



Annual Comprehensive Financial Report

Fiscal Years Ended
June 30, 2020 &
June 30, 2021

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

River Grove, Illinois 60171

Annual Comprehensive Financial Report

Fiscal years ended June 30, 2021 and 2020

(With Independent Auditor's Report Thereon)

Prepared By

Business Services

Sean Sullivan

Vice President, Business Services

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Executive Director, Finance

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Assistant Director, Finance

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COMMUNITY COLLEGE DISTRICT NO. 504

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TRITON COLLEGE
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Letter of Transmittal

November 16, 2021

To: President Mary-Rita Moore,
Members of the Board of Trustees, and
Citizens of Triton College District No. 504

The Annual Comprehensive Financial Report (ACFR) of Triton College, Community College District No. 504 (the College), County of Cook, State of Illinois, for the fiscal year ended June 30, 2021, 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.



The ACFR is presented in four sections: Introductory, Financial, Statistical, and Special Reports. The Introductory Section includes this letter of transmittal, the College's vision, mission, and values, the College's principal officers, and an organization chart. The Financial Section includes the report of the independent auditors, management's discussion and analysis, basic financial statements, notes to the financial statements, and required supplementary information. The Statistical Section includes selected unaudited financial and demographic information presented on a multi-year basis. The Special Report Section includes Uniform Financial Statements, supplementary financial information, and grant financial statements together with the related auditor's report.

This letter of transmittal should be read in conjunction with the Management's Discussion and Analysis (pages 3-14), which provides a narrative overview and analysis of the basic financial statements and focuses on current activities, accounting changes, and currently known facts.

Mission Statement

Valuing the Individual, educating and serving the community.

Vision Statement

A community with equitable opportunity for growth and success.

Core Values

The Core Values of Triton College are Integrity, Communication, Excellence, Teamwork and Service.

General

The College maintains its accounts and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB), National Association of College and University Business Officers (NACUBO) 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.

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Crowe, LLP, an independent firm of licensed public accountants, has audited the financial statements of the College and has issued an unmodified (“clean”) opinion on the College’s financial statements for the fiscal year ended June 30, 2021. The independent auditors’ report is located at the front of the Financial Section of the ACFR.

Economic Condition and Outlook

Triton College is a comprehensive community college that serves 25 towns in the near western suburbs of Chicago. The district encompasses 63 square miles and includes approximately 333,000 residents. The district is made up primarily of single-family residences, office buildings, hotels, regional and local shopping areas, light manufacturing and, therefore, is insulated from major changes in the economy. It is located just southeast of O’Hare airport.

Triton College’s operating revenue is derived primarily from local property taxes and tuition and fees. Additionally, the College receives state allocations and grant funding from the state and federal sources.

Strategic Plan

Triton College’s strategy for fulfilling its mission centered on three focus areas: *Increasing College Readiness*, *Improving College Completion*, and *Closing Skill Gaps*. While the strategy concluded its seven-year timeframe on June 30, 2021, the College continues to complete actions focused on improving the key performance indicators (KPIs).

The Focus Area of *Increasing College Readiness* encompassed support for students. The enhanced student ambassador program was revamped, expanded, and launches fall semester, 2021. The dual credit program made substantial gains in expanding its reach to area high schools, while also making mentorship and professional development opportunities available to the high school dual credit instructors.

Key performance indicators (KPIs) of college readiness showed significant improvement (between 14% and 16%) in five of seven areas during the duration of the seven-year strategic plan. Most notably, total college readiness placement increased from 57% in FY15 to 71% in FY21.

Metrics related to the Focus Area of *Improving College Completion* also improved over the duration of the strategic plan. Five of the eight KPIs of college completion increased, with the graduation rate improving from 14% in FY15 to 22% in FY21.

During the strategic plan timeframe, the initial framework for Guided Pathways was developed. A redesigned First-Year Experience (FYE) and expansion of the Peer Mentoring Collaborative (PMC) in the Academic Success Center were also both successful outcomes focused on impacting college retention and completion.

For the Focus Area of *Closing Skill Gaps*, positive outcomes pertaining to student completion rates and the number of degrees and certificates awarded both increased. The number of internships remained relatively unchanged over the duration of the strategic plan, with 31 internships in FY21 compared to 34 in FY15. The number of internships in FY21, however, was impacted due to the effects of the pandemic on area businesses.

Achievements for each focus area for each year of the plan are detailed next.

Increasing College Readiness:

This focus area showed significant impact of direct interventions for students. College readiness initiatives were successful across the seven-year strategic plan, with the scaling of the Math-Up through iLaunch the most notable. Outcomes of other initiatives implemented to increase college readiness are:

- Remedial math success rates increased over 20%.

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- The number of students accelerating from developmental education math courses into credit math courses increased.
- The Dual Credit program increased its course agreements with in-district and out-of-district high school partners by 40%.
- High School transitional program participation increased over 10%.
- Expanded mentoring and implementation of a tutoring component at the Oak Park Library for middle and high school students.
- Partnership meetings increased with local and regional educational institutions.

Improving College Completion:

This focus area showed notable impact of initiatives to improve completion rates. During the strategic plan timeframe, the initial framework of Guided Pathways was developed. Outcomes of other initiatives implemented to increase college completion are:

- A redesigned First-Year Experience (FYE)
- Expanded Peer Mentoring Collaborative (PMC)
- Increased number of students tutored by the Academic Success Center
- Expanded graduate success tracking
- Increased e-services for students, including self-service for registration
- Increased faculty participation in training on student persistence and completion
- Creation of a summer bridge program for new high school graduates

Closing Skill Gaps:

This focus area centered on improving students' readiness for jobs and increasing online enrollment. Student completion rates and the number of degrees and certificates awarded both increased. This is particularly noteworthy due to declines in enrollment over the duration of the seven-year strategic plan. Outcomes of other initiatives implemented to close skill gaps are:

- Growth in online and hybrid course sections (excluding impacts of the pandemic).
- Career Services developed a database of area companies' human resources professionals for job and internship contacts.
- Two new academic programs were launched: Medical Assistant and Biotechnology Laboratory Technician

A new, three-year strategic plan for Triton College launched July 1, 2021.

Long Term Financial Planning

In fiscal year 2018 the College issued \$3.7 million in Debt Certificates to purchase new land. In fiscal year 2015, the College issued \$53.5 million in general obligation bonds for a number of campus renewal projects. The College intends to use a portion of the Base operating grant for repayment of the bonds. The College has consequently reduced reliance on capital leases to purchase equipment. In fiscal year 2021 the College issued \$38.0 million in general obligation refunding bonds to refund a portion of the bonds issued in fiscal year 2015. The College completed the refunding to reduce its future total debt service payments.

Internal Controls

The information contained in this report is based upon a comprehensive framework of internal controls management has established for this purpose. The internal control structure is designed to protect the assets of the College, prevent loss from theft or misuse, and provide that adequate accounting data are compiled to allow

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for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. 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 costs and benefits requires estimates and judgments by management.

Budgeting Controls

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.

Activities of the following fund groups and individual funds are included in the annual budget.

<u>Fund Group</u>	<u>Fund</u>
Unrestricted	Education
	Operations and Maintenance of Plant
	Auxiliary Enterprises
	Liability, Protection, and Settlement
	Audit
	Social Security/Medicare
Restricted – Other	Restricted Purposes
	Working Cash
	Trust and Agency
	Loan
Restricted Capital Projects	Operations and Maintenance (Restricted)

The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) 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. However, encumbrances are only re-authorized as part of the following year's budget when funds are available and with appropriate administrative approvals. 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.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a certificate of achievement for Excellence in Financial Reporting to Triton College for its annual comprehensive financial report for the fiscal year ended June 30, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This 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.

We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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Acknowledgments

The timely preparation of the annual comprehensive financial report was made possible by the dedicated service of the entire staff of the finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,

/s/ Sean Sullivan

Sean Sullivan
Vice President Business Services

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Principal Officials

June 30, 2021

Board of Trustees

	<u>Position</u>	<u>Term expires</u>
Mark R. Stephens	Chairman	2027
Diane Viverito	Vice Chairwoman	2025
Elizabeth Potter	Secretary	2023
Norma Hernandez	Trustee	2023
Tracy Jennings	Trustee	2027
Glover Johnson	Trustee	2025
Richard B. Regan	Trustee	2025
Bertha Sanchez	Student Trustee	2022

Officers of the College

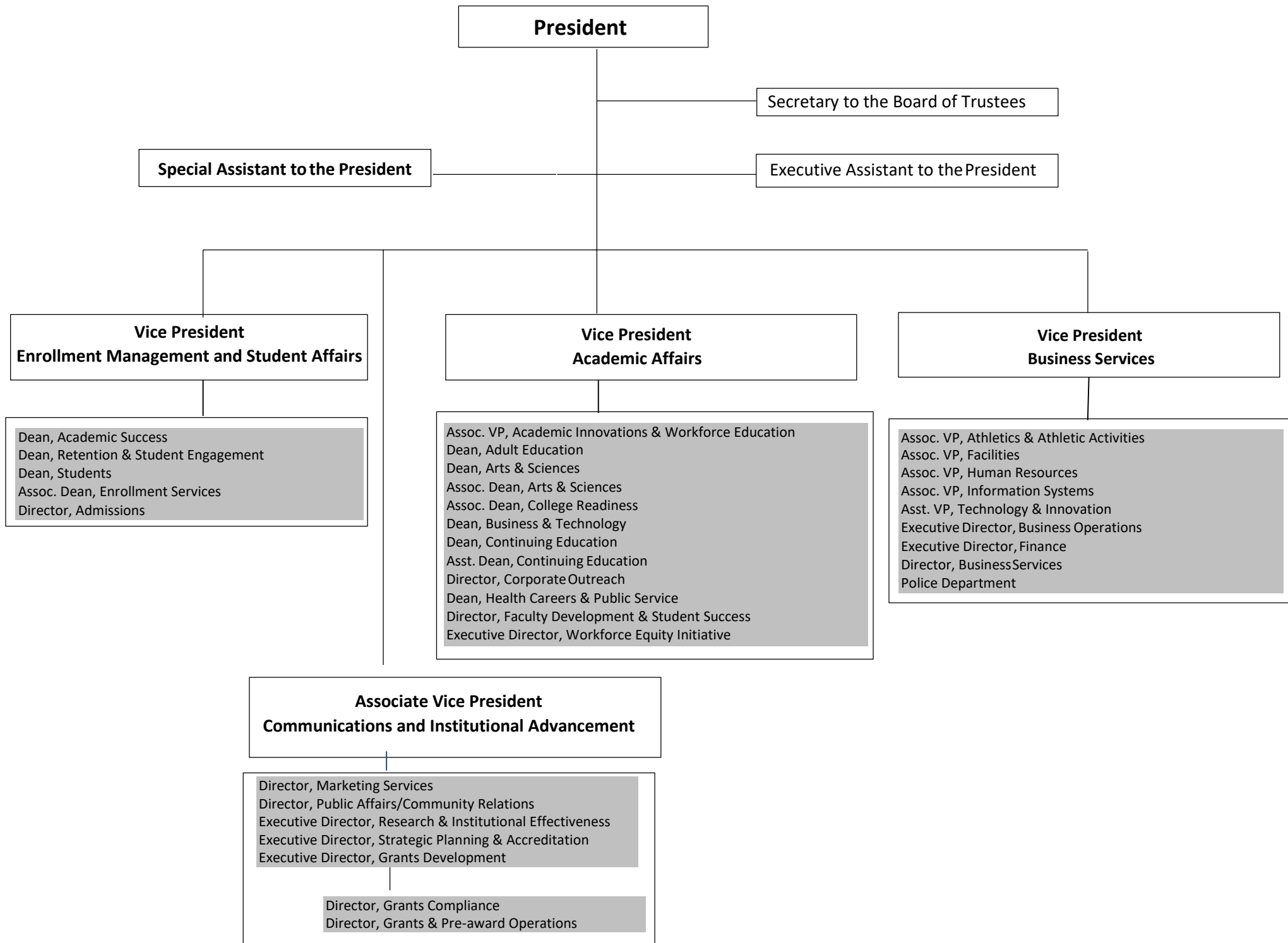
Mary-Rita Moore	President
Sean Sullivan	Vice President, Business Services
Jodi Koslow Martin	Vice President, Enrollment Management and Student Affairs
Susan Campos	Vice President, Academic Affairs

Prepared By

Sean Sullivan	Vice President, Business Services
James Reynolds	Executive Director, Finance
Sum Ming Lau	Assistant Director, Finance

Division Issuing Report

Business Services





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Triton College
Community College District No. 504
Illinois

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Independent Auditor's Report

The Board of Trustees
Triton College – Community College District No. 504:

Report on the Financial Statements

We have audited the accompanying financial statements of Triton College – Community College District No. 504 (the College), as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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 Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the College's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Triton College – Community College District No. 504, as of June 30, 2021 and 2020, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of 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 an opinion on the financial statements that collectively comprise the College's basic financial statements. The introductory section, statistical section, and the special reports section included as schedules 1 through 5 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The special reports section information included in schedules 1 through 5 is required by the Illinois Community College Board and is presented on the modified accrual basis of accounting.

The special reports section information included in schedules 1 through 5 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 special reports section information included in schedules 1 through 5 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2021 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 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 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.



Crowe LLP

November 16, 2021
Oak Brook, Illinois

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COMMUNITY COLLEGE DISTRICT NO. 504

Management's Discussion and Analysis

June 30, 2021 and 2020

(Unaudited)

This section of Triton College's annual financial report presents a discussion and analysis of the College's financial performance during the fiscal years ended June 30, 2021 and 2020. Please read management's discussion and analysis (MD&A) in conjunction with the College's financial statements, which follow this section.

Financial Highlights Fiscal Year 2021

Total operating revenues were \$20,337,872 and total operating expenses were \$108,576,900 for the year ended June 30, 2021. The difference resulted in an operating loss of \$88,239,028.

Net non-operating revenue of \$94,899,555 for the year ended June 30, 2021, offset the operating loss and resulted in an overall increase in net position of \$6,660,527. Net non-operating revenue included local property taxes of \$31,879,853, state appropriations of \$40,459,056, federal grants and contracts of \$23,444,777, local grants and contracts of \$433,184, and net investment income of \$57,135, offset by interest expense of \$1,374,450.

Operating revenue accounted for 17% of the College's total revenue and non-operating revenue accounted for 83% of the College's total revenue. Operating revenue consisted of tuition and fees net of scholarships totaling \$17,123,613 and auxiliary enterprise revenues totaling \$3,214,259.

Overall, net position increased \$6,660,527. Total net position increased to \$28,947,909 at the end of the fiscal year.

In fiscal year 2021 the College implemented GASB Statement No. 84, "Fiduciary Activities." This statement changes the way that club accounts are reported by the College. The overall impact of the implementation of this statement was to increase beginning net position by \$581,443.

Financial Highlights Fiscal Year 2020

Total operating revenues were \$21,012,674 and total operating expenses were \$110,590,837 for the year ended June 30, 2020. The difference resulted in an operating loss of \$89,578,163.

Net non-operating revenue of \$85,735,740 for the year ended June 30, 2020, partially offset the operating loss and resulted in an overall decrease in net position of \$3,842,423. Net non-operating revenue included local property taxes of \$30,129,840, state appropriations of \$39,326,145, federal grants and contracts of \$17,589,182, local grants and contracts of \$340,208, and net investment income of \$311,742, offset by interest expense of \$1,961,377.

Operating revenue accounted for 19% of the College's total revenue and non-operating revenue accounted for 81% of the College's total revenue. Operating revenue consisted of tuition and fees net of scholarships totaling \$17,999,255 and auxiliary enterprise revenues totaling \$3,013,419.

Overall, net position decreased \$3,842,423. Total net position decreased from \$25,548,362 at the beginning of the year to \$21,705,939 at the end of the year.

Overview of the Financial Statements

This financial report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and the notes to the financial statements.

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Management's Discussion and Analysis

June 30, 2021 and 2020

(Unaudited)

The financial statements provide both long-term and short-term information about the College's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements.

The College's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the statements of revenues, expenses, and changes in net position. All assets, deferred inflows, deferred outflows and liabilities associated with the operation of the College are included in the statements of net position.

The statement of net position reports the College's net position. Net position, the difference between the College's assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one way to measure the College's financial health or position. The change in the College's net position during 2021 and 2020 is an indicator of the change in assets acquired less assets consumed.

Net Position

The following table summarizes the College's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30, 2021, 2020, and 2019:

	2021	2020	Increase (decrease) '21 - '20	2019	Increase (decrease) '20 - '19
	(Dollars in thousands)				
Current assets	\$ 55,944	\$ 47,772	\$ 8,172	\$ 50,540	\$ (2,768)
Restricted assets	5,958	3,233	2,725	4,782	(1,549)
Capital assets	161,700	161,361	339	160,660	701
Less accumulated depreciation	(82,566)	(77,359)	(5,207)	(72,129)	(5,230)
Capital assets, net	79,134	84,002	(4,868)	88,531	(4,529)
Total assets	141,036	135,007	6,029	143,853	(8,846)
Deferred outflows: OPEB	632	836	(204)	1,039	(203)
Deferred amount on refunding	371	-	371	-	-
Current liabilities	16,805	16,231	574	19,982	(3,751)
Long-term liabilities	73,785	77,377	(3,592)	80,785	(3,408)
Total liabilities	90,590	93,608	(3,018)	100,767	(7,159)
Deferred inflows: property taxes	15,002	14,302	700	13,886	416
Deferred inflows: OPEB	7,499	6,227	1,272	4,691	1,536
Net position:					
Net investment in capital assets	33,281	36,314	(3,033)	37,499	(1,185)
Restricted	16,014	16,347	(333)	16,195	152
Unrestricted	(20,347)	(30,955)	10,608	(28,146)	(2,809)
Total net position	\$ 28,948	\$ 21,706	\$ 7,242	\$ 25,548	\$ (3,842)

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Management's Discussion and Analysis

June 30, 2021 and 2020

(Unaudited)

The College had a current ratio of 3.33 and 2.94 times at June 30, 2021 and 2020, respectively. The current ratio is total current assets divided by total current liabilities. This means that for every dollar of current liabilities the College has \$3.33 in current assets. This ratio is one indicator of the College's ability to pay its debts as they become due. The increase in the current ratio in fiscal year 2021 compared to fiscal year 2020 is primarily due to the increase in cash and cash equivalents in fiscal year 2021.

The increase in net position at June 30, 2021 was \$6.7 million.

Changes in Net Position - Revenues

The following table summarizes the College's revenues for the years ended June 30, 2021, 2020, and 2019:

	2021	2020	Increase (decrease) '21 - '20	2019	Increase (decrease) '20 - '19
	(Dollars in thousands)				
Revenues:					
Operating:					
Student tuition and fees	\$ 25,458	\$ 27,230	\$ (1,772)	\$ 27,979	\$ (749)
Less scholarships	(8,334)	(9,230)	896	(10,027)	797
Net tuition and fees	17,124	18,000	(876)	17,952	48
Auxiliary enterprise	3,214	3,013	201	3,345	(332)
Total operating revenues	<u>20,338</u>	<u>21,013</u>	<u>(675)</u>	<u>21,297</u>	<u>(284)</u>
Nonoperating:					
Local property taxes	31,880	30,130	1,750	29,158	972
State appropriations	40,459	39,326	1,133	34,270	5,056
Federal and local grants	23,878	17,929	5,949	14,146	3,783
Interest	57	312	(255)	533	(221)
Total nonoperating revenues	<u>96,274</u>	<u>87,697</u>	<u>8,577</u>	<u>78,107</u>	<u>9,590</u>
Total revenues	<u>\$ 116,612</u>	<u>\$ 108,710</u>	<u>\$ 7,902</u>	<u>\$ 99,404</u>	<u>\$ 9,306</u>

Year ended June 30, 2021

Total operating and non-operating revenues for fiscal year 2021 was \$116.6 million. This was \$7.9 million more than fiscal year 2020. Significant variances include the following:

Student tuition and fees totaled \$25.5 million which was \$1,772 thousand less than the prior year. Decreased enrollment due to the COVID-19 pandemic was the primary reason for the decrease in revenue from student tuition. A five-dollar per credit hour tuition increase partially offset the decrease in credit enrollment revenue.

Tuition and Fees paid by scholarships is reported as non-operating revenue from the source from which it is received. Therefore, scholarships are recognized as a reduction of tuition and fees to eliminate the duplication of revenues. Scholarship allowances totaled \$8.3 million, which was \$896 thousand less than fiscal year 2020. The decrease was primarily due to the decrease in Pell grants. In fiscal year 2021 Pell grants totaled \$9.4 million which was \$1.5 million less than the prior year. In fiscal year 2021 fewer students completed a Free Application for Federal Student Aid (FAFSA) to apply for the grant.

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Management's Discussion and Analysis

June 30, 2021 and 2020

(Unaudited)

Auxiliary enterprise revenues totaled \$3.2 million, which was a \$201 thousand increase from fiscal year 2020. The increase was due to an increase in the total amount of indirect cost revenue realized from grants. The College had decreased revenues in bookstore commissions, vending revenue, investment revenue, athletic field rentals, child care revenue, and miscellaneous revenue.

Local property taxes totaled \$31,879,853 which was \$1,750 thousand more than the prior fiscal year. The increase was primarily due to the highly successful Rosemont Tax Incentive Financing (TIF) district coming back on the tax rolls, as well as favorable Personal Property Replacement Tax collections.

State appropriations totaled \$40,459,056 which was \$1.1 million more than fiscal year 2020. State University Retirement System (SURS) appropriations totaled \$30.3 million. The Base operating grant for fiscal year 2021 was \$5.1 million, MAP was \$1.8 million, Adult Ed grants totaled \$1 million, and other state grants accounted for the balance.

Federal and local grants and contracts totaled \$23.9 million which was \$5.9 million more than the prior year. The increase was due to \$2.1 million in direct student aid and \$6.2 million in institutional aid from the CRRSAA Higher Education Emergency Relief Fund II grant.

