



# 2025 Annual Comprehensive Financial Report

For Fiscal Years Ended  
June 30, 2025 and June 30, 2024

*Kish*  
KISHWAUKEE  
— COLLEGE —

Illinois Community College District No. 523, Malta, IL



**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

For the Years Ended  
June 30, 2025 and 2024

Prepared by  
Finance Department

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS  
TABLE OF CONTENTS**

---

	<u>Page(s)</u>
<b>INTRODUCTORY SECTION</b>	
Principal Officials .....	i
Organizational Chart .....	ii
Certificate of Achievement for Excellence in Financial Reporting.....	iii
Letter of Transmittal .....	iv-xi
<b>FINANCIAL SECTION</b>	
INDEPENDENT AUDITOR’S REPORT .....	1-4
INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i> .....	5-6
MANAGEMENTS DISCUSSION AND ANALYSIS .....	MD&A 1-12
<b>BASIC FINANCIAL STATEMENTS</b>	
Statements of Net Position .....	7-8
Statements of Revenues, Expenses and Changes in Net Position.....	9
Statements of Cash Flows .....	10-11
Discretely Presented Component Unit	
Kishwaukee College Foundation	
Statements of Financial Position .....	12
Statements of Activities.....	13
Notes to Financial Statements.....	14-60
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
State Universities Retirement System of Illinois	
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios.....	61
College Insurance Plan	
Schedule of the College’s Proportionate Share of the Net OPEB Liability and Schedule of Contributions .....	62-63
Other Postemployment Benefit Plan	
Schedule of Changes in the Employer’s Total OPEB Liability and Related Ratios.....	64-65

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**TABLE OF CONTENTS (Continued)**

---

Page(s)

**FINANCIAL SECTION (Continued)**

**SUPPLEMENTARY INFORMATION**

Combining Schedule of Net Position Accounts - by Subgroup .....	66-67
Combining Schedule of Revenues, Expenses and Changes in Net Position - by Subgroup .....	68
Combining Schedule of Net Position Accounts - by Governmental Group .....	69-72
Combining Schedule of Revenues, Expenses and Changes in Net Position - by Governmental Group .....	73-74
Combining Schedule of Net Position - by Auxiliary Enterprise Group .....	75-76
Combining Schedule of Revenues, Expenses and Changes in Net Position - by Auxiliary Enterprise Group .....	77-78

**STATISTICAL SECTION**

<b>Financial Trends</b>	
Net Position by Component .....	79-80
Changes in Net Position .....	81-82
<b>Revenue Capacity</b>	
Assessed Value and Actual Value of Taxable Property .....	83
Property Tax Rates - Direct and Overlapping Governments .....	84
Principal Property Taxpayers .....	85
Property Tax Levies and Collections .....	86
<b>Debt Capacity</b>	
Ratio of Outstanding Debt by Type .....	87
Ratio of General Bonded Debt Outstanding .....	88
Direct and Overlapping Debt .....	89-90
Legal Debt Margin Information .....	91
Pledged-Revenue Coverage - Alternate Revenue Bonds .....	92
<b>Demographic and Economic Information</b>	
Demographic and Economic Information .....	93
Principal Employers .....	94
<b>Operating Information</b>	
Full-Time Equivalent Employees .....	95
Operating Indicators .....	96
Capital Asset Statistics .....	97



**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**TABLE OF CONTENTS (Continued)**

---

Page(s)

**SPECIAL REPORTS SECTION**

**SUPPLEMENTAL FINANCIAL INFORMATION**

Certification of Per Capita Cost .....	98
--	----

**UNIFORM FINANCIAL STATEMENTS**

All Funds Summary .....	99
Summary of Capital Assets and Debt .....	100
Operating Funds Revenues and Expenditures.....	101-102
Restricted Purposes Fund Revenues and Expenditures .....	103-104
Current Funds - Expenditures by Activity .....	105-106

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

Independent Auditor's Report.....	107-109
State Adult Education and Family Literacy Restricted Funds	
Balance Sheet .....	110
Statement of Revenues, Expenditures and Changes in	
Program Balances.....	111
Expenditure Amounts and Percentages for ICCB Grant Funds Only .....	112
Notes to Financial Statements - State Grant Programs .....	113-114
Independent Accountant's Report on the Schedule of Enrollment Data	
and Other Bases Upon Which Claims are Filed and Supporting	
Reconciliation of Semester Credit Hours.....	115
Schedule of Enrollment Data and Other Bases Upon Which	
Claims are Filed .....	116
Reconciliation of Total Semester Credit Hours .....	117

## **INTRODUCTORY SECTION**



KISHWAUKEE COLLEGE  
DISTRICT NUMBER 523  
MALTA, ILLINOIS

PRINCIPAL OFFICIALS

June 30, 2025

---

<u>Board Members</u>	<u>Position</u>	<u>Term Expires</u>
Robert Johnson	Chair	2029
Dr. Robert Hammon	Vice-Chair	2029
Kathy Countryman	Secretary	2027
David Lilja	Trustee	2031
Geri-Dee Hayden	Trustee	2027
Tonda Bruch	Trustee	2029
Catherine Hopkins	Trustee	2031
Diego A. Gonzalez	Student Trustee	2026

OFFICERS OF THE COLLEGE

Dr. Laurie Borowicz	President
Barbara Leach	Vice-President of Instruction
Dr. Michelle Rothmeyer	Vice President Student Services
Jill Fletcher	Chief Financial Officer

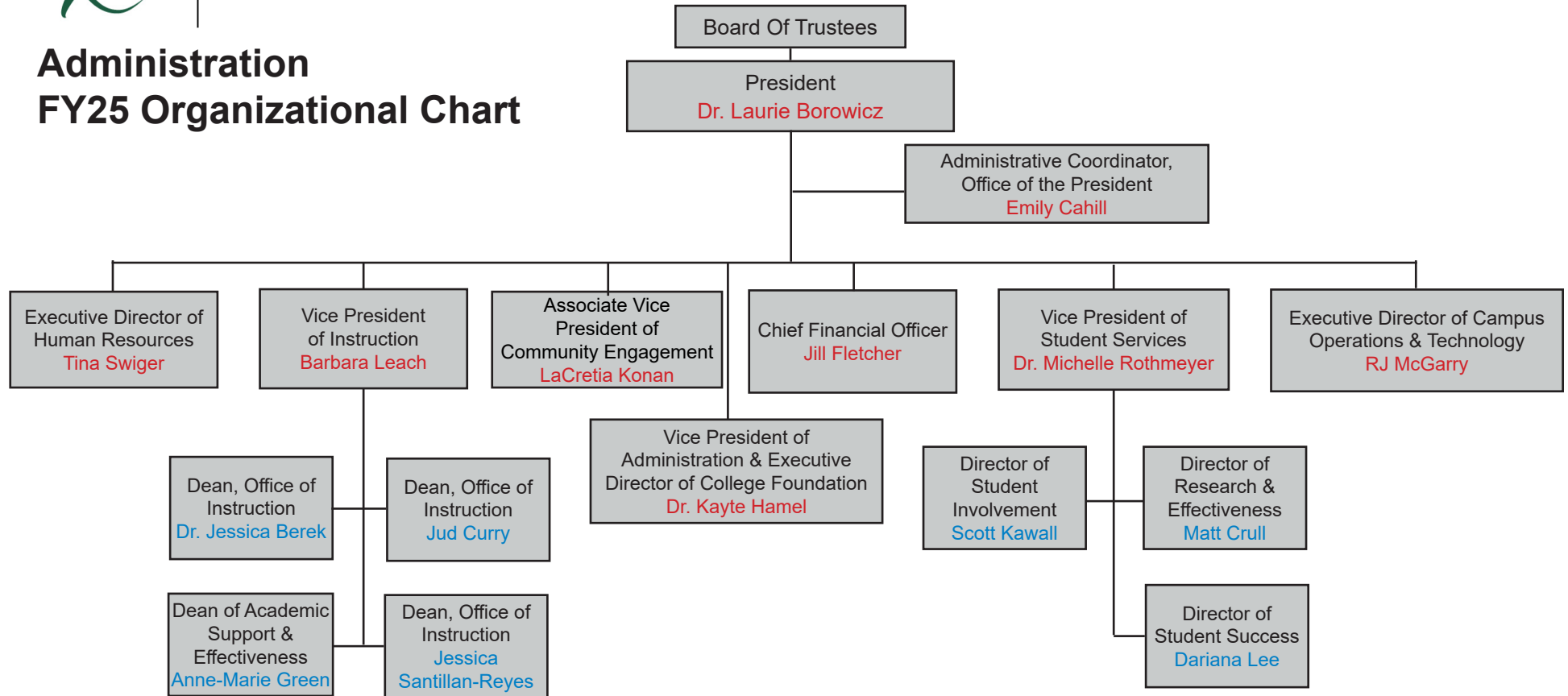
OFFICIALS ISSUING REPORT

Jill Fletcher	Chief Financial Officer
---------------	-------------------------



# KISHWAUKEE COLLEGE

## Administration FY25 Organizational Chart







Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Kishwaukee College  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

**Transmittal Letter**

October 24, 2025

To Members of the Board of Trustees, and  
Citizens of Kishwaukee College District No. 523:

The Annual Comprehensive Financial Report of Kishwaukee College District No. 523, Malta, Illinois as of and for the fiscal year ended June 30, 2025, is hereby submitted.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the College. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the College. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities in relation to its mission have been included.

Sikich CPA LLC has issued an unmodified (clean) opinion on Kishwaukee College District No. 523 basic financial statements for the year ended June 30, 2025. The independent auditor's report is located at the front of the financial section of the report.

This letter of transmittal should be read in conjunction with Management's Discussion and Analysis (MD&A) which immediately follows the independent auditor's report. The MD&A provides a narrative introduction, overview and analysis of the basic financial statements and it focuses on current activities, account changes and currently known facts.

**STRATEGIC INITIATIVES, VALUES, VISION, MISSION & EQUITY STATEMENT**

The leaders of Kishwaukee College redefined the mission, vision, values, and strategic initiatives of the College in the 2022 Strategic Plan. The updated plan provides us with the direction for where we are going in the future. Given the shifting higher education landscape, we understand that change and adapting to the needs of our learners and our communities is our future. The 2022 Strategic Plan included adding College Equity and Civility Statements. The update was approved by the Board of Trustees in October 2022 and is rolled into the new Strategic Initiatives and Goals. The four Strategic Initiatives identified in the existing plan provide the College with a focus and the framework for FY26 annual goal setting and beyond. Annual goals will reflect our College Values, demonstrating a shared commitment of serving our students.



## **STRATEGIC INITIATIVES & FY26 COLLEGE GOALS**

---

### **Strategy 1: Student Success**

- Update website to ensure ease of use for student experience.
- Implement the Navigate student success management system.

### **Strategy 2: Valuing Employees**

- Fully implement employee engagement plan; include activities to support staff feedback, open communication, and presidential engagement.
- Revise and standardize all staff job descriptions. Complete wage study for professional staff.
- Successfully negotiate KCEA Contract.

### **Strategy 3: Partnerships**

- Solicit funding for nursing textbooks and short-term programs.
- Develop essential employability outcomes including digital literacy for transfer and CTE courses.
- Develop technology training to be offered through CE.

### **Strategy 4: Institutional Effectiveness and Resource Management**

- Develop a Plan for the Greenhouse.
- Reduce College instructional costs from \$7,040 to \$6,882 per FTE (2% below the National Community College Benchmark).

## ***VALUES***

---

**Collaborative:** Build positive and trusting relationships through partnership and teamwork.

**Equity:** Support and embrace a diverse campus community.

**Future Focused:** Respond and adapt to changing needs through innovation and flexibility.

**Quality:** Provide an accessible education with a focus on excellence and continuous improvement.

**Supportive:** Foster an empathetic, civil, and encouraging College environment.

## ***VISION***

---

Kishwaukee College will provide accessible and innovative education by responding and adapting to changing student and community needs.

## ***MISSION***

---

Kishwaukee College improves lives by providing equitable, student-centered education.

## ***EQUITY STATEMENT***

---

Kishwaukee College is committed to a culture of diversity, equity, inclusion and belonging, focused on respect and fairness, in all aspects of the College experience.

## ***PROFILE OF THE COLLEGE***

---

Kishwaukee College is a public, comprehensive two-year, post-secondary educational institution. The College district encompasses seven high school districts and includes the communities of DeKalb, Genoa, Kingston, Kirkland, Malta, Rochelle, Shabbona, Sycamore, and Waterman.

Kish provides post-secondary education to the local community by offering associate degrees, career certificates, short-term programs, adult education and more. Founded in 1966 under Illinois' Public Community College Act, the College opened in 1968 with an initial enrollment of 620. Through the years, Kish grew in enrollment and expanded

its educational offerings, facilities and equipment. The College is accredited by the Higher Learning Commission and recognized by the Illinois Community College Board and currently offers four transfer associate degrees, 15 occupational degrees, a general studies degree and 42 certificates for in-demand career fields.

Through flexible learning options, Kish students can complete their programs of study at their convenience. The College provides flexibility for students through online, hybrid (online and on-campus sessions), and evening courses; compressed shorter sessions; and one-day, two-day, and four-day schedules. Classes are offered year-round, including summer, to support students' needs. Through Kish's dual credit program, high school students can simultaneously earn high school and college credit. The College's high school offerings continue to grow with new initiatives created to support local high school districts.

Kish focuses on supporting the local workforce by providing numerous avenues for career training and development. The College's Adult Education program supports students earning high school equivalency, learning English, and college or career transitions. Additionally, nine short-term programs provide students with industry certifications in one semester or shorter. Kish is also a recognized provider of continuing education and offers access to hundreds of professional education opportunities through ed2go. The College's Workforce and Continuing Education department provides quality and efficient service to area businesses that help keep their companies and staff members competitive by focusing on employee training, internships and professional development. Kishwaukee College responds to community needs and adapts its courses and programs to current demands. College leadership works with local and state agencies and other educational institutions to offer relevant, student-centered education.

## ***FINANCIAL INFORMATION***

---

### ***Internal Controls***

Management of the College is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the College are protected from loss, theft, or misuse, and to ensure that transactions are properly recorded to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of the costs and benefits requires estimates and judgments by the College.



## ***Budgetary Controls***

The College maintains its accounts and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Boards, the National Association of College and University Business Officers and the Illinois Community College Board (ICCB). The ICCB requires accounting by funds in order that limitations and restrictions on resources can be easily accounted for. The financial records of the College are maintained on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal obligation to pay. The notes to the financial statements expand and explain the financial statements and the accounting principles applied.

Financial resource allocation is ultimately determined by the Board of Trustees, through their annual budget approval. Board policy requires Board approval for purchases that exceed \$25,000.

Moreover, every year administrative staff and the Board participate in a long-term financial planning exercise, where the external environment is assessed to estimate future revenue streams. From this exercise, the Board is able to quantify the availability of funds for ongoing operations, capital projects or new personnel. By balancing the expected future revenue streams with the College's needs, the Board is able to forecast the likelihood and amount of future tuition increases.

While the full Board is very committed to maintaining the College's financial strength, it recognizes that a more focused and time-intensive effort is sometimes needed beyond what can be accomplished in a full Board meeting. Therefore, the Board has a Finance Committee to place an even greater emphasis on managing the College's fiscal health.

The College maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the College's Board of Trustees, no later than September. The level of budgetary control is established for each individual fund. The College also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end.

As demonstrated by the statements and schedules included in the financial section of this report, the College continues to meet its responsibility for sound financial management.



## ***ECONOMIC CONDITION AND OUTLOOK***

---

### ***District Economy***

The Kishwaukee College district is an important business and agricultural region in northern Illinois, supported by a major state university, transportation hub, warehouse facilities, and grain and livestock farms. Some of the largest employers in the district are Northern Illinois University, Target Distribution Center, Northwestern Medicine, the DeKalb School District, Rochelle Foods and 3M Corporation. During Fiscal Year 2025, unemployment in DeKalb County decreased from 5.8% to 4.5%.

### ***Tax Base***

The College's tax base is diverse as the largest ten taxpayers combined account for 18.4% of property tax revenue. Property taxes continue to be a significant source of revenue for Kishwaukee College. During fiscal year 2025, local property taxes accounted for 47.0% of total operating revenues. This is up from 42.5% in FY24.

Since 2016, Equalized Assessed Value (EAV) in the College's district has grown 87.8%. These increases reverse EAV declines the College experienced from 2010 to 2014. The College typically levies taxes at its statutory maximum and is not a tax-capped taxing body. Therefore, changes in EAV have a direct impact on property tax revenues. The College District's 2024 EAV of \$3,843,730,534 increased by 19.4% when compared with the 2023 EAV. However, over the last eight years, the College District's EAV has grown at an average annual rate of 11.0%.

### ***Debt Administration***

The College has general bonded debt of \$46,390,000 as of June 30, 2025, and \$49,760,000 as of June 30, 2024. The decrease of \$3,370,000 from 2025 to 2024 is the result of bond principal payments.

The College was last reviewed by Standard & Poor's in January 2020 in the process of issuing 2020 taxable general obligation (GO) refunding bonds. S&P affirmed a AA-/Stable rating on the district's outstanding debt. The outlook reflects the district's: (1) participation in the DeKalb area economy and access to the western suburbs of the Chicago metropolitan area, (2) inherent operational flexibility from its ability to raise tuition, and (3) moderate debt burden. Partially offsetting the above strengths are the district's below-average, albeit adequate-to-good, income indicators.

## **FY25 ACCOMPLISHMENTS AND INITIATIVES**

The College's financial outlook remains stable. Strong financial operations, conservative budgeting practices and a strengthening EAV will help position Kishwaukee College well for the future.

The following are some of the initiatives and accomplishments from the year:

- The "All-in" inclusive tuition, fees, and textbook model was developed and implemented in Summer 2025.
- Seven of eight areas of interest of the comprehensive guided pathways model have been implemented.
- Implemented the Navigate student success management system.
- Created College employee professional development plan. Identified and provided professional development on emerging technologies, including AI.
- Developed and implemented employee engagement plan.
- Based on feedback from our health care partners, an LPN program was developed and first offered in Summer 2025.
- Completed building safety modifications to gym entrance, reopened the conference center space, and expanded the number of all-gender bathrooms.
- Migrated student information system to SaaS (Software as a Service).
- Added three Flex Classrooms to increase learning modality options for students.

## **AWARDS & ACKNOWLEDGMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a ***Certificate of Achievement for Excellence in Financial Reporting*** to Kishwaukee College District 523 for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. This Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Each Annual Comprehensive Financial Report must satisfy both generally accepted accounting principles and applicable legal requirements.

A certificate of Achievement is valid for a period of one year only. Kishwaukee College District 523 has received the Certificate of Achievement for 13 years in a row since 2012.

### **Independent Audit**

The Illinois Public Community College Act requires an annual audit by independent certified public accountants. The College's Board of Trustees selected the public accounting firm of Sikich CPA LLC. The requirement has been satisfied and the auditor's opinion is unmodified. The auditor's report on the financial statements and schedules is included in the financial section of this report.

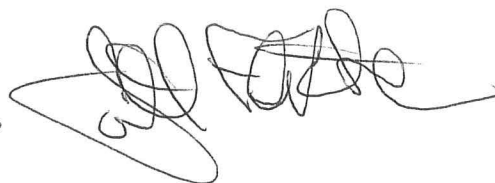
### **Acknowledgments**

Thanks are to be extended to the Board of Trustees for its continued interest and support in planning and conducting the financial operations of the College with fiscal integrity. Also, thanks to the office of Institutional Research, as well as the staff of the Business Office and the external auditors, Sikich CPA LLC, for their contributions and assistance in preparing this report.

Respectfully submitted,



Dr. Laurie Borowicz  
President



Jill Fletcher  
CFO

## **FINANCIAL SECTION**

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

**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Kishwaukee College  
Illinois Community College  
District No. 523  
Malta, Illinois

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the business-type activities of the Kishwaukee College - Illinois Community College District No. 523, Malta, Illinois (the College) and the discretely presented component unit, Kishwaukee College Foundation (the Foundation), as of and for the years ended June 30, 2025 and 2024, and the related notes to financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Kishwaukee College - Illinois Community College District No. 523 and the discretely presented component unit, Kishwaukee College Foundation, as of June 30, 2025 and 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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



## **Change in Accounting Principle**

As described in Note 11 to the financial statements, the College adopted the Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, for the fiscal years ended June 30, 2025 and 2024. The implementation of this guidance resulted in changes to the accrual of compensated absence balances and a restatement of beginning net position. Our opinion was not modified with respect to this matter.

## **Responsibilities of Management for the Financial Statements**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

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

## **Other Matters**

### *Required Supplementary Information*

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

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

### *Supplementary Information*

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

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

### *Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2025 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

*Sikich CPA LLC*

Naperville, Illinois  
October 24, 2025

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

**SIKICH.COM**

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

Board of Trustees  
Kishwaukee College -  
Illinois Community College District No. 523  
Malta, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Kishwaukee College - Illinois Community College District No. 523's (the College) as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise College's basic financial statements, and have issued our report thereon dated October 24, 2025. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

**Report on Internal Control Over Financial Reporting**

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

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

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

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Sikich CPA LLC*

Naperville, Illinois  
October 24, 2025



# KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523

## MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended June 30, 2025

---

### Using This Annual Report

As the management of Kishwaukee College, we offer the readers of the College's financial statements this narrative overview and analysis of the financial activities of the College for the years ended June 30, 2025, 2024 and 2023.

The Management Discussion and Analysis (MD&A) provides an overview of the College's financial position at June 30, 2025, 2024 and 2023 and the results of operations for the years then ended. This summary should not be taken as a replacement for the audit report, which consists of the financial statements, notes to the financial statements, and required and other supplementary information.

The financial statement, as presented under the reporting model established by GASB Statement No. 35, focuses on the College as a whole. The basic financial statements are designed to emulate corporate presentation models whereby all College activities are consolidated into one total. The Statement of Net Position focuses on the financial condition of the College. This statement combines and consolidates current financial resources (short-term expendable resources) with capital assets. The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross costs and the net costs of College activities, which are supported mainly by student tuition, property taxes, state appropriations and other revenues. This approach is intended to summarize and simplify the user's analysis of cost of various College services to students and the public.

The Statement of Net Position includes all assets and deferred outflows of resources and liabilities and deferred inflows of resources. Over time, increases or decreases in net position is one indicator of the improvement or decline of the College's financial condition when considered with non-financial facts such as enrollment levels and the condition of facilities. Assets and deferred outflows of resources and liabilities and deferred inflows of resources are generally measured using current values. One exception is capital assets, which are stated at historical cost less an allowance for depreciation.

The Statement of Revenues, Expenses, and Changes in Net Position presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or non-operating. Annual state appropriations are considered non-operating revenues according to generally accepted accounting principles. The utilization of capital assets is reflected in the financial statements as depreciation, which spreads the cost of an asset over its expected useful life. Depreciation expense is classified as an operating expense.

The Statement of Cash Flows presents information related to cash inflows and outflows. GASB principles include four major sources of cash flows: cash flows from operating activities, cash flows from non-capital financing activities, cash flows from capital financing activities, and cash flows from investing activities.

During the fiscal year ended June 30, 2004 the College adopted GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. Under this statement, if a private foundation provides financial support to a public college or university at a level that meets specified criteria, the foundation is considered a "component unit" of the college for purposes of financial reporting and the college is required to include the foundation's financial activities in the college's financial statements.

**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

For the year ended June 30, 2025

---

**Using This Annual Report (continued)**

The Kishwaukee College Foundation is administered and operated exclusively for the benefit of the College. However, the Foundation is not a subsidiary or affiliate of the College and is not directly or indirectly controlled by the College. The resources of the Foundation are disbursed at the discretion of the Foundation's independent board of directors in accordance with donor directions and Foundation policy.

Although the Foundation is independent of the College in all respects, the College has concluded that the Foundation is a "component unit" of the College as defined in GASB Statement No. 39 and GASB Statement No. 61. Therefore, the Foundation's Financial Statements are included in the College's Financial Statements in a separate column. See the Notes to the Financial Statements for further discussion.

**Financial Highlights**

Operating revenues were \$8,078 thousand, down \$1,001 thousand from the prior year. These revenues are generally exchange transactions, such as tuition and fees and auxiliary enterprise revenue. Operating expenses were \$45,524 thousand, which was a \$2,447 thousand increase from the prior year. These expenses are incurred for the general purpose of providing education and operational activities of the College. Operating loss (operating revenues less operating expenses) was \$37,445 thousand, up \$3,448 thousand from the prior year.

Non-operating revenues were \$42,018 thousand, up \$2,698 thousand from the prior year. These revenues are non-exchange transactions such as State grants, Federal grants and property taxes. Property and replacement taxes were \$1,597 thousand higher than last year.

Non-operating expenses were \$1,372 thousand, down \$118 thousand from the prior year.

Total net position (assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources) was \$44,697 thousand as of June 30, 2025. Of this amount, \$29,143 thousand is the net investment in capital assets. Net position increased by \$3,200 thousand from the prior year.

