

Moraine Valley Community College

COMMUNITY COLLEGE DISTRICT NUMBER 524, PALOS HILLS, IL

Comprehensive Annual Financial Report *Fiscal Year Ended June 30, 2019*



**MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
PALOS HILLS, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2019**

Prepared by:

Division of Finance

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COMMUNITY COLLEGE DISTRICT NUMBER 524
Palos Hills, Illinois

COMPREHENSIVE ANNUAL FINANCIAL REPORT
June 30, 2019

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Moraine Valley Community College

COMMUNITY COLLEGE DISTRICT NUMBER 524, PALOS HILLS, IL

Introductory Section *Fiscal Year Ended June 30, 2019*





MORaine VALLEY COMMUNITY COLLEGE

October 2, 2019

Board of Trustees Moraine Valley Community College and
Citizens of Moraine Valley Community College District Number 524:

FORMAL TRANSMITTAL OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

State law, as enacted in the Public Community College Act, requires community colleges to submit audited financial statements to the Illinois Community College Board (ICCB) by December 31st. The Comprehensive Annual Financial Report (CAFR) of Moraine Valley Community College - Community College District Number 524 (the College), County of Cook, State of Illinois, for the fiscal year ended June 30, 2019 is hereby submitted.

Management assumes full responsibility for both the completeness and accuracy of the information contained in this report based upon a comprehensive framework of internal controls it has established for this purpose. 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, changes in financial position and cash flows of the College. All disclosures necessary to enable the reader to gain an understanding of the College's financial activities have been included.

RSM US LLP, a firm of licensed public accountants, has audited the financial statements of the College and has issued an unmodified (clean) opinion on the College's CAFR for the fiscal year ended June 30, 2019. The independent auditor's report is located at the front of the Financial Section of the report.

This letter of transmittal should be read in conjunction with the Management's Discussion and Analysis (pages 25 – 36), which immediately follows the independent auditor's report. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements and focuses on current activities, accounting changes and currently known facts.

PROFILE OF THE COLLEGE

Established in 1967, the College is located in the southwest portion of the County approximately 25 miles from Chicago's Loop. The College district covers 139 square miles, containing all or parts of 26 communities. The main campus is located in Palos Hills. The College also operates satellite facilities in Blue Island and in Tinley Park.

The College district is in all or part of the following 26 communities:

Alsip	Forest View	Palos Heights
Bedford Park	Hickory Hills	Palos Hills
Blue Island	Hometown	Palos Park
Bridgeview	Justice	Robbins
Burbank	Merrionette Park	Summit
Calumet Park	Oak Forest (11%)	Tinley Park (40%)
Chicago Ridge	Oak Lawn	Willow Springs (80%)
Crestwood	Orland Hills	Worth
Evergreen Park	Orland Park	

The College follows a master plan document with respect to the review of the existing facilities and land use on the campus, plus a solution of prioritized projects that respond to the challenges facing the College as it functions in a dynamic environment. The College operates a total of 15 buildings: 9 buildings are less than 20 years old, 1 building is between 20-30 years old, and 5 buildings are over 30 years old. The College will continue the master planning process to identify needs and strategically plan and organize those goals to give the College direction. The facilities master planning effort is required to integrate and balance academic priorities, financial strategies, and physical resource management that will allow the College to carry out its mission.

The College is recognized by the Illinois Community College Board and governed by a locally elected seven-member Board of Trustees and one elected, non-voting student representative. Total staff at the College numbers approximately 1,300 and includes administrators, full and part-time faculty members, counselors and advisors, classified staff, and various other professional and student employees.

Moraine Valley Community 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 state and federal sources.

Moraine Valley's 2019 credit and noncredit annual enrollment is over 26,000, making the College one of the largest community colleges in Illinois. The College offers 138 degree and certificate programs, 527 credit courses, and 177 different noncredit courses. Moraine Valley is ranked in the top percent of two- and four-year institutions in the United States granting Associates degrees and first nationally in multi-interdisciplinary studies (Associate in Science degree).

The College is accredited through the Higher Learning Commission and maintains its accreditation by following the HLC's Open Pathway. In addition to the institution's accreditation, the College maintains accreditation for individual academic degree and/or certificate programs. These include:

- **Addiction Studies** – Accredited by the Illinois Certification Board/Illinois Alcohol and Other Drug Abuse Professional Certification Association
- **Automotive Technology** – Accredited by the National Automotive Technicians Education Foundation
- **Basic Nursing Assistant Training** – Approved by the Illinois Department of Public Health
- **Coding Specialist** – Accredited by the American Health Information Management Association
- **Culinary Arts** – Accredited by American Culinary Federation Education Foundation
- **Emergency Medical Services** – Accredited by the Commission on Accreditation of Allied Health Education Programs
- **Fire Science Management/Operations** – Approved by the Office of the Illinois State Fire Marshal
- **Health Information Technology** – Accredited by the Medical Assisting Education Review Board, Commission on Accreditation of Allied Health Education Programs
- **Medical Assistant** – Accredited by the Commission on Accreditation of Allied Health Education Programs
- **Nursing** – Accredited by the Accreditation Commission for Education in Nursing, Inc.
- **Phlebotomy Program** – Approved by the National Accrediting Agency for Clinical Laboratory Sciences
- **Radiologic Technology** – Accredited by the Joint Review Committee on Education in Radiologic Technology
- **Respiratory Therapy** – Accredited by the Commission on Accreditation for Respiratory Care
- **Sleep Technology** – Accredited by the Commission on Accreditation of Allied Health Education Programs

The College also holds the distinction of being one of 12 Vanguard Learning Colleges in North America, selected by the League for Innovation in the Community College.

Mission Statement

The College's mission is guided by the Illinois Public Community College Act, which established the statewide community college system. Simply stated, that mission is to serve the post-secondary educational needs of the residents of District 524.

The mission of our College is to educate the whole person in a learning-centered environment, recognizing our responsibilities to one another, to our community, and to the world we share. We value excellence in teaching, learning, and service as we maintain sensitivity to our role in a global, multicultural community. We are committed to innovation and continuous improvement, and are dedicated to providing accessible, affordable, and diverse learning opportunities and environments.

The College fulfills its educational mission through:

- **General Education** - Courses and concepts integrated into the curriculum that foster critical thinking and enable informed judgment and decision making
- **Transfer Programs** - Courses in arts, sciences, and business leading to an associate's degree and fulfilling the first two years of a bachelor's degree
- **Career Education** - Occupational courses and skill development that respond to industry and community needs and lead to professional credentials, a certificate or an Associate in Applied Science degree
- **Community Enrichment** - Opportunities for residents to engage in lifelong education and cultural enrichment in a learning community
- **Workforce Development** - Partnerships with and customized training for business, government, social, and civic institutions resulting in organizational and economic improvement
- **Student Development** - Programs and services to support and enhance academic, career, and personal growth and success for our diverse student population
- **Developmental and Enrichment Education** - Courses, programs, and services to support and advance academic success leading to high school equivalency, English language proficiency, or entry to college-level courses

Service Statement

We promise to provide a student-centered environment and to focus all college staff and resources on student learning, student development, and student success.

Core Values

Integrity
Responsibility
Respect
Fairness
Diversity
Inclusion
Equity

Vision Statement

We envision a world-class college that meets current and emerging community needs for education and training through excellent service and outstanding programs offered in stimulating learning environments.

Strategic Priorities

As a learning-centered college, we dedicate all programs, services and resources to student success, with a commitment to continuously monitor, assess, and improve our performance.

Moraine Valley will:

- Provide a successful student experience, focusing on students' well-being and college and career success
- Develop innovative programs and services to anticipate and meet current and future student, employee, community and business needs
- Enhance technology in student learning and operational effectiveness
- Deepen its commitment to its core values: integrity, responsibility, respect, fairness, diversity, inclusion and equity
- Effectively and efficiently develop and manage all resources

HIGHLIGHTS OF FISCAL YEAR 2019

Celebrating Student Success

Technology champion

A Moraine Valley Community College student received the Terry O'Banion Student Developer Champion Award from the League for Innovation in the Community College for the development of a restaurant selection app. The award celebrates the achievements of community college students pursuing careers in software development and includes a \$2,500 scholarship.

Successful Athletics season

Moraine Valley Athletics had one of its most successful seasons to date. Highlights include:

- Two Moraine Valley women's tennis players competed at nationals in Texas.
- The women's soccer team won its fourth straight Illinois Skyway Collegiate Conference (ISCC) and NJCAA Region IV Division I titles. The team also competed at nationals in Florida for the fourth consecutive year. The women's soccer coach was named Skyway Coach of the Year, and one team member was named the Region IV Tournament MVP.
- The Moraine Valley men's soccer team were the ISCC co-champions.
- The volleyball team was the NJCAA Region IV champion and competed at nationals, where they finished 10th. The volleyball coach was named Coach of the Year.
- The women's cross-country team was the ISCC champion, and three runners competed in the national tournament. One cross-country member was named Skyway Runner of the Year, and the women's cross-country coach was named Skyway Coach of the Year.
- Three runners from the men's cross-country team ran at nationals. One Moraine Valley runner finished 80th, the best finish in Cyclone history. The team also was selected by the Region as the Scholar All-American Team.
- Women's basketball won 31 straight games and were the ISCC and Region champions. The team finished eighth at the national tournament in Arkansas. One team member was named to the NJCAA All-tournament team and was Region IV Player of the Year. Another team member was the Region Tournament MVP and had a career record of 1,205 points, finishing second on the College's all-time scoring list. Yet a third team member was the ISCC Player of the Year. The women's basketball coach was named Coach of the Year.
- Four players on the men's tennis team competed at nationals, and the entire team finished in 26th place nationally.
- Combining fall, winter and spring sports, 27 athletes were named to the All-Conference Team and 24 to the All-Region Team for their respective sports.
- The ISCC recognized 43 students as 2018-19 All-Academic Athletes of the Year, and 32 freshmen were named All-Conference Freshmen Academic Athletes of the Year.

Forensics win silver

The Forensics Team brought home the Silver Team Medal from the Phi Rho Pi National Tournament in Nevada and the Gold Team Medal at the Region IV Speech Tournament. Additionally, five team members earned national titles, and a volunteer forensics team coach won the 2019 Phi Rho Pi Collie-Taylor Coaches Fellowship Award. The team had a successful season, earning top awards at six tournaments along with numerous individual medals. It also co-hosted the Dr. Walter Fronczek Tournament with the University of Wisconsin at Whitewater. This new tournament was named after the dean of Liberal Arts at Moraine Valley.

Shakespeare actor

A Moraine Valley student was selected to be an understudy for multiple fairies in the Shakespearean comedy "A Midsummer Night's Dream" at the Chicago Shakespeare Theater on Navy Pier in Chicago.

Award-winning students

- A 2019 Moraine Valley graduate received a Presidential Scholarship to attend the Illinois Institute of Technology. The scholarship, which offers \$25,000 per academic year and a stipend for housing, is awarded based on academic achievement, essay strength and leadership qualities.
- Seven students, collaborating on three research projects, earned first and second place honors at the Illinois Skyway Collegiate Conference STEM Poster Competition.
- One Moraine Valley student was named a Coca-Cola Academic Team Bronze Scholar at the national Phi Theta Kappa conference. The recipient earned a \$1,000 scholarship from the Coca-Cola Foundation and will study Aerospace Engineering at the University of Illinois at Urbana-Champaign in the fall of 2019.
- One Moraine Valley student was one of four students in the state of Illinois to receive the Outstanding Community College Student Award from the Illinois Geographical Society.

Phi Theta Kappa wins numerous awards

Moraine Valley's Alpha Iota Lambda chapter of the Phi Theta Kappa National Honor Society was recognized at the national conference as a REACH Chapter for excelling in membership development. Regionally, the chapter won the Leader of Distinction Award, Spirit Award, two Hall of Honor Officer Awards, Most Distinguished Chapter Officer Team and the Five Star Chapter Award. The chapter also won third place in the Illinois Region Yearbook Competition.

Student represents state at national competition

A Moraine Valley Community College student qualified to represent the College and the state of Illinois at the Phi Theta Kappa national competition after winning the regional competition for a video submission of a persuasive speech on ways to attract non-traditional students to join the honors society. The student presented the speech in Florida and advanced as one of the top two competitors in the first round to the semi-finals.

Connecting with our Community

Nissan new academy partner

Moraine Valley Community College was selected by Nissan to offer a new Nissan/Infiniti Technician Training Academy. This academy offers students the opportunity to learn how to diagnose, service and repair vehicles featuring some of the latest technology. The College received six vehicles, including two all-electric Leafs, for student training.

Illinois Equity in Attainment Initiative

Moraine Valley was named one of 24 two- and four-year public and private nonprofit colleges from across Illinois committed to increasing graduation rates for low-income, first-generation students and students of color as inaugural participants of the Partnership for College Completion's newly launched Illinois Equity in Attainment Initiative.

Police Department hosts trainings

The Moraine Valley Community College Police Department conducted fully functional active shooter training for its staff, and the College was a host site for several state and regional trainings, including the FBI T-Loc Executive Training sessions, South Metropolitan Higher Education Consortium Crisis Management dispatch drill, and an executive development training with the South Suburban Chiefs and U.S. Department of Justice. The department also assisted with eight taskforce callouts supporting the major crimes taskforce Homicide Investigation Team in the region.

Employees donate turkeys

The College partnered with Whittingham's Meats in Alsip at Thanksgiving to donate 100 turkeys to five towns in the College's district with the lowest income ratios. Through the generosity of campus employees and community members, enough funds were raised to purchase 92 turkeys. Whittingham's donated eight additional turkeys to bump the number of turkeys to 100; allowing for each of the five communities to receive twenty turkeys apiece.

New transfer partnership

Moraine Valley Community College and Roosevelt University have established new transfer agreements to make student transitions easier between the schools. Moraine Valley students who graduate with an Associate degree can leverage a dual-degree program and accompanying scholarship. Agreements also were signed for the Honors Program and Phi Theta Kappa students, allowing them automatic access to Roosevelt University's Honors Program. Finally, Moraine Valley entered a direct enrollment program that allows students to skip a bachelor's degree and transfer directly into Roosevelt's Doctor of Pharmacy Program.

Nursing students conduct cardiac screenings

Fourteen students in the first nursing cohort at the Education Center at Blue Island volunteered with the Young Hearts for Life Cardiac Screening Program to deliver low-cost and efficient electrocardiogram screening to 560 students and athletes at Shepard High School for conditions that cause sudden cardiac death.

Youth Empowerment Summit

Almost 300 students from area high schools attended a Youth Empowerment Summit to build leadership skills and engage in activities to help them envision themselves as successful college students. College staff members presented workshops on college preparation, student success, diversity discourse, career exploration and academic excellence. Keynote speaker Dr. David Stovall, associate professor of Educational Policy Studies and African-American Studies at the University of Illinois at Chicago, works with youth and community organizations to develop curriculum that addresses issues of equity and justice.

Special events hosted by students

- The women's basketball team practiced with Special Olympic basketball players from a local residential facility in November 2018. Moraine Valley players went through some drills and warm-ups with their guests.
- The 36th Annual Illinois Special Olympics Motor Activity Program was held in November 2018 with over 150 special athletes.
- The cross-country teams partnered with the Animal Welfare League to give some shelter dogs time to play and run on campus. The cross-country teams also volunteered at the Chicago Marathon where they staffed an aid station and handed out Gatorade to passing runners.
- The women's soccer team participated in a scrimmage game with Oak Park's District 97 soccer team, which included students with and without disabilities.

- Over 40 student clubs/organizations participated in fundraisers, as well as toy, food, blood and clothing drives, to benefit campus initiatives and nonprofit organizations.

Chile delegation visits

Representatives from the Universidad Tecnológica de Chile INACAP and a representative from CompTIA, the world's leading technology association, visited Moraine Valley to understand how the College educates students studying technological fields and to discuss how to develop information technology students into professionals.

Veterans connect with VFW

The Veterans Resource Center partnered with the Orland Park VFW to connect student veterans with others who have shared experiences. Both groups will participate in Veteran Voices in Orland Park to provide information on educational benefits and services to local veterans and families.

Election judge recruitment

Moraine Valley was recognized by the Cook County Clerk's Office for efforts to recruit nearly 40 election judges who served at polling locations for local, state and national elections. Additionally, several student clubs held voter registration drives and information sessions to encourage students to vote.

Financial Aid teams up with I-3 Group

A new partnership with the I-3 Group has helped more than 270 students resolve \$2.6 million worth of delinquent student loans. The program focuses on educating students about loan default prevention, repayment options and maintaining a good relationship with their federal loan servicers through the duration of the loan.

CARLI Counts

The Library was accepted into the first cohort of the Institute of Museum and Library Services grant-funded initiative "CARLI Counts: Analytics and Advocacy for Service Development." This program aims to help academic libraries in Illinois improve their services and better communicate their impact narratives by using data more effectively.

MACS events bring high school students to campus

As a partner of the Moraine Area Career System (MACS) organization, the College hosted numerous high school career competitions and events on our campus:

- Automotive
- Business
- Culinary Arts
- Early Childhood Education
- Fire Safety Day
- Health Care Career Fair
- Job Shadow Day
- Technology
- Welding

Enriching Campus Culture

Staff run English camp at Jordan school

Moraine Valley's Dean of Learning Enrichment and College Readiness traveled to Irbid, Jordan, last summer to assist the Arar Academy School with teacher training and to offer a three-day English camp for 40 local students, Syrian and Palestinian refugees, and special-needs students. More than 40 Moraine Valley faculty and staff made an impact by donating to the school, and 20 served as online mentors to the teachers.

Fine and Performing Arts Center celebrates 25 years

Many favorites who have performed at the Fine and Performing Arts Center returned to campus this year to help celebrate the Center's 25th anniversary. The featured show was Jim Peterik's "World Stage." Peterik, founder of the Ides of March, lead singer of the song "Vehicle" and co-writer of the song "Eye of the Tiger," shared the stage with several musicians from renowned bands.

The FPAC also commissioned local professional playwrights Ronnie Malley, a former Moraine Valley student, and Reginald Edmund to write "American Griot," an original play that debuted at Moraine Valley. The play explores Muslim influence on the blues. The College worked in collaboration with Silk Road Rising, and the play was made possible in part by a grant from the Association of Professional Arts Professions' Building Bridges: Arts Culture and Identity, a component of the Doris Duke Charitable Foundation and the Doris Duke Foundation for Islamic Art.

The art gallery hosted the Robert F. DeCaprio Retrospective exhibition in honor of the gallery's namesake, featuring art ranging from classic automobiles and European travel to architecture and graphic design. DeCaprio worked for the College from 1975 to 1987 in various roles. At age 36 he died from injuries suffered after he was thrown from a moving bicycle. Naming the art gallery in his honor was a heartfelt decision made by his parents and sister.

One Book has 'super' theme

"Ms. Marvel" by G. Willow Wilson, and Adrian Alphona, was the Library's *One Book, One College* selection. The book follows Kamala Khan, a teenager from Pakistan, who receives superpowers and becomes Ms. Marvel. Wilson visited the campus for a two-day residency that included two public lectures, a brown bag lunch, and visits to classes. In addition, 10 One Book events were held over the academic year with an audience of over 600 students, staff and faculty.

Celebrating campus diversity

The Celebrating Diversity Committee hosted 45 diverse educational and social programs. Hundreds enjoyed learning and engaging with each other at the following celebrations:

- Arab Heritage Month
- Asian Heritage Day
- Black History Month
- Disability Awareness Day
- Greek/Italian Heritage Day
- Hispanic Heritage Month
- International Education Week
- LGBTQ Awareness Month
- Women's Celebration Month

Native American drum/dance group

Moraine Valley hosted a Native American drum group and dancers from the Midwest Save Our Ancestor's Remains & Indigenous Network Group (SOARRING) Foundation as part of the College's Illinois bicentennial celebration. Drummers hailed from the Red Line Singers Drum Group, and cultural dancers came from the Navajo/Ojibwa and Mayan tribes. Community members, students, faculty and staff gathered on the Quad to watch and participate in the drumming and dancing.

Percussionists' parade in the dark

The Percussion Ensemble danced down the street, pounding and shaking out rhythms in Brazilian samba style in Chicago's fourth annual Arts in the Dark parade. The ensemble joined forces for the first time with 80 percussionists from the College of DuPage, Lane Tech High School and dancers from the Dill Costa Dance Studio at the Old Town School of Folk Music to form a *Bateria*, or samba drum corps.

MVCC: POV

The Library created *MVCC: POV Voices from the Valley*, a student-centered podcast focusing on sharing and amplifying student voices on campus. Season one of the podcast featured the Muslim Student Association and Arab Student Union.

Faculty host Dutch educators

For two weeks, Moraine Valley Community College welcomed two faculty from the Netherlands through a faculty international exchange program. While in the U.S., they stayed with Moraine Valley professors, who in turn traveled to Holland visit their homes and schools. While on campus, the exchange duo gave a presentation on education in the Netherlands, met with faculty and staff, visited Moraine Valley classes, toured campus and attended a Board of Trustees meeting. They also had opportunities to sightsee in Chicago and visit with their host home families.