Year ended June 30, 2020

Total operating and non-operating revenues for fiscal year 2020 was \$108.7 million. This was \$9.3 million more than fiscal year 2019. Significant variances include the following:

Student tuition and fees totaled \$27.2 million which was \$749 thousand less than the prior year. Decreased enrollment due to the COVID 19 pandemic in the spring second seven term and the summer 2020 semester was the primary reason for the decreased enrollment. A five dollar tuition increase partially offset the decrease in credit enrollment revenue.

Tuition and Fees paid by scholarships is reported as non-operating revenue from the source from which it is received. Therefore, scholarships are recognized as a reduction of tuition and fees to eliminate the duplication of revenues. Scholarship allowances totaled \$9.2 million, which was \$797 thousand less than fiscal year 2019. The decrease was primarily due to the decrease in Pell grants. In fiscal year 2020 Pell grants totaled \$10.9 million which was \$292 thousand less than the prior year. In fiscal year 2020 fewer students completed a Free Application for Federal Student Aid (FAFSA) to apply for the grant.

Auxiliary enterprise revenues totaled \$3.0 million, which was a \$332 thousand decrease from fiscal year 2019. The College had decreased revenues in bookstore commissions, vending revenue, investment revenue, athletic field rentals, child care revenue, and miscellaneous revenue.

Local property taxes totaled \$30,129,840 which was \$972 thousand more than the prior fiscal year. The extended levy, favorable tax collections, and a decrease in back tax appeals contributed to the increase in tax revenue.

State appropriations totaled \$39,326,145 which was \$5.1 million more than fiscal year 2019. State University Retirement System (SURS) appropriations totaled \$29.2 million. The Base operating grant for fiscal year 2020 was \$4.9 million, MAP was \$1.8 million, Adult Ed grants totaled \$945 thousand, and other state grants accounted for the balance.

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June 30, 2021 and 2020

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Federal and local grants and contracts totaled \$17.9 million which was \$3.8 million more than the prior year. The increase was primarily due to \$3.2 million in revenue recognized from the CARES Act. Federal grants included Department of Education grants of \$16.8 million, Department of Labor Grants of \$210 thousand, and other grants accounted for the balance.

Department of Education grants included current year Pell \$10.9 million, \$3.2 million in CARES Act funding, Perkins \$651,652, Adult Education \$432,395, Work Study \$183,464, Federal Supplemental Education Opportunity Grant (FSEOG) \$260,610, student support service \$171,947, and other funding. Fifty percent of the CARES Act funding went directly to students and fifty percent went to offset costs associated with the COVID-19 pandemic.

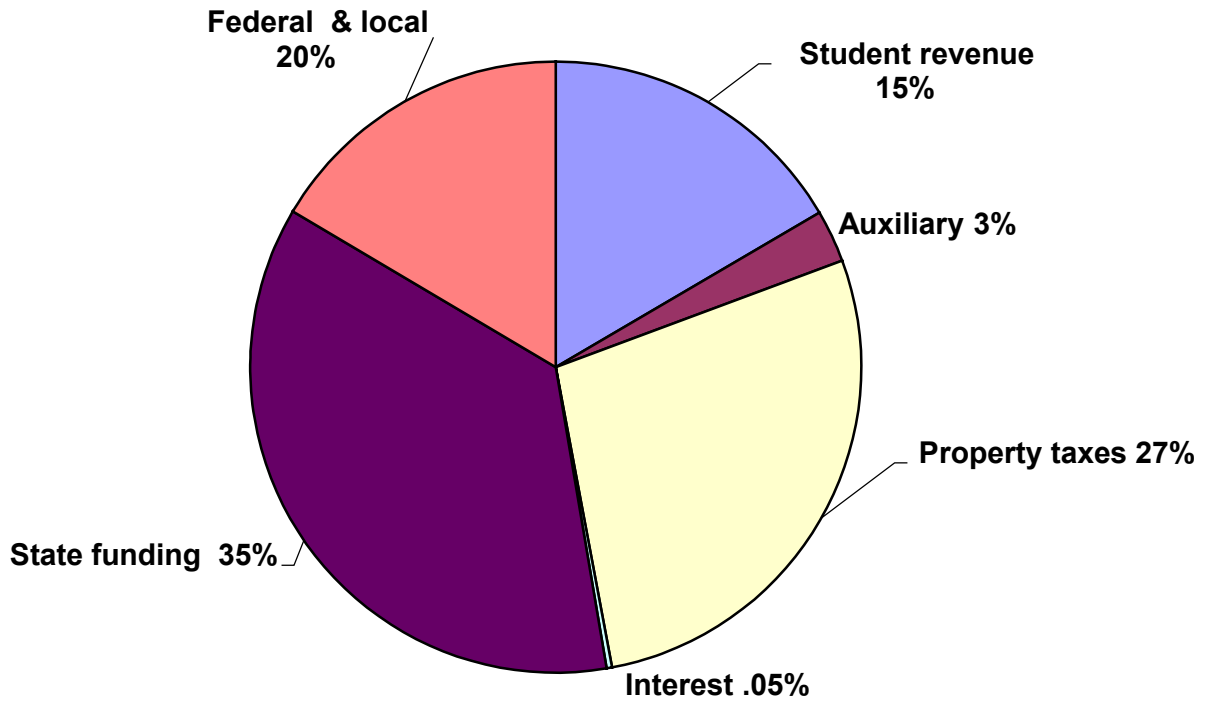
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The chart below represents all revenue received from both operating and non-operating sources for fiscal year 2021:



The chart above shows that state funding accounted for the largest percentage of the College's revenue at 35%. (due to the funding of SURS). The next highest funding source was property taxes at 27%. Student tuition and fees accounted for 15% of the College's revenue. The chart above shows student tuition net of Pell grants that are reported in Federal sources and State scholarships that are reported in State funding.

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Management's Discussion and Analysis

June 30, 2021 and 2020

(Unaudited)

Changes in Net Position – Expenses

Year ended June 30, 2021

The following table summarizes the College's expenses for the years ended June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>	Increase (decrease) '21 - '20
Operating	(Dollars in thousands)		
Instruction	\$ 30,872	\$ 32,900	\$ (2,028)
Academic support	9,906	9,305	601
Student services	11,822	10,435	1,387
Public service	2,369	2,960	(591)
Financial aid	10,552	10,683	(131)
Auxiliary services	3,605	3,920	(315)
Direct Services	<u>69,126</u>	<u>70,203</u>	<u>(1,077)</u>
Institutional Support	21,188	20,597	591
O & M of plant	12,669	13,934	(1,265)
Depreciation	5,593	5,857	(264)
Indirect Services	<u>39,450</u>	<u>40,388</u>	<u>(938)</u>
Total Operating	<u>108,576</u>	<u>110,591</u>	<u>(2,015)</u>
Non-operating			
Interest expense	1,374	1,961	(587)
Total Expenses	<u>\$ 109,950</u>	<u>\$ 112,552</u>	<u>\$ (2,602)</u>

Instruction totaled \$30.9 million, which was \$2.0 million less than the prior fiscal year. Instructional salaries totaled \$14.7 million, employee benefits totaled \$1.8 million, SURS and the State College Insurance Plan on behalf payments totaled \$12.1 million, other contractual totaled \$1.1 million, and instructional materials and supplies totaled \$819 thousand, meeting expense, professional development, and other expenses account for the balance.

Academic support totaled \$9.9 million which was \$601 thousand more than the prior fiscal year. Academic support salaries totaled \$4.2 million, employee benefits totaled \$593 thousand, SURS and the State College Insurance Plan on behalf payments totaled \$3.4 million, other contractual services totaled \$807 thousand, materials and supplies totaled \$506 thousand, meeting expense, professional development, and other expenses account for the balance.

Student Services totaled \$11.8 million, which was an increase of \$1.4 million from the prior fiscal year. Salaries totaled \$5.1 million, employee benefits totaled \$761 thousand, SURS and the State College Insurance Plan on behalf payments totaled \$4.2 million, other contractual services, materials and supplies, meeting expense, professional development, and other expenses account for the balance.

Public services totaled \$2.4 million, which was a \$591 thousand decrease from the prior fiscal year. Salaries totaled \$1.1 million, employee benefits totaled \$140 thousand, SURS and the State College Insurance Plan on

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behalf payments totaled \$877 thousand, other contractual services totaled \$221 thousand, materials and supplies, meeting expense, professional development, and other expenses account for the balance.

Operations and Maintenance totaled \$12.7 million, which was \$1.3 million less than the prior fiscal year. Salaries totaled \$4.3 million, employee benefits totaled \$842 thousand, SURS and the State College Insurance Plan on behalf payments totaled \$3.5 million, other contractual totaled \$1.5 million, materials and supplies totaled \$650 thousand, utilities totaled \$1.9 million, meeting expense, professional development, and other expenses account for the balance. Campus security expenses totaling \$1.1 million is included in the operations and maintenance object summations.

Auxiliary Services totaled \$3.6 million, which was a decrease of \$315 thousand from the prior fiscal year. Salaries totaled \$1.3 million, employee benefits totaled \$256 thousand, SURS and the State College Insurance Plan on behalf payments totaled \$1.1 million, and other contractual services totaled \$188 thousand. Materials and supplies, meeting expense, professional development, and other expenses account for the balance.

Institutional Support totaled \$21.2 million, which was \$591 thousand more than the prior year. Salaries totaled \$6.4 million, employee benefits totaled \$3 million, SURS and the State College Insurance Plan on behalf payments totaled \$5.3 million, and other contractual services totaled \$3.6 million. Materials and supplies, meeting expense, professional development, and other expenses account for the balance.

Depreciation expense totaled \$5.6 million, which was 5.2% of total operating expenses.

Year ended June 30, 2020

The following table summarizes the College's expenses for the years ended June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>	Increase (decrease) '20 - '19
Operating	(Dollars in thousands)		
Instruction	\$ 32,900	\$ 32,427	\$ 473
Academic support	9,305	8,934	371
Student services	10,435	8,420	2,015
Public service	2,960	3,117	(157)
Financial aid	10,683	7,534	3,149
Auxiliary services	<u>3,920</u>	<u>3,574</u>	<u>346</u>
Direct Services	<u>70,203</u>	<u>64,006</u>	<u>6,197</u>
Institutional Support	20,597	19,115	1,482
O & M of plant	13,934	14,106	(172)
Depreciation	<u>5,857</u>	<u>5,837</u>	<u>20</u>
Indirect Services	<u>40,388</u>	<u>39,058</u>	<u>1,330</u>
Total Operating	<u>110,591</u>	<u>103,064</u>	<u>7,527</u>
Non-operating			
Interest expense	1,961	2,035	(74)
Total Expenses	<u>\$ 112,552</u>	<u>\$ 105,099</u>	<u>\$ 7,453</u>

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Management's Discussion and Analysis

June 30, 2021 and 2020

(Unaudited)

Instruction totaled \$32.9 million, which was \$473 thousand more than the prior fiscal year. Instructional salaries totaled \$16.4 million, employee benefits totaled \$1.7 million, SURS and the State College Insurance Plan on behalf payments totaled \$12.4 million, other contractual totaled \$1 million, and general materials and supplies totaled \$839 thousand, meeting expense, professional development, and other expenses account for the balance.

Academic support totaled \$9.3 million which was \$371 thousand more than the prior fiscal year. Academic support salaries totaled \$4.1 million, employee benefits totaled \$596 thousand, SURS and the State College Insurance Plan on behalf payments totaled \$3.1 million, other contractual services totaled \$463 thousand, materials and supplies totaled \$678 thousand, meeting expense, professional development, and other expenses account for the balance.

Student Services totaled \$10.4 million, which was an increase of \$2.0 million from the prior fiscal year. Salaries totaled \$4.9 million, employee benefits totaled \$686 thousand, SURS and the State College Insurance Plan on behalf payments totaled \$3.7 million, other contractual services, materials and supplies, meeting expense, professional development, and other expenses account for the balance.

Public services totaled \$3.0 million, which was a \$157 thousand decrease from the prior fiscal year. Salaries totaled \$1.3 million, employee benefits totaled \$152 thousand, SURS and the State College Insurance Plan on behalf payments totaled \$1.0 million, other contractual services totaled \$327 thousand, materials and supplies, meeting expense, professional development, and other expenses account for the balance.

Operations and Maintenance totaled \$13.9 million, which was \$172 thousand less than the prior fiscal year. Salaries totaled \$4.5 million, employee benefits totaled \$904 thousand, SURS and the State College Insurance Plan on behalf payments totaled \$3.4 million, other contractual \$2.3 million, materials and supplies totaled \$1.1 million, utilities totaled \$1.7 million, meeting expense, professional development, and other expenses account for the balance. Campus security expenses totaling \$1.2 million is included in the operations and maintenance object summations.

Auxiliary Services totaled \$3.9 million, which was an increase of \$346 thousand from the prior fiscal year. Salaries totaled \$1.6 million, employee benefits totaled \$356 thousand, SURS and the State College Insurance Plan on behalf payments totaled \$1.2 million, and other contractual services totaled \$188 thousand. Materials and supplies, meeting expense, professional development, and other expenses account for the balance.

Institutional Support totaled \$20.6 million, which was \$1.5 million more than the prior year. Salaries totaled \$7.1 million, employee benefits totaled \$2.9 million, SURS and the State College Insurance Plan on behalf payments totaled \$5.4 million, and other contractual services totaled \$3.3 million. Materials and supplies, meeting expense, professional development, and other expenses account for the balance.

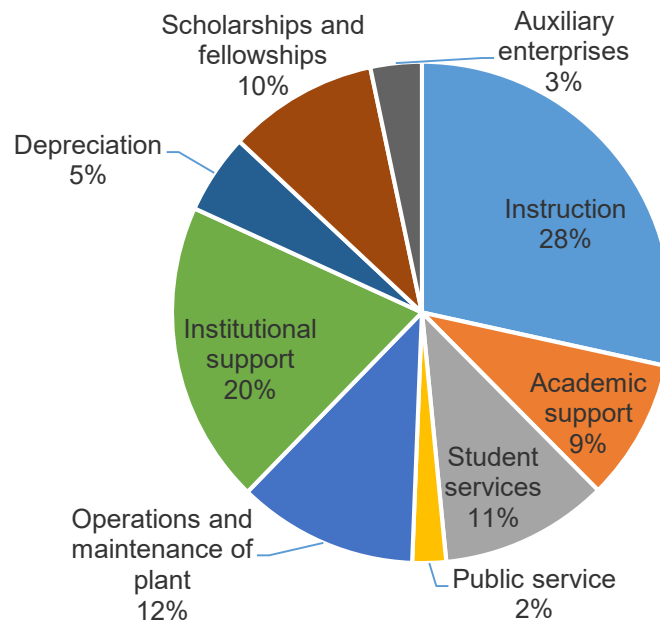
Depreciation expense totaled \$5.9 million, which was 5.5% of total operating expenses

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Management's Discussion and Analysis
June 30, 2021 and 2020
(Unaudited)

Operating Expenses

Year ended June 30, 2021



Direct services to students accounted for 63% of total expenses. Services utilized by students include Instruction at 28%, Academic support at 9%, Student services at 11%, Public service at 2%, Financial aid at 10%, and Auxiliary services at 3%. Indirect services to students accounted for 37% of total expenses. Indirect services to students include Operations and maintenance at 12%, Institutional support at 20%, and Depreciation at 5%.

Change in Net Position

Year ended June 30, 2021

In fiscal year 2021, net position increased from \$21.7 million at the beginning of the year to \$28.9 million at the end of the year.

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Increase (decrease) in net position	\$ 6,660,527	\$ (3,842,423)	\$ (5,695,594)
Implementation of GASB 84	581,443	-	-
Net position at the beginning of the year	21,705,939	25,548,362	31,243,956
Net position at the end of the year	<u>\$ 28,947,909</u>	<u>\$ 21,705,939</u>	<u>\$ 25,548,362</u>

TRITON COLLEGE
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Management's Discussion and Analysis

June 30, 2021 and 2020

(Unaudited)

Capital Asset and Debt Administration

The table below summarizes the changes in capital assets and debt from fiscal years 2021, 2020, and 2019:

	<u>2021</u>	<u>2020</u>	<u>Increase (decrease) '21- '20</u>	<u>2019</u>	<u>Increase (decrease) '20 - '19</u>
	(Dollars in thousands)				
Capital Assets					
Land	\$ 7,653	\$ 7,653	\$ -	\$ 7,653	\$ -
Construction in progress	507	-	507	1,731	(1,731)
Land improvements	32,448	32,448	-	32,348	100
Building and improvements	100,274	100,274	-	98,285	1,989
Furniture and equipment	20,726	20,894	(168)	20,548	346
Capital Leases	92	92	-	95	(3)
Total	<u>161,700</u>	<u>161,361</u>	<u>339</u>	<u>160,660</u>	<u>701</u>
Less accumulated depreciation	<u>(82,566)</u>	<u>(77,359)</u>	<u>(5,207)</u>	<u>(72,129)</u>	<u>(5,230)</u>
Net capital assets	<u>\$ 79,134</u>	<u>\$ 84,002</u>	<u>\$ (4,868)</u>	<u>\$ 88,531</u>	<u>\$ (4,529)</u>
Long-term Debt					
General obligation bonds	\$ 42,801	\$ 44,188	\$ (1,387)	\$ 46,183	\$ (1,995)
Debt Certificate, Series 2017	3,387	3,487	(100)	3,587	(100)
Capital Leases	34	63	(29)	25	38
Total	<u>\$ 46,222</u>	<u>\$ 47,738</u>	<u>\$ (1,516)</u>	<u>\$ 49,795</u>	<u>\$ (2,057)</u>

Year ended June 30, 2021

Capital assets for fiscal year 2021 included investments in building improvements and purchase of equipment included the following items:

Equipment included items for direct instruction and support services. Items purchased included but were not limited to a forklift, mobile column lifts, dynamometer, thermal imaging camera, laser printer, and an electronic food cutter.

Construction projects and site improvements included renovations on the third floor of the E building, card access in the R & T buildings, and an AUH system replacement on the R building.

More detailed information on capital assets is provided in Note 3 to the basic financial statements.

More detailed information on long-term debt is provided in Note 4 to the basic financial statements.

Year ended June 30, 2020

Capital assets for fiscal year 2020 included investments in building improvements and purchase of equipment included the following items:

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June 30, 2021 and 2020

(Unaudited)

Equipment included items for direct instruction and support services. Items purchased included but were not limited to an industrial braising skillet, combination oven, and dishwasher for the HIA department, tool boxes, and a key control system for the automotive department, and various technology equipment.

Construction projects and site improvements included but were not limited to the H building parking lots, completion of the B building rooftop replacement, A building stair replacement, and D building science lab and chemical storage room.

More detailed information on capital assets is provided in Note 3 to the basic financial statements.

More detailed information on long-term debt is provided in Note 4 to the basic financial statements.

Triton's Financial Management

This financial report is designed to provide the College's Board of Trustees, State Officials, Legislature, patrons, and other interested parties with a general overview of the College's finances and to demonstrate the College's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Sean Sullivan at (708) 456-0300.

Other

Management is not aware of any currently known facts, decisions, or conditions that would have a significant impact on the College's financial position (net position) or results of operations (revenues, expenses, and other changes in net position). For the foreseeable future, there continues to be a great deal of uncertainty of what the impact of the COVID-19 pandemic will be on the normal operations of the College. Starting in August 2020, the College offered a combination of Online, Hybrid, Remote Learning, Blended Remote Learning, and Traditional Classes for the 2020-2021 academic year. The same formats will be used in the 2021-2022 academic year. Throughout the pandemic the College has put into practice a number of safety measures to protect students and employees and revises them as needed.

The College has received a number of grants to help mitigate the short-term financial impact of the COVID-19 pandemic. For more detailed information on some of these grants see Note 18 to the basic financial statements.

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Statements of Net Position

June 30, 2021 and 2020

Assets and Deferred Outflows	<u>2021</u>	<u>2020</u>
Current assets:		
Cash (note 2)	\$ 14,976,984	\$ 5,147,347
Certificates of deposit (note 2)	4,715,260	11,850,957
Investment in The Illinois Funds (note 2)	8,792,825	5,774,950
Receivables, net:		
Property and corporate personal property taxes	14,587,858	13,332,783
Government claims	6,259,634	5,954,001
Tuition and fees, net	6,020,421	4,778,893
Other	257,815	605,789
Inventories and prepaid expenses	<u>332,908</u>	<u>327,504</u>
Total current assets	<u>55,943,705</u>	<u>47,772,224</u>
Noncurrent assets:		
Restricted cash	3,729,258	1,320,957
Restricted certificates of deposit (note 2)	372,150	366,349
Restricted Illinois Funds, ISDLA+ mutual fund (note 2)	1,856,397	1,545,648
Capital assets not being depreciated (note 3)	8,159,618	7,652,604
Depreciable capital assets, net (note 3)	<u>70,974,442</u>	<u>76,349,444</u>
Total noncurrent assets	<u>85,091,865</u>	<u>87,235,002</u>
Total assets	<u>141,035,570</u>	<u>135,007,226</u>
Deferred outflows:		
State of Illinois College OPEB - College Insurance Plan (note 15)	631,991	835,708
Deferred amount on refunding	<u>371,116</u>	<u>-</u>
Total deferred outflows	<u>1,003,107</u>	<u>835,708</u>
Liabilities and Deferred Inflows		
Current liabilities:		
Accounts payable	396,746	1,071,607
Accrued salary and vacation (note 6)	3,754,073	3,236,636
Accrued health care claims (note 9)	329,262	418,929
Unearned revenues		
Tuition and fees	5,322,836	4,351,446
Facilities	2,195,378	3,097,378
Current portion of long-term obligations (note 4)	2,901,141	2,237,887
Amounts held in custody for others	32,478	498,071
Other current liabilities	<u>1,873,107</u>	<u>1,319,073</u>
Total current liabilities	<u>16,805,021</u>	<u>16,231,027</u>
Noncurrent liabilities:		
Compensated absences payable (notes 4 and 6)	1,812,468	1,813,433
Due to federal government on student loans (note 4)	155,145	156,419
Capital lease obligations (notes 4 and 10)	34,019	62,603
General obligation bonds (note 4)	46,189,122	47,675,005
Less current portion of long term obligations (note 4)	(2,901,141)	(2,237,887)
Other non-current liabilities (note 8)	1,319,044	1,370,281
State of Illinois College OPEB - College Insurance Plan (note 15)	<u>27,176,638</u>	<u>28,536,659</u>
Total noncurrent liabilities	<u>73,785,295</u>	<u>77,376,513</u>
Total liabilities	<u>90,590,316</u>	<u>93,607,540</u>
Deferred inflows:		
Property taxes (note 1)	15,001,920	14,302,153
State of Illinois College OPEB - College Insurance Plan (note 15)	<u>7,498,532</u>	<u>6,227,302</u>
Total deferred inflows	<u>22,500,452</u>	<u>20,529,455</u>
Net Position		
Net position:		
Net investment in capital assets	33,280,615	36,313,625
Restricted for:		
Capital projects	5,531,299	5,864,747
Working cash	10,482,966	10,482,913
Unrestricted	<u>(20,346,971)</u>	<u>(30,955,346)</u>
Total net position	<u>\$ 28,947,909</u>	<u>\$ 21,705,939</u>

See accompanying notes to financial statements.

