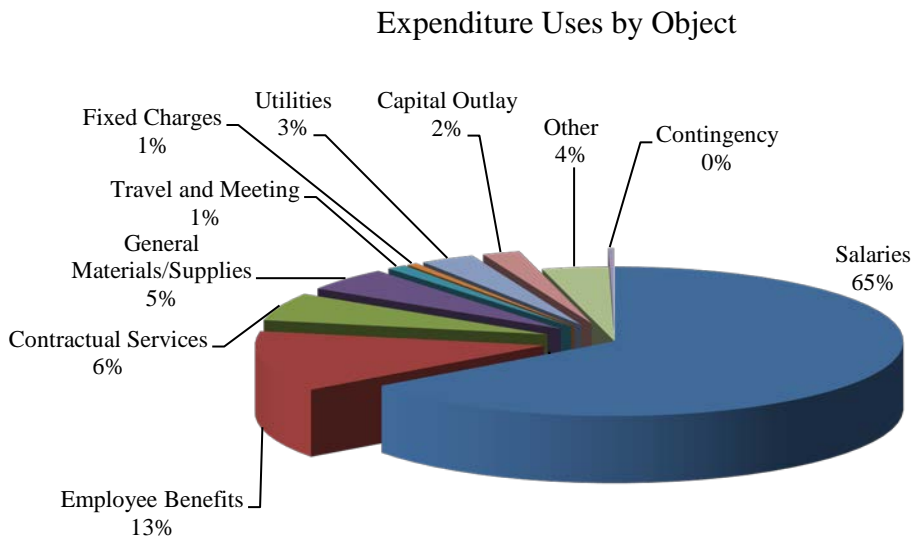
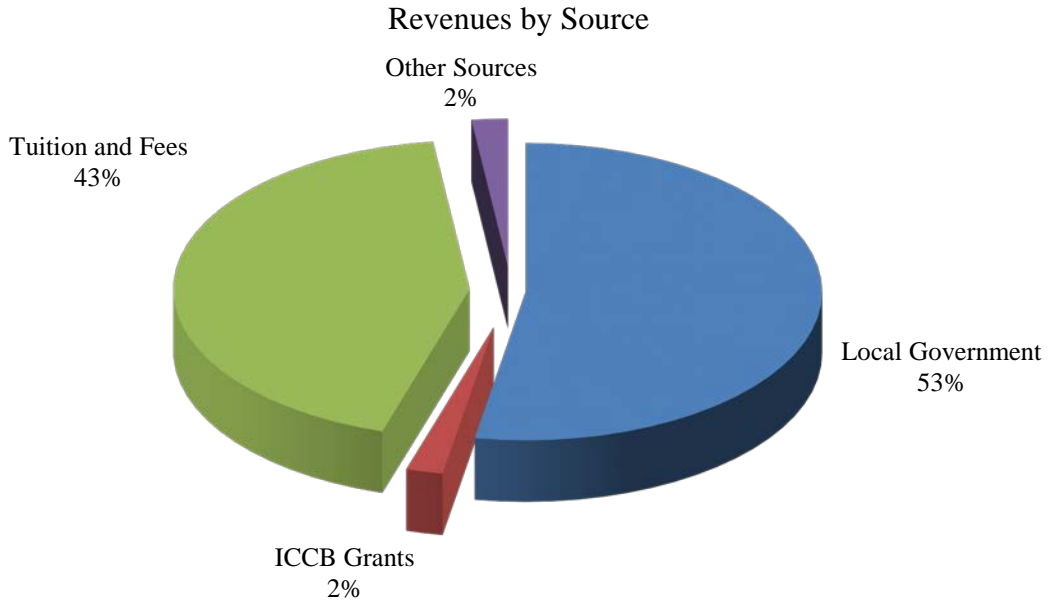
	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
REVENUES							
Local Government	\$ 57,167,546	\$ 57,862,117	\$ 58,264,216	\$ 58,331,093	\$ 59,570,154	52.75%	2.2%
ICCB Grants	5,735,000	8,418,809	4,015,000	7,538,647	2,260,000	2.00%	-77.7%
Federal Government	25,000	29,575	25,000	27,441	25,000	0.02%	0.0%
Tuition and Fees	48,189,772	46,990,717	48,996,762	46,839,619	48,855,632	43.27%	-0.3%
Sales and Services	415,760	408,239	394,730	371,227	276,000	0.24%	-43.0%
Facilities Rental	69,930	63,588	39,360	35,856	39,360	0.03%	0.0%
Other Sources	730,750	549,676	930,000	1,203,243	1,892,500	1.68%	50.9%
Total Revenues	112,333,758	114,322,721	112,665,068	114,347,126	112,918,646	100.00%	0.2%
EXPENDITURES							
Instruction	38,933,024	36,624,960	37,651,256	36,992,448	38,564,252	34.88%	2.4%
Academic Support	9,054,384	7,905,454	9,121,448	8,237,468	9,615,306	8.70%	5.4%
Student Services	12,673,796	12,078,138	13,508,091	12,670,723	13,308,821	12.04%	-1.5%
Public Service	119,553	111,814	120,103	114,516	122,180	0.11%	1.7%
Operations and Maintenance	14,610,767	12,838,536	14,543,415	12,641,495	14,542,391	13.15%	0.0%
Institutional Support	28,242,472	26,601,844	28,541,909	27,166,304	28,530,303	25.80%	0.0%
Scholarships, Student Grants, and Waivers	6,187,869	6,089,091	6,537,869	5,621,309	5,885,408	5.32%	-10.0%
Total Expenditures	109,821,865	102,249,837	110,024,091	103,444,263	110,568,661	100.00%	0.5%
Excess (Deficiency) of Revenue over Expenditures	2,511,893	12,072,884	2,640,977	10,902,863	2,349,985		-11.0%
Other financing sources(uses)							
Transfers(to) from other funds	(2,511,893)	(11,460,663)	(2,470,977)	(10,369,283)	(2,349,985)		4.9%
Total Other Financing Sources	(2,511,893)	(11,460,663)	(2,470,977)	(10,369,283)	(2,349,985)		4.9%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	-	612,221	170,000	533,580	-		
BEGINNING FUND BALANCE	53,844,981	53,844,981	54,457,202	54,457,202	54,990,782		1.0%
ENDING FUND BALANCE	\$ 53,844,981	\$ 54,457,202	\$ 54,627,202	\$ 54,990,782	\$ 54,990,782		0.7%

Tax-Capped Funds Expenditures by Object

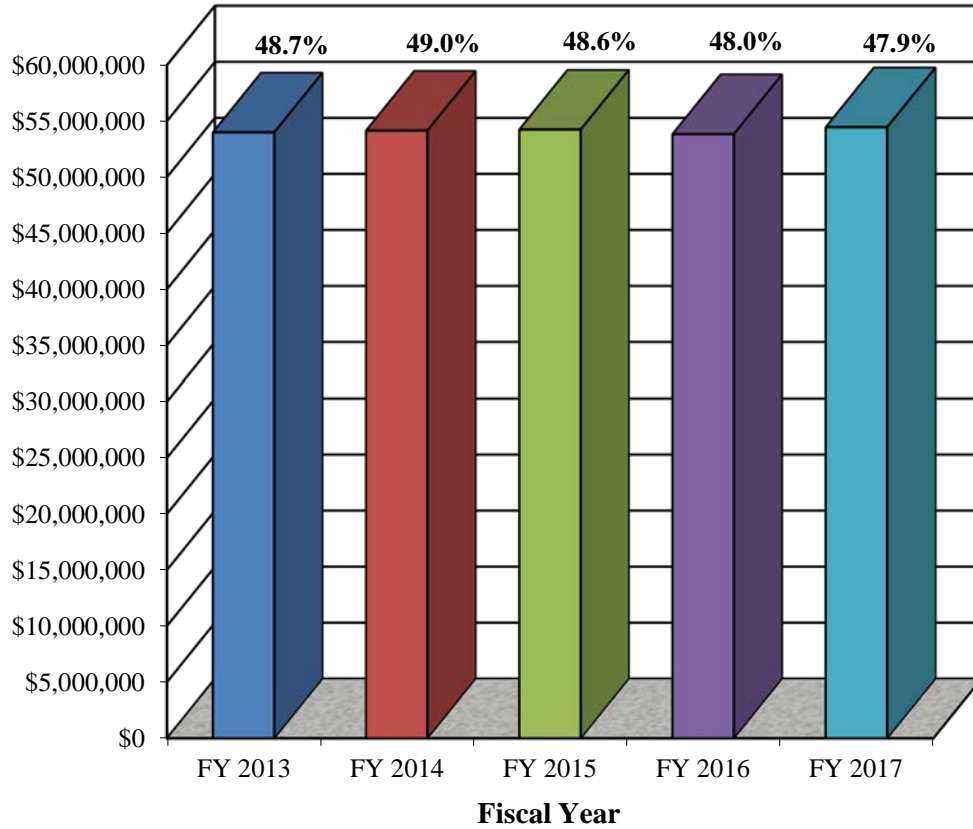
	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
Salaries	\$ 71,326,341	\$ 65,254,881	\$ 70,924,489	\$ 66,618,030	\$ 71,761,385	64.90%	1.2%
Employee Benefits	13,701,733	12,934,693	13,884,202	13,599,796	14,541,938	13.15%	4.7%
Contractual Services	6,628,864	7,068,922	6,756,946	6,687,465	6,678,653	6.04%	-1.2%
General Materials/Supplies	5,763,867	4,516,490	5,463,572	4,439,662	5,558,554	5.03%	1.7%
Travel and Meeting	1,227,548	825,379	1,222,456	947,234	1,223,157	1.11%	0.1%
Fixed Charges	779,398	565,120	703,644	439,568	640,747	0.58%	-8.9%
Utilities	3,417,940	3,183,851	3,417,940	3,305,639	3,371,760	3.05%	-1.4%
Capital Outlay	2,024,219	1,041,221	2,480,254	1,155,490	2,331,140	2.11%	-6.0%
Other	4,601,955	6,859,280	4,820,588	6,251,379	4,111,327	3.72%	-14.7%
Contingency	350,000	-	350,000	-	350,000	0.32%	0.0%
Total Expenditures	\$ 109,821,865	\$ 102,249,837	\$ 110,024,091	\$ 103,444,263	\$ 110,568,661	100.00%	0.5%



REVENUE SOURCES AND EXPENDITURE USES
Tax-Capped Funds
 Fiscal Year 2019 Budget



Tax-Capped Funds Fund Balance History



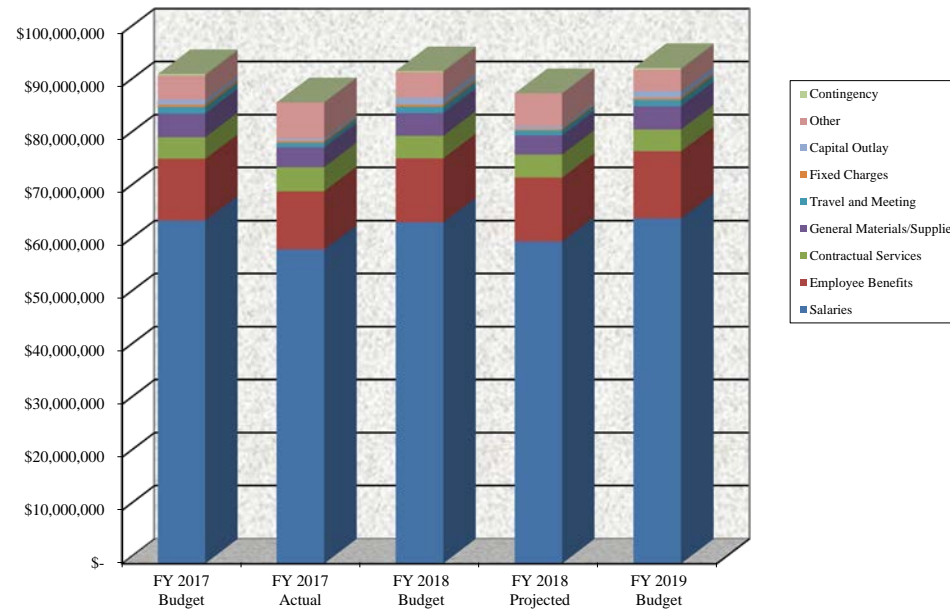
Note: Percentages represent fund balance as a percentage of budgeted expenditures