Foreign, domestic students collaborate

The International Student Ambassador Organization reached its highest student membership in the program's history with 38 students representing 15 countries. Membership included domestic students for the first time, which assisted in closing cultural gaps. The organization helped expand students' global knowledge and enhanced international students' experience of American culture.

Empowerment through Diversity and Inclusion Conference

Over 170 participants attended the Empowerment through Diversity and Inclusion Conference to increase cross-cultural awareness in the community and globally, to explore dialogue and challenge their individual diversity perceptions and beliefs.

Caravanserai

As part of the *Mosaics: Muslim Voices in America* program, the College hosted a Caravanserai – an exploration of the intersection between Arab and Mexican cultures. Participants were served a gourmet meal created by culinary arts students and faculty which showcased the similarities between the cuisines of Mexico and the Middle East. The evening also highlighted music, clothing and poetry from both parts of the world.

Global Education

The Global and Diversity Education Program sponsored speakers, events and activities to increase exposure to diverse cultures and perspectives, and infuse global awareness throughout the campus culture and course curriculum. Several activities were held this year:

- Intensive English Language Speaking and Listening students shared foreign currencies and exchange rates from their native countries with Developmental Math students, who practiced calculating conversions.

- Fifty students presented and displayed posters about international sustainability initiatives in their native countries.
- Tea around the World — Students shared tea from their cultures while discussing their native countries.

Energizing and Enhancing College Growth

College finalizes next strategic plan

Over 100 faculty and staff members were assembled into teams and tasked with creating Moraine Valley's 2019-2024 Strategic Plan. This process began in early 2018 with an external scan to review regional, state and national environments to determine what forces or trends will impact the institution.

The scan was organized around eight trends expected to affect the college district and Cook County over the next five years: competition, demographics, economy, education, labor force, politics, social values and technology. The teams validated the data from each of these taxonomies with external experts, and the final results were compiled into the College's 2019 Environmental Scan.

The 2019 Environmental Scan was distributed to, and reviewed by, all of the strategic planning teams and multiple community partners in order to identify a set of core external trends that were most important for the College to address in its formal strategic plan. Student focus groups were also held; adding valuable insight about the College's greatest strengths, challenges and opportunities.

The strategic planning sessions wrapped up at a day-and-a-half strategic directions and goals workshop in March. An additional set of core trends was adopted. The word "innovation" was added to the College's Mission Statement, and "inclusion" and "equity" were added as new Core Values.

After production by the writing team, a preliminary copy of the plan was distributed to all College employees and community leaders for feedback. The final draft of the College's 2019-2024 Strategic Plan was published and subsequently approved by the Board of Trustees in June 2019. This strategic plan will guide the planning and work of Moraine Valley for the next five years.

Four alumni added to Hall of Fame

Four Moraine Valley Community College alumni were inducted into the College's Hall of Fame: Dylan Lloyd, singer/songwriter (Class of '09); Holly Bartecki, executive vice president of Creative and Strategic Development at Jasculca Terman and Associates (Class of '82); Dave Shalabi, real estate broker (2002); and Jose Angel Navejas, author (1998 to 2000). Lloyd also was selected as the College's Distinguished Alumnus of the Year.

Athletics Hall of Fame adds inductees

Past coaches and players were inducted into the Athletics Hall of Fame. The second class included volleyball Coach Gloria Coughlin, golf Coach Bob Freudenthal, basketball player Bob Lanigan, volleyball/softball player and softball Coach Natalie Wigginton and football Coach Dennis Wierzal.

Halloween 5K

Participation nearly doubled for the College's Halloween 5K in October 2018. Over 300 runners participated and \$7,000 was raised for student scholarships, breaking records for this annual event.

Fire Science gets new garage

A November 2018 ribbon-cutting ceremony dedicated a garage for the Fire Science and Emergency Medical Technician programs. The garage is attached to Building T, near the classrooms for these two programs, and houses two fire trucks, an ambulance, a trailer and equipment. Some features of the garage, such as a stairwell for students to perfect safe exit techniques, will be used for training.

Advancing our Mission

Nursing accreditation visit

The Accreditation Commission for Education in Nursing granted continuing accreditation to the associate nursing program after a comprehensive site visit in the fall 2018 semester. Additionally, the Board extended continuing accreditation as the program is in compliance with all standards and criteria for implementation of the program at the Education Center at Blue Island. This accreditation is good until 2026.

New Early Childhood accreditation

The Early Childhood Program received the Family Child Care credential, approving Moraine Valley Community College as an Entitled Institution for Gateways to Opportunity (Illinois' overseeing body for early childhood education). This credential has competencies that reflect multiple professional standards, including the National Association for the Education of Young Children and the Illinois Professional Teaching Standards.

Technology improvements keep college up-to-date

- A new MVCC app went live in the fall 2018 semester. The app allows users to access important information on their mobile device about the College, including the campus website, its directory, the Fitness and Recreation Center (FitRec), the Library, Bookstore, campus maps and more. Students can use this app to search and register for classes, and check their schedule and grades.
- Information Technology implemented document imaging to help reduce the number of paper documents physically stored on campus and improve the workflow of vital information. Financial Aid was the first department to go live with OnBase software, reducing the time expeditors spend on the verification process.
- The Center for Disability Services increased assistive technology available for its students, purchasing two laptops with text-to-speech software that allows students to access alternative format course materials and voice recognition software that gives students a speech-to-text interface option.

40 Under 40 Award

Moraine Valley's Director of Institutional Research and Planning was recognized by the American Association for Women in Community Colleges as a member of the Women Under 40, Class of 2019.

Professor wins ICCTA faculty award

The Illinois Community College Trustees Association presented Moraine Valley Professor of Information Technology and Department Chair of Computer Integrated Technologies with the Outstanding Full-Time Faculty Member Award.

Coding Specialist accreditation

The Coding Specialist Program was approved as a comprehensive coding program by the Professional Certificate Approval Program Council for three years.

New Cyclones website

Moraine Valley Athletics launched a new brand and website, *mvcyclones.com*, allowing for convenient searches of the 12 sports programs, easily accessed statistics for each game and athlete, information requests, program achievements and more.

Building earns LEED Silver Certification

The Student Success Center earned Leadership in Energy and Environmental Design (LEED) Silver Certification after its recent renovation. Nearly all of the structural elements of the existing building were reused for the new design, and about 65% of construction waste was diverted from the landfill, among other features.

Professor selected for fellowship

Moraine Valley's Assistant professor of Child Care, was one of only 40 two- and four-year college and university early childhood faculty selected as a Gateways to Opportunity Faculty Fellow, representing the College in a statewide early education initiative.

Forensics coach wins national award

The Associate Professor of Speech/Communications and Director of Forensics at Moraine Valley was named the 2018 recipient of the Michael and Suzanne Osborn Community College Outstanding Educator Award by the National Communication Association.

Sleep Technology awards

The Program Coordinator of Sleep Technology at Moraine Valley received the American Association of Sleep Technologists 2018 Professional Development Service Award. This Program Coordinator has served as President of the Illinois Sleep Society, and was a board member for the Committee on Accreditation for Polysomnographic Technologist Education. A Moraine Valley graduate and adjunct faculty in Sleep Technology was named to the American Academy of Sleep Medicine Gold Standard Panel for the new pediatric sleep study scoring program. This faculty member is part of a team of sleep scorers chosen for their extensive experience in sleep record scoring and review.

Employee earns State supervisory award

For the third consecutive year, a Moraine Valley employee was named the Student Employment Supervisor of the Year for the State of Illinois by the Midwest Association of Student Employment Administrators. Moraine Valley's Coordinator of Multicultural Student Affairs was selected for this year's award for excellence in leadership, mentorship and professionalism.

Regional communication award goes to staff member

The Assistant Director of Communications in Marketing and Communications for Moraine Valley received the 2019 Communicator of the Year award from District 3 of the National Council for Marketing and Public Relations.

Developmental reading professor recognized

The National Association for Developmental Education presented Moraine Valley Professor of Developmental Reading with the Gladys R. Shaw Outstanding Service to Developmental Education Students Award. This Professor also received the 2018 Illinois Learning Specialist and Developmental Educators Excellence in Teaching Award last spring.

Health Sciences now offered in Blue Island

The Education Center at Blue Island now offers Nursing, Basic Nursing Assistant and Phlebotomy programs to serve the surrounding communities. Students enrolled in these health care programs have a high success rate. In the fall of 2018, Basic Nursing Assistant Training had six students enrolled with a passing rate of 100%, Phlebotomy had five students enrolled with 100% passing rate, and Nursing had 19 students enrolled with a 73% passing rate.

Job Resource Center recognized nationally

The Job Resource Center was recognized by the National Association of Student Personnel Administrators (NASPA) for its best practices and impact on student success in the Student Employment Program. As a result, the College appeared in the publication “Employing Student Success: A Comprehensive Examination of On-Campus Student Employment,” which highlighted employment as a tool for student engagement and a culture of student employment appreciation at Moraine Valley.

Dual Credit/Enrollment increases

The Dual Credit Program supports students at 26 area high schools who enroll in college courses at their high school during the regular school day and receive both college and high school credit. Moraine Valley classes are taught by 71 high school instructors qualified to teach 50 unique college-level courses within General Education and Career Technical Education disciplines. The program saw a 23.7% increase in participants in one year.

The Dual Enrollment Program enrolls high school students in on-campus college classes. This year, 50 students earned college credit in the Basic Nursing Assistant Training course, while seven students took classes in the Emergency Medical Technician Program, 12 in Welding, and one in Heating and Air Conditioning.

Applauding our Milestones

College holds 50th Commencement

Moraine Valley Community College celebrated its 50th Commencement on May 17th, graduating another of the largest classes in the College’s history. Just under 2,200 students earned 3,100 degrees, and about 600 graduates crossed the stage to receive their diplomas and certificates.

The ceremony has changed a lot since the inaugural commencement in the spring of 1969, which was held on a campus field. After several location changes, the ceremony is now held in the Cyclone Center inside the Health, Fitness & Recreation Center. The current facility holds about 3,500 graduates, faculty and staff, and invited guests.

“Our growth since that first ceremony 50 years ago has been amazing,” said Dr. Sylvia Jenkins, College President. “Looking out into a crowd with hundreds of graduates proves our completion efforts are making an impact. Our focus is always on student success, and it shows. I’m proud of our faculty and staff for their commitment to our students and to our students for their commitment to themselves. I know the College will continue that success beyond the next 50 years!”

Senator Durbin addresses graduates

U.S. Senator Dick Durbin helped the College commemorate its 50th graduation ceremony as the keynote speaker. His message related to being kind in a harsh and angry world. He shared stories of his education growing up and of people who have made a difference in others’ lives. He encouraged graduates to do the same with the knowledge they have gained at Moraine Valley.

“We are quite honored Sen. Durbin agreed to address our 2019 graduating class as well as help us celebrate this milestone ceremony in the College’s history,” said Dr. Sylvia Jenkins, College President. “He is a true friend to community colleges in Illinois and across the country as evidenced by the work he does in Washington on behalf of two-year schools. His remarks were inspiring and relevant to our new graduates and to everyone who attended the ceremony.”

Original graduate returns

Degrees were awarded to six students at Moraine Valley's first commencement in the spring of 1969. One of those first graduates returned to the College to attend this year's ceremony. This graduate was the first in her family to go to college and earned an Associate in Science degree, which ultimately led to a long career as a physical education teacher.

That original graduate was in awe of how the Moraine Valley campus has changed. "This campus is amazing, and the size now — incredible. It's the same size of some four-year schools. It's beautiful," she said. "I probably would come back and take some classes. There are many more choices now. I think any time someone can take advantage of what we have, they should."

Leadership Awards

CASE Chief Executive Leadership

The Council for Advancement in Support of Education (CASE) presented College President, Dr. Sylvia Jenkins, with the CASE V Chief Executive Leadership Award at its conference in Chicago in December 2018. The award recognizes an institutional leader for outstanding efforts in promoting and supporting education and institutional advancement.

President receives Chicago Audubon Society award

Dr. Sylvia Jenkins, College President, received the Craig Stettner Award for Environmental Education from the Chicago Audubon Society for her service on the Conservation and Policy Council of the Forest Preserve District of Cook County, and for hosting a forum to discuss the value and potential use of the surrounding forests.

Moraine Valley received Central Region Equity Award

Moraine Valley received the Association of Community College Trustees 2018 Central Region Equity Award at the national conference in November 2018 after earning the state award from the Illinois Community College Trustees Association in the spring of 2018. The selection was based on the merits of its programs and services, including the English Language Learner Bridge Basic Nursing Assistant Training Program, the English as a Second Language conversation group that helps students practice their English-speaking conversational skills, and on-campus conferences directed at retention and success of Latino and African American students.

Local Economy

The College's district includes 26 communities in Cook County covering 139 square miles and is located in northeastern Illinois. Cook County is at the center of the nation's rail, air, freight and trucking systems. The County plays a critical role in maintaining a large, efficient transportation system and infrastructure that include many major expressways and commuter rail lines.

In Cook County, the unemployment rate decreased from 4.5 percent in June 2018 to 4.2 percent in June 2019. The median household income for the district was \$63,022 in 2017, based on U.S. Census Bureau estimates, compared to \$59,426 for all of Cook County and \$61,229 for the State of Illinois. Estimated per capita income for the district was \$30,066 in 2017 compared to \$33,722 for all of Cook County and \$32,924 for the State of Illinois.

The County has a very diverse economic base, comprised of construction and manufacturing, wholesale and retail trade and various service sectors. On the district's northern border is a large manufacturing corridor, while on the south side, office buildings and warehouses are developing along the I-80 corridor. A pro-business atmosphere, a commitment to a well-educated workforce and a modern transportation system make Cook County an ideal location for business expansion and relocation.

The estimated population of District 524 is as follows:

<u>Year</u>	<u>Population</u>
2010	388,606 (actual)
2017	391,383 (estimated)

FINANCIAL INFORMATION

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 and Financial Accounting Standards Boards (GASB and FASB), and the Illinois Community College Board (ICCB).

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 an obligation has been incurred. The notes to the financial statements expand and explain the financial statements and the accounting principles applied.

Internal Controls

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

Tests are made by the College's independent auditors to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the College has complied with applicable laws and regulations. The results of the tests for the fiscal year ended June 30, 2019 provided no instances of material weaknesses in the internal control structure.

Budgetary Controls

In addition, the College maintains budgetary controls. The objective of the budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the College's Board of Trustees. 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.

Budget decisions are made in accordance with the College's Financial Plan and conform to the requirements as set forth in the Illinois Community College Board Fiscal Management Manual. Moraine Valley Community College's budgetary goals include the following:

- Annual expenditures not to exceed projected revenues. Expenditures shall be budgeted according to the College's strategic priorities.
- Adequate funding to address debt service, both current and long-term.
- Adequate reserves for maintenance and repairs to its existing facilities.
- Adequate reserves for acquisition, maintenance and replacement of capital equipment.
- Adequate reserves for strategic capital projects.
- Adequate funding levels to fulfill future terms and conditions of employment, including retirement benefits.
- Adequate allocations for special projects related to the strategic direction of the College.
- Appropriate allocations for contingencies (unforeseen events requiring expenditures of current resources).

Property Taxes

Taxes are collected on a calendar year basis; taxes levied in 2018 are collected in 2019. Legislation known as the Truth in Taxation Law limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105 percent of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels. Current and historical information on property taxes is presented in the Statistical Section of this report.

Financial Planning

Long-term financial planning is performed on an ongoing basis. The controlling document is the College's 5-year financial plan which includes reserves by fund. Along with the adoption of the 2020 budget, a tuition increase of \$3 per credit hour for in district, a tuition increase of \$7 per credit hour for out of district, and a tuition increase of \$8 per credit hour for out of state/foreign were approved by the Board of Trustees.

Enrollment for the next five academic years is expected to remain static; with a projected average increase or decrease in student headcount of less than two percent each year. Based on this projection the College will implement strategic tuition and fee increases, continue process improvements to lower costs, develop marketing programs to build enrollment, and seek additional grant and private funding to reduce operating costs. The College will continue to conserve resources through the application of financial controls and reduction in expenses, where possible, without affecting the quality of our educational programs. To ensure a continuum of progress, Moraine Valley developed its 2019-2024 Strategic Plan in the 2019 fiscal year. The goals set forth in this plan will help Moraine Valley prepare for trends that may affect the College within the next five years. This critical work ensures that the high level of quality education the College provides to the community it serves will not waver.

OTHER INFORMATION

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the College most recently for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of a state or local government financial report. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the College most recently for its CAFR for the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Excellence, the College must prepare its CAFR in an easily readable and efficiently organized manner. The CAFR is submitted to an ASBO Panel of Review. The panel of volunteers is comprised of professionals experienced in governmental accounting and auditing.

These awards are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet both programs' requirements, and we are submitting it to the GFOA and ASBO to determine its eligibility for another certificate.

Acknowledgements

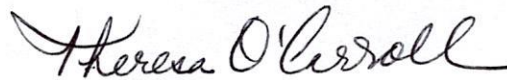
The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire Finance Division. Each member of the division has our sincere appreciation for the contributions made in the preparation of this report.

In closing, our thanks to the members of the Moraine Valley Board of Trustees, for without their leadership and support, the preparation of this report would not have been possible.

Respectfully submitted,



Sylvia Jenkins, Ph.D.
President



Theresa O'Carroll
Vice President, Financial and Business Services
College Treasurer

**MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524**

PRINCIPAL OFFICIALS
JUNE 30, 2019

BOARD OF TRUSTEES

	<u>Position</u>	<u>Term Expires</u>
Kimberly A. Hastings Cristelli	Chair	2021
Bernadette Barrett	Vice Chair	2025
Brian O'Neill	Secretary	2023
John R. Coleman	Trustee	2023
Beth McElroy Kirkwood	Trustee	2025
Joseph P. Murphy	Trustee	2025
Patricia Joan Murphy	Trustee	2021
Andrew Williams	Student Trustee	2020

OFFICERS OF THE COLLEGE

Dr. Sylvia Jenkins	President
Dr. Margaret Lehner	Vice President of Institutional Advancement and Executive Assistant to the President
Dr. Pamela Haney	Vice President of Academic Affairs
Dr. Normah Salleh-Barone	Vice President of Student Development
Mr. Richard Hendricks	Vice President of Administrative Services
Ms. Theresa O'Carroll	Vice President of Financial and Business Services and College Treasurer
Mr. Kamlesh Sanghvi	Chief Information Officer

OFFICIALS ISSUING REPORT

Ms. Theresa O'Carroll	Vice President of Financial and Business Services and College Treasurer
Mr. Michael Cipolla	Controller
Mr. Andrew Wendt	Internal Auditor

DIVISION ISSUING REPORT

Finance Division

Board of Trustees

PRESIDENT
Dr. Sylvia Jenkins

Internal Auditor
Andrew Wendt

**VICE PRESIDENT
COLLEGE TREASURER**
Financial & Business Services
Theresa O'Carroll

VICE PRESIDENT
Institution & Advancement
Dr. Margaret Lehner

**CHIEF INFORMATION
OFFICER**
Kamlesh Sanghvi

VICE PRESIDENT
Administrative Services
Richard Hendricks

VICE PRESIDENT
Academic Affairs
Dr. Pamela Haney

VICE PRESIDENT
Student Development
Dr. Normah Salleh-Barone

Director
Campus Operations
Rick Brennan

Director
Human Resources
Lynn Harrington

Manager
Sustainability
Stephenie Presseller

Chief
Police Department
Patrick O'Connor

Dean
Academic Development/
Outreach
Cynthia Anderson

Dean
Career Programs
Kiana Battle

Executive Director
Corporate, Community and
Continuing Education
Steven Papageorge

Dean
Learning Enrichment
and College Readiness
Michael Morsches

Dean
Learning Resources Center
Terra Jacobson

Dean
Liberal Arts
Wally Fronczek

Dean,
Science Business and
Computer Technology
Ryan Nagle

Dean
Enrollment Services
Darryl Williams

Dean
Student Services
Chet Shaw

Dean
Student Engagement
Scott Friedman

Dean
Student Success
Jo Ann Jenkins

Dean
Students and Compliance Office
Kent Marshall

Director
Health Education & Wellness Center
Bill Finn

Director
Children's Learning Center
Denise Lumpkin

Director
Campus Rec/HFRC
Mike Schneider

Controller
Accounting, Grants,
Fixed Assets,
Accounts Payable
Michael Cipolla

Director
Payroll
Gina Dever

Student Accounts
Receivable Manager
Myra Koran

Director
Purchasing
Jane Bentley

Director
Auxiliary Services
Kashif Shah

Director
Institutional Research and
Planning
Sadya Khan

Director
Marketing and
Communications
Clare Briner

Director
Resource Development and
Institutional Effectiveness
Sharon Katterman

Director
Application and Web Services
Sherita Tyler

Director
Client Services
Bill Helms

Director
Infrastructure and
Network Services
Dennis Sage

Director
IT Project Management
Christopher Crnkovic

Specialist
Information Security
Nicholas Hutchison



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Moraine Valley Community College
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

**The Certificate of Excellence in Financial Reporting
is presented to**

Moraine Valley Community College

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2018.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Tom Wohlleber'.