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Statements of Revenues, Expenses, and Changes in Net Position

Years ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating revenues:		
Student tuition and fees	\$ 25,458,048	\$ 27,229,544
Less scholarship allowances	<u>(8,334,435)</u>	<u>(9,230,289)</u>
Net student tuition and fees	17,123,613	17,999,255
Auxiliary enterprise revenues	<u>3,214,259</u>	<u>3,013,419</u>
Total operating revenues	<u>20,337,872</u>	<u>21,012,674</u>
Operating expenses:		
Education and general:		
Instruction	30,872,236	32,900,292
Academic support	9,906,256	9,304,887
Student services	11,821,785	10,434,870
Public service	2,369,212	2,959,457
Operations and maintenance of plant	12,669,197	13,934,441
Institutional support	21,188,240	20,597,374
Depreciation	5,593,052	5,856,860
Scholarships and fellowships	10,552,133	10,682,829
Auxiliary enterprises	<u>3,604,789</u>	<u>3,919,827</u>
Total operating expenses	<u>108,576,900</u>	<u>110,590,837</u>
Operating loss	<u>(88,239,028)</u>	<u>(89,578,163)</u>
Nonoperating revenues (expenses):		
Local property taxes	31,879,853	30,129,840
State appropriations	40,459,056	39,326,145
Federal grants and contracts	23,444,777	17,589,182
Local grants and contracts	433,184	340,208
Net investment income	57,135	311,742
Interest expense	<u>(1,374,450)</u>	<u>(1,961,377)</u>
Total nonoperating revenues (expenses), net	<u>94,899,555</u>	<u>85,735,740</u>
Change in net position	<u>6,660,527</u>	<u>(3,842,423)</u>
Net position at the beginning of the year	<u>21,705,939</u>	<u>25,548,362</u>
Change in accounting principle (see note 19)	<u>581,443</u>	<u>-</u>
Net position at the beginning of the year, as restated	<u>22,287,382</u>	<u>25,548,362</u>
Net position at the end of the year	<u>\$ 28,947,909</u>	<u>\$ 21,705,939</u>

See accompanying notes to financial statements.

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Statements of Cash Flows

Years ended June 30, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Tuition and fees	\$ 17,106,734	\$ 18,550,675
Payments to suppliers and others	(36,010,213)	(38,225,528)
Payments to employees	(36,516,993)	(38,455,088)
Auxiliary enterprise charges	3,053,581	3,051,177
Amounts held in custody for others	115,850	(164,111)
Net cash used in operating activities	(52,251,041)	(55,242,875)
Cash flows from noncapital financing activities:		
Local property taxes	31,324,545	30,282,581
State appropriations	10,315,100	10,316,503
Grants and contracts	23,325,934	14,120,809
Net cash provided by noncapital financing activities	64,965,579	54,719,893
Cash flows from capital and related financing activities:		
Principal paid on debt	(2,583,584)	(1,929,304)
Interest paid on debt	(1,115,322)	(1,961,377)
Proceeds from sale of capital assets	-	3,224
Purchases of capital assets	(725,064)	(1,131,672)
Net cash used in capital and related financing activities	(4,423,970)	(5,019,129)
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	46,612,404	52,756,272
Purchase of investments	(42,811,132)	(47,904,716)
Interest on investments	146,098	284,291
Net cash provided by investing activities	3,947,370	5,135,847
Net increase (decrease) in cash	12,237,938	(406,264)
Cash, beginning of year	6,468,304	6,874,568
Cash, end of the year	\$ 18,706,242	\$ 6,468,304

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Statements of Cash Flows
Years ended June 30, 2021 and 2020

	2021	2020
Reconciliation of net operating loss to net cash used in operating activities:		
Operating loss	\$ (88,239,028)	\$ (89,578,163)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	5,593,052	5,856,860
State payment for retirement obligation	30,416,659	29,154,851
State payment for OPEB liability	(26,308)	1,037,896
Amortization of bond premium/discount	(142,570)	(194,994)
Changes in assets and liabilities:		
Receivables (net)	(1,241,528)	2,068,406
Other receivables, inventories and prepaid expenses	253,607	(92,561)
Accounts payable	(674,861)	(599,275)
Accrued salary and vacation	517,437	706,479
Accrued health care claims	(89,667)	(40,567)
Compensated absences payable	(965)	2,566
Other accrued liabilities	(275,782)	(2,600,336)
Unearned tuition and fees	970,116	(1,428,302)
Unearned facilities	(902,000)	(1,110,824)
Amounts held in custody for others	115,850	(164,111)
Deferred outflows	203,719	202,823
Deferred inflows	1,271,228	1,536,377
Net cash used in operating activities	\$ (52,251,041)	\$ (55,242,875)
Noncash financing activities:		
Capital projects included in payables	\$ 1,420	\$ 129,322
Gross financed value of capital lease	-	67,000
Total noncash financing activities	\$ 1,420	\$ 196,322

During the year, the College issued refunding bonds of \$38,525,904 with the proceeds and the premium amounts being paid directly to the escrow agent in the amount of \$37,947,393.

Amounts held in custody for others was affected by the implementation of GASB 84.

See accompanying notes to financial statements.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: Triton College, Community College District No. 504 (the College), established in 1964 under the Illinois Public Community College Act, provides baccalaureate, vocational, and continuing education courses to 25 towns and villages in the Chicago area. The Board of Trustee members are elected by the residents of the District and are responsible for establishing the policies by which the College is governed.

Reporting Entity: The accompanying financial statements include only the accounts and transactions of the College. Under the criteria specified in Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the College has no component units and it is not considered a component unit of any other governmental authority.

The primary criterion for including a potential component unit within the reporting entity under GASB Statement No. 14 and GASB Statement No. 61, *The Financial Reporting Entity – Omnibus – An Amendment of GASB Statements No. 14 and No. 34*, is the financial accountability that the elected officials of the primary government have for the component unit. The criteria used in assessing financial accountability consist of the following: (1) the primary government is financially accountable if it appoints a voting majority of the organization's governing body and is able to impose its will on that organization, or (2) if the organization is fiscally dependent on the primary government and there is a potential for the organization either to provide specific financial benefits to, or to impose specific financial burdens on, the primary government, the primary government is financially accountable for the organization. Based on this criteria, the College is not financially accountable for any other organizations.

The Triton College Foundation is a legally separate, tax-exempt organization that acts as a fund raising organization to supplement the resources that are available to the College in support of its programs. The 25 member board of the Foundation is self-perpetuating and consists of graduates and friends of the College. Although the majority of resources, or income thereon that the Foundation holds and invests are restricted to the activities of the College by the donors, they are not considered significant to the operations of the College. Accordingly, the Foundation is not reported as a component unit of the College.

Basis of Accounting: 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.

Cash: Cash is composed of cash on hand and cash in the College's bank account.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments: The Illinois Funds is an external investment pool administered by the Illinois State Treasurer that is recorded at amortized cost. The Illinois School District Liquid Asset Fund is composed of savings deposit accounts that are recorded at cost. U.S. Guaranteed Securities are recorded at fair value. Certificates of deposit are recorded at cost.

Inventories: Inventories are reported at the lower of cost or market on the FIFO (first-in, first-out) basis. Inventories represent items held for resale by the College's Auxiliary Enterprises.

Restricted Cash and Investments: Restricted cash and investments are externally restricted to purchase or construct capital or other non-current assets, and are classified as non-current assets in the statements of net position. A joint trust agreement has been established with the Capital Development Board (CDB) for the renovation of the Technology Building into a state of the art Health Careers building. The cash balance in the Trust account was \$174,630 at June 30, 2021 and \$174,281 at June 30, 2020, and has been included in the restricted cash.

Capital Assets: Capital assets are reported at cost at the date of acquisition or their estimated acquisition value at the date of donation. For movable property, the College's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life greater than one year. Renovations to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets, generally 25 to 40 years for buildings, 10 to 20 years for depreciable improvements and software, 5 years for computer equipment, and 10 years for all other equipment.

Deferred Outflows: Deferred outflows related to OPEB include (1) differences between expected and actual experience and (2) changes in proportion and differences between College contributions and proportionate share of contributions and are recognized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan, determined as of the beginning of the measurement period. Deferred outflows related to OPEB also include College contributions subsequent to the measurement date which are recognized in the subsequent period.

Deferred Inflows: Deferred inflows include a portion of a tax levy passed that is legally restricted for use in fiscal year 2022. Deferred inflows related to OPEB include (1) differences between expected and actual experience, (2) changes in OPEB assumptions, and (3) changes in proportion and differences between College contributions and proportionate share of contributions and are recognized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan, determined as of the beginning of the measurement period. Deferred inflows related to OPEB also include differences between projected and actual earnings on OPEB plan investments which are recognized over a closed five-year period.

Unearned Revenues: Unearned revenues include (1) amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year that are related to the subsequent accounting period, and (2) amounts received from grant and contract sponsors that have not yet been earned.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-current Liabilities: Non-current liabilities include (1) principal amounts of bonds payable, greater than one year; (2) the principal amounts of capital lease obligations with contractual maturities greater than one year; (3) estimated amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year; (4) liabilities associated with the other post-employment benefit plan; and (5) other liabilities that, although payable within one year, are to be paid from funds that are classified as non-current assets.

Bond Premiums, Discounts, Issuance Costs, and Deferred Amounts on Refunding: Bond premiums and discounts are amortized over the life of the bonds using the effective interest rate method. Long-term obligations (general obligation bonds) are reported net of the applicable bond premium or discount. The deferred amount on refunding is shown as a deferred outflow of resources and amortized over the life of the bonds using the effective interest rate method. Bond issuance costs are expensed at the time of issuance.

Net Position: The College's net position is classified as follows:

Net Investment in Capital Assets – This represents the College's total investment in capital assets, net of accumulated depreciation, and reduced by outstanding debt obligations related to acquisition, construction, or improvement of those capital assets.

Restricted Net Position – Restricted net position include resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Restricted Working Cash – Working cash includes resources for the purpose of enabling the College to have on hand at all times sufficient cash to meet the demands for ordinary and necessary expenditures. Working cash funds are subject to restrictions as imposed by the Public Community College Act.

Unrestricted Net Position – Unrestricted net position represent 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 expenses for any purpose.

When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first and then unrestricted resources when they are needed.

Classification of Operating Revenue and Non-operating Revenue: The College has classified its revenues and expenses as either operating or non-operating according to the following criteria:

Operating Revenue – Operating revenue includes activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances and (2) sales and services of auxiliary enterprises.

Non-operating Revenue – Non-operating revenue entails all other activity not included in operating revenues. Non-operating revenue includes transactions such as (1) local property taxes; (2) state appropriations; (3) most federal, state, and local grants and contracts and federal appropriations; and (4) gifts and contributions.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating and Non-operating Expenses – The College classifies all expenses as operating in the statement of revenues, expenses, and changes in net position, except for interest expense and losses on disposal of capital assets, which are classified as non-operating.

Property Taxes: The College's property taxes are levied each calendar year on all taxable real property located in the College's district. Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the units their respective shares of the collections. Taxes levied in 2020 become due and payable in two installments (March 1 and September 1 of 2021). The first installment is an estimated bill and is one half of the prior year's tax bill. The second installment is based on the current levy, assessment, and equalization. Any changes from the prior year will be reflected in the second installment bill. Taxes must be levied by the last Tuesday in December for the following levy year. The levy becomes an enforceable lien against the property as of January 1 immediately following the levy year.

In accordance with the College Board's resolution, 50% of property taxes extended for the 2020 tax year and collected in 2021 are recorded as revenue in fiscal year 2021. The remaining revenue related to the 2020 tax year extension has been included in the deferred inflows and will be recorded as revenue in fiscal year 2022. Based upon collection histories, the College records real property taxes at 98% of the 2020 extended levy. Additionally, the College has recorded a reserve for property tax appeals of \$412,455 and \$529,898 as of June 30, 2021 and 2020, respectively.

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

For the purposes of financial reporting, the State of Illinois and participating employers are considered to be under a special funding situation. A special funding situation is defined as a circumstance in which a non-employer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either (1) the amount of the contributions for which the non-employer entity is legally responsible is not dependent upon one or more events unrelated to pensions or (2) the non-employer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a non-employer contributing entity. Participating employers are considered employer contributing entities. The College recognizes its proportionate share of the State's pension expense relative to the College's employees as non-operating revenue and pension expense, with the expense further allocated to the related functions by employees.

Postemployment Benefits Other Than Pensions (OPEB): For purposes of measuring the College's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State of Illinois Department of Central Management Services Community College Health Insurance Security Fund ("CCHISF") and additions to/deductions from the CCHISF Plan's fiduciary net position have been determined on the same basis as they are reported by the CCHISF Plan. For this purpose, the CCHISF Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments 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.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the fiscal year. Actual results could differ from those estimates.

Eliminating Inter-fund Activity: Activities between the College and its auxiliary services are eliminated for purposes of preparing the basic financial statements.

NOTE 2 - INVESTMENTS AND DEPOSITS

Cash: The carrying amount of cash was \$18,706,242 at June 30, 2021 and \$6,468,304 at June 30, 2020, while the bank balances were \$19,398,280 and \$7,820,556 respectively. The difference between the reported cash amount and the bank balance primarily represents outstanding checks and/or deposits in transit that have not cleared the bank. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized with securities of the U.S. government or with letters of credit issued by the Federal Home Loan Bank held in the College's name by financial institutions acting as the College's agent. FDIC insurance is limited to \$250,000. The College's cash for purposes of this note includes current cash and non-current restricted cash balances as presented on the statement of net position.

Certificates of Deposit: Certificates of deposit amounted to \$5,087,410 at June 30, 2021 and \$12,217,306 at June 30, 2020. The College was fully collateralized at June 30, 2021 and June 30, 2020. In accordance with College policy, the collateral was held with securities of the U.S. government. All investment collateral is held in safekeeping in the College's name by financial institutions acting as the College's agent.

Investments: The investments that the College may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations that are insured by a federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

The following schedule reports the reported values and maturities for the College's investments at June 30, 2021 and June 30, 2020:

Investment	June 30, 2021		June 30, 2020	
	Maturity less than 1 year	Maturity 1 to 5 years	Maturity less than 1 year	Maturity 1 to 5 years
State Treasurer's Illinois Funds	\$ 10,649,222	\$ -	\$ 7,320,598	\$ -
Certificate of Deposits	4,715,260	372,150	9,545,254	2,672,052
	<u>\$ 15,364,482</u>	<u>\$ 372,150</u>	<u>\$ 16,865,852</u>	<u>\$ 2,672,052</u>

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 2 - INVESTMENTS AND DEPOSITS (Continued)

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

Credit Risk – The College’s general investment policy is to diversify its investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds. The College’s investment policy limits investments in short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and which mature not later than 180 days from the date of purchase; (ii) such purchased do not exceed 10% of the corporation’s outstanding obligations; and (iii) the obligations are in money market mutual funds registered under the Investment Company Act of 1940.

Credit ratings for the College’s investments in debt securities as described by Standard & Poor’s at June 30, 2021 and 2020 are as follows:

Investment Type	Credit Ratings	2021		2020	
		% of Investment Type	% of Total Investments	% of Investment Type	% of Total Investments
		State Treasurer Illinois Funds	AAAm	100%	100%

Concentration of Credit Risk – The College places no limit on the amount that may be invested in any one issuer.

The College categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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; Level 3 inputs are significant unobservable inputs.

The College has no recurring fair value measurements as of June 30, 2021 and 2020.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital assets:				
Not being depreciated:				
Land	\$ 7,652,604	\$ -	\$ -	\$ 7,652,604
Construction in-progress	-	507,014	-	507,014
Total not being depreciated	<u>7,652,604</u>	<u>507,014</u>	<u>-</u>	<u>8,159,618</u>
Being depreciated:				
Land improvements	32,448,107	-	-	32,448,107
Buildings and improvements	100,274,556	-	-	100,274,556
Furniture and equipment	18,610,253	218,050	386,091	18,442,212
Capital leases	91,671	-	-	91,671
Software	2,284,167	-	-	2,284,167
Total capital assets	<u>161,361,358</u>	<u>725,064</u>	<u>386,091</u>	<u>161,700,331</u>
Less accumulated depreciation for:				
Land improvements	7,153,681	1,319,453	-	8,473,134
Buildings and improvements	52,684,644	3,553,952	-	56,238,596
Furniture and equipment	16,339,477	538,868	386,091	16,492,254
Capital leases	29,989	28,501	-	58,490
Software	1,151,519	152,278	-	1,303,797
Total depreciation	<u>77,359,310</u>	<u>5,593,052</u>	<u>386,091</u>	<u>82,566,271</u>
Capital assets, net	<u>\$ 84,002,048</u>	<u>\$ (4,867,988)</u>	<u>\$ -</u>	<u>\$ 79,134,060</u>

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 3 - CAPITAL ASSETS (Continued)

Capital asset activity for the year ended June 30, 2020, was as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets:				
Not being depreciated:				
Land	\$ 7,652,604	\$ -	\$ -	\$ 7,652,604
Construction in-progress	1,731,429	913,814	2,645,243	-
Total not being depreciated	<u>9,384,033</u>	<u>913,814</u>	<u>2,645,243</u>	<u>7,652,604</u>
Being depreciated:				
Land improvements	32,347,938	100,169	-	32,448,107
Buildings and improvements	98,285,029	2,545,074	555,547	100,274,556
Furniture and equipment	18,263,073	347,180	-	18,610,253
Capital leases	95,349	67,000	70,678	91,671
Software	2,284,167	-	-	2,284,167
Total capital assets	<u>160,659,589</u>	<u>3,973,237</u>	<u>3,271,468</u>	<u>161,361,358</u>
Less accumulated depreciation for:				
Land improvements	5,830,540	1,323,141	-	7,153,681
Buildings and improvements	49,560,809	3,679,382	555,547	52,684,644
Furniture and equipment	15,666,434	673,043	-	16,339,477
Capital leases	71,651	29,016	70,678	29,989
Software	999,241	152,278	-	1,151,519
Total depreciation	<u>72,128,675</u>	<u>5,856,860</u>	<u>626,225</u>	<u>77,359,310</u>
Capital assets, net	<u>\$ 88,530,914</u>	<u>\$ (1,883,623)</u>	<u>\$ 2,645,243</u>	<u>\$ 84,002,048</u>

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 4 - LONG-TERM OBLIGATIONS

The principal amount of debt outstanding is limited to 2.875% of the College's assessed valuation for Community College Districts in the State of Illinois. There was \$46,223,141 and \$47,737,608 of debt and capital lease obligations outstanding at June 30, 2021 and 2020, respectively. The debt is related to general obligation bonds, and the capital lease obligations are related to the leasing of smart boards, mailing equipment, and servers.