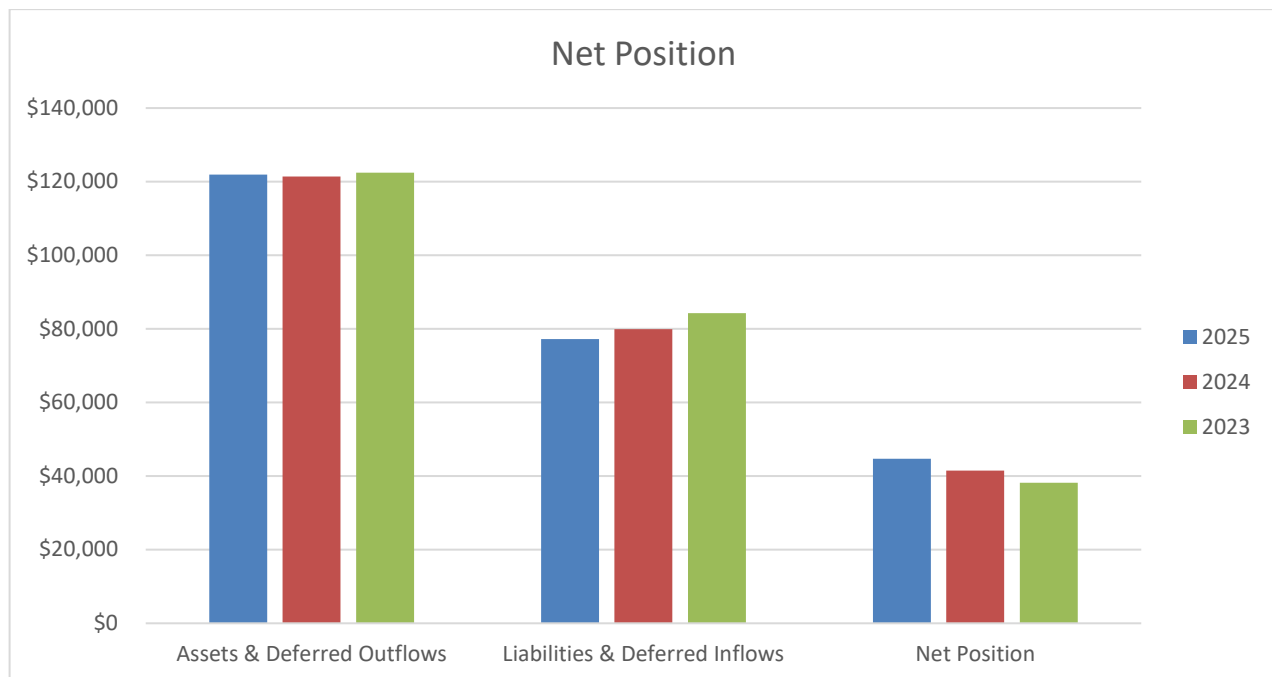
**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

For the year ended June 30, 2025

**Financial Analysis of the College as a Whole**

**Condensed Statement of Net Position June 30, (in thousands)**

	2025	2024	Increase (Decrease)	2023	Increase (Decrease)
<b>Assets:</b>					
Current assets	\$53,939	\$51,399	\$2,540	\$48,691	\$2,708
Non-current assets -					
Capital assets	\$67,286	\$69,607	(\$2,321)	\$73,301	(\$3,694)
<b>Total assets</b>	<b>\$121,225</b>	<b>\$121,007</b>	<b>\$219</b>	<b>\$121,992</b>	<b>(\$985)</b>
<b>Deferred Outflows</b>	<b>\$682</b>	<b>\$436</b>	<b>\$245</b>	<b>\$466</b>	<b>(\$29)</b>
<b>Liabilities:</b>					
Current liabilities	\$12,629	\$10,441	\$2,188	\$9,868	\$573
Non-current liabilities	\$48,975	\$53,197	(\$4,223)	\$56,552	(\$3,355)
<b>Total liabilities</b>	<b>\$61,604</b>	<b>\$63,638</b>	<b>(\$2,035)</b>	<b>\$66,420</b>	<b>(\$2,782)</b>
<b>Deferred Inflows</b>	<b>\$15,606</b>	<b>\$16,308</b>	<b>(\$702)</b>	<b>\$17,882</b>	<b>(\$1,574)</b>
<b>Net position:</b>					
Net investment in capital assets	\$29,143	\$29,915	(\$772)	\$31,776	(\$1,861)
Restricted	\$10,931	\$10,955	(\$24)	\$10,577	\$378
Unrestricted	\$4,624	\$627	\$3,996	(\$4,197)	\$4,825
<b>Total net position</b>	<b>\$44,697</b>	<b>\$41,497</b>	<b>\$3,200</b>	<b>\$38,156</b>	<b>\$3,342</b>



**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

For the year ended June 30, 2025

---

This schedule is prepared from the College's Statement of Net Position, which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

**Fiscal Year 2025 Compared to 2024**

Current assets increased \$2,540 thousand, of which \$1,729 thousand is in cash, cash equivalents and investments. The non-current assets decreased \$2,321 thousand, where new investments in capital assets (net of write-offs) of \$2,600 thousand were less than the increase in accumulated depreciation and amortization of \$4,921 thousand. Note that intangible assets of contracts for lease and SBITA software (Subscription Based IT Arrangement) greater than a year are now included in capital assets

Current liabilities increased \$2,188 thousand, due to the \$1,770 thousand increase in accounts payable. This increase is a result of \$939 thousand due on a roofing project at year-end and an increase of \$705 thousand due to the Community College Healthcare Consortium as a result of the year's claim and premium activities. Non-current liabilities decreased by \$4,223 thousand. This was due to a \$3,370 thousand decrease in bonds payable resulting from principal payments made on the College's outstanding bonds.

As a result of all of the factors described in this section, total net position at June 30, 2025 increased by \$3,200 thousand from last year.

**Fiscal Year 2024 Compared to 2023**

Current assets increased \$2,708 thousand, of which \$2,738 thousand is in cash, cash equivalents and investments. The non-current assets decreased \$3,694 thousand, where new investments in capital assets (net of write-offs) of \$1,008 thousand were less than the increase in accumulated depreciation and amortization of \$4,702 thousand. Note that intangible assets of contracts for lease and SBITA software (Subscription Based IT Arrangement) greater than a year are now included in capital assets

Current liabilities increased \$573 thousand, due to the \$622 thousand increase in unearned revenue due to early payment of grant revenue by the State of Illinois. Non-current liabilities decreased by \$3,355 thousand. This was due to a \$3,205 thousand decrease in bonds payable resulting from principal payments made on the College's outstanding bonds.

As a result of all of the factors described in this section, total net position at June 30, 2024 increased by \$3,342 thousand from last year.

**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

For the year ended June 30, 2025

**Operating Results for Years Ended June 30, (in thousands)**

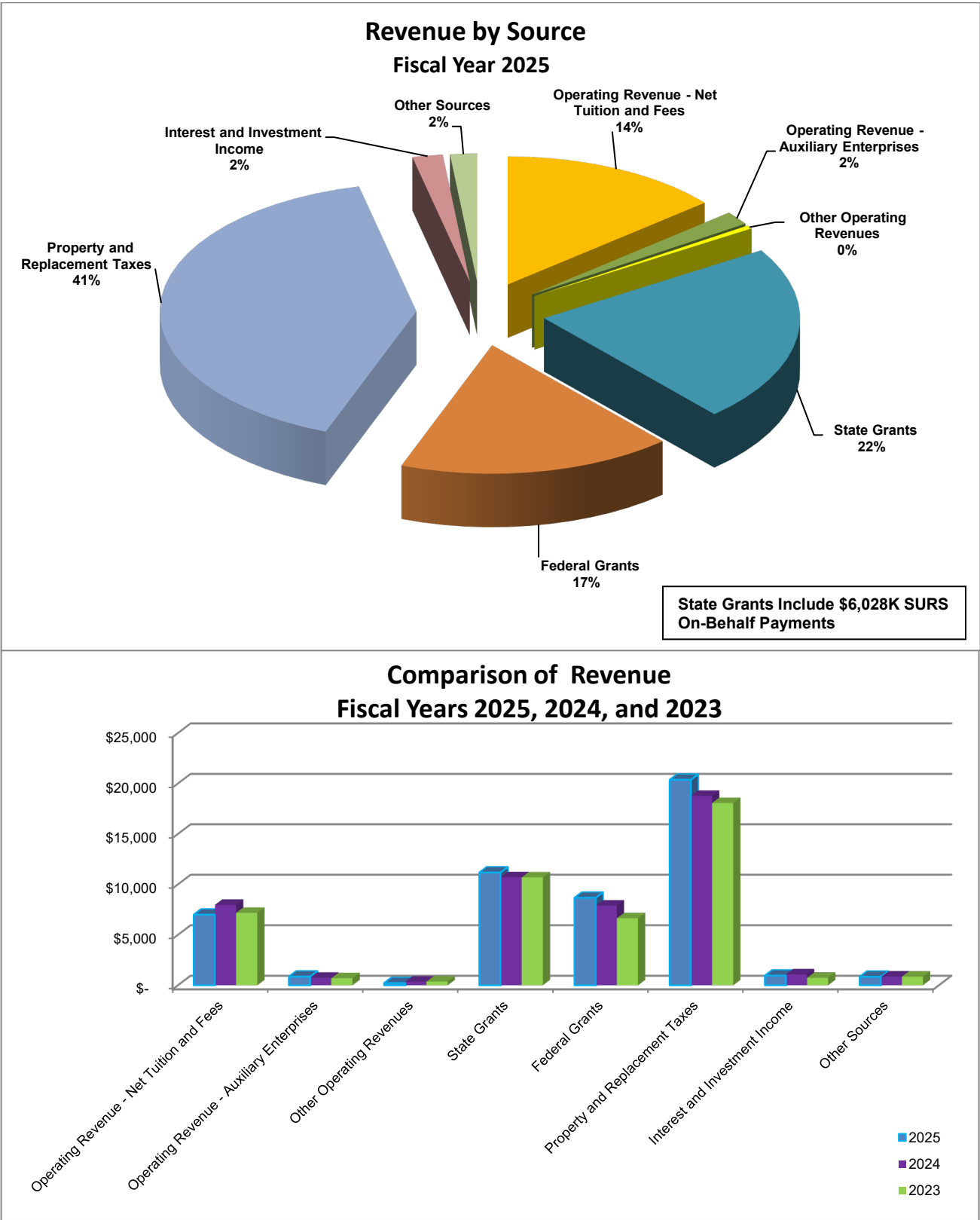
	2025	2024	Increase (Decrease)	2023	Increase (Decrease)
Operating Revenues					
Net Tuition and Fees	\$7,001	\$7,969	(\$968)	\$7,174	\$795
Auxiliary enterprise revenue	\$860	\$747	\$113	\$699	\$49
Other revenues	\$217	\$363	(\$146)	\$365	(\$2)
Total Operating Revenues	\$8,078	\$9,080	(\$1,001)	\$8,238	\$841
Less Operating Expenses	\$45,524	\$43,077	\$2,447	\$38,716	\$4,361
Operating Income (loss)	(\$37,445)	(\$33,998)	(\$3,448)	(\$30,478)	(\$3,520)
Non-Operating Revenues					
State grants	\$11,175	\$10,705	\$470	\$10,686	\$19
Federal grants	\$8,671	\$7,898	\$772	\$6,642	\$1,257
Property and replacement taxes	\$20,368	\$18,771	\$1,597	\$18,057	\$714
Interest and investment income	\$959	\$1,082	(\$123)	\$733	\$349
Other sources	\$846	\$864	(\$18)	\$851	\$13
Total non-operating revenues	\$42,018	\$39,320	\$2,698	\$36,969	\$2,351
Non-Operating Expense					
Gain (loss) on disposal of capital assets	\$11	\$41	(\$31)	\$97	(\$56)
Interest Expense	\$1,361	\$1,448	(\$87)	\$1,442	\$7
Total non-operating expenses	\$1,372	\$1,489	(\$118)	\$1,538	(\$49)
Change in net position	\$3,200	\$3,833	(\$633)	\$4,953	(\$1,120)
Change in accounting principle *	\$0	(\$491)	(\$491)	\$0	(\$491)
Beginning of year	\$41,497	\$38,156	\$3,341	\$33,203	\$4,953
Net Position, end of year	\$44,697	\$41,497	\$3,200	\$38,156	\$3,342

\*The College implemented GASB S-101, *Compensated Absences*, during the fiscal year ended June 30, 2025. The implementation of this accounting pronouncement required restatement through a change in accounting principle.



**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**  
For the year ended June 30, 2025

The following is a graphic illustration of revenues by source for the year ended June 30, 2025



**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

For the year ended June 30, 2025

---

**Fiscal Year 2025 Compared to 2024**

Operating revenue decreased \$1,001 thousand due to a decrease in tuition and fees of \$968 thousand. This is a result of the elimination of an estimated \$1,325 thousand in revenue from the elimination of all student fees.

Operating expenses increased \$2,447 thousand. This is mainly due to the increase in Pell awards to students of \$1,334 thousand. There were 258 more students that received Pell in FY25 than in FY24. In addition, there was an increase in expenses in the Auxiliary Fund of \$295 thousand, mainly due to higher activity in the bookstore. There was also an increase in expenses in the Health Benefit Plan fund of \$314 thousand due to losses in the health fund.

Non-operating revenue increased \$2,698 thousand. This is largely due to an increase in property tax revenue of \$1,597 due to an increase in EAV in the district.

**Fiscal Year 2024 Compared to 2023**

Operating revenue increased \$841 thousand due to an increase in tuition and fees of \$795 thousand due to increased enrollment.

Operating expenses increased \$4,361 thousand. This is mainly due to the accounting change in FY23 for SBITA's and Leases (from GASB 96 and 87). This change reduced operating expenses in FY23 by \$3,224 thousand.

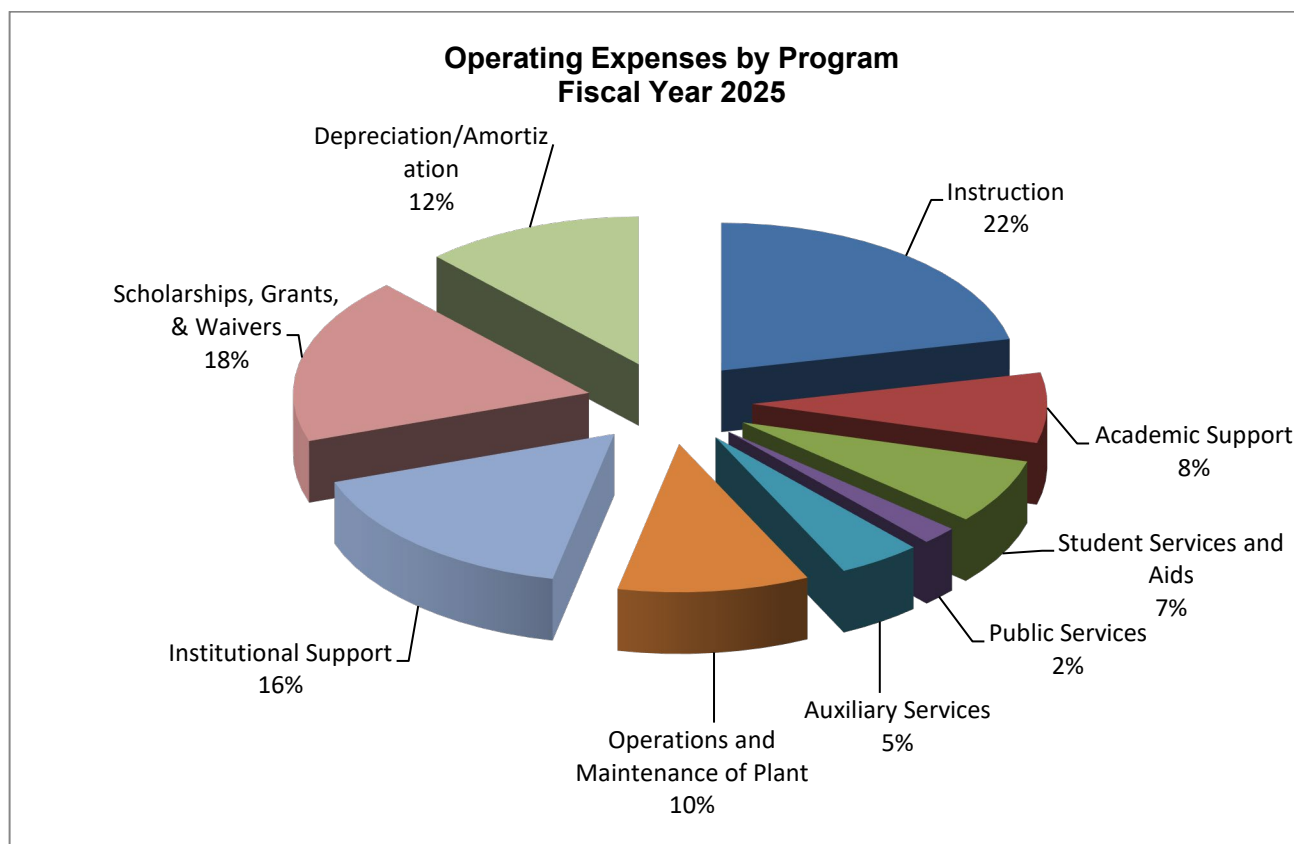
Non-operating revenue increased \$2,351 thousand. This is a blend of Federal revenue effects and property tax revenue. The Federal revenue effect is an increase of \$841 thousand of Pell funding due to higher enrollment. The increase in property tax revenue is due to an increase in EAV in the district.

**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**  
For the year ended June 30, 2025

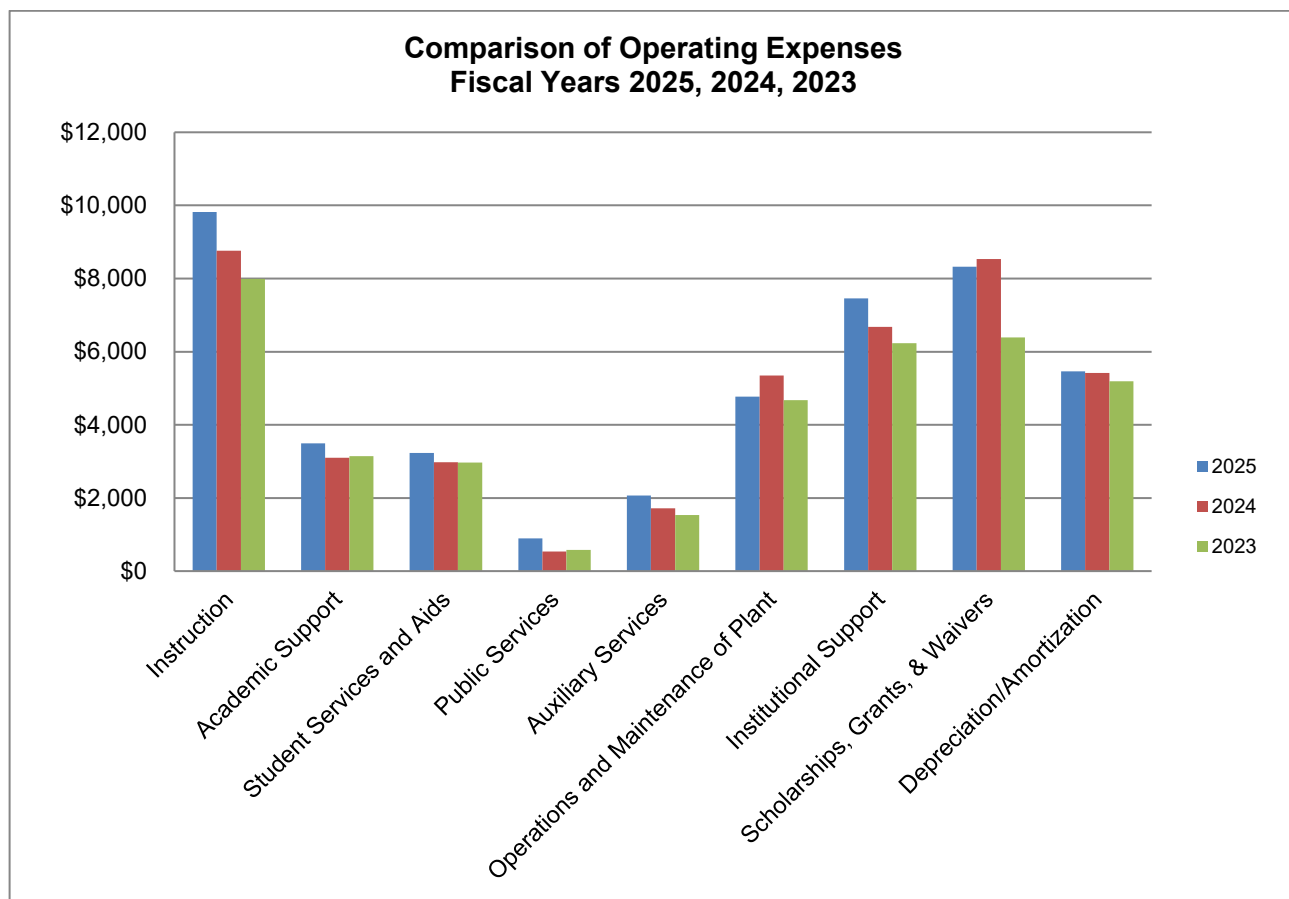
**Operating Expenses For the Year Ended June 30, (in thousands)**

	2025	2024	Increase (Decrease)	2023	Increase (Decrease)
Instruction	\$9,823	\$8,759	\$1,065	\$7,996	\$763
Academic Support	\$3,497	\$3,104	\$393	\$3,145	(\$41)
Student Services and Aids	\$3,231	\$2,977	\$254	\$2,969	\$8
Public Services	\$894	\$540	\$354	\$577	(\$37)
Auxiliary Services	\$2,069	\$1,713	\$356	\$1,536	\$177
Operations and Maintenance of Plant	\$4,768	\$5,350	(\$581)	\$4,675	\$675
Institutional Support	\$7,457	\$6,682	\$775	\$6,236	\$446
Scholarships, Grants, & Waivers	\$8,321	\$8,538	(\$217)	\$6,389	\$2,149
Depreciation/Amortization	\$5,463	\$5,415	\$48	\$5,194	\$221
<b>Total operating expenses</b>	<b>\$45,524</b>	<b>\$43,077</b>	<b>\$2,447</b>	<b>\$38,716</b>	<b>\$4,361</b>

The following is a graphic illustration of operating expenses for the year ended June 30, 2025



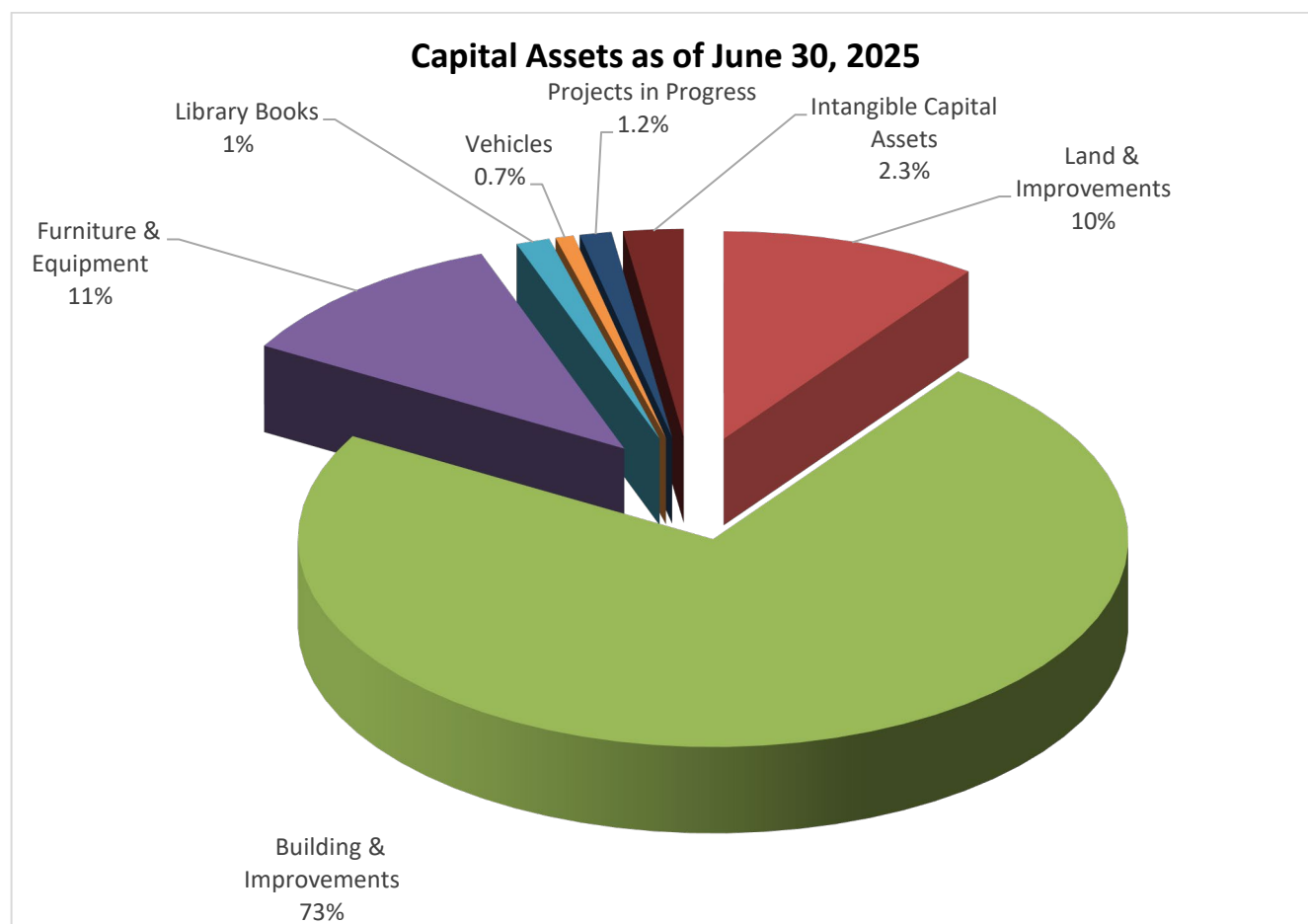
**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**  
For the year ended June 30, 2025



**Capital Assets, Net as of June 30, 2025**  
**(in thousands)**

	2025	2024	Increase (Decrease)	2023	Increase (Decrease)
<b>Tangible Capital Assets</b>					
Land & Improvements	\$13,931	\$13,875	\$56	\$13,875	\$0
Building & Improvements	\$101,374	\$101,367	\$7	\$101,318	\$49
Furniture & Equipment	\$15,430	\$14,807	\$623	\$13,058	\$1,749
Library Books	\$1,819	\$1,819	\$0	\$1,819	\$0
Vehicles	\$985	\$897	\$89	\$710	\$187
Projects in Progress	\$1,719	\$156	\$1,563	\$1,046	(\$890)
<b>Intangible Capital Assets</b>	\$3,241	\$2,978	\$263	\$3,066	(\$88)
<b>Total</b>	<b>\$138,498</b>	<b>\$135,898</b>	<b>\$2,600</b>	<b>\$134,891</b>	<b>\$1,008</b>
 Less Accum Deprec and Amort	 \$71,212	 \$66,291	 \$4,921	 \$61,590	 \$4,701
 <b>Net Capital Assets</b>	 <b>\$67,286</b>	 <b>\$69,607</b>	 <b>(\$2,321)</b>	 <b>\$73,301</b>	 <b>(\$3,694)</b>

**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**  
For the year ended June 30, 2025



**Fiscal Year 2025 Compared to 2024**

At June 30, 2025, the College has recorded \$138,498 thousand invested in land, buildings, land improvements, equipment, and contracts for leases and SBITA software (Subscription Based IT Arrangement). Of this amount, \$71,212 thousand in depreciation and amortization has accumulated over the years. The College's net book value of capital assets on June 30, 2025 is \$67,286 thousand. For more detailed information on capital asset activity, refer to Note (4) – Capital Assets, in the Notes to Financial Statements.