Tom Wohlleber, CSRM
President

A handwritten signature in black ink, reading 'Siobhán McMahon'.

Siobhán McMahon, CAE
Chief Operating Officer

Moraine Valley Community College

COMMUNITY COLLEGE DISTRICT NUMBER 524, PALOS HILLS, IL

Financial Section *Fiscal Year Ended June 30, 2019*



Independent Auditor's Report

RSM US LLP

The Board of Trustees
Moraine Valley Community College –
Community College District Number 524
Palos Hills, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of Moraine Valley Community College – Community College District Number 524 (the College) as of and for the year ended June 30, 2019, 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 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. 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 entity'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 entity'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 the College as of June 30, 2019, and the changes in its financial position and its cash flows thereof for the year then ended in conformity 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 Management's Discussion and Analysis on pages 25 through 36 and Schedule of the College's Proportionate Share of the Net Pension Liability, Schedule of College Contributions and Schedule of College's Proportionate Share of the Collective Net OPEB Liability on pages 74 through 76, and related notes to required supplementary information on pages 77 through 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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, supplementary information, statistical section, supplemental financial information, and Certification of Chargeback Reimbursement are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information and the supplemental financial information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplementary information and the supplemental financial information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, statistical section, and Certification of Chargeback Reimbursement 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2019, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

RSM US LLP

Chicago, Illinois
October 2, 2019

**MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524**

JUNE 30, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION AND BACKGROUND

This section of Moraine Valley Community College – Community College District Number 524's (the College) Comprehensive Annual Financial Report presents management's discussion and analysis (MD&A) of the College's financial activity during the fiscal year ended June 30, 2019. Since this MD&A is designed to focus on current activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (pages 1 – 18), the College's financial statements (pages 37 – 40) and the notes to the financial statements (pages 41 – 73). Responsibility for the completeness and fairness of this information rests with the College.

USING THIS ANNUAL REPORT

The financial statements focus on the College as a whole and are designed to emulate corporate presentation models whereby all College activities are consolidated into one total. The financial statements consist of four primary parts: (1) Statement of Net Position, (2) Statement of Revenues, Expenses and Changes in Net Position, (3) Statement of Cash Flows and (4) Notes to the Financial Statements. The financial statements are prepared on the accrual basis of accounting and economic resources measurement focus. Under the accrual basis of accounting, expenses are recorded when incurred and revenues are recognized when earned in accordance with generally accepted accounting principles.

The Statement of Net Position is presented in the format where assets plus deferred outflow of resources equal liabilities plus deferred inflow of resources plus net position. Assets and liabilities are presented in order of liquidity and are classified as current (convertible into cash within one year) and non-current. This statement combines and consolidates current financial resources (short-term spendable resources) with long-term capital assets and deferred inflow and outflow of resources. The focus on this statement is to show the overall liquidity and health of the College as of the end of the fiscal year.

The Statement of Revenues, Expenses and Changes in Net Position focuses on both the gross and net costs of College activities, which are supported substantially by property taxes, state and federal grants and contracts, student tuition and fees, and auxiliary enterprise revenues. This approach is intended to summarize and simplify the end user's analysis of the financial results of the various College services to students and the public.

The Statement of Cash Flows discloses net cash provided (or used) by operating, noncapital financing and capital financing activities, and investing activities. This statement shows the College's cash flows are sufficient to pay current liabilities.

The Notes to the Financial Statements are an integral part of the statements and describe the College's significant accounting policies. The reader is encouraged to review the notes in conjunction with management's discussion and analysis of the financial statements.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

FINANCIAL HIGHLIGHTS

STATEMENT OF NET POSITION

The major components of Moraine Valley's assets, deferred outflows, liabilities, deferred inflows and net position as of June 30, 2019 and 2018 are as follows:

(\$ in millions)	2019	2018	Increase (Decrease)	Percent Change
Assets				
Current and Other Assets	\$ 133.7	\$ 130.4	\$ 3.3	2.5%
Capital Assets, Net of Depreciation	176.6	179.7	(3.1)	(1.7%)
Total Assets	310.3	310.1	0.2	0.1%
Deferred Outflow of Resources	4.3	2.2	2.1	95.5%
Liabilities				
Current Liabilities	17.7	16.2	1.5	9.3%
Non-Current Liabilities	126.1	128.7	(2.6)	(2.0%)
Total Liabilities	143.8	144.9	(1.1)	(0.8%)
Deferred Inflow of Resources	25.7	23.1	2.6	11.3%
Net Position				
Net Investment in Capital Assets	92.5	89.6	2.9	3.2%
Restricted Net Position	11.5	12.0	(0.5)	(4.2%)
Unrestricted Net Position	41.1	42.7	(1.6)	(3.7%)
Total Net Position	\$ 145.1	\$ 144.3	\$ 0.8	0.6%

Fiscal Year 2019 Compared to Fiscal Year 2018

Assets

Total current and other assets increased \$3.3 million as compared to prior year. The increase primarily is attributable to an increase in the College's short-term and long-term investments due to an overall increase in net position and higher rates of return on investment in the current year.

Capital assets, net of accumulated depreciation, decreased \$3.1 million. The College added \$4.5 million in depreciated and non-depreciated capital assets offset by an additional \$7.6 million in accumulated depreciation. Refer to the capital assets section on page 34 of this MD&A for further discussion on capital assets.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

Deferred Outflow of Resources

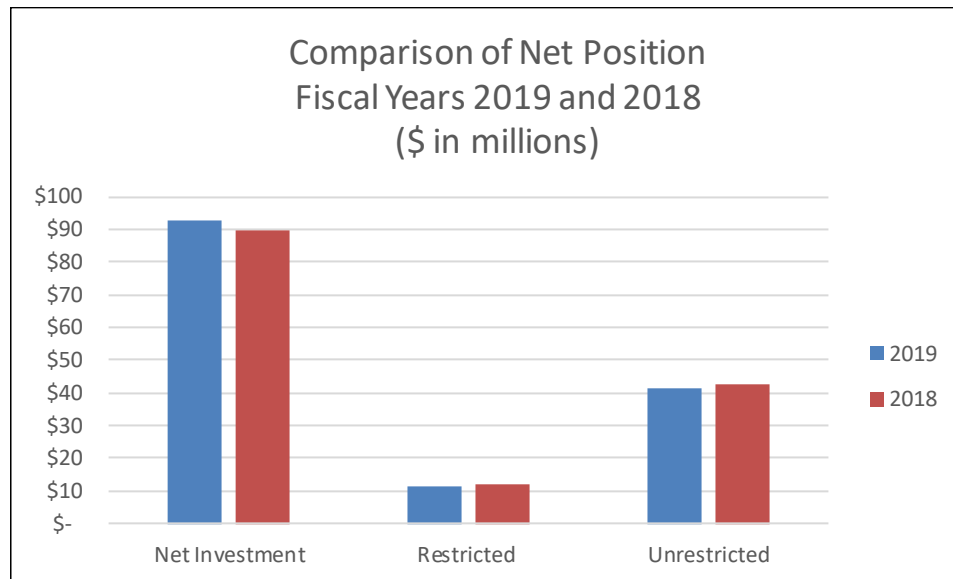
Deferred outflow of resources related to Other Post-Employment Benefits (OPEB) increased by \$2.1 million in fiscal year 2019 due to actuarially calculated changes in proportion and differences between employer contributions and share of contributions. The deferred outflow of resources category also includes contributions to the State Universities Retirement System (SURS) after the pension liability measurement date. The College is required to make these contributions, which will be expensed in the next fiscal year, for grant funded employees.

Liabilities

Current liabilities increased \$1.5 million compared to the prior year due to increases in accounts payable and accrued payroll. Non-current liabilities decreased \$2.6 million in fiscal year 2019 compared to fiscal year 2018. The primary reason for the decrease is a reduction in long-term bonds payable of \$6.0 million offset by an increase in net OPEB liability of \$3.5 million. Further discussion on long-term debt can be found on pages 34-35.

Deferred Inflow of Resources

The deferred inflow of resources increased \$2.6 million over the prior year due to an increase in the deferred inflow of resources related to OPEB of \$2.2 million and an increase in the property tax revenues levied in calendar 2018 that are not collected until fiscal year 2020 of \$0.4 million. This increase primarily reflects the annual Consumer Price Index (CPI) growth in the property tax levy.



Net Position

Total net position increased \$0.8 million from prior year. This increase is attributable to favorable operating results.

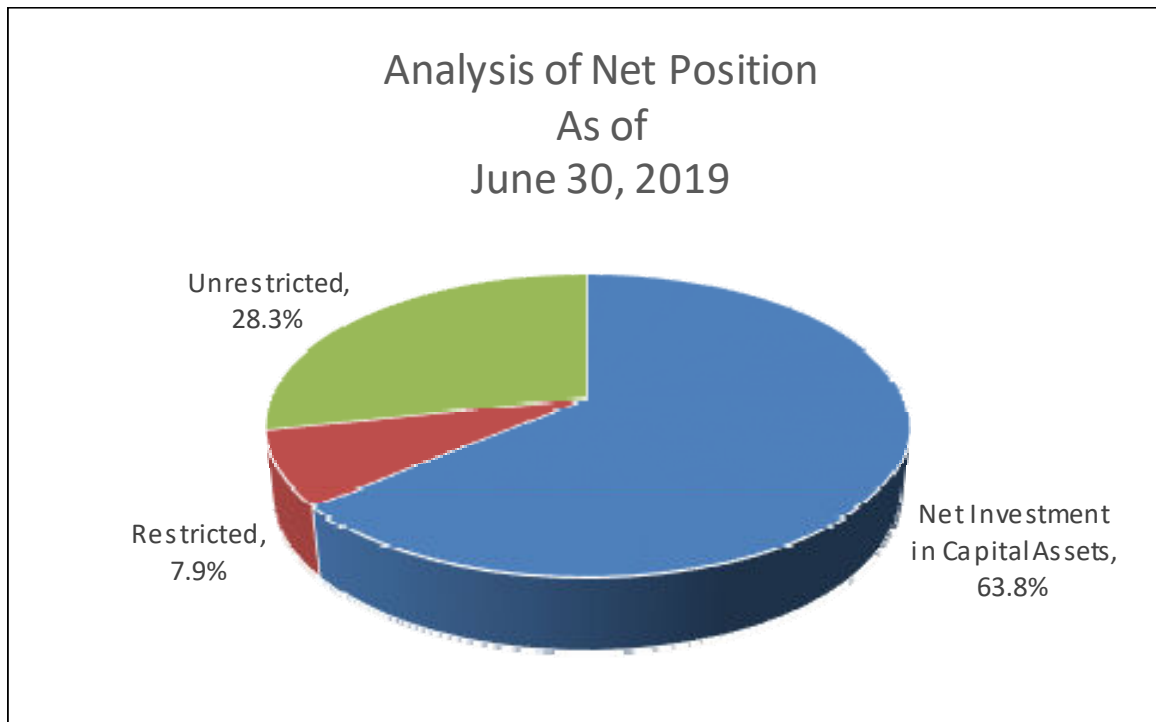
MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

Current Ratio

The College had a current ratio of 5.92 times at June 30, 2019. The current ratio is total current assets divided by total current liabilities. For every dollar of current liabilities, the College has \$5.92 in current assets. This indicates that the College is financially secure on a short-term basis and is capable of paying its current obligations.

ANALYSIS OF NET POSITION

(\$ in millions)	2019	2018	Increase (Decrease)	Percent Change
Net Position				
Net Investment in Capital Assets	\$ 92.5	\$ 89.6	\$ 2.9	3.2%
Restricted Net Position	11.5	12.0	(0.5)	(4.2%)
Unrestricted Net Position	41.1	42.7	(1.6)	(3.7%)
Total Net Position	<u>\$ 145.1</u>	<u>\$ 144.3</u>	<u>\$ 0.8</u>	<u>0.6%</u>



(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

Fiscal Year 2019 Compared to Fiscal Year 2018

Changes in net position are an indicator of a governmental entity's financial position. The College's combined net position increased 0.6 percent or \$0.8 million. Unrestricted net position decreased \$1.6 million. This is the result of a \$3.5 million increase in the College's net OPEB liability, which decreases net position, offset by a \$2.2 million increase in the Operations and Maintenance Restricted Fund. Restricted net position decreased \$0.5 million from the previous fiscal year primarily due to a decrease of \$0.5 million in capital projects funds. Small increases and decreases in the other categories netted to no additional change in restricted net position. Net investment in capital assets increased by \$2.9 million over the prior year. The increase in capital assets, offset by a decrease in related debt, resulted in the subsequent increase in net investment in capital assets as of the end of the fiscal year.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The following tables present the statement of revenues, expenses and changes in net position for the College for fiscal years 2019 and 2018:

(\$ in millions)	Changes in Net Position	
	Years Ended June 30,	
	(in millions)	
	2019	2018
Total revenue	\$ 156.9	\$ 164.9
Total expenses	156.1	155.2
Increase in net position	<u>\$ 0.8</u>	<u>\$ 9.7</u>

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

(\$ in millions)	2019	2018	Increase (Decrease)	Percent Change
Operating Revenues				
Tuition and Fees	\$ 28.2	\$ 29.2	\$ (1.0)	(3.4%)
Auxiliary Enterprise Revenue	8.4	8.5	(0.1)	(1.2%)
Other Operating Revenues	1.7	2.0	(0.3)	(15.0%)
Total Operating Revenues	38.3	39.7	(1.4)	(3.5%)
Less Operating Expenses	153.7	150.5	3.2	2.1%
Operating Income (Loss)	(115.4)	(110.8)	(4.6)	(4.2%)
Non-operating Revenues (Expenses)				
State Sources	55.6	63.8	(8.2)	(12.9%)
Property Taxes	37.9	36.8	1.1	3.0%
Federal Grants and Contracts	21.7	21.8	(0.1)	(0.5%)
Local Sources	0.7	0.6	0.1	16.7%
Investment Income	2.7	2.2	0.5	22.7%
Interest on Capital Asset Related Debt	(2.4)	(4.7)	2.3	48.9%
Total Non-operating Revenues (Expenses)	116.2	120.5	(4.3)	(3.6%)
Increase (Decrease) in Net Position	0.8	9.7	(8.9)	(91.8%)
Net position, Beginning of Year	144.3	134.6	9.7	7.2%
Net position, End of Year	\$ 145.1	\$ 144.3	\$ 0.8	0.6%

Revenues

Operating and non-operating revenues totaled \$156.9 million for fiscal year 2019, a decrease of \$8.0 million over fiscal year 2018 mostly attributable to the timing of fiscal year 2017 state appropriations that were recorded in fiscal year 2018. The largest component of total fiscal year 2019 revenues, \$55.6 million, is from state sources which comprises 35.4 percent of total revenues. Local property tax revenues totaled \$37.9 million in fiscal year 2019 and represent the second largest component of total revenues at 24.2 percent. Revenues from student tuition and fees were \$28.2 million in fiscal year 2019 and represent the third largest component of total revenues at 18.0 percent. Federal revenues were \$21.7 million, accounting for 13.8 percent of total fiscal year 2019 revenues.

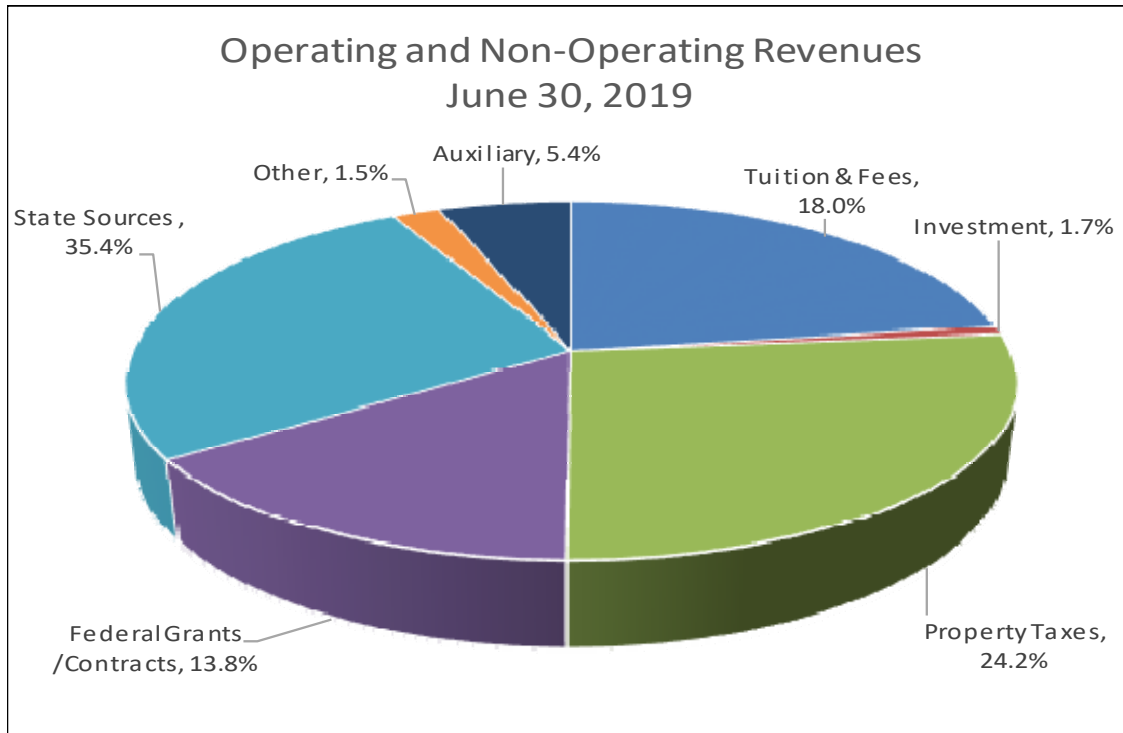
Operating revenues from tuition and fees decreased \$1.0 million from the previous year. This decrease is attributed to decreased enrollment in fiscal year 2019 compared to fiscal year 2018. Generally Accepted Accounting Principles (GAAP) require colleges to report tuition and fees funded by state and federal financial awards as non-operating revenues and not as tuition. The amount of state and federal scholarships applied to tuition was \$21.0 million in fiscal year 2019 compared to \$20.9 million in fiscal year 2018. The table below summarizes total gross tuition and fees revenues before reclassifying the federal and state financial aid awards to non-operating revenues. As shown in the table below, student tuition and fees before adjustment were \$49.2 million for fiscal year 2019, or \$0.9 million lower than fiscal year 2018.

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

(\$ in millions)	2019	2018	Increase (Decrease)	Percent Change
Student Tuition and Fees	\$ 49.2	\$ 50.1	\$ (0.9)	(1.8%)
Federal and State Awards	(21.0)	(20.9)	(0.1)	(0.5%)
Student Tuition and Fees, Net	\$ 28.2	\$ 29.2	\$ (1.0)	(3.4%)

Total non-operating revenues and expenses decreased \$4.3 million overall. State revenues decreased \$8.2 million compared to fiscal year 2018. This was primarily due to receiving 2017 state appropriations in fiscal year 2018, resulting in revenues for 2018 being higher than normal. The largest component was a \$10.2 million decrease in the total state payments received for base operating, equalization and MAP grants offset by an increase of \$4.3 million in SURS on-behalf contributions. Interest on capital asset related debt decreased by \$2.3 million due to the retirement of bonds in fiscal year 2018. Property taxes increased by \$1.0 million, and investment income increased by \$0.5 million.