Education Fund
Revenues and Expenditures

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
REVENUES							
Local Government	\$ 42,153,000	\$ 44,134,777	\$ 45,965,000	\$ 46,378,469	\$ 47,505,705	48.34%	3.4%
ICCB Grants	5,735,000	8,418,809	4,015,000	7,538,647	2,260,000	2.30%	-43.7%
Federal Government	25,000	29,575	25,000	27,441	25,000	0.03%	0.0%
Tuition and Fees	46,037,972	44,882,038	46,877,392	44,791,911	46,789,542	47.61%	-0.2%
Sales and Services	415,760	408,239	394,730	371,227	276,000	0.28%	-30.1%
Other Sources	590,000	406,010	730,000	914,158	1,417,500	1.44%	94.2%
Total Revenues	94,956,732	98,279,448	98,007,122	100,021,853	98,273,747	100.00%	0.3%
EXPENDITURES							
Instruction	38,933,024	36,624,960	37,651,256	36,992,448	38,564,252	41.28%	2.4%
Academic Support	9,054,384	7,905,454	9,121,448	8,237,468	9,615,306	10.29%	5.4%
Student Services	12,673,796	12,078,138	13,508,091	12,670,723	13,308,821	14.25%	-1.5%
Public Service	119,553	111,814	120,103	114,516	122,180	0.13%	1.7%
Institutional Support	25,317,365	24,158,241	25,942,794	25,027,766	25,918,802	27.75%	-0.1%
Scholarships, Student Grants, and Waivers	6,187,869	6,089,091	6,537,869	5,621,309	5,885,408	6.30%	-10.0%
Total Expenditures	92,285,991	86,967,698	92,881,561	88,664,230	93,414,769	100.00%	0.6%
Excess (Deficiency) of Revenue over Expenditures	2,670,741	11,311,750	5,125,561	11,357,623	4,858,978		-5.2%
Other financing sources(uses)							
Transfers(to) from other funds	(2,511,893)	(10,460,663)	(2,470,977)	(10,369,283)	(2,349,985)		4.9%
Total Other Financing Sources	(2,511,893)	(10,460,663)	(2,470,977)	(10,369,283)	(2,349,985)		4.9%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	158,848	851,087	2,654,584	988,340	2,508,993		-5.5%
BEGINNING FUND BALANCE	32,528,233	32,528,233	33,379,320	33,379,320	34,367,660		3.0%
ENDING FUND BALANCE	\$ 32,687,081	\$ 33,379,320	\$ 36,033,904	\$ 34,367,660	\$ 36,876,653		2.3%

Education Fund Expenditures by Object

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
Salaries	\$ 64,659,695	\$ 59,191,495	\$ 64,320,750	\$ 60,709,558	\$ 65,069,302	69.66%	1.2%
Employee Benefits	11,634,992	11,003,570	12,052,539	12,040,505	12,650,658	13.54%	5.0%
Contractual Services	4,065,032	4,515,639	4,242,341	4,350,281	4,105,531	4.39%	-3.2%
General Materials/Supplies	4,508,505	3,736,453	4,304,610	3,594,713	4,392,023	4.70%	2.0%
Travel and Meeting	1,199,748	819,335	1,194,656	936,081	1,196,923	1.28%	0.2%
Fixed Charges	448,205	333,285	426,083	289,193	384,991	0.41%	-9.6%
Capital Outlay	916,719	506,724	1,268,854	489,365	1,253,054	1.34%	-1.2%
Other	4,603,095	6,861,197	4,821,728	6,254,534	4,112,287	4.40%	-14.7%
Contingency	250,000	-	250,000	-	250,000	0.27%	0.0%
Total Expenditures	\$ 92,285,991	\$ 86,967,698	\$ 92,881,561	\$ 88,664,230	\$ 93,414,769	100.00%	0.6%

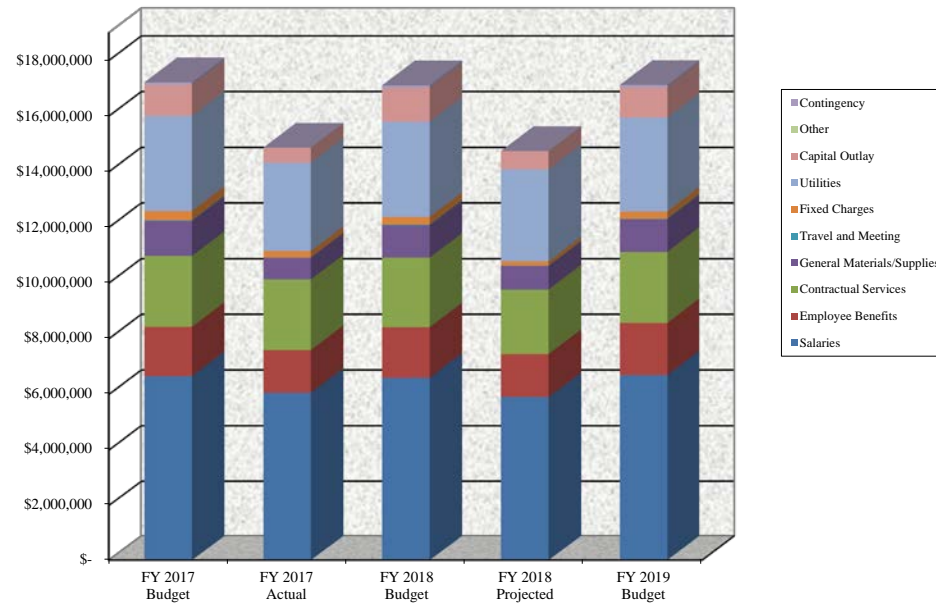


**Operations and Maintenance Fund
Revenues and Expenditures**

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
REVENUES							
Local Government	\$ 14,984,000	\$ 13,695,182	\$ 12,269,038	\$ 11,922,000	\$ 12,034,665	82.34%	-1.9%
Tuition and Fees	2,151,800	2,108,679	2,119,370	2,047,708	2,066,090	14.14%	-2.5%
Facilities Rental	69,930	63,588	39,360	35,856	39,360	0.27%	0.0%
Other Sources	140,000	143,462	200,000	289,085	475,000	3.25%	137.5%
Total Revenues	<u>17,345,730</u>	<u>16,010,911</u>	<u>14,627,768</u>	<u>14,294,649</u>	<u>14,615,115</u>	<u>100.00%</u>	-0.1%
EXPENDITURES							
Operations and Maintenance	14,610,767	12,838,536	14,543,415	12,641,495	14,542,391	84.92%	0.0%
Institutional Support	2,609,834	2,031,201	2,568,937	2,107,914	2,581,717	15.08%	0.5%
Total Expenditures	<u>17,220,601</u>	<u>14,869,737</u>	<u>17,112,352</u>	<u>14,749,409</u>	<u>17,124,108</u>	<u>100.00%</u>	0.1%
Excess (Deficiency) of Revenue over Expenditures	125,129	1,141,174	(2,484,584)	(454,760)	(2,508,993)		1.0%
Other financing sources(uses) Transfers(to) from other funds	-	(1,000,000)	-	-	-		
Total Other Financing Sources	<u>-</u>	<u>(1,000,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>		
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	<u>125,129</u>	<u>141,174</u>	<u>(2,484,584)</u>	<u>(454,760)</u>	<u>(2,508,993)</u>		1.0%
BEGINNING FUND BALANCE	<u>20,936,708</u>	<u>20,936,708</u>	<u>21,077,882</u>	<u>21,077,882</u>	<u>20,623,122</u>		-2.2%
ENDING FUND BALANCE	<u>\$ 21,061,837</u>	<u>\$ 21,077,882</u>	<u>\$ 18,593,298</u>	<u>\$ 20,623,122</u>	<u>\$ 18,114,129</u>		-2.6%

Operations and Maintenance Fund Expenditures by Object

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
Salaries	\$ 6,666,646	\$ 6,063,386	\$ 6,603,739	\$ 5,908,472	\$ 6,692,083	39.08%	1.3%
Employee Benefits	1,766,741	1,534,800	1,816,574	1,543,979	1,876,388	10.96%	3.3%
Contractual Services	2,548,559	2,537,204	2,499,516	2,321,872	2,558,230	14.94%	2.3%
General Materials/Supplies	1,255,362	780,037	1,158,962	844,949	1,166,531	6.81%	0.7%
Travel and Meeting	27,800	6,044	27,800	11,153	26,234	0.15%	-5.6%
Fixed Charges	331,193	231,835	277,561	150,375	255,756	1.49%	-7.9%
Utilities	3,416,800	3,182,759	3,416,800	3,304,559	3,370,800	19.68%	-1.3%
Capital Outlay	1,107,500	534,497	1,211,400	666,125	1,078,086	6.30%	-11.0%
Other	-	(825)	-	(2,075)	-	0.00%	
Contingency	100,000	-	100,000	-	100,000	0.58%	0.0%
Total Expenditures	\$ 17,220,601	\$ 14,869,737	\$ 17,112,352	\$ 14,749,409	\$ 17,124,108	100.00%	0.1%



Audit Fund
Revenues and Expenditures

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
REVENUES							
Local Government	\$ 15,273	\$ 16,079	\$ 15,089	\$ 15,312	\$ 14,892	100.00%	-1.3%
Total Revenues	<u>15,273</u>	<u>16,079</u>	<u>15,089</u>	<u>15,312</u>	<u>14,892</u>	<u>100.00%</u>	-1.3%
EXPENDITURES							
Institutional Support							
Contractual Services	<u>15,273</u>	<u>16,079</u>	<u>15,089</u>	<u>15,312</u>	<u>14,892</u>	<u>100.00%</u>	-1.3%
Total Institutional Support	<u>15,273</u>	<u>16,079</u>	<u>15,089</u>	<u>15,312</u>	<u>14,892</u>	<u>100.00%</u>	-1.3%
Total Expenditures	<u>15,273</u>	<u>16,079</u>	<u>15,089</u>	<u>15,312</u>	<u>14,892</u>	<u>100.00%</u>	-1.3%
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 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
REVENUES							
Local Government	\$ 15,273	\$ 16,079	\$ 15,089	\$ 15,312	\$ 14,892	100.00%	-1.3%
Other Sources	750	204	-	-	-	0.00%	
Total Revenues	<u>16,023</u>	<u>16,283</u>	<u>15,089</u>	<u>15,312</u>	<u>14,892</u>	<u>100.00%</u>	-1.3%
EXPENDITURES							
Institutional Support							
Employee Benefits*	<u>300,000</u>	<u>396,323</u>	<u>15,089</u>	<u>15,312</u>	<u>14,892</u>	<u>100.00%</u>	-1.3%
Total Institutional Support	<u>300,000</u>	<u>396,323</u>	<u>15,089</u>	<u>15,312</u>	<u>14,892</u>	<u>100.00%</u>	-1.3%
Total Expenditures	<u>300,000</u>	<u>396,323</u>	<u>15,089</u>	<u>15,312</u>	<u>14,892</u>	<u>100.0%</u>	-1.3%
Excess (Deficiency) of Revenue over Expenditures	<u>(283,977)</u>	<u>(380,040)</u>	<u>-</u>	<u>-</u>	<u>-</u>		
BEGINNING FUND BALANCE	<u>380,040</u>	<u>380,040</u>	<u>-</u>	<u>-</u>	<u>-</u>		
ENDING FUND BALANCE	<u>\$ 96,063</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

* Benefits consist of workers compensation and unemployment insurance, which starting in FY 2018 are 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.

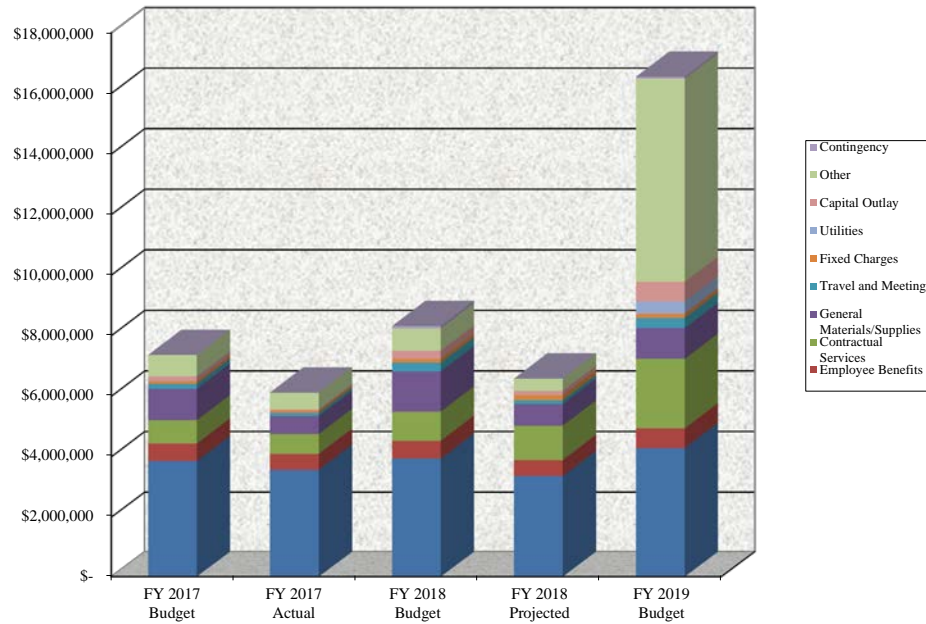
It is suggested that Protection, Health, and Safety levies, Building Bond Proceeds, Repair and Renovation Grants, and accumulation monies restricted from the Operations and Maintenance levy for building purposes be accounted for in a series of self-balancing accounts in this fund.