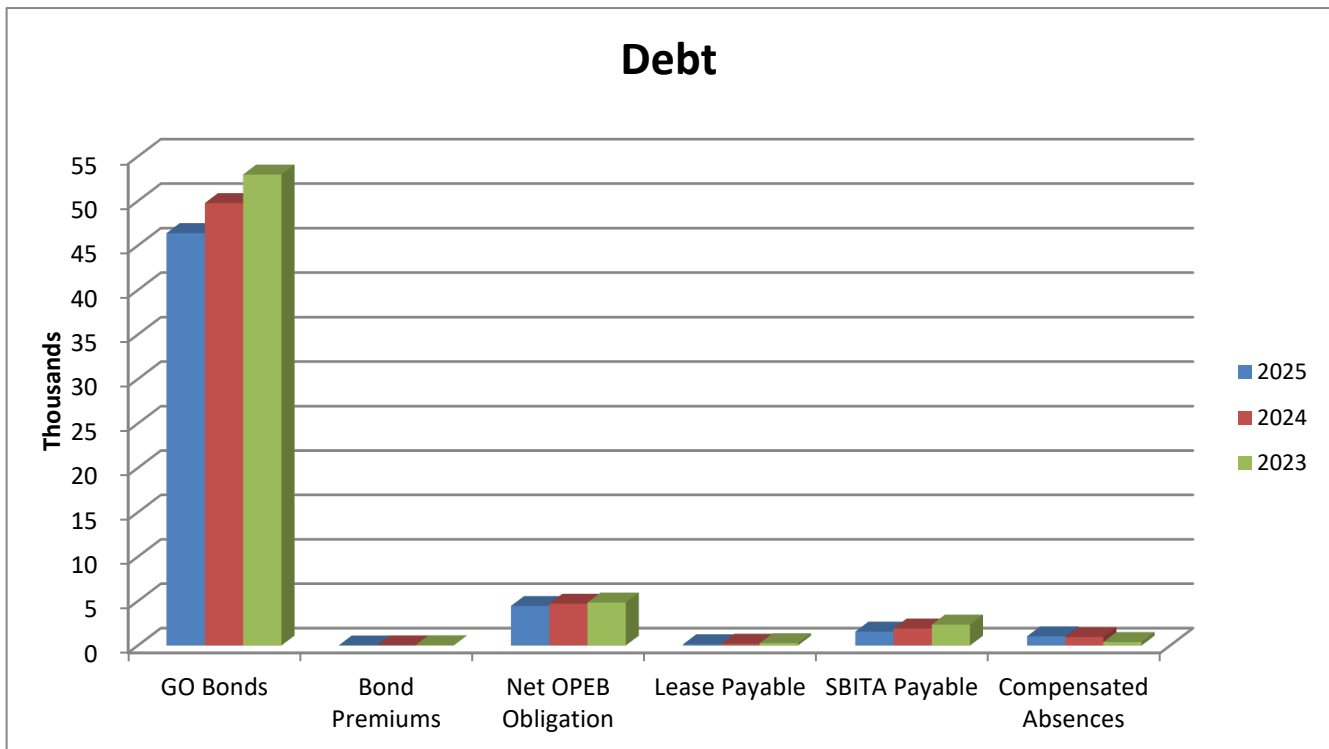
**Fiscal Year 2024 Compared to 2023**

At June 30, 2024, the College has recorded \$135,898 thousand invested in land, buildings, land improvements, equipment, and contracts for leases and SBITA software (Subscription Based IT Arrangement). Of this amount, \$66,291 thousand in depreciation and amortization has accumulated over the years. The College's net book value of capital assets on June 30, 2024 is \$69,607 thousand. For more detailed information on capital asset activity, refer to Note (4) – Capital Assets, in the Notes to Financial Statements.

**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**  
For the year ended June 30, 2025

**Debt as of June 30, 2025**  
**(in thousands)**

	2025	2024	Increase (Decrease)	2023	Increase (Decrease)
GO Bonds	\$46,390	\$49,760	(\$3,370)	\$52,965	(\$3,205)
Bond Premiums	\$10	\$17	(\$6)	\$23	(\$6)
Net OPEB Obligation	\$4,446	\$4,702	(\$256)	\$4,836	(\$134)
Lease Payable	\$135	\$199	(\$64)	\$262	(\$63)
SBITA Payable	\$1,557	\$1,911	(\$354)	\$2,344	(\$432)
Compensated Absences	\$1,034	\$952	\$82	\$385	\$567
Total	<u>\$53,573</u>	<u>\$57,541</u>	<u>(\$3,969)</u>	<u>\$60,815</u>	<u>(\$3,274)</u>



**Fiscal Year 2025 Compared to 2024**

As of June 30, 2025, the College's long-term debt was \$53,573 thousand. This balance decreased by \$3,969 thousand as compared with the prior year, due to principal payments on bonds outstanding. For more detailed information on debt activity, refer to Note (5) – Long-Term Debt, in the Notes to Financial Statements.



**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)**

For the year ended June 30, 2025

---

**Fiscal Year 2024 Compared to 2023**

As of June 30, 2024, the College's long-term debt was \$57,541 thousand. This balance decreased by \$3,274 thousand as compared with the prior year, due to principal payments on bonds outstanding. For more detailed information on debt activity, refer to Note (5) – Long-Term Debt, in the Notes to Financial Statements.

**District Demographics**

Kishwaukee is one of 39 community college districts in the State of Illinois. It is located in the northern part of the state and the communities it serves are predominantly DeKalb, Sycamore, Rochelle, and Genoa.

The College district encompasses 831 square miles and includes portions of 7 counties: Boone, DeKalb, Kane, LaSalle, Lee, Ogle, and Winnebago.

**Requests for Information**

This financial report is designed to provide a general overview of Kishwaukee College's finances for all those with interest in the topic. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to:

Ms. Jill Fletcher, CFO  
Kishwaukee College  
21193 Malta Road  
Malta, Illinois 60150-9699  
Phone number (815) 825-9517

## **BASIC FINANCIAL STATEMENTS**

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

STATEMENTS OF NET POSITION

June 30, 2025 and 2024

	2025	2024
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 38,954,096	\$ 35,065,744
Investments	143,897	2,303,380
Receivables (net of allowances for uncollectibles)		
Taxes	10,141,522	8,807,200
Accounts	15,797	29,240
Other	554,620	986,436
Tuition	3,572,055	3,284,705
Prepaid expenses	294,688	636,821
Inventories	262,524	285,856
Total current assets	53,939,199	51,399,382
<b>NONCURRENT ASSETS</b>		
Capital assets, tangible and intangible	138,498,182	135,898,434
Less accumulated depreciation and amortization	(71,212,173)	(66,291,209)
Net capital assets	67,286,009	69,607,225
Total noncurrent assets	67,286,009	69,607,225
Total assets	121,225,208	121,006,607
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Loss on refunding	154,831	175,475
OPEB items	433,843	173,006
SURS pension contribution	93,246	87,953
Total deferred outflows of resources	681,920	436,434
Total assets and deferred outflows of resources	121,907,128	121,443,041
<b>CURRENT LIABILITIES</b>		
Accounts payable	2,411,853	642,366
Accrued salaries and payroll deductions payable	919,099	931,047
Unearned tuition and fees	3,415,246	3,162,081
Unearned revenue	748,063	783,544
OPEB liability - CIP plan	100,678	115,200
OPEB liability - College plan	208,030	189,478
Accrued compensated absences, current	155,122	142,799
Lease liability, current	65,905	64,365
SBITA liability, current	521,847	455,898
Bonds payable, current	3,546,418	3,376,418
Interest payable	514,775	546,713
Other current liabilities	22,317	30,683
Total current liabilities	12,629,353	10,440,592

(This statement is continued on the following page.)

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

STATEMENTS OF NET POSITION (Continued)

June 30, 2025 and 2024

	<b>2025</b>	<b>2024</b>
<b>NONCURRENT LIABILITIES</b>		
OPEB liability - CIP plan	\$ 4,085,204	\$ 4,272,946
OPEB liability - College plan	52,207	124,575
Accrued compensated absences	879,023	809,195
Lease liability	68,947	134,852
SBITA liability	1,035,480	1,455,545
Bonds payable	42,853,745	46,400,163
	<hr/>	<hr/>
Total noncurrent liabilities	48,974,606	53,197,276
	<hr/>	<hr/>
Total liabilities	61,603,959	63,637,868
	<hr/>	<hr/>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred revenue - property taxes	10,534,862	9,407,079
OPEB items	5,070,835	6,900,861
	<hr/>	<hr/>
Total deferred inflows of resources	15,605,697	16,307,940
	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	77,209,656	79,945,808
	<hr/>	<hr/>
<b>NET POSITION</b>		
Net investment in capital assets	29,142,776	29,915,256
Restricted for		
Capital outlay	2,441,071	2,555,167
Debt service	2,497,240	2,401,800
Tort liability	2,796,143	2,712,884
Specific purposes	478,152	571,736
Working cash	2,625,000	2,625,000
Pension contributions	93,246	87,953
Unrestricted	4,623,844	627,437
	<hr/>	<hr/>
<b>TOTAL NET POSITION</b>	<u>\$ 44,697,472</u>	<u>\$ 41,497,233</u>

See accompanying notes to financial statements.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION

For the Years Ended June 30, 2025 and 2024

	<b>2025</b>	<b>2024</b>
<b>OPERATING REVENUES</b>		
Tuition and fees	\$ 7,000,616	\$ 7,968,986
Auxiliary enterprises revenue	860,270	747,420
Other operating revenue	217,499	363,170
Total operating revenues	8,078,385	9,079,576
<b>OPERATING EXPENSES</b>		
Instruction	9,823,427	8,758,699
Academic support	3,496,647	3,103,803
Student services	3,230,926	2,977,387
Public services	893,958	539,651
Auxiliary services	2,069,218	1,713,027
Operation and maintenance of plant	4,768,429	5,349,788
Institutional support	7,457,170	6,682,208
Scholarships, student grants, waivers	8,320,882	8,537,756
Amortization	599,910	546,117
Depreciation	4,863,211	4,868,681
Total operating expenses	45,523,778	43,077,117
<b>OPERATING INCOME (LOSS)</b>	(37,445,393)	(33,997,541)
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Property taxes	19,981,604	18,188,745
Personal property replacement tax	386,015	582,146
State grants and contracts	11,174,960	10,704,688
Federal grants and contracts	8,670,646	7,898,305
Investment income	958,859	1,081,690
Interest expense and fiscal charges	(1,361,010)	(1,448,163)
Other non-operating revenue (expense)	845,517	863,943
Gain (loss) on disposal of capital assets	(10,959)	(41,068)
Total non-operating revenues (expenses)	40,645,632	37,830,286
<b>CHANGE IN NET POSITION</b>	3,200,239	3,832,745
<b>NET POSITION, JULY 1, AS REPORTED</b>	41,497,233	38,155,589
Change in accounting principle	-	(491,101)
<b>NET POSITION, JULY 1, RESTATED</b>	41,497,233	37,664,488
<b>NET POSITION, JUNE 30</b>	\$ 44,697,472	\$ 41,497,233

See accompanying notes to financial statements.

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**STATEMENTS OF CASH FLOWS**

For the Years Ended June 30, 2025 and 2024

	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and fees	\$ 6,944,393	\$ 8,510,071
Payments to suppliers	(17,188,338)	(18,796,819)
Payments to employees	(19,865,882)	(17,502,559)
Auxiliary enterprise charges	860,270	747,420
Other	1,063,016	1,227,113
Net cash from operating activities	(28,186,541)	(25,814,774)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Local property taxes	19,775,065	18,346,676
Corporate personal property replacement tax	386,015	582,146
State grants and contracts	7,965,436	7,680,004
Federal grants and contracts	8,339,276	7,566,935
Net cash from noncapital financing activities	36,465,792	34,175,761
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of tangible and intangible capital assets	(2,224,236)	(1,542,325)
Principal paid on bonds, leases and SBITAs	(3,906,283)	(3,700,326)
Interest paid on bonds, leases and SBITAs	(1,378,722)	(1,461,682)
Net cash from capital and related financing activities	(7,509,241)	(6,704,333)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on investments	958,859	1,081,690
Sales (purchases) of investments	2,159,483	27,892,979
Net cash from investing activities	3,118,342	28,974,669
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	3,888,352	30,631,323
<b>CASH AND CASH EQUIVALENTS, JULY 1</b>	35,065,744	4,434,421
<b>CASH AND CASH EQUIVALENTS, JUNE 30</b>	<u>\$ 38,954,096</u>	<u>\$ 35,065,744</u>

(This statement is continued on the following page.)



**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

STATEMENTS OF CASH FLOWS (Continued)

For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>RECONCILIATION OF NET OPERATING INCOME (LOSS)</b>		
<b>TO NET CASH FROM OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ (37,445,393)	\$ (33,997,541)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation and amortization	5,463,121	5,414,798
State proportionate share payments/pension expense	3,972,710	3,703,557
Other operating sources	845,517	863,943
Accounts receivable	(273,907)	168,536
Inventories	23,332	(91,200)
Prepaid expenses	342,133	84,820
Pension/OPEB items - deferred outflows	(266,130)	8,827
Accounts payable	950,295	(138,191)
Accrued salaries	(11,948)	65,330
Accrued compensated absences	82,151	75,604
OPEB items - deferred inflows	(1,830,026)	(2,211,944)
Unearned revenue	217,684	372,549
OPEB liability	(256,080)	(133,862)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u><u>\$ (28,186,541)</u></u>	<u><u>\$ (25,814,774)</u></u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>		
Capital asset purchases included in accounts payable	\$ 1,088,368	\$ 277,542
SBITA right-to-use addition	117,802	-
Issuance of SBITA liability	(117,802)	-
State proportionate share pension expense	6,027,741	5,746,679
State proportionate share OPEB expense	(2,055,031)	(2,043,122)
<b>TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>	<u><u>\$ 5,061,078</u></u>	<u><u>\$ 3,981,099</u></u>

See accompanying notes to financial statements.

**DISCRETELY PRESENTED COMPONENT UNIT**

**KISHWAUKEE COLLEGE FOUNDATION  
MALTA, ILLINOIS**

**STATEMENTS OF FINANCIAL POSITION**

June 30, 2025 and 2024

	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 92,381	\$ 46,889
Pledges receivable	-	479
Prepaid expenses	365	16,614
Investments	10,167,421	9,865,954
<b>TOTAL ASSETS</b>	<b>\$ 10,260,167</b>	<b>\$ 9,929,936</b>
<b>LIABILITES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Due to Kishwaukee College	\$ 23,566	\$ 179,580
Accounts payable	8,867	-
Deferred revenue	-	1,481
<b>Total liabilities</b>	<b>32,433</b>	<b>181,061</b>
<b>NET ASSETS</b>		
Without donor restrictions	1,198,550	1,245,259
With donor restrictions	9,029,184	8,503,616
<b>Total net assets</b>	<b>10,227,734</b>	<b>9,748,875</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 10,260,167</b>	<b>\$ 9,929,936</b>

See accompanying notes to financial statements.

**DISCRETELY PRESENTED COMPONENT UNIT**

**KISHWAUKEE COLLEGE FOUNDATION  
MALTA, ILLINOIS**

**STATEMENTS OF ACTIVITIES**

For the Years Ended June 30, 2025 and June 30, 2024

	<b>2025</b>			<b>2024</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES</b>						
Contributions	\$ 1,150	\$ 464,775	\$ 465,925	\$ 52,583	\$ 352,177	\$ 404,760
Special events and other	119,746	-	119,746	97,485	-	97,485
In-kind donations - materials and supplies	28,477	-	28,477	38,123	-	38,123
Interest and dividends	38,615	174,462	213,077	35,204	144,146	179,350
Net realized gain on investments	99,219	456,913	556,132	98,613	406,295	504,908
Net unrealized gain (loss) on investments	34,316	149,850	184,166	127,538	508,177	635,715
Other income	141,887	-	141,887	127,039	-	127,039
Net assets released from restrictions	720,432	(720,432)	-	596,077	(596,077)	-
<b>Total revenues</b>	<b>1,183,842</b>	<b>525,568</b>	<b>1,709,410</b>	<b>1,172,662</b>	<b>814,718</b>	<b>1,987,380</b>
<b>EXPENSES</b>						
Program services						
Scholarships granted	422,068	-	422,068	370,064	-	370,064
Program enhancements	305,558	-	305,558	353,415	-	353,415
Return of donor requested funds	-	-	-	50,957	-	50,957
Contributed goods	15,631	-	15,631	22,347	-	22,347
Contributed wages and benefits	40,830	-	40,830	46,188	-	46,188
Wages and benefits	91,344	-	91,344	87,410	-	87,410
<b>Total program services</b>	<b>875,431</b>	<b>-</b>	<b>875,431</b>	<b>930,381</b>	<b>-</b>	<b>930,381</b>
Management and general						
Wages and benefits	72,475	-	72,475	33,239	-	33,239
Contributed wages and benefits	61,216	-	61,216	80,831	-	80,831
Administrative fee	141,765	-	141,765	127,038	-	127,038
Professional services	82,281	-	82,281	70,338	-	70,338
Supplies	13,579	-	13,579	10,614	-	10,614
<b>Total management and general</b>	<b>371,316</b>	<b>-</b>	<b>371,316</b>	<b>322,060</b>	<b>-</b>	<b>322,060</b>
Direct donor benefits - meals and entertainment	24,182	-	24,182	31,967	-	31,967
Fundraising						
Wages and benefits	41,176	-	41,176	16,412	-	16,412
Contributed wages and benefits	64,400	-	64,400	55,655	-	55,655
Contributed goods	12,846	-	12,846	-	-	-
Other	12,339	-	12,339	8,713	-	8,713
<b>Total fundraising</b>	<b>130,761</b>	<b>-</b>	<b>130,761</b>	<b>80,780</b>	<b>-</b>	<b>80,780</b>
<b>Total supporting services</b>	<b>526,259</b>	<b>-</b>	<b>526,259</b>	<b>434,807</b>	<b>-</b>	<b>434,807</b>
<b>Total expenses</b>	<b>1,401,690</b>	<b>-</b>	<b>1,401,690</b>	<b>1,365,188</b>	<b>-</b>	<b>1,365,188</b>
Transfer from affiliate - Kishwaukee College						
Wages and benefits	166,446	-	166,446	182,674	-	182,674
Return of unused funds	4,693	-	4,693	29,297	-	29,297
<b>Total transfer from affiliate</b>	<b>171,139</b>	<b>-</b>	<b>171,139</b>	<b>211,971</b>	<b>-</b>	<b>211,971</b>
<b>CHANGE IN NET ASSETS</b>	<b>(46,709)</b>	<b>525,568</b>	<b>478,859</b>	<b>19,445</b>	<b>814,718</b>	<b>834,163</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>1,245,259</b>	<b>8,503,616</b>	<b>9,748,875</b>	<b>1,225,814</b>	<b>7,688,898</b>	<b>8,914,712</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 1,198,550</b>	<b>\$ 9,029,184</b>	<b>\$ 10,227,734</b>	<b>\$ 1,245,259</b>	<b>\$ 8,503,616</b>	<b>\$ 9,748,875</b>

See accompanying notes to financial statements.

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2025 and 2024

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Kishwaukee College - Illinois Community College District No. 523 (the College) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting principles. In addition, the College presents its financial statements in accordance with accounting practices prescribed or permitted by the Illinois Community College Board. The following is a summary of the more significant policies of the College.

**a. Reporting Entity**

**Financial Reporting Entity**

The College is a separate legal entity established under Illinois Compiled Statutes (ILCS) governed by an elected Board of Trustees. The College is fiscally independent and is considered a primary government pursuant to GASB Statement No. 61. The College has determined that the Kishwaukee College Foundation (the Foundation) meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an Amendment of GASB Statement No. 14*, because of the nature and significance of the Foundation's relationship with the College are such that exclusion would cause the College's financial statements to be misleading or incomplete, which has resulted in the Foundation being reported as a discretely presented component unit of the College as it is legally separate from the College. Separate financial statements of the Foundation can be obtained by calling the Foundation at (815) 825-2086 ext. 2660.

**Joint Ventures**

The College and seven other governmental entities within DeKalb County are members of the Kishwaukee Education Consortium (KEC). They are in partnership with business and industry (Kishwaukee Education-to-Careers Partnership), Kishwaukee College, Kane County Department of Employment and Education and other regional systems. KEC's purpose is to develop and maintain a regional education and employment system that addresses the principles of relevancy, quality, access and efficiency. KEC provides basic education and skill training for immediate employment or advanced education programs in preparation of later employment. KEC has

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

a. Reporting Entity (Continued)

Joint Ventures (Continued)

established Education-to-Career work-based learning programs as well as additional alternative education programs to serve at-risk and economically disadvantaged clients. Each member has a financial responsibility for annual assessments based on student enrollments. KEC also receives funding through federal and state grants. Complete financial statements for KEC can be obtained from their administrative office at 901 South Fourth Street, DeKalb, Illinois 60115.

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

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Non-exchange transactions, in which the College receives value without directly giving equal value in return, includes property taxes, federal, state and local grants, state appropriations and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenue from grants, state appropriations and other contributions is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the College must provide local resources to be used for a specified purpose and expenditure requirements, in which the resources are provided to the College on a reimbursement basis when qualifying expenses are incurred.

The College reports unearned revenue and deferred revenue on its statement of net position. Unearned revenues arise when a potential revenue does not meet both the measurable and earned criteria for recognition in the current period. Unearned revenues also arise when resources are received by the College before it has a legal claim to them, as when grant monies are received prior to meeting all eligibility requirements. Deferred revenue results from property taxes being levied and reported as a receivable before the period for which the taxes are levied.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- b. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

In subsequent periods, when both revenue recognition criteria are met, or when the College has met all eligibility requirements, the liability for unearned tuition and fee revenue is removed from the statement of net position and revenue is recognized. Tuition and fee revenues related to courses primarily held after June 30, 2025 and 2024 are reported as unearned revenue.

- c. Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposit accounts and certificates of deposits with a maturity of three months or less. For purposes of the statement of cash flows, cash equivalents include money market accounts and any highly liquid debt instruments purchased with a maturity of less than three months.

- d. Investments

Investments with a maturity of less than one year when purchased and all non-negotiable certificates of deposit are reported at cost or amortized cost. Investments with a maturity greater than one year at the time of purchase are recorded at fair value.

- e. Inventories

Inventories are valued at cost based on the first-in/first-out (FIFO) method, which approximates net realizable value, and consist primarily of items held for resale in the bookstore.

- f. Prepays

Payments for goods and services that benefit future periods are recorded as prepaid items.

- g. Capital Assets

Capital assets include property, plant, equipment, intangibles and infrastructure assets, such as roads and sidewalks. Capital assets are defined by the College as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are valued at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the



**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

g. Capital Assets (Continued)

date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Gains and losses realized upon retirement or disposition of capital assets are recognized in income. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the College are depreciated using the straight-line method over the following useful lives:

Assets	Years
Buildings and improvements	15-50
Furniture and equipment	5-10
Library books	10
Vehicles	5

Intangible assets represent the College's right-to-use leased assets and subscription assets. These intangible assets, as defined by GASB Statement No. 87, *Leases*, and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, are for lease contracts of nonfinancial assets and subscription assets.

Right-to-use intangible assets for leases and subscription assets are amortized over the shorter of the lease/subscription term or useful life of the underlying asset.

h. Accrued Compensated Absences

Accumulated vacation leave is recorded as an expense and liability as the benefits accrue to employees. The liability for accumulated unpaid vacation leave is based upon accumulated days times the current pay rate for each employee. A maximum of 20 days of vacation may be accumulated for full-time staff. Full-time employees also accrue 15 sick days per year and may accumulate a maximum of 220 days. Faculty employees who have completed 15 or more years of continuous full-time service may accumulate a maximum of 305 days. When a staff member retires after minimum years of service with the College, he/she is allowed to apply his/her accrued sick leave days toward service credit for retirement with the State Universities Retirement System (SURS or the System). The College implemented GASB Statement No. 101, *Compensated Absences*, for the fiscal years ended June 30, 2025 and 2024. A liability is recognized for the portion of accumulating sick leave benefits that is estimated to be more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

h. Accrued Compensated Absences (Continued)

As a result of the implementation of GASB Statement No. 101, *Compensated Absences*, beginning net position was restated. See footnote #11 for additional information.

i. Long-Term Obligations

Long-term obligations are reported as liabilities in the applicable financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the period incurred.

j. Net Position

The College's net position is classified as follows:

Net Investment in Capital Assets

This represents the College's total investment in capital assets, net of accumulated depreciation and net of the unmatured portion of long-term liabilities issued to construct or purchase the capital assets.

Restricted Net Position

This includes resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first, then unrestricted resources when they are needed. None of the College's net position is restricted due to enabling legislation adopted by the College.

Unrestricted Net Position

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

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

k. Classification of Revenues and Expenses

Operating revenue includes activities that have the characteristics of exchange transactions, such as (1) student tuition and fees and (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances. Non-operating revenue includes activities that have the characteristics of non-exchange transactions, such as (1) local property taxes, (2) state appropriations, (3) most federal, state and local grants and contracts and (4) gifts and contributions. Operating expenses include all direct expenses incurred for education purposes. Non-operating expenses are expenses incidental to operations.

l. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

m. Federal Financial Assistance

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work-Study and Federal Family Education Loan programs. Federal programs are audited in accordance with the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Compliance Supplement.

n. Proportionate Share Revenue and Expense

The College applies the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, whereby the State of Illinois (the State) is responsible for the employer contribution and the total pension liability resulting from a special funding situation. Therefore, for the fiscal years ended June 30, 2025 and 2024, the College has reported its proportionate share of the collective pension expense and revenue for the state's contribution.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

n. Proportionate Share Revenue and Expense (Continued)

In addition, the College applies the requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, whereby the State of Illinois is responsible for 50% of both employer contribution and the total other postemployment benefit (OPEB) liability resulting from a special funding situation. Therefore, for the fiscal years ended June 30, 2025 and 2024, the College has reported its proportionate share of the collective OPEB expense and revenue for the state's contribution in addition to reporting the College's proportionate share of the OPEB liability and related expense.

o. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses, including functional allocations, during the reporting period. Actual results could differ from those estimates.

p. Reclassifications

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements. Such reclassification had no effect on the reported beginning net position.