(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

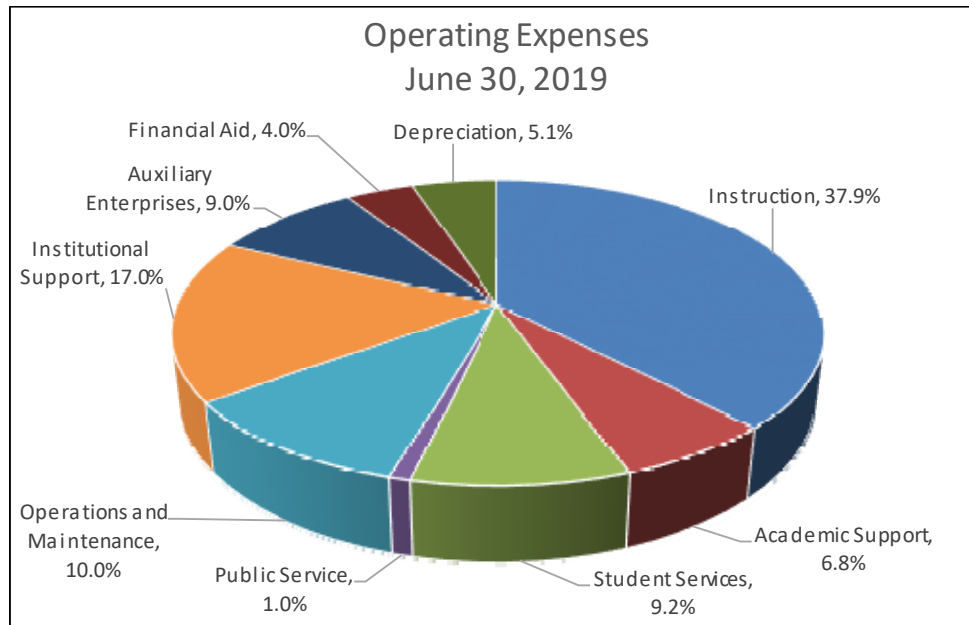
Operating Expenses

Operating expenses as of June 30, 2019 increased \$3.2 million or approximately 2.1 percent over fiscal year 2018. Instructional expenses increased \$2.0 million overall, resulting primarily from contractual salary increases. Operations and Maintenance increased by \$0.9 million due to the purchase of land in fiscal year 2019. Financial Aid decreased by \$2.0 million due to a decrease in Monetary Award Program (MAP) grants received from the state. This decrease in fiscal year 2019 is due to the state appropriating fiscal year 2017 MAP grants during fiscal year 2018, leading to two years of MAP grant revenue being recorded in fiscal year 2018.

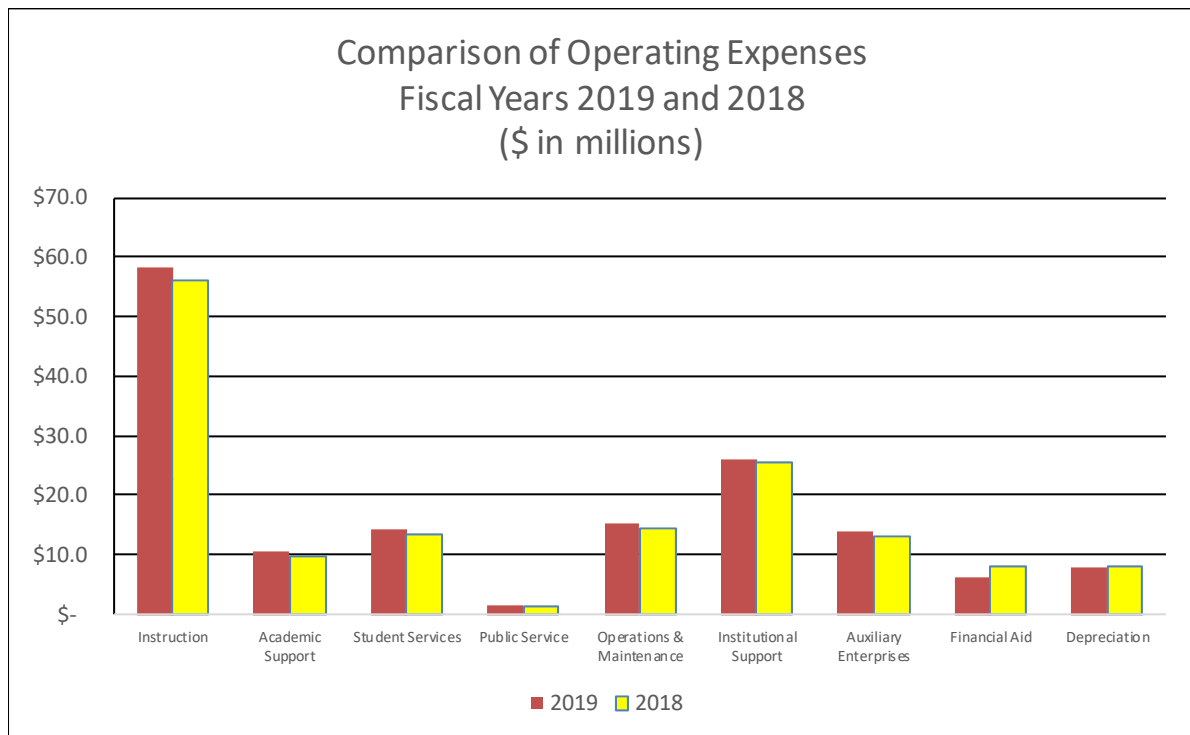
(\$ in millions)	2019	2018	Increase (Decrease)	Percent Change
Operating Expenses				
Instruction	\$ 58.2	\$ 56.2	\$ 2.0	3.6%
Academic Support	10.5	9.9	0.6	6.1%
Student Services	14.2	13.6	0.6	4.4%
Public Service	1.4	1.5	(0.1)	(6.7%)
Operations and Maintenance	15.4	14.5	0.9	6.2%
Institutional Support	26.2	25.5	0.7	2.7%
Auxiliary Enterprises	13.8	13.1	0.7	5.3%
Financial Aid	6.2	8.2	(2.0)	(24.4%)
Depreciation	7.8	8.0	(0.2)	(2.5%)
Total Operating Expenses	\$ 153.7	\$ 150.5	\$ 3.2	2.1%

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019



As shown in the operating expenses chart, fiscal year 2019 instruction costs were \$58.2 million. This category represents all of the direct costs associated with teaching students and is the largest component of operating expenses, accounting for 37.9 percent of total operating expenses. Financial aid expense represents the portion of financial aid that is refunded back to the student after tuition and fees.



(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

STATEMENT OF NET CAPITAL ASSETS AND LONG-TERM DEBT

(\$ in millions)	2019	2018	Increase (Decrease)	Percent Change
Capital Assets				
Construction in Progress	\$ 0.7	\$ 1.5	\$ (0.8)	(53.3%)
Land and Improvements	26.1	23.7	2.4	10.1%
Building and Improvements	232.3	230.9	1.4	0.6%
Equipment	9.5	8.1	1.4	17.3%
Technology	8.5	8.4	0.1	1.2%
Total	277.1	272.6	4.5	1.7%
Less Accumulated Depreciation	(100.5)	(92.9)	7.6	8.2%
Net Capital Assets	\$ 176.6	\$ 179.7	\$ (3.1)	(1.7%)

(\$ in millions)	2019	2018	Increase (Decrease)	Percent Change
Long-Term Debt				
General Obligation Bonds	\$ 82.1	\$ 88.1	\$ (6.0)	(6.8%)
Bond Premium	1.4	1.5	(0.1)	(6.7%)
Total Bonds, net	83.5	89.6	(6.1)	(6.8%)
Compensated Absences & Retirement Benefit Obligations	1.8	1.8	-	0.0%
Net OPEB Liability	48.2	44.7	3.5	7.8%
Note Payable	0.1	-	0.1	0.0%
Total Long-Term Debt	\$ 133.6	\$ 136.1	\$ (2.5)	(1.8%)

Fiscal Year 2019 Compared to Fiscal Year 2018

As of June 30, 2019, the College had a \$277.1 million investment in capital assets, and \$100.5 million in accumulated depreciation for total net capital assets of \$176.6 million. Net capital assets decreased \$3.1 million during fiscal year 2019. Construction in Progress decreased \$0.8 million due to completion of three projects and starting three new projects in fiscal year 2019. Land and Improvements increased by \$2.4 million, of which \$1.4 million was for the purchase of land, and \$1.0 million for replacing parking lots. Building and Building Improvements increased \$1.4 million for the addition of a new Fire Science garage. Equipment purchases included five new and two donated vehicles, four air handler units, and other equipment totaling \$1.6 million. This was offset by equipment disposals of \$0.2 million, which netted to an increase of \$1.4 million. Technology increased \$0.1 million with the purchase of technology capital equipment. Accumulated depreciation increased \$7.6 million resulting from current year depreciation less disposals. More detailed information about capital assets is presented in Note 6 to the financial statements.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

STATEMENT OF NET CAPITAL ASSETS AND LONG-TERM DEBT

During fiscal year 2019, bonds payable decreased by \$6.0 million. This is attributable to the regularly scheduled payments on the outstanding bonds. See Note 5 to the financial statements for more information.

The net OPEB liability is related to the College's proportionate share of the State of Illinois' Community College Health Insurance Program (CIP) liability. The net OPEB liability increased by \$3.5 million in fiscal year 2019. Detailed information about the College's net OPEB liability is presented in Note 8 to the financial statements.

CURRENT ISSUES

The Board of Trustees passed a \$96.4 million operating budget for fiscal year 2020. The Board of Trustees passed a \$3 per credit hour tuition increase effective for the fall 2019 semester. Management has seen credit hour and head count decreases over the past several years. As long as property tax and tuition revenue increases stay in line with salary increases and there is not a large reduction in state funding, the College projects balanced budgets in the foreseeable future.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

Proceeds from local taxes represent approximately 24 percent of the revenues the College receives to fund its Education and Operations and Maintenance needs. The overall equalized assessed valuation (EAV) in Cook County increased by 5.1 percent this year, largely due to the reassessment of the City of Chicago portion of the County, which saw assessed values increase by 12.5 percent. The northern suburbs and southern suburbs, which were not reassessed this year, saw decreases in EAV of 2.1 percent and 3.0 percent, primarily due to the decrease in the equalizer. Moraine Valley Community College district's EAV decreased 3.0 percent for tax year 2018 after an increase of 15.3 percent for tax year 2017. However, the District's tax rate increased by 5.2 percent, which led to an overall higher property tax extension in tax year 2018 compared to 2017. The Property Tax Extension Limitation Law (PTELL), also known as the tax cap law, limits the increase in revenue that qualifying districts may collect to the rate of inflation. Next year, it is expected the CPI will limit tax revenues to an increase of 1.8 percent. The College continues to track residential and commercial property values and economic activity in the residential and office construction sectors to forecast future funding impacts on the College.

In 2019, the state of Illinois passed a minimum wage rate law. Currently, the minimum wage in Illinois is \$8.25 per hour. Starting in calendar year 2020, the minimum wage will increase incrementally over the next five years to \$15 per hour in 2025. Salary expense for the College is anticipated to increase over the next six fiscal years to comply with this new state law.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide its bondholders, customers and other interested parties with a general overview of Moraine Valley Community College's finances and to show Moraine Valley Community College's accountability for the revenues it receives. If you have questions about this report or need additional information, contact Michael Cipolla at 9000 W. College Parkway, Palos Hills, IL 60465, (708) 974-4300.

**MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
JUNE 30, 2019**

BASIC FINANCIAL STATEMENTS

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
STATEMENT OF NET POSITION
JUNE 30, 2019

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 15,687,290
Short-term Investments	66,391,138
Property Tax Receivable	18,552,076
Tuition and Fees Receivable	3,195,200
Other Accounts Receivable	463,956
Interest Receivable	874,110
Intergovernmental Receivable	1,022,790
Inventory	855,942
Prepaid Expenses	987,426
Total Current Assets	<u>108,029,928</u>

Non-current Assets:

Long-term Investments	25,654,063
Capital Assets, not being depreciated	8,734,533
Capital Assets, net of accumulated depreciation	<u>167,846,924</u>
Total Non-current Assets	<u>202,235,520</u>

Total Assets

310,265,448**DEFERRED OUTFLOW OF RESOURCES**

Deferred Outflows Related to OPEB	4,090,364
Deferred Pension Expense	<u>203,574</u>
Total Deferred Outflow of Resources	<u>4,293,938</u>

LIABILITIES

Current Liabilities:

Accounts Payable	2,756,469
Accrued Payroll	3,203,718
Accrued Compensated Absences	1,176,972
Accrued Interest Payable	206,789
Accrued Retirement Benefit Obligations	142,857
Intergovernmental Payables	37,702
Unearned Tuition and Fees Revenue	4,054,750
Current Portion of Long-term Bonds Payable	6,130,000
Other Current Liabilities	<u>4,840</u>
Total Current Liabilities	<u>17,714,097</u>

Non-current Liabilities:

Accrued Compensated Absences	392,324
Net OPEB Liability	48,170,790
Accrued Retirement Benefit Obligations	107,764
Long-term Bonds Payable	77,297,501
Note Payable	<u>150,000</u>
Total Non-current Liabilities	<u>126,118,379</u>

Total Liabilities

143,832,476**DEFERRED INFLOW OF RESOURCES**

Deferred Inflows Related to OPEB	6,138,712
Unamortized Gain on Refunding	487,587
Deferred Property Tax Revenue	<u>19,046,604</u>
Total Deferred Inflow of Resources	<u>25,672,903</u>

NET POSITION

Net Investment in Capital Assets	92,516,369
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Restricted:

Scholarships	531,152
Capital Projects	1,412,257
Debt Service	4,105,457
Technology Projects	3,768,987
Liability Insurance Purposes	1,457,737
Audit Purposes	157,371
Unrestricted	<u>41,104,677</u>

Total Net Position

\$ 145,054,007

See accompanying notes to basic financial statements.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2019

REVENUES

Operating Revenues	
Tuition and Fees, net of scholarship allowances of \$21,031,428	\$ 28,211,172
Auxiliary Enterprise Revenue	8,335,041
Other Operating Revenues	1,704,367
Total Operating Revenues	<u>38,250,580</u>

EXPENSES

Operating Expenses	
Instruction	58,189,985
Academic Support	10,551,136
Student Services	14,219,012
Public Service	1,428,685
Operations and Maintenance	15,381,956
Institutional Support	26,218,601
Auxiliary Enterprises	13,781,214
Financial Aid	6,160,820
Depreciation	7,763,485
Total Operating Expenses	<u>153,694,894</u>
OPERATING INCOME (LOSS)	<u>(115,444,314)</u>

NON-OPERATING REVENUES (EXPENSES)

State Sources	55,573,521
Property Taxes	37,900,992
Federal Grants and Contracts	21,659,948
Local Sources	749,698
Investment Income	2,705,623
Interest on Capital Asset Related Debt	(2,365,263)
Loss on Disposal of Capital Assets	(5,479)
Total Non-operating Revenues (Expenses)	<u>116,219,040</u>

Increase in Net Position 774,726

Net Position - Beginning of Year 144,279,281

Net Position - End of Year \$ 145,054,007

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Tuition and Fees	\$ 28,132,016
Sales and Services	9,952,293
Payments to:	
Employees	(72,860,843)
Suppliers	(23,400,927)
Students	(6,160,820)
Net Cash Used by Operating Activities	<u>(64,338,281)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

State Sources	17,270,909
Property Taxes	38,019,999
Local Sources	749,698
Federal Grants and Contracts	21,635,100
Net Cash Provided by Noncapital Financing Activities	<u>77,675,706</u>

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES

Purchases of Capital Assets and Construction	(4,567,158)
Principal Paid on Capital Debt	(6,082,710)
Interest Paid on Capital Debt	(2,473,702)
Net Cash Used by Capital Financing Activities	<u>(13,123,570)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Sales and Maturities of Investments	72,100,568
Interest on Investments	1,955,514
Purchases of Investments	(75,285,990)
Net Cash Used by Investing Activities	<u>(1,229,908)</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,016,053)
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CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	16,703,343
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 15,687,290</u>

See accompanying notes to basic financial statements.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2019

RECONCILIATION OF NET OPERATING REVENUES/(EXPENSES)
TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

Operating Income (Loss)	\$ (115,444,314)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided (Used) by Operating Activities:	
Depreciation Expense	7,763,485
State Universities Retirement Payment	35,255,602
OPEB on Behalf Payment	3,047,010
Changes in Assets and Liabilities:	
Tuition and Fees Receivable, Net	(11,348)
Inventories and Other Assets	60,269
Accounts Payable and Accrued Liabilities	1,293,676
Accrued Salaries and Wages	176,410
Prepaid Expenses	(66,861)
Unearned Tuition and Fees Revenue	(67,808)
State Universities Retirement Pension Expense	(29,472)
Changes in OPEB Liability, Deferred Inflows, and Deferred Outflows	3,685,070
Net Cash Used by Operating Activities	<u><u>\$ (64,338,281)</u></u>

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:

Increase in fair value of investments	\$ 55,161
Loss on disposal of capital assets	(5,479)
State on-behalf payments for fringe benefits	38,534,013
Amortization of bond premiums and discounts	(100,570)
Note payable for capital asset purchase	150,000

See accompanying notes to basic financial statements.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Moraine Valley Community College - Community College District Number 524 (the College) conform to accounting principles generally accepted in the United States of America (GAAP) applicable to government units, as well as those prescribed by the Illinois Community College Board (ICCB), as set forth in the ICCB Fiscal Management Manual. The College's reports are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements. The following is a summary of the significant accounting policies.

A. Reporting Entity:

As defined by GASB Statement No. 14, *The Financial Reporting Entity*, and amended by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, the College as the financial reporting entity consists of the primary government and organizations for which the primary government is financially accountable. In addition, the primary government may determine, through exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading. In such instances, that organization should be included as a component unit. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement Nos. 14, 39, and 61.

The primary criterion for including a potential component unit within the reporting entity under GASB Statement No. 14, as amended by GASB Statement No. 61, 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 (1) the primary government is financially accountable if it appoints a voting majority of the organization's governing body *and* (a) it is able to impose its will on that organization *or* (b) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government; *and* (2) the primary government is financially accountable if the organization is fiscally dependent on *and* there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Based on this criteria, the College is not financially accountable for any other organizations.

Additionally, GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, provides guidance to determine whether certain organizations for which the College is not financially accountable should be reported as component units based on the nature and significance of their relationship with the College. Generally, it requires reporting, as a component unit, an organization that raises and holds significant economic resources for the direct benefit of a government unit. The Moraine Valley Foundation is a legally separate, tax exempt organization that acts as a fundraising organization to supplement the resources that are available to the College in support of its programs. These resources are not considered significant to the operations of the College. Accordingly, the Foundation is not reported as a component unit of the College.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation:

GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities and requires resources to be classified for accounting and reporting purposes into the following three net position categories:

Net Investment in Capital Assets: Capital assets, net of accumulated depreciation and outstanding debt obligations, attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: Consists of net position that has constraints placed on its use either by 1) external groups such as creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is generally the College's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted Net Position: Net position that is not subject to externally imposed situations. 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.

GASB Statement No. 35 also requires the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows to be reported on an entity-wide basis. These basic financial statements report information on all of the activities of the College. The effect of interfund activity has been removed from these statements.

C. Measurement Focus and Basis of Accounting:

For financial statement reporting purposes, Moraine Valley Community College is considered a special purpose government engaged only in business-type activities as defined in GASB Statement No. 34. Accordingly, the basic financial statements of the College have been prepared using the flow of economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred. All intra-agency and intra-fund 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 are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when 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.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All College activities are accounted for on a financial resources measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with these activities are included on the Statement of Net Position. The College's operating statement presents increases (revenues) and decreases (expenses) in net position. Depreciation of all exhaustible capital assets is charged as an expense against operations.

D. Receivables

Receivables include (1) property taxes, net of allowance, (2) government claims associated with state and federal funding, (3) tuition and fees, net of allowance, (4) other receivable balances associated with accounts receivable from vendors and (5) accrued interest. Receivables are recorded net of estimated uncollectible amounts. The College provides allowances for uncollectible student accounts for any outstanding receivable. The total allowance at June 30, 2019 was \$16,912,233. Balances in excess of seven years are fully reserved. During the fiscal year, the College did not write-off any student receivables.

E. Capital Assets:

Capital assets include property, plant, equipment, and infrastructure assets, such as roads and sidewalks. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add value to the asset or materially extend the asset's life are not capitalized.

Property, plant, and equipment of the College over the following thresholds are depreciated using the straight-line method over the following useful lives:

	<u>Useful Life</u>	<u>Thresholds</u>
Land	Not Depreciated	\$ 25,000
Buildings	50 years	50,000
Building and Land Improvements	20 years	25,000
Equipment	10 years	10,000
Computer Technology	8 years	10,000

Included with the College's computer technology capital assets, the College has capitalized an intangible asset, computer software. The College follows the same capitalization policy, estimated useful life, and method of depreciation for its intangible asset as it does for its computer technology capital assets.

Depreciation expense for 2019 was \$7,763,485.

F. Inventory:

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.

G. Unearned Revenues:

Unearned revenues include: (1) amounts received for tuition and fee revenues collected during the fiscal year which relate to the subsequent fiscal year, and (2) amounts received from grant and contract sponsors that have not yet been earned.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Deferred Outflow/Inflow of Resources:

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

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflow of resources. This separate financial statement element, deferred inflow of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The College reports resources associated with imposed nonexchange revenue transactions that are received or reported as a receivable before the period for which property taxes are levied as deferred inflow of resources. These amounts are deferred and recognized as revenues in the succeeding year when services financed by the levy are being provided.

I. Federal Financial Assistance Programs:

The College participates in federally funded Pell Grants, Supplemental Educational Opportunity Grants (SEOG), Federal Work-Study Program and Federal Direct Loan Program. Federal Programs are audited in accordance with the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget Uniform Administrative Audit Requirements for Federal Awards, and the Compliance Supplement.