**Auxiliary Enterprises Fund
Revenues and Expenditures**

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
REVENUES							
Tuition and Fees	\$ 3,732,925	\$ 2,893,344	\$ 3,914,585	\$ 2,886,099	\$ 4,700,000	55.46%	20.1%
Sales and Services	1,885,671	1,702,234	2,475,930	1,706,964	2,338,682	27.60%	-5.5%
Facilities Rental	547,110	533,674	406,740	369,899	905,186	10.68%	122.5%
Other Sources	228,260	335,532	550,500	442,793	531,000	6.27%	-3.5%
Total Revenues	6,393,966	5,464,784	7,347,755	5,405,755	8,474,868	100.00%	15.3%
EXPENDITURES							
Instruction	-	292,381	715,000	454,013	715,000	4.32%	0.0%
Academic Support	-	15,238	-	-	150,026	0.91%	100.0%
Student Services	1,252,169	983,657	1,233,875	1,014,810	912,001	5.51%	-26.1%
Public Service	4,639,164	3,734,298	4,533,782	3,806,840	4,583,627	27.70%	1.1%
Auxiliary Services	891,510	788,970	1,114,269	894,160	3,270,058	19.76%	193.5%
Operations and Maintenance	12,500	2,461	12,500	9,853	12,500	0.08%	0.0%
Institutional Support	438,000	229,613	580,885	401,814	6,801,500	41.10%	1070.9%
Scholarships, Student Grants, and Waivers	127,398	76,459	127,398	689	105,000	0.63%	-17.6%
Total Expenditures	7,360,741	6,123,077	8,317,709	6,582,179	16,549,712	100.00%	99.0%
Excess (Deficiency) of Revenue over Expenditures	(966,775)	(658,293)	(969,954)	(1,176,424)	(8,074,844)		-732.5%
Other financing sources(uses) Transfers(to) from other funds	510,093	503,021	501,607	7,480,319	433,900		-13.5%
Total Other Financing Sources	510,093	503,021	501,607	7,480,319	433,900		-13.5%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(456,682)	(155,272)	(468,347)	6,303,895	(7,640,944)		1531.5%
BEGINNING FUND BALANCE	9,019,037	9,019,037	8,863,765	8,863,765	15,167,660		71.1%
ENDING FUND BALANCE	\$ 8,562,355	\$ 8,863,765	\$ 8,395,418	\$ 15,167,660	\$ 7,526,716		-10.3%

Auxiliary Enterprises Fund Expenditures by Object

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
Salaries	\$ 3,858,169	\$ 3,571,551	\$ 3,943,016	\$ 3,363,899	\$ 4,289,089	25.92%	8.8%
Employee Benefits	577,703	526,291	587,456	530,698	650,818	3.93%	10.8%
Contractual Services	769,980	653,527	963,570	1,132,399	2,293,106	13.86%	138.0%
General Materials/Supplies	1,045,282	594,524	1,328,438	721,906	1,018,572	6.15%	-23.3%
Travel and Meeting	159,489	101,242	287,389	124,195	335,192	2.03%	16.6%
Fixed Charges	95,631	73,819	127,331	154,284	143,500	0.87%	12.7%
Utilities	6,950	8,859	6,950	9,678	398,997	2.41%	5641.0%
Capital Outlay	140,947	34,129	259,371	141,705	646,348	3.91%	149.2%
Other	706,590	559,135	734,188	403,415	6,714,090	40.57%	814.5%
Contingency	-	-	80,000	-	60,000	0.36%	-25.0%
Total Expenditures	\$ 7,360,741	\$ 6,123,077	\$ 8,317,709	\$ 6,582,179	\$ 16,549,712	100.00%	99.0%



Auxiliary Enterprises Fund
By Division and Department
Fiscal Year 2019 Budget

	<u>Revenue</u>	<u>Expenditures</u>	<u>Surplus/Deficit</u>
Provost			
Business & Social Science - Child Care	\$ 350,000	\$ 350,000	-
Resources for Learning - Library, Tutoring	6,500	6,500	-
Student Affairs - Athletic Facilities Rental, Event Management, Health & Recreation Center	1,558,271	2,387,131	(828,860) ¹
Liberal Arts - Mass Communications		150,026	(150,026) ¹
Enrollment Services - Assessment & Testing	-	81,520	(81,520) ¹
Student Involvement	451,900	455,481	(3,581) ¹
Student Development	-	20,000	(20,000) ¹
Total Provost	<u>2,366,671</u>	<u>3,450,658</u>	<u>(1,083,987)</u>
Workforce Solutions			
Continuing Education	4,289,523	4,146,127	143,396
Workforce & Economic Development - Apprenticeship Program	715,000	715,000	-
Harper Business Solutions	541,000	541,000	-
University Center	64,572	44,595	19,977
Total Workforce and Strategic Alliances	<u>5,610,095</u>	<u>5,446,722</u>	<u>163,373</u>
EVP Finance & Administrative Services			
Harper Store	161,850	149,203	12,647
Dining Services	203,600	115,333	88,267
Conference & Event Management Rentals	388,900	687,644	(298,744) ¹
Institutional	279,000	6,801,500	(6,522,500) ¹
Police	12,500	12,500	-
Total EVP Finance & Administrative Services	<u>1,045,850</u>	<u>7,766,180</u>	<u>(6,720,330)</u>
FUND TOTALS	<u><u>\$ 9,022,616</u></u>	<u><u>\$ 16,663,560</u></u>	<u><u>\$ (7,640,944)</u></u>

Note:

¹ Approved program reinvestment

**Restricted Purposes Fund
Revenues and Expenditures**

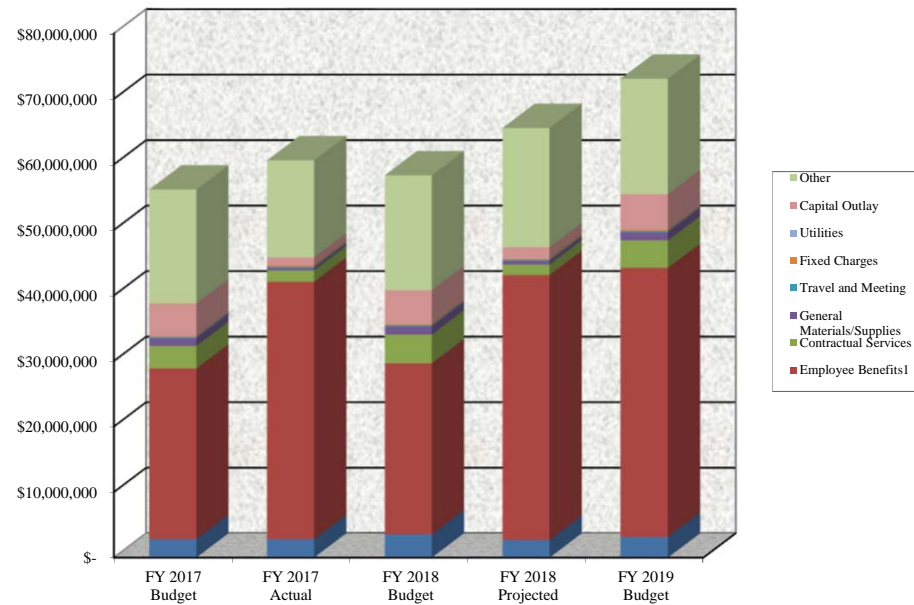
	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
REVENUES							
ICCB Grants	\$ 491,465	\$ 455,690	\$ 463,570	\$ 646,188	\$ 562,668	0.90%	21.4%
All Other State Government ¹	27,628,395	41,806,250	29,428,987	44,370,348	44,131,337	70.35%	50.0%
Federal Government	18,351,814	15,448,376	18,220,379	16,272,999	17,759,128	28.31%	-2.5%
Tuition and Fees	25,000	15,516	25,000	15,679	25,000	0.04%	0.0%
Sales and Services	6,300	3,319	1,000	-	1,000	0.00%	0.0%
Other Sources	304,600	412,798	285,000	294,328	250,000	0.40%	-12.3%
Total Revenues	46,807,574	58,141,949	48,423,936	61,599,542	62,729,133	100.00%	29.5%
EXPENDITURES							
Instruction	1,054,194	1,289,822	1,169,500	1,833,141	1,262,144	1.72%	7.9%
Academic Support	1,394,490	1,219,945	1,466,603	1,087,411	1,127,177	1.54%	-23.1%
Student Services	245,200	275,676	35,000	40,416	-	0.00%	-100.0%
Public Service	1,352,380	1,513,144	2,650,903	1,891,580	2,430,460	3.32%	-8.3%
Institutional Support ¹	36,193,806	41,536,447	36,992,992	43,648,199	52,134,478	71.20%	40.9%
Scholarships, Student Grants, and Waivers	16,041,210	14,798,753	16,134,944	17,075,606	16,271,997	22.22%	0.8%
Total Expenditures	56,281,280	60,633,787	58,449,942	65,576,353	73,226,256	100.00%	25.3%
Excess (Deficiency) of Revenue over Expenditures	(9,473,706)	(2,491,838)	(10,026,006)	(3,976,811)	(10,497,123)		-4.7%
Other financing sources(uses) Transfers(to) from other funds	2,001,800	3,457,642	1,969,370	2,888,964	1,916,085		-2.7%
Total Other Financing Sources	2,001,800	3,457,642	1,969,370	2,888,964	1,916,085		-2.7%
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(7,471,906)	965,804	(8,056,636)	(1,087,847)	(8,581,038)		-6.5%
BEGINNING FUND BALANCE	11,652,227	11,652,227	12,618,031	12,618,031	11,530,184		-8.6%
ENDING FUND BALANCE	\$ 4,180,321	\$ 12,618,031	\$ 4,561,395	\$ 11,530,184	\$ 2,949,146		-35.3%
¹ Includes SURS on behalf payments	25,000,000	38,799,701	25,000,000	36,188,946	40,000,000		

**Restricted Purposes Fund
Expenditures by Object**

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
Salaries	\$ 2,827,561	\$ 2,800,707	\$ 3,549,271	\$ 2,689,253	\$ 3,150,998	4.30%	-11.2%
Employee Benefits ¹	26,040,114	39,292,257	26,102,575	40,452,260	41,060,233	56.07%	57.3%
Contractual Services	3,431,067	1,737,831	4,387,282	1,596,343	4,195,575	5.73%	-4.4%
General Materials/Supplies	1,186,387	403,754	1,253,258	550,205	1,248,406	1.70%	-0.4%
Travel and Meeting	193,015	165,657	177,061	163,618	201,816	0.28%	14.0%
Fixed Charges	134,640	211,581	156,745	186,114	183,514	0.25%	17.1%
Utilities	11,800	10,145	7,400	10,205	13,350	0.02%	80.4%
Capital Outlay	4,973,495	1,208,845	5,159,467	1,724,173	5,424,397	7.41%	5.1%
Other	17,383,201	14,803,010	17,556,883	18,204,182	17,597,967	24.03%	0.2%
Contingency	100,000	-	100,000	-	150,000	0.20%	50.0%
Total Expenditures	\$ 56,281,280	\$ 60,633,787	\$ 58,449,942	\$ 65,576,353	\$ 73,226,256	100.00%	25.3%

¹ Includes SURS on behalf payments

	\$ 25,000,000	\$ 38,799,701	\$ 25,000,000	\$ 36,188,946	\$ 40,000,000
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**Working Cash Fund
Revenues and Expenditures**

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
REVENUES							
Other Sources	\$ 25,000	\$ 90,584	\$ 80,000	\$ 193,811	\$ 190,000	100%	137.5%
Total Revenues	<u>25,000</u>	<u>90,584</u>	<u>80,000</u>	<u>193,811</u>	<u>190,000</u>	<u>100%</u>	137.5%
EXPENDITURES							
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		
Excess (Deficiency) of Revenue over Expenditures	<u>25,000</u>	<u>90,584</u>	<u>80,000</u>	<u>193,811</u>	<u>190,000</u>		137.5%
BEGINNING FUND BALANCE	<u>15,760,492</u>	<u>15,760,492</u>	<u>15,851,076</u>	<u>15,851,076</u>	<u>16,044,887</u>		1.2%
ENDING FUND BALANCE	<u><u>\$ 15,785,492</u></u>	<u><u>\$ 15,851,076</u></u>	<u><u>\$ 15,931,076</u></u>	<u><u>\$ 16,044,887</u></u>	<u><u>\$ 16,234,887</u></u>		1.9%

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 2017 the College's debt service extension base is \$2,437,488, based on the December 2016 CPI of 2.1%. The College has a long term financial plan which includes utilizing these funds for necessary expenditures. A limited bond sale of approximately \$5 million is planned for FY 2019 under the debt service extension base to help fund capital projects identified in the campus master plan.

Two successful referendums, an \$88.8 million referendum in November of 2000 and \$153.6 million in November, 2008 account for 96% of the outstanding debt. Both series of bonds have been refunded, resulting in millions in interest savings. These referendums provided 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 \$550.8 million based on 2.875% of the 2017 equalized assessed valuation of \$19.2 billion. The College's outstanding principal is \$126.9 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.

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 the fall of 2017. 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.

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.