**2. CASH AND INVESTMENTS**

ILCS authorizes the College to make deposits/investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, state and local government bonds insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and The Illinois Funds.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**2. CASH AND INVESTMENTS (Continued)**

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

In addition, the College's Board of Trustees has adopted an investment policy which provides further restrictions on the investment of college funds. It is the policy of the College to invest its funds in a manner which will provide market-average rate of return throughout budgetary and economic cycles, taking into account the risk constraints, the cash flow characteristics of the portfolio and legal restrictions for return on investments. The primary objectives of the policy, in order of priority are: safety of principal, liquidity, return on investment, maintaining public trust and local investments.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the College's deposits may not be returned to it. The College's investment policy requires all deposits with financial institutions in excess of federal depository insurance be secured by collateral or private insurance to protect public deposits in a single financial institution if it were to default, with collateral held by the Federal Reserve Bank or its branch office or at another facility in a trust or safekeeping department through book-entry at the Federal Reserve. At June 30, 2025 and 2024, the College had deposits of \$72,445 and \$0, respectively, that were uninsured or uncollateralized.

b. Investments

The College categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. At June 30, 2025 and 2024, there were no investments subject to the fair value measurements requirements of GASB Statement No. 72.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**2. CASH AND INVESTMENTS (Continued)**

**b. Investments (Continued)**

The College also has investments in money market mutual funds. The money market mutual funds are registered with the Securities and Exchange Commission and are reported as a 2a-7 like pool in accordance with GASB Statements No. 72 and 79. The total of these investments at June 30, 2025 and 2024 was \$143,897 and \$2,303,380, respectively.

Interest rate risk is the risk that the fair value of securities in the portfolio will fall due to changes in market interest rates. The College's investment policy has a maximum allowable maturity of five years for all allowable investments. As of June 30, 2025 and 2024, the College did not hold any investments subject to interest rate risk.

The College limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by requiring investments in securities allowed under the investment policy. For U.S. agency securities not backed by the full faith and credit and taxing power of the federal government, a credit rating of A or better is required.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the College will not be able to recover some or all of the investment that is in possession of an outside party. The College's investment policy requires all investments to be held by independent third parties, acting as an agent of the College, in the College's name. The College's money market mutual funds are not subject to custodial credit risk. As of June 30, 2025 and 2024, there are no investments exposed to custodial credit risk.

The College's investment policy does address concentration of credit risk.

**3. PROPERTY TAX CALENDAR**

The following information gives significant dates on the property tax calendar of the College:

- The property tax lien date is January 1;
- The annual tax levy ordinance of 2024 was passed on November 12, 2024 and the annual tax levy ordinance of 2023 was passed on November 14, 2023;
- Property taxes are due to the County Collectors in two installments, approximately June 1 and September 1; and
- The College receives the majority of its distributions in June, July, September and November 2025 and 2024.



**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**3. PROPERTY TAX CALENDAR (Continued)**

Property taxes are recognized as revenue in the year intended to finance, regardless of when collected. The second half of the 2023 levy and the first half of the 2024 levy are recognized as revenue in the 2025 fiscal year. The second half of the 2024 levy is intended to finance the 2025 fiscal year and, accordingly, is reported as deferred revenue. The 2025 tax levy, which attached as an enforceable lien on property as of January 1, 2025, has not been recorded as a receivable as of June 30, 2025 as the tax has not yet been levied and will not be levied until November 2025 and, therefore, the levy is not measurable at June 30, 2025.

**4. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2025 is as follows:

	Beginning Balances	Increases	Decreases	Transfers In (Out)	Ending Balances
Capital assets not being depreciated					
Land	\$ 120,000	\$ -	\$ -	\$ -	\$ 120,000
Construction in progress	156,292	1,771,015	-	(208,389)	1,718,918
Total capital assets not being depreciated	276,292	1,771,015	-	(208,389)	1,838,918
Capital assets being					
Depreciated and amortized					
Land improvements	13,755,042	56,000	-	-	13,811,042
Buildings and improvements	101,366,959	14,546	8,000	-	101,373,505
Furniture and equipment	14,806,936	925,234	510,884	208,389	15,429,675
Library books	1,818,517	-	-	-	1,818,517
Vehicles	896,574	110,196	21,443	-	985,327
Leased assets:					
Vehicles	295,110	-	-	-	295,110
Equipment	27,516	-	-	-	27,516
Subscription assets	2,655,488	275,873	12,789	-	2,918,572
Capital assets being depreciated and amortized	135,622,142	1,381,849	553,116	208,389	136,659,264
Less accumulated depreciation and amortization for					
Land improvements	3,705,388	402,592	-	-	4,107,980
Buildings and improvements	49,146,823	3,278,125	8,000	-	52,416,948
Furniture and equipment	10,021,962	1,097,287	499,925	-	10,619,324
Library books	1,818,516	-	-	-	1,818,516
Vehicles	630,109	85,207	21,443	-	693,873
Leased assets:					
Vehicles	118,044	59,022	-	-	177,066
Equipment	10,158	5,406	-	-	15,564
Subscription assets	840,209	535,482	12,789	-	1,362,902
Total accumulated depreciation/ amortization for capital assets	66,291,209	5,463,121	542,157	-	71,212,173
Total capital assets being depreciated and amortized, net	69,330,933	(4,081,272)	10,959	208,389	65,447,091
CAPITAL ASSETS, NET	\$ 69,607,225	\$ (2,310,257)	\$ 10,959	\$ -	\$ 67,286,009

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

Capital asset activity for the year ended June 30, 2024 is as follows:

	Beginning Balances	Increases	Decreases	Transfers In (Out)	Ending Balances
Capital assets not being depreciated					
Land	\$ 120,000	\$ -	\$ -	\$ -	\$ 120,000
Construction in progress	1,045,828	156,292	-	(1,045,828)	156,292
Total capital assets not being depreciated	1,165,828	156,292	-	(1,045,828)	276,292
Capital assets being					
Depreciated and amortized					
Land improvements	13,755,042	-	-	-	13,755,042
Buildings and improvements	101,317,848	131,131	180,734	98,714	101,366,959
Furniture and equipment	13,057,997	1,222,396	420,571	947,114	14,806,936
Library books	1,818,517	-	-	-	1,818,517
Vehicles	709,672	252,513	65,611	-	896,574
Leased assets:					
Vehicles	295,110	-	-	-	295,110
Equipment	27,516	-	-	-	27,516
Subscription assets	2,743,178	-	87,690	-	2,655,488
Capital assets being depreciated and amortized	133,724,880	1,606,040	754,606	1,045,828	135,622,142
Less accumulated depreciation and amortization for					
Land improvements	3,303,822	401,566	-	-	3,705,388
Buildings and improvements	45,926,383	3,394,634	174,194	-	49,146,823
Furniture and equipment	9,372,691	1,035,311	386,040	-	10,021,962
Library books	1,818,516	-	-	-	1,818,516
Vehicles	658,550	37,170	65,611	-	630,109
Leased assets:					
Vehicles	59,022	59,022	-	-	118,044
Equipment	4,752	5,406	-	-	10,158
Subscription assets	446,210	481,689	87,690	-	840,209
Total accumulated depreciation/ amortization for capital assets	61,589,946	5,414,798	713,535	-	66,291,209
Total capital assets being depreciated and amortized, net	72,134,934	(3,808,758)	41,071	1,045,828	69,330,933
CAPITAL ASSETS, NET	\$ 73,300,762	\$ (3,652,466)	\$ 41,071	\$ -	\$ 69,607,225

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. LONG-TERM DEBT**

Changes in long-term debt for the year ended June 30, 2025 is as follows:

	Balances July 1, 2024	Issuance	Repayment	Balances June 30, 2025	Current Portion
Accrued compensated absences*	\$ 951,994	\$ 82,151	\$ -	\$ 1,034,145	\$ 155,122
OPEB liability - CIP plan	4,388,146	-	202,264	4,185,882	100,678
OPEB liability - College plan	314,053	-	53,816	260,237	208,030
Lease payable	199,217	-	64,365	134,852	65,905
SBITA payable	1,911,443	117,802	471,918	1,557,327	521,847
General Obligation Bonds, Series 2014	360,000	-	145,000	215,000	165,000
General Obligation Bonds, Series 2020	40,610,000	-	2,665,000	37,945,000	2,650,000
General Obligation Bonds, Series 2022	8,790,000	-	560,000	8,230,000	725,000
Bond premiums/discount	16,581	-	6,418	10,163	6,418
<b>TOTAL</b>	<b>\$ 57,541,434</b>	<b>\$ 199,953</b>	<b>\$ 4,168,781</b>	<b>\$ 53,572,606</b>	<b>\$ 4,598,000</b>

\*The amount displayed as additions or reductions represents the net change in the liability.

Changes in long-term debt for the year ended June 30, 2024 is as follows:

	Balances July 1, 2023 Restated^	Issuance	Repayment	Balances June 30, 2024	Current Portion
Accrued compensated absences*	\$ 818,563	\$ 133,431	\$ -	\$ 951,994	\$ 142,799
OPEB liability - CIP plan	4,351,172	36,974	-	4,388,146	115,200
OPEB liability - College plan	484,889	-	170,836	314,053	189,478
Lease payable	262,078	-	62,861	199,217	64,365
SBITA payable	2,343,908	-	432,465	1,911,443	455,898
General Obligation Bonds, Series 2014	500,000	-	140,000	360,000	145,000
General Obligation Bonds, Series 2020	43,285,000	-	2,675,000	40,610,000	2,665,000
General Obligation Bonds, Series 2022	9,180,000	-	390,000	8,790,000	560,000
Bond premiums/discount	22,999	-	6,418	16,581	6,418
<b>TOTAL</b>	<b>\$ 61,248,609</b>	<b>\$ 170,405</b>	<b>\$ 3,877,580</b>	<b>\$ 57,541,434</b>	<b>\$ 4,344,158</b>

\*The amount displayed as additions or reductions represents the net change in the liability.

^The accrued compensated absences beginning balance was restated for the implementation of GASB Statement No. 101, *Compensated Absences*. See footnote 11 for additional information.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. LONG-TERM DEBT (Continued)**

General Obligation Bonds

The College issues general obligation bonds to finance various capital improvements. General Obligation Bonds at June 30, 2025 are comprised of the following:

\$1,360,000 General Obligation Bonds, Series 2014, dated March 5, 2014. The bonds are payable in annual installments of \$50,000 to \$165,000 from February 1, 2016 to February 1, 2027. Interest is payable semiannually each February 1 and August 1 at rates from 2.00% to 4.25%.

\$48,505,000 General Obligation Bonds, Series 2020, dated March 4, 2020. The bonds are payable in annual installments of \$2,520,000 to \$5,580,000 from February 1, 2022 to February 1, 2036. Interest is payable semiannually each February 1 and August 1 at rates from 1.83% to 3.02%.

\$9,315,000 General Obligation Refunding Bonds, Series 2022, dated November 8, 2022. The bonds are payable in annual installments of \$135,000 to \$1,715,000 from February 1, 2023 to February 1, 2033. Interest is payable semiannually each February 1 and August 1 at rates of 2.70%.

Debt service to maturity on these issues is as follows:

Fiscal Year	General Obligation Bonds		
	Principal	Interest	Total
2026	\$ 3,540,000	\$ 1,243,753	\$ 4,783,753
2027	3,715,000	1,159,846	4,874,846
2028	3,900,000	1,070,892	4,970,892
2029	4,100,000	974,137	5,074,137
2030	4,300,000	870,559	5,170,559
2031	4,515,000	760,912	5,275,912
2032	4,740,000	641,923	5,381,923
2033	4,975,000	512,395	5,487,395
2034	5,315,000	373,277	5,688,277
2035	5,580,000	217,707	5,797,707
2036	1,710,000	51,591	1,761,591
<b>TOTAL</b>	<b>\$ 46,390,000</b>	<b>\$ 7,876,992</b>	<b>\$ 54,266,992</b>

The College is subject to a debt limitation of 2.875% of its assessed valuation of \$3,843,730,534. As of June 30, 2025, the College had \$64,117,253 remaining legal debt margin.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**5. LONG-TERM DEBT (Continued)**

Leases

In accordance with GASB Statement No. 87, *Leases*, the College's lease activity is as follows:

The College entered into a lease for the right-to-use two vehicles. The lease is payable in monthly principal and interest installments of \$5,220. The lease period is through June 30, 2027. The total intangible right-to-use asset acquired under this lease was \$295,110. There were no variable payments being paid that are not part of the lease payable.

During the fiscal year ended June 30, 2025, the College paid \$58,989 in principal towards the lease and recognized amortization expense of \$59,022. During the fiscal year ended June 30, 2024, the College paid \$57,611 in principal towards the lease and recognized amortization expense of \$59,022.

The College entered into a lease for the right-to-use equipment. The lease is payable in monthly principal and interest installments of \$306. The lease period is through August 14, 2027. The total intangible right-to-use asset acquired under this lease was \$17,294. There were no variable payments being paid that are not part of the lease payable. During the fiscal year ended June 30, 2025, the College paid \$3,443 in principal towards the lease and recognized amortization expense of \$3,459. During the fiscal year ended June 30, 2024, the College paid \$3,363 in principal towards the lease and recognized amortization expense of \$3,459.

The College entered into a lease for the right-to-use furniture and equipment. The lease is payable in monthly principal and interest installments of \$173. The lease period is through November 14, 2027. The total intangible right-to-use asset acquired under this lease was \$10,222. There were no variable payments being paid that are not part of the lease payable. During the fiscal year ended June 30, 2025, the College paid \$1,933 in principal towards the lease and recognized amortization expense of \$1,947. During the fiscal year ended June 30, 2024, the College paid \$1,887 in principal towards the lease and recognized amortization expense of \$1,947.

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

Fiscal Year Ending June 30,	Leases	
	Principal	Interest
2026	\$ 65,905	\$ 2,478
2027	67,480	903
2028	1,467	8
<b>TOTAL</b>	<b>\$ 134,852</b>	<b>\$ 3,389</b>

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**5. LONG-TERM DEBT (Continued)**

Subscription-Based Information Technology Arrangements

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

The College entered into a SBITA for the right-to-use their enterprise resource planning software on October 1, 2022. The SBITA is payable in monthly principal and interest installments ranging from \$32,698 to \$37,906. The SBITA period is through June 30, 2028. The total intangible right-to-use asset acquired under this SBITA was \$2,217,947. During the fiscal year ended June 30, 2025, the College paid \$367,675 in principal towards the SBITA and recognized amortization expense of \$385,730. During the fiscal year ended June 30, 2024, the College paid \$343,737 in principal towards the SBITA and recognized amortization expense of \$385,731.

The College entered into a SBITA for the right-to-use marketing software on July 1, 2022. The SBITA is payable in monthly principal and interest installments of \$367. The SBITA period expired during the fiscal year ended June 30, 2025. During the fiscal year ended June 30, 2025, the College paid \$4,348 in principal towards the SBITA and recognized amortization expense of \$4,263. During the fiscal year ended June 30, 2024, the College paid \$4,255 in principal towards the SBITA and recognized amortization expense of \$4,263.

The College entered into a SBITA for the right-to-use online instruction software on August 28, 2017, and then subsequently entered into a new contract with the same vendor that commenced on August 28, 2022. The SBITA is payable in monthly principal and interest installments ranging from \$6,801 to \$8,266. The SBITA period is through July 28, 2027. The total intangible right-to-use asset acquired under this SBITA was \$424,752. During the fiscal year ended June 30, 2025, the College paid \$83,874 in principal towards the SBITA and recognized amortization expense of \$84,950. During the fiscal year ended June 30, 2024, the College paid \$77,703 in principal towards the SBITA and recognized amortization expense of \$84,950.

The College entered into a SBITA for the right-to-use Microsoft 365 software on September 1, 2020. The SBITA is payable in monthly principal and interest installments of \$3,387. The SBITA period was through August 31, 2023 and expired during the fiscal year ended June 30, 2024. The total intangible right-to-use asset acquired under this SBITA was \$87,690. During the fiscal year ended June 30, 2024, the College paid \$6,770 in principal towards the SBITA and recognized amortization expense of \$6,745.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**5. LONG-TERM DEBT (Continued)**

Subscription-Based Information Technology Arrangements (Continued)

The College entered into a SBITA for the right-to-use cyber security software on February 7, 2025. The SBITA is payable in monthly principal and interest installments of \$3,386. The SBITA period is through February 6, 2028. The total intangible right-to-use asset acquired under this SBITA was \$117,802. During the fiscal year ended June 30, 2025, the College paid \$16,021 in principal towards the SBITA and recognized amortization expense of \$15,660.

The College entered into a SBITA for the right-to-use academic and event scheduling software on July 31, 2024, prepaying for three years of software as a service upfront. The SBITA period is through July 30, 2027. The total intangible right-to-use asset acquired under this SBITA was \$137,551. During the fiscal year ended June 30, 2025, the College recognized amortization expense of \$42,029.

The College entered into a SBITA for the right-to-use online instruction software on February 1, 2025, prepaying for three years of software as a service upfront. The SBITA period is through January 31, 2028. The total intangible right-to-use asset acquired under this SBITA was \$20,520. During the fiscal year ended June 30, 2025, the recognized amortization expense of \$2,850.

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

Fiscal Year Ending June 30,	SBITA	
	Principal	Interest
2026	\$ 521,847	\$ 41,643
2027	556,036	25,022
2028	479,444	7,397
<b>TOTAL</b>	<b>\$ 1,557,327</b>	<b>\$ 74,062</b>

## **6. RETIREMENT COMMITMENTS**

### **Plan Description**

The College contributes to the SURS, a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the state makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941 to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations and certain other state educational and scientific agencies and for survivors, dependents and other beneficiaries of such employees. SURS is considered a component unit of the state's financial reporting entity and is included in the state's financial reports as a pension trust fund. SURS is governed by Section 5/15, Chapter 40 of the ILCS. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at [www.SURS.org](http://www.SURS.org).

### **Benefits Provided**

A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011 and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2024 can be found in SURS' annual comprehensive financial report notes to financial statements.

### **Contributions**

The state is primarily responsible for funding SURS on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of SURS to reach 90% of the total actuarial accrued liability by the end of fiscal year 2045. Employer contributions from trust, federal and other funds are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal years 2025 and 2024 was 11.98% and 12.53%, respectively, of covered payroll.



**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. RETIREMENT COMMITMENTS (Continued)**

Contributions (Continued)

The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8% of their annual covered salary. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

Participating employers make contributions toward separately financed specific liabilities under Section 15.139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of affected annuitants or specific return to work annuitants) and Section 15.155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period).

Funding Policy

- a. Pension Liabilities, Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Net Pension Liability

At June 30, 2024 and 2023, SURS reported a net pension liability of \$30,230,907,727 and \$29,444,538,098, respectively. The net pension liability was measured as of June 30, 2024 and 2023.

Employer Proportionate Share of Net Pension Liability

The amount of the proportionate share of the net pension liability to be recognized for the College is \$0. The proportionate share of the state's net pension liability associated with the College is \$88,744,946 or 0.2936% as of June 30, 2024 and 87,302,761 or 0.2965% as of June 30, 2023. This amount is not recognized in the financial statement due to the special funding situation. The net pension liability was measured as of June 30, 2024 and 2023 and the total pension used to calculate the net pension liability was determined based on the June 30, 2023 and 2022 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable earnings made to SURS during fiscal years 2024 and 2023.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. RETIREMENT COMMITMENTS (Continued)**

Funding Policy (Continued)

- a. Pension Liabilities, Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Pension Expense

At June 30, 2024 and 2023, SURS reported a collective net pension expense of \$1,996,285,670 and \$1,884,388,521, respectively.

Employer Proportionate Share of Pension Expense

The College's proportionate share of collective net pension expense is recognized as both revenue and matching expense in the 2025 and 2024 financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable earnings made to SURS during fiscal years 2024 and 2023. As a result, the College recognized revenue and pension expense of \$5,860,236 and \$5,587,193 for the fiscal years ended June 30, 2025 and 2024, respectively.

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

Deferred outflows of resources are the consumption of net assets by the College that is applicable to future reporting periods. The College paid \$93,246 in federal, trust or grant contributions for the fiscal year ended June 30, 2025 and \$87,953 for the year ended June 30, 2024. These contributions were made subsequent to the pension liability measurement date of June 30, 2024 and 2023 and are recognized as deferred outflows of resources as of June 30, 2025 and 2024.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. RETIREMENT COMMITMENTS (Continued)**

Funding Policy (Continued)

b. Assumptions and Other Inputs

Actuarial Assumptions

2024

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

Inflation	2.40%
Salary increases	3.15% to 15.00%, including inflation
Investment rate of return	6.50%

2023

Actuarial assumptions. The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from June 30, 2017, through June 30, 2020. The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**6. RETIREMENT COMMITMENTS (Continued)**

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

Actuarial Assumptions (Continued)

by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2024 and 2023, these best estimates are summarized in the following table:

2024		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Traditional Growth		
Global Public Equity	36.00%	7.13%
Stabilized Growth		
Core Real Assets	8.00%	5.06%
Public Credit Fixed Income	6.50%	4.10%
Private Credit	2.50%	7.36%
Non-Traditional Growth		
Private Equity	11.00%	10.92%
Non-Core Real Assets	4.00%	9.09%
Inflation Sensitive		
U.S. TIPS	5.00%	2.12%
Principal Protection		
Core Fixed Income	10.00%	1.34%
Crisis Risk Offset		
Systematic Trend Following	10.00%	2.90%
Alternative Risk Premia	3.00%	2.62%
Long Duration	2.00%	2.84%
Long Volatility/Tail Risk	2.00%	(1.22)%
Total	100.00%	5.63%
Inflation		2.80%
EXPECTED ARITHMETIC RETURN		8.43%

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**6. RETIREMENT COMMITMENTS (Continued)**

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

Actuarial Assumptions (Continued)

	2023	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Traditional Growth		
Global Public Equity	36.00%	7.97%
Stabilized Growth		
Public Credit Fixed Income	8.00%	4.68%
Credit Real Assets	6.50%	4.52%
Options Strategies	2.50%	7.36%
Private Credit		
Non-Traditional Growth	11.00%	11.32%
Private Equity	4.00%	8.67%
Non-Core Real Assets		
Inflation Sensitive	5.00%	2.09%
U.S. TIPS		
Principal Protection	10.00%	1.13%
Core Fixed Income		
Crisis Risk Offset	10.00%	3.18%
Systematic Trend Following	3.00%	3.27%
Alternative Risk Premia	2.00%	3.02%
Long Duration	2.00%	(1.14)%
Total	100.00%	5.98%
Inflation		2.60%
EXPECTED ARITHMETIC RETURN		8.58%

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**6. RETIREMENT COMMITMENTS (Continued)**

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

2025

Discount Rate

A single discount rate of 6.35% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and a municipal bond rate of 3.97% (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2024). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under SURS funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of SURS' Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.35% for 2025, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1 percentage point lower (5.35%) or 1 percentage point higher (7.35%):

	1% Decrease (5.35%)	Current Single Discount Rate Assumption (6.35%)	1% Increase (7.35%)
Net pension liability	\$ 36,700,168,358	\$ 30,230,907,727	\$ 24,839,790,537

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**6. RETIREMENT COMMITMENTS (Continued)**

Funding Policy (Continued)

b. Assumptions and Other Inputs (Continued)

2024

Discount Rate

A single discount rate of 6.37% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and a municipal bond rate of 3.86% (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2023). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under SURS funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2074. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2074, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of SURS' Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.37% for 2024, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1 percentage point lower (5.37%) or 1 percentage point higher (7.37%):

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

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. RETIREMENT COMMITMENTS (Continued)**

Defined Contribution Pension Plan

2024

a. Plan Description

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

b. Benefits Provided

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

c. Contributions

All employees who have elected to participate in the RSP are required to contribute 8% of their annual covered earnings. Section 15-158.2(h) of the Illinois Pension Code provides for an employer contribution to the RSP of 7.60% of employee earnings. The State is primarily responsible for contributing to the RSP on behalf of the individual employers. Employers are required to make the 7.60% contribution for employee earnings paid from "trust, federal and other funds" as described in Section 15-155(b) of the Illinois Pension Code. The contribution requirements of plan members and employers were established and may be amended by the State's General Assembly.



**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. RETIREMENT COMMITMENTS (Continued)**

Defined Contribution Pension Plan (Continued)

2024 (Continued)

d. Forfeitures

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

e. Pension Expense Related to Defined Contribution Pensions

Defined Contribution Pension Expense

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

Employer Proportionate Share of Defined Contribution Pension Expense

The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2024. The College's share of pensionable contributions was 0.1731%. As a result, the College recognized revenue and defined contribution pension expense of \$167,505 from this special funding situation during the year ended June 30, 2025, of which \$11,921 constituted forfeitures.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. RETIREMENT COMMITMENTS (Continued)**

Defined Contribution Pension Plan (Continued)

2023

a. Plan Description

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

b. Benefits Provided

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

c. Contributions

All employees who have elected to participate in the RSP are required to contribute 8% of their annual covered earnings. Section 15-158.2(h) of the Illinois Pension Code provides for an employer contribution to the RSP of 7.60% of employee earnings. The State is primarily responsible for contributing to the RSP on behalf of the individual employers. Employers are required to make the 7.60% contribution for employee earnings paid from "trust, federal and other funds" as described in Section 15-155(b) of the Illinois Pension Code. The contribution requirements of plan members and employers were established and may be amended by the State's General Assembly.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. RETIREMENT COMMITMENTS (Continued)**

Defined Contribution Pension Plan (Continued)

2023 (Continued)

d. Forfeitures

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

e. Pension Expense Related to Defined Contribution Pensions

Defined Contribution Pension Expense

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

Employer Proportionate Share of Defined Contribution Pension Expense

The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2023. The College's share of pensionable contributions was 0.1766%. As a result, the College recognized revenue and defined contribution pension expense of \$159,486 from this special funding situation during the year ended June 30, 2024, of which \$14,723 constituted forfeitures.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**7. RETIREE HEALTH PLAN**

The table below is a summary for all Other Postemployment Benefit (OPEB) plans of the College as of and for the year ended June 30, 2025:

	College Health Insurance Program (CIP)	College Other Postemployment Benefit Program (OPEB)	Total
OPEB liability	\$ 4,185,882	\$ 260,237	\$ 4,446,119
Deferred outflows of resources	317,836	116,007	433,843
Deferred inflows of resources	5,007,512	63,323	5,070,835
OPEB expense (income)	(2,055,031)	(83,883)	(2,138,914)

**Plan Description**

In addition to the pension plan described previously, the College contributes to the State of Illinois' Community College Health Insurance Program (CIP), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the state. CIP provides health, vision and dental benefits to retired staff and dependent beneficiaries of participating community colleges. The benefits, employer, employee, retiree and state contributions are dictated by ILCS through the State Group Insurance Act of 1971 (the Act) and can only be changed by the Illinois General Assembly. Separate financial statements, including required supplementary information, may be obtained from the Department of Healthcare and Family Services, 201 South Grand Avenue East, Springfield, Illinois 62763.