The following schedule is a summary of the changes in all long-term obligations during the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Amounts due within one year
G.O. Bonds:					
G.O. Bonds, Series 2020A	\$ -	\$ 915,000	\$ -	\$ 915,000	\$ -
G.O. Bonds, Series 2020B	-	9,065,000	180,000	8,885,000	-
Bond Premiums	-	774,111	28,866	745,245	-
Subtotal	-	10,754,111	208,866	10,545,245	-
G.O. Bonds, Series 2020C	-	28,015,000	385,000	27,630,000	565,000
Bond Discount	-	(243,207)	(7,329)	(235,878)	-
Subtotal	-	27,771,793	377,671	27,394,122	565,000
G.O. Bonds, Series 2014	30,010,000	-	25,940,000	4,070,000	1,985,000
G.O. Bonds, Series 2015	9,985,000	-	9,985,000	-	-
Bond Premiums	4,192,605	-	3,400,250	792,355	-
Subtotal	44,187,605	-	39,325,250	4,862,355	1,985,000
Total G.O. Bonds	44,187,605	38,525,904	39,911,787	42,801,722	2,550,000
Direct Placement:					
Debt Certificate, Series 2017	3,487,400	-	100,000	3,387,400	100,000
Total Direct Placement	3,487,400	-	100,000	3,387,400	100,000
Other Long-term Liabilities:					
Compensated absences	1,813,433	218,338	219,303	1,812,468	226,767
Due to federal government	156,419	-	1,274	155,145	-
Capital lease obligations	62,603	-	28,584	34,019	24,374
Total Other Long-term Liabilities	2,032,455	218,338	249,161	2,001,632	251,141
	<u>\$ 49,707,460</u>	<u>\$ 38,744,242</u>	<u>\$ 40,260,948</u>	<u>\$ 48,190,754</u>	<u>\$ 2,901,141</u>

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 4 - LONG-TERM OBLIGATIONS (Continued)

At June 30, 2021, the annual cash flow requirements of bond principal and interest were as follows:

	G.O. Bonds		Debt Certificate, Series 2017		Total
	Principal	Interest	Principal	Interest	
Year ending June 30:					
2022	\$ 2,550,000	\$ 917,707	\$ 100,000	\$ 91,641	\$ 3,659,348
2023	2,650,000	815,688	3,287,400	33,076	6,786,164
2024	2,760,000	708,048	-	-	3,468,048
2025	2,785,000	683,208	-	-	3,468,208
2026	2,815,000	655,358	-	-	3,470,358
2027-2031	14,750,000	2,578,098	-	-	17,328,098
2032-2035	13,190,000	750,113	-	-	13,940,113
Total	<u>\$ 41,500,000</u>	<u>\$ 7,108,220</u>	<u>\$ 3,387,400</u>	<u>\$ 124,717</u>	<u>\$ 52,120,337</u>

The following schedule is a summary of the changes in all long-term obligations during the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Amounts due within one year
G.O. Bonds:					
G.O. Bonds, Series 2014	\$ 31,810,000	\$ -	\$ 1,800,000	\$ 30,010,000	\$ 1,890,000
G.O. Bonds, Series 2015	9,985,000	-	-	9,985,000	-
Bond Premiums	4,387,599	-	194,994	4,192,605	-
Total G.O. Bonds	<u>46,182,599</u>	<u>-</u>	<u>1,994,994</u>	<u>44,187,605</u>	<u>1,890,000</u>
Direct Placement:					
Debt Certificate, Series 2017	3,587,400	-	100,000	3,487,400	100,000
Total Direct Placement	<u>3,587,400</u>	<u>-</u>	<u>100,000</u>	<u>3,487,400</u>	<u>100,000</u>
Other Long-term Liabilities:					
Compensated absences	1,810,867	207,821	205,255	1,813,433	219,303
Due to federal government	158,821	-	2,402	156,419	-
Capital lease obligations	24,907	67,000	29,304	62,603	28,584
Total Other Long-term Liabilities	<u>1,994,595</u>	<u>274,821</u>	<u>236,961</u>	<u>2,032,455</u>	<u>247,887</u>
	<u>\$ 51,764,594</u>	<u>\$ 274,821</u>	<u>\$ 2,331,955</u>	<u>\$ 49,707,460</u>	<u>\$ 2,237,887</u>

Taxable General Obligation Refunding Bonds – Series 2020A and 2020B

On November 16, 2020, the College issued \$915,000 in Taxable General Obligation Refunding Bonds (Alternate Revenue Source), Series 2020A and \$9,065,000 in General Obligation Refunding Bonds (Alternate Revenue Source), Series 2020B with an interest rate of 2.15% and 2.50% - 5.00%, respectively, to advance refund \$9,985,000 of outstanding Series 2015 bonds. The net proceeds of approximately \$10.6 million were used to call and pay off the Series 2015 bonds that were outstanding. The Series 2020A bonds have payment dates of June 1 and December 1 each year through June 1, 2029. The Series 2020B bonds have payment dates of June 1 and December 1 each year through June 1, 2032.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 4 - LONG-TERM OBLIGATIONS (Continued)

The current refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$449,325. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being amortized through the year 2032 using the effective interest rate method. The College completed the current refunding to reduce its total debt service payments by \$840,562 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$735,417.

General Obligation Bonds Refunding Bonds – Series 2020C

On December 30, 2020, the College issued \$28,015,000 in Taxable General Obligation Refunding Bonds (Alternate Revenue Source), Series 2020C with an interest rate range of 0.40% - 2.25%, to advance refund \$24,050,000 of outstanding Series 2014 bonds. The Series 2020C bonds have payment dates of June 1 and December 1 each year through June 1, 2035. The net proceeds of approximately \$27.4 million were used to fund an irrevocable escrow account consisting of cash and direct obligations of the United States. That account will be used to pay off a portion of the Series 2014 bonds on December 1, 2023. As a result, the Series 2014 bonds are considered to be defeased, and the liability for those bonds has been removed from the Statement of Net Position. At June 30, 2021, \$24,050,000 was considered to be outstanding.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$(63,363). This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being amortized through the year 2032 using the effective interest rate method. The College completed the advance refunding to reduce its total debt service payments by \$2,020,431 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$1,721,754.

General Obligation Bonds (Alternate Revenue Source) – Series 2014

On October 16, 2014, the College issued the Series 2014 bonds in the amount of \$38,440,000. The proceeds derived from the issuance of these bonds were used by the College to renovate, repair, rehabilitate, improve, modernize and equip the campus and buildings and pay the cost of issuing the bonds. The bonds were issued with interest rates ranging from 2.5% to 5.0% with payment dates of June 1 and December 1 each year through June 1, 2035. A portion of the bonds were refunded by the Series 2020C bonds. After the refunding, the bonds mature through June 1, 2023.

General Obligation Bonds (Alternate Revenue Source) – Series 2015

On January 5, 2015, the College issued the Series 2015 bonds in the amount of \$9,985,000. The proceeds derived from the issuance of these bonds were used by the College to renovate, repair, rehabilitate, improve, modernize and equip the campus and buildings and pay the cost of issuing the bonds. The bonds were issued with interest rates ranging from 3.1% to 3.4% and were refunded by the Series 2020A and 2020B bonds.

Debt Certificate, Series 2017

On December 4, 2017 the College issued a Debt Certificate Series 2017 in the amount of \$3,687,400 as direct placement debt. The proceeds derived from the issuance of the Debt Certificate was used by the College to purchase new land. The Debt Certificate interest rate is 2.72% with monthly interest payments through September 2022, and yearly principal payments of \$100,000 and a balloon payment of \$3,287,400 due September 30, 2022. This certificate contains a provision that in an event of default, outstanding amounts become immediately due if the District is unable to make payment, defaults on covenants, or if any of the events as defined as Events of Default in the Continuing Covenant Agreement occur.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 4 - LONG-TERM OBLIGATIONS (Continued)

Pledges of Future Revenues

The College has pledged future portions of the base operating grant received from the Illinois Community College Board to repay Series 2014, 2020A, 2020B, and 2020C bonds. Proceeds from the Series 2014 bonds provided financing to renovate, repair, rehabilitate, improve, modernize and equip the campus and buildings. The Series 2020A, 2020B, and 2020C bonds refunded bonds from the Series 2014 and 2015 issuances. The bonds are payable from the base operating grant through the years ended June 30, 2023, 2029, 2032, and 2035, respectively. If the pledged revenues from this source are insufficient to provide for the principal and interest payments on the bonds, property taxes, or available operating funds, would be used to make the payments. The total principal and interest remaining to be paid on the bonds is \$48,608,220. Principal and interest paid for the current year was \$3,595,422, and the base operating grant for the current year was \$5,124,835.

NOTE 5 – DEFINED BENEFIT PENSION PLAN

Plan Description: The College contributes to the State Universities Retirement System of Illinois (SURS). SURS is a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941 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 of Illinois' financial reporting entity and is included in the State's Annual Comprehensive Financial Report (ACFR) as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org.

Benefits Provided: A traditional benefit plan was established in 1941. Public Act 90-0448 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 reciprocal system service. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable benefit plans. A summary of the benefit provisions as of June 30, 2020, can be found in SURS ACFR's Notes to the Financial Statements.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 5 - DEFINED BENEFIT PENSION PLAN (Continued)

Contributions: The State of Illinois is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members within SURS to reach 90% of the total Actuarial Accrued Liability by the end of fiscal year 2045. Employer contributions from “trust, federal, and other funds” are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2020 and 2021, respectively, was 13.02% and 12.70% of employee payroll. The normal cost is equal to the value of current year’s pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary, except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the 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), Section 15-155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period), and Section 15-155(j-5) (relating to contributions payable due to earnings exceeding the salary set for the Governor). There were no such liabilities for the College at year end.

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

Net Pension Liability: At June 30, 2020, SURS reported a net pension liability (NPL) of \$30,619,504,321. The net pension liability was based on an actuarial valuation as of June 30, 2019. At June 30, 2019, SURS reported a net pension liability (NPL) of \$28,720,071,173. The net pension liability was based on an actuarial valuation as of June 30, 2018.

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 \$275,570,295 or 0.9000% at June 30, 2020. The proportionate share of the State’s net pension liability associated with the College is \$270,571,791 or 0.9421% at June 30, 2019. This amount is not recognized in the College’s financial statements.

The net pension liability and total pension liability as of June 30, 2020 was determined based on the June 30, 2019 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS during fiscal year 2020.

The net pension liability and total pension liability as of June 30, 2019 was determined based on the June 30, 2018 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS during fiscal year 2019.

Pension Expense: At June 30, 2020 SURS reported a collective net pension expense of \$3,364,411,021. At June 30, 2019 SURS reported a collective net pension expense of \$3,094,666,252.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 5 - DEFINED BENEFIT PENSION PLAN (Continued)

Employer Proportionate Share of Pension Expense: The employer's proportionate share of collective pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the College's financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS during fiscal years 2020 and 2019 at June 30, 2021 and June 30, 2020, respectively. As a result, the College recognized revenue and pension expense of \$30,279,123 and \$29,154,851 for the fiscal years ended June 30, 2021 and 2020, respectively.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: Deferred outflows of resources are the consumption of net position by SURS that is applicable to future reporting periods. Conversely, deferred inflows of resources are the acquisition of net position by SURS that is applicable to future reporting periods.

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

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 170,987,483	\$ -	\$ 160,132,483	\$ 80,170,745
Changes in assumption	473,019,629	-	773,321,300	-
Net difference between projected and actual earnings on pension plan investments	474,659,178	-	-	55,456,660
Total	\$ <u>1,118,666,290</u>	\$ <u>-</u>	\$ <u>933,453,783</u>	\$ <u>135,627,405</u>

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

Year Ending June 30	Net Deferred Outflows of Resources
2022	\$ 435,271,667
2023	346,428,171
2024	183,483,935
2025	153,482,517
Total	\$ <u>1,118,666,290</u>

Employer Deferral of Fiscal Year 2021 Pension Expense

The College paid \$40,046 in federal, trust or grant contributions for the fiscal year ended June 30, 2021. These contributions were made subsequent to the pension liability measurement date of June 30, 2020 and, due to being immaterial, are not recognized as deferred outflows of resources as of June 30, 2021.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 5 - DEFINED BENEFIT PENSION PLAN (Continued)

Employer Deferral of Fiscal Year 2020 Pension Expense

The College paid \$40,627 in federal, trust or grant contributions for the fiscal year ended June 30, 2020. These contributions were made subsequent to the pension liability measurement date of June 30, 2019 and, due to being immaterial, are not recognized as deferred outflows of resources as of June 30, 2020.

Assumptions and Other Inputs

Actuarial assumptions: The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from June 30, 2014, through June 30, 2017. The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from June 30, 2014, through June 30, 2017. The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	3.25 to 12.25 percent, including inflation
Investment rate of return	6.75 percent beginning with the actuarial valuation as of June 30, 2018

Mortality rates were based on the RP-2014 White Collar, gender distinct tables with projected generational mortality and a separate mortality assumption for disabled participants.

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	3.25 to 12.25 percent, including inflation
Investment rate of return	6.75 percent beginning with the actuarial valuation as of June 30, 2018

Mortality rates were based on the RP-2014 White Collar, 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 by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultants and actuary. For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2020, these best estimates are summarized the table on the following page:

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 5 - DEFINED BENEFIT PENSION PLAN (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	44%	6.67%
Credit Fixed Income	14%	2.39%
Core Real Assets	5%	4.14%
Options Strategies	6%	4.44%
Private Equity	8%	9.66%
Non-Core Real Assets	3%	8.70%
U.S. TIPS	6%	0.13%
Core Fixed Income	8%	-0.45%
Systematic Trend Following	2%	2.16%
Alternative Risk Premia	2%	1.60%
Long Duration	2%	0.86%
Total	100%	4.84%
Inflation		2.25%
Expected Arithmetic Return		7.09%

Discount Rate: A single discount rate of 6.49%, which is a decrease of 0.10% from the prior year rate of 6.59%, 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 6.75% and a municipal bond rate of 2.45% at June 30, 2020 (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve). The single discount rate for June 30, 2019 was based on an expected rate of return on pension plan investments of 6.75% and a municipal bond rate of 3.13% (based on the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve). 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 of June 30, 2020 and 2075 as of June 30, 2019. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075 at June 30, 2020 and 2075 at June 30, 2019, 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 State's net pension liability at June 30, 2020, calculated using a single discount rate of 6.49%, as well as what the State's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	5.49%	6.49%	7.49%
\$	36,893,469,884	30,619,504,321	25,441,837,592

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 5 - DEFINED BENEFIT PENSION PLAN (Continued)

Sensitivity of SURS Net Pension Liability to Changes in the Discount Rate: Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the State's net pension liability at June 30, 2019, calculated using a single discount rate of 6.59%, as well as what the State's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	5.59%	6.59%	7.59%
\$	34,786,851,779	28,720,071,173	23,712,555,197
	\$	\$	\$

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

NOTE 6 - COMPENSATED ABSENCES (VACATION AND SICK LEAVE)

In the event of job termination, an employee is reimbursed for accumulated vacation days. Employees may accumulate unused sick leave. However, in some cases the accumulated sick leave may be limited to contractual amounts. At retirement, employees have the following options:

- a. Receive additional service credit for any unused and unpaid sick leave under the State Retirement System (SURS) discussed in note 5; or
- b. Receive cash compensation for any unused sick leave at 10% to 12.5% or 60 days depending on employee category, with the balance available for additional service credit under SURS.

The estimated accrued sick pay as of June 30, 2021 and 2020 was \$1,812,468 and \$1,813,433 respectively.

NOTE 7 - CONTINGENT LIABILITIES

Management is not aware of any claims or lawsuits against the College that are not covered by insurance or whose settlement would materially affect the financial statements at June 30, 2021 or June 30, 2020.

NOTE 8 - TRITON OPEB PLAN

Plan description and benefits provided:

Triton College has a single-employer defined benefit post-employment health care plan that was available in the Faculty Association agreement dated September 18, 1997 through June 30, 2000. Benefit provisions and contributions were established and can be amended by the Board.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 8 - TRITON OPEB PLAN (Continued)

1999 Faculty – Retirement Incentive Plan (RIP) – For faculty retiring prior to 6/30/1999 and meeting other eligibility requirements the College makes available group health coverage until age 70. In addition, the retiree has the option to purchase coverage for his/her spouse and other eligible dependents at the then-prevailing dependent co-payment rate. Upon reaching the age of Medicare eligibility, Medicare becomes the primary insurer and the College’s plan becomes secondary.

A separate, audited GAAP basis post-employment benefit plan report is not available for the plan.

Because the actuarial cost of health benefits for retirees exceeds the average amount paid by retirees, the additional cost is paid by the College and is the basis for the total OPEB obligation accounted for under GASB 75.

Active Membership: As of June 30, 2021, membership consisted of:

	<u>June 30, 2021</u>
Active Employees - Eligible	-
Active Employees - Not yet Eligible	-
Retired Members	<u>8</u>
Total	<u><u>8</u></u>

The counts in the chart above represent the participants that are eligible for and actively participating in medical coverage within the identified College Plans based on prior negotiated agreements. There are currently no active members that would be eligible to participate on the College Plan in retirement based on current negotiated agreements.

Contributions: The College follows a pay-as-you go funding policy. This means the College pays the costs of the benefits as they become due. The costs are equal to the benefits distributed or claimed in the year. The College is not required to, and currently does not advance fund the cost of benefits that will become due and payable in the future. The plan members do not have a required contribution.

For the years ended June 30, 2021 and 2020, the College recognized OPEB expense of \$36,280 and OPEB income of \$310,378, respectively.

Total OPEB Liability: Related to the year ended June 30, 2021, the College’s total OPEB liability was measured as of June 30, 2021 and determined by an actuarial valuation as of July 1, 2020 and then rolled forward using the following actuarial methods and assumptions. Related to the year ended June 30, 2020, the College’s total OPEB liability was measured as of June 30, 2020 and determined by an actuarial valuation as of July 1, 2020.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 8 - TRITON OPEB PLAN (Continued)

Actuarial Valuation Date	July 1, 2020	July 1, 2020
Measurement Date	June 30, 2021	June 30, 2020
Actuarial Cost Method	Entry Age Normal, Level % of Payroll	Entry Age Normal, Level % of Payroll
Asset Valuation Method	N/A – No assets	N/A – No assets
Assumptions:		
Discount Rate	2.16%	2.21%
Rate of Return	N/A – No assets	N/A – No assets
Payroll Increases	3.25%	3.25%
Healthcare Trend Ratios	6.8% initial trend to 5.0% ultimate trend	6.8% in fiscal 2020 trending to 5.0% ultimate
Mortality Rates	SURS RP-2014 with White Collar Adjustment and MP-2017 Improvement, weighted per SURS Experience Study Report dated February 26, 2018; Age 88 for males, Age 89 for females	SURS Mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study, with White Collar Adjustment. These rates are improved generationally using MP-2017 Improvement Rates and Weighted Per the SURS Experience Study dated February 26, 2018.

Discount Rate: The discount rate used to measure the total OPEB liability was 2.16% for June 30, 2021 and 2.21% for June 30, 2020 for determining the liability. The discount rate for unfunded plans must be based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds. The underlying index used is The Bond Buyer 20-Bond GO Index.

Changes in Total OPEB Liability:

	<u>2021</u>	<u>2020</u>
Beginning of Year Liability	\$ 1,370,281	\$ 1,768,178
Service Cost	-	-
Interest Cost	29,316	64,812
Expected vs Actual Experience	-	(510,491)
Benefits Paid	(87,517)	(87,517)
Changes in Assumptions	<u>6,964</u>	<u>135,299</u>
End of Year Liability	<u>\$ 1,319,044</u>	<u>\$ 1,370,281</u>

Rate Sensitivity: The following tables illustrate the sensitivity of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate assumptions.

The table below presents the total OPEB liability of the College as of June 30, 2021 calculated using the discount rate of 2.16% as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 8 - TRITON OPEB PLAN (Continued)

	1% Decrease	Current Rate	1% Increase
	<u>(1.16%)</u>	<u>(2.16%)</u>	<u>(3.16%)</u>
Total OPEB Liability	\$ 1,472,627	\$ 1,319,044	\$ 1,190,924

The table below presents the total OPEB liability of the College as of June 30, 2020 calculated using the discount rate of 2.21% as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

	1% Decrease	Current Rate	1% Increase
	<u>(1.21%)</u>	<u>(2.21%)</u>	<u>(3.21%)</u>
Total OPEB Liability	\$ 1,533,738	\$ 1,370,281	\$ 1,234,388

The table below presents the total OPEB liability of the College as of June 30, 2021 calculated using the healthcare rate of 6.8% to 5.0% as well as what the College's total OPEB liability would be if it were calculated using a healthcare rate that is one percentage point lower or one percentage point higher than the current rate.

	Healthcare Cost		
	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 1,182,006	\$ 1,319,044	\$ 1,479,947

The table below presents the total OPEB liability of the College as of June 30, 2020 calculated using the healthcare rate of 6.8% to 5.0% as well as what the College's total OPEB liability would be if it were calculated using a healthcare rate that is one percentage point lower or one percentage point higher than the current rate.

	Healthcare Cost		
	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 1,237,290	\$ 1,370,281	\$ 1,526,383

NOTE 9 - RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The College participates in the Illinois Community College Risk Management Consortium (the Consortium), which was established in 1981 by several Chicago area community colleges as a means of reducing the cost of general liability insurance. The Consortium is a public entity risk pool currently operating as a common risk management and insurance program for the member colleges. The main purpose of the Consortium is to jointly self-insure certain risks up to an agreed-upon retention limit and to obtain excess catastrophe coverage and aggregate stop-loss reinsurance over the selected retention limit. Coverage includes all property, \$21 million for liability, and statutory limits with respect to workers' compensation. No settlement has exceeded coverage since the establishment of the Consortium.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 9 - RISK MANAGEMENT (Continued)

In fiscal year 2021 and 2020, the College paid \$709,052 and \$623,685, respectively to the Consortium for property, liability, board legal liability, student medical malpractice, identity protection, boiler and machinery insurance, and workers' compensation protection and received \$99,707 and \$80,292, respectively in dividends primarily due to favorable workers' compensation.

The Consortium requests initial payments to substantially cover any losses to be incurred for that policy year; any losses in excess of premiums are the liability of the Consortium. However, the College anticipates no future liabilities for incurred losses. The College's level of coverage has not changed for the past year. The College continues to carry commercial insurance for directors' and officers' liability and for sports accidents. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The College maintains self-insurance coverage through a third-party administrator for its employee health and accident liability. Claims, expenditures, and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. At June 30, 2021 and 2020, the amount of these liabilities was \$329,262 and \$418,929, respectively. This liability is the College's best estimate based on available information. The entire amount is included in current due to the claims being paid within six months after year-end. The College maintains co-insurance that includes specific stop loss coverage for amounts in excess of \$250,000 individually.

Changes in the College's liability for employee health claims for the years ended June 30, 2021 and 2020 are as follows:

Claims payable at June 30, 2018	\$	341,517
Claims incurred in fiscal 2019		6,909,040
Claims paid in fiscal 2019		<u>(6,791,062)</u>
Claims payable at June 30, 2019		459,495
Claims incurred in fiscal 2020		5,975,073
Claims paid in fiscal 2020		<u>(6,015,639)</u>
Claims payable at June 30, 2020		418,929
Claims incurred in fiscal 2021		5,143,085
Claims paid in fiscal 2021		<u>(5,232,752)</u>
Claims payable at June 30, 2021	\$	<u><u>329,262</u></u>

NOTE 10 - LEASES

Capital Leases: The College leases technology equipment with a historical cost and accumulated depreciation of \$91,671 and \$58,490 respectively, under capital lease arrangements for the year ended June 30, 2021. The historical cost and accumulated depreciation was \$91,671 and \$29,989, respectively for assets under capital lease arrangements for the year ended June 30, 2020.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 10 – LEASES (Continued)

Future minimum lease payments at June 30, 2021 are as follows:

	Amount
Year ended June 30:	
2021	\$ 25,002
2022	9,714
Total minimum lease payments	34,716
Less amounts representing interest	697
Present value of minimum lease payments	\$ 34,019

NOTE 11 – ENDOWMENT

The College had an endowment of \$372,150 at June 30, 2021 and \$366,349 at June 30, 2020. The endowment was funded equally by a Title III grant and the College. Title III and the equivalent matching funds must be invested for 20 years. During the 20 years, the College can spend up to half of the earned interest for any of the following:

1. Costs necessary to operate the institution, including general operating and maintenance costs;
2. Costs to administer and manage the endowment fund; and
3. Costs associated with buying and selling securities, such as stockbroker commissions and fees to "load" mutual funds.