J. Property Tax Revenue Recognition:

The College's property taxes are levied each calendar year on all taxable real property located within the College's district. Property taxes are recorded on an accrual basis of accounting. Pursuant to the Board of Trustees resolution, 50 percent of property taxes extended for the 2018 tax year and collected in 2019 are recorded as revenue in fiscal year 2019. The remaining 50 percent of revenue related to the 2018 tax year extension and collected in 2019 has been deferred and will be recorded as revenue in fiscal year 2020.

The County Assessor is responsible for assessment of all taxable real property within Cook County except for certain railroad property, which is assessed directly by the State. The County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in the County. Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to each unit its respective share of the collections. Taxes levied in one year become due and payable in two installments during the following year, generally on March 1 and August 1 of each year. The first installment is an estimated bill and is 55 percent of the prior year's tax bill. The second installment is based on the current levy, assessment, equalization, and certificate to limit levy, if any; changes from the prior year will be reflected in the second installment bill.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxes must be levied by the last Tuesday in December for the following collection year. The levy becomes an enforceable lien against the property as of January 1 of the levy year. Tax bills are levied in December by passage of a Tax Levy Ordinance. Public Act 89-1 placed limitations on the annual growth of most local governments' property tax collections. Currently, the limitation is the lesser of 5 percent or the rate of inflation, measured by the Consumer Price Index. The personal property replacement tax is recorded on the accrual basis based on the amounts held by the State.

K. Compensated Absences:

The College records a liability for employees' vacation leave earned, but not taken. Employees are allowed to carry over a limited number of vacation days from year to year. At June 30, 2019, the College has recorded a vacation liability of \$1,569,296. The College considers \$1,176,972 of this liability current as of June 30, 2019.

The College has no commitment for accumulated sick leave and no liability is recorded. Employees who retire are given credit for unused sick leave towards years of service in the State Universities Retirement System (SURS or the System) pension plan.

L. Classification of Revenues:

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 includes activities that have the characteristics of non-exchange transactions, such as (1) local property taxes, (2) state appropriations, and (3) most federal, state and local grants and contracts.

Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. Expenses not meeting this definition are reported as non-operating expenses.

M. Cash and Investments:

Cash and Cash Equivalents - For purposes of the Statement of Cash Flows, the College considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments - Non-negotiable certificates of deposit, repurchase agreements, and money market investments with a maturity of less than one year at date of purchase are stated at amortized cost. U.S. Treasury – State, Local and U.S. Government Securities (SLUGs) investments are valued at cost. All other investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. On-Behalf Payments for Fringe Benefits and Salaries:

The College recognizes as revenues and expenses contributions made by the State of Illinois to the State Universities Retirement System on behalf of the College's employees, as well as to the Community College Health Insurance Program. In fiscal year 2019, the State made contributions of \$35,255,602 and \$231,401, respectively, for these programs (See Note 7 and Note 8).

In addition, the College recognized on-behalf revenues and expenses for the proportionate share of the State's OPEB expense for the Community College Health Insurance Program. This amounted to an additional \$3,047,010 in revenues and expenses in the current fiscal year.

O. Pensions:

For purposes of measuring the net pension liability, deferred outflow of resources and deferred inflow of resources related to pensions, and pension expense, information about the plan net position of SURS 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.

P. Postemployment Benefits Other than Pensions:

The College participates in the State of Illinois' Community College Health Insurance Program (CIP). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of CIP and additions to/deductions from CIP's fiduciary net position have been determined on the same basis as they are reported by CIP. For this purpose, CIP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments, if any, are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Q. Note Payable:

The College entered an agreement to purchase land in fiscal year 2019. The College paid \$1,250,000 of the \$1,400,000 purchase price in fiscal year 2019. The remaining balance of \$150,000 is recorded as a note payable and is due on or before April 22, 2024.

R. Premiums, Discounts and Issuance Costs:

Bond premiums are deferred and amortized over the life of the bonds using the sum of the bonds outstanding method, which approximates the effective interest method. Long-term obligations (general obligation bonds) are reported net of the applicable bond premium. Bond issuance costs are expensed at the time the debt is issued.

S. Use of Estimates:

College management has made a number of estimates and assumptions relating to the reporting of assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

T. Early Retirement Incentive Program:

In addition to the retirement benefits provided by the College described in Note 7, the College provides voluntary retirement benefits to certain classes of employees. These include employer paid voluntary retirement stipends as well as a health care supplement.

Faculty and Administrative and Professional Staff - Full-time faculty and professional staff who are at least 55 years of age, have at least 15 years of continuous service with the College, and are able to retire according to SURS are eligible for early retirement remuneration. Compensation will be made in accordance with employment agreements.

2013-2015

The full-time faculty and professional staff's postretirement benefit program consists of a \$5,000 insurance supplement for five years to subsidize the state retiree health insurance program. Faculty participation is limited to 4 participants over the length of the contract and professional staff participation is limited to 4 participants.

2015-2018

The full-time faculty and professional staff's postretirement benefit program consists of a \$5,000 insurance supplement for four years to subsidize the state retiree health insurance program. Faculty participation is limited to 6 participants over the length of the contract and professional staff participation is limited to 6 participants.

Support Staff and Administrative Classified Staff - Support staff and administrative classified staff who are at least 55 years of age, have at least 14 years of continuous service with the College, and are able to retire according to SURS are eligible for early retirement remuneration. Compensation will be made in accordance with employment agreements.

2013-2015

Support staff and administrative classified staff are eligible for a \$5,000 insurance supplement for five years. Participation is limited to 8 support staff and 4 classified employees.

2015-2018

Support staff and administrative classified staff are eligible for a \$5,000 insurance supplement for four years. Participation is limited to 12 support staff and 4 classified employees.

As of June 30, 2019, the College was obligated to pay 30 employees as part of the plans with payments due through 2022. The net present value of the College's liability at June 30, 2019 was \$250,621. The College considers \$142,857 of this liability current as of June 30, 2019.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 2 - BUDGET AND BUDGETARY ACCOUNTING

The College follows these procedures in establishing the budgetary data reflected in the financial statements:

- A. Management submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- B. Budget hearings are conducted.
- C. The budget is legally enacted through the passage of an ordinance.
- D. The President may from time to time make transfers between the various items in any fund not exceeding in the aggregate 10 percent of the total of any fund set forth in the budget.
- E. The Board may from time to time amend the budget by the same procedure as is herein provided for its original adoption.

Budgets are adopted on a basis consistent with GAAP. The budget was adopted and approved by the Board of Trustees on September 18, 2018. Appropriations (i.e., budget) lapse at year-end.

NOTE 3 - INSURANCE AND RISK MANAGEMENT

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 catastrophic coverage and aggregate stop-loss reinsurance over the selected retention limit. Coverages include all property, excess liability (\$29,750,000), and workers' compensation. No settlement has exceeded coverage since establishment of the Consortium. The College joined the consortium in fiscal year 2004. Since the Consortium required initial payments to cover substantially any losses to be incurred for that policy year, the College anticipates no future liabilities for incurred losses. The policy is annual and renewable on July 1. The College's level of coverage increased in the current fiscal year.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 3 - INSURANCE AND RISK MANAGEMENT (Concluded)

During fiscal year 2012, the College joined the Community College Health Care Consortium which administers benefit programs offered by members. It functions solely to administer, process, and direct payment of employees' insurance coverage for medical and prescription drugs. The College pays the Community College Health Care Consortium a monthly premium based on the number of participants and the type of coverage that has been elected. The College maintains voluntary, fully insured dental coverage through a third-party administrator for its dental insurance. The College currently allocates all expenses associated with the employee health plans to each of the College's individual subfunds. Claims and expenses are reported when incurred. To limit its exposure of risk, the Consortium maintains a specific excess policy that provides coverage in excess of \$250,000 per employee for medical claims. The amount of settlements has not exceeded insurance coverage in each of the past three years.

Changes in the balances of health care claim liabilities during the past two years are as follows. This liability, if present at year-end, is included within accounts payable on the Statement of Net Position.

	2019	2018
Liability for health care costs at July 1	\$ -	\$ -
Incurrd claims	11,307,250	9,824,592
Payments on claims	(11,307,250)	(9,824,592)
Liability for health care costs at June 30	<u>\$ -</u>	<u>\$ -</u>

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 4 - DEPOSITS AND INVESTMENTS

A. Cash:

The carrying amount of cash was \$13,645,932 at June 30, 2019, while the bank balances were \$15,903,866. As of June 30, 2019, all bank account balances were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the United States Government, United States Government Agencies, Certificates of Deposit 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.

B. Investments:

The investments which the College may purchase are limited by Illinois law to the following: (1) securities which 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 which are insured by a Federal corporation; (4) certain short-term obligations of corporations (commercial paper) rated not less than A-1 or P-1 or an equivalent rating by at least two of the major rating services; (5) fully collateralized repurchase agreements; (6) the Illinois Public's Treasurer's Investment Pool; (7) the Illinois School District Liquid Asset Fund Plus; (8) Municipal Bonds rated within the three highest general classifications established by at least one major rating service; and (9) money market accounts and certain other instruments.

Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code. The investment fund is controlled by and for Illinois public funds managers and finance officers to enhance investment opportunity. Investments in IMET are valued at IMET's share price, which is the price the investment could be sold for.

C. Certificates of Deposit:

Certificates of Deposit amounted to \$64,320,323 at June 30, 2019. In accordance with College policy, Certificates of Deposit were collateralized with securities of the U.S. Government in an amount equal to 110 percent of the funds on deposit. All investment collateral is held in safekeeping in the College's name by financial institutions acting as the College's agent. Collateral is priced to market monthly and monitored regularly with additional collateral requested as necessary.

The following schedule reports the reported values and maturities (using the segmented time distribution method) for the College's certificates of deposits and investments at June 30, 2019.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

Type	Investment Reported Value	Investment Maturities	
		Less than One Year	One to Five Years
Certificates of Deposit	\$ 64,320,323	\$ 60,862,092	\$ 3,458,231
Investments:			
U.S. Agencies	24,189,322	1,993,490	22,195,832
U.S. Treasury	382,269	382,269	-
Repurchase Agreements	2,041,358	2,041,358	-
Money Market Mutual Fund	3,153,287	3,153,287	-
Total	<u>\$ 94,086,559</u>	<u>\$ 68,432,496</u>	<u>\$ 25,654,063</u>

D. Interest Rate Risk:

The College's formal investment policy, to the extent possible, attempts to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the College will not directly invest in securities maturing more than five years from the date of purchase. Reserve funds may be invested in securities exceeding one year if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds. Except for the investment of bond proceeds and capital construction funds, no more than 40 percent of the College's total investments shall be invested in securities maturing more than one year from the date of purchase.

E. Credit Risk:

The College has no formal policy relating to specific investment related risk. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The primary objective, in order of priority, shall be:

- Legality - conformance with federal, state and other legal requirements
- Safety - preservation of capital and protection of investment principal
- Liquidity - maintenance of sufficient liquidity to meet operating requirements
- Yield - attainment of market rates of return

The portfolio is reviewed periodically as to its effectiveness in meeting the College's needs for safety, liquidity, rate of return, diversification and its general performance.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

Credit ratings for the College's investments in debt securities as described by Standard & Poor's and Moody's at June 30, 2019 (excluding investments in U.S. Treasuries which are not considered to have credit risk) are as follows:

Disclosure Rating for Debt Securities (S&P/Moody's) (As a percentage of total fair value for debt securities)		
Investment Type	AA/Aaa	N/R
U.S. Agencies	100%	0%
U.S. Treasury	0%	100%
Repurchase Agreements	0%	100%
Money Market Mutual Fund	100%	0%

F. Custodial Credit Risk:

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The following is the College's policy relating to custodial credit risk.

All security transactions, including collateral for repurchase agreements, entered into by the College shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by an independent third-party custodian designated by the Treasurer. The safekeeping department of the bank designated will be considered to be a third party for the purposes of safekeeping of securities. Securities purchased through a broker/dealer may be held by the broker as long as they are registered in the name of the College and they meet other credit requirements.

Banks that place purchased securities or securities that are provided as collateral by that bank into that bank's trust department shall be considered to have complied with the third-party safekeeping requirements. Financial institutions must collateralize all deposits in excess of \$250,000 to 105 percent of market value.

Acceptable collateral will include the following:

1. Bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued which are guaranteed by the full faith and credit of the United States of America as to principal and interest
2. Bonds issued by Moraine Valley Community College
3. Obligations of United States Government Agencies

All investments requiring collateral in accordance with the above section shall be witnessed by a written agreement and held at an independent, third-party institution in the name of the College.

The only exception to this collateralization policy is limited to funds invested for capital construction projects which the College Treasurer will be authorized to determine appropriate collateralization levels based on cash flow needs necessary for the College to complete construction projects.

The College was fully collateralized as of June 30, 2019.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 4 - DEPOSITS AND INVESTMENTS (Concluded)

G. Concentration of Credit Risk:

The total deposits in any one financial institution may not exceed 75 percent of the capital stock and surplus of that institution, in accordance with the most recent call report of that institution. Further, unless specifically authorized by the Board of Trustees, the Treasurer shall not have deposits in excess of \$28,000,000 in any one financial institution regardless of the calculation mentioned in this section.

More than 5 percent of investments (other than United States Government and United States Government Guaranteed Obligations) are invested in the following issuer:

<u>Investment</u>	<u>Percentage</u>
Federal Home Loan Mortgage Corporation	37.62%
Federal Home Loan Bank Note	25.85%
Federal Farms Credit Bank	14.46%

H. Reconciliation:

The following is a reconciliation of Deposits and Investments to the Statement of Net Position:

<u>Deposits and Investments</u>	<u>June 30, 2019</u>
Cash	\$ 13,645,932
Certificates of Deposit	64,320,323
Investments	
U.S. Treasury	382,269
U.S. Agencies	24,189,322
Repurchase Agreements	2,041,358
Money Market Mutual Fund	3,153,287
Totals	<u>\$ 107,732,491</u>
 <u>Statement of Net Position</u>	
Cash and Cash Equivalents	\$ 15,687,290
Short-term Investments	66,391,138
Long-term Investments	25,654,063
Totals	<u>\$ 107,732,491</u>

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 5 - LONG-TERM OBLIGATIONS

A schedule of the College's long-term debt activity for the year ended June 30, 2019 is as follows:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019	Due within one year
General Obligation Bonds	\$ 88,075,000	\$ -	\$ (6,005,000)	\$ 82,070,000	\$ 6,130,000
Add: Bond Premium	1,458,071	-	(100,570)	1,357,501	-
Compensated Absences	1,486,520	1,197,666	(1,114,890)	1,569,296	1,176,972
Net OPEB Liability	44,667,920	3,502,870	-	48,170,790	-
Retirement Benefit Obligation	350,037	-	(99,416)	250,621	142,857
Note Payable	-	150,000	-	150,000	-
Total	<u>\$ 136,037,548</u>	<u>\$ 4,850,536</u>	<u>\$ (7,319,876)</u>	<u>\$ 133,568,208</u>	<u>\$ 7,449,829</u>

In addition to the principal retired during the year, the College incurred interest expense of \$2,365,263 on General Obligation Bonds. See Note 1, pages 45-47, for more information on compensated absences, note payable, and retirement benefit obligations.

The General Obligation Bonds Repayment Schedule at June 30, 2019 is as follows:

In April 2012, the College issued Community College Bonds Series 2012A in the amount of \$9,505,000 in order to advance refund a portion of the District's outstanding General Obligation Community College Bonds, Series 2007B. Repayment of these bonds will be funded through an ad valorem tax levy on all of the taxable property located within the College district.

Bond Issue Date	April 3, 2012
Current Portion	\$140,000
Long-term Portion	\$9,095,000
Interest Rate	2.00% to 3.00%
Final Payment Date	December 1, 2025
Payment Dates	June 1 and December 1, as set forth below

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 5 - LONG-TERM OBLIGATIONS (Continued)

Year Ending June 30	Principal	Interest	Total Debt Service
2020	\$ 140,000	\$ 272,850	\$ 412,850
2021	140,000	270,050	410,050
2022	145,000	266,475	411,475
2023	150,000	262,050	412,050
2024	155,000	257,475	412,475
2025-2026	8,505,000	321,075	8,826,075
Totals	<u>\$ 9,235,000</u>	<u>\$ 1,649,975</u>	<u>\$ 10,884,975</u>

In February 2012, the College issued Community College Bonds Series 2012B in the amount of \$15,885,000 in order to advance refund a portion of the District's outstanding General Obligation Community College Bonds, Series 2007B. Repayment of these bonds will be funded through an ad valorem tax levy on all of the taxable property located within the College district.

Bond Issue Date	February 22, 2012
Current Portion	\$4,880,000
Long-term Portion	\$5,060,000
Interest Rate	0.89% to 4.00%
Final Payment Date	December 1, 2020
Payment Dates	June 1 and December 1, as set forth below

Year Ending June 30	Principal	Interest	Total Debt Service
2020	\$ 4,880,000	\$ 183,916	\$ 5,063,916
2021	5,060,000	66,033	5,126,033
Totals	<u>\$ 9,940,000</u>	<u>\$ 249,949</u>	<u>\$ 10,189,949</u>

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 5 - LONG-TERM OBLIGATIONS (Continued)

In May 2012, the College issued Community College Bonds Series 2012C in the amount of \$23,605,000 in order to advance refund a portion of the District's outstanding General Obligation Community College Bonds, Series 2007B. Repayment of these bonds will be funded through an ad valorem tax levy on all of the taxable property located within the College district.

Bond Issue Date	May 23, 2012
Current Portion	\$205,000
Long-term Portion	\$21,735,000
Interest Rate	0.79% to 3.25%
Final Payment Date	December 1, 2024
Payment Dates	June 1 and December 1, as set forth below

Year Ending June 30	Principal	Interest	Total Debt Service
2020	\$ 205,000	\$ 657,373	\$ 862,373
2021	210,000	652,378	862,378
2022	5,405,000	573,469	5,978,469
2023	6,105,000	406,599	6,511,599
2024	6,365,000	217,283	6,582,283
2025	3,650,000	59,313	3,709,313
Totals	<u>\$ 21,940,000</u>	<u>\$ 2,566,415</u>	<u>\$ 24,506,415</u>

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 5 - LONG-TERM OBLIGATIONS (Continued)

In October 2012, the College issued Community College Bonds Series 2012D in the amount of \$5,400,000. Proceeds of the Bonds were used to (i) build and equip a new health education and wellness center, (ii) capitalize interest on the Bonds through June 1, 2014, and (iii) pay certain costs associated with the issuance of the Bonds.

Bond Issue Date	October 18, 2012
Current Portion	\$695,000
Long-term Portion	\$1,445,000
Interest Rate	2.25% to 2.40%
Final Payment Date	June 1, 2022
Payment Dates	June 1, as set forth below

Year Ending June 30	Principal	Interest	Total Debt Service
2020	\$ 695,000	\$ 49,245	\$ 744,245
2021	715,000	33,608	748,608
2022	730,000	17,520	747,520
Totals	<u>\$ 2,140,000</u>	<u>\$ 100,373</u>	<u>\$ 2,240,373</u>

In December 2012, the College issued Community College Bonds Series 2013 in the amount of \$28,290,000. Proceeds of the Bonds were used to (i) build and equip a new health education and wellness center, (ii) capitalize interest on the Bonds through June 1, 2014, and (iii) pay certain costs associated with the issuance of the Bonds.

Bond Issue Date	December 11, 2012
Current Portion	\$210,000
Long-term Portion	\$27,085,000
Interest Rate	2.00% to 4.00%
Final Payment Date	June 1, 2042
Payment Dates	June 1, as set forth below

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 5 - LONG-TERM OBLIGATIONS (Continued)

Year Ending June 30	Principal	Interest	Total Debt Service
2020	\$ 210,000	\$ 896,438	\$ 1,106,438
2021	210,000	892,238	1,102,238
2022	220,000	888,038	1,108,038
2023	970,000	883,638	1,853,638
2024	990,000	864,238	1,854,238
2025-2029	5,345,000	3,922,957	9,267,957
2030-2034	6,440,000	2,824,470	9,264,470
2035-2039	7,690,000	1,578,501	9,268,501
2040-2042	5,220,000	342,876	5,562,876
Totals	<u>\$ 27,295,000</u>	<u>\$ 13,093,394</u>	<u>\$ 40,388,394</u>

In December 2015, the College issued Community College Bonds Series 2015 in the amount of \$9,620,000 in order to currently refund a portion of the District's outstanding General Obligation Community College Bonds, Series 2006. The purpose of the refunding is to realize debt service savings for the College. The aggregate difference in debt service between the refunding debt and the refunded debt is a \$1,521,622 savings, and the economic gain on the transaction was \$1,262,933.