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

Schedule of Debt Maturities (Unaudited)
For the year ended June 30, 2018

General Obligation Refunding Bonds - Series 2015B

	Interest Rate	Amounts		Total
		due during year		
		Principal	Interest	
2018-2019	5.000	3,450,000	483,250	3,933,250
2019-2020	5.000	3,690,000	304,750	3,994,750
2020-2021	5.000	4,250,000	106,250	4,356,250
Total		<u>\$ 11,390,000</u>	<u>\$ 894,250</u>	<u>\$ 12,284,250</u>

General Obligation Bonds - Series 2009A

	Interest Rate	Amounts		Total
		due during year		
		Principal	Interest	
2018-2019	3.25-5.00	7,530,000	148,388	7,678,388
Total		<u>\$ 7,530,000</u>	<u>\$ 148,388</u>	<u>\$ 7,678,388</u>

General Obligation Refunding Bonds - Series 2017B

	Interest Rate	Amounts		Total
		due during year		
		Principal	Interest	
2018-2019	5.000	490,000	5,160,250	5,650,250
2019-2020	5.000	8,200,000	4,943,000	13,143,000
2020-2021	5.000	9,870,000	4,491,250	14,361,250
2021-2022	5.000	8,385,000	4,034,875	12,419,875
2022-2023	5.000	9,000,000	3,600,250	12,600,250
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>\$ 103,450,000</u>	<u>\$ 32,974,000</u>	<u>\$ 136,424,000</u>

Limited Tax Bonds – Series 2017A

	Interest Rate	Amounts		Total
		due during year		
		Principal	Interest	
2018-2019	5.000	2,210,000	171,000	2,381,000
2019-2020	5.000	2,315,000	57,875	2,372,875
Total		<u>\$ 4,525,000</u>	<u>\$ 228,875</u>	<u>\$ 4,753,875</u>

Total Change in Bond Principal

Balance at July 1, 2017	\$ 153,255,000
Bonds issued during the year	103,450,000
Bonds retired during the year	<u>(129,810,000)</u>
Balance at June 30, 2018	<u>\$ 126,895,000</u>

**Bond and Interest Fund
Revenues and Expenditures**

	FY 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
REVENUES							
Local Government	\$ 18,708,253	\$ 18,870,896	\$ 19,951,275	\$ 19,608,043	\$ 20,357,307	99.41%	2.0%
Other Sources	25,000	82,138	60,000	193,069	120,000	0.59%	100.0%
Total Revenues	18,733,253	18,953,034	20,011,275	19,801,112	20,477,307	100.00%	2.3%
EXPENDITURES							
Institutional Support							
Fixed Charges	17,461,267	17,455,780	18,997,937	18,578,316	26,806,275	99.98%	41.1%
Other	5,500	2,256	5,500	556,195	5,500	0.02%	0.0%
Total Institutional Support	17,466,767	17,458,036	19,003,437	19,134,511	26,811,775	100.00%	41.1%
Total Expenditures	17,466,767	17,458,036	19,003,437	19,134,511	26,811,775	100.00%	41.1%
Excess (Deficiency) of Revenue over Expenditures	1,266,486	1,494,998	1,007,838	666,601	(6,334,468)		-728.5%
Other financing sources(uses)							
Proceeds from bond issue	-	-	-	122,223,805	-		
Payment to escrow agent for refunded bonds	-	-	-	(121,665,354)	-		
Total Other Financing Sources	-	-	-	558,451	-		
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	1,266,486	1,494,998	1,007,838	1,225,052	(6,334,468)		-728.5%
BEGINNING FUND BALANCE	11,643,899	11,643,899	13,138,897	13,138,897	14,363,949		9.3%
ENDING FUND BALANCE	\$ 12,910,385	\$ 13,138,897	\$ 14,146,735	\$ 14,363,949	\$ 8,029,481		-43.2%

Master Planning and Capital Projects

In the fall of 2008, Harper College’s district passed a \$153.6 million capital bond referendum. The 2010 Campus Master Plan provided the vision to utilize these funds to update the College’s physical plant through 2020. Every five years the Master Plan is updated, with the latest being finalized in February 2017 looking forward to 2020 and beyond. The updated Master Plan identified several common themes: continuing to work towards creating a welcoming campus, supporting growth of academic programs, flexibility for changing programs, and creating 21st century learning environments built around cost-effectiveness and sustainability. Master Plan projects that have been provided for in the capital budget are renovations and additions for the Canning Center, Building F, and Building M. These projects, along with planned infrastructure projects, are projected to exhaust the remaining referendum funds over the next year.

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 for in the Operations and Maintenance (Restricted) Fund. The budget for FY 2019 includes planned infrastructure projects of \$19 million.

	Project Estimated Cost	FY 2019 Budget Request
Building Integrity	\$ 2,328,878	\$ 1,959,383
Sustainability	130,000	130,000
Renewal	1,057,158	657,158
Program Support	143,747,257	31,533,825
Safety and Statutory	9,516,334	8,660,134
System Reliability	16,742,439	9,182,311
Contingency		1,000,000
Total Capital Projects	\$ 173,522,066	\$ 53,122,811

As the table above shows, \$31.5 million is estimated for projects that support academic programs. Two of those projects, which are described below, are part of the State’s Resource Allocation Management Program (RAMP). These projects were included in the recently passed State budget, and are waiting on further notice from the State.

- Construction of the new Canning Center – Prior to the State hold, the construction documents were completed and the project had been ready for bidding. The FY 2019 budgeted project cost is \$18.6 million. The total estimated project cost is \$61.7 million, which includes a state contribution of \$40.7 million.
- Funds to address the Hospitality program facilities. The FY 2019 budgeted project cost is \$1.8 million. The total estimated project cost is \$5.3 million, which includes a state contribution of \$3.9 million.

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

Other state funding for capital renewal totaling \$1.3 million is budgeted for reconstruction of parking lots at the Harper Professional Center in Schaumburg, and the Harper Learning and Career Center in Prospect Heights. This project is waiting on further notice from the State.

Another major multi-year project included in this budget is \$5.6 million to complete Building M.

Many of the projects scheduled to be completed in FY 2019 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 more costly replacements due to shortened useful life.

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

This budget includes a project for utility sub-metering to enable the College to better measure and control its utility usage and support green initiatives on campus.

Other projects that will impact operating costs are those that will add square footage to the campus. The College currently has two projects underway that will impact future expenditures.

Increased operating costs for the Building M project are expected to be partially offset by increased per credit hour fees starting in spring 2018.

The State-run Canning Center project is expected to add additional costs from the 66,400 square foot addition for utilities, contractual services, and materials. The earliest operating budget impact would be FY 2021.

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 2017 Budget	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Budget	FY 2019 Percent to Total	Budget % Change FY 2018 to FY 2019
REVENUES							
Local Government	\$ 9,000,000	\$ 1,116,081	\$ 7,950,000	\$ 5,935,081	\$ 1,121,348	5.00%	-85.9%
All Other State Government	20,388,950	-	20,394,500	-	20,394,500	90.90%	0.0%
Tuition and Fees	575,000	545,192	545,000	525,923	535,000	2.38%	-1.8%
Other Sources	110,600	400,545	255,000	559,933	386,500	1.72%	51.6%
Total Revenues	30,074,550	2,061,818	29,144,500	7,020,937	22,437,348	100.00%	-23.0%
EXPENDITURES							
Institutional Support							
Contractual Services	5,070,075	3,098,931	2,563,462	1,739,926	3,594,566	6.74%	40.2%
Materials and Supplies	-	22,403	-	196,319	-	0.00%	
Fixed Charges	-	32,282	-	170	-	0.00%	
Capital Outlay	70,912,094	25,191,415	87,629,353	48,156,901	48,519,506	91.00%	-44.6%
Other	90,000	194,636	-	39,600	205,000	0.38%	100.0%
Provision for Contingency	1,000,000	-	1,000,000	-	1,000,000	1.88%	0.0%
Total Institutional Support	77,072,169	28,539,667	91,192,815	50,132,916	53,319,072	100.00%	-41.5%
Total Expenditures	77,072,169	28,539,667	91,192,815	50,132,916	53,319,072	100.00%	-41.5%
Excess (Deficiency) of Revenue over Expenditures	(46,997,619)	(26,477,849)	(62,048,315)	(43,111,979)	(30,881,724)		50.2%
Other financing sources(uses)							
Proceeds from bond issue	5,100,000	5,120,800	-	-	12,100,000		
Transfers(to) from other funds	-	7,500,000	-	-	-		
Total Other Financing Sources	5,100,000	12,620,800	-	-	12,100,000		
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources	(41,897,619)	(13,857,049)	(62,048,315)	(43,111,979)	(18,781,724)		69.7%
BEGINNING FUND BALANCE	93,093,678	93,093,678	79,236,629	79,236,629	36,124,650		-54.4%
ENDING FUND BALANCE	\$ 51,196,059	\$ 79,236,629	\$ 17,188,314	\$ 36,124,650	\$ 17,342,926		0.9%

FY 2019 Capital Projects

		Project Description	Project Estimated Cost	FY 2019 Preliminary Budget	FY 2020 Projected
<u>Building Integrity</u>					
New	LCC Building Envelope	Maintenance of LCC building envelope to include tuckpointing and replacement of any damaged interior drywall	\$ 1,089,478	\$ 1,089,478	
New	Bldg R Roof Replacment	Building R Roof replacement	268,300	268,300	
New	Roof Survey and Repairs	Annual roof survey followed by repairs to maintain the manufacturer's warranty where applicable and maintain water-tight roofs.	150,000	150,000	
	Bldg P Exterior Envelope and Stairs Project	Building P Exterior Envelope and Stairs Project: Masonry restoration, window replacement, exposed concrete restoration, replace exterior concrete stairs	672,000	369,600	
	Bldg B Police Entrance Improvements	Building B: Replace windows, doors, and radiant heat fin tube at police entry	149,100	82,005	
TOTAL			\$ 2,328,878	\$ 1,959,383	\$ -
<u>Sustainability</u>					
New	Indoor Lighting Level Control Installations	Provide annual maintenance for lighting controls in class and conference rooms throughout the college to allow for various light required light levels.	\$ 50,000	\$ 50,000	
New	Bldg U Energy Optimization Measures	Implement projects in identified from the monitoring based commissioning program	50,000	50,000	
New	Irrigation Controllers	Replace failing irrigation controllers to meet institutional effectiveness measure for water consumption reduction.	30,000	30,000	
TOTAL			\$ 130,000	\$ 130,000	\$ -
<u>Renewal</u>					
New	Tennis Courts Refurbishment	Tennis courts refurbishment to extend useful life by 5 years	\$ 377,500	\$ 377,500	
New	Bldg R Lobby	Replace carpet in Performing Arts Center lobby	79,658	79,658	
New	Exterior Signage Maintenance	Annual refurbishing of vehicular and external directional signage across campus.	50,000	50,000	
New	Exterior Gathering Areas	Improvements to exterior gathering areas to include tables, benches, trash and recycling containers	50,000	50,000	
	Canning Center (Bldg A) Landscaping	Landscaping around the Canning Center, (does not include north side.)	500,000	100,000	\$ 400,000
TOTAL			\$ 1,057,158	\$ 657,158	\$ 400,000

FY 2019 Capital Projects

		Project Description	Project Estimated Cost	FY 2019 Preliminary Budget	FY 2020 Projected
Program Support					
New	Mass Communication Lab	Build-out of Bldg D shell space for mass communication lab to include studio space, classroom, sound isolation, and storage (includes Auxiliary funding)	\$ 459,276	\$ 442,276	
New	Bldg F Post Occupancy	Provide for post occupancy needs for Bldg F	250,000	250,000	
New	Bldg M Post Occupancy	Provide for post occupancy needs for Bldg M	250,000	250,000	
New	Bldg A Advisors' Office Space	Remodel A364 to provide office space for academic advisors	225,000	225,000	
New	Bldg M Gym Floor	Replacement of gym floor	220,000	220,000	
New	Bldg D Math Classroom	Build-out of Bldg D shell space for math classroom	160,300	160,300	
New	Bldg H Entrepreneurship	Remodel H230 to support Entrepreneurship	139,800	139,800	
New	Bldg M Gym Panels	Refinishing of exterior metal panels in gym	130,008	130,008	
New	Bldg X Dental Hygiene Clinic Work Station	Pipe water to work station in DHY clinic X102	119,300	119,300	
New	Bldg Y Online Testing	Convert Y203f for online testing for Nursing program	116,000	116,000	
New	Bldg X Limited Enrollment Specialists Office Space	Remodel Health Careers division office to add two office spaces for limited enrollment specialists	112,000	112,000	
New	Bldg X Nursing Debriefing Room	Conversion of X264 from locker room to debriefing room for Nursing Program	73,710	73,710	
New	Bldg H Modular Wall	Construct modular wall in H149 to divide classroom seating area from project area for Maintenance program	62,000	62,000	
New	Bldg W Dining Room Shades	Install blinds or shades in the Wojcik Dining Room to prevent glare during meetings and presentations	47,250	47,250	
New	Bldg L Artwork Display Lighting	Install track lighting hallway first floor Bldg L for art displays	42,000	42,000	
New	Bldg X Dietetic Tech Ovens	Install six electric ovens in X229 for dietetic tech program	40,000	40,000	
New	Bldg X Workroom/Classroom	Install wall and door for X134a between workroom and classroom	36,900	36,900	
New	Bldg Y Overhead Electrical Outlet	Install overhead electrical outlet in Y118 to correct tripping hazard	31,200	31,200	
New	Bldg H Gas Storage	Construct separate gas storage room in H174 for refrigerant gas used in HVAC classes	25,000	25,000	
	Canning Center	The Master Plan proposes the Canning Center as a combination of additions and renovations of Buildings A and K. The Center shall group all student services and related functions into one location on campus. Capital Development Board (CDB) project	61,683,650	18,615,000	\$ 40,004,900