After the 20 year investment period, the College may use the endowment fund principal or interest for any educational purpose. The endowment fund was recorded as restricted certificates of deposit in the Statement of Net Position.

	June 30, 2021	June 30, 2020
Endowment Balance		
Title III funding	\$ 171,000	\$ 171,000
College match	171,000	171,000
Interest earned	30,150	24,349
Balance	\$ 372,150	\$ 366,349

NOTE 12 – CONCENTRATION RISK

The College receives significant student financial aid from the U.S. Department of Education. The disbursement of funds received under such programs generally requires compliance with terms and conditions specified in federal regulations and are subject to audit by the U.S. Department of Education and possible disallowance of certain expenditures. The College has not had any significant disallowance of student financial aid in the past and expects such amounts, if any, to be immaterial.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 13 – OPERATING LEASES

In November 2018, the bookstore management services agreement with Follett Higher Education Group of Oak Brook, Illinois was amended to run from July 1, 2018 through June 30, 2026. For the years ended June 30, 2021 and 2020, the College recognized income under this agreement of \$137,717 and \$193,628, respectively.

In August 2020, a five-year contract for vending management and operation was awarded to Yami Vending, Inc. In fiscal year 2021 the College recognized income of \$8,281 under this contract. In fiscal year 2020, the College recognized income of \$64,082 under a previous agreement with Gilly Vending. Vending commissions were significantly lower in fiscal year 2021 compared to prior years due to the COVID-19 pandemic.

NOTE 14 – COMMITMENTS

The College has commitments for various construction projects and improvements including maintenance totaling \$2,633,072. See a summary of commitments by project below:

<u>Project</u>	<u>Commitment</u>
R Building AHU Replacement	\$ 83,715
Window Replacement	536,857
Parking Lot - Asphalt	2,012,500
Total	<u>\$ 2,633,072</u>

NOTE 15 — POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State of Illinois Department of Central Management Services Community College Health Insurance Security Fund (“CCHISF”)

Plan description. The CCHISF is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. CCHISF is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees and their dependents of Illinois community college districts throughout the state of Illinois, excluding the City Colleges of Chicago. As a result of the Governor’s Executive Order 12-01, the responsibilities in relation to CCHISF were transferred to the Department of Central Management Services as of July 1, 2013. The Department administers the plan with the cooperation of the State Universities Retirement System and the boards of trustees of the various community college districts.

All members receiving benefits from the State Universities Retirement System (“SURS”) who have been full-time employees of a community college district or an association of a community college who have paid the required active member CCHISF contributions prior to retirement are eligible to participate in CCHISF. Survivors of an annuitant or benefit recipient eligible for CCHISF coverage are also eligible for coverage under CCHISF. CCHISF issues a publicly available report that can be obtained at <https://www.auditor.illinois.gov/Audit-Reports/Compliance-Agency-List/CMS/CCHISP/FY20-CMS-CCHISF-Fin-Full.pdf>.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 15 — POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

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

Contributions. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.10) requires every active contributor of the State Universities Retirement System (SURS), who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.5% of salary. The same section of statute requires every community college district or association of community college boards that is an employer under the SURS, to contribute to the plan an amount equal to 0.5% of the salary paid to its full-time employees who participate in the plan. The State Pension Funds Continuing Appropriation Act (40 ILCS 15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees.

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.9) requires the Director of the Department to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the board of trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from their district. Administrative costs are paid by the CCHISF. The College and the State each contributed to the OPEB plan \$137,354 and \$137,119 for the years ended June 30, 2021 and June 30, 2020, respectively.

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

At June 30, 2021 and 2020, the College reported a liability of \$27,176,638 and \$28,536,659, respectively, for its proportionate share of the collective net OPEB liability. This liability reflects a reduction for State OPEB Support.

	2021	2020
College's proportionate share of the collective net OPEB liability	\$ 27,176,638	\$ 28,536,659
State's proportionate share that is associated with the College	27,159,150	28,516,961
Total	\$ 54,335,788	\$ 57,053,620

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 15 — POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

The collective net OPEB liability was measured as of June 30, 2020 and 2019 and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2019 for the 2020 liability and as of June 30, 2018 for the 2019 liability. The College's proportion of the collective net OPEB liability for June 30, 2021 was based on the College's fiscal year 2020 contributions to the OPEB plan relative to the fiscal year 2020 contributions of all participating entities. The College's proportion of the collective net OPEB liability for June 30, 2020 was based on the College's fiscal year 2019 contributions to the OPEB plan relative to the fiscal year 2019 contributions of all participating Colleges. At June 30, 2020, the College's proportion was 1.490958 percent, which was a decrease of 0.020085 percent from its proportion measured as of June 30, 2019 (1.511043 percent). At June 30, 2019, the College's proportion was 1.511043 percent, which was a decrease of 0.047069 percent from its proportion measured as of June 30, 2018 (1.558112 percent). For the fiscal year ended June 30, 2021 the College's proportion of the collective net OPEB liability that includes the State's proportionate share associated with the College was 2.98 percent which is a 0.04 percent decrease from 3.02 percent in the prior year. For the fiscal year ended June 30, 2020 the College's proportion of the collective net OPEB liability that includes the State's proportionate share associated with the College was 3.02 percent which is a 0.10 percent decrease from 3.21 percent in the prior year.

For the years ended June 30, 2021 and 2020, the College recognized OPEB expense of \$225,972 and \$1,939,428, respectively. The College's proportionate share of collective OPEB expense is recognized as an on-behalf payment as both revenue and expense in the College's financial statements. The basis of allocation used is the actual OPEB expense for contributing entities. As a result, the College recognized on-behalf revenue and OPEB expense of \$183,163 in 2021 and \$900,777 in 2020.

At June 30, 2021 and 2020, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 246,877	\$ 1,521,021	\$ 334,445	\$ 603,485
Changes of assumptions	-	4,344,550	-	3,975,822
Net difference between projected and actual earnings on OPEB plan investments	-	1,151	-	1,260
Changes in proportion and differences between College contributions and proportionate share of contributions	247,761	1,631,810	364,144	1,646,735
College contributions subsequent to the measurement date	137,353	-	137,119	-
Total	\$ 631,991	\$ 7,498,532	\$ 835,708	\$ 6,227,302

Of the total amount reported as deferred outflows of resources related to OPEB, \$137,353 resulting from College contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2022.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 15 — POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the College's OPEB expense as follows:

Year ended June 30:	
2022	\$ (1,925,492)
2023	(1,925,420)
2024	(1,449,073)
2025	(1,104,395)
2026	(599,514)
	<u>\$ (7,003,894)</u>

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2019 and June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25% at June 30, 2019 and 2.25% at June 30, 2018
Salary increases	At June 30, 2019: Depends on service and ranges from 12.25% at less than 1 year of service to 3.25% at 34 or more years of service. Salary increase includes a 3.25% wage inflation assumption. At June 30, 2018: Depends on service and ranges from 12.25% at less than 1 year of service to 3.25% at 34 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation.
Healthcare cost trend rates	At June 30, 2019: Actual trend used for fiscal year 2020 based on premium increases. For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare costs and post-Medicare costs and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate due to the repeal of the Excise Tax. At June 30, 2018: Actual trend used for fiscal year 2019 based on premium increases. For fiscal years on and after 2020, trend starts at 8.00% and 9.00% for non-Medicare costs and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.40% is added to non-Medicare cost on and after 2022 to account for the Excise Tax.

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table. Mortality rates for disabled annuitants were based on the RP-2014 Disabled Annuitant Table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Sale MP-2017 at June 30, 2018 and MP-2017 at June 30, 2019.

The actuarial assumptions used in the actuarial valuation as of June 30, 2019 were based on the results of an actuarial experience study for the period June 30, 2014 to June 30, 2017. The actuarial assumptions used in the actuarial valuation as of June 30, 2018 were based on the results of an actuarial experience study for the period June 30, 2014 to June 30, 2017.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 15 — POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Discount rate. Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Under GASB 75, the discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax exempt general obligation municipal bonds with an municipal bond 20 year high grade rate index as reported in Fidelity Index's "20-year municipal GO AA index" as of the measurement date. The discount rates are 3.62% as of June 30, 2018, 3.13% as of June 30, 2019, and 2.45% as of June 30, 2020. This is a decrease of 0.49% from 2018 to 2019 and a decrease of 0.68% from 2019 to 2020.

During the Plan years ending June 30, 2020 and 2019, the trust earned \$25,000 and \$48,000 in interest, respectively, and due to a significant benefit payable, the fair value of assets at June 30, 2020 and 2019, is a negative \$88.0 million and a negative \$74.9 million, respectively. Given the significant benefit payable, negative asset value and pay-as-you-go funding policy, the investment return assumption was set to zero.

Sensitivity of the College's proportionate share of the collective net OPEB liability to changes in the discount rate. The following presents the College's proportionate share of the collective net OPEB liability, as well as what the College's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	2021		
	1% Decrease (1.45%)	Discount Rate (2.45%)	1% Increase (3.45%)
College's proportionate share of the collective net OPEB liability	\$ 32,317,196	\$ 27,176,638	\$ 24,626,655
	2020		
	1% Decrease (2.13%)	Discount Rate (3.13%)	1% Increase (4.13%)
College's proportionate share of the collective net OPEB liability	\$ 32,752,549	\$ 28,536,659	\$ 24,958,407

Sensitivity of the College's proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates. The following presents the College's proportionate share of the collective net OPEB liability, as well as what the College's proportionate share of the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point higher or lower than the current healthcare cost trend rates.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 15 — POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

	2021		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	(a)	Assumption	(b)
College's proportionate share of the collective net OPEB liability	\$ 22,518,565	\$ 27,176,638	\$ 33,355,353

- (a) One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037.
- (b) One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

	2020		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	(a)	Assumption	(b)
College's proportionate share of the collective net OPEB liability	\$ 23,683,689	\$ 28,536,659	\$ 34,949,577

- (a) One percentage point decrease in healthcare trend rates are 7.00% in 2020 decreasing to an ultimate trend rate of 3.90% in 2027, for non-Medicare coverage, and 8.00% in 2020 decreasing to an ultimate trend rate of 3.50% in 2029 for Medicare coverage.
- (b) One percentage point increase in healthcare trend rates are 9.00% in 2020 decreasing to an ultimate trend rate of 5.90% in 2027, for non-Medicare coverage, and 10.00% in 2020 decreasing to an ultimate trend rate of 5.50% in 2029 for Medicare coverage.

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

NOTE 16 – NEW ACCOUNTING PRONOUNCEMENTS

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Upon the College's adoption of GASB Statement No. 95, the effective date of the Statement was delayed for the College until the fiscal year ended June 30, 2022. Management has not determined what impact, if any, this Statement will have on its financial statements.

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TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 16 – NEW ACCOUNTING PRONOUNCEMENTS (Continued)

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. Upon the College's adoption of GASB Statement No. 95, the effective date of the Statement was delayed for the College until the fiscal year ended June 30, 2023. Management has not determined what impact, if any, this Statement will have on its financial statements.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit OPEB plan, the applicability of Statements 73 and 74 to reporting assets accumulated for postemployment benefits, the applicability of Statement 84 to postemployment benefit arrangements, measurement of liabilities and assets related to asset retirement obligations in a government acquisition, and reference to nonrecurring fair value measurements of assets and liabilities in authoritative literature. The topics within this Statement that were not effective for the College's fiscal year ended June 30, 2020 were, upon the College's adoption of GASB Statement No. 95, delayed for the College until the fiscal year ended June 30, 2022. Management has not determined what impact, if any, this Statement will have on its financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objectives of this Statement are to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements and to provide guidance for accounting and financial reporting for availability payment arrangements. This Statement is effective for the College's fiscal year ended June 30, 2023. Management has not determined what impact, if any, this Statement will have on its financial statements.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. This Statement is effective for the College's fiscal year ended June 30, 2023. Management has not determined what impact, if any, this Statement will have on its financial statements.

In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units when a potential component unit does not have a governing board and the primary government performs those duties; (2) mitigate costs associated with reporting; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans. The topics within this Statement that were not effective for the College's fiscal year ended June 30, 2020 are effective for the College's fiscal year ended June 30, 2022. Management has not determined what impact, if any, this Statement will have on its financial statements.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 17 – TAX ABATEMENTS

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The College is affected by Cook County's Class 6b property tax incentive program. The purpose of the Class 6b program is to encourage industrial development throughout Cook County by offering a real estate tax incentive for the development of new industrial facilities, the rehabilitation of existing industrial structures, and the industrial reutilization of abandoned buildings. The goal of the program is to attract new industry, stimulate expansion and retention of existing industry, and increase employment opportunities.

Properties receiving a Class 6b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, and 20% in the 12th year. This constitutes a substantial reduction in the level of assessment and results in significant tax savings. In the absence of this incentive, industrial real estate would normally be assessed at 25% of its market value.

Municipalities within the College area have granted Class 6b incentives to businesses that, as a result, have occupied abandoned properties, constructed new buildings, or expanded existing facilities. In many instances, the program has produced more property tax revenue for the College and the other impacted taxing districts than would have been generated if the development had not occurred. The College's tax revenues are reduced due to the agreements entered into by these municipalities.

For the fiscal years ending June 30, 2021 and 2020, the College's share of the abatement granted to the Class 6b properties was approximately \$1,843,000 and \$1,710,000, respectively.

NOTE 18 – COVID-19 IMPACT

In December 2019, a novel strain of coronavirus surfaced (COVID-19) and spread around the world, with resulting business and social disruption. In response to the pandemic and in compliance with various state and local ordinances, the College offered five types of courses during the 2020-2021 academic year: Online, Hybrid, Remote Learning, Blended Remote Learning, and Traditional Classes. The College has continued to provide salaries and benefits to all employees and faculty.

The operations and business results of the College could be materially adversely affected in the future. In addition, significant estimates, such as the allowance for doubtful accounts, may be materially adversely impacted by national, state and local events designed to contain the coronavirus. The College again is offering a combination of five types of courses for the 2021-2022 academic year. Throughout the pandemic the College has put into practice a number of safety measures to protect students and employees and revises them as needed.

(Continued)

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 18 – COVID-19 IMPACT (Continued)

Regarding the financial impact of COVID-19 on the College's fiscal year 2020 and 2021 financial statements, the College was awarded federal funds through the CARES Act. In April 2020, the College applied for and was eligible to receive \$4.2 million in CARES Act federal funding, which is \$2.1 million of institutional funds and \$2.1 million of student support funds. Of the institutional funds \$372,162 was used on out of district tuition waivers for students and the balance was allocated to non-compensation expenses and personnel changes as allowed by the grant. Regarding the student support funds of \$2.1 million, the College distributed the entire \$2,105,949 to students in fiscal years 2020 and 2021 (\$1,575,000 and \$530,949 respectively).

In fiscal year 2021, the College was awarded the Higher Education Emergency Relief Fund II, (HEERF II). This was authorized by the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA), in the amount of \$2,105,949 to provide emergency relief grants for students. In fiscal year 2021 the College spent the entire \$2,105,949 for student relief.

In fiscal year 2021, the College was awarded the Higher Education Emergency Relief Fund II (HEERF II) in the amount of \$8,525,607 which is a summation of the institutional portion of \$7,962,663 and the MSI (Minority Serving Institutions) portion of \$562,944. This was awarded to help ensure learning continues for students during the pandemic and for emergency relief for institutional costs related to COVID-19. In fiscal year 2021 the College spent \$199,276 of the MSI funds, with the remainder to be spent in fiscal year 2022. Also, in fiscal year 2021 the College spent \$6,175,503 of the institutional funds, with the remainder to be spent in fiscal year 2022.

In fiscal year 2021, the College was awarded the Higher Education Emergency Relief Fund III (HEERF III). This was authorized by the American Rescue Plan (ARP) in the amount of \$9,123,082, to ensure learning continues for students during the pandemic and for emergency relief for institutional costs related to COVID-19. As of the end of fiscal year 2021 the College has not spent any of these funds.

In fiscal year 2021, the College was awarded the Higher Education Emergency Relief Fund III (HEERF III). This was authorized by the American Rescue Plan (ARP) in the amount of \$9,251,640 to provide emergency relief grants for students. As of the end of fiscal year 2021 the College has not spent any of these funds.

NOTE 19 – ADOPTION OF NEW ACCOUNTING PRINCIPLE

As of July 1, 2020, the College implemented the requirements of GASB Statement No. 84, "Fiduciary Activities". Statement 84 established criteria for identifying fiduciary activities. A specific change to the College's financial statements relates to the presentation of the Trust and Agency Fund activity within the College's business-type activities instead of as an agency fund. A reconciliation of net position from the 2020 financial statements to beginning net position as reported on the 2021 financial statements is as follows:

Net Position, July 1, 2020, as previously reported	\$ 21,705,939
Change in Accounting Principle, GASB Statement No. 84	<u>581,443</u>
Net Position, July 1, 2020, as restated	<u>\$ 22,287,382</u>

The prior period column was not restated because the effect was not material.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
REQUIRED SUPPLEMENTARY INFORMATION
SURS
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
(UNAUDITED)

	2015	2016	2017	2018	2019	2020	2021
College's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
College's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonemployer Contributing Entities' Proportionate Share of the Net Pension Liability associated with the College	<u>194,566,220</u>	<u>221,197,087</u>	<u>246,372,566</u>	<u>243,854,184</u>	<u>255,149,486</u>	<u>270,571,791</u>	<u>275,570,295</u>
Total	<u>\$ 194,566,220</u>	<u>\$ 221,197,087</u>	<u>\$ 246,372,566</u>	<u>\$ 243,854,184</u>	<u>\$ 255,149,486</u>	<u>\$ 270,571,791</u>	<u>\$ 275,570,295</u>
College's Covered Payroll	\$ 35,371,333	\$ 37,319,156	\$ 34,269,595	\$ 33,823,367	\$ 33,178,451	\$ 34,080,945	\$ 33,393,878
College's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SURS Plan Net Position as a Percentage of Total Pension Liability	44.39%	42.37%	39.57%	42.04%	41.27%	40.71%	39.05%

Note: The System implemented GASB Statement No. 68 in fiscal year 2015. The information above is presented for as many years as available. The Schedule is intended to show information for 10 years. The amounts presented for each fiscal year were determined as of the year end that occurred one year prior.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
REQUIRED SUPPLEMENTARY INFORMATION
SURS
SCHEDULE OF COLLEGE CONTRIBUTIONS
(UNAUDITED)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Federal, Trust, Grant and Other Contribution	\$ 61,417	\$ 50,871	\$ 19,340	\$ 12,032	\$ 25,207	\$ 29,631	\$ 40,627	\$ 40,046
Contribution in relation to Required Contribution	<u>61,417</u>	<u>50,871</u>	<u>19,340</u>	<u>12,032</u>	<u>25,207</u>	<u>29,631</u>	<u>40,627</u>	<u>40,046</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College Covered Payroll	\$427,128	\$427,128	\$152,403	\$ 94,815	\$198,637	\$233,499	\$320,150	\$315,570
Contributions as a Percentage of Covered Payroll	14.38%	11.91%	12.69%	12.69%	12.69%	12.69%	12.69%	12.69%

Note: The System implemented GASB Statement No. 68 in fiscal year 2015. The information above is presented for as many years as available. The Schedule is intended to show information for 10 years.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
REQUIRED SUPPLEMENTARY INFORMATION
SURS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

Changes of benefit terms: There were no benefit changes recognized in the Total Pension Liability in any of the years presented.

Changes of assumptions: In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2010 to June 30, 2014 was performed in February 2015, resulting in the adoption of new assumptions as of June 30, 2015. An experience review for the years June 30, 2014 to June 30, 2017 was performed in February 2018, resulting in the adoption of new assumptions as of June 30, 2018.

- Mortality rates: Change from the RP 2000 Mortality table projected to 2017, sex distinct, to the RP-2014 mortality tables with projected generational mortality improvement. Change to a separate mortality assumption for disabled participants as of June 30, 2018. In the fiscal year ended June 30, 2019 the RP-2014 mortality tables with projected generational mortality improvements were maintained however, the projections scale was updated from MP-2014 to MP-2017 scale.
 - Salary increase: Change assumption to service-based rates, ranging from 3.75 percent to 15.00 percent based on years of service, with underlying wage inflation of 3.75 percent through June 30, 2018. In the fiscal year ended June 30, 2019, a decrease in the overall assumed salary increase rates, ranging from 3.25 percent to 12.25 percent based on years of service, with underlying wage inflation of 2.25 percent.
 - Normal retirement rates: Change to retirement rates at ages younger than 60, age 66, and ages 70-79 to reflect observed experiences through June 30, 2018. In the fiscal year ended June 30, 2019, a slight increase in the retirement rate at age 50. No change to the rates for ages 60-61, 67-74 and 80 plus, but a slight decrease in rates at all other ages. A rate of 50 percent if the member has 40 or more years of service and is younger than age 80.
 - Early retirement rates: Change to a slight increase to the rates at ages 55 and 56 through June 30, 2018. In the fiscal year ended June 30, 2019, a decrease in rates for all Tier 1 early retirement eligibility ages (55-59).
 - Turnover rates: Change rates to produce lower expected turnover for members with less than 10 years of service and higher turnover for members with more than 10 years of service.
 - Disability rates: Decrease current rates to reflect that certain members who receive disability benefits do not receive the benefits on a long-term basis.
 - Investment return: Decrease the investment return assumption to 6.75% This reflects maintaining an assumed real rate of return of 4.50% and decreasing the underlying assumed price inflation to 2.25%.
 - Effective rate of interest: Decrease the long-term assumption for the effective rate of interest for crediting the money purchase accounts to 6.75% (effective July 2, 2019).
 - Discount rate: In fiscal year 2018, the discount rate increased from 7.01% to 7.09%. In fiscal year 2019, the discount rate decreased from 7.09% to 6.65%. In fiscal year 2020, the discount rate decreased from 6.65% to 6.59%. In fiscal year 2021, the discount rate decreased from 6.59% to 6.49%.
-

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
REQUIRED SUPPLEMENTARY INFORMATION
CCHISF PLAN
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY

	2021	2020	2019	2018	2017
College's proportion of the collective net OPEB liability	1.49%	1.51%	1.56%	1.62%	1.58%
College's proportionate share of the collective net OPEB liability	\$ 27,176,638	\$ 28,536,659	\$ 29,374,329	\$ 29,461,982	\$ 28,695,747
State's proportionate share of the collective net OPEB liability associated with the College	<u>27,159,150</u>	<u>28,516,961</u>	<u>29,409,928</u>	<u>29,075,348</u>	<u>29,902,740</u>
Total	<u>\$ 54,335,788</u>	<u>\$ 57,053,620</u>	<u>\$ 58,784,257</u>	<u>\$ 58,537,330</u>	<u>\$ 58,598,487</u>
College's covered payroll	\$ 27,423,800	\$ 27,127,800	\$ 27,213,080	\$ 28,032,400	\$ 28,582,400
College's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	99%	105%	108%	105%	100%
Plan fiduciary net position as a percentage of total OPEB liability	-5.07%	-4.13%	-3.54%	-2.87%	Not Available

*This schedule is presented to illustrate the requirement to show information for 10 years. However, information is presented for as many years as available.