Bond Issue Date	December 8, 2015
Current Portion	\$ -
Long-term Portion	\$9,470,000
Interest Rate	3.0%
Final Payment Date	December 1, 2026
Payment Dates	June 1 and December 1, as set forth below

Year Ending June 30	Principal	Interest	Total Debt Service
2020	\$ -	\$ 284,100	\$ 284,100
2021	-	284,100	284,100
2022	-	284,100	284,100
2023	-	284,100	284,100
2024	-	284,100	284,100
2025-2027	9,470,000	679,350	10,149,350
Totals	<u>\$ 9,470,000</u>	<u>\$ 2,099,850</u>	<u>\$ 11,569,850</u>

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 5 - LONG-TERM OBLIGATIONS (Continued)

In June 2018, the College issued Community College Bonds Series 2018 in the amount of \$2,050,000 in order to currently refund a portion of the District's outstanding General Obligation Community College Bonds, Series 2006 and 2007B. The purpose of the refunding is to realize debt service savings for the College. The aggregate difference in debt service between the refunding debt and the refunded debt is a \$607,006 savings, and the economic gain on the transaction was \$153,399.

Bond Issue Date	June 12, 2018
Current Portion	\$ -
Long-term Portion	\$2,050,000
Interest Rate	4.0%
Final Payment Date	December 1, 2025
Payment Dates	June 1 and December 1, as set forth below

Year Ending June 30	Principal	Interest	Total Debt Service
2020	\$ -	\$ 82,000	\$ 82,000
2021	-	82,000	82,000
2022	405,000	73,900	478,900
2023	-	65,800	65,800
2024	-	65,800	65,800
2025-2026	1,645,000	40,500	1,685,500
Totals	<u>\$ 2,050,000</u>	<u>\$ 410,000</u>	<u>\$ 2,460,000</u>

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 5 - LONG-TERM OBLIGATIONS (Concluded)

The College has pledged revenues to repay certain bond issues. The pledges will remain until all bonds are retired. The amount of pledges remaining as of June 30, 2019 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date	Percentage of Revenue Pledged
2012D	Construction/Infrastructure and Membership Fees	\$ 2,140,000	2022	17.53%
2013	Construction/Infrastructure and Membership Fees	27,295,000	2042	26.15%
Debt Issue	Pledged Revenue Source	Pledge Revenue	Principal and Interest Retired	
2012D	Construction/Infrastructure and Membership Fees	\$ 4,246,735	\$ 744,545	
2013	Construction/Infrastructure and Membership Fees	4,246,735	1,110,638	

NOTE 6 - CAPITAL ASSETS

The following table presents the changes in the various capital asset categories for fiscal year 2019:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019
Capital Assets, not Being Depreciated				
Land	\$ 6,618,969	\$ 1,400,000	\$ -	\$ 8,018,969
Construction in Progress	1,449,065	2,737,837	3,471,338	715,564
Total Capital Assets, not Being Depreciated	8,068,034	4,137,837	3,471,338	8,734,533
Capital Assets, Being Depreciated				
Land Improvements	17,096,430	994,352	-	18,090,782
Buildings and Improvements	230,909,112	1,375,277	-	232,284,389
Equipment	8,131,936	1,533,688	220,840	9,444,784
Technology	8,432,385	110,151	-	8,542,536
Total Capital Assets, Being Depreciated	264,569,863	4,013,468	220,840	268,362,491
Total Cost	\$ 272,637,897	\$ 8,151,305	\$ 3,692,178	\$ 277,097,024

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 6 - CAPITAL ASSETS (Concluded)

A summary of changes in the accumulated depreciation by asset categories for fiscal year 2019 follows:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019
Land Improvements	\$ 7,710,858	\$ 736,373	\$ -	\$ 8,447,231
Buildings and Improvements	74,541,991	5,826,992	-	80,368,983
Equipment	4,605,020	731,519	198,361	5,138,178
Technology	6,092,574	468,601	-	6,561,175
Total Accumulated Depreciation	92,950,443	\$ 7,763,485	\$ 198,361	100,515,567
Net Capital Assets	<u>\$179,687,454</u>			<u>\$176,581,457</u>

NOTE 7 - DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description: The College contributes to the State Universities Retirement System of Illinois (SURS), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation whereby the State of Illinois makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941 to provide retirement annuities and other benefits for staff members and employees of the state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State of Illinois' financial reporting entity and is included in the State's financial reports 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 Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed 6 months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2018 can be found in SURS comprehensive annual financial report, (CAFR) Notes to the Financial Statements.

Contributions: The State of Illinois is primarily responsible for funding SURS on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)

Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of SURS to reach 90 percent of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal years 2018 and 2019, respectively, was 12.46 percent and 12.29 percent 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 percent of their annual covered salary. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

Participating employers make contributions toward separately financed specific liabilities under Section 15-139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of "affected annuitants" or specific return to work annuitants) and Section 15-155(g) (relating to contributions payable due to earning increases exceeding 6 percent during the final rate of earnings period), and Section 15-155(j-5) (relating to contributions payable due to earnings exceeding the salary set by the Governor). There were no such liabilities for the College at year-end.

For 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.

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

Net Pension Liability: At June 30, 2018, SURS reported a net pension liability (NPL) of \$27,494,556,682. The net pension liability was measured as of June 30, 2018.

Employer Proportionate Share of Net Pension Liability: The amount of the proportionate share of the net pension liability recognized for the College is \$0. The proportionate share of the State's net pension liability associated with the College is \$360,976,035 or 1.3129 percent. The net pension liability and the total pension liability as of June 30, 2018 was determined based on the June 30, 2017 actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported employee contributions made to SURS during fiscal year 2018.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)

Pension Expense: At June 30, 2018, SURS reported a collective net pension expense of \$2,685,322,700.

Employer Proportionate Share of Pension Expense: The employer's proportionate share of collective pension expense is recognized as on-behalf payments as both revenue and expenditure in the College's financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported employee contributions made to SURS during fiscal year 2018. As a result, the College recognized an estimated on-behalf revenue and pension expense of \$35,255,602 for the fiscal year ended June 30, 2019.

Deferred Outflow of Resources and Deferred Inflow of Resources Related to Pensions: Deferred outflows of resources are the consumption of net position by SURS that is applicable to future reporting periods. SURS collective deferred outflows and deferred inflows of resources by sources are as follows:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 65,521,614	\$ 181,032,053
Change in assumption	1,286,257,095	123,218,306
Net difference between projected and actual earnings on pension plan investments	26,810,634	-
Total	<u>\$ 1,378,589,343</u>	<u>\$ 304,250,359</u>

SURS collective deferred outflows and deferred inflows of resources by year to be recognized in future pension expenses are as follows:

Year Ending June 30	Net Deferred Outflow of Resources
2019	\$ 763,171,084
2020	540,443,042
2021	(192,612,398)
2022	(36,662,744)
Total	<u>\$ 1,074,338,984</u>

Employer Deferral of Fiscal Year 2019 Pension Expense

The College paid \$203,574 in federal, trust or grant contributions for the fiscal year ended June 30, 2019. These contributions were made subsequent to the pension liability measurement date of June 30, 2018, and are recognized as Deferred Outflow of Resources as of June 30, 2019.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)

Assumptions and Other Inputs

Actuarial assumptions: The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period June 30, 2014 - 2017. The total pension liability in the June 30, 2018, 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 Combined Mortality Table 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 consultant(s) and actuary(s). For each major asset class that is included in the pension plan's target asset allocation as of June 30, 2018, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
U.S. Equity	23%	5.00%
Private Equity	6%	8.50%
Non-U.S. Equity	19%	6.45%
Global Equity	8%	6.00%
Fixed Income	19%	1.50%
Treasury-Inflation Protected Securities	4%	0.75%
Emerging Market Debt	3%	3.65%
Real Estate REITS	4%	5.45%
Direct Real Estate	6%	4.75%
Commodities	2%	2.00%
Hedged Strategies	5%	2.85%
Opportunity Fund	1%	7.00%
Total	100%	4.55%
Inflation		2.75%
Expected Arithmetic Return		7.30%

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 7 - DEFINED BENEFIT PENSION PLAN (Concluded)

Discount Rate: A single discount rate of 6.65 percent 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 percent and a municipal bond rate of 3.62 percent (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's funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of SURS's Net Pension Liability to Changes in the Discount Rate: Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.65 percent, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

1% Decrease	Current Single Discount Rate Assumption	1% Increase
5.65%	6.65%	7.65%
\$ 33,352,188,584	\$ 27,494,556,682	\$ 22,650,651,520

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

NOTE 8 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION

Plan Description: The College participates in the State of Illinois' Community College Health Insurance Program (CIP), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the state. The benefits, employer, employee, retiree and state contributions are dictated by ILCS through the State Group Insurance Act of 1971 (the Act) and can only be changed by the Illinois General Assembly. Separate financial statements, including required supplementary information, may be obtained from the Department of Healthcare and Family Services, 201 South Grand Avenue East, Springfield, Illinois 62763.

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MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 8 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Benefits Provided: CIP provides health, vision and dental benefits to retired staff and dependent beneficiaries of participating community colleges. Annuitants may be required to contribute towards health, dental, and vision benefits with the amount based on factors such as date of retirement, years of credited service with the State, whether the annuitant is covered by Medicare, and whether the annuitant has chosen a managed health care plan. Annuitants who retired prior to January 1, 1998, and who are vested in the State Employee's Retirement System do not contribute towards health, dental, and vision benefits. For annuitants who retired on or after January 1, 1998, the annuitant's contribution amount is reduced 5 percent for each year of credited service with the State allowing those annuitants with 20 or more years of credited service to not have to contribute towards health, dental, and vision benefits. Annuitants also receive life insurance coverage equal to the annual salary of the last day of employment until age 60, at which time the benefit becomes \$5,000.

Contributions: The Act requires every active contributor (employee) of SURS to contribute 0.5% of covered payroll and every community college district to contribute 0.5% of covered payroll. Retirees pay a premium for coverage that is also determined by ILCS. The State Pension Funds Continuing Appropriation Act (40/ILCS 15/1.4) requires the state to make an annual appropriation to CIP to cover any expected expenditures in excess of the contributions by active employees, employers and retirees. The result is pay as you go financing of the plan. The employer contributions to the Plan for the years ending June 30, 2019, 2018, and 2017 were \$231,401, \$223,133, and \$212,502, respectively. The College contributions were equal to the required contributions for each year.

OPEB Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources: At June 30, 2019, the College reported a liability for its proportionate share of the collective net OPEB liability that reflected a reduction for State OPEB support provided for the District. The State's support and total are for disclosure purposes only. The OPEB proportionate shares are as follows:

Employer's proportionate share of the collective net OPEB liability	\$ 48,170,790
The portion of the State's proportionate share amount of the collective net OPEB liability associated with the employer	48,170,818
Total CIP net collective OPEB liability associated with the employer	<u>\$ 96,341,608</u>

The collective net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation performed as of June 30, 2017 rolled forward to June 30, 2018. The College's proportion of the net OPEB liability was based on the College's actual contributions to the OPEB plan relative to the projected contributions of all participating Colleges and the State of Illinois, statutorily determined. At June 30, 2018 and June 30, 2017, the College's proportions were 2.555138 percent and 2.449387 percent, respectively.

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 8 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

For the year ended June 30, 2019, the College recognized OPEB expense of \$3,693,338. At June 30, 2019, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 707,993	\$ 105,502
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,150,970	2,074
Net difference between projected and actual investment earnings	-	1,574
Changes of assumptions	-	6,029,562
Total deferred amounts to be recognized in expense in future periods	3,858,963	6,138,712
Employer contributions subsequent to the measurement date	231,401	-
	<u>\$ 4,090,364</u>	<u>\$ 6,138,712</u>

The College reported \$231,401 as deferred outflows of resources related to OPEB resulting from College contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability for the measurement period ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CIP will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:

2020	\$ (548,932)
2021	(548,932)
2022	(548,932)
2023	(548,810)
2024	(84,143)
	<u>\$ (2,279,749)</u>

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 8 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Actuarial Assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, rolled forward to June 30, 2018, the measurement date, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Assumptions	
Inflation	2.75%
Salary Increases	3.75% to 10.00%
Investment Rate of Return	0.00%
Healthcare Cost Trend Rates	8.00%-9.00% trending to 4.50%
Asset Valuation Method	Market Value

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table. For disabled annuitants mortality rates 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 Scale MP-2014.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period June 30, 2010 to June 30, 2014.

The following OPEB-related assumption changes were made since the June 30, 2014 OPEB actuarial valuation date:

- The discount rate was changed from 3.56 percent at June 30, 2017 to 3.62 percent at June 30, 2018;
- The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2017, projected plan cost for plan year-end June 30, 2018, premium changes through plan year-end 2019, and expectation of future trend increases after June 30, 2018;
- The excise trend rate adjustment was updated based on available premium and enrollment information as of June 30, 2018;
- Per capita claim costs were updated based on projected claims and enrollment experience through June 30, 2018, and updated premium rates through plan year 2019;
- The morbidity factors, used to adjust per capita claim cost by age and gender, were updated; and
- Healthcare plan participation rates by plan were updated based on observed experience.

The long-term expected rate of return assumption was set to zero. As such, ranges of expected future real rates of return by asset class were not developed.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 8 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Discount Rate: Since CIP is financed on a pay-as-you-go basis, a long-term rate of return was not used and the discount rate used to measure the total OPEB liability was the 20-year general obligation bond index rate (source was Fidelity Index's 20-year municipal GO AA Index). The discount rate as of June 30, 2018 was 3.62 percent, which was an increase from the June 30, 2017 rate of 3.56 percent. The projection of cash flows used to determine the discount rate assumed that employee, employer, and State contributions would be made at the current statutorily-required rates. Based on those assumptions, CIP's fiduciary net position was not projected to be sufficient to make projected OPEB payments for current active and inactive employees beyond the current year.

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Single Discount Rate: The following is a sensitivity analysis of the OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the OPEB liability of the College calculated using the discount rate of 3.62% as well as what the College's OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.62%) or 1 percentage point higher (4.62%) than the current rate:

	1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
Employer's proportionate share of the collective net OPEB liability	\$ 55,828,687	\$ 48,170,790	\$ 41,797,130

The table below presents the College's OPEB liability, calculated using the healthcare cost trend rates as well as what the College's OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point higher or lower than the current healthcare cost trend rates. The key trend rates are 8.00% in 2019 decreasing to an ultimate trend rate of 4.91% in 2026 for non-Medicare coverage, and 9.00% in 2019 decreasing to an ultimate trend rate of 4.5% in 2028 for Medicare coverage.

	1% Decrease (a)	Healthcare Cost Trend Rates Assumption	1% Increase (b)
Employer's proportionate share of the collective net OPEB liability	\$ 39,933,262	\$ 48,170,790	\$ 59,012,611

- a) 1 percentage point decrease in healthcare trend rates are 7.00% in 2019 decreasing to an ultimate trend rate of 3.91% in 2026 for non-Medicare coverage, and 8.00% in 2019 decreasing to an ultimate trend rate of 3.50% in 2028 for Medicare coverage
- b) 1 percentage point increase in healthcare trend rates are 9.00% in 2019 decreasing to an ultimate trend rate of 5.91% in 2026 for non-Medicare coverage, and 10.00% in 2019 decreasing to an ultimate trend rate of 5.50% in 2028 for Medicare coverage.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 8 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Concluded)

OPEB Plan Fiduciary Net Position: Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CIP financial report.

NOTE 9 - CONTINGENT LIABILITIES AND COMMITMENTS

The College had construction commitments of \$483,741 as part of the campus expansion project as of June 30, 2019.

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenses disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

NOTE 10 - FAIR VALUE MEASUREMENT AND APPLICATION

The College categorizes investments measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy prioritizes valuation inputs used to measure the fair value of the asset or liability into three broad categories. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Levels 1, 2 and 3 (lowest priority level) of the fair value hierarchy are defined as follows:

- Level 1 Inputs using unadjusted quoted prices in active markets or exchanges for identical assets or liabilities.
- Level 2 Significant other observable inputs, which may include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in non-active markets, and inputs other than quoted prices that are observable for the assets or liabilities, either directly or indirectly.
- Level 3 Valuations for which one or more significant inputs are unobservable and may include situations where there is minimal, if any, market activity for the asset or liability.

If the fair value is measured using inputs from different levels in the fair value hierarchy, the measurement should be categorized based on the lowest priority level input that is significant to the valuation. The College's assessment of significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. Investments measured at fair value using net asset value per share (or equivalent) as a practical expedient to fair value are not classified in the fair value hierarchy; however, separate disclosures for these investments are required.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 10 - FAIR VALUE MEASUREMENT AND APPLICATION (Continued)

Fixed income and equity investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical investments.

Fixed income investments classified in Level 2 of the fair value hierarchy are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors. Valuation estimates from service providers' internal models include observable inputs such as interest rates, yield curves, credit/risk spreads and default rates. Matrix pricing techniques value securities based on their relationship to benchmark quoted prices.

Repurchase agreements, money market mutual funds, and CD's are not subject to GASB Statement No. 72 fair value disclosure. The College's Level 2 investments are valued using a matrix pricing model.

The College has the following recurring fair value measurements as of June 30, 2019:

	Fair Value Measurements Using			
	June 30, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments Measured at Fair Value</u>				
Debt securities				
Federal Farms Credit Banks	\$ 4,304,373	\$ -	\$ 4,304,373	\$ -
Federal Home Loan Bank Note	7,693,813	-	7,693,813	-
Federal Home Loan National Mortgage Association	991,876	-	991,876	-
Federal Home Loan Mortgage Corporation	11,199,260	-	11,199,260	-
Total investments measured at fair value	<u>24,189,322</u>	<u>\$ -</u>	<u>\$ 24,189,322</u>	<u>\$ -</u>
<u>Investments Not Measured at Fair Value</u>				
IMET	3,153,287			
U.S. Treasury	382,269			
Total investments not measured at fair value	<u>3,535,556</u>			
Total investments	<u>\$ 27,724,878</u>			

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 10 - FAIR VALUE MEASUREMENT AND APPLICATION (Concluded)

The College has an investment as of June 30, 2019 measured at net asset value (NAV) - Fair Value as follows:

		Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
IMET	<u>\$ 3,153,287</u>	n/a	Daily	5 Days

NOTE 11 - PENDING ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 84, *Fiduciary Activities*, will be effective for the College beginning with its year ended June 30, 2020. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

GASB Statement No. 87, *Leases*, will be effective for the College with its year ended June 30, 2021. 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. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, will be effective for the College beginning with its year ended June 30, 2021. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2019

NOTE 11 - PENDING ACCOUNTING PRONOUNCEMENTS (Concluded)

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, will be effective for the College beginning with its year ended June 30, 2020. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

GASB Statement No. 91, *Conduit Debt Obligations*, will be effective for the College beginning with its year ended June 30, 2022. 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.

Management has not yet completed its evaluation of the impact of the provisions of the standards on its financial statements.

**MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
JUNE 30, 2019**

REQUIRED SUPPLEMENTARY INFORMATION

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
REQUIRED SUPPLEMENTARY INFORMATION
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
FISCAL YEAR 2019 AND FOUR YEARS PRIOR

	2019	2018	2017	2016	2015
Proportion Percentage of Collective Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Proportionate Amount of Collective Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -
Portion of Nonemployer Contributing Entities Total Proportion of Collective Net Pension Liability associated with the College	360,976,035	326,514,892	324,319,090	293,555,914	266,176,193
Total	<u>\$ 360,976,035</u>	<u>\$ 326,514,892</u>	<u>\$ 324,319,090</u>	<u>\$ 293,555,914</u>	<u>\$ 266,176,193</u>
College's Covered Payroll	\$ 52,450,031	\$ 50,975,417	\$ 50,870,877	\$ 50,972,002	\$ 49,784,608
Proportionate Share of the Net Pension Liability associated with the College as a Percentage of Covered Payroll	688.23%	640.53%	637.53%	575.92%	534.66%
SURS Plan Net Position as a Percentage of Total Pension Liability	41.27%	42.04%	39.57%	42.37%	44.39%

Note: SURS 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.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
REQUIRED SUPPLEMENTARY INFORMATION
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF COLLEGE CONTRIBUTIONS
FISCAL YEAR 2019 AND FOUR YEARS PRIOR

	2019	2018	2017	2016	2015
Federal, Trust, Grant and Other Contribution	\$ 203,574	\$ 174,102	\$ 165,335	\$ 155,880	\$ 185,048
Contribution in Relation to Required Contribution	203,574	174,102	165,335	155,880	185,048
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
College's Covered Payroll	\$ 2,148,432	\$ 1,610,875	\$ 1,675,173	\$ 1,663,069	\$ 1,609,453
Contributions as a Percentage of Covered Payroll	9.48%	10.81%	9.87%	9.37%	11.50%

Note: SURS 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.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
REQUIRED SUPPLEMENTARY INFORMATION
COMMUNITY COLLEGE HEALTH INSURANCE PROGRAM
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF
THE COLLECTIVE NET OPEB LIABILITY
AND SCHEDULE OF COLLEGE CONTRIBUTIONS

For the fiscal year ending*	2019	2018	2017
Employer's proportion of the collective net OPEB liability	2.555138%	2.449387%	2.333444%
Employer's proportionate share of the collective net OPEB liability	\$ 48,170,790	\$ 44,667,920	\$ 42,467,622
The State's proportionate share of the collective net OPEB liability associated with the employer	48,170,818	44,079,566	44,247,673
Total	<u>\$ 96,341,608</u>	<u>\$ 88,747,486</u>	<u>\$ 86,715,295</u>
Employee covered payroll	\$ 54,598,463	\$ 52,586,292	\$ 52,546,050
Collective net OPEB liability as a percentage of the employee covered payroll	88.23%	84.94%	80.82%
Plan fiduciary net position as a percentage of the total pension liability	0.0%	0.0%	0.0%

* The amounts presented for each fiscal year were determined as of the prior fiscal year-end.