FY 2019 Capital Projects

	Project Description	Project Estimated Cost	FY 2019 Preliminary Budget	FY 2020 Projected	
Bldg M Master Plan Remodeling	The Master Plan calls for Building M to be renovated and expanded as a key academic building on Campus. Building M houses the Wellness and Campus Activities Department. The renovations and additions will provide for a broad variety of academic spaces that have specific space requirements, including classrooms, departmental offices, class laboratories and studios.	39,763,051	5,621,738		
Hospitality Programming	Replacement or renovation of program facility in Building A due to age and space limitations. Capital Development Board (CDB) project	5,259,700	1,765,000	3,494,700	
Department Temporary Relocation Services	Professional services for temporary departmental relocations to accommodate renovation projects. Remaining funds reserved for Canning Center	2,000,000	1,003,442		
Canning Center IT Build-out	The renovations to the Student Center repurpose the current Information Technology Departmental Offices. This project is for the build out of the basement area in the new student center addition for the IT department.	2,187,500	687,500	1,500,000	
Bldg F Master Plan Remodeling	The Master Plan calls for Building F to be renovated and expanded as a key academic resource building on Campus. Building F with the renovations and additions will be flexible to provide for a broad variety of academic support programs, study spaces, Tutoring Center, Writing Center, Library, departmental offices and other support spaces.	27,482,099	500,000		
Bldg H Advanced Manufacturing Lab	Add canopy for steel storage south of bridge to the garage	262,500	251,339		
Bldg Z Faculty Offices & Bldg C Classroom Upgrades	Remodel of Z-229 into one full-time faculty office and an adjunct office area; Install acoustical panels for sound and echo control in C201, 202, 203, and 204	258,775	142,326		
Bldg D Artwork	Post-occupancy artwork	144,000	138,092		
Bldg H B.E.S.T. Teaching Lab	Post-occupancy work to support career and technical programs commercial teaching lab	1,869,940	107,747		
Bldg X Physical Therapy Assistant Lab	Create Physical Therapy Assistant lab/classroom in X122.	139,650	56,061		
Bldg B Police Operations Center	Update police operations center to include new computer station and hardware and additional furniture	55,848	55,848		
Bldg X Dental Hygiene Remodel	Remodel of Dental Hygiene areas to include removing storage cubicles, replacing old countertops and sinks, and rework area to accommodate computers and wall-mounted monitor.	68,800	39,988		
Bldg C Classroom Exhaust System	Install new exhaust system in C202B 2D Art Studio to eliminate fumes.	32,000	27,000		
		TOTAL	\$ 143,747,257	\$ 31,533,825	\$ 44,999,600

FY 2019 Capital Projects

		Project Description	Project Estimated Cost	FY 2019 Preliminary Budget	FY 2020 Projected	
<u>Safety and Statutory</u>						
New	Bridge Bldg M and A	Construct pedestrian bridge between Buildings M and A to be completed with the Canning Center project	\$ 2,399,800	\$ 2,399,800		
New	OSHA Roof Compliance	Install guards, anchors on roofs to comply with OSHA requirement	1,061,918	500,000	\$ 561,918	
New	Parking Lot Maintenance 2019	Annual maintenance of the parking lots and roadways for safety and to extend the life of the surfaces.	427,448	427,448		
New	Sidewalk Maintenance 2019	Annual maintenance and replacement of sidewalks that were damaged over the winter	388,560	388,560		
New	Arc Flash Study	Arc Flash study required per recent code update to be performed over multiple years	200,000	100,000	100,000	
New	Chiller Plant Refrigeration Leak Detection	Leak detection system for chiller plant	160,000	160,000		
New	Bldg Y Data Center Air Conditioning	Tie data center air conditioning in Y211 to fire suppression system	75,000	75,000		
New	Exterior Stairs and Retaining Wall Study	Exterior stairs and retaining wall study for Bldgs J, M, X, Y, & Z	40,000	40,000		
New	Bldg B Restrooms	Identify solution for remodeling Bldg B restrooms for compliance with Illinois Plumbing Code and accessibility	35,000	35,000		
New	Bldg J Ceiling Replacement	Replace ceiling on second floor corridor from Bldg J to I	30,000	30,000		
Revised	Parking Lot #1 Replacement	Replacement of Parking Lot 1	2,105,500	2,023,405		
	Parking Lot Reconstruction: HPC & LCC	Parking Lot Reconstruction - HPC & LCC Capital Development Board project, capital renewal funds	1,370,100	1,329,500		
	Sidewalk and Parking Lot Maintenance 2018	Annual maintenance of the sidewalks, parking lots and roadways for safety and to extend the life of the surfaces.	775,008	775,008		
	HPC Washroom Renovations	Renovate and refresh restrooms at HPC (125 & 126) to meet current accessibility requirements.	285,000	238,276		
	HVAC Equipment Removal	Remove abandoned chillers, cooling towers, pumps, and associated piping at multiple locations.	100,000	75,137		
	Parking Structure Artwork	Post-occupancy work for artwork	63,000	63,000		
			TOTAL	\$ 9,516,334	\$ 8,660,134	\$ 661,918

System Reliability

New	Variable Speed Drives HVAC Systems	Replace failing variable speed drives for HVAC in Bldgs R, W, and X, Y, Z	\$ 550,000	\$ 550,000	
New	Tunnels Fiber Optic Cable	Expand fiber optic cable in tunnels between datacenters in Bldgs A, Y, and D	246,000	246,000	
New	Lennel System Upgrades	Upgrade and integrate access systems (keys and proximity cards) and equipment with Lennel	82,028	82,028	

FY 2019 Capital Projects

		Project Description	Project Estimated Cost	FY 2019 Preliminary Budget	FY 2020 Projected	
New	Tunnels Removal of Cable and Conduit	Removal of fiber/copper cable and conduits abandoned in tunnel during recent building renovations	75,000	75,000		
New	Lennel System Maintenance	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	50,000	50,000		
New	Building Automation Systems Maintenance	Recurring BAS hardware/software updating and maintenance	50,000	50,000		
New	Avante Chiller Study	Study to identify solution for rebuilding chillers in Avante	35,000	35,000		
New	Campus Infrastructure: Piping Insulation	Campus-wide piping insulation. Annual requirement	30,000	30,000		
New	Bldg D Rotunda Heating Controls	Study for Bldg D isolation controls for baseboard heat in rotunda area	30,000	30,000		
Revised Scope	Tunnel Assessment & Repairs	Tunnel assessment and repairs: Scope of work will include a comprehensive analysis of the following components of the tunnels: structural, water-proofing, utilities piping and supports. FY 2019 revised estimate for first two phases of repairs	1,042,286	967,613		
	West Campus Infrastructure	Projects identified from the 2013 Campus Infrastructure Master Plan include upgrades to building P chiller plant for chilled water to serve Buildings A, C, and W, installation of a standby generator which will serve Buildings A, C, E, and W, Building A loading dock improvements, and the resulting utility relocation that is required to allow for the construction of these items and to accommodate the Canning Center Project.	10,617,200	6,130,112		
	Campus Building Automation Systems (BAS)	Install, replace, upgrade building automation systems to Campus standard to reduce energy usage, reduce the Campus carbon footprint, and increase the life expectancy of the mechanical equipment.	3,119,500	345,931		
	Campus Utility Sub Metering	Main Campus Utility Sub Metering	250,000	229,899		
	Campus Infrastructure: AHU fan improvement and Avante HVAC Controls	Install soft start drives on air handling unit fans. Avante replace motorized dampers and controls for three HVAC units	212,100	202,600		
	Campus Infrastructure: IT closet upgrades	Upgrade IT closet HVAC and Power throughout campus. Funds approved in FY 2016 budget were reallocated for Bldg M Heat Exchanger	105,000	89,250		
	Life Safety Tunnel Mechanical work	Repair or replace steam pipes, racks, etc. associated with corrosion causing erosion increasing the risk of possible utility failure. Provide conduit for IT lines.	248,325	68,878		
			TOTAL	\$ 16,742,439	\$ 9,182,311	\$ -
Building Integrity			\$ 2,328,878	\$ 1,959,383	\$ -	
Sustainability			130,000	130,000	-	
Renewal			1,057,158	657,158	400,000	
Program Support			143,747,257	31,533,825	44,999,600	
Safety and Statutory			9,516,334	8,660,134	661,918	
System Reliability			16,742,439	9,182,311	-	
Grand Total			\$ 173,522,066	\$ 52,122,811	\$ 46,061,518	
Contingency				\$ 1,000,000	\$ -	
Total Budget Request				\$ 53,122,811	\$ 46,061,518	

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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.

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. Excerpts from the December 2017 financial plan follow.

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.
- 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.
- Support quality teaching and learning through sound financial practices consistent with maintaining a Aaa bond rating.

William Rainey Harper College						
All Funds *						
Five Year Projection						
	Base Year FY 2018 Budget	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenues						
Local Tax Revenue	\$ 77,355,491	\$ 79,756,652	\$ 82,275,380	\$ 81,498,879	\$ 80,080,860	\$ 82,184,404
All other local revenue	860,000	860,000	860,000	860,000	860,000	860,000
ICCB grants	4,785,570	4,785,570	4,785,570	4,785,570	4,785,570	4,785,570
All other state revenue 1	24,516,487	17,621,987	11,621,987	4,121,987	4,121,987	4,121,987
Federal revenue	18,245,379	18,664,448	19,074,516	19,531,704	19,999,865	20,479,262
Student tuition and fees	53,456,347	54,255,340	56,577,935	58,970,951	61,253,783	63,509,102
Building M additional incremental revenue	-	744,000	863,000	1,005,000	1,095,000	1,157,000
All other revenue	12,853,260	4,984,376	4,918,642	5,012,592	5,108,796	5,207,309
Unanticipated revenue	600,000	600,000	600,000	600,000	600,000	600,000
Total Revenues	192,672,534	182,272,373	181,577,030	176,386,683	177,905,861	182,904,634
Expenditures						
Salaries	78,416,776	80,721,637	82,834,777	85,128,479	87,481,337	89,580,888
Benefits 1	15,574,233	16,977,771	18,504,607	20,168,838	21,982,836	23,960,062
Contractual Services	14,671,260	11,111,012	10,311,536	10,535,069	10,763,988	10,998,403
General Materials & Supplies	8,045,268	8,045,268	8,222,264	8,419,598	8,621,668	8,828,588
Conference & Meeting	1,686,906	1,686,906	1,724,018	1,765,395	1,807,764	1,851,150
Fixed Charges	19,980,657	20,625,608	20,635,639	22,294,352	16,082,572	16,350,852
Utilities	3,416,800	3,416,800	3,491,970	3,575,777	3,661,596	3,749,474
Capital Outlay	94,928,445	26,999,092	10,360,672	7,929,327	7,999,632	8,071,624
Other Expenditures	25,817,649	25,017,649	25,567,916	26,181,414	26,809,636	27,452,935
Contingency	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000
Offset for Unanticipated Revenue	600,000	600,000	600,000	600,000	600,000	600,000
Building M Incremental Expense	-	1,554,000	1,658,000	1,786,000	1,872,000	1,934,000
Expense Adjustment	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
Total Expenditures	261,987,994	195,605,743	182,761,399	187,234,249	186,533,029	192,227,976
Excess (Deficiency) of Revenue over Expenditures	(69,315,460)	(13,333,370)	(1,184,369)	(10,847,566)	(8,627,168)	(9,323,342)
Other financing sources (uses):						
Proceeds from bond issue	-	5,100,000	-	5,100,000	-	5,100,000
Total other financing sources (uses)	-	5,100,000	-	5,100,000	-	5,100,000
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources (uses)	(69,315,460)	(8,233,370)	(1,184,369)	(5,747,566)	(8,627,168)	(4,223,342)
Beginning Fund Balance	184,165,600	114,850,140	106,616,770	105,432,401	99,684,835	91,057,667
Ending Fund Balance	\$ 114,850,140	\$ 106,616,770	\$ 105,432,401	\$ 99,684,835	\$ 91,057,667	\$ 86,834,325
¹ Excludes SURS on behalf payments						

* This includes all funds of the College. This is not an additional budget but merely a convenient way of looking at the budget.