The Act requires every active contributor (employee) of SURS to contribute 0.50% of covered payroll and every community college district to contribute 0.50% of covered payroll. Retirees pay a premium for coverage that is also determined by ILCS. The State Pension Funds Continuing Appropriation Act (40/ILCS 15/1.4) requires the State to contribute 0.75% of estimated covered payroll directly to the plan.

The following disclosures are in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of CIP and additions to/deductions from CIP's fiduciary net position have been determined on the same basis as they are reported by CIP.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**7. RETIREE HEALTH PLAN (Continued)**

Plan Description (Continued)

For this purpose, CIP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments, if any, are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

2025

At June 30, 2025, the College reported a liability of \$4,185,882 for its proportionate share of the total OPEB liability that reflected a reduction for state OPEB support of \$4,185,882 resulting in a total OPEB liability associated with the College of \$8,371,764. The OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation performed as of June 30, 2023 rolled forward to June 30, 2024. The College's proportion of the OPEB liability was based on the College's actual contributions to the OPEB plan relative to the projected contributions of all participating colleges and the state, statutorily determined. At June 30, 2024 and 2023, the College's proportions were 0.6293% and 0.6213%, respectively.

For the year ended June 30, 2025, the College recognized OPEB expense of \$(2,055,031) and revenue of \$(2,055,031) for support provided by the state. At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 53,067	\$ 1,261,186
Changes in assumption	30,952	3,041,296
Changes in proportionate share and differences between college contributions and proportionate share of contributions	110,756	702,955
Contributions made after the measurement date	123,061	-
Net difference between projected and actual earnings on OPEB plan investments	-	2,075
<b>TOTAL</b>	<b>\$ 317,836</b>	<b>\$ 5,007,512</b>

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**7. RETIREE HEALTH PLAN (Continued)**

Plan Description (Continued)

2025 (Continued)

The deferred outflows of resources related to OPEB resulting from the College's contribution subsequent to the measurement date, reported at \$123,061, will be recognized as a reduction of the OPEB liability for the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CIP will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	
2026	\$ (802,123)
2027	(802,123)
2028	(802,123)
2029	(802,123)
2030	(802,123)
Thereafter	<u>(802,122)</u>
 TOTAL	 <u>\$ (4,812,737)</u>

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Assumptions	
Inflation	2.25%
Salary increases	3.00% to 12.75%
Investment rate of return	0.00%
Healthcare cost trend rates	8.00% trending to 4.25% for non-Medicare; 15.00% trending to 4.25% for MAPD
Asset valuation method	Fair value

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**7. RETIREE HEALTH PLAN (Continued)**

Plan Description (Continued)

2025 (Continued)

Mortality rates for retirement and beneficiary annuitants were based on the Pub-2010 Healthy Retiree Mortality Table and PubT-2010 Healthy Retiree Mortality Table. For disabled annuitants, mortality rates were based on the Pub-2010 Disabled Retiree Mortality Table. Mortality rates for pre-retirement were based on the Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020. The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period June 30, 2017 to June 30, 2021.

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since CIP is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates were 3.97% as of June 30, 2024 and 3.86% as of June 30, 2023.

Rate Sensitivity

The following is a sensitivity analysis of the OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the OPEB liability of the College calculated using the discount rate of 3.97% as well as what the College's OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.97%) or 1 percentage point higher (4.97%) than the current rate:

	1% Decrease (2.97%)	Current Discount Rate (3.97%)	1% Increase (4.97%)
OPEB liability	\$ 4,571,132	\$ 4,185,882	\$ 3,852,653

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**7. RETIREE HEALTH PLAN (Continued)**

Plan Description (Continued)

2025 (Continued)

Rate Sensitivity (Continued)

The table below presents the College's OPEB liability, calculated using the healthcare cost trend rates as well as what the College's OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 8.00% in 2025 decreasing to an ultimate trend rate of 4.25% in 2040 for CCHP and MC coverage, and 15.00% in 2025 decreasing to an ultimate trend rate of 4.25% in 2040 for MAPD coverage.

	1% Decrease	Current Healthcare Rate	1% Increase
OPEB liability	\$ 3,759,345	\$ 4,185,882	\$ 4,698,542

*OPEB plan fiduciary net position.* Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CIP financial report.

2024

At June 30, 2024, the College reported a liability of \$4,388,146 for its proportionate share of the total OPEB liability that reflected a reduction for state OPEB support of \$4,388,146 resulting in a total OPEB liability associated with the College of \$8,776,292. The OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation performed as of June 30, 2022 rolled forward to June 30, 2023. The College's proportion of the OPEB liability was based on the College's actual contributions to the OPEB plan relative to the projected contributions of all participating colleges and the state, statutorily determined. At June 30, 2023 and 2022, the College's proportions were 0.621257% and 0.635616%, respectively.



**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**7. RETIREE HEALTH PLAN (Continued)**

Plan Description (Continued)

2024 (Continued)

For the year ended June 30, 2024, the College recognized OPEB expense of \$2,043,122 and revenue of \$2,043,122 for support provided by the state. At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 66,034	\$ 1,321,081
Changes in assumption	-	4,289,804
Changes in proportionate share and differences between college contributions and proportionate share of contributions	6,619	1,103,322
Contributions made after the measurement date	100,050	-
Net difference between projected and actual earnings on OPEB plan investments	-	938
<b>TOTAL</b>	<b>\$ 172,703</b>	<b>\$ 6,715,145</b>

The deferred outflows of resources related to OPEB resulting from the College's contribution subsequent to the measurement date, reported at \$100,050, will be recognized as a reduction of the OPEB liability for the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CIP will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	
2025	\$ (1,107,082)
2026	(1,107,082)
2027	(1,107,082)
2028	(1,107,082)
2029	(1,107,082)
Thereafter	(1,107,082)
<b>TOTAL</b>	<b>\$ (6,642,492)</b>

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**7. RETIREE HEALTH PLAN (Continued)**

Plan Description (Continued)

2024 (Continued)

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

Assumptions

Inflation	2.25%
Salary increases	3.00% to 12.75%
Investment rate of return	0.00%
Healthcare cost trend rates	9.14% trending to 4.25% for non-Medicare; 19.42% trending to 4.25% for MAPD

Asset valuation method	Fair value
------------------------	------------

Mortality rates for retirement and beneficiary annuitants were based on the Pub-2010 Healthy Retiree Mortality Table and PubT-2010 Healthy Retiree Mortality Table. For disabled annuitants, mortality rates were based on the Pub-2010 Disabled Retiree Mortality Table. Mortality rates for pre-retirement were based on the Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020. The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period June 30, 2017 to June 30, 2021.

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

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**7. RETIREE HEALTH PLAN (Continued)**

Plan Description (Continued)

2024 (Continued)

Rate Sensitivity

The following is a sensitivity analysis of the OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the OPEB liability of the College calculated using the discount rate of 3.86% as well as what the College's OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.86%) or 1 percentage point higher (4.86%) than the current rate:

	1% Decrease (2.86%)	Current Discount Rate (3.86%)	1% Increase (4.86%)
OPEB liability	\$ 4,787,511	\$ 4,388,146	\$ 4,044,256

The table below presents the College's OPEB liability, calculated using the healthcare cost trend rates as well as what the College's OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point higher or lower, than the current healthcare cost trend rates. The key trend rates are 9.14% in 2024 increasing to an ultimate trend rate of 4.25% in 2040 for CCHP and MC coverage, and 19.42% in 2024 increasing to an ultimate trend rate of 4.25% in 2040 for MAPD coverage.

	1% Decrease	Current Healthcare Rate	1% Increase
OPEB liability	\$ 3,941,611	\$ 4,388,146	\$ 4,926,607

*OPEB plan fiduciary net position.* Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CIP financial report.

**8. OTHER POSTEMPLOYMENT BENEFITS**

In addition to the pension plan described previously, the College provides OPEB for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the College and can be amended by the College through its personnel manual and employment contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the College's government-wide activities.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

Benefits Provided

The College provides continued medical, prescription drug and dental coverage to certain eligible employees which creates an explicit subsidy to the College. The College paid \$208,030 and \$189,478 for the years ended June 30, 2025 and 2024, respectively.

2025

Membership

At June 30, 2025, membership consisted of:

Inactive employees or beneficiaries currently receiving benefit payments	22
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>107</u>
<b>TOTAL</b>	<u><u>129</u></u>

Total OPEB Liability

The College's total OPEB liability of \$260,237 was measured as of June 30, 2025 and based upon an actuarial valuation performed as of the same date.

Actuarial Assumptions and Other Inputs

The total OPEB liability at June 30, 2025, as determined by an actuarial valuation as of that date, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Fair value
Inflation	3.00%
Salary increases	4.00%
Discount rate	4.81%
Healthcare cost trend rates	7.00% Initial 4.50% Ultimate

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2025 (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the S&P Municipal Bond 20 Year High-Grade Index as of June 30, 2025.

Mortality rates were based on the PubG.H-2010(B) Mortality Table - General with mortality improvement using MP-2020 for males and females.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JULY 1, 2024	<u>\$ 314,053</u>
Changes for the period	
Service cost	3,061
Interest	8,843
Difference between expected and actual experience	139,919
Changes in assumptions	2,391
Change of benefit terms	-
Benefit payments	(208,030)
Other changes	<u>-</u>
Net changes	<u>(53,816)</u>
BALANCES AT JUNE 30, 2025	<u><u>\$ 260,237</u></u>

Changes in assumptions related to the discount rate, rates of retirement, rates of withdrawal and rates of disability were made since the previous measurement date.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2025 (Continued)

**Rate Sensitivity**

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the College calculated using the discount rate of 4.81% as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.81%) or 1 percentage point higher (5.81%) than the current rate:

	1% Decrease (3.81%)	Current Discount Rate (4.81%)	1% Increase (5.81%)
Total OPEB liability	\$ 264,666	\$ 260,237	\$ 256,077

The table below presents the total OPEB liability of the College calculated using the healthcare rate of 4.50% to 7.00% as well as what the College's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 6.00%) or 1 percentage point higher (5.50% to 8.00%) than the current rate:

	1% Decrease (3.50% to 6.00%)	Current Healthcare Rate (4.50% to 7.00%)	1% Increase (5.50% to 8.00%)
Total OPEB liability	\$ 255,773	\$ 260,237	\$ 265,159

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

For the year ended June 30, 2025, the College recognized OPEB expense (income) of \$(83,883). At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 110,484	\$ 10,714
Changes in assumptions	5,523	52,609
<b>TOTAL</b>	<b>\$ 116,007</b>	<b>\$ 63,323</b>

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2025 (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

Year Ending June 30,	
2026	\$ (29,700)
2027	29,887
2028	29,938
2029	22,559
2030	-
Thereafter	-
	<hr/>
TOTAL	<u>\$ 52,684</u>

2024

Membership

At June 30, 2023 (most recent data available), membership consisted of:

Inactive employees or beneficiaries currently receiving benefit payments	48
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>101</u>
TOTAL	<u>149</u>

Total OPEB Liability

The College's total OPEB liability of \$314,053 was measured as of June 30, 2024 and based upon an actuarial valuation performed as of June 30, 2023.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2024 (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability at June 30, 2024, as determined by an actuarial valuation as of that date, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updating procedures to June 30, 2024, including updating the discount rate at June 30, 2024, as noted below.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Fair value
Inflation	3.00%
Salary increases	4.00%
Discount rate	4.21%
Healthcare cost trend rates	8.00% Initial
	4.50% Ultimate

The discount rate was based on the S&P Municipal Bond 20 Year High-Grade Index as of June 30, 2024.

Mortality rates were based on the PubG.H-2010(B) Mortality Table - General with mortality improvement using MP-2020 for males and females.

Changes in the Total OPEB Liability

	Total OPEB Liability
BALANCES AT JULY 1, 2023	\$ 484,889
Changes for the period	
Service cost	2,945
Interest	16,113
Difference between expected and actual experience	-
Changes in assumptions	(416)
Change of benefit terms	-
Benefit payments	(189,478)
Other changes	-
Net changes	(170,836)
BALANCES AT JUNE 30, 2024	\$ 314,053



**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2024 (Continued)

Changes in the Total OPEB Liability (Continued)

Changes in assumptions related to the discount rate were made since the previous measurement date.

Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the College calculated using the discount rate of 4.21% as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.21%) or 1 percentage point higher (5.21%) than the current rate:

	1% Decrease (3.21%)	Current Discount Rate (4.21%)	1% Increase (5.21%)
Total OPEB liability	\$ 319,338	\$ 314,053	\$ 308,948

The table below presents the total OPEB liability of the College calculated using the healthcare rate of 4.50% to 8.00% as well as what the College's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 7.00%) or 1 percentage point higher (5.50% to 9.00%) than the current rate:

	1% Decrease (3.50% to 7.00%)	Current Healthcare Rate (4.50% to 8.00%)	1% Increase (5.50% to 9.00%)
Total OPEB liability	\$ 307,489	\$ 314,053	\$ 321,098

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**8. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2024 (Continued)

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

For the year ended June 30, 2024, the College recognized OPEB expense (income) of \$(136,633). At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 32,942
Changes in assumptions	303	152,774
<b>TOTAL</b>	<b>\$ 303</b>	<b>\$ 185,716</b>

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

<u>Year Ending June 30,</u>	
2025	\$ (125,724)
2026	(59,637)
2027	(52)
2028	-
2029	-
Thereafter	-
<b>TOTAL</b>	<b>\$ (185,413)</b>

**9. RISK MANAGEMENT**

The College is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; employee health insurance; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties and employee health is insured through the Community College Health Care Consortium (Consortium). On January 1, 2022, the College joined the

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**9. RISK MANAGEMENT (Continued)**

Consortium which provides employees insurance coverage for medical and prescription drugs. The College pays the Consortium a monthly premium based on the number of participants and the type of coverage that has been elected. The College currently allocates all expenses associated with the employee health plans to each of the College's individual departments.

**10. CONTINGENCIES AND COMMITMENTS**

**a. Grants Received and Receivable**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenses which may be disallowed by the grantor cannot be determined at this time although the College expects such amounts, if any, to be not significant.

**b. Litigation**

The College is a defendant and plaintiff in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the College's attorney that resolution of these matters will not have a material adverse effect on the financial condition of the College.

**11. CHANGE IN ACCOUNTING PRINCIPLE**

For the fiscal years ended June 30, 2025 and 2024, the College implemented GASB Statement No. 101, *Compensated Absences*. The implementation of this guidance impacted the beginning balance of accrued compensated absences, which resulted in a restatement of beginning net position. The effect of the restatement is summarized below:

	<u>Business-Type Activities</u>
BEGINNING NET POSITION, JULY 1, 2023 AS PREVIOUSLY REPORTED	<u>\$ 38,155,589</u>
Change in accounting principle - GASB 101	<u>(491,101)</u>
Total net restatement	<u>(491,101)</u>
BEGINNING NET POSITION, JULY 1, 2023 AS RESTATED	<u>\$ 37,664,488</u>

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**12. DISCRETELY PRESENTED COMPONENT UNIT**

The financial statements of the Kishwaukee College Foundation (the Foundation) are presented in accordance with accounting principles generally accepted in the United States of America as set forth by the Financial Accounting Standards Board (FASB), as applied to not-for-profit foundations (hereinafter referred to as generally accepted accounting principles (GAAP)). The Foundation is exempt from federal income taxes pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Service. The following is a summary of the significant accounting policies of the Foundation.

a. Basis of Presentation

These financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Foundation as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of fund balances and transactions into two classes of net assets: without donor restrictions and with donor restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets Without Donor Restrictions - Net assets not subject to donor-imposed restrictions. Net assets without donor restrictions may be designated for specific purposes by actions of the Board of Directors or may otherwise be limited by contractual agreement with outside parties. Board designated assets as of June 30, 2025 and 2024 were \$35,000 and \$46,000, respectively, for the endowment.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that either expire by passage of time, can be fulfilled and removed by actions of the Foundation pursuant to those restrictions or maintained in perpetuity by the Foundation.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation. Expirations of restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**12. DISCRETELY PRESENTED COMPONENT UNIT (Continued)**

b. Cash and Cash Equivalents

All highly liquid investments with an original maturity of three months or less when purchased are deemed cash equivalents.

The Foundation maintains its cash and cash equivalents in financial institutions, which at times may exceed federally insured limits. At June 30, 2025 and 2024, the Foundation's accounts did not exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

c. Pledges Receivable

Pledges receivable are unconditional promises to give and are carried at the net present value of original pledged amounts less an estimate made for uncollectible pledges based on a review of all outstanding amounts on a monthly basis. The present value discounts on those amounts are computed using risk adjusted rates applicable to the years in which the promises were received. Management determines the allowance for uncollectible pledges by regularly evaluating individual receivables and considering a donor's financial condition and current economic conditions.

Pledges receivable are written off when deemed uncollectible. Recoveries of pledges receivable previously written off are recorded as revenue when received.

d. Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value on the statement of financial position. The realized and unrealized gain or loss on investments is reflected on the statement of activities. Investment return is reported net external and direct internal investment expenses.

e. Revenue Recognition

*Contributions*

The Foundation recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of beneficial interest is received. Conditional promises to give - that is, those with a measure performance or other barrier and a right to return - are not recognized until the conditions on which they depend have been met.

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**12. DISCRETELY PRESENTED COMPONENT UNIT (Continued)**

e. Revenue Recognition (Continued)

*Sponsorship and Fundraising Event Revenue*

The portion of sponsorship revenue and ticket sales that relates to the commensurate value the sponsor and attendee receives in return is recognized when the related events are held, and performance obligations are met. Sponsorship revenue and ticket sales received in advance of the event are reported as deferred revenue on the statement of financial position.

f. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs are directly charged when feasible. Costs that cannot be directly charged (salaries and wages) are allocated based on time and effort.

g. Income Taxes

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation is not classified as a private foundation.

h. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

i. Prior Year Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

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

Last Ten Fiscal Years

<b>MEASUREMENT DATE JUNE 30,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
(a) Proportion percentage of the collective net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(b) Proportion amount of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c) Portion of non-employer contribution entities' total proportion of collective net pension liability associated with employer	86,004,789	95,671,732	87,349,231	93,728,944	96,212,238	97,484,435	90,600,167	88,411,532	87,302,761	88,744,946
<b>Total (b) + (c)</b>	<b>\$ 86,004,789</b>	<b>\$ 95,671,732</b>	<b>\$ 87,349,231</b>	<b>\$ 93,728,944</b>	<b>\$ 96,212,238</b>	<b>\$ 97,484,435</b>	<b>\$ 90,600,167</b>	<b>\$ 88,411,532</b>	<b>\$ 87,302,761</b>	<b>\$ 88,744,946</b>
Employer covered payroll	\$ 13,251,893	\$ 13,350,191	\$ 12,141,386	\$ 12,221,263	\$ 12,812,049	\$ 12,458,038	\$ 12,000,160	\$ 11,996,216	\$ 12,289,197	\$ 13,370,886
Proportion of collective net pension liability associated with employer as a percentage of covered payroll	649.00%	716.63%	719.43%	766.93%	750.95%	782.50%	754.99%	737.00%	710.40%	663.72%
SURS plan net position as a percentage of total pension liability	42.37%	39.57%	42.04%	41.27%	40.71%	39.05%	45.45%	43.65%	44.06%	44.60%
<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>KISHWAUKEE COLLEGE - DISTRICT NUMBER 523</b>										
Federal, trust, grant and other contribution	\$ 66,182	\$ 63,136	\$ 85,086	\$ 89,491	\$ 120,259	\$ 85,682	\$ 89,267	\$ 108,505	\$ 87,953	\$ 93,246
Contribution in relation to required contribution	66,182	63,136	85,086	89,491	120,259	85,682	89,267	108,505	87,953	93,246
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Employer covered payroll	\$ 13,350,191	\$ 12,141,386	\$ 12,221,263	\$ 12,812,049	\$ 12,458,038	\$ 12,000,160	\$ 11,996,216	\$ 12,289,197	\$ 13,370,886	\$ 14,462,985
Contributions as a percentage of covered payroll	0.50%	0.52%	0.70%	0.70%	0.97%	0.71%	0.74%	0.88%	0.66%	0.64%

Note: The College implemented GASB No. 68 in fiscal year 2015.

(See independent auditor's report.)



**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE  
OF THE NET OPEB LIABILITY AND SCHEDULE OF CONTRIBUTIONS  
COLLEGE INSURANCE PLAN**

Last Eight Fiscal Years

<b>MEASUREMENT DATE JUNE 30,</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
College's proportion of the net OPEB liability	0.7106%	0.7219%	0.7147%	0.6773%	0.6454%	0.6356%	0.6213%	0.6239%
College's proportionate share of the net OPEB liability	\$ 12,959,662	\$ 13,610,359	\$ 13,497,316	\$ 12,346,250	\$ 11,200,835	\$ 4,351,172	\$ 4,388,146	\$ 4,185,882
Portion of the state's total proportion of net OPEB liability associated with the College	12,959,662	13,610,359	13,497,316	12,346,250	11,200,835	4,351,172	4,388,146	4,185,882
<b>TOTAL</b>	<b>\$ 25,919,324</b>	<b>\$ 27,220,718</b>	<b>\$ 26,994,632</b>	<b>\$ 24,692,500</b>	<b>\$ 22,401,670</b>	<b>\$ 8,702,344</b>	<b>\$ 8,776,292</b>	<b>\$ 8,371,764</b>
College covered payroll	\$ 13,455,799	\$ 14,205,689	\$ 13,781,515	\$ 13,380,010	\$ 13,084,244	\$ 12,975,095	\$ 12,855,054	\$ 13,558,547
Proportion of collective net OPEB liability associated with the College as a percentage of covered payroll	192.63%	191.62%	195.88%	184.55%	171.21%	67.07%	68.27%	61.75%
CIP plan net position as a percentage of total OPEB liability	(2.87%)	(3.54%)	(4.13%)	(5.07%)	(6.38%)	(22.03%)	(17.87%)	(18.45%)

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Statutorily required contribution	\$ 62,567	\$ 63,651	\$ 62,602	\$ 59,460	\$ 59,981	\$ 60,978	\$ 100,050	\$ 123,061
Contribution in relation to the statutorily required contribution	62,567	63,651	62,602	59,460	59,981	60,978	100,050	123,061
<b>CONTRIBUTION EXCESS (Deficiency)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 12,221,263	\$ 12,812,049	\$ 12,458,038	\$ 12,000,160	\$ 11,996,216	\$ 12,289,197	\$ 13,370,886	\$ 14,462,985
Contributions as a percentage of covered payroll	0.51%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	0.85%

The College implemented GASB No. 75 in fiscal year 2018. Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

#### Notes to Required Supplementary Information

Changes of benefit terms - There were no benefit changes recognized in the total OPEB liability as of June 30, 2024.

#### Changes in assumptions -

2017: The discount rate changed from 2.85% at June 30, 2016 to 3.56% at June 30, 2017.

2018: The discount rate changed from 3.56% at June 30, 2017 to 3.62% at June 30, 2018.

2019: The discount rate changed from 3.62% at June 30, 2018 to 3.13% at June 30, 2019.

2020: The discount rate changed from 3.13% at June 30, 2019 to 2.45% at June 30, 2020.

2021: The discount rate changed from 2.45% at June 30, 2020 to 1.92% at June 30, 2021.

2022: The discount rate changed from 1.92% at June 30, 2021 to 3.69% at June 30, 2022.

2023: The discount rate changed from 3.69% at June 30, 2022 to 3.86% at June 30, 2023. Additionally, there were changes in the healthcare trend assumption and per capita claim costs.

2024: The discount rate changed from 3.86% at June 30, 2023 to 3.97% at June 30, 2024. Additionally, there were changes in the per capita claim costs, healthcare trend assumption and participation rates.

(See independent auditor's report.)

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Last Eight Fiscal Years

<b>MEASUREMENT DATE JUNE 30,</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>TOTAL OPEB LIABILITY</b>								
Service cost	\$ 10,829	\$ 12,201	\$ 13,305	\$ 5,531	\$ 6,358	\$ 2,217	\$ 2,945	\$ 3,061
Interest	90,773	91,714	70,291	59,109	29,944	41,406	16,113	8,843
Changes of benefit terms	-	-	-	(225,818)	-	-	-	-
Difference between expected and actual experience	-	9,998	-	(87,324)	-	(75,007)	-	139,919
Changes in assumptions	(44,375)	162,882	46,152	(157,432)	(30,705)	(334,598)	(416)	2,391
Benefit payments	(426,604)	(496,757)	(381,204)	(474,682)	(410,564)	(323,011)	(189,478)	(208,030)
Other changes	70,737	7,698	947	-	-	-	-	-
Net change in total OPEB liability	(298,640)	(212,264)	(250,509)	(880,616)	(404,967)	(688,993)	(170,836)	(53,816)
Total OPEB liability - beginning	3,220,878	2,922,238	2,709,974	2,459,465	1,578,849	1,173,882	484,889	314,053
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 2,922,238</b>	<b>\$ 2,709,974</b>	<b>\$ 2,459,465</b>	<b>\$ 1,578,849</b>	<b>\$ 1,173,882</b>	<b>\$ 484,889</b>	<b>\$ 314,053</b>	<b>\$ 260,237</b>

MEASUREMENT DATE JUNE 30,	2018	2019	2020	2021	2022	2023	2024	2025
Covered-employee payroll	\$ 10,735,898	\$ 11,332,631	\$ 10,792,676	\$ 11,748,151	\$ 12,215,213	\$ 5,823,527	\$ 6,051,118	\$ 6,768,914
Employer's total OPEB liability as a percentage of covered-employee payroll	27.22%	23.91%	22.79%	13.44%	9.61%	8.33%	5.19%	3.84%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

#### Notes to Required Supplementary Information

Changes of benefit terms - There were no benefit changes recognized in the total OPEB liability as of June 30, 2025.