	2019	2018	2017	2016	2015
Additional Information:					
On-Behalf Payments for Community College Health Insurance Program	\$ 231,401	\$ 223,133	\$ 212,502	\$ 211,485	\$ 207,926

Note: Community College Health Insurance Program Implemented GASB Statement No. 75 in fiscal year 2017. The information above is presented for as many years available. The schedule is intended to show information for 10 years.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
DEFINED BENEFIT PENSION PLAN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2019

Changes of benefit terms. There were no benefit changes recognized in the Total Pension Liability as of June 30, 2018.

Changes in 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 retirement, disability, mortality, turnover interest and salary of the members and benefit recipients of SURS, and GASB Statement No. 67, *Financial Reporting for Pension Plans*, requires actual valuations of the total pension liability be performed every 2 years. 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.

- Salary increase. 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.
- Investment return. Decrease in the investment return assumption to 6.75 percent. This reflects maintaining an assumed real rate of return of 4.50 percent and decreasing the underlying assumed price inflation to 2.25 percent.
- Effective rate of interest. Decrease the long-term assumption for the ERI for crediting the money purchase accounts to 6.75 percent (effective July 2, 2019).
- Normal retirement rates. A slight increase in the retirement rate at age 50. No change to the rates for ages 60-61, 67-74 and 80+, 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. 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.
- Mortality rates. Maintain the RP-2014 mortality tables with projected generational mortality improvement. Update the projection scale from MP-2014 to the MP-2017 scale.
- Disability rates. Decrease current rates to reflect that certain members who receive disability benefits do not receive the benefits on a long-term basis.

Special funding situation: 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 State is responsible for the collective net pension liability of the plan with the exception of federal, trust or grant contributions made by the College that are recognized as deferred outflows of resources.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
COMMUNITY COLLEGE HEALTH INSURANCE PROGRAM (CIP)
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2019

Notes to Schedule of Contributions

Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Sponsor's Fiscal Year-End	June 30, 2019

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year-end June 30, 2018, contribution rates are 0.50% of pay for active members, 0.50% of pay for community colleges and 0.50% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Market value
Investment Rate of Return	0%, net of OPEB plan investment expense, including inflation
Inflation	2.75%
Salary Increases	Depends on service and ranges from 10.00% at less than 1 year of service to 3.75% at 34 or more years of service. Salary increase includes a 3.75% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2014, actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2014.
Healthcare Cost Trend Rates	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, 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 0.41% is added to non-Medicare cost on and after 2022 to account for the Excise tax.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs – From Birth to Death"
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

**MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
JUNE 30, 2019**

SUPPLEMENTARY INFORMATION

The following supplementary information is maintained for management information purposes.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
SCHEDULE OF MANAGEMENT INFORMATION
DETAIL OF OPERATING EXPENSES BY FUNCTION AND OBJECT
YEAR ENDED JUNE 30, 2019

	Salaries	Benefits	Services	Supplies	Utilities	Other	Totals
Instruction	\$ 30,570,468	\$ 25,919,287	\$ 312,449	\$ 1,119,076	\$ -	\$ 268,705	\$ 58,189,985
Academic Support	4,640,182	4,426,282	637,333	515,377	-	331,962	10,551,136
Student Services	6,785,187	6,463,498	215,095	390,874	-	364,358	14,219,012
Public Service	432,481	413,199	176,758	32,933	-	373,314	1,428,685
Operations and							
Maintenance of Plant	4,139,877	4,125,569	4,414,136	702,328	1,991,135	8,911	15,381,956
Institutional Support	9,712,621	10,747,227	2,622,963	2,196,049	78,576	861,165	26,218,601
Auxiliary Enterprises	3,413,224	3,206,361	2,615,090	4,054,763	34,061	457,715	13,781,214
Financial Aid	-	-	-	-	-	6,160,820	6,160,820
Depreciation	-	-	-	-	-	7,763,485	7,763,485
Totals	\$ 59,694,040	\$ 55,301,423	\$ 10,993,824	\$ 9,011,400	\$ 2,103,772	\$ 16,590,435	\$ 153,694,894

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
SCHEDULE OF EXPENDITURES FOR TORT IMMUNITY PURPOSES
YEAR ENDED JUNE 30, 2019

General Liability	\$ 376,932
Worker's Compensation Insurance	244,943
Unemployment Insurance	45,199
Other Contract Services	<u>8,997</u>
Total Tort Immunity Purposes Expenditures	<u><u>\$ 676,071</u></u>

Since the College levies property taxes for tort immunity/liability insurance purposes, as required by Public Act 91-068 passed by the Illinois General Assembly, the College is including the above list of tort immunity purposes expenditures in its annual financial report.

The College's tax extension for tort immunity/liability insurance for tax year 2018 as levied by Cook County was \$462,746. Any shortfall to cover expenditures in excess of taxes collected is derived from previous years' excess or other general fund revenues of the College. Any excess of revenues over expenditures is carried forward to subsequent fiscal years subject to a statutory formula.

Moraine Valley Community College

COMMUNITY COLLEGE DISTRICT NUMBER 524, PALOS HILLS, IL

Statistical Section *Fiscal Year Ended June 30, 2019*



MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
STATISTICAL SECTION CONTENTS
(UNAUDITED)

JUNE 30, 2019

This section of Moraine Valley Community College's Comprehensive Annual Financial Report presents additional historical perspective, context, and detailed information to assist the reader in using the information in the financial statements, note disclosures, and required supplementary information to understand and assess the College's overall economic condition.

<u>Contents</u>	<u>Page</u>
Financial Trends Tabular information is presented to demonstrate changes in the College's financial position over time.	81-84
Revenue Capacity These tables contain information to assist the reader in understanding and assessing the College's ability to generate its most significant local revenue sources - real estate taxes and tuition and fees.	85-95
Debt Capacity Data are shown to disclose the College's current level of outstanding debt and to indicate the College's ability to issue additional debt.	96-104
Demographic and Economic Information These tables offer information about the socioeconomic environment within which the College operates. Data are provided to facilitate comparisons of financial statement information over time and between the College and other community colleges.	105-112
Operating Information Non-financial information about the College's operations and resources is provided in these tables to facilitate the reader's use of the College's financial statement information to understand and assess the College's economic condition.	113-118

Sources: Unless otherwise noted, the information in these tables is derived from the College's Comprehensive Annual Financial Reports for the relevant years.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

FINANCIAL TRENDS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2019	2018	2017	2016
Net Position:				
Net Investment in				
Capital Assets	\$ 92,516,369	\$ 89,589,086	\$ 89,638,547	\$ 88,549,091
Restricted				
Scholarships	531,152	528,148	384,321	496,650
Capital Projects	1,412,257	1,912,832	1,987,706	2,863,561
Debt Service	4,105,457	3,992,718	3,197,252	4,308,549
Technology Projects	3,768,987	3,741,809	3,707,848	3,901,507
Liability Insurance	1,457,737	1,666,304	1,831,392	1,912,747
Audit Purposes	157,371	161,906	153,215	137,313
Unrestricted	41,104,677	42,686,478	75,918,410	77,978,558
Total Net Position	<u>\$ 145,054,007</u>	<u>\$ 144,279,281</u>	<u>\$ 176,818,691</u>	<u>\$ 180,147,976</u>

Source: College Financial Records

Note: Beginning in 2018, the College implemented GASB Statement No. 75 which resulted in the inclusion of a net OPEB liability. Prior year information in this schedule has not been restated.

TABLE 1

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 79,617,885	\$ 75,818,713	\$ 76,381,814	\$ 76,635,607	\$ 71,487,797	\$ 64,047,551
276,766	329,501	376,809	279,032	187,171	273,661
2,808,457	5,187,493	5,283,488	10,245,931	13,683,498	20,638,922
3,535,206	7,645,585	6,934,352	2,486,581	1,690,156	1,545,456
4,386,595	3,771,550	3,758,802	3,755,039	3,829,740	4,618,675
1,899,099	1,782,037	1,632,645	1,591,783	1,573,980	1,550,103
132,553	112,946	104,215	75,059	35,775	15,433
<u>91,708,977</u>	<u>85,347,076</u>	<u>78,897,297</u>	<u>73,104,212</u>	<u>74,154,545</u>	<u>72,579,504</u>
<u>\$ 184,365,538</u>	<u>\$ 179,994,901</u>	<u>\$ 173,369,422</u>	<u>\$ 168,173,244</u>	<u>\$ 166,642,662</u>	<u>\$ 165,269,305</u>

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

FINANCIAL TRENDS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2019	2018	2017	2016
OPERATING REVENUES				
Tuition and Fees, net of scholarship allowances	\$ 28,211,172	\$ 29,217,252	\$ 31,684,193	\$ 29,649,676
Auxiliary Enterprise Revenue	8,335,041	8,475,861	7,923,375	8,177,236
Chargeback Revenue	-	-	20,929	26,205
Other Operating Revenues	1,704,367	1,979,267	2,232,655	2,199,383
Total Operating Revenues	<u>38,250,580</u>	<u>39,672,380</u>	<u>41,861,152</u>	<u>40,052,500</u>
OPERATING EXPENSES				
Instruction	58,189,985	56,186,068	50,618,494	46,634,358
Academic Support	10,551,136	9,923,811	9,403,522	8,303,706
Student Services	14,219,012	13,639,009	12,894,865	12,322,858
Public Service	1,428,685	1,442,863	462,880	580,481
Operations and Maintenance	15,381,956	14,497,186	14,631,510	12,905,682
Institutional Support	26,218,601	25,478,038	23,055,316	21,450,577
Auxiliary Enterprises	13,781,214	13,110,752	12,903,456	12,418,600
Financial Aid	6,160,820	8,225,850	5,340,524	5,490,812
Depreciation	7,763,485	8,032,094	7,799,745	7,168,646
Total Operating Expenses	<u>153,694,894</u>	<u>150,535,671</u>	<u>137,110,312</u>	<u>127,275,720</u>
Operating Income (Loss)	<u>(115,444,314)</u>	<u>(110,863,291)</u>	<u>(95,249,160)</u>	<u>(87,223,220)</u>
NON-OPERATING REVENUES (EXPENSES)				
State Sources	55,573,521	63,769,017	37,127,892	28,441,683
Property Taxes (1)	37,900,992	36,846,539	36,940,839	36,126,203
Federal Grants and Contracts	21,659,948	21,871,273	21,364,385	20,791,251
Local Sources	749,698	608,129	630,409	716,674
Investment Income	2,705,623	2,188,332	991,500	2,790,399
Interest on Capital Asset Related Debt	(2,365,263)	(4,575,679)	(5,009,979)	(5,453,247)
Gain (Loss) on Disposal of Capital Assets	(5,479)	(128,610)	(125,171)	(407,305)
Total Non-Operating Revenues (Expenses)	<u>116,219,040</u>	<u>120,579,001</u>	<u>91,919,875</u>	<u>83,005,658</u>
Net Income (Loss) Before Capital Contributions	<u>774,726</u>	<u>9,715,710</u>	<u>(3,329,285)</u>	<u>(4,217,562)</u>
CAPITAL CONTRIBUTIONS				
State Appropriations	-	-	-	-
Total Capital Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSTION	<u>\$ 774,726</u>	<u>\$ 9,715,710</u>	<u>\$ (3,329,285)</u>	<u>\$ (4,217,562)</u>

Source: College Financial Records

Note:

- (1) The College is subject to two property tax caps in Illinois whereby the increase in the levy from year to year is limited to the lesser of the consumer price index for the State as determined by the Illinois Department of Revenue, and individual rates are limited by maximum rates established by Illinois Compiled Statutes.

TABLE 2

2015	2014	2013	2012	2011	2010
\$ 30,778,456	\$ 31,347,745	\$ 31,179,582	\$ 27,669,294	\$ 28,667,883	\$ 27,289,153
7,896,751	7,204,215	6,720,190	7,384,332	7,209,618	7,706,139
16,687	14,333	17,938	100,252	15,854	38,487
2,142,787	1,856,389	2,398,101	2,518,775	2,017,446	1,562,284
40,834,681	40,422,682	40,315,811	37,672,653	37,910,801	36,596,063
45,284,704	43,025,800	40,717,950	38,161,603	36,380,429	32,609,666
8,035,517	8,019,968	8,215,403	7,153,862	6,704,030	6,510,210
12,604,860	12,119,869	11,373,003	10,399,301	10,123,001	8,924,818
885,352	392,306	321,134	430,844	338,558	886,260
12,590,713	13,698,851	11,797,328	11,975,328	12,347,063	15,993,215
19,117,399	19,172,422	19,136,264	20,070,166	16,843,310	16,001,950
12,648,365	10,938,153	10,917,646	10,142,671	10,038,662	9,621,183
7,419,550	7,947,171	7,319,332	8,366,379	9,658,719	6,794,301
6,927,671	6,326,932	5,797,526	5,463,902	4,972,550	3,976,924
125,514,131	121,641,472	115,595,586	112,164,056	107,406,322	101,318,527
(84,679,450)	(81,218,790)	(75,279,775)	(74,491,403)	(69,495,521)	(64,722,464)
34,266,592	29,650,355	26,787,955	22,810,695	20,328,020	19,809,643
35,649,995	34,903,424	34,041,114	33,588,471	32,278,069	32,382,364
22,232,483	22,464,967	22,899,762	22,370,595	20,502,822	16,800,477
911,813	1,102,860	326,788	391,405	586,058	631,089
1,011,333	4,301,274	1,899,592	1,096,217	736,575	1,801,678
(5,530,166)	(4,846,799)	(4,745,620)	(3,794,052)	(3,632,753)	(49,188)
(38,858)	(18,978)	27,632	(554,459)	6,000	(109,719)
88,503,192	87,557,103	81,237,223	75,908,872	70,804,791	71,266,344
3,823,742	6,338,313	5,957,448	1,417,469	1,309,270	6,543,880
546,895	287,166	21,865	113,113	64,087	16,580
546,895	287,166	21,865	113,113	64,087	16,580
\$ 4,370,637	\$ 6,625,479	\$ 5,979,313	\$ 1,530,582	\$ 1,373,357	\$ 6,560,460

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

REVENUE CAPACITY
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN LEVY YEARS

Fiscal Year	Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Railroad Property
2019	2018	\$ 6,692,391,061	\$ 2,480,740,724	\$ 930,779,824	\$ 930,699	\$ 24,867,363
2018	2017	6,935,939,435	2,534,835,666	951,071,594	969,483	20,883,682
2017	2016	5,914,419,554	2,275,175,731	847,427,674	772,900	21,632,055
2016	2015	5,657,172,218	2,160,585,700	820,635,434	702,337	22,367,574
2015	2014	5,816,943,352	2,232,244,038	853,506,867	762,980	22,387,608
2014	2013	6,096,296,413	1,987,560,168	1,193,477,862	585,006	25,817,442
2013	2012	6,504,355,168	2,084,450,025	1,281,478,463	581,809	25,140,936
2012	2011	7,124,609,970	2,252,154,536	1,385,696,695	620,349	25,492,353
2011	2010	8,642,229,242	2,614,359,250	1,563,504,213	632,633	23,722,754
2010	2009	8,391,336,183	2,797,563,163	1,677,616,609	623,778	22,442,108

Source: Cook County Clerk

TABLE 3

Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Ratio of Total Assessed Value to Total Estimated Actual Value
\$ 10,129,709,671	0.384	30,392,168,230	33.33%
10,443,699,860	0.365	31,334,233,003	33.33%
9,059,427,914	0.406	27,181,001,842	33.33%
8,661,463,263	0.419	25,986,988,488	33.33%
8,925,844,845	0.403	26,780,212,556	33.33%
9,303,736,891	0.375	27,914,002,073	33.33%
9,896,006,401	0.346	29,690,988,302	33.33%
10,788,573,903	0.311	32,368,958,605	33.33%
12,844,448,092	0.256	38,537,197,996	33.33%
12,889,581,841	0.247	38,672,612,784	33.33%

TABLE 4

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

REVENUE CAPACITY
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Tax Levy Year	Assessed Value	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Year	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2019	2018	\$ 10,129,709,671	\$ 38,870,621	\$ 19,541,133	50.27%	\$ -	\$ 19,541,133	50.27%
2018	2017	10,443,699,860	38,054,025	19,021,994	49.99%	17,070,476	36,092,470	94.85%
2017	2016	9,059,427,914	36,704,968	18,460,833	50.30%	16,752,559	35,213,392	95.94%
2016	2015	8,661,463,263	36,234,178	18,344,075	50.63%	16,999,501	35,343,576	97.54%
2015	2014	8,925,844,845	35,955,162	17,603,405	48.96%	17,155,835	34,759,240	96.67%
2014	2013	9,303,736,891	34,887,425	17,501,841	50.17%	16,288,549	33,790,390	96.86%
2013	2012	9,896,006,401	34,165,011	17,129,575	50.14%	16,118,358	33,247,933	97.32%
2012	2011	10,788,573,903	33,512,876	16,792,891	50.11%	15,696,862	32,489,753	96.95%
2011	2010	12,844,448,092	32,763,233	16,306,578	49.77%	15,593,215	31,899,793	97.36%
2010	2009	12,889,581,841	31,770,742	15,902,141	50.05%	14,990,725	30,892,866	97.24%

Sources: Cook County Clerk's Office and Moraine Valley Community College Financial Records

Note: Property taxes in Cook County, Illinois are due in two installments, March 1 and August 1 in the calendar year following the levy year. Approximately one-half of the total tax levy year is generally collected by June 30 of the following year.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

REVENUE CAPACITY
ASSESSED VALUATIONS, TAXES EXTENDED AND TAX RATES
LAST TEN LEVY YEARS

Amount of Levy					
Year of Levy	Cook County Assessed Valuation	Education Fund	Operations and Maintenance Fund	Liability, Protection, and Settlement Fund	Life Safety Fund
2018	\$ 10,129,709,671	\$ 22,300,161	\$ 7,894,945	\$ 462,746	\$ 1,030,000
2017	10,443,699,860	21,679,183	7,655,413	473,046	1,030,000
2016	9,059,427,914	21,099,407	7,329,077	525,446	1,032,774
2015	8,661,463,263	20,796,173	7,145,707	511,026	996,068
2014	8,925,844,845	20,039,931	7,016,734	600,988	1,501,794
2013	9,303,736,891	19,500,000	6,762,998	800,725	1,500,000
2012	9,896,006,401	19,501,708	6,613,063	818,749	959,402
2011	10,788,573,903	18,750,541	6,343,681	798,354	1,089,645
2010	12,844,448,092	18,597,031	6,090,965	815,730	955,865
2009	12,889,581,841	17,398,873	5,732,958	860,977	900,000
Tax Rates (Per \$100 of assessed valuation)					

Tax Year	Education Fund	Operations and Maintenance Fund	Liability, Protection, and Settlement Fund	Life Safety Fund
2018	0.2201	0.0779	0.0046	0.0102
2017	0.2076	0.0733	0.0045	0.0099
2016	0.2329	0.0809	0.0058	0.0114
2015	0.2401	0.0825	0.0059	0.0115
2014	0.2245	0.0786	0.0067	0.0168
2013	0.2096	0.0727	0.0086	0.0161
2012	0.1971	0.0668	0.0083	0.0097
2011	0.1738	0.0588	0.0074	0.0101
2010	0.1448	0.0474	0.0064	0.0074
2009	0.1350	0.0445	0.0067	0.0070

Source: Cook County Clerk

TABLE 5

Bond and Interest Fund	Audit Fund	Social Security and Medicare Fund	Total
\$ 7,098,824	\$ 83,945	\$ -	\$ 38,870,621
7,132,953	83,430	-	38,054,025
6,627,670	90,594	-	36,704,968
6,689,928	95,276	-	36,234,178
6,696,596	99,119	-	35,955,162
6,221,702	102,000	-	34,887,425
6,161,000	111,089	-	34,165,011
6,422,770	107,885	-	33,512,876
6,197,993	105,649	-	32,763,233
6,136,634	102,000	639,300	31,770,742

Bond and Interest Fund	Audit Fund	Social Security and Medicare Fund	Total
0.0701	0.0008	0.0000	0.3840
0.0683	0.0008	0.0000	0.3650
0.0732	0.0010	0.0000	0.4060
0.0772	0.0011	0.0000	0.4190
0.0750	0.0011	0.0000	0.4030
0.0669	0.0011	0.0000	0.3750
0.0623	0.0011	0.0000	0.3460
0.0595	0.0010	0.0000	0.3110
0.0483	0.0008	0.0000	0.2560
0.0476	0.0008	0.0050	0.2470