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 2018 Budget	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenues						
Local Tax Revenue	\$ 57,404,216	\$ 59,362,981	\$ 60,967,496	\$ 62,646,817	\$ 64,434,528	\$ 66,272,294
All other local revenue	860,000	860,000	860,000	860,000	860,000	860,000
ICCB grants	4,015,000	4,015,000	4,015,000	4,015,000	4,015,000	4,015,000
Federal revenue	25,000	25,000	25,000	25,000	25,000	25,000
Student tuition and fees	48,996,762	48,928,935	51,145,981	53,422,377	55,588,401	57,723,994
All other revenue	764,090	764,090	764,090	764,090	764,090	764,090
Unanticipated revenue	600,000	600,000	600,000	600,000	600,000	600,000
Total Revenues	112,665,068	114,556,006	118,377,567	122,333,284	126,287,019	130,260,378
Expenditures						
Salaries	70,924,489	73,056,609	75,000,650	77,105,917	79,265,801	81,168,180
Benefits	13,884,202	15,135,637	16,496,681	17,980,199	19,597,220	21,359,740
Contractual Services	6,756,946	6,760,160	6,908,965	7,074,837	7,244,710	7,418,662
General Materials & Supplies	5,463,572	5,463,572	5,583,770	5,717,780	5,855,006	5,995,526
Conference & Meeting	1,222,456	1,222,456	1,249,350	1,279,335	1,310,039	1,341,480
Fixed Charges	703,644	703,644	719,124	736,383	754,056	772,154
Utilities	3,416,800	3,416,800	3,491,970	3,575,777	3,661,596	3,749,474
Capital Outlay	1,880,254	1,880,254	1,921,620	1,967,738	2,014,964	2,063,324
Other Expenditures	7,321,728	7,321,728	7,482,806	7,662,393	7,846,290	8,034,601
Contingency	350,000	350,000	350,000	350,000	350,000	350,000
Offset for Unanticipated Revenue	600,000	600,000	600,000	600,000	600,000	600,000
Expense Adjustment	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
Total Expenditures	110,024,091	113,410,860	117,304,936	121,550,359	125,999,682	130,353,141
Excess (Deficiency) of Revenue over Expenditures	2,640,977	1,145,146	1,072,631	782,925	287,337	(92,763)
Other financing sources (uses):						
Transfers (to) from other funds	(2,470,977)	(2,383,097)	(2,383,097)	(2,378,372)	(2,361,874)	(2,345,493)
Excess (Deficiency) of Revenue over Expenditures and other Financing Sources (uses)	170,000	(1,237,951)	(1,310,466)	(1,595,447)	(2,074,537)	(2,438,256)
Beginning Fund Balance	54,457,202	54,627,202	53,389,251	52,078,785	50,483,338	48,408,801
Ending Fund Balance	\$ 54,627,202	\$ 53,389,251	\$ 52,078,785	\$ 50,483,338	\$ 48,408,801	\$ 45,970,545
Local Revenue/Total Revenue						
	51.7%	52.6%	52.2%	51.9%	51.7%	51.5%
ICCB Grants/Total Revenue						
	3.6%	3.5%	3.4%	3.3%	3.2%	3.1%
Student tuition and fees/Total Revenue						
	43.5%	42.7%	43.2%	43.7%	44.0%	44.3%
Salaries and Benefits/Total Expenditures						
	77.1%	77.8%	78.0%	78.2%	78.5%	78.7%
Fund Balance/Budgeted Expenditures						
	47.2%	44.6%	42.0%	39.3%	36.5%	34.6%

William Rainey Harper College						
Five-Year Financial Plan						
All Tax Capped Funds						
Revenue Major Assumptions						
Local Tax Revenue - Levy Year						
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
CPI-U Change	2.1%	2.3%	2.2%	2.4%	2.4%	2.4%
New Construction	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Other Revenues						
	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	
ICCB Grants	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Credit Hour Enrollment	-0.5%	0.0%	-0.2%	-0.7%	-0.7%	
(see next page for detailed enrollment projections)						
Credit Hour Based Tuition and Fees	<u>FY 2018 Base</u>	<u>Increase</u>	<u>Increase</u>	<u>Increase</u>	<u>Increase</u>	<u>Increase</u>
Percentage Increase		4.6%	4.9%	5.0%	5.0%	4.8%
Tuition	\$125.00	\$5.00	\$7.25	\$7.75	\$8.25	\$8.25
Universal Fee - Beginning Spring 2018	17.50	1.50	-	-	-	-
Total Credit Hour Based Tuition and Fees	\$142.50	\$149.00	\$156.25	\$164.00	\$172.25	\$180.50
Expenditure Major Assumptions						
	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	
Salaries - Full-Time Faculty ¹	3.60%	3.60%	3.60%	3.60%	2.40%	
Salaries - Adjunct Faculty ²	2.30%	2.20%	2.40%	2.40%	2.40%	
Salaries - Professional/Technical ³	2.30%	2.20%	2.40%	2.40%	2.40%	
Salaries - IEA/NEA Service Staff	2.30%	2.20%	2.40%	2.40%	2.40%	
Salaries - ICOPS Service Staff ⁴	2.25%	2.25%	3.00%	2.40%	2.40%	
Salaries - All other employee groups	2.30%	2.20%	2.40%	2.40%	2.40%	
Benefits - Education and Operations & Maintenance Funds	9.00%	9.00%	9.00%	9.00%	9.00%	
Benefits - Liability, Protection and Settlement Fund	0.00%	2.20%	2.40%	2.40%	2.40%	
Contractual Services	0.00%	2.20%	2.40%	2.40%	2.40%	
General Materials and Supplies	0.00%	2.20%	2.40%	2.40%	2.40%	
Conference and Meeting	0.00%	2.20%	2.40%	2.40%	2.40%	
Fixed Charges	0.00%	2.20%	2.40%	2.40%	2.40%	
Utilities	0.00%	2.20%	2.40%	2.40%	2.40%	
Capital Outlay	0.00%	2.20%	2.40%	2.40%	2.40%	
Other Expenditures	0.00%	2.20%	2.40%	2.40%	2.40%	
¹ Based on contract through FY 2022						
² Based on contract through FY 2021						
³ Based on contract through FY 2019						
⁴ Based on contract through FY 2021						

Enrollment Projections FY 2019 - 2023

Fiscal Year FTE Totals

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Summer FTE	3,110	3,195	3,161	2,838	2,779	2,652	2,565	2,341	2,251	2,197	2,126	2,090	2,055	2,021
Summer % Chng		2.7%	-1.1%	-10.2%	-2.1%	-4.6%	-3.3%	-8.7%	-3.9%	-2.4%	-3.3%	-1.7%	-1.7%	-1.7%
Fall FTE	10,351	10,543	10,169	9,546	9,443	9,089	8,747	8,474	8,228	8,197	8,136	8,076	8,017	7,961
Fall % Change		1.9%	-3.5%	-6.1%	-1.1%	-3.7%	-3.8%	-3.1%	-2.9%	-0.4%	-0.8%	-0.7%	-0.7%	-0.7%
Spring FTE	10,027	9,976	9,388	9,232	8,894	8,714	8,611	8,535	8,268	8,182	8,138	8,095	8,053	8,013
Spring % Chng		-0.5%	-5.9%	-1.7%	-3.7%	-2.0%	-1.2%	-0.9%	-3.1%	-1.0%	-0.5%	-0.5%	-0.5%	-0.5%

Projected New Sources of Enrollment

Promise	-	-	-	-	-	-	-	-	-	-	60	110	110	110
New Programs	-	-	-	-	-	-	-	-	-	40	64	64	64	64
Annualized FTE	11,743	11,857	11,359	10,808	10,558	10,228	9,962	9,675	9,374	9,328	9,324	9,304	9,237	9,171
FY Total % Chng		1.0%	-4.2%	-4.9%	-2.3%	-3.1%	-2.6%	-2.9%	-3.1%	-0.5%	0.0%	-0.2%	-0.7%	-0.7%

	Annualized FTE													
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
New HS Grad	2,153	2,066	1,976	1,879	1,934	1,840	1,821	1,733	1,709	1,701	1,696	1,696	1,696	1,696
New 20-	524	533	497	480	470	452	428	426	374	392	387	382	378	374
Cont 20-	2,971	2,915	2,697	2,570	2,514	2,507	2,489	2,393	2,388	2,368	2,362	2,357	2,351	2,346
21+ / < 6 Hours	1,044	1,073	1,065	1,001	958	916	905	861	809	781	758	735	713	692
21+ / 6-11 Hours	2,108	2,369	2,345	2,154	2,082	2,018	1,949	1,925	1,845	1,792	1,756	1,733	1,711	1,690
21+ / 12+ Hours	1,940	1,992	1,832	1,630	1,525	1,383	1,235	1,168	1,168	1,158	1,144	1,130	1,117	1,104
AED	760	689	650	688	640	627	551	445	441	447	447	447	447	447
CE Reimb	119	99	116	124	142	118	119	100	93	99	99	99	99	99
Concurrent	24	27	31	21	21	21	16	17	20	20	20	20	20	20
Dual	100	94	152	260	272	344	449	607	528	530	530	530	530	530

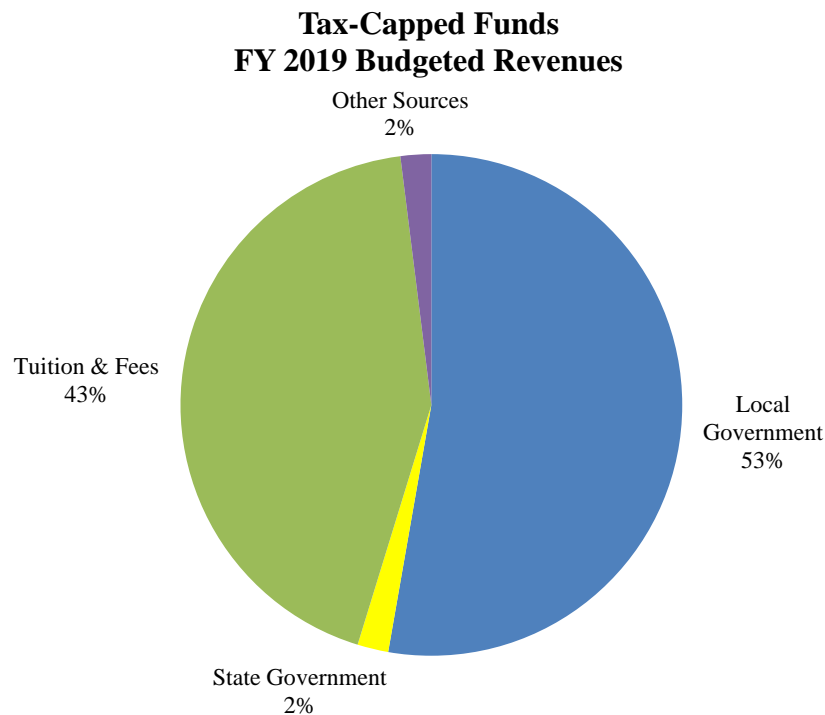
Overview of Revenues and Expenditures – Budget Assumptions and Historical Trends

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 2019’s budget.

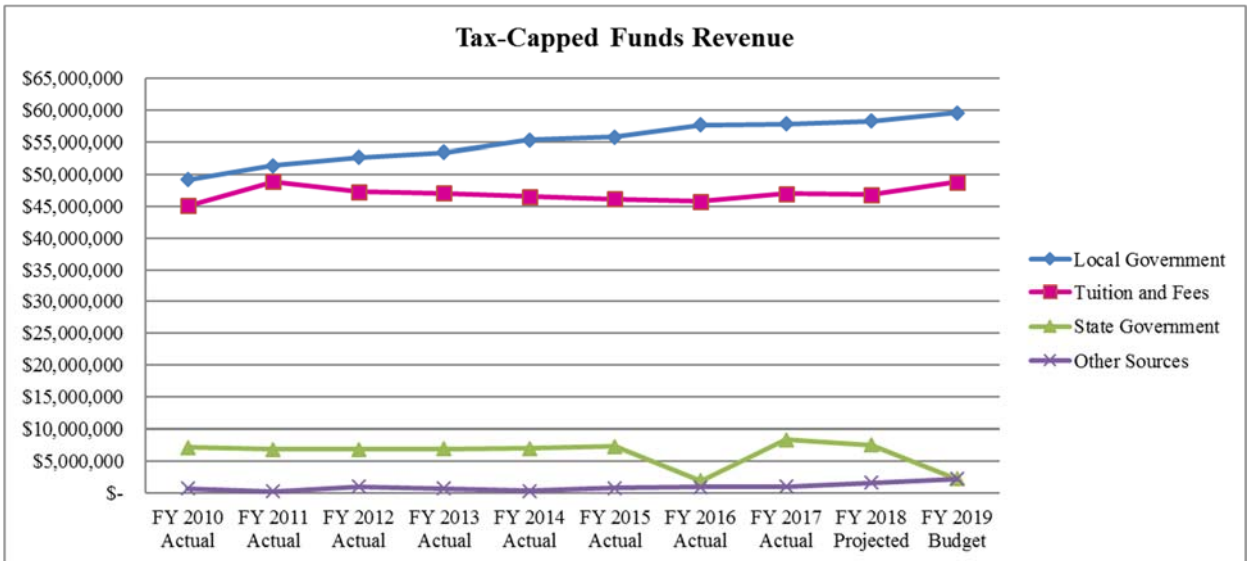
Revenue

The Tax Capped Funds have three major sources of revenue: local government, tuition and fees, and state government. Budgeted revenues for FY 2019 are \$112,918,646 compared to a budget of \$112,665,068 for FY 2018. This represents an increase of \$253,578, or 0.2%. Budgeted increases for local government and other sources were offset by decreases in state government.



The following table and graph show revenues for the previous nine years, as well as the budgeted revenues for FY 2019. 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.

Tax-Capped Funds Revenues- History and FY 2019 Budget										
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Budget
Local Government	\$ 49,225,826	\$ 51,396,124	\$ 52,733,896	\$ 53,464,061	\$ 55,317,505	\$ 55,813,661	\$ 57,675,831	\$ 57,862,117	\$ 58,331,093	\$ 59,570,154
Tuition and Fees	45,095,699	48,881,774	47,308,123	47,127,296	46,577,180	46,203,422	45,802,519	46,990,717	46,839,619	48,855,632
State Government	7,187,128	6,887,420	6,904,640	6,938,432	7,035,549	7,359,309	1,992,338	8,418,809	7,538,647	2,260,000
Other Sources	745,048	299,456	1,037,698	749,459	365,421	818,947	957,857	1,051,078	1,637,767	2,232,860
Total Revenues	\$ 102,253,701	\$ 107,464,774	\$ 107,984,357	\$ 108,279,248	\$ 109,295,655	\$ 110,195,339	\$ 106,428,545	\$ 114,322,721	\$ 114,347,126	\$ 112,918,646



Local Government

Local government represents 53% 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 \$58,264,216 in FY 2018 to \$59,570,154 in FY 2019, or 2.2%.

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 2017 was 2.1%, which will affect the 2018 tax levy and approximately half of the tax revenues budgeted for FY 2019.

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.