Notes to schedule: The discount rate changed from 2.85% to 3.56% for 2018. The discount rate changed from 3.56% to 3.62% for 2019. The discount rate changed from 3.62% to 3.13% for 2020. The discount rate changed from 3.13% to 2.45% for 2021. Also, the amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
REQUIRED SUPPLEMENTARY INFORMATION
CCHISF PLAN
SCHEDULE OF THE COLLEGE'S CONTRIBUTIONS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily required contribution	\$ 137,353	\$ 137,119	\$ 135,639	\$ 136,065	\$ 140,162	\$ 142,902
Contributions in relation to the statutorily required contribution	<u>(137,353)</u>	<u>(137,119)</u>	<u>(135,639)</u>	<u>(136,065)</u>	<u>(140,162)</u>	<u>(142,902)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll	\$ 27,470,600	\$ 27,423,800	\$ 27,127,800	\$ 27,213,080	\$ 28,032,400	\$ 28,582,400
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

*This schedule is presented to illustrate the requirement to show information for 10 years. However, information is presented for as many years as available.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
REQUIRED SUPPLEMENTARY INFORMATION
TRITON OPEB PLAN
SCHEDULE OF CHANGES IN THE COLLEGE'S TOTAL OPEB LIABILITY AND RELATED RATIOS

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total OPEB Liability				
Service Cost	\$ -	\$ -	\$ -	\$ -
Interest	70,545	66,935	64,812	29,316
Changes of Benefit Terms	-	-	-	-
Difference Between Expected and Actual Experience	-	-	(510,491)	-
Changes in Assumptions	-	55,147	135,299	6,964
Benefit Payments	<u>(160,021)</u>	<u>(167,311)</u>	<u>(87,517)</u>	<u>(87,517)</u>
Net Change in Total OPEB Liability	(89,476)	(45,229)	(397,897)	(51,237)
Total OPEB Liability - Beginning	<u>1,902,883</u>	<u>1,813,407</u>	<u>1,768,178</u>	<u>1,370,281</u>
Total OPEB Liability - Ending (a)	<u>\$ 1,813,407</u>	<u>\$ 1,768,178</u>	<u>\$ 1,370,281</u>	<u>\$ 1,319,044</u>
Covered Employee Payroll	\$ 18,297,076	\$ 22,222,673	\$ 23,978,535	\$ 22,192,268
Employer Net OPEB Liability as a Percentage of Covered Employee Payroll	9.91%	7.96%	5.71%	5.94%

*This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

Notes to Schedule: There were no fiduciary assets in the Triton OPEB plan.

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Statistical Section

This statistical section of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary, and required supplementary information says about the College's overall financial health. Below is a description of the types of statistical schedules.

- Financial Trends – These schedules contain trend information to help the reader understand how the College's financial performance has changed over time.
- Revenue Capacity – These schedules contain information to help the reader assess the College's most significant local revenue source, the property tax.
- Debt Capacity – These schedules represent 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.
- 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.
- Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the College's report relates to the services the College provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.

TABLE 1

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 504**

Financial Trends
Net Position by Component
(Unaudited)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net Position:										
Net Investment in Capital Assets	\$ 33,280,615	\$ 36,313,625	\$ 37,499,058	\$ 40,277,873	\$ 38,738,784	\$ 49,352,394	\$ 56,233,603	\$ 37,197,227	\$ 30,968,579	\$ 29,214,746
Restricted										
Capital projects	5,531,299	5,864,747	5,712,797	5,779,235	5,911,955	6,432,744	-	9,420,459	9,428,612	6,742,921
Working cash	10,482,966	10,482,913	10,482,791	10,482,601	10,482,457	10,479,516	10,479,503	10,479,490	10,479,477	10,479,464
Other	-	-	-	-	-	176,291	324,191	369,623	205,248	254,599
Unrestricted	(20,346,971)	(30,955,346)	(28,146,284)	(25,285,753)	8,494,758	3,849,240	9,946,264	15,582,003	21,356,103	23,476,025
Total Net Position	\$ 28,947,909	\$ 21,705,939	\$ 25,548,362	\$ 31,253,956	\$ 63,627,954	\$ 70,290,185	\$ 76,983,561	\$ 73,048,802	\$ 72,438,019	\$ 70,167,755

Source: Triton College Annual Comprehensive Financial Reports

Note: GASB 75 was implemented in 2018, restating net position by (\$30,056,413).

See accompanying independent auditor's report.

TABLE 2

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 504

Financial Trends
Changes in Net Position
(Unaudited)

	2021	2020	2019	2018	2017
OPERATING REVENUES					
Student tuition and fees, net of scholarship allowances	\$ 17,123,613	\$ 17,999,255	\$ 17,951,393	\$ 16,629,194	\$ 17,380,252
Auxiliary enterprises revenue:	3,214,259	3,013,419	3,345,570	2,037,153	1,459,207
Total operating revenues	20,337,872	21,012,674	21,296,963	18,666,347	18,839,459
OPERATING EXPENSES					
Instruction	30,872,236	32,900,292	32,426,577	33,510,111	30,373,513
Academic support	9,906,256	9,304,887	8,933,969	7,570,318	7,096,506
Student services	11,821,785	10,434,870	8,419,866	8,334,234	8,007,225
Public services	2,369,212	2,959,457	3,117,541	3,192,413	2,997,726
Operation and maintenance	12,669,197	13,934,441	14,105,661	13,160,270	11,690,269
Institutional support	21,188,240	20,597,374	19,115,438	18,908,995	18,605,535
Depreciation	5,593,052	5,856,860	5,837,556	5,870,395	5,440,751
Scholarship and fellowships	10,552,133	10,682,829	7,533,704	6,737,124	6,320,584
Auxiliary enterprises	3,604,789	3,919,827	3,573,588	3,276,684	2,973,055
Total operating expenses	108,576,900	110,590,837	103,063,900	100,560,544	93,505,164
Operating loss	(88,239,028)	(89,578,163)	(81,766,937)	(81,894,197)	(74,665,705)
NON-OPERATING REVENUES (EXPENSES)					
Local property taxes	31,879,853	30,129,840	29,158,313	27,594,211	28,053,373
State appropriations	40,459,056	39,326,145	34,269,814	38,549,691	27,312,006
Federal grants and contracts	23,444,777	17,589,182	13,710,220	14,742,834	13,321,997
Non-governmental gifts and grants	433,184	340,208	435,648	414,991	584,872
Investment income	57,135	311,742	532,516	295,316	296,276
Interest	(1,374,450)	(1,961,377)	(2,035,168)	(2,030,431)	(1,565,050)
Net non-operating revenues (expenses)	94,899,555	85,735,740	76,071,343	79,566,612	68,003,474
Net increase (decrease) in net position before capital contributions	6,660,527	(3,842,423)	(5,695,594)	(2,327,585)	(6,662,231)
CAPITAL CONTRIBUTIONS					
State capital appropriations	-	-	-	-	-
Total capital contributions	-	-	-	-	-
CHANGE IN NET POSITION	\$ 6,660,527	\$ (3,842,423)	\$ (5,695,594)	\$ (2,327,585)	\$ (6,662,231)

Sources: Triton College Annual Comprehensive Financial Reports and general ledger reports

See accompanying independent auditor's report.

(Continued)

TABLE 2

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 504

Financial Trends
Changes in Net Position
(Unaudited)

	2016	2015	2014	2013	2012
OPERATING REVENUES					
Student tuition and fees, net of scholarship allowances	\$ 17,094,995	\$ 18,361,587	\$ 16,003,258	\$ 15,232,305	\$ 15,140,348
Auxiliary enterprises revenue:	1,299,320	1,637,415	967,235	1,543,872	1,587,439
Total operating revenues	18,394,315	19,999,002	16,970,493	16,776,177	16,727,787
OPERATING EXPENSES					
Instruction	28,878,578	27,841,711	26,238,470	26,135,370	24,560,883
Academic support	5,961,762	6,207,367	5,635,482	4,961,196	4,831,832
Student services	7,886,078	7,682,602	7,249,551	6,185,604	5,517,663
Public services	2,909,156	2,819,957	2,185,327	2,506,873	2,579,634
Operation and maintenance	14,442,966	13,767,332	12,405,211	10,681,945	9,245,399
Institutional support	16,141,534	17,745,338	14,577,972	14,493,667	15,773,604
Depreciation	5,797,051	3,792,253	3,809,853	3,590,529	3,310,019
Scholarship and fellowships	6,047,294	8,362,509	7,407,744	7,909,062	8,663,075
Auxiliary enterprises	2,681,035	2,628,931	2,194,148	2,006,349	1,930,592
Total operating expenses	90,745,454	90,848,000	81,703,758	78,470,595	76,412,701
Operating loss	(72,351,139)	(70,848,998)	(64,733,265)	(61,694,418)	(59,684,914)
NON-OPERATING REVENUES (EXPENSES)					
Local property taxes	27,012,230	26,897,076	25,080,696	25,130,192	25,614,633
State appropriations	24,049,207	25,260,576	21,708,682	21,200,928	19,508,092
Federal grants and contracts	13,902,028	15,336,916	15,572,078	16,746,173	16,913,342
Non-governmental gifts and grants	364,711	261,664	320,525	276,998	335,783
Investment income	338,132	285,431	135,590	121,580	68,172
Interest	(8,545)	(22,687)	(55,911)	(79,286)	(97,712)
Net non-operating revenues (expenses)	65,657,763	68,018,976	62,761,660	63,396,585	62,342,310
Net increase (decrease) in net position before capital contributions	(6,693,376)	(2,830,022)	(1,971,605)	1,702,167	2,657,396
CAPITAL CONTRIBUTIONS					
State capital appropriations	-	6,764,781	2,582,388	568,097	190,785
Total capital contributions	-	6,764,781	2,582,388	568,097	190,785
CHANGE IN NET POSITION	\$ (6,693,376)	\$ 3,934,759	\$ 610,783	\$ 2,270,264	\$ 2,848,181

Sources: Triton College Annual Comprehensive Financial Reports and general ledger reports
See accompanying independent auditor's report.

TABLE 3

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 504**

Revenue Capacity
Assessed Value and Actual Value of Taxable Property
(Unaudited)

Levy Year		Total Taxable Assessed Value		Total Direct Tax Rate		Estimated Actual Taxable Value		Estimated Actual Taxable Value
2020	\$	10,882,512,735	\$	0.2813	\$	32,647,538,205		33.333%
2019		9,542,801,271		0.3058		28,628,403,813		33.333%
2018		8,759,092,089		0.3236		26,277,276,267		33.333%
2017		9,012,128,450		0.3054		27,036,385,350		33.333%
2016		8,109,255,966		0.3295		24,327,767,898		33.333%
2015		7,505,068,738		0.3519		22,515,206,214		33.333%
2014		7,591,518,565		0.3353		22,774,555,695		33.333%
2013		7,651,085,389		0.3257		22,953,256,167		33.333%
2012		8,396,718,635		0.2690		25,190,155,905		33.333%
2011		9,117,999,953		0.2670		27,353,999,859		33.333%

Data Sources:

Office of the County Clerk for Cook County; Cook County comprises 100% of Triton College District 504.

See accompanying independent auditor's report.

TABLE 4
TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

Revenue Capacity
Schedule of Property Taxes – Assessed Valuations,
Rates, Extensions, and Collections (Unaudited)

Property tax levy year	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Assessed valuation ('000's)	\$ 10,883	\$ 9,543	\$ 8,759	\$ 9,012	\$ 27,036,385	\$ 27,036,385	\$ 24,327,768	\$ 22,515,206	\$ 22,774,556	\$ 9,118,000
Tax rates:										
Education Fund	\$ 0.1896	\$ 0.2061	\$ 0.2179	\$ 0.2056	\$ 0.2218	\$ 0.2369	\$ 0.2247	\$ 0.2177	\$ 0.1703	\$ 0.1790
Audit Fund	0.0013	0.0014	0.0015	0.0014	0.0015	0.0015	0.0015	0.0014	0.0012	0.0011
Tort Liability Fund	0.0258	0.0280	0.0297	0.0280	0.0302	0.0322	0.0314	0.0307	0.0280	0.0250
Workers' Compensation Fund	0.0026	0.0029	0.0030	0.0029	0.0031	0.0034	0.0033	0.0032	0.0030	0.0026
Unemployment Insurance Fund	0.0006	0.0006	0.0007	0.0006	0.0007	0.0007	0.0007	0.0007	0.0007	0.0006
Operations and Maintenance Fund	0.0549	0.0596	0.0631	0.0595	0.0642	0.0686	0.0651	0.0637	0.0581	0.0518
Life Safety Fund	0.0028	0.0032	0.0035	0.0034	0.0037	0.0040	0.0041	0.0040	0.0037	0.0034
Medicare Fund	0.0037	0.0040	0.0042	0.0040	0.0043	0.0046	0.0045	0.0043	0.0040	0.0035
	<u>\$ 0.2813</u>	<u>\$ 0.3058</u>	<u>\$ 0.3236</u>	<u>\$ 0.3054</u>	<u>\$ 0.3295</u>	<u>\$ 0.3519</u>	<u>\$ 0.3353</u>	<u>\$ 0.3257</u>	<u>\$ 0.2690</u>	<u>\$ 0.2670</u>
Tax extensions:										
Education Fund	\$ 20,634,935	\$ 19,663,418	\$ 19,081,697	\$ 18,525,919	\$ 17,986,329	\$ 17,778,479	\$ 17,058,142	\$ 16,656,412	\$ 14,303,314	\$ 16,321,219
Audit Fund	139,421	132,917	129,046	125,287	121,638	114,643	113,872	107,115	103,306	100,297
Tort Liability Fund	2,807,017	2,676,083	2,598,139	2,522,465	2,448,995	2,413,589	2,383,736	2,325,929	2,347,884	2,279,499
Workers' Compensation Fund	288,138	274,697	266,696	258,928	251,386	252,216	250,520	244,834	244,179	237,067
Unemployment Insurance Fund	65,063	62,028	60,221	58,467	56,764	53,500	53,140	53,557	56,348	54,707
Operations and Maintenance Fund	5,977,244	5,688,892	5,523,196	5,362,326	5,206,142	5,150,774	4,942,078	4,827,834	4,875,128	4,723,123
Life Safety Fund	304,669	309,000	309,000	309,043	300,042	299,633	311,252	306,043	309,000	310,011
Medicare Fund	399,676	381,032	369,934	359,159	348,698	343,930	341,618	328,996	328,703	319,129
	<u>\$ 30,616,163</u>	<u>\$ 29,188,067</u>	<u>\$ 28,337,929</u>	<u>\$ 27,521,594</u>	<u>\$ 26,719,994</u>	<u>\$ 26,406,764</u>	<u>\$ 25,454,358</u>	<u>\$ 24,850,720</u>	<u>\$ 22,567,862</u>	<u>\$ 24,345,052</u>
Fiscal year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Tax collections:										
2020	\$ 15,543,612	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	13,537,636	14,945,345	-	-	-	-	-	-	-	-
2018	(51,461)	13,621,848	14,362,299	-	-	-	-	-	-	-
2017	(155,431)	(64,790)	13,188,536	14,017,283	-	-	-	-	-	-
2016	(112,899)	(185,816)	(116,440)	13,093,749	13,585,367	-	-	-	-	-
2015	(33,985)	(160,420)	(206,944)	(129,363)	12,765,718	13,400,121	-	-	-	-
2014	(9,176)	(24,733)	(186,876)	(228,792)	55,958	12,496,537	12,574,990	-	-	-
2013	(4,748)	(19,484)	(33,610)	(216,708)	(173,733)	192,401	12,917,653	11,482,632	-	-
2012	(4,615)	(8,050)	(17,934)	(73,660)	(98,607)	(141,613)	89,986	9,794,983	12,445,792	-
2011 & Prior	(40,131)	(66,606)	(83,228)	(209,884)	(163,861)	(283,325)	(497,063)	(296,455)	11,450,167	23,464,789
	<u>\$ 28,668,802</u>	<u>\$ 28,037,294</u>	<u>\$ 26,905,803</u>	<u>\$ 26,252,625</u>	<u>\$ 25,970,842</u>	<u>\$ 25,664,121</u>	<u>\$ 25,085,566</u>	<u>\$ 20,981,160</u>	<u>\$ 23,895,959</u>	<u>\$ 23,464,789</u>

Source: Cook County Treasurers Office and College records.

See accompanying independent auditor's report.

TABLE 5

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

Revenue Capacity
Property Tax Rates – Direct and Overlapping Governments (Unaudited)

Taxing Bodies	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
School District 97	\$ 4.327	\$ 5.016	\$ 4.861	\$ 4.489	\$ 5.582	\$ 4.597	\$ 4.403	\$ 4.382	\$ 4.016	\$ 3.596
Oak Park Mental Health										
District	0.081	0.208	0.095	0.091	0.108	0.112	0.108	0.109	0.101	0.093
Village of Oak Park	1.780	2.071	2.137	1.996	2.257	2.062	1.841	1.799	1.563	1.422
Village of Oak Park										
Library Fund	0.481	0.630	0.609	0.565	0.647	0.750	0.739	0.715	0.641	0.557
Park District of Oak Park	0.532	0.628	0.604	0.564	0.654	0.674	0.639	0.633	0.579	0.518
Oak Park Park River Forest										
Consolidated High										
School District 200	2.751	3.250	2.879	2.973	3.531	3.634	2.924	2.951	3.252	3.048
Des Plaines Valley										
MOSQ Abatement Dist	0.012	0.014	0.015	0.015	0.017	0.017	0.016	0.016	0.015	0.014
Metro Water Reclamation										
Dist of Chicago	0.378	0.389	0.396	0.402	0.406	0.426	0.430	0.417	0.370	0.320
Oak Park Township	0.183	0.208	0.185	0.171	0.195	0.199	0.188	0.183	0.164	0.142
General Assistance -										
Oak Park Township	0.007	0.009	0.032	0.030	0.035	0.036	0.035	0.035	0.032	0.029
Consolidated Elections	-	-	-	0.031	-	0.034	-	0.031	-	0.025
Suburban T B Sanitarium	-	-	-	-	-	-	-	-	-	-
Forest Preserve District										
of Cook County	0.058	0.059	0.060	0.062	0.063	0.069	0.069	0.069	0.063	0.058
Cook County Public Safety	0.132	0.134	0.123	0.109	0.109	0.147	0.241	0.219	0.181	0.161
County of Cook	0.272	0.275	0.319	0.327	0.327	0.289	0.296	0.275	0.287	0.223
Cook County Health Facilities	0.049	0.045	0.047	0.060	0.060	0.116	0.031	0.066	0.063	0.078
Total Overlapping Rate	11.043	12.936	12.362	11.885	13.991	13.162	11.960	11.900	11.327	10.284
Triton College	0.281	0.306	0.324	0.306	0.330	0.352	0.336	0.325	0.269	0.267
Total Rate	<u>\$ 11.324</u>	<u>\$ 13.242</u>	<u>\$ 12.686</u>	<u>\$ 12.191</u>	<u>\$ 14.321</u>	<u>\$ 13.514</u>	<u>\$ 12.296</u>	<u>\$ 12.225</u>	<u>\$ 11.596</u>	<u>\$ 10.551</u>
Triton College										
Percentage of Total	<u>2.48%</u>	<u>2.31%</u>	<u>2.55%</u>	<u>2.51%</u>	<u>2.30%</u>	<u>2.60%</u>	<u>2.73%</u>	<u>2.66%</u>	<u>2.32%</u>	<u>2.53%</u>

Source: A local taxpayer's property tax bill.
Tax rates are representative for property in the district.
Tax rates are assessed in dollars per hundred of equalized assessed value.

See accompanying independent auditor's report.

TABLE 6

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

Revenue Capacity
Principal Taxpayers
2020 compared to 2011
(Unaudited)

Name	Type of Business or Property	2020 Equalized Assessed Valuation (1)	Percent of District's Total EAV
Macrerich Ret	Shopping center and Special commercial structure	\$ 128,547,870	1.18%
Westbrk Cntr II Realty	Commercial buildings over three stories	87,928,639	0.81%
Adventus US Realty 12	Commercial buildings and one story public garage	83,496,476	0.77%
Co Prologis Re Tax	Industrial building	67,962,557	0.62%
Albertsons	Supermarket and drug store chain - numerous properties	52,020,603	0.48%
Target Prop Tax 837	Retail stores	46,326,502	0.43%
Centerpoint Properties/ CV II Illinois LLC	Industrial Buildings	45,838,818	0.42%
Microsoft Corp	Industrial Building	45,031,307	0.41%
AGWOA Columbia Ctr III	Commercial building over three stories and one story public garage	41,827,802	0.38%
Wintrust GI Mgt Dept	Commercial buildings	<u>39,062,244</u>	<u>0.36%</u>
		<u>\$ 638,042,818</u>	<u>5.86%</u>

(1) Includes property parcels with 2020 equalized assessed valuations of approximately \$100,000 and over.