#### Changes in assumptions -

2018: The discount rate changed from 2.96% at June 30, 2017 to 3.43% at June 30, 2018.

2019: The discount rate changed from 3.43% at June 30, 2018 to 2.79% at June 30, 2019.

2020: The discount rate changed from 2.79% at June 30, 2019 to 2.66% at June 30, 2020.

2021: The discount rate changed from 2.66% at June 30, 2020 to 2.18% at June 30, 2021.

2022: The discount rate changed from 2.18% at June 30, 2021 to 4.09% at June 30, 2022.

2023: The discount rate changed from 4.09% at June 30, 2022 to 4.13% at June 30, 2023. There were also changes to the health care rates and mortality rates.

2024: The discount rate changed from 4.13% at June 30, 2023 to 4.21% at June 30, 2024.

2025: The discount rate changed from 4.21% at June 30, 2024 to 4.81% at June 30, 2025. There were also changes to rates of withdrawal and rates of disability.

(See independent auditor's report.)

## **SUPPLEMENTARY INFORMATION**

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS -  
BY SUBGROUP

June 30, 2025

	<b>Governmental Subgroup</b>	<b>Auxiliary Subgroup</b>	<b>Total</b>
<b>CURRENT ASSETS</b>			
Cash	\$ 37,897,559	\$ 1,056,537	\$ 38,954,096
Investments	143,897	-	143,897
Receivables, net of allowance for uncollectibles			
Taxes	10,141,522	-	10,141,522
Accounts	-	15,797	15,797
Other	523,337	31,283	554,620
Tuition	3,572,055	-	3,572,055
Prepaid expenses	294,688	-	294,688
Inventories	-	262,524	262,524
 Total current assets	 52,573,058	 1,366,141	 53,939,199
<b>NONCURRENT ASSETS</b>			
Capital assets, tangible and intangible	137,462,564	1,035,618	138,498,182
Less accumulated depreciation and amortization	(70,701,350)	(510,823)	(71,212,173)
 Net capital assets	 66,761,214	 524,795	 67,286,009
 Total noncurrent assets	 66,761,214	 524,795	 67,286,009
 Total assets	 119,334,272	 1,890,936	 121,225,208
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Loss on refunding	154,831	-	154,831
OPEB items	433,843	-	433,843
SURS pension contribution	93,246	-	93,246
 Total deferred outflows of resources	 681,920	 -	 681,920
 Total assets and deferred outflows of resources	 120,016,192	 1,890,936	 121,907,128
<b>CURRENT LIABILITIES</b>			
Accounts payable	2,410,796	1,057	2,411,853
Accrued salaries and payroll deductions payable	901,885	17,214	919,099
Unearned tuition and fees	3,415,246	-	3,415,246
Unearned revenue	551,038	197,025	748,063
OPEB liability - CIP plan	100,678	-	100,678
OPEB liability - College plan	208,030	-	208,030
Accrued compensated absences, current	149,245	5,877	155,122
Lease liability, current	65,905	-	65,905
SBITA liability, current	521,847	-	521,847
Bonds payable, current	3,546,418	-	3,546,418
Interest payable	514,775	-	514,775
Other current liabilities	-	22,317	22,317
 Total current liabilities	 12,385,863	 243,490	 12,629,353

(This schedule is continued on the following page.)

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS -  
BY SUBGROUP (Continued)

June 30, 2025

	<b>Governmental Subgroup</b>	<b>Auxiliary Subgroup</b>	<b>Total</b>
<b>NONCURRENT LIABILITIES</b>			
OPEB liability - CIP plan	\$ 4,085,204	\$ -	\$ 4,085,204
OPEB liability - College plan	52,207	-	52,207
Accrued compensated absences	845,723	33,300	879,023
Lease liability	68,947	-	68,947
SBITA liability	1,035,480	-	1,035,480
Bonds payable	42,853,745	-	42,853,745
 Total noncurrent liabilities	 48,941,306	 33,300	 48,974,606
 Total liabilities	 61,327,169	 276,790	 61,603,959
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue - property taxes	10,534,862	-	10,534,862
Pension/OPEB items	5,070,835	-	5,070,835
 Total deferred inflows of resources	 15,605,697	 -	 15,605,697
 Total liabilities and deferred inflows of resources	 76,932,866	 276,790	 77,209,656
<b>NET POSITION</b>			
Net investment in capital assets	28,617,981	524,795	29,142,776
Restricted for			
Capital outlay	2,441,071	-	2,441,071
Debt service	2,497,240	-	2,497,240
Tort liability	2,796,143	-	2,796,143
Specific purposes	478,152	-	478,152
Working cash	2,625,000	-	2,625,000
Pension contributions	93,246	-	93,246
Unrestricted	3,534,493	1,089,351	4,623,844
 <b>TOTAL NET POSITION</b>	 \$ 43,083,326	 \$ 1,614,146	 \$ 44,697,472

(See independent auditor's report.)

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION - BY SUBGROUP

For the Year Ended June 30, 2025

	<b>Governmental Subgroup</b>	<b>Auxiliary Subgroup</b>	<b>Eliminations</b>	<b>Total</b>
<b>OPERATING REVENUES</b>				
Tuition and fees	\$ 6,955,007	\$ 45,609	\$ -	\$ 7,000,616
Auxiliary enterprises revenue	-	1,060,722	(200,452)	860,270
Other operating revenue	85,380	132,119	-	217,499
Total operating revenues	7,040,387	1,238,450	(200,452)	8,078,385
<b>OPERATING EXPENSES</b>				
Instruction	9,823,427	-	-	9,823,427
Academic support	3,496,647	-	-	3,496,647
Student services	3,230,926	-	-	3,230,926
Public services	893,958	-	-	893,958
Auxiliary services	554,453	1,514,765	-	2,069,218
Operation and maintenance of plant	4,768,429	-	-	4,768,429
Institutional support	7,457,170	-	-	7,457,170
Scholarships, student grants, waivers	8,521,334	-	(200,452)	8,320,882
Amortization	599,910	-	-	599,910
Depreciation	4,770,573	92,638	-	4,863,211
Total operating expenses	44,116,827	1,607,403	(200,452)	45,523,778
OPERATING INCOME (LOSS)	(37,076,440)	(368,953)	-	(37,445,393)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Property taxes	19,981,604	-	-	19,981,604
Personal property replacement tax	386,015	-	-	386,015
State grants and contracts	11,084,821	90,139	-	11,174,960
Federal grants and contracts	8,656,927	13,719	-	8,670,646
Investment income	958,859	-	-	958,859
Interest expense	(1,361,010)	-	-	(1,361,010)
Gain (loss) on disposal of capital assets	(10,959)	-	-	(10,959)
Other non-operating revenue (expense)	845,517	-	-	845,517
Total non-operating revenues (expenses)	40,541,774	103,858	-	40,645,632
NET INCOME (LOSS) BEFORE TRANSFERS	3,465,334	(265,095)	-	3,200,239
<b>TRANSFERS</b>				
Transfers in (out)	(50,000)	50,000	-	-
Total transfers	(50,000)	50,000	-	-
CHANGE IN NET POSITION	3,415,334	(215,095)	-	3,200,239
NET POSITION, JULY 1, AS REPORTED	40,144,313	1,844,021	-	41,988,334
Change in accounting principle	(476,321)	(14,780)	-	(491,101)
NET POSITION, JULY 1, AS RESTATED	39,667,992	1,829,241	-	41,497,233
NET POSITION, JUNE 30	\$ 43,083,326	\$ 1,614,146	\$ -	\$ 44,697,472

(See independent auditor's report.)



**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS - BY GOVERNMENTAL GROUP

June 30, 2025

	<b>Education Account</b>	<b>Operations and Maintenance Account</b>	<b>Restricted Purposes Account</b>	<b>Audit Account</b>	<b>Liability, Protection and Settlement Account</b>
<b>CURRENT ASSETS</b>					
Cash	\$ 9,015,007	\$ 145,586	\$ 470,149	\$ 76,190	\$ 2,851,872
Investments	-	-	-	-	-
Receivables, net of allowance for uncollectibles					
Taxes	4,936,778	1,345,549	-	53,031	578,737
Other	50,632	-	472,631	-	-
Tuition	3,572,055	-	-	-	-
Prepaid expenses	196,771	-	51,550	-	32,338
Total current assets	17,771,243	1,491,135	994,330	129,221	3,462,947
<b>NONCURRENT ASSETS</b>					
Capital assets, tangible and intangible	-	-	-	-	-
Less accumulated depreciation and amortization	-	-	-	-	-
Total noncurrent assets	-	-	-	-	-
Total assets	17,771,243	1,491,135	994,330	129,221	3,462,947
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Loss on refunding	-	-	-	-	-
OPEB items	-	-	-	-	-
SURS pension contribution	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	17,771,243	1,491,135	994,330	129,221	3,462,947
<b>CURRENT LIABILITIES</b>					
Accounts payable	1,539,018	48,452	12,047	-	60,514
Accrued salaries and payroll deductions payable	825,121	44,570	27,034	185	4,975
Unearned tuition	3,415,246	-	-	-	-
Unearned revenue	-	-	551,038	-	-
OPEB liability - CIP plan	-	-	-	-	-
OPEB liability - College plan	-	-	-	-	-
Accrued compensated absences, current	-	-	-	-	-
Lease liability, current	-	-	-	-	-
SBITA liability, current	-	-	-	-	-
Bonds payable, current	-	-	-	-	-
Interest payable	-	-	-	-	-
Total current liabilities	5,779,385	93,022	590,119	185	65,489
<b>NONCURRENT LIABILITIES</b>					
OPEB liability - CIP plan	-	-	-	-	-
OPEB liability - College plan	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-
Lease liability	-	-	-	-	-
SBITA liability	-	-	-	-	-
Bonds payable	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	-
Total liabilities	5,779,385	93,022	590,119	185	65,489

Bond and Interest Account	Operations and Maintenance Restricted Account	Health Benefit Plan Account	Working Cash Account	Long-Term Obligations	Capital Assets	Eliminations	Total
\$ 2,585,303	\$ 5,395,742	\$ 14,732,710	\$ 2,625,000	\$ -	\$ -	\$ -	\$ 37,897,559
-	143,897	-	-	-	-	-	143,897
2,330,398	897,029	-	-	-	-	-	10,141,522
-	-	74	-	-	-	-	523,337
-	-	-	-	-	-	-	3,572,055
-	14,029	-	-	-	-	-	294,688
4,915,701	6,450,697	14,732,784	2,625,000	-	-	-	52,573,058
-	-	-	-	-	137,462,564	-	137,462,564
-	-	-	-	-	(70,701,350)	-	(70,701,350)
-	-	-	-	-	66,761,214	-	66,761,214
4,915,701	6,450,697	14,732,784	2,625,000	-	66,761,214	-	119,334,272
-	-	-	-	154,831	-	-	154,831
-	-	-	-	433,843	-	-	433,843
-	-	-	-	93,246	-	-	93,246
-	-	-	-	681,920	-	-	681,920
4,915,701	6,450,697	14,732,784	2,625,000	681,920	66,761,214	-	120,016,192
-	109,820	640,945	-	-	-	-	2,410,796
-	-	-	-	-	-	-	901,885
-	-	-	-	-	-	-	3,415,246
-	-	-	-	-	-	-	551,038
-	-	-	-	100,678	-	-	100,678
-	-	-	-	208,030	-	-	208,030
-	-	-	-	149,245	-	-	149,245
-	-	-	-	65,905	-	-	65,905
-	-	-	-	521,847	-	-	521,847
-	-	-	-	3,546,418	-	-	3,546,418
-	-	-	-	514,775	-	-	514,775
-	109,820	640,945	-	5,106,898	-	-	12,385,863
-	-	-	-	4,085,204	-	-	4,085,204
-	-	-	-	52,207	-	-	52,207
-	-	-	-	845,723	-	-	845,723
-	-	-	-	68,947	-	-	68,947
-	-	-	-	1,035,480	-	-	1,035,480
-	-	-	-	42,853,745	-	-	42,853,745
-	-	-	-	48,941,306	-	-	48,941,306
-	109,820	640,945	-	54,048,204	-	-	61,327,169

(This schedule is continued on the following pages.)

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION ACCOUNTS - BY GOVERNMENTAL GROUP (Continued)

June 30, 2025

	Education Account	Operations and Maintenance Account	Restricted Purposes Account	Audit Account	Liability, Protection and Settlement Account
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred revenue - property taxes	\$ 5,129,777	\$ 1,398,113	\$ -	\$ 55,095	\$ 601,315
Pension/OPEB items	-	-	-	-	-
Total deferred inflows of resources	5,129,777	1,398,113	-	55,095	601,315
Total liabilities and deferred inflows of resources	10,909,162	1,491,135	590,119	55,280	666,804
<b>NET POSITION</b>					
Net investment in capital assets	-	-	-	-	-
Restricted for					
Capital outlay	-	-	-	-	-
Debt service	-	-	-	-	-
Tort liability	-	-	-	-	2,796,143
Specific purposes	-	-	404,211	73,941	-
Working cash	-	-	-	-	-
Pension contributions	-	-	-	-	-
Unrestricted (deficit)	6,862,081	-	-	-	-
<b>TOTAL NET POSITION (DEFICIT)</b>	<b>\$ 6,862,081</b>	<b>\$ -</b>	<b>\$ 404,211</b>	<b>\$ 73,941</b>	<b>\$ 2,796,143</b>

<b>Bond and Interest Account</b>	<b>Operations and Maintenance Restricted Account</b>	<b>Health Benefit Plan Account</b>	<b>Working Cash Account</b>	<b>Long-Term Obligations</b>	<b>Capital Assets</b>	<b>Eliminations</b>	<b>Total</b>
\$ 2,418,461	\$ 932,101	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,534,862
-	-	-	-	5,070,835	-	-	5,070,835
2,418,461	932,101	-	-	5,070,835	-	-	15,605,697
2,418,461	1,041,921	640,945	-	59,119,039	-	-	76,932,866
-	-	-	-	(38,143,233)	66,761,214	-	28,617,981
-	2,441,071	-	-	-	-	-	2,441,071
2,497,240	-	-	-	-	-	-	2,497,240
-	-	-	-	-	-	-	2,796,143
-	-	-	-	-	-	-	478,152
-	-	-	2,625,000	-	-	-	2,625,000
-	-	-	-	93,246	-	-	93,246
-	2,967,705	14,091,839	-	(20,387,132)	-	-	3,534,493
\$ 2,497,240	\$ 5,408,776	\$ 14,091,839	\$ 2,625,000	\$ (58,437,119)	\$ 66,761,214	\$ -	\$ 43,083,326

(See independent auditor's report.)

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION - BY GOVERNMENTAL GROUP

For the Year Ended June 30, 2025

	Education Account	Operations and Maintenance Account	Restricted Purposes Account	Audit Account	Liability, Protection and Settlement Account
<b>OPERATING REVENUES</b>					
Tuition and fees	\$ 8,451,390	\$ 359,326	\$ -	\$ -	\$ -
Other operating revenue	85,380	-	-	-	-
Total operating revenues	8,536,770	359,326	-	-	-
<b>OPERATING EXPENSES</b>					
Instruction	10,183,539	-	1,404,773	-	-
Academic support	3,686,587	-	566,387	-	-
Student services	2,544,218	-	1,129,898	-	-
Public services	900,822	-	174,268	-	-
Auxiliary services	788,249	-	-	-	-
Operation and maintenance of plant	462,886	3,000,210	1,066	-	783,710
Institutional support	7,618,322	-	254,235	88,821	510,460
Scholarships, student grants, waivers	1,330,435	-	9,053,608	-	-
Amortization	-	-	-	-	-
Depreciation	-	-	-	-	-
Total operating expenses	27,515,058	3,000,210	12,584,235	88,821	1,294,170
OPERATING INCOME (LOSS)	(18,978,288)	(2,640,884)	(12,584,235)	(88,821)	(1,294,170)
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Property taxes	9,416,652	2,556,369	-	107,691	1,377,429
Personal property replacement tax	303,292	82,723	-	-	-
State grants and contracts	10,054,516	-	3,085,336	-	-
Federal grants and contracts	6,596	-	8,650,331	-	-
Investment income	763,884	-	-	-	-
Interest expense	(18,567)	-	(52)	-	-
Principal retirement	(223,988)	-	(4,348)	-	-
Issuance of SBITA	117,802	-	-	-	-
Gain (loss) on disposal of capital assets	-	-	-	-	-
Other non-operating revenue (expense)	103,211	1,792	740,514	-	-
Total non-operating revenues (expenses)	20,523,398	2,640,884	12,471,781	107,691	1,377,429
NET INCOME (LOSS) BEFORE TRANSFERS	1,545,110	-	(112,454)	18,870	83,259
<b>TRANSFERS</b>					
Transfers in	-	-	1,183	-	-
Transfers (out)	(752,307)	-	(1,183)	-	-
Total transfers	(752,307)	-	-	-	-
CHANGE IN NET POSITION	792,803	-	(112,454)	18,870	83,259
NET POSITION (DEFICIT), JULY 1, AS REPORTED	6,069,278	-	516,665	55,071	2,712,884
Change in accounting principle	-	-	-	-	-
NET POSITION (DEFICIT), JULY 1, AS RESTATED	6,069,278	-	516,665	55,071	2,712,884
NET POSITION (DEFICIT), JUNE 30	\$ 6,862,081	\$ -	\$ 404,211	\$ 73,941	\$ 2,796,143

Bond and Interest Account	Operations and Maintenance Restricted Account	Health Benefit Plan Account	Working Cash Account	Long-Term Obligations	Capital Assets	Eliminations	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,855,709)	\$ 6,955,007
-	-	-	-	-	-	-	85,380
-	-	-	-	-	-	(1,855,709)	7,040,387
-	-	(15,402)	-	(1,690,111)	(59,372)	-	9,823,427
-	-	(4,826)	-	(587,415)	(164,086)	-	3,496,647
-	-	(4,646)	-	(438,544)	-	-	3,230,926
-	-	(842)	-	(136,193)	(44,097)	-	893,958
-	-	(1,718)	-	(232,078)	-	-	554,453
-	3,640,931	(3,138)	-	(328,187)	(2,789,049)	-	4,768,429
1,750	-	(7,700)	-	(919,458)	(89,260)	-	7,457,170
-	-	-	-	-	(7,000)	(1,855,709)	8,521,334
-	-	-	-	-	599,910	-	599,910
-	-	-	-	-	4,770,573	-	4,770,573
1,750	3,640,931	(38,272)	-	(4,331,986)	2,217,619	(1,855,709)	44,116,827
(1,750)	(3,640,931)	38,272	-	4,331,986	(2,217,619)	-	(37,076,440)
4,785,107	1,738,356	-	-	-	-	-	19,981,604
-	-	-	-	-	-	-	386,015
-	-	-	-	(2,055,031)	-	-	11,084,821
-	-	-	-	-	-	-	8,656,927
1,484	193,491	-	-	-	-	-	958,859
(1,319,401)	(40,701)	-	-	17,711	-	-	(1,361,010)
(3,370,000)	(307,947)	-	-	3,906,283	-	-	-
-	-	-	-	(117,802)	-	-	-
-	-	-	-	-	(10,959)	-	(10,959)
-	-	-	-	-	-	-	845,517
97,190	1,583,199	-	-	1,751,161	(10,959)	-	40,541,774
95,440	(2,057,732)	38,272	-	6,083,147	(2,228,578)	-	3,465,334
-	702,307	-	-	-	-	(703,490)	-
-	-	-	-	-	-	703,490	(50,000)
-	702,307	-	-	-	-	-	(50,000)
95,440	(1,355,425)	38,272	-	6,083,147	(2,228,578)	-	3,415,334
2,401,800	6,764,201	14,053,567	2,625,000	(64,043,945)	68,989,792	-	40,144,313
-	-	-	-	(476,321)	-	-	(476,321)
2,401,800	6,764,201	14,053,567	2,625,000	(64,520,266)	68,989,792	-	39,667,992
\$ 2,497,240	\$ 5,408,776	\$ 14,091,839	\$ 2,625,000	\$ (58,437,119)	\$ 66,761,214	\$ -	\$ 43,083,326

(See independent auditor's report.)

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

COMBINING SCHEDULE OF NET POSITION - BY AUXILIARY ENTERPRISE GROUP

June 30, 2025

	<b>Wellness Account</b>	<b>Early Childhood Center Account</b>	<b>Bookstore Account</b>
<b>CURRENT ASSETS</b>			
Cash	\$ (162,701)	\$ (253,873)	\$ 2,237,124
Receivables, net of allowance for uncollectibles			
Accounts	-	-	15,797
Other	-	29,356	-
Inventories	-	-	262,524
Total current assets	(162,701)	(224,517)	2,515,445
<b>NONCURRENT ASSETS</b>			
Capital assets	-	463,648	26,610
Less accumulated depreciation	-	(117,862)	(26,610)
Total noncurrent assets	-	345,786	-
Total assets	(162,701)	121,269	2,515,445
<b>CURRENT LIABILITIES</b>			
Accounts payable	-	-	1,057
Accrued salaries and payroll deductions payable	-	11,593	5,621
Accrued compensated absences	-	2,060	3,817
Unearned revenue	-	13,513	183,512
Other current liabilities	-	-	22,317
Total current liabilities	-	27,166	216,324
<b>NONCURRENT LIABILITIES</b>			
Accrued compensated absences	-	11,668	21,632
Total noncurrent liabilities	-	11,668	21,632
Total liabilities	-	38,834	237,956
<b>NET POSITION</b>			
Net investment in capital assets	-	345,786	-
Unrestricted (deficit)	(162,701)	(263,351)	2,277,489
<b>TOTAL NET POSITION (DEFICIT)</b>	<b>\$ (162,701)</b>	<b>\$ 82,435</b>	<b>\$ 2,277,489</b>

<b>Cafeteria Account</b>	<b>Transportation Account</b>	<b>Conference Center Account</b>	<b>Total</b>
\$ (703,400)	\$ 119,454	\$ (180,067)	\$ 1,056,537
-	-	-	15,797
1,927	-	-	31,283
-	-	-	262,524
(701,473)	119,454	(180,067)	1,366,141
-	545,360	-	1,035,618
-	(366,351)	-	(510,823)
-	179,009	-	524,795
(701,473)	298,463	(180,067)	1,890,936
-	-	-	1,057
-	-	-	17,214
-	-	-	5,877
-	-	-	197,025
-	-	-	22,317
-	-	-	243,490
-	-	-	33,300
-	-	-	33,300
-	-	-	276,790
-	179,009	-	524,795
(701,473)	119,454	(180,067)	1,089,351
\$ (701,473)	\$ 298,463	\$ (180,067)	\$ 1,614,146

(See independent auditor's report.)



**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**COMBINING SCHEDULE OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION - BY AUXILIARY ENTERPRISE GROUP**

For the Year Ended June 30, 2025

	<b>Wellness Account</b>	<b>Early Childhood Center Account</b>	<b>Bookstore Account</b>
<b>OPERATING REVENUES</b>			
Student tuition and fees	\$ 3,840	\$ -	\$ 22,908
Sales and service fees	-	252,139	808,583
Other	4,390	-	113,660
Total operating revenues	8,230	252,139	945,151
<b>OPERATING EXPENSES</b>			
Salaries	3,405	283,092	180,330
Employee benefits	-	84,649	39,455
Contractual services	568	2,403	46,039
General materials and supplies	1,204	37,361	783,162
Conferences and meetings	-	280	137
Depreciation	-	32,700	1,329
Other	4,390	48,217	35
Total operating expenses	9,567	488,702	1,050,487
OPERATING INCOME (LOSS)	(1,337)	(236,563)	(105,336)
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
State government sources	-	90,139	-
Federal government grant	-	13,719	-
Total non-operating revenues (expenses)	-	103,858	-
NET INCOME (LOSS) BEFORE TRANSFERS	(1,337)	(132,705)	(105,336)
<b>TRANSFERS</b>			
Transfers in	-	50,000	-
Total transfers	-	50,000	-
CHANGE IN NET POSITION	(1,337)	(82,705)	(105,336)
NET POSITION (DEFICIT), JULY 1, AS REPORTED	(161,364)	175,991	2,386,754
Change in accounting principle	-	(10,851)	(3,929)
NET POSITION (DEFICIT), JULY 1, AS RESTATED	(161,364)	165,140	2,382,825
<b>NET POSITION (DEFICIT), JUNE 30</b>	<u>\$ (162,701)</u>	<u>\$ 82,435</u>	<u>\$ 2,277,489</u>

<b>Cafeteria Account</b>	<b>Transportation Account</b>	<b>Conference Center Account</b>	<b>Eliminations</b>	<b>Total</b>
\$ -	\$ 18,861	\$ -	\$ -	\$ 45,609
-	-	-	-	1,060,722
10,344	-	3,725	-	132,119
10,344	18,861	3,725	-	1,238,450
-	-	-	-	466,827
-	-	-	-	124,104
-	-	-	-	49,010
-	-	16	-	821,743
-	-	-	-	417
-	58,609	-	-	92,638
22	-	-	-	52,664
22	58,609	16	-	1,607,403
10,322	(39,748)	3,709	-	(368,953)
-	-	-	-	90,139
-	-	-	-	13,719
-	-	-	-	103,858
10,322	(39,748)	3,709	-	(265,095)
-	-	-	-	50,000
-	-	-	-	50,000
10,322	(39,748)	3,709	-	(215,095)
(711,795)	338,211	(183,776)	-	1,844,021
-	-	-	-	(14,780)
(711,795)	338,211	(183,776)	-	1,829,241
\$ (701,473)	\$ 298,463	\$ (180,067)	\$ -	\$ 1,614,146

(See independent auditor's report.)