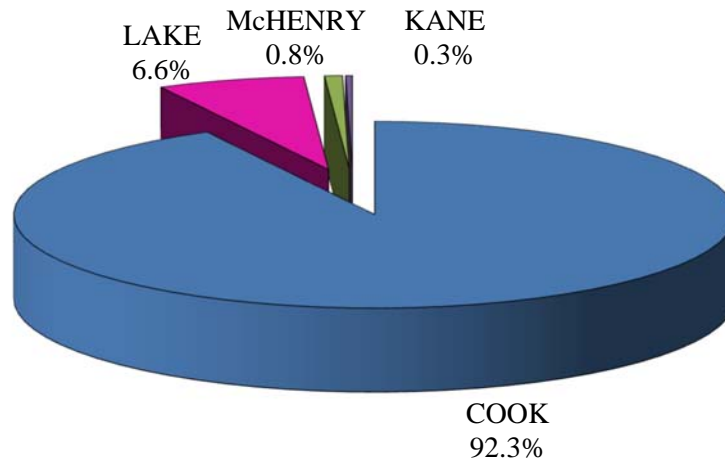
Tax Year	2010	2011	2012	2013	2014	2015	2016	2017	2018
CPI	2.7%	1.5%	3.0%	1.7%	1.5%	0.8%	0.7%	2.1%	2.1%

The 2017 CPI-U increase of 2.1% will provide a modest increase in property tax revenue, however there remains downward pressure on this major revenue source due to property tax refunds from successful assessment appeals. Refunds paid in FY 2018, which are deducted from current year tax distributions, totaled \$2.7 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:

2017 TAX YEAR VALUATIONS					
	<u>COOK</u>	<u>LAKE</u>	<u>McHENRY</u>	<u>KANE</u>	<u>TOTAL</u>
EAV for 2017 levy	\$ 17,691,505,431	1,255,062,210	158,086,464	54,174,967	\$ 19,158,829,072
EAV for 2016 tax year	\$ 17,500,911,186	1,217,833,770	149,732,654	48,066,575	\$ 18,916,544,185
Change from prior year	1.1%	3.1%	5.6%	12.7%	1.3%
Percentage of total 2017 EAV by county	92.3%	6.6%	0.8%	0.3%	100.00%



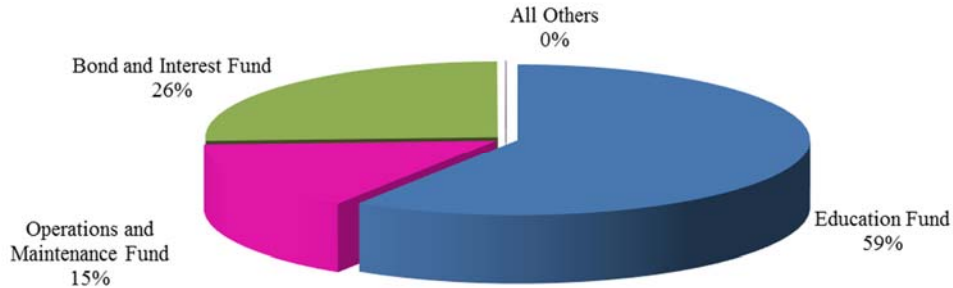
Tax rates and extensions are determined by each individual county. Cook County uses prior year EAV for determining the maximum allowable levy, whereas the other district counties use the current year EAV for both levy and rate determination. This process causes rates to vary by county.

Below are the blended extensions and rates by fund for all counties in the district, of which Cook County represents 92.3%.

2017 TAX RATES BY FUND								
	2017	% of	2017	2016	% of	2016	Max Legal	% Change
	<u>Extensions</u>	<u>Total</u>	<u>Tax Rates</u>	<u>Extensions</u>	<u>Total</u>	<u>Tax Rates</u>	<u>Rates</u>	<u>2017/2016</u>
Education	\$ 47,790,496	59.1%	0.2494	\$ 45,920,503	58.5%	0.2428	0.7500	4.07%
Operation and Maintenance	12,244,875	15.1%	0.0639	12,481,501	15.9%	0.0660	0.1000	-1.90%
Liability Protection and Settlement	18,013	0.0%	0.0001	17,735	0.0%	0.0001	none	1.57%
Audit	18,013	0.0%	0.0001	17,735	0.0%	0.0001	0.0050	1.57%
Subtotal Tax-Capped Funds	\$ 60,071,397	74.3%	0.3135	\$ 58,437,474	74.5%	0.3089		2.80%
Bond and Interest	20,809,248	25.7%	0.1086	20,006,430	25.5%	0.1058	none	4.01%
Total	\$ 80,880,645	100.0%	0.4222	\$ 78,443,904	100.0%	0.4147		3.11%

Distribution of each 2017 Tax Dollar

2017 Levy as Extended by Fund



Illinois community colleges are on a June 30 fiscal year, with fiscal year 2019 covering the period between July 1, 2018 and June 30, 2019. 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 2019, approximately $\frac{1}{2}$ of the property tax revenue is from the calendar year 2017 levy, and $\frac{1}{2}$ from the 2018 estimated levy.

The 2018 real estate levy must be filed with the County Clerk's office during December, 2018 and applies to the property values as of December 31, 2018. Those property values will be determined during calendar year 2018, with first installment tax bills mailed by the counties during spring 2019. Each county allows installment payments, with 50% due in the spring, and 50% due in late summer or early fall of 2018. 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 2019, net of projected refunds.

2017 Calendar Year Levy by Fund and Amounts Anticipated for Fiscal Year 2019

	2017 Adopted Levy	2017 Final Extension	FY 19 Anticipated Revenue from 2017 Levy	FY 19 Anticipated Revenue from 2018 Levy
Education	\$ 48,000,000	\$ 47,790,496	\$ 22,421,550	\$ 24,364,155
Operation and Maintenance	12,300,000	12,244,875	5,791,190	6,243,475
Liability Protection and Settlement	20,000	18,013	7,196	7,696
Audit	20,000	18,013	7,196	7,696
Subtotal Tax-Capped Funds	60,340,000	60,071,397	28,227,132	30,623,022
Bond and Interest	19,873,185	20,809,248	9,920,963	10,436,344
Total	\$ 80,213,185	\$ 80,880,645	\$ 38,148,095	\$ 41,059,366

Following is a nine-year history and the FY 2019 budget of property tax revenues in the tax-capped funds and percentage changes.

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected	FY 2019 Budget
	\$48,194,092	\$50,118,717	\$51,557,775	\$52,250,963	\$54,184,718	\$54,669,281	\$56,622,586	\$56,765,994	\$ 57,477,710	\$58,850,154
% Change		4.0%	2.9%	1.3%	3.7%	0.9%	3.6%	0.3%	1.3%	2.4%

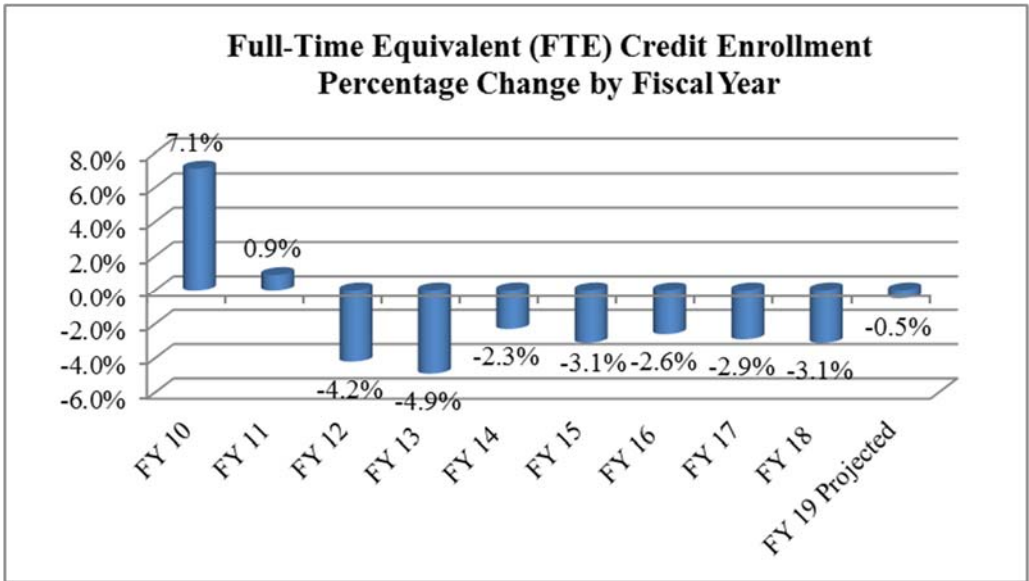
Enrollment and Tuition and Fees

Tuition and fees account for 43% of total budgeted revenues. 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. In February 2018 the Board of Trustees approved an in-district tuition increase of \$4.75 per credit hour, from \$125.00 to \$129.75, effective summer 2018. The previous February 2017, an increase of \$1.50 to the universal fee had been approved to be effective summer 2018, from \$17.50 to \$19.00. The combined tuition and fee increases, for a total of \$148.75 for tuition and per credit hour fees, is a 4.4% increase over the combined FY 2018 tuition and fee rate of \$142.50 (tuition rate of \$125.00 plus per credit hour fees of \$17.50).

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 tables below provide a history of FTE counts and percentage changes by year. Enrollments continue to decline with FY 2019 projected to decrease 0.5%.

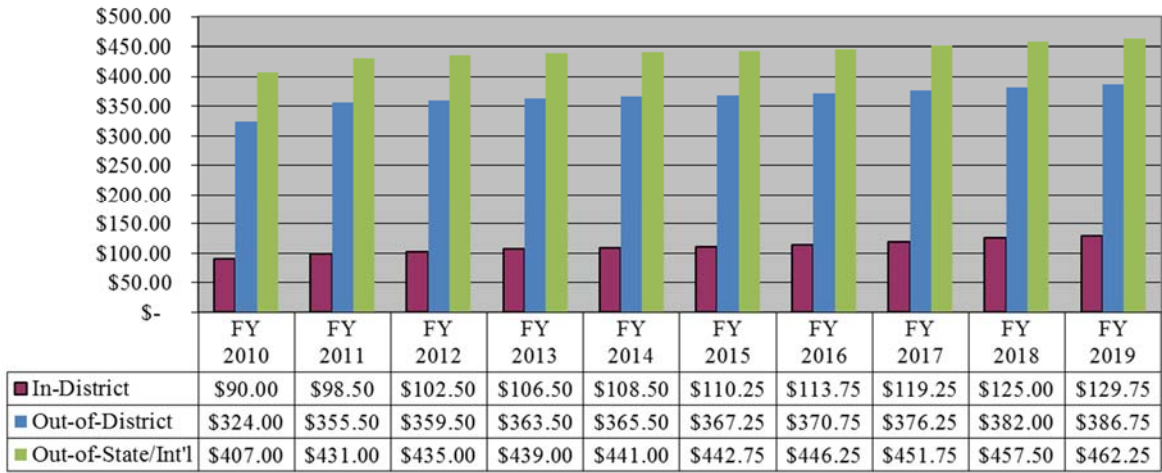
Budgeted tuition and fees for the Tax Capped Funds will decrease from \$48,996,762 in FY 2018 to \$48,855,632 in FY 2019, or 0.3%.



FTE History										
FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019 Budget
10,980	11,758	11,859	11,361	10,808	10,560	10,229	9,961	9,676	9,376	9,329

The following charts show the tuition rates per credit hour, changes of in-district rates, and history and FY 2019 budget for tuition and fee revenues.

Tuition Rates per Credit Hour



In-District Rate Dollar and Percentage Change

FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
\$0.00	\$8.50	\$4.00	\$4.00	\$2.00	\$1.75	\$3.50	\$5.50	\$5.75	\$4.75
0.0%	9.4%	4.1%	3.9%	1.9%	1.6%	3.2%	4.8%	4.8%	3.8%

Tuition and Fees Revenue

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Budget
	\$45,095,699	\$48,881,774	\$47,308,124	\$47,127,296	\$46,577,180	\$46,203,422	\$45,802,519	\$46,990,717	\$46,839,619	\$48,855,632
Percentage change	8.5%	8.4%	-3.2%	-0.4%	-1.2%	-0.8%	-0.9%	2.6%	-0.3%	4.3%