Source: Offices of the Cook County Clerk and Assessor

See accompanying independent auditor's report.

(Continued)

TABLE 6

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Revenue Capacity
Principal Taxpayers
2020 compared to 2011
(Unaudited)

<u>Name</u>	<u>Type of Business or Property</u>	<u>2011 Equalized Assessed Valuation (1)</u>	<u>Percent of District's Total EAV</u>
Long Ridge Office LP	Commercial buildings over three stories	\$ 96,616,754	1.06%
Property Tax Department	One -story public parking garage and industrial and commercial properties	69,408,883	0.76%
Hyatt Corp.	Hyatt Regency O'Hare Hotel	57,793,234	0.63%
Centerpoint Properties & Trust	Numerous industrial properties	56,367,655	0.62%
North Riverside Park Assoc.	Shopping center	53,029,113	0.58%
Albertson's Property Tax	Supermarket and drug store chain - numerous properties	38,754,344	0.43%
Target Corp	Discount department stores	37,874,140	0.42%
IQ12 The Weston O'Hare	Hotel	30,863,468	0.34%
Realty Assoc Fund VII	Industrial properties	32,477,846	0.36%
Microsoft Corp Co. DMA	Commercial buildings over three stories	<u>28,026,625</u>	<u>0.31%</u>
		<u>\$ 501,212,062</u>	<u>5.51%</u>

(1) Includes property parcels with 2011 equalized assessed valuations over approximately \$600,000 and over.

Source: Offices of the Cook County Clerk and Assessor

TABLE 7

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Revenue Capacity
Property Tax Levies and Collections (Unaudited)

Levy Year	Assessed Valuation	Direct Tax Rate	Total Tax levy	Levy year taxes collected	Percent of levy collected	Delinquent taxes collected (refunded)	Total taxes collected	Collected to total tax levy
2020	\$ 10,882,512,735	\$ 0.2813	\$ 30,616,163	\$ 15,543,612	50.77%	\$ -	\$ 15,543,612	50.77%
2019	9,542,801,271	0.3059	29,188,067	28,482,981	97.58%	-	28,482,981	97.58%
2018	8,759,092,089	0.3235	28,337,929	27,984,147	98.75%	(51,461)	27,932,686	98.57%
2017	9,012,128,450	0.3054	27,521,594	27,205,819	98.85%	(220,221)	26,985,598	98.05%
2016	8,109,255,966	0.3295	26,719,994	26,679,116	99.85%	(415,155)	26,263,961	98.29%
2015	7,505,068,738	0.3519	26,406,764	26,165,839	99.09%	(530,712)	25,635,127	97.08%
2014	7,591,518,565	0.3353	25,454,358	25,071,527	98.50%	(393,619)	24,677,908	96.95%
2013	7,651,085,389	0.3248	24,850,720	24,400,285	98.19%	(255,882)	24,144,403	97.16%
2012	8,396,718,635	0.2688	22,567,862	22,240,775	98.55%	(254,493)	21,986,282	97.42%
2011	9,117,999,953	0.2670	24,345,052	23,914,073	98.23%	(286,482)	23,627,591	97.05%

Property taxes in Cook County, Illinois are levied on a calendar year (January 1-December 31) and are due in two installments.

Source: Property Tax Distributions and College's general ledger

See accompanying independent auditor's report.

TABLE 8

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Revenue Capacity
Enrollment, Tuition and Fee Rates, Credit Hours, and Tuition and Fee Revenues Generated
(Unaudited)

Fiscal Year	Following Fall Term 10th Day Enrollment		----- Tuition and Fee Rates -----			Total Semester Credit Hours Generated	Tuition & Fee Revenue
	Full Time Equivalent	Headcount Credit Courses	In District Tuition and Fees per Semester Hour	Out of District Tuition and Fees per Semester Hour	Out of State Tuition and Fees per Semester Hour		
2021	4,877	9,716	\$149.00	\$362.69	\$450.78	140,169	\$25,458,048
2020	4,844	9,192	144.00	349.35	434.06	158,767	27,229,544
2019	5,414	10,592	139.00	336.53	417.98	165,696	27,978,551
2018	5,824	11,627	134.00	324.20	402.52	162,583	28,048,704
2017	5,885	11,791	129.00	312.32	387.65	165,845	27,516,801
2016	6,098	12,389	129.00	312.32	387.65	164,862	27,849,910
2015	6,149	12,645	123.00	312.35	387.65	171,918	28,015,336
2014	6,416	13,223	118.00	283.80	352.10	181,056	26,429,490
2013	6,354	12,819	113.00	283.80	352.10	218,604	25,098,965
2012	7,639	15,025	106.33	257.14	319.09	230,810	24,722,817

Data Sources: Triton College records and Annual Comprehensive Financial Reports
See accompanying independent auditor's report.

TABLE 9

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Debt Capacity
Ratio of Net General Obligation Bonded Debt to
Assessed Value and Net General Obligation Bonded Debt per Capita
(Unaudited)

Fiscal Year	General Obligation Bonds (1)	Debt Certificate Series 2017	Capital Leases	Total Debt	District 504 Estimated Actual Taxable Property Value	Percentage of Net General Bonded Debt to Estimated Actual Taxable Property Value		Population	Net General Debt Per Capita
						Actual Taxable Property Value	Population		
2021	\$42,801,722	\$3,387,400	\$ 34,019	\$46,223,141	\$32,647,538,205	0.131%	332,937	\$138.83	
2020	44,187,605	3,487,400	62,603	47,737,608	28,628,403,813	0.154%	332,937	143.38	
2019	46,182,599	3,587,400	24,907	49,794,906	26,277,276,267	0.176%	332,937	149.56	
2018	48,099,249	3,687,400	55,123	51,841,772	27,036,385,350	0.178%	332,937	155.71	
2017	49,957,912	-	57,779	50,015,691	24,327,767,898	0.205%	332,937	150.23	
2016	51,758,930	-	121,359	51,880,289	22,515,206,214	0.230%	332,937	155.83	
2015	53,525,951	-	354,900	53,880,851	22,953,256,167	0.233%	332,937	161.83	
2014	-	-	1,228,080	1,228,080	25,190,155,905	0.000%	332,937	3.69	
2013	-	-	2,027,147	2,027,147	27,353,999,859	0.000%	332,937	6.09	
2012	-	-	2,024,768	2,024,768	27,353,999,859	0.000%	332,937	6.08	

Data Sources: Triton College records, Annual Comprehensive Financial Reports, and Cook County records

Notes:

- (1) Balances include current and non-current portions of bond principal outstanding
- (2) Amounts equal net position restricted for debt service per ACFR Statement of Net Position
- (3) Details of the College's outstanding debt can be found in the notes to the financial statements

See accompanying independent auditor's report.

TABLE 10

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Debt Capacity
Pledged Revenue Coverage - Series 2014, 2015, 2020A, 2020B, and 2020C Bonds
Last Ten Fiscal Years (1)
(Unaudited)

Fiscal Year Ending June 30	Restricted Pledged Revenues	Principal and Interest	Coverage
2021	\$ 5,124,835	\$ 3,595,422	1.43
2020	4,872,340	3,669,785	1.33
2019	4,282,340	3,668,985	1.17
2018	6,734,597	1,989,385	3.39
2017	1,929,185	2,038,285	0.95
2016	1,262,019	2,078,035	0.61
2015	5,610,799	1,226,836	4.57

Data Source: Triton College records

Notes:

(1) Series 2014 General Obligation Bonds (Alternate Revenue Source) were issued October 16, 2014. Series 2015 General Obligation Bonds (Alternate Revenue Source) were issued January 5, 2015. Series 2020A and 2020B General Obligation Bonds (Alternate Revenue Source) were issued November 16, 2020 and currently refunded the Series 2015 bonds. Series 2020C General Obligation Bonds (Alternate Revenue Source) were issued December 30, 2020 and advance refunded a portion of the Series 2014 bonds.

(2) Details of the College's outstanding debt can be found in the notes to the financial statements.

See accompanying independent auditor's report.

TABLE 11

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

Demographic and Economic Information
Computation of Direct and
Overlapping General Obligation Bonded Debt (Unaudited)
(As of June 30, 2021)

<u>Taxing District*</u>	Outstanding		<u>Applicable to District</u>	
	<u>Bonds</u>		<u>Percent</u>	<u>Amount</u>
Cook County	\$	2,596,351,750	6.238%	\$ 161,960,422
Cook County Forest Preserve		130,570,000	6.238%	8,144,957
Metropolitan Water Reclamation District		2,694,934,289 (1)	6.346%	171,020,530
Municipalities:				
Village of Bellwood		77,260,000	100.000%	77,260,000
Village of Bensenville		208,800 (2)(4)	5.111%	10,672
Village of Berkeley		520,000	100.000%	520,000
Village of Broadview		1,050,000 (2)	100.000%	1,050,000
Village of Brookfield		16,955,000 (2)	57.779%	9,796,429
Village of Elmwood Park		20,765,000	100.000%	20,765,000
Village of Forest Park		- (2)	100.000%	-
Village of Franklin Park		- (2)(4)	100.000%	-
Village of Harwood Heights		7,165,367 (1)	100.000%	7,165,367
Village of Hillside		4,950,000	100.000%	4,950,000
Village of LaGrange Park		6,325,000 (2)	11.753%	743,377
Village of Lyons		3,510,000 (2)(4)	4.264%	149,666
Village of Maywood		2,620,000	100.000%	2,620,000
Village of Melrose Park		3,737,344 (2)(4)	100.000%	3,737,344
City of Northlake		18,265,000 (5)	100.000%	18,265,000
Village of North Riverside		- (2)(4)	100.000%	-
Village of Oak Park		98,215,000	100.000%	98,215,000
Village of River Forest		262,500	100.000%	262,500
Village of River Grove		11,365,000	100.000%	11,365,000
Village of Riverside		3,411,000 (2)	100.000%	3,411,000
Village of Rosemont		140,415,000 (4)	82.978%	116,513,559
Village of Schiller Park		9,110,205 (3)	100.000%	9,110,205
Village of Stone Park		17,000,000	100.000%	17,000,000
Village of Westchester		16,525,000 (2)	100.000%	16,525,000
Fire District:				
Leyden Fire Protection District		1,394,925	100.000%	1,394,925
Libraries:				
Broadview Public Library		2,680,000	100.000%	2,680,000
Eisenhower Public Library		- (4)	100.000%	-
Northlake Public Library		2,630,000	100.000%	2,630,000
Park Districts:				
Bensenville Park District		1,212,230 (2)	7.128%	86,408
Broadview Park District		277,155	100.000%	277,155
Community Park District of LaGrange Park		1,590,000	11.753%	186,873
Elmhurst Park District		4,870,000 (2)(4)	0.072%	3,506
Forest Park Park District		227,495 (2)	100.000%	227,495
Park District of Franklin Park		1,076,675	100.000%	1,076,675
Maywood Park District		- (4)	100.000%	-
Memorial Park District		664,000 (2)	100.000%	664,000
Norridge Park District		600,000	100.000%	600,000
Oak Brook Park District		17,408,204 (3)	0.059%	10,271
Oak Park Park District		- (2)	100.000%	-
Rosemont Park District		739,000	82.000%	605,980
Veterans Park District		899,585 (2)	100.000%	899,585
Westchester Park District		579,505 (2)	100.000%	579,505

TABLE 11

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

Demographic and Economic Information
Computation of Direct and
Overlapping General Obligation Bonded Debt (Unaudited)
(As of June 30, 2021)

Taxing District*	Outstanding Bonds	Applicable to District	
		Percent	Amount
School Districts:			
#78	\$ 34,430,000	99.999%	\$ 34,429,656
#79	4,385,000	99.766%	4,374,739
#80	1,880,000	100.000%	1,880,000
#81	51,530,000	100.000%	51,530,000
#83	32,080,000	100.000%	32,080,000
#84	12,126,037 (3)	100.000%	12,126,037
#84 1/2	4,775,000	100.000%	4,775,000
#85 1/2	6,415,000	100.000%	6,415,000
#86	1,486,652 (3)	100.000%	1,486,652
#87	90,630,000	100.000%	90,630,000
#88	37,653,280 (3)(4)	100.000%	37,653,280
#89	8,967,504 (2)(3)	100.000%	8,967,504
#90	5,200,000	100.000%	5,200,000
#92	795,000	100.000%	795,000
#92 1/2	12,650,000	100.000%	12,650,000
#93	3,470,000	100.000%	3,470,000
#94	25,825,000	100.000%	25,825,000
#95	21,355,000 (2)	100.000%	21,355,000
#96	- (4)	100.000%	-
#97	48,245,000	100.000%	48,245,000
#205-CUSD	197,544,508 (3)(4)	0.032%	63,214
#401-CUSD	58,920,000	100.000%	58,920,000
High School Districts:			
#200	- (4)	100.000%	-
#207	120,325,000	3.269%	3,933,424
#208	27,675,000	100.000%	27,675,000
#209	70,045,000	100.000%	70,045,000
#212	24,400,000	100.000%	24,400,000
#234	20,790,000	100.000%	20,790,000
OVERLAPPING GENERAL OBLIGATION BONDED DEBT			<u>\$ 1,382,197,912</u>
Triton College	46,189,122	100.000%	<u>46,189,122</u>
Total Direct Debt			<u>46,189,122</u>
Total Direct and Overlapping Debt			<u>\$ 1,428,387,034</u>

* Tax Year 2020 Equalized Assessed Valuations were used in this statement.

- (1) Includes IEPA Revolving Loan Fund Bonds.
- (2) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.
- (3) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.
- (4) Excludes Installment Contracts, Debt Certificates, Notes and Self-supporting Bonds.
- (5) Includes Self-supporting Bonds.

Sources: Offices of the Cook County Clerk, Comptroller and Treasurer of the Metropolitan Water Reclamation District

See accompanying independent auditor's report.

TABLE 12

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

Demographic and Economic Information
Principal Employers
2021 and 2012

2021		
EMPLOYER	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
Loyola University Health System	6,840	5.4%
Cook County Sherrif's Office	1,200	1.0%
US Foods, Inc.	1,350	1.1%
Gottlieb Memorial Hospital	1,120	0.9%
Amazon Fulfillment Center	1,100	0.9%
Triton College	1,043	0.8%
West Suburban Medical Center	1,000	0.8%
Keurig Dr. Pepper, Inc.	975	0.8%
Fresenius Kabi USA	900	0.7%
Rush Oak Park Hospital	817	0.6%
The Hill Group	800	0.6%
Ingredion, Inc. (HQ)	800	0.6%
Ferrero USA Inc. (Purchased Nestle in 2018)	750	0.6%
Life Fitness Mfg.	750	0.6%
Sloan Valve Co.	600	0.5%

*The total number of persons employed in Triton College District 504 in calendar year 2020 is estimated to be - 125,805

2012		
EMPLOYER	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT*
Loyola University Health System	7,000	4.5%
CommScope, Inc.	2,000	1.3%
Navistar Inc.	1,700	1.1%
West Suburban Medical Center	1,500	1.0%
Triton College	1,304	0.8%
Gottlieb Memorial Hospital	1,200	0.8%
Cook County Sherrif's Office	1,065	0.7%
American Procurement SVU	1,000	0.6%
Borg Warner, Inc.	1,000	0.6%
Keurig Dr. Pepper, Inc.	975	0.6%
Promaco, Inc.	950	0.6%
The Hill Mechanical Group	900	0.6%
Fresenius Kabi USA	900	0.6%
Rush Oak Park Hospital	816	0.5%
Westlake Hospital	800	0.5%
Nestle USA	800	0.5%

*The total number of persons employed in Triton College District 504 in calendar year 2012 is estimated to be - 156,342

Information Sources:

2012 Illinois Manufacturers and 2012 Illinois Services Directories
Illinois Department of Commerce & Economic Opportunity
Village Records / School District Records
Employer Website
A to Z Database - Business Edition

See accompanying independent auditor's report.

TABLE 13

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 504**

Debt Capacity
Legal Debt Margin Information
(Unaudited)

Fiscal Year	Assessed Value	Debt Limit Rate	Debt Limit (Assessed Value X Debt Limit Rate)	Net Debt Applicable to Debt Limit	Legal Debt Margin	Net Debt Applicable to Debt Limit as a Percentage of Debt Limit
2021	\$ 10,882,512,735	2.875%	\$ 312,872,241	\$ 42,801,722	\$ 270,070,519	13.68%
2020	9,542,801,271	2.875%	274,355,537	44,187,605	230,167,932	16.11%
2019	8,759,092,089	2.875%	251,823,898	46,182,599	205,641,299	18.34%
2018	9,012,128,450	2.875%	259,098,693	48,099,249	210,999,444	18.56%
2017	9,012,128,450	2.875%	259,098,693	49,957,912	210,999,444	18.56%
2016	8,109,255,966	2.875%	233,141,109	51,758,930	183,183,197	21.43%
2015	7,591,518,565	2.875%	218,256,159	53,525,951	164,730,208	23.99%
2014	7,651,085,389	2.875%	219,968,705	-	219,968,705	0.00%
2013	8,396,718,635	2.875%	241,405,661	-	241,405,661	0.00%
2012	9,117,999,953	2.875%	262,142,499	-	262,142,499	0.00%

Data Sources: Triton College records, Annual Comprehensive Financial Reports, and Cook County records

See accompanying independent auditor's report.

TABLE 14

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Economic and Demographic
District Income (Unaudited)

Total district annual income	\$9,292,513,643
District per capita income	\$29,164

Data Source: 2010 census
See accompanying independent auditor's report.

TABLE 15

Operating Information
Employee Data (Unaudited)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Faculty										
Full Time	104	107	108	111	117	122	119	117	111	118
Part Time	546	567	604	541	546	589	617	652	618	607
Administrators	35	37	32	33	43	45	43	38	41	38
Mid-management	93	93	89	86	81	81	72	70	67	66
Classified Staff	156	162	157	160	171	181	177	177	183	179
Part-Time	235	303	310	258	238	247	246	283	284	268
Total Employees	<u>1,169</u>	<u>1,269</u>	<u>1,300</u>	<u>1,189</u>	<u>1,196</u>	<u>1,265</u>	<u>1,274</u>	<u>1,337</u>	<u>1,304</u>	<u>1,276</u>

Data Source: College records
See accompanying independent auditor's report.

TABLE 16

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Operating Information
Student Enrollment Demographic Statistics
Head Count and Full Time Equivalents (Unaudited)
Fall Term

Year	Head count	Full time equivalent	Gender		Attendance			Enrollment status		In-District residency %	Median Age
			Male	Female	Full time	Part time	Continuing	New	Re-admit		
FY 22 Fall 2021	9,716	4,877	5,308	4,408	2,608	7,108	7,106	2,610	N/A	76.9%	22
FY 21 Fall 2020	9,192	4,844	4,006	5,186	2,588	6,604	6,858	2,334	N/A	73.0	22
FY 20 Fall 2019	10,592	5,414	4,649	5,943	2,915	7,677	8,039	2,553	N/A	76.0	23
FY 19 Fall 2018	11,627	5,824	5,094	6,533	3,069	8,558	8,603	3,024	N/A	76.0	23
FY 18 Fall 2017	11,791	5,885	6,596	5,195	3,152	8,639	8,872	2,919	N/A	75.2	23
FY 17 Fall 2016	12,389	6,098	5,360	7,029	3,258	9,131	9,175	3,214	N/A	73.8	24
FY 16 Fall 2015	12,645	6,149	5,532	7,113	3,308	9,337	9,493	3,152	N/A	77.4	24
FY 15 Fall 2014	13,223	6,416	5,869	7,354	3,134	9,459	10,283	2,938	N/A	74.5	24
FY 14 Fall 2013	12,819	6,354	5,763	7,056	3,443	9,376	9,659	3,160	N/A	74.6	25
FY 13 Fall 2012	15,025	7,639	6,351	8,673	4,071	10,953	8,784	3,626	2,164	74.9	26

Source: College records

See accompanying independent auditor's report.

TABLE 17

**TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504**

Operating Information
Student Enrollment Demographic Statistics
Credit Hours (Unaudited)

Year	Baccalaureate	Business occupational	Technical occupational	Health occupational	Remedial development	Adult basic secondary education	Total
2021	80,829	8,616	20,354	10,251	9,818	10,301	140,169
2020	85,894	10,367	22,040	9,795	12,581	18,090	158,767
2019	89,375	9,942	19,590	10,511	16,982	19,296	165,696
2018	92,204	7,908	17,496	11,392	16,237	17,347	162,584
2017	94,088	8,684	18,416	11,501	16,593	16,563	165,845
2016	99,068	9,469	17,687	10,604	15,117	12,917	164,862
2015	98,531	10,944	17,483	10,488	17,242	17,230	171,918
2014	100,846	11,526	17,467	10,592	18,177	22,448	181,056
2013	121,932	12,759	18,266	11,893	23,832	29,922	218,604
2012	127,716	13,831	20,136	12,355	23,262	33,510	230,810

Source: College records
See accompanying independent auditor's report.

TABLE 18

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

Operating Information
Building Data (Unaudited)

Year Built	Building Name	sq ft. (gross floor area)
1965	Advanced Technology	44,923
1968	Business	48,726
1968	Health	48,726
1968	Job Training & Police	21,434
1968	Technology / H Building	74,700
1969	Fine Arts	39,216
1969	Liberal Arts	48,726
1969	Physical Plant	22,230
1969	Science	48,726
1972	College Center	76,085
1973	Learning Resource Center	126,589
1978	Bookstore	16,160
1980	Industrial Careers	83,620
1981	Stadium	3,353
1981	Robert M. Collings	126,055
1982	Business & Professional Development	7,031
1984	Cernan Earth & Space	13,354
1994	Physical Plant Storage	3,500
1998	CO-Gen East Campus	1,364
2000	CO-Gen West Campus	1,440
		<u>855,958</u>

See accompanying independent auditor's report.