## **STATISTICAL SECTION**

## STATISTICAL SECTION

This part of Kishwaukee College - Illinois Community College District No. 523's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information displays about the College's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the College's financial performance and well-being have been changed over time.	79-82
Revenue Capacity These schedules contain information to help the reader assess the College's most significant local revenue source, the property tax.	83-86
Debt Capacity These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the College's ability to issue additional debt in the future.	87-92
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place.	93-94
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the College's financial report relates to the services the College provides and the activities it performs.	95-97

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

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**NET POSITION BY COMPONENT  
(in thousands)**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>NET POSITION</b>				
Net investment in				
capital assets	\$ 29,505	\$ 30,891	\$ 30,994	\$ 31,627
Restricted	7,853	7,628	7,919	7,696
Unrestricted (deficit)	(7,066)	(4,231)	(18,438)	(17,434)
<b>TOTAL NET POSITION</b>	<b>\$ 30,292</b>	<b>\$ 34,288</b>	<b>\$ 20,475</b>	<b>\$ 21,889</b>

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

Data Source

Audited Financial Statements

---

2020	2021	2022	2023	2024	2025
\$ 31,209	\$ 31,810	\$ 31,898	\$ 31,776	\$ 29,915	\$ 29,143
8,849	9,228	10,333	10,577	10,954	10,930
(17,261)	(12,349)	(9,028)	(4,197)	628	4,624
\$ 22,797	\$ 28,689	\$ 33,203	\$ 38,156	\$ 41,497	\$ 44,697

---

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**CHANGES IN NET POSITION**

For the Last Ten Fiscal Years

	2016	2017	2018	2019
<b>OPERATING REVENUES</b>				
Tuition and fees	\$ 7,686,356	\$ 7,861,864	\$ 8,478,927	\$ 8,180,893
Auxiliary enterprises revenue	1,305,428	1,148,035	1,105,727	1,033,960
Other operating revenue	319,134	430,214	349,369	389,636
Total operating revenues	9,310,918	9,440,113	9,934,023	9,604,489
<b>OPERATING EXPENSES</b>				
Instruction	12,130,129	12,780,791	13,670,242	14,479,732
Academic support	3,605,724	3,535,087	3,089,744	2,583,079
Student services	9,109,974	8,343,595	3,944,188	3,437,942
Public services	1,150,143	962,343	1,115,650	898,276
Auxiliary services	3,065,290	2,341,173	2,365,911	2,082,278
Operation and maintenance of plant	4,650,014	4,465,615	4,735,555	5,886,216
Institutional support	7,063,272	7,063,443	7,761,084	6,665,843
Scholarships, student grants and waivers	-	-	5,813,728	4,583,535
Amortization	-	-	-	-
Depreciation	3,913,855	3,903,483	4,026,185	4,101,924
Total operating expenses	44,688,401	43,395,530	46,522,287	44,718,825
<b>OPERATING INCOME (LOSS)</b>	<b>(35,377,483)</b>	<b>(33,955,417)</b>	<b>(36,588,264)</b>	<b>(35,114,336)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
State grants and contracts	9,617,401	16,481,112	15,328,033	15,667,022
Federal grants and contracts	10,490,379	9,842,419	9,436,253	8,279,693
Property taxes	13,379,748	13,662,018	14,153,519	15,038,663
Personal property replacement tax	224,241	318,133	238,830	258,371
Investment income	100,288	78,065	150,690	315,984
Other non-operating revenue (expense)	766,917	966,139	437,028	400,182
Gain (loss) on disposal of capital assets	(4,973)	(66,605)	(21,605)	(2,317)
Interest expense and fiscal charges	(3,344,137)	(3,329,541)	(3,392,347)	(3,429,485)
Total non-operating revenues (expenses)	31,229,864	37,951,740	36,330,401	36,528,113
<b>CHANGE IN NET POSITION</b>	<b>\$ (4,147,619)</b>	<b>\$ 3,996,323</b>	<b>\$ (257,863)</b>	<b>\$ 1,413,777</b>

Data Source

Audited Financial Statements

	2020		2021		2022		2023		2024		2025
\$	7,892,967	\$	7,504,814	\$	6,597,748	\$	7,174,206	\$	7,968,986	\$	7,000,616
	923,950		485,349		307,320		698,671		747,420		860,270
	358,281		448,219		986,953		365,421		363,170		217,499
	9,175,198		8,438,382		7,892,021		8,238,298		9,079,576		8,078,385
	13,793,245		12,410,373		11,021,772		7,995,532		8,758,699		9,823,427
	2,621,603		2,897,355		3,553,936		3,144,554		3,103,803		3,496,647
	3,627,766		3,679,939		3,336,068		2,969,451		2,977,387		3,230,926
	973,032		698,402		672,444		576,516		539,651		893,958
	1,946,655		1,430,821		1,742,522		1,535,781		1,713,027		2,069,218
	5,102,015		5,084,988		4,814,117		4,675,260		5,349,788		4,768,429
	8,653,919		7,477,590		7,063,302		6,236,334		6,682,208		7,457,170
	5,539,231		5,858,563		8,458,139		6,388,839		8,537,756		8,320,882
	-		-		-		482,461		546,117		599,910
	4,278,064		4,334,133		4,722,311		4,711,152		4,868,681		4,863,211
	46,535,530		43,872,164		45,384,611		38,715,880		43,077,117		45,523,778
	(37,360,332)		(35,433,782)		(37,492,590)		(30,477,582)		(33,997,541)		(37,445,393)
	16,617,589		16,778,720		13,787,297		10,685,993		10,704,688		11,174,960
	8,568,604		10,046,711		11,446,231		6,641,738		7,898,305		8,670,646
	15,384,575		15,858,995		16,644,475		17,172,969		18,188,745		19,981,604
	282,819		358,727		781,933		883,815		582,146		386,015
	244,639		11,689		22,986		733,184		1,081,690		958,859
	730,358		940,838		992,361		850,841		863,943		845,517
	-		(184,859)		-		(96,832)		(41,068)		(10,959)
	(3,712,378)		(2,484,424)		(1,674,270)		(1,441,590)		(1,448,163)		(1,361,010)
	38,116,206		41,326,397		42,001,013		35,430,118		37,830,286		40,645,632
\$	755,874	\$	5,892,615	\$	4,508,423	\$	4,952,536	\$	3,832,745	\$	3,200,239



**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Railroad Property	Other Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2015	\$ 1,083,782,825	\$ 322,592,715	\$ 164,155,192	\$ 299,527,616	\$ 35,300,846	\$ 30,221,871	\$ 1,935,581,065	\$ 0.6955	\$ 5,806,743,195	33.333%
2016	1,144,908,178	344,490,876	174,940,088	316,022,545	36,907,007	28,871,363	2,046,140,057	0.6700	6,138,420,171	33.333%
2017	1,197,838,775	364,447,234	199,532,314	332,685,929	37,425,314	27,982,867	2,159,912,433	0.6669	6,479,737,299	33.333%
2018	1,252,403,790	382,147,861	183,055,680	350,737,162	39,319,492	24,317,847	2,231,981,832	0.6684	6,695,945,496	33.333%
2019	1,313,363,093	407,909,007	215,367,142	366,060,010	42,312,054	29,931,790	2,374,943,096	0.6528	7,124,829,288	33.333%
2020	1,367,810,398	420,062,435	216,496,794	386,612,253	45,679,197	30,946,209	2,467,607,286	0.6528	7,402,821,858	33.333%
2021	1,452,087,852	459,451,733	238,377,928	407,191,696	49,770,133	29,625,916	2,636,505,258	0.6432	7,909,515,774	33.333%
2022	1,568,989,431	499,713,888	296,159,091	432,951,928	53,193,617	31,920,451	2,882,928,406	0.6087	8,648,785,218	33.333%
2023	1,715,573,163	535,884,278	417,970,799	460,225,433	55,870,468	34,254,428	3,219,778,569	0.5843	9,659,335,707	33.333%
2024	1,939,383,678	594,094,028	709,935,523	500,339,444	53,471,149	46,506,712	3,843,730,534	0.5476	11,531,191,602	33.333%

Note: Property in the College is reassessed every four years. Property is assessed at 33% of actual value.

Lee and Boone County are categorized under "other property" - breakdown unavailable.

Data Source

County Clerk's Office

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

<b>Tax Levy Year</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>COLLEGE DIRECT RATES</b>										
Education	0.2750	0.2750	0.2750	0.2750	0.27246	0.27500	0.27500	0.26401	0.26434	0.26701
Operations and maintenance	0.0748	0.0741	0.0750	0.0750	0.07431	0.07500	0.07500	0.07201	0.07183	0.07282
Audit	0.0050	0.0041	0.0039	0.0038	0.00351	0.00338	0.00333	0.00320	0.00326	0.00287
Bond and interest	0.2214	0.2057	0.1947	0.1943	0.18740	0.18361	0.17599	0.16107	0.14677	0.12482
Social Security	0.0127	0.0128	0.0122	0.0125	0.01176	0.01131	0.01116	0.01072	0.00932	0.00783
Health and safety	0.0413	0.0391	0.0500	0.0500	0.04954	0.05000	0.05000	0.04801	0.04068	0.04855
Liability, protection and settlement	0.0653	0.0592	0.0561	0.0575	0.05379	0.05248	0.05179	0.04972	0.04813	0.02349
Prior year adjustment	0.0000	0.0000	0.0000	0.0003	0.00000	0.00200	0.00092	0.00000	0.00000	0.00022
Total direct rate	0.69550	0.67000	0.66690	0.66840	0.65277	0.65278	0.64319	0.60874	0.58433	0.54761
<b>OVERLAPPING RATES</b>										
School district	8.2500	7.8132	7.7209	7.3854	7.18383	7.06491	6.80841	6.09342	5.67524	4.83192
County	1.2364	1.1429	1.1201	1.0951	1.07520	1.06293	1.03149	0.96766	0.89986	0.78751
Forest preserve	0.0853	0.0799	0.0783	0.0766	0.07481	0.07396	0.07355	0.06915	0.06404	0.05760
City	1.1942	1.2021	1.2268	1.1883	1.15493	1.06868	0.98612	0.89599	0.81096	0.62286
Park district	0.7960	0.7559	0.7451	0.7366	0.72045	0.70975	0.69631	0.67796	0.64887	0.49147
Township	0.1820	0.1723	0.1709	0.1683	0.16318	0.16002	0.14864	0.14107	0.12575	0.10860
Road and bridge	0.2133	0.2020	0.2006	0.1961	0.18671	0.18485	0.17298	0.16780	0.15307	0.13697
Library	0.4911	0.4562	0.3872	0.2081	0.38683	0.38772	0.38546	0.37454	0.35573	0.30541
Sanitary	0.1504	0.1425	0.1389	0.1375	0.13596	0.13367	0.11998	0.10937	0.09512	0.07567
<b>TOTAL RATES</b>	13.2942	12.6370	12.4557	11.8604	11.7347	11.4993	11.0661	10.1057	9.4130	7.9656

Note: The tax rate shown is for DeKalb Township Tax Code 12, which comprises nearly 20% of the College's equalized assessed valuation.

Data Source

DeKalb County Clerk

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

PRINCIPAL PROPERTY TAXPAYERS

Current Levy Year and Nine Years Ago

Levy Year 2024				Levy Year 2015			
Taxpayer/County	Taxable Assessed Value	Rank	Percentage of Total College Taxable Assessed Valuation	Taxpayer/County	Taxable Assessed Value	Rank	Percentage of Total College Taxable Assessed Valuation
Ventus Tech Services LLC Goldrame LLC DeKalb County	\$ 538,937,008	1	14.02%	Americold Logistics LLC Ogle County	\$ 13,429,633	1	0.69%
Americold Real Estate LP Ogle County	34,764,000	2	0.90%	Exelon Generation Co LLC Ogle County	12,736,115	2	0.66%
DeKalb Distribution Associates LLC DeKalb County	27,126,706	3	0.71%	Prologis Land LLC Ogle County	10,021,633	3	0.52%
Griffin Essential Asset REIT II LLC DeKalb County	19,369,013	4	0.50%	Target Corporation DeKalb County	9,589,981	4	0.50%
Target Corporation DeKalb County	16,321,795	5	0.42%	Sara Lee Corporation Ogle County	9,055,266	5	0.47%
Amazon.Com Services LLC DeKalb County	14,420,000	6	0.38%	Illinois River Energy LLC Ogle County	7,554,788	6	0.39%
Pool 1 Industrial IL LLC Ogle County	14,400,000	7	0.37%	Nippon Sharyo Mnuufacturing, LLC Ogle County	7,083,510	7	0.37%
DeKalb Area Retirement Center DeKalb County	13,808,784	8	0.36%	Amerian Reality Capital LLC DeKalb County	6,964,625	8	0.36%
Illinois River Energy LLC Ogle County	13,335,464	9	0.35%	Mason Properties Delaware LLC DeKalb County	6,486,794	9	0.34%
SYMAIL001 LLC DeKalb County	13,203,154	10	0.34%	Panduit Corp DeKalb County	6,358,298	10	0.33%
	<u>\$ 705,685,924</u>		<u>18.35%</u>		<u>\$ 89,280,643</u>		<u>4.63%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Sources

DeKalb and Ogle County Clerks' Offices

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Levy Years

Levy Year	Tax Levied		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$	13,650,722	\$ 6,392,575	46.83%	\$ 7,031,482	\$ 13,424,057	98.34%
2016		13,681,641	7,009,369	51.23%	6,654,941	13,664,310	99.87%
2017		14,397,855	7,394,678	51.36%	6,931,912	14,326,590	99.51%
2018		14,903,956	7,338,573	49.24%	7,469,898	14,808,471	99.36%
2019		15,515,079	6,961,597	44.87%	8,450,960	15,412,557	99.34%
2020		16,068,989	8,143,859	50.68%	7,888,552	16,032,411	99.77%
2021		16,945,175	8,665,184	51.14%	8,201,912	16,867,096	99.54%
2022		17,539,231	9,211,565	52.52%	8,326,748	17,538,313	99.99%
2023		18,837,115	10,006,953	53.12%	8,807,203	18,814,156	99.88%
2024		20,968,519	10,928,202	52.12%	-	10,928,202	52.12%

Note: Property in the College is reassessed each year. Property is assessed at 33% of actual value.

Data Sources

College Records and Annual Comprehensive Financial Report

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**RATIO OF OUTSTANDING DEBT BY TYPE**

Last Ten Fiscal Years

Fiscal Year Ended	Business-Type Activities				Total Primary Government	Assessed Valuation of District	As a Percentage of Taxable Property	District Population Estimate	Debt Per Capita	As a Percentage of Personal Income
	General Obligation Bonds	Alternate Revenue Bonds	Lease Payable	SBITA Payable						
2016	\$ 60,358,847	\$ 6,391,913	\$ -	\$ -	\$ 66,750,760	\$ 1,935,581,065	3.45%	112,500	\$ 593.34	2.68%
2017	59,271,506	6,204,497	-	-	65,476,003	2,046,140,057	3.20%	112,368	582.69	2.61%
2018	58,311,446	6,012,080	-	-	64,323,526	2,159,912,433	2.98%	112,588	571.32	2.44%
2019	57,368,649	5,809,664	-	-	63,178,313	2,231,981,832	2.83%	111,954	564.32	2.29%
2020	60,790,595	1,760,000	-	-	62,550,595	2,374,943,096	2.63%	112,764	554.70	2.12%
2021	58,694,204	1,625,000	-	-	60,319,204	2,467,607,286	2.44%	112,252	537.36	1.96%
2022	53,833,790	-	-	54,785	53,888,575	2,636,505,258	2.04%	107,952	499.19	1.80%
2023	52,987,999	-	262,078	2,343,908	55,593,985	2,882,928,406	1.93%	107,749	515.96	1.75%
2024	49,776,581	-	199,217	1,911,443	51,887,241	3,219,778,569	1.61%	107,810	481.28	1.75%
2025	46,400,163	-	134,852	1,557,327	48,092,342	3,843,730,534	1.25%	108,935	441.48	1.35%

Note: Details of the College's outstanding debt can be found in the notes to financial statements.

See the schedule of Demographic and Economic Information for personal income and population data.

Data Sources

College Records and Annual Comprehensive Financial Report

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**RATIO OF GENERAL BONDED DEBT OUTSTANDING**

Last Ten Fiscal Years

---

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less Amounts Restricted in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>Per Capita</b>
2016	\$ 66,750,760	\$ 2,111,777	\$ 58,247,070	3.15%	\$ 511.19
2017	65,476,003	1,966,145	63,509,858	3.01%	564.53
2018	64,323,526	1,985,031	62,338,495	3.22%	554.12
2019	63,178,313	2,027,363	61,150,950	2.83%	543.14
2020	62,550,595	2,133,259	60,417,336	2.71%	539.66
2021	60,319,204	2,150,766	58,168,438	2.45%	515.84
2022	53,833,790	2,191,003	51,697,572	2.10%	460.55
2023	52,987,999	2,248,863	53,345,122	2.02%	494.16
2024	49,776,581	2,401,800	49,485,441	1.72%	459.27
2025	46,400,163	2,497,240	43,902,923	1.14%	403.02

Note: Details of the College's outstanding debt can be found in the notes to financial statements.

See the schedule of Assessed Value and Actual Value of Taxable Property for property value data.

Data Source

College Records

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

**DIRECT AND OVERLAPPING DEBT**

June 30, 2025

<b>Governmental Unit</b>	<b>Gross Debt</b>	<b>Percentage Debt Applicable to the College (1)</b>	<b>College's Share of Debt (1)</b>
Kishwaukee College	\$ 46,400,163	100.0000%	\$ 46,400,163
Boone County	-	0.619%	-
Boone County Conservation District	-	0.613%	-
DeKalb County	-	85.585%	-
Kane County	-	0.061%	-
Kane County Forest Preserve District	113,865,000	0.061%	69,485
LaSalle County	9,195,000	0.001%	73
Ogle County	-	28.018%	-
Winnebago County	-	0.014%	-
Winnebago County Forest Preserve District	2,992,930	0.014%	422
Greater Rockford Airport Authority	-	0.015%	-
Byron Forest Preserve District	2,235,000	1.765%	39,440
Village of Burlington	-	0.169%	-
City of DeKalb	15,050,000	99.161%	14,923,696
City of Genoa	-	100.000%	-
City of Oregon	-	1.325%	-
City of Rochelle	220,000	99.352%	218,574
Cherry Valley Fire Protection District	1,400,000	0.171%	2,393
Franklin Grove Fire Protection District	1,495,000	1.851%	27,668
Hampshire Fire Protection District	4,105,000	1.114%	45,740
Creston-Dement Public Library District	2,134,000	100.000%	2,134,000
DeKalb Park District	1,511,255	99.161%	1,498,583
Flagg Rochelle Community Park District	6,098,000	98.619%	6,013,809
Genoa Township Park District	532,510	99.712%	530,974
Oregon Park District	1,544,000	9.185%	141,811
Sycamore Park District	716,500	100.000%	716,500
Creston Comm. Consolidated School District 161	277,100	100.000%	277,100
Rochelle Comm. Consolidated School District 231	14,055,000	99.489%	13,983,124
Mendota Comm. Consolidated School District 289	7,150,000	0.051%	3,612
Oregon Community Unit School District 220	14,815,000	22.699%	3,362,797
Paw Paw Community Unit School District 271	750,000	99.473%	746,047
Burlington Community Unit School District 301	21,368,688	0.307%	65,664
Genoa-Kingston Comm. Unit School District 424	12,890,000	100.000%	12,890,000
Indian Creek Comm. Unit School District 425	1,270,000	100.000%	1,270,000
Hiawatha Community Unit School District 426	2,620,000	100.000%	2,620,000
Sycamore Community Unit School District 427	66,132,594	99.802%	66,001,820
DeKalb Community Unit School District 428	72,400,000	99.244%	71,852,599
Rochelle Township High School District 212	2,840,000	99.647%	2,829,971
Total overlapping debt	379,662,577		202,265,902
<b>TOTAL PRIMARY AND OVERLAPPING DEBT</b>	<b>\$ 426,062,740</b>		<b>\$ 248,666,065</b>

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**DIRECT AND OVERLAPPING DEBT (Continued)**

June 30, 2025

---

(1) Percentages based on 2024 EAVs

Note: The above schedule excludes outstanding principal amounts of General Obligation (Alternate Revenue Source) Bonds that are anticipated to be paid by sources other than general taxation and self-supporting debt.

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

Boone County	\$ 1,165,000
Boone County Conservation District	420,000
DeKalb County	48,575,000
Kane County	13,695,000
Kane County Forest Preserve District	1,725,000
Ogle County	7,917,000
Winnebago County	62,765,000
Greater Rockford Airport Authority	41,765,000
Village of Burlington	201,100
City of Genoa	1,795,000
City of Oregon	2,365,000
City of Rochelle	22,010,000
DeKalb Park District	9,300,000
Flagg Rochelle Community Park District	8,000,000
Genoa Township Park District	755,000
Sycamore Park District	10,455,000

Data Sources

County Clerk's records  
Raymond James & Associates, Inc.



**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Legal debt limit	\$ 55,647,956	\$ 58,826,527	\$ 62,097,482	\$ 64,169,478	\$ 68,279,614	\$ 70,943,709	\$ 75,799,526	\$ 82,884,192	\$ 92,568,634	\$ 110,507,253
Total net debt applicable to limit	50,212,112	47,261,583	44,391,106	41,862,234	59,905,977	58,670,000	55,815,000	52,965,000	49,760,000	46,390,000
<b>LEGAL DEBT MARGIN</b>	<b>\$ 5,435,844</b>	<b>\$ 11,564,944</b>	<b>\$ 17,706,376</b>	<b>\$ 22,307,244</b>	<b>\$ 8,373,637</b>	<b>\$ 12,273,709</b>	<b>\$ 19,984,526</b>	<b>\$ 29,919,192</b>	<b>\$ 42,808,634</b>	<b>\$ 64,117,253</b>
<b>TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT</b>	90.23%	80.34%	71.49%	65.24%	87.74%	82.70%	73.64%	63.90%	53.75%	41.98%
Legal Debt Margin Calculation for Fiscal 2025										
Assessed Value									\$ 3,843,730,534	
Legal debt margin									<u>2.875%</u>	
Debt limit									110,507,253	
Debt applicable to limit General obligation bonds									<u>46,390,000</u>	
<b>LEGAL DEBT MARGIN</b>									<u><u>\$ 64,117,253</u></u>	

Note: Details of the College's outstanding debt can be found in the notes to financial statements.

Data Sources

College Records and Annual Comprehensive Financial Report

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**PLEDGED-REVENUE COVERAGE - ALTERNATE REVENUE BONDS**

Last Ten Fiscal Years

Fiscal Year	Allowable Funding Sources						Coverage
	Unrestricted Tuition Revenue	Funds Available	GO Bonds		Total Debt Service		
			(Alternate Revenue Source)				
			Series 2012*				
			Principal	Interest			
2016	\$ 8,605,491	\$ 8,605,491	\$ 160,000	\$ 232,925	\$ 392,925	21.90	
2017	9,571,877	9,571,877	170,000	230,725	400,725	23.89	
2018	10,072,390	10,072,390	175,000	227,325	402,325	25.04	
2019	9,238,444	9,238,444	185,000	222,950	407,950	22.65	
2020	8,296,236	8,296,236	190,000	218,325	408,325	20.32	
2021	8,045,864	8,045,864	135,000	66,988	201,988	39.83	
2022	7,307,072	7,307,072	1,625,000	80,365	1,705,365	4.28	
2023	-	-	-	-	-	-	
2024	-	-	-	-	-	-	
2025	-	-	-	-	-	-	

Note: Details of the College's outstanding debt can be found in the notes to financial statements.

\*GO Bonds (Alternate Revenue Source) Series 2012 were paid off during the fiscal year ended June 30, 2022.