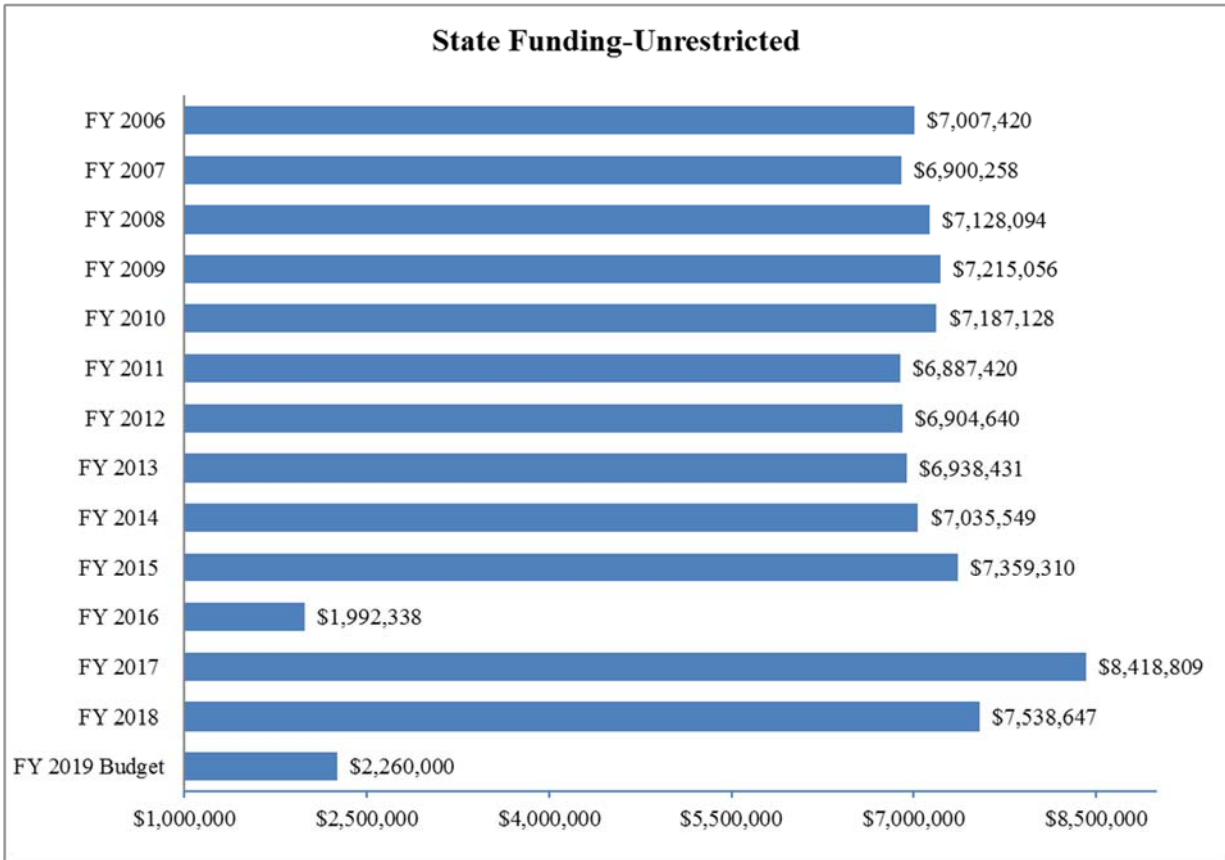
State Funding

State funding as a percentage of per capita costs remains the same and is estimated in FY 2018 to be 4.8%. As a percentage of total Tax-Capped funds revenue, it is estimated to be around 6.6% for FY 2018. 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 25% of the previous year. The College is reducing its reliance on State funding because of the uncertainties surrounding the finances of the State of Illinois. The budget has been reduced from \$4,015,000 in FY 2018 to \$2,260,000 in FY 2019.

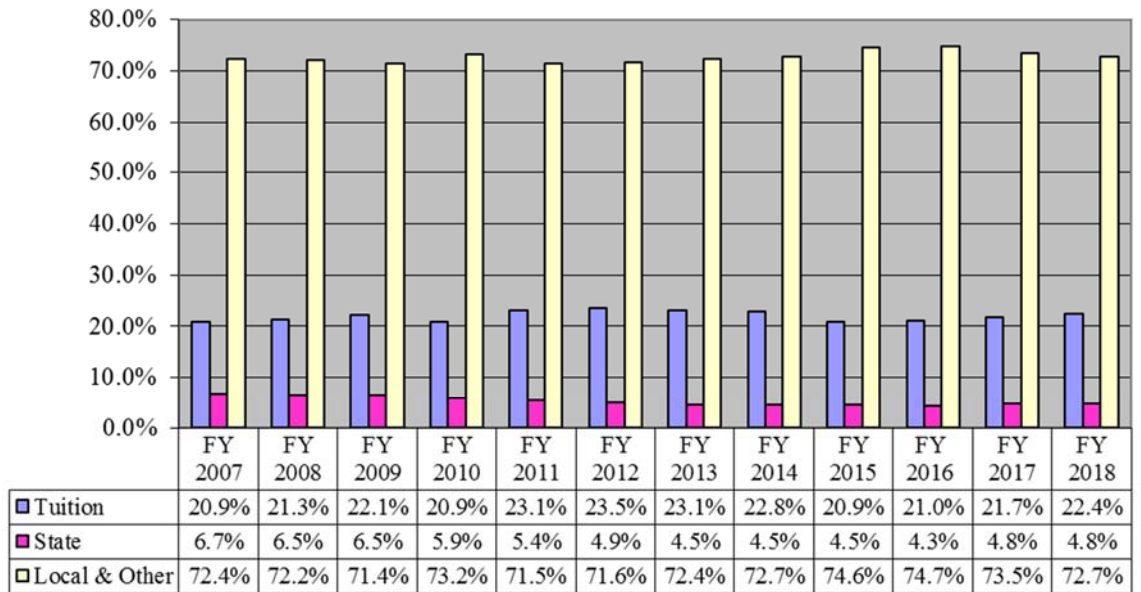
In addition to uncertainty in funding for the base operating grant, the College will be expected to absorb the unfunded Illinois Veterans' grants, which are estimated to be approximately \$300,000.

The tables below show the history and budget of the unrestricted State funding, percentage of total revenues and change, and percentage of per capita cost for each source of revenues.



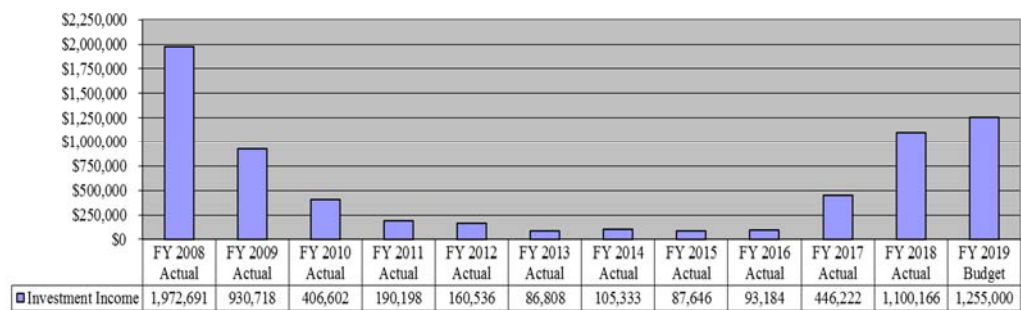
State Funding Percentage of Revenues and Change														
	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19 Budget
Percentage of Total Revenues	8.4%	7.7%	7.6%	7.4%	7.0%	6.4%	6.4%	6.4%	6.4%	6.7%	1.9%	7.4%	6.6%	2.0%
Percentage change	-1.0%	-1.5%	3.3%	1.2%	-0.4%	-4.2%	0.3%	0.5%	1.4%	4.6%	-72.9%	322.6%	-10.5%	-70.0%

Percentage of Per Capita Cost



All other revenue sources make up 2.0% of total revenues. Yields on typical quality investments are rising and, with recent interest rate hikes, investment income is showing signs of improvement. Investment income in the past year was \$1,100,166, a level not seen since FY 2009. An increase to \$1,255,000 is budgeted for FY 2019.

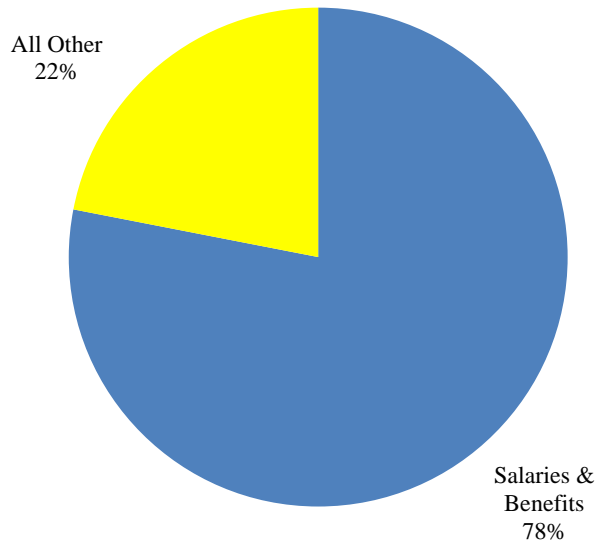
Investment Income by Fiscal Year



Expenditures

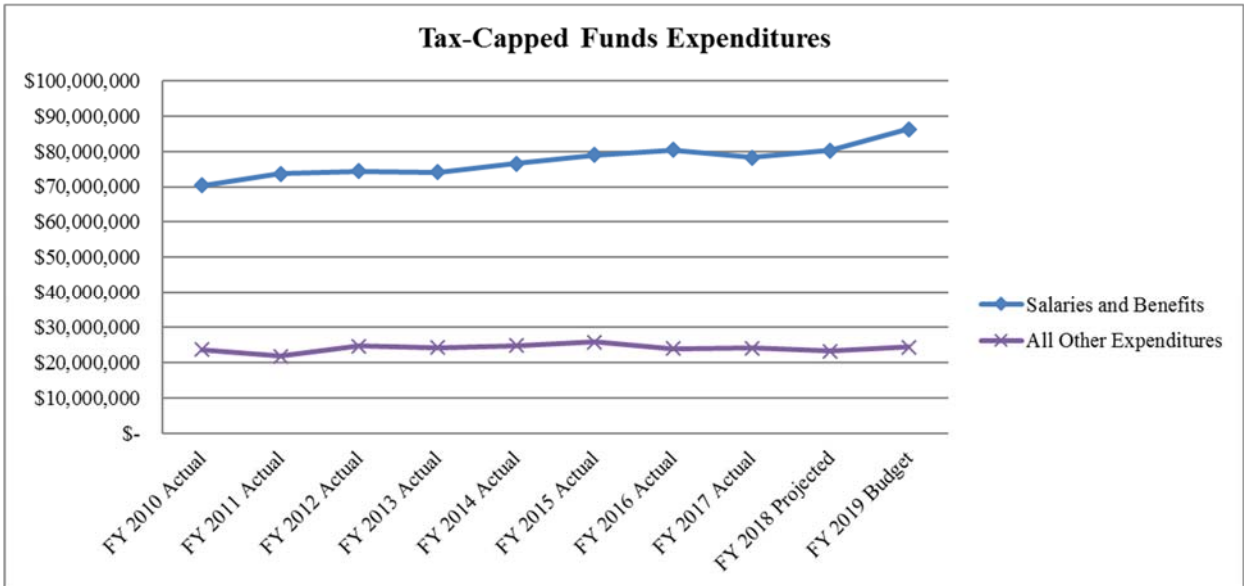
Building the expenditure side of the budget is a coordinated process across all College departments. Reallocation of existing budgets is always considered before funding any new budget requests. The Tax Capped Funds budgeted expenditures for FY 2019 are \$110,568,661 compared to \$110,024,091 for FY 2018. This represents an increase of \$544,570, or 0.5%, driven primarily by increases in annual salaries and benefits, offset by reductions in other expenditures to balance the budget.

Tax-Capped Funds FY 2019 Budgeted Expenditures



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 2019.

Tax-Capped Funds Expenditures- History and FY 2019 Budget										
	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Projected	FY 2019 Budget
Salaries and Benefits	\$ 70,330,649	\$ 73,715,166	\$ 74,431,168	\$ 74,161,710	\$ 76,569,300	\$ 78,919,149	\$ 80,481,863	\$ 78,189,574	\$ 80,217,826	\$ 86,303,323
All Other Expenditures	23,644,930	21,819,976	24,551,626	24,224,513	24,821,933	25,788,327	23,846,403	24,060,263	23,226,437	24,265,338
Total Expenditures	\$ 93,975,579	\$ 95,535,142	\$ 98,982,794	\$ 98,386,223	\$ 101,391,233	\$ 104,707,476	\$ 104,328,266	\$ 102,249,837	\$ 103,444,263	\$ 110,568,661



Salaries and Benefits

Salaries and benefits represent 78% of the College’s expenditures. Approximately 65% of the College’s salaries and benefits are driven by collective bargaining agreements making the budget process relatively straightforward in most years. All of the College’s five unionized groups have settled contracts through at least FY 2019. 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 2019 medical insurance rates to increase 8%.

Combined salaries and benefits have increased from \$84,808,691 in FY 2018 to \$86,303,323 in FY 2019, or about 1.8%, due to annual salary increases and projected medical premiums.

The following table is a summary of the detailed personnel headcount schedule located in the Appendix section.

Personnel Headcount Summary				
Employee Group	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget
Faculty - Full-Time	238	233	228	224
Administrators - Full-Time	51	43	39	38
Professional/Technical - Full-Time	138	142	152	163
Professional/Technical - Part-Time	45	39	32	30
Supervisory/Management - Full-Time	94	99	103	109
Supervisory/Management - Part-Time	2	2	2	2
Classified - Full-Time	136	127	128	122
Classified - Part-Time	111	89	83	76
Security - Full-Time	18	18	17	17
Security - Part-Time	17	15	15	15
Custodial/Maintenance - Full-Time	93	84	84	84
Custodial/Maintenance - Part-Time	5	4	4	4
Totals - Permanent Employees	948	895	887	884
Instructional Adjunct Faculty	759	695	657	644
Non-Instructional Adjunct Faculty	34	28	21	39
Continuing Education Instructors	339	322	428	398
Totals - Adjunct employees	1,132	1,045	1,106	1,081
Grand Totals	2,080	1,940	1,993	1,965

All other expenditures, which include contractual services, materials and supplies, travel and meeting, fixed charges, utilities, capital outlay, contingency, and other combined for a decrease from the prior year of \$950,062 or 3.8%. This is primarily due to reductions in institutional waiver expenditures that are offsets to reductions in tuition and fee revenue for adult education and dual credit enrollment. These expenditures represent 22% of the budget.