TABLE 19

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

Operating Information
Capital Asset Statistics
(Unaudited)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Capital Asset Type:</u>										
Land	\$ 7,652,604	\$ 7,652,604	\$ 7,652,604	\$ 7,652,604	\$ 3,961,072	\$ 3,961,072	\$ 3,961,072	\$ 3,961,072	\$ 3,961,072	\$ 3,961,072
Land improvements	32,448,107	32,448,107	32,347,938	32,107,406	30,962,237	30,217,398	4,255,727	3,558,564	3,187,188	3,067,511
Buildings and building improvements	100,274,556	100,274,556	98,285,029	94,351,560	84,298,484	82,088,607	61,550,484	61,550,484	60,649,244	58,683,017
Construction in progress	507,014	-	1,731,429	4,711,805	13,243,255	3,575,014	29,828,675	6,512,052	767,842	261,514
Furniture and equipment	18,533,883	18,701,924	18,358,422	17,972,128	17,790,910	18,328,466	19,137,482	18,951,795	18,943,619	16,370,005
Software	2,284,167	2,284,167	2,284,167	2,284,167	2,284,167	2,284,167	2,284,167	2,284,167	2,284,167	2,958,181
Total Capital Assets	<u>\$ 161,700,331</u>	<u>\$ 161,361,358</u>	<u>\$ 160,659,589</u>	<u>\$ 159,079,670</u>	<u>\$ 152,540,125</u>	<u>\$ 140,454,724</u>	<u>\$ 121,017,607</u>	<u>\$ 96,818,134</u>	<u>\$ 89,793,132</u>	<u>\$ 85,301,300</u>
Accumulated Depreciation	<u>82,566,271</u>	<u>77,359,310</u>	<u>72,128,675</u>	<u>67,649,064</u>	<u>64,065,537</u>	<u>59,849,317</u>	<u>60,886,800</u>	<u>58,392,827</u>	<u>56,797,406</u>	<u>54,061,786</u>
Net Capital Assets	<u>\$ 79,134,060</u>	<u>\$ 84,002,048</u>	<u>\$ 88,530,914</u>	<u>\$ 91,430,606</u>	<u>\$ 88,474,588</u>	<u>\$ 80,605,407</u>	<u>\$ 60,130,807</u>	<u>\$ 38,425,307</u>	<u>\$ 32,995,726</u>	<u>\$ 31,239,514</u>

Data Source: College records

See accompanying independent auditor's report.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
 All Funds Summary
 Uniform Financial Statement Number 1
 Fiscal year ended June 30, 2021

	Education Fund	O & M Fund	O & M Restricted Fund	Bond and Interest Fund	Auxiliary Enterprises Fund	Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability Protection and Settlement Fund	Total
Fund balance at June 30, 2020	\$ 9,880,442	\$ (466,731)	\$ 78,031	\$ 8	\$ (1,488,168)	\$ (491,997)	\$ 10,482,913	\$ 168,020	\$ 1,127,230	\$ 19,289,748
Revenues:										
Local tax revenue	22,459,260	5,634,393	296,131	-	-	-	-	131,602	3,358,468	31,879,854
Bond proceeds	-	-	-	38,525,905	-	-	-	-	-	38,525,905
All other local tax revenue	-	-	-	-	-	636	-	-	-	636
ICCB grants	4,506,982	1,143,261	-	-	-	1,049,231	-	-	-	6,699,474
All other state revenue	-	-	24,336	-	-	3,344,895	-	-	-	3,369,231
Federal revenue	4,451,015	355,428	-	-	566,640	23,621,078	-	-	-	28,994,161
Student tuition and fees	21,436,957	1,977,094	-	-	1,027,227	1,016,770	-	-	-	25,458,048
All other revenue	939,162	2,009,985	2,403	-	246,868	450,934	53	76	36	3,649,517
SURS and CIP Contribution	-	-	-	-	-	30,416,659	-	-	-	30,416,659
CCHISF Contribution	-	-	-	-	-	(26,308)	-	-	-	(26,308)
Total revenues	<u>53,793,376</u>	<u>11,120,161</u>	<u>322,870</u>	<u>38,525,905</u>	<u>1,840,735</u>	<u>59,873,895</u>	<u>53</u>	<u>131,678</u>	<u>3,358,504</u>	<u>168,967,177</u>
Expenditures by Program:										
Instruction	15,353,194	-	-	-	-	15,691,273	-	-	-	31,044,467
Academic support	4,995,178	-	-	-	-	4,903,904	-	-	-	9,899,082
Student services	5,009,191	-	-	-	-	6,638,493	-	-	-	11,647,684
Public services	1,133,632	-	-	-	-	1,233,743	-	-	-	2,367,375
Auxiliary services	-	-	-	-	2,278,602	1,330,433	-	-	-	3,609,035
Operations and maintenance	-	8,950,753	653,915	-	68,567	3,495,650	-	-	-	13,168,885
Institutional support	11,383,453	-	-	42,309,737	-	11,534,879	-	104,356	3,180,086	68,512,511
Scholarships and student grants	4,222,228	-	-	-	-	14,664,340	-	-	-	18,886,568
Total expenditures	<u>42,096,876</u>	<u>8,950,753</u>	<u>653,915</u>	<u>42,309,737</u>	<u>2,347,169</u>	<u>59,492,715</u>	<u>-</u>	<u>104,356</u>	<u>3,180,086</u>	<u>159,135,607</u>
Transfers	(5,892,401)	(15,945)	563,867	3,856,311	1,488,168	-	-	-	-	-
Fund balance at June 30, 2021	<u>\$ 15,684,541</u>	<u>\$ 1,686,732</u>	<u>\$ 310,853</u>	<u>\$ 72,487</u>	<u>\$ (506,434)</u>	<u>\$ (110,817)</u>	<u>\$ 10,482,966</u>	<u>\$ 195,342</u>	<u>\$ 1,305,648</u>	<u>\$ 29,121,318</u>

See accompanying independent auditor's report.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
Summary of Capital Assets and Long Term Debt
Uniform Financial Statement Number 2
Fiscal year ended June 30, 2021

	Capital asset/ Long term debt			Capital asset/ Long term debt
	June 30, 2020	Additions	Deletions	June 30, 2021
Capital assets:				
Sites and improvements	\$ 40,100,711	\$ -	\$ -	\$ 40,100,711
Buildings, additions, and improvements	100,274,556	-	-	100,274,556
Construction work in progress	-	507,014	-	507,014
Equipment, furniture, and machinery	20,986,091	218,050	(386,091)	20,818,050
Capital assets	161,361,358	725,064	(386,091)	161,700,331
Accumulated depreciation	(77,359,310)	(5,593,052)	386,091	(82,566,271)
Net capital assets	\$ 84,002,048	\$ (4,867,988)	\$ -	\$ 79,134,060
Long term debt:				
Capitalized lease obligations	\$ 62,603	\$ -	\$ (28,584)	\$ 34,019
General obligation bonds	47,675,005	38,525,907	(40,011,790)	46,189,122
Total long-term liabilities	\$ 47,737,608	\$ 38,525,907	\$ (40,040,374)	\$ 46,223,141

The College has no tax anticipation warrants or notes outstanding at June 30, 2021.
See accompanying independent auditor's report.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
Operating Funds Revenues and Expenditures
Uniform Financial Statement Number 3
Fiscal year ended June 30, 2021

	<u>Education Fund</u>	<u>O&M Fund</u>	<u>Total Operating</u>
Operating revenues by source:			
Local government:			
Local taxes	\$ 19,463,749	\$ 5,634,393	\$ 25,098,142
Corporate personal property replacement taxes	2,995,511	-	2,995,511
Total local government	<u>22,459,260</u>	<u>5,634,393</u>	<u>28,093,653</u>
State government:			
ICCB Credit Hour Grants	3,981,574	1,143,261	5,124,835
ICCB Career and Technical Education	525,408	-	525,408
Total state government	<u>4,506,982</u>	<u>1,143,261</u>	<u>5,650,243</u>
Federal government	<u>4,451,015</u>	<u>355,428</u>	<u>4,806,443</u>
Student tuition and fees:			
Tuition	21,140,099	1,977,094	23,117,193
Fees	296,858	-	296,858
Total student tuition and fees	<u>21,436,957</u>	<u>1,977,094</u>	<u>23,414,051</u>
Other sources:			
Sales and service fees	204,994	-	204,994
Facilities revenue	-	1,943,991	1,943,991
Interest on investments	12,983	37,101	50,084
Other – miscellaneous	721,185	28,893	750,078
Total other sources	<u>939,162</u>	<u>2,009,985</u>	<u>2,949,147</u>
Total fiscal year 2021 revenue	<u>53,793,376</u>	<u>11,120,161</u>	<u>64,913,537</u>
Less nonoperating items*:			
Tuition charge-back revenue	-	-	-
Adjusted revenue	<u>\$ 53,793,376</u>	<u>\$ 11,120,161</u>	<u>\$ 64,913,537</u>

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

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
Operating Funds Revenues and Expenditures
Uniform Financial Statement Number 3
Fiscal year ended June 30, 2021

	<u>Education Fund</u>	<u>O&M Fund</u>	<u>Total Operating</u>
Operating expenditures:			
Instruction	\$ 15,353,194	\$ -	\$ 15,353,194
Academic support	4,995,178	-	4,995,178
Student services	5,009,191	-	5,009,191
Public services	1,133,632	-	1,133,632
Operation and maintenance	-	8,950,753	8,950,753
Institutional support	11,383,453	-	11,383,453
Scholarships, grants, waivers	4,222,228	-	4,222,228
Total operating expenditures by program	<u>42,096,876</u>	<u>8,950,753</u>	<u>51,047,629</u>
Non-Operating Items:			
Transfers	<u>5,892,401</u>	<u>15,945</u>	<u>5,908,346</u>
Total adjusted expenditures by program	<u>\$ 47,989,277</u>	<u>\$ 8,966,698</u>	<u>\$ 56,955,975</u>
By object:			
Salaries	\$ 28,602,113	\$ 4,207,048	\$ 32,809,161
Employee benefits	5,338,538	834,193	6,172,731
Contractual services	2,010,068	1,345,489	3,355,557
General materials and supplies	1,783,795	643,720	2,427,515
Conference and meeting expense	64,582	3,048	67,630
Fixed charges	43,206	29,512	72,718
Utilities	-	1,887,743	1,887,743
Capital outlay	7,075	-	7,075
Other	<u>4,247,499</u>	<u>-</u>	<u>4,247,499</u>
Total operating expenditures by object	<u>42,096,876</u>	<u>8,950,753</u>	<u>51,047,629</u>
Non-Operating Items:			
Transfers	<u>5,892,401</u>	<u>15,945</u>	<u>5,908,346</u>
Total adjusted expenditures by object	<u>\$ 47,989,277</u>	<u>\$ 8,966,698</u>	<u>\$ 56,955,975</u>

See accompanying independent auditor's report.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
 Restricted Purpose Fund Revenues and Expenditures
 Uniform Financial Statement Number 4
 Fiscal year ended June 30, 2021

	Restricted Purposes Fund
Revenue by source:	
Local government:	
Leyden Township	\$ <u>636</u>
State government:	
ICCB – Adult Education Grant	1,049,231
MAP - Monetary Award Program	1,803,970
Other	1,540,925
Total state government	<u>4,394,126</u>
Federal government:	
U.S. Department:	
Dept of Education	22,864,637
Dept of Labor	212,923
Other	543,518
Total federal government	<u>23,621,078</u>
Other sources:	
Tuition and fees	1,016,770
Other	450,934
SURS & CIP Contribution	30,416,659
CCHISF Contribution	(26,308)
Total other sources	<u>31,858,055</u>
Total restricted purposes fund revenues	<u>\$ <u>59,873,895</u></u>

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
 Restricted Purpose Fund Revenues and Expenditures
 Uniform Financial Statement Number 4
 Fiscal year ended June 30, 2021

	Restricted Purposes Fund
Restricted purposes fund expenditures, by program:	
Instruction	\$ 15,691,273
Academic support	4,903,904
Student services	6,638,493
Public services	1,233,743
Auxiliary services	1,330,433
Operations and maintenance	3,495,650
Institutional support	11,534,879
Scholarships and student grants	14,664,340
Total restricted purposes fund expenditures, by program	\$ 59,492,715
Restricted purposes fund expenditures, by object:	
Salaries	\$ 3,201,118
Employee benefits	248,857
Contractual services	2,187,388
General materials and supplies	1,585,589
Travel and conference/meeting expenses	75,002
Fixed charges	17,942
Capital outlay	210,975
Other	21,575,494
SURS and CIP Contribution	30,416,659
CCHISF Contribution	(26,309)
Total restricted purposes fund expenditures, by object	\$ 59,492,715

See accompanying independent auditor's report.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

Current Funds* – Expenditures by Activity
Uniform Financial Statement Number 5
Fiscal year ended June 30, 2021

Instruction:		
Instructional programs		\$ 31,044,467
Total instruction		<u>31,044,467</u>
Academic support:		
Library center		1,988,982
Academic computing support		963,383
Academic administration and planning		4,548,657
Other		2,398,060
Total academic support		<u>9,899,082</u>
Student services:		
Admission and records		2,021,543
Counseling and career services		5,450,077
Financial aid administration		1,797,384
Other		2,378,680
Total student services		<u>11,647,684</u>
Public services:		
Community education		964,034
Customized training		1,049,069
Community services		203,879
Other		150,393
Total public services		<u>2,367,375</u>
Organized research		<u>-</u>
Auxiliary services		<u>3,609,035</u>
Operations and maintenance of plant:		
Maintenance		6,384,701
Custodial services		1,011,951
Grounds		1,027,056
Campus security		1,867,934
Utilities		1,884,463
Administration		174,925
Other		163,940
Total operations and maintenance of plant		<u>12,514,970</u>

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

Current Funds* – Expenditures by Activity
Uniform Financial Statement Number 5

Fiscal year ended June 30, 2021

Institutional support:	
Executive management	\$ 4,804,620
Fiscal operations	1,834,778
Community relations	1,621,306
Administrative support	2,785,136
Board of trustees	19,630
General Institutional	11,066,833
Institutional research	725,722
Administrative data processing	2,428,328
Other	916,421
Total institutional support	26,202,774
Scholarships, student grants, and waivers	18,886,568
Total current funds expenditures	\$ 116,171,955

* Current Funds include Education, Operations and Maintenance, Auxiliary Enterprises, Restricted Purposes, Audit, Liability, Protection and Settlement, and Public Building Commission Operations and Maintenance Funds

See accompanying independent auditor's report.

Independent Auditor's Report

The Board of Trustees
Triton College – Community College District No. 504:

Report on the Financial Statements

We have audited the accompanying balance sheets of the Triton College – Community College District No. 504 (the College) State Adult Education (State Basic and State Performance) and Transitional Math Program (Grant Programs) as of June 30, 2021 and the related statements of revenues, expenditures, and changes in fund balances for the year then ended, and the related notes to the financial statements, which collectively comprise the Grant Programs' financial statements.

Management's Responsibility 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; this includes 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 Responsibility

Our responsibility is express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the guidelines of the Illinois Community College Board *Fiscal Management Manual*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the College's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College's State Adult Education (State Basic and State Performance) and Transitional Math Programs as of June 30, 2021, and the respective revenues, expenditures, and changes in fund balances for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the College's State Adult Education (State Basic and State Performance) and Transitional Math Programs and do not purport to, and do not, present fairly the financial position of Triton College – Community College District No. 504, as of June 30, 2021, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Grant Programs' financial statements. The supplementary information included on page 92 and the background information are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information included on page 92 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information included on page 92 is fairly stated, in all material respects, in relation to the financial statements as a whole.

The background information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2021 on our consideration of the Grant Programs' 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 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 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 Grant Programs' internal control over financial reporting and compliance.

Crowe LLP

Crowe LLP

Oak Brook, Illinois
November 16, 2021

**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of State Grant Program Financial
Statements Performed in Accordance With *Government Auditing Standards***

The Board of Trustees
Triton College – Community College District No. 504:

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 and the guidelines of the Illinois Community College Board *Fiscal Management Manual*, the financial statements of the Triton College – Community College District No. 504 (the College) State Adult Education (State Basic and State Performance) and Transitional Math Program (Grant Programs) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Grant Programs' financial statements, and have issued our report thereon dated November 16, 2021. The financial statements present only the College's Grant Programs and do not purport to, and do not, present fairly the financial position of the College, as of June 30, 2021, the changes in its financial position, or where applicable, its cash flows for the year then ended.

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) of the Grant Programs as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control of the Grant Programs. Accordingly, we do not express an opinion on the effectiveness of the College's internal control of the Grant Programs.

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 Grant Programs' 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Grant Programs' financial statements are free of 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 of the Grant Programs and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance of the Grant Programs. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance of the Grant Programs. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Crowe LLP". The letters are cursive and slightly slanted to the right.

Crowe LLP

Oak Brook, Illinois
November 16, 2021

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

State Adult Education Grant Program
Balance Sheet
June 30, 2021

	State Basic	State Performance	Total (Memorandum Only)
Assets			
Cash	\$ 989	\$ 6,375	\$ 7,364
Total assets	\$ 989	\$ 6,375	\$ 7,364
Liabilities			
Accrued expenditures	\$ 989	\$ 6,375	\$ 7,364
Total liabilities	989	6,375	7,364
Fund balance (unassigned)			
Total liabilities and fund balance	\$ -	\$ -	\$ -
Total liabilities and fund balance	\$ 989	\$ 6,375	\$ 7,364

See accompanying notes to ICCB State Grants financial statements.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

State Adult Education Grant Program
Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year ended June 30, 2021

	State Basic	State Performance	Total
Revenues – state sources	\$ 757,921	\$ 408,517	\$ 1,166,438
Expenditures – by program:			
Instructional and student services:			
Instruction	463,428	-	463,428
Social work services	60,203	-	60,203
Guidance services	35,840	-	35,840
Assessment and testing	-	-	-
Total instructional and student services	559,471	-	559,471
Program support:			
Improvement of instructional services	-	123,439	123,439
General administration	8,806	87,941	96,747
Data and information services	40,005	81,059	121,064
Indirect costs	91,242	43,866	135,108
Total program support	140,053	336,305	476,358
Total expenditures	699,524	336,305	1,035,829
Change in fund balance	58,397	72,212	130,609
Fund balance at July 1, 2020	(58,397)	(72,212)	(130,609)
Fund balance at June 30, 2021	\$ -	\$ -	\$ -

See accompanying notes to ICCB State Grants financial statements.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
 State Adult Education Grant Program
 ICCB Compliance Statement
 Expenditure Amounts and Percentages for ICCB Grant Funds Only
 Year ended June 30, 2021

State Basic	Actual Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	\$463,428	66.2%
General Administration (15% Maximum Allowed)	\$8,806	1.3%

See accompanying Independent Auditor's Report.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

Transitional Math Grant Program
Balance Sheet
June 30, 2021

		Transitional Math
Assets		
Cash	\$	1,598
Total assets	\$	<u>1,598</u>
Liabilities		
Due to other funds	\$	1,598
Total liabilities		<u>1,598</u>
Fund balance (unassigned)		-
Total liabilities and fund balance	\$	<u>1,598</u>

See accompanying notes to ICCB State Grants financial statements.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504
 Transitional Math Grant Program
 Statement of Revenues, Expenditures, and
 Changes in Fund Balance
 Year ended June 30, 2021

	Transitional Math
Revenues – state sources	\$ <u>13,402</u>
Expenditures – by program:	
Instructional and student services:	
Instruction	-
Social work services	-
Guidance services	-
Assessment and testing	-
Total instructional and student services	<u>-</u>
Program support:	
Improvement of instructional services	12,852
General administration	-
Workforce coordination	-
Data and information services	550
Indirect costs	-
Total program support	<u>13,402</u>
Total expenditures	<u>13,402</u>
 Change in fund balance	 -
Fund balance at July 1, 2020	-
Fund balance at June 30, 2021	\$ <u><u>-</u></u>

See accompanying notes to ICCB State Grants financial statements.

TRITON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 504

NOTES TO ICCB STATE GRANT PROGRAMS FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

General: The accompanying statements include only those transactions resulting from the ICCB State Adult Education (State Basic and State Performance) and Transitional Math Grant Programs. These transactions have been accounted for in a Restricted Purposes Fund.

Basis of Accounting: The statements have been prepared on the modified accrual basis of accounting. Expenditures include all accounts payable representing liabilities for goods and services actually received as of June 30, 2021. Funds obligated for goods prior to June 30 for which the goods are received prior to August 31 are recorded as encumbrances. Unexpended funds are reflected as a reduction to fund balance and a liability due to the ICCB by October 15.

Capital Assets: Capital asset purchases are recorded as capital outlay and are not capitalized on the grant financial statements.

Cash: Cash is composed of cash on hand and cash in the College's bank account.

Due to other funds: Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" for the current portion of interfund loans or "advances to/from other funds" for the non-current portion of interfund loans. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - BACKGROUND INFORMATION ON STATE GRANT ACTIVITY (Unaudited)

Unrestricted Grants:

Base Operating Grant – General operating funds provided to colleges based upon credit enrollment.

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

Restricted Grants:

State Adult Education Grant

State Basic – Grants awarded to Adult Education and Family Literacy providers to establish special classes for the instruction of persons of age 21 and older or persons under the age of 21 and not otherwise in attendance in public schools for the purpose of providing education to 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 Educational Developmental Review classes. Included in this grant are funds for support services, such as student transportation and childcare facilities or provisions.

State Performance – Grants awarded to Adult Education and Family Literacy providers based upon performance outcomes.

Transitional Math – Grants awarded to create, support, or expand transitional math instruction and curriculum development in line with statewide priorities around transitional instruction.