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>District Counties Served</b>	<b>Size of District (square miles)</b>	<b>District Population</b>	<b>DeKalb County Population</b>	<b>DeKalb County Total Personal Income</b>	<b>DeKalb County Per Capita Personal Income</b>	<b>DeKalb County Unemployment Rate</b>
2016	Boone, DeKalb, Kane, LaSalle, Lee, Ogle and Winnebago	831	112,500	104,352	\$ 2,494,325,856	\$ 23,903	5.20%
2017	Boone, DeKalb, Kane, LaSalle, Lee, Ogle and Winnebago	831	112,368	104,528	2,511,285,000	24,025	4.70%
2018	Boone, DeKalb, Kane, LaSalle, Lee, Ogle and Winnebago	831	112,588	104,733	2,636,339,076	25,172	4.30%
2019	Boone, DeKalb, Kane, LaSalle, Lee, Ogle and Winnebago	831	111,954	104,143	2,760,935,073	26,511	3.80%
2020	Boone, DeKalb, Kane, LaSalle, Lee, Ogle and Winnebago	831	112,764	104,897	2,944,773,481	28,073	12.20%
2021	Boone, DeKalb, Kane, LaSalle, Lee, Ogle and Winnebago	831	112,252	104,420	3,073,080,600	29,430	6.20%
2022	Boone, DeKalb, Kane, LaSalle, Lee, Ogle and Winnebago	831	107,952	100,420	2,990,507,600	29,780	5.00%
2023	Boone, DeKalb, Kane, LaSalle, Lee, Ogle and Winnebago	831	107,749	100,232	3,172,843,960	31,655	4.90%
2024	Boone, DeKalb, Kane, LaSalle, Lee, Ogle and Winnebago	831	107,810	100,288	3,463,245,504	34,533	5.80%
2025	Boone, DeKalb, Kane, LaSalle, Lee, Ogle and Winnebago	831	108,935	101,335	3,552,197,090	35,054	4.50%

Data Sources

DeKalb County Economic Development

Illinois Department of Employment Security

District #523 Population calculated at 107.5% of DeKalb County

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**PRINCIPAL EMPLOYERS**

Current Year and Ten Years Ago

2025				2015			
Employer	Rank	Employees	% of District Population	Employer	Rank	Employees	% of District Population
Northern Illinois University	1	3,135	2.88%	Northern Illinois University	1	7,395	6.49%
Target Distribution Center	2	1,600	1.47%	KishHealth System	2	1,573	1.38%
KishHealth System-part of Northwestern Medicine	3	1,600	1.47%	DeKalb School District #428	3	885	0.78%
DeKalb School District #428	4	1,122	1.03%	Rochelle Foods	4	750	0.66%
Rochelle Foods	5	800	0.73%	Kishwaukee College	5	550	0.48%
3M Company	6	800	0.73%	3M Company	6	538	0.47%
DeKalb County Government	7	560	0.51%	DeKalb County Government	7	525	0.46%
Sycamore C.U.S.D. #427	8	525	0.48%	Sycamore C.U.S.D. #427	8	515	0.45%
Ferrara Candy / Ryder Logistics	9	500	0.46%	Woods Equipment	9	500	0.44%
The Suter Company	10	380	0.35%	Target Distribution Center	10	435	0.38%

Data Sources

City of Rochelle  
City of Genoa  
DeKalb County Economic Development Corporation

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**FULL-TIME EQUIVALENT EMPLOYEES**

Last Ten Fiscal Years

<b>Function/Program</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Faculty										
Full-time	82	70	73	69	65	61	58	54	58	58
Part-time	144	159	122	106	120	103	112	108	109	117
Total faculty	226	229	195	175	185	164	170	162	167	175
Staff										
Administrative	21	21	22	23	17	18	20	18	18	16
Professional	54	49	46	52	45	48	56	56	73	67
Support	136	101	113	120	121	94	116	89	113	108
Total staff	211	171	181	195	183	160	192	163	204	191

Data Sources

ICCB C1 & C2 Reports and College Records

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

OPERATING INDICATORS

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Student headcount*	5,267	5,405	5,116	4,736	4,508	3,842	3,500	3,591	3,872	4,239
In-district tuition per hour	\$ 119.00	\$ 129.00	\$ 139.00	\$ 144.00	\$ 144.00	\$ 147.00	\$ 147.00	\$ 147.00	\$ 147.00	\$ 152.00
Universal fee rate per hour	12.00	12.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	-
In-district tuition and fee rate per hour	\$ 131.00	\$ 141.00	\$ 156.00	\$ 161.00	\$ 161.00	\$ 164.00	\$ 164.00	\$ 164.00	\$ 164.00	\$ 152.00
Out of state tuition rate per hour	\$ 369.00	\$ 399.00	\$ 426.00	\$ 432.00	\$ 432.00	\$ 492.00	\$ 492.00	\$ 492.00	\$ 492.00	\$ 456.00
Credit hours generated										
Baccalaureate	44,914	42,894	39,618	37,056	35,379	30,014	25,396	27,007	30,752	33,236
Business occupational	3,362	3,350	2,747	3,049	2,963	2,596	2,473	2,512	2,985	3,704
Technical occupational	8,057	8,254	7,333	6,362	4,992	3,773	4,612	4,522	4,893	4,960
Health occupational	5,390	5,443	4,966	5,146	4,660	5,019	4,447	4,313	4,425	5,015
Remedial development	6,098	5,545	5,050	3,508	2,760	1,976	1,618	2,082	1,304	1,162
Adult basic educations/ adult secondary education	2,116	1,723	1,481	1,730	2,110	1,435	2,114	2,940	3,233	3,811
<b>TOTAL</b>	<b>69,937</b>	<b>67,209</b>	<b>61,195</b>	<b>56,851</b>	<b>52,864</b>	<b>44,813</b>	<b>40,660</b>	<b>43,376</b>	<b>47,592</b>	<b>51,888</b>
Tuition and fee revenue										
Education purposes and operations and maintenance purposes fund	\$ 10,707,156	\$ 10,447,839	\$ 11,006,785	\$ 11,693,774	\$ 9,828,361	\$ 8,779,953	\$ 7,968,063	\$ 8,519,864	\$ 9,372,931	\$ 8,810,716

\*Adult education students not included.

Data Sources

Kishwaukee College Records and ICCB S3 Summary Report

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**CAPITAL ASSET STATISTICS**

Last Ten Fiscal Years

<b>Facility Information</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Instruction										
Building - acres	34	34	34	34	34	34	34	34	34	34
Classroom - sq. ft.	75,742	75,742	75,742	75,742	75,742	75,742	75,742	75,742	75,742	75,742
Lab - sq. ft.	109,523	109,523	109,523	109,523	109,523	109,523	109,523	109,523	109,523	109,523
Academic support										
Support - sq. ft.	47,435	47,435	47,435	47,435	47,435	47,435	47,435	47,435	47,435	47,435
Study - sq. ft.	25,035	25,035	25,035	25,035	25,035	25,035	25,035	25,035	25,035	25,035
Student services										
PE and athletic fields - acres	7	7	7	7	7	7	7	7	7	7
PE and athletic - sq. ft.	14,891	14,891	14,891	14,891	14,891	14,891	14,891	14,891	14,891	14,891
General administration										
Office - sq. ft.	71,730	71,730	71,730	71,730	71,730	71,730	71,730	71,730	71,730	71,730
Institutional support										
Landscaped grounds - acres	29	29	29	29	29	29	29	29	29	29
Parking lots - acres	17	17	17	17	17	17	17	17	17	17
Roadways - acres	3	3	3	3	3	3	3	3	3	3

Data Sources

Acres - ICCB Table C1.3

Sq. Ft ICCB R3

## **SPECIAL REPORTS SECTION**



## **SUPPLEMENTAL FINANCIAL INFORMATION**

**KISHWAUKEE COLLEGE - ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**

**FISCAL YEAR 2026 CERTIFICATION OF PER CAPITA COST**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

CERTIFICATION OF PER CAPITA COST FOR FISCAL YEAR 2025

---

ALL FISCAL YEAR 2025 NONCAPITAL AUDITED OPERATING  
EXPENDITURES FROM THE FOLLOWING FUNDS:

1	Education Fund	\$ 21,578,141
2	Operation and Maintenance Fund	3,000,210
3	Operation and Maintenance Fund (Restricted)	-
4	Bond and Interest Fund	1,750
5	Public Building Commission Rental Fund	-
6	Restricted Purposes Fund	12,083,706
7	Audit Fund	88,821
8	Liability, Protection, and Settlement Fund	1,294,170
9	Auxiliary Enterprises Fund (subsidy only)	50,000
<b>10</b>	<b>TOTAL NONCAPITAL EXPENDITURES</b> (sum of lines 1-9)	<u><u>\$ 38,096,798</u></u>
11	Depreciation on capital outlay expenditures (equipment, buildings, and fixed equipment paid) from sources other than state and federal funds	<u>4,269,455</u>
<b>12</b>	<b>TOTAL COSTS INCLUDED</b> (line 10 plus line 11)	<u><u>\$ 42,366,253</u></u>
13	TOTAL CERTIFIED SEMESTER CREDIT HOURS FOR FY 2025	<u>51,888</u>
<b>14</b>	<b>PER CAPITA COST</b> (line 12 divided by line 13)	<u><u>\$ 816.49</u></u>

(See independent auditor's report.)

## **UNIFORM FINANCIAL STATEMENTS**

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

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

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection Settlement Fund	Total
<b>FUND BALANCES, JULY 1, 2024, AS RESTATED</b>	\$ 6,069,278	\$ -	\$ 6,764,201	\$ 2,401,800	\$ 15,882,808	\$ 516,665	\$ 2,625,000	\$ 55,071	\$ 2,712,884	\$ 37,027,707
<b>REVENUES</b>										
Local tax revenue	\$ 9,416,652	\$ 2,556,369	\$ 1,738,356	\$ 4,785,107	\$ -	\$ -	\$ -	\$ 107,691	\$ 1,377,429	\$ 19,981,604
All other local revenue	303,292	82,723	-	-	-	-	-	-	-	386,015
ICCB grants	4,026,775	-	-	-	90,139	218,293	-	-	-	4,335,207
All other state revenue	-	-	-	-	-	6,839,753	-	-	-	6,839,753
Federal revenue	6,596	-	-	-	13,719	8,650,331	-	-	-	8,670,646
Student tuition and fees	8,451,390	359,326	-	-	45,609	-	-	-	-	8,856,325
All other revenue	1,070,277	1,792	193,491	1,484	5,658,503	740,514	-	-	-	7,666,061
Total revenues	23,274,982	3,000,210	1,931,847	4,786,591	5,807,970	16,448,891	-	107,691	1,377,429	56,735,611
<b>EXPENDITURES</b>										
Instruction	7,936,060	-	-	-	-	2,927,306	-	-	-	10,863,366
Academic support	2,969,356	-	-	-	-	1,098,157	-	-	-	4,067,513
Student services	1,897,739	-	-	-	-	1,555,974	-	-	-	3,453,713
Public service/continuing education	705,658	-	-	-	-	302,895	-	-	-	1,008,553
Auxiliary services	788,249	-	-	-	1,607,403	211,711	-	-	-	2,607,363
Operations and maintenance	-	3,000,210	3,989,579	-	-	306,141	-	-	783,710	8,079,640
Institutional support	6,423,601	-	-	4,691,151	4,427,390	1,105,553	-	88,821	510,460	17,246,976
Scholarships, student grants, waivers	1,009,209	-	-	-	-	9,053,608	-	-	-	10,062,817
Total expenditures	21,729,872	3,000,210	3,989,579	4,691,151	6,034,793	16,561,345	-	88,821	1,294,170	57,389,941
NET TRANSFERS	(752,307)	-	702,307	-	50,000	-	-	-	-	-
<b>FUND BALANCES, JUNE 30, 2025</b>	\$ 6,862,081	\$ -	\$ 5,408,776	\$ 2,497,240	\$ 15,705,985	\$ 404,211	\$ 2,625,000	\$ 73,941	\$ 2,796,143	\$ 36,373,377

(See independent auditor's report.)

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

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

	<b>Capital Asset/Debt Account Groups July 1, 2024</b>	<b>Additions</b>	<b>Deletions</b>	<b>Transfers</b>	<b>Capital Asset/Debt Account Groups June 30, 2025</b>
<b>CAPITAL ASSETS</b>					
Sites and improvements	\$ 13,875,042	\$ 56,000	\$ -	\$ -	\$ 13,931,042
Buildings, additions and improvements	101,366,959	14,546	(8,000)	-	101,373,505
Equipment (Tangible and Intangible)	15,703,510	1,035,430	(532,327)	208,389	16,415,002
Projects in process	156,292	1,771,015	-	(208,389)	1,718,918
Other fixed assets	1,818,517	-	-	-	1,818,517
Intangible right-to-use assets	2,978,114	275,873	(12,789)	-	3,241,198
 Total tangible and intangible capital assets	 135,898,434	 3,152,864	 (553,116)	 -	 138,498,182
 Less accumulated depreciation & amortization	 (66,291,209)	 (5,463,121)	 542,157	 -	 (71,212,173)
 <b>NET CAPITAL ASSETS</b>	 <b>\$ 69,607,225</b>	 <b>\$ (2,310,257)</b>	 <b>\$ (10,959)</b>	 <b>\$ -</b>	 <b>\$ 67,286,009</b>
<b>FIXED DEBT</b>					
Bonds payable	\$ 49,776,581	\$ -	\$ (3,376,418)	\$ -	\$ 46,400,163
Lease payable	199,217	-	(64,365)	-	134,852
SBITA payable	1,911,443	117,802	(471,918)	-	1,557,327
Other fixed liabilities	4,702,199	-	(256,080)	-	4,446,119
 <b>TOTAL FIXED DEBT</b>	 <b>\$ 56,589,440</b>	 <b>\$ 117,802</b>	 <b>\$ (4,168,781)</b>	 <b>\$ -</b>	 <b>\$ 52,538,461</b>

(See independent auditor's report.)

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

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

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
<b>OPERATING REVENUES BY SOURCE</b>			
Local Government			
Local Taxes	\$ 9,416,652	\$ 2,556,369	\$ 11,973,021
CPPRT	303,292	82,723	386,015
Total Local Government	9,719,944	2,639,092	12,359,036
State Government			
ICCB Base Operating Grant	2,107,033	-	2,107,033
ICCB Equalization Grant	1,698,350	-	1,698,350
ICCB Career and Technical Education	192,705	-	192,705
ICCB Performance	3,760	-	3,760
Other State not listed above	24,927	-	24,927
Total State Government	4,026,775	-	4,026,775
Federal Government			
Other	6,596	-	6,596
Total Federal Government	6,596	-	6,596
Student Tuition and Fees			
Tuition	8,115,948	359,326	8,475,274
Fees	335,442	-	335,442
Total Tuition and Fees	8,451,390	359,326	8,810,716
Other Sources			
Sales and Service Fees	85,380	-	85,380
Investment Revenue	763,884	-	763,884
Other	221,013	1,792	222,805
Total Other Sources	1,070,277	1,792	1,072,069
Adjustments			
Transfers	-	-	-
Adjusted Revenues	23,274,982	3,000,210	26,275,192

(This statement is continued on the following page.)

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

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

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
<b>OPERATING EXPENDITURES</b>			
<b>BY PROGRAM</b>			
Instruction	\$ 7,936,060	\$ -	\$ 7,936,060
Academic Support	2,969,356	-	2,969,356
Student Services	1,897,739	-	1,897,739
Public Service/Continuing Education	705,658	-	705,658
Auxiliary Services	788,249	-	788,249
Operations and Maintenance	-	3,000,210	3,000,210
Institutional Support	6,423,601	-	6,423,601
Scholarships, Student Grants, Waivers	1,009,209	-	1,009,209
Total Expenditures	21,729,872	3,000,210	24,730,082
Adjustments			
Transfers	752,307	-	752,307
<b>ADJUSTED EXPENDITURES</b>	<b>\$ 22,482,179</b>	<b>\$ 3,000,210</b>	<b>\$ 25,482,389</b>
<b>BY OBJECT</b>			
Salaries	\$ 14,368,235	\$ 1,220,041	\$ 15,588,276
Employee Benefits	2,800,410	275,627	3,076,037
Contractual Services	1,447,247	459,804	1,907,051
General Materials and Supplies	966,124	288,014	1,254,138
Conference and Meeting Expenses	219,538	909	220,447
Fixed Charges	174,170	-	174,170
Utilities	80,112	755,815	835,927
Capital Outlay	151,731	-	151,731
Student Grants and Scholarships	1,049,926	-	1,049,926
Other	472,379	-	472,379
Total Expenditures	21,729,872	3,000,210	24,730,082
Adjustments			
Transfers	752,307	-	752,307
<b>ADJUSTED EXPENDITURES</b>	<b>\$ 22,482,179</b>	<b>\$ 3,000,210</b>	<b>\$ 25,482,389</b>

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

(See independent auditor's report.)



**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

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

---

**REVENUES BY SOURCE**

State Government	
ICCB - Adult Education	\$ 218,293
Other	<u>6,839,753</u>
Total State Government	<u>7,058,046</u>
Federal Government	
Department of Education	8,165,688
Department of Labor	482,054
Other	<u>2,589</u>
Total Federal Government	<u>8,650,331</u>
Other Sources	
Other	<u>740,514</u>
Total Other Sources	<u>740,514</u>
NET TRANSFERS	<u>-</u>
TOTAL RESTRICTED PURPOSES FUND REVENUES	<u><u>\$ 16,448,891</u></u>

(This statement is continued on the following page.)

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

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

---

**EXPENDITURES BY PROGRAM**

Instruction	\$ 2,927,306
Academic Support	1,098,157
Student Services	1,555,974
Public Service/Continuing Education	302,895
Auxiliary Services	211,711
Operations and maintenance	306,141
Institutional Support	1,105,553
Scholarships, Grants, Waivers	<u>9,053,608</u>

<b>TOTAL RESTRICTED PURPOSES FUND EXPENDITURES</b>	<b><u><u>\$ 16,561,345</u></u></b>
--	------------------------------------

**EXPENDITURES BY OBJECT**

Salaries	\$ 1,249,027
Employee Benefits	4,227,874
Contractual Services	432,320
Student Financial Aid	9,053,608
General Materials and Supplies	444,581
Travel & Conference/Meeting Expenses	203,036
Fixed Charges	59,812
Capital Outlay	504,929
Other	<u>386,158</u>

<b>TOTAL RESTRICTED PURPOSES FUND EXPENDITURES</b>	<b><u><u>\$ 16,561,345</u></u></b>
--	------------------------------------

(See independent auditor's report.)

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

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

---

**INSTRUCTION**

Instructional Programs	\$ 9,340,833
Other	<u>1,522,533</u>
Total Instruction	<u>10,863,366</u>

**ACADEMIC SUPPORT**

Library Center	436,451
Instructional Materials Center	239,507
Educational Media Services	188,663
Academic Computing Support	213,440
Academic Administration and Planning	1,968,816
Other	<u>1,020,636</u>
Total Academic Support	<u>4,067,513</u>

**STUDENT SERVICES SUPPORT**

Admissions and Records	539,768
Counseling and Career Services	1,216,306
Financial Aid Administration	366,110
Other	<u>1,331,529</u>
Total Student Services Support	<u>3,453,713</u>

**PUBLIC SERVICE/CONTINUING EDUCATION**

Community Education	226,303
Customized Training (Instructional)	407,461
Professional Development Cost, Faculty	2,069
Other	<u>372,720</u>
Total Public Service/Continuing Education	<u>1,008,553</u>

**AUXILIARY SERVICES**

2,607,363

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

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

---

**OPERATIONS AND MAINTENANCE OF PLANT**

Maintenance	\$ 1,237,762
Custodial Services	595,049
Grounds	220,584
Campus Security	763,017
Utilities	755,815
Administration	152,408
Other	<u>365,426</u>

Total Operations and Maintenance of Plant	<u>4,090,061</u>
---	------------------

**INSTITUTIONAL SUPPORT**

Executive Management	1,265,249
Fiscal Operations	757,351
Community Relations	882,325
Administrative Support Services	992,110
General Institutional	910,358
Institutional Research	123,306
Administrative Data Processing	2,233,665
Other	<u>964,071</u>

Total Institutional Support	<u>8,128,435</u>
-----------------------------	------------------

<b>SCHOLARSHIPS, STUDENTS GRANTS, &amp; WAIVERS</b>	<u>10,062,817</u>
---	-------------------

<b>TOTAL CURRENT FUNDS EXPENDITURES</b>	<u><u>\$ 44,281,821</u></u>
---	-----------------------------

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

## **ICCB STATE GRANTS COMPLIANCE SECTION**

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

**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Kishwaukee College  
Illinois Community College  
District No. 523  
Malta, Illinois

### **Opinions**

We have audited the accompanying balance sheet of the Kishwaukee College - Illinois Community College District No. 523, Malta, Illinois (the College) State Adult Education and Family Literacy Grant Programs as of June 30, 2025, and the related statement of revenues, expenditures and changes in program balances - state grant programs.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Kishwaukee College - Illinois Community College District No. 523's State Adult Education and Family Literacy Grant Programs of Kishwaukee College District No. 523 as of June 30, 2025, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

### **Emphasis of Matter**

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

## **Responsibilities of Management for the Financial Statements**

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS, we:

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

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

## Other Matters

Our audit was conducted for the purpose of forming opinions on the balance sheet the College's State Adult Education and Family Literacy Grant Programs as of June 30, 2025, and the related statement of revenues, expenditures and changes in program balances for the year then ended. The schedule of expenditure amounts and percentages for ICCB Grant Funds only is presented for purposes of additional analysis and is not a required part of these financial statements. The schedule of expenditure amounts and percentages for ICCB Grant Funds only is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare these financial statements.

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

In connection with our audit, nothing came to our attention that caused us to believe that the College failed to comply with the terms, covenants, provisions or conditions of the agreements, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the College's noncompliance with the above-referenced terms, covenants, provisions or conditions of the agreements, insofar as they relate to accounting matters.

*Sikich CPA LLC*

Naperville, Illinois  
October 24, 2025



**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

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

June 30, 2025

	<b>State Basic</b>	<b>State Performance</b>	<b>Total</b>
<hr/>			
<b>ASSETS</b>			
None	\$ -	\$ -	\$ -
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<hr/>			
<b>LIABILITIES AND PROGRAM BALANCES</b>			
<b>LIABILITIES</b>			
None	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>PROGRAM BALANCES</b>			
None	<u>-</u>	<u>-</u>	<u>-</u>
Total program balances	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES AND PROGRAM BALANCES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(See independent auditor's report.)

**KISHWAUKEE COLLEGE**  
**ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523**  
**MALTA, ILLINOIS**

STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN PROGRAM BALANCES

For the Year Ended June 30, 2025

	State Basic	State Performance	Total
<b>REVENUES</b>			
State sources	\$ 165,018	\$ 53,275	\$ 218,293
Total revenues	165,018	53,275	218,293
<b>EXPENDITURES</b>			
Academic support			
Salaries	75,720	37,323	113,043
Benefits	2,479	11,621	14,100
Total academic support	78,199	48,944	127,143
Program support			
Training/PD	3,288	608	3,896
Offices supplies	200	59	259
Printing	76	93	169
Travel	1,923	643	2,566
Rent	1,800	-	1,800
Misc - one stop	509	-	509
Total program support	7,796	1,403	9,199
Direct instruction			
Salaries	72,776	-	72,776
Instructional supplies	6,247	2,928	9,175
Total direct instruction	79,023	2,928	81,951
Total expenditures	165,018	53,275	218,293
CHANGES IN PROGRAM BALANCES	-	-	-
PROGRAM BALANCES, JULY 1, 2024	-	-	-
<b>PROGRAM BALANCES, JUNE 30, 2025</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

(See independent auditor's report.)

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**STATE ADULT EDUCATION AND FAMILY LITERACY RESTRICTED FUNDS  
EXPENDITURE AMOUNTS AND PERCENTAGES FOR ICCB GRANT FUNDS ONLY**

For the Year Ended June 30, 2025

---

	<b>Audited Expenditure Amount</b>	<b>Audited Expenditure Percentage</b>
<b>STATE BASIC</b>		
Instruction (45% minimum required)	\$ 79,023	48%
General administration (15% maximum allowed)	7,796	5%

(See independent auditor's report.)

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS - STATE GRANT PROGRAMS**

June 30, 2025

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Kishwaukee College - Illinois Community College District No. 523 (the College) conform to generally accepted accounting principles as set forth by the Governmental Accounting Standards Board. The following is a summary of the more significant accounting policies:

a. General

The accompanying statements include transactions resulting from the Illinois Community College Board (ICCB) State Adult Education and Family Literacy Restricted Grant Program. These transactions have been accounted for in the Restricted Purposes Funds of the governmental subgroup.

b. Basis of Accounting

The statements have been prepared on the accrual basis of accounting and the current financial resources measurement focus. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2025. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31, if any, are recorded as restricted fund balances.

c. Capital Assets

Capital asset purchases are recorded as expenditures - capital outlay.

**2. PAYMENTS OF PRIOR YEAR'S ENCUMBRANCES**

Payments of prior year's encumbrances for goods received prior to August 31 are reflected as restricted fund balance during the current fiscal year.

**3. BACKGROUND INFORMATION ON STATE GRANT ACTIVITY**

Restricted Adult Education Grants/State

State Basic

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

Performance

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

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

**SIKICH.COM**

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

Board of Trustees  
Kishwaukee College  
Illinois Community College  
District No. 523  
Malta, Illinois

We have examined management of Kishwaukee College - Illinois Community College District No. 523's (the College) assertion that the College complied with the guidelines of the Illinois Community College Board's *Fiscal Management Manual* included in the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims are Filed and the Reconciliation of Total Semester Credit Hours of the College during the period July 1, 2024 through June 30, 2025. The College's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the College's compliance with the specified requirements based on our examination.

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

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

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

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

***Sikich CPA LLC***

Naperville, Illinois  
October 24, 2025

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

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

For the Year Ended June 30, 2025

CATEGORIES	Total Semester Credit Hours by Term							
	Summer		Fall		Spring		Total	
	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted
Baccalaureate	-	3,641.0	-	15,348.0	-	14,247.0	-	33,236.0
Business occupational	-	206.0	-	1,464.0	-	2,034.0	-	3,704.0
Technical occupational	-	156.0	-	2,309.0	-	2,495.0	-	4,960.0
Health occupational	-	505.5	-	2,079.5	-	2,430.0	-	5,015.0
Remedial developmental	-	101.0	-	619.0	-	442.0	-	1,162.0
Adult basic education/adult secondary education	197.0	-	1,690.0	-	1,924.0	-	3,811.0	-
<b>TOTAL CREDIT HOURS VERIFIED</b>	<b>197.0</b>	<b>4,609.5</b>	<b>1,690.0</b>	<b>21,819.5</b>	<b>1,924.0</b>	<b>21,648.0</b>	<b>3,811.0</b>	<b>48,077.0</b>

	Chargeback/ Contractual Agreement		
	In-District		Total
Reimbursable credit hours (unrestricted)	41,505.5	1,181.0	42,686.5
Reimbursable credit hours (restricted)	3,766.0	-	3,766.0
Reimbursable credit hours (unrestricted)	5,809.0	399.0	6,208.0

A student's legal residence is used to determine the student's residency for both tuition calculation and submission of reports for state funding purposes. According to ICCB guidelines, a student must reside within the district for at least 30 days prior to the start of the semester in order to meet in-district residency requirements. The College records the residency classification at the time of a student's registration. If there is a question about a student's residency, the student must submit one of the following documents which reflect the student's in-district address.

- 1) Valid Illinois driver's license or motor vehicle registration
- 2) Voter's registration card
- 3) Real estate tax bill showing liability to the College
- 4) Apartment lease
- 5) Contract of sale for a new home
- 6) Utility bill
- 7) Rent receipt

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

COLLEGE'S 2024 EQUALIZED ASSESSED VALUATION \$ 3,843,730,534

**KISHWAUKEE COLLEGE  
ILLINOIS COMMUNITY COLLEGE DISTRICT NO. 523  
MALTA, ILLINOIS**

RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS

For the Year Ended June 30, 2025

	<b>Total Unrestricted Credit Hours</b>	<b>Total Unrestricted Credit Hours Certified to the ICCB</b>	<b>Difference</b>	<b>Total Restricted Credit Hours</b>	<b>Total Restricted Credit Hours Certified to the ICCB</b>	<b>Difference</b>
Baccalaureate	33,236.0	33,236.0	-	-	-	-
Business occupational	3,704.0	3,704.0	-	-	-	-
Technical occupational	4,960.0	4,960.0	-	-	-	-
Health occupational	5,015.0	5,015.0	-	-	-	-
Remedial developmental	1,162.0	1,162.0	-	-	-	-
Adult basic education/adult secondary education	-	-	-	3,811.0	3,811.0	-
<b>TOTAL</b>	48,077.0	48,077.0	-	3,811.0	3,811.0	-