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

REVENUE CAPACITY
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN LEVY YEARS

Taxing Bodies	2018	2017	2016	2015
City of Palos Hills	0.639	0.601	0.680	0.698
North Palos School District #117	5.361	4.982	5.679	5.853
North Palos Fire Protection District	1.106	1.032	1.161	1.198
Green Hills Public Library District	0.400	0.415	0.471	0.486
Consolidated H.S. District #230	2.425	2.287	2.778	2.879
South Cook County Mosquito Abatement District	0.017	0.016	0.017	0.017
Metropolitan Water Reclamation District	0.396	0.402	0.406	0.426
General Assistance Palos	0.009	0.008	0.008	0.008
Road and Bridge Palos	0.051	0.047	0.054	0.055
Township of Palos	0.064	0.060	0.068	0.070
Consolidated Elections	0.000	0.031	0.000	0.034
Forest Preserve District of Cook County	0.060	0.062	0.063	0.069
County of Cook	0.489	0.496	0.533	0.552
Total Overlapping Rate	11.017	10.439	11.918	12.345
Moraine Valley Community College Dist 524	0.384	0.365	0.406	0.419
Total Rate	11.401	10.804	12.324	12.764
Moraine Valley Community College Dist 524 Percentage of Total	3.37%	3.38%	3.29%	3.28%

Source: Cook County, Illinois Tax Extension Division
For Local Property Tax Payers of City of Palos Hills, IL

TABLE 6

2014	2013	2012	2011	2010	2009
0.675	0.637	0.579	0.515	0.414	0.409
5.614	5.391	4.916	4.406	3.602	3.506
1.134	1.076	0.974	0.869	0.701	0.691
0.469	0.442	0.403	0.358	0.288	0.285
2.770	2.641	2.438	2.180	1.812	1.764
0.017	0.016	0.014	0.012	0.010	0.009
0.430	0.417	0.370	0.320	0.274	0.261
0.007	0.006	0.005	0.005	0.004	0.004
0.052	0.049	0.046	0.042	0.033	0.032
0.066	0.063	0.057	0.050	0.040	0.039
0.000	0.031	0.000	0.025	0.000	0.021
0.069	0.069	0.063	0.058	0.051	0.049
0.568	0.560	0.531	0.462	0.423	0.394
11.871	11.398	10.396	9.302	7.652	7.464
0.403	0.375	0.346	0.311	0.256	0.247
12.274	11.773	10.742	9.613	7.908	7.711
3.28%	3.19%	3.22%	3.24%	3.24%	3.20%

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

REVENUE CAPACITY
PRINCIPAL PROPERTY TAXPAYERS
2018 TAX LEVY YEAR AND NINE YEARS PRIOR

2018 TAX LEVY YEAR				
Taxpayer	Type of Business	Equalized Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Simon Property Group	Shopping Center	\$ 106,852,302	1	1.05%
Star West Chicago Ridge	Shopping Center	65,030,044	2	0.64%
Walmart	Department Store	63,002,394	3	0.62%
New Plan Dept 124	Shopping Center	46,681,060	4	0.46%
IRC	Shopping Center	38,160,052	5	0.38%
Target	Department Store	29,481,865	6	0.29%
Menards Inc	Retail Store	29,371,050	7	0.29%
New Plan Excel Prop Trust	Shopping Center	22,738,216	8	0.22%
Ingredion Argo ACCTG	Sweeteners, Starches and Nutrition Ingredients	19,812,482	9	0.20%
Kohls Department Store	Retail Store	17,198,713	10	0.17%
TOTAL		<u>\$ 438,328,178</u>		<u>4.33%</u>
TOTAL ASSESSED VALUATION		<u>\$ 10,129,709,671</u>		

Source: Cook County Clerks Office

TABLE 7

2009 TAX LEVY YEAR				
Taxpayer	Type of Business	Equalized Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Simon Properties	Shopping Center	\$ 145,189,964	1	1.13%
DoubleTree IRC	Hotel	85,810,221	2	0.67%
Westfield Processing (Chicago Ridge Mall)	Shopping Center	68,236,733	3	0.53%
Bradley Partnership	Shopping Center	56,289,308	4	0.44%
Walmart	Discount Department Store	54,312,973	5	0.42%
CJFI CO NAI Hiffman	Shopping Center	39,138,933	6	0.30%
New Plan Exel Properties	Shopping Center	33,617,145	7	0.26%
Target	Discount Department Store	32,981,976	8	0.26%
Fedex	Shipping Company	31,504,325	9	0.24%
Home Depot	DIY Retail Store	29,067,662	10	0.23%
		<u>\$ 576,149,240</u>		<u>4.47%</u>
		<u>\$ 12,889,581,841</u>		

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

REVENUE CAPACITY
ENROLLMENT, TUITION AND FEE RATES, CREDIT HOURS,
AND FEE REVENUES GENERATED
LAST TEN FISCAL YEARS

Fiscal Year	Fall Term Enrollment			Tuition and Fee Rates		
	FTE Credit Courses	Headcount Credit Courses	Headcount Noncredit 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
2019	8,340	13,762	992	\$ 145	\$ 321	\$ 373
2018	8,825	14,620	1,092	142	314	365
2017	9,152	15,021	1,096	139	307	356
2016	9,345	15,016	1,589	133	297	344
2015	9,651	15,286	1,880	131	292	338
2014	9,965	16,106	1,498	126	280	324
2013	10,226	16,650	1,640	121	275	319
2012	10,680	18,169	1,593	108	255	297
2011	10,846	17,387	1,200	100	247	289
2010	10,851	17,774	1,297	92	237	277

Source: College Records

TABLE 8

Tuition and Fee Revenues		
Education Fund	Auxiliary Enterprises & Other Funds	Total All Funds
\$ 46,402,953	\$ 3,682,976	\$ 50,085,929
47,199,822	3,605,734	50,805,556
50,288,764	3,567,318	53,856,082
47,963,653	4,042,337	52,005,990
48,970,041	4,063,397	53,033,438
49,691,736	4,540,282	54,232,018
48,839,949	4,410,926	53,250,875
45,760,488	2,316,442	48,076,930
43,543,864	1,857,292	45,401,156
36,488,500	2,057,396	38,545,896

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEBT CAPACITY
RATIO OF NET GENERAL BONDED DEBT
TO ASSESSED VALUE AND PERSONAL INCOME
AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year Ended	General Obligation Bonds (1)	Premiums (Discounts)	Total Net Outstanding Debt (2)	Less Amounts Available for Debt Service	Less Amounts Restricted For Debt (3)	Net General Obligation Bonded Debt (2)
2019	\$ 52,635,000	\$ 475,417	\$ 53,110,417	\$ 4,105,457	\$ -	\$ 49,004,960
2018	57,750,000	535,104	58,285,104	3,992,718	-	54,292,386
2017	107,640,000	2,193,142	109,833,142	3,197,252	45,075,000	61,560,890
2016	111,970,000	2,390,983	114,360,983	4,308,549	45,075,000	64,977,434
2015	116,030,000	2,327,043	118,357,043	3,535,206	45,075,000	69,746,837
2014	119,475,000	2,489,235	121,964,235	7,645,585	45,075,000	69,243,650
2013	122,745,000	2,643,898	125,388,898	6,934,352	45,075,000	73,379,546
2012	125,675,000	2,795,013	128,470,013	2,486,581	45,075,000	80,908,432
2011	78,850,000	3,076,978	81,926,978	1,690,156	-	80,236,822
2010	80,885,000	3,232,494	84,117,494	1,545,456	-	82,572,038

Sources: College Records, Comprehensive Annual Financial Reports, and Cook County Records

Notes:

- (1) Balances include current and non-current portions of bonds outstanding. Pursuant to the Debt Reform Act, bonds issued as alternate revenue bonds such as the 2012D Bonds and the 2013 Bonds do not count against the College's statutory debt limit, so long as the debt service levy for said alternative bonds is abated annually. Those bonds are abated annually and have been excluded from this schedule.
- (2) Details of the College's outstanding debt can be found in CAFR Financial section Notes to Basic Financial Statements.
- (3) Portion of investments restricted from bond proceeds held by escrow agent to advance refund Series 2007B General Obligation Bonds. The restricted investments were used to pay off the remaining balance of the 2007B General Obligation Bonds in the 2018 fiscal year.
- (4) U.S. Census Bureau, Estimates from the 2013-2017 American Community Survey.

TABLE 9

Assessed Value	Percentage of Net General Obligation Bonded Debt to Assessed Value	Population		Total Personal Income	Percentage of Net General Obligation Bonded Debt to Personal Income	Net General Obligation Bonded Debt Per Capita
\$ 10,129,709,671	0.48%	391,383	(4)	\$ 11,767,321,278	0.42%	125.21
10,443,699,860	0.52%	390,722	(4)	11,296,945,186	0.48%	138.95
9,059,427,914	0.68%	391,765	(4)	11,254,624,920	0.55%	157.14
8,661,463,263	0.75%	391,765	(4)	11,254,624,920	0.58%	165.86
8,925,844,845	0.78%	391,614	(4)	11,250,286,992	0.62%	178.10
9,303,736,891	0.74%	393,476	(4)	11,169,603,212	0.62%	175.98
9,896,006,401	0.74%	391,778	(4)	10,967,041,554	0.67%	187.30
10,788,573,903	0.75%	388,606		10,791,977,226	0.75%	208.20
12,844,448,092	0.62%	388,606		10,720,862,328	0.75%	206.47
12,889,581,841	0.64%	376,579		10,389,061,452	0.79%	219.27

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEBT CAPACITY
SCHEDULE OF RATIOS OF OUTSTANDING DEBT
LAST TEN FISCAL YEARS

	2019	2018	2017	2016
Debt				
General Obligation Bonds	\$ 53,110,417	\$ 58,285,104	\$ 109,833,142	\$ 114,360,983
Alternative Revenue Bonds	30,317,084	31,247,967	31,043,366	31,901,322
Capital Lease Obligations	-	-	-	-
Total Outstanding Debt	<u>\$ 83,427,501</u>	<u>\$ 89,533,071</u>	<u>\$ 140,876,508</u>	<u>\$ 146,262,305</u>
Per Student (1)	\$ 3,149.63	\$ 3,128.56	\$ 4,815.80	\$ 4,530.77
Percentage of Personal Income	0.71%	0.79%	1.25%	1.30%

Source: College Records

Notes: (1) Debt per student is calculated using unduplicated credit and non-credit enrollment total for the fiscal year.

TABLE 10

2015	2014	2013	2012	2011	2010
\$ 118,357,043	\$ 121,964,235	\$ 125,388,898	\$ 128,470,013	\$ 81,926,978	\$ 84,117,494
32,739,138	33,561,818	33,569,363	-	-	-
-	-	-	-	-	-
<u>\$ 151,096,181</u>	<u>\$ 155,526,053</u>	<u>\$ 158,958,261</u>	<u>\$ 128,470,013</u>	<u>\$ 81,926,978</u>	<u>\$ 84,117,494</u>
\$ 4,626.05	\$ 4,566.10	\$ 4,502.17	\$ 3,270.87	\$ 2,225.67	\$ 2,276.03
1.34%	1.39%	1.45%	1.19%	0.76%	0.81%

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEBT CAPACITY
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION BONDS
JUNE 30, 2019

Taxing District	Outstanding Debt (1)	Percent	Amount
<u>Direct</u>			
Moraine Valley Community College District 524	\$ 52,635,000	100.000%	\$ 52,635,000
<u>Overlapping</u>			
<u>County and Township Special Service Areas:</u>			
Cook County	2,950,121,750	6.388%	188,453,777
Cook County Forest Preserve District	94,055,000	6.388%	6,008,233
Lyons Township	1,220,000	17.085%	208,437
<u>Library Districts:</u>			
Acorn Public Library District	-	19.953%	-
Alsip-Merrionette Park Public Library District	-	96.959%	-
Green Hills Public Library District	-	100.000%	-
Stickney-Forest View Public Library District	1,010,000	44.283%	447,258
Summit Library District	1,795,000	94.115%	1,689,364
<u>Municipalities:</u>			
Village of Alsip	12,290,000	100.000%	12,290,000
Village of Bedford Park	7,195,000	100.000%	7,195,000
City of Blue Island	-	96.092%	-
Village of Bridgeview	232,465,000	100.000%	232,465,000
City of Burbank	10,180,000	100.000%	10,180,000
Village of Calumet Park	9,860,000	100.000%	9,860,000
Village of Chicago Ridge	2,545,000	100.000%	2,545,000
Village of Crestwood	-	99.589%	-
Village of Evergreen Park	25,920,000	100.000%	25,920,000
Village of Forest View	735,000	56.179%	412,916
City of Hickory Hills	345,000	100.000%	345,000
Village of Homer Glen	6,730,000	0.018%	1,211
Village of Justice	165,000	100.000%	165,000
Village of Lyons	4,965,000	0.015%	745
Village of Midlothian	8,505,000	1.928%	163,976
City of Oak Forest	24,880,000	14.726%	3,663,829
Village of Oak Lawn	70,590,000	100.000%	70,590,000
Village of Orland Hills	-	100.000%	-
Village of Orland Park	61,805,000	99.125%	61,264,206
City of Palos Heights	5,620,000	100.000%	5,620,000
Village of Palos Park	-	96.027%	-
Village of Posen	935,000	0.029%	271
Village of Tinley Park	15,490,000	51.928%	8,043,647
Village of Willow Springs	545,000	36.964%	201,454
Village of Worth	245,000	100.000%	245,000

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524DEBT CAPACITY
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION BONDS
JUNE 30, 2019

Taxing District	Outstanding Debt (1)	Percent	Amount
<u>Park Districts:</u>			
Alsip Park District	\$ 1,915,000	100.000%	\$ 1,915,000
Bedford Park Park District	1,075,000	100.000%	1,075,000
Blue Island Park District	107,700	95.851%	103,232
Bridgeview Park District	-	100.000%	-
Burbank Park District	1,530,000	100.000%	1,530,000
Central Stickney Park District	802,000	97.776%	784,164
Chicago Ridge Park District	-	100.000%	-
Hickory Hills Park District	1,160,000	100.000%	1,160,000
Justice Park District	479,000	100.000%	479,000
Midlothian Park District	165,000	1.929%	3,183
Mokena Community Park District	5,996,000	0.503%	30,160
Oak Forest Park District	1,310,000	8.759%	114,743
Oak Lawn Park District	2,029,905	100.000%	2,029,905
Pleasant Dale Park District	1,275,000	0.383%	4,883
Robbins Park District	116,910	99.919%	116,815
Summit Park District	-	94.164%	-
Tinley Park Park District	3,162,000	64.801%	2,049,008
Worth Park District	40,000	100.000%	40,000
<u>Sanitary Districts:</u>			
Metropolitan Water Reclamation District (2)	2,712,987,000	6.502%	176,398,415
South Stickney Sanitary District	-	100.000%	-
<u>School Districts:</u>			
Summit School District #104	26,035,000	65.511%	17,055,789
Willow Springs Consolidated School District #108	2,805,000	100.000%	2,805,000
Indian Springs School District #109	6,960,000	100.000%	6,960,000
Burbank School District #111	60,665,954	100.000%	60,665,954
North Palos School District #117	19,820,000	100.000%	19,820,000
Palos Consolidated School District #118	3,170,000	100.000%	3,170,000
Ridgeland School District #122	38,210,089	100.000%	38,210,089
Oak Lawn School District #123	16,789,163	100.000%	16,789,163
Evergreen Park School District #124	6,070,000	100.000%	6,070,000
Atwood School District #125	3,536,217	100.000%	3,536,217
Worth School District #127	1,585,637	100.000%	1,585,637
Chicago Ridge School District #127-1/2	2,335,000	100.000%	2,335,000
Palos Heights School District #128	2,575,000	100.000%	2,575,000
Blue Island School District #130	20,080,980	100.000%	20,080,980
Calumet Park School District #132	3,023,000	95.048%	2,873,301
Orland Park School District #135	9,860,000	100.000%	9,860,000
Forest Ridge School District #142	5,507,123	14.431%	794,733
Midlothian School District #143	3,270,000	32.030%	1,047,381
Posen-Robbins School District #143 1/2	15,050,000	42.015%	6,323,258
Tinley Park Comm. Cons. School District #146	24,620,000	51.134%	12,589,191

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEBT CAPACITY
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION BONDS
JUNE 30, 2019

Taxing District	Outstanding Debt (1)	Percent	Amount
<u>High School Districts:</u>			
Argo Community High School District #217	\$ 25,710,000	100.000%	\$ 25,710,000
Oak Lawn Community High School District #218	35,755,000	100.000%	35,755,000
Reavis Township High School District #220	25,492,000	100.000%	25,492,000
Bremen Community High School District #228	49,125,000	2.864%	1,406,940
Oak Lawn Community High School District #229	15,570,000	100.000%	15,570,000
Consolidated High School District #230	8,255,000	100.000%	8,255,000
Total Overlapping General Obligation Bonded Debt			<u>1,183,148,465</u>
Total Direct And Overlapping General Obligation Bonded Debt			<u>\$ 1,235,783,465</u>

Source: With respect to the applicable taxing bodies and the percentage of overlapping EAV, the Cook County Clerk's Office. Information regarding the outstanding indebtedness of the overlapping taxing bodies was obtained from publicly-available sources.

Notes:

(1) Excludes the following amounts of alternate revenue bonded debt:

Moraine Valley Community College District 524 - \$29,435,000; Cook County Forest Preserve District - \$48,305,000; Metropolitan Water Reclamation District - \$97,190,000; City of Blue Island - \$2,040,000; Village of Crestwood - \$45,165,000; Village of Justice - \$2,986,873; Village of Lyons - \$15,670,000; Village of Midlothian - \$3,360,000; Village of Orland Hills - \$3,885,000; Village of Palos Park - \$1,210,000; Village of Willow Springs - \$7,885,000; Village of Worth - \$4,905,000; Acorn Public Library District - \$531,000; Alsip-Merrionette Park Public Library District - \$1,115,000; Green Hills Public Library District - \$1,695,000; Bridgeview Park District - \$6,080,000; Burbank Park District - \$3,650,000; Chicago Ridge Park District - \$4,490,000; Pleasant Dale Park District - \$3,430,000; Summit Park District - \$1,560,000; South Stickney Sanitary District - \$2,995,000; and Oak Lawn Community High School District 218 - \$6,650,000.

(2) Includes IEPA Revolving Loan Bonds (\$955,272,000), per the district's audit for the year ending December 31, 2018.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEBT CAPACITY
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Tax Year	Assessed Value	Debt Limit Rate	Debt Limit (Assessed Value X Debt Limit Rate)	Net Debt Applicable to Debt Limit (1)	Legal Debt Margin	Net Debt Applicable to Debt Limit as a % of Debt Limit
2019	2018	\$ 10,129,709,671	2.875%	\$ 291,229,153	\$ 52,635,000	\$ 238,594,153	18.07%
2018	2017	10,443,699,860	2.875%	300,256,371	57,750,000	242,506,371	19.23%
2017	2016	9,059,427,914	2.875%	260,458,553	107,640,000	152,818,553	41.33%
2016	2015	8,661,463,263	2.875%	249,017,069	111,970,000	137,047,069	44.96%
2015	2014	8,925,844,845	2.875%	256,618,039	116,030,000	140,588,039	45.22%
2014	2013	9,303,736,891	2.875%	267,482,436	119,475,000	148,007,436	44.67%
2013	2012	9,896,006,401	2.875%	284,510,184	122,745,000	161,765,184	43.14%
2012	2011	10,788,573,903	2.875%	310,171,500	125,675,000	184,496,500	40.52%
2011	2010	12,844,448,092	2.875%	369,277,883	78,850,000	290,427,883	21.35%
2010	2009	12,889,581,841	2.875%	370,575,478	80,885,000	289,690,478	21.83%

Sources: College Financial Records; Debt Limit Rate from the Illinois Compiled Statutes 50 ILCS 405/1

(1) Balances include current and non-current portions of bonds outstanding. Pursuant to the Debt Reform Act, bonds issued as alternate revenue bonds such as the 2012D Bonds and the 2013 Bonds do not count against the College's statutory debt limit, so long as the debt service levy for said alternative bonds is abated annually. Bond series 2012D and 2013 are abated and have been excluded from this schedule.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEBT CAPACITY
SCHEDULE OF BOND COVERAGE
FISCAL YEAR 2019 AND SIX YEARS PRIOR

ALTERNATIVE REVENUE BONDS, SERIES 2012D AND 2013

Fiscal Year	Construction/ Infrastructure fee Revenues	Membership Fee Revenues	Total Revenue Available for Debt Service	Principal	Interest	Total	Coverage Ratio
2019	\$ 2,231,094	\$ 2,015,641	\$ 4,246,735	\$ 890,000	\$ 965,183	\$ 1,855,183	2.29
2018	2,322,272	1,732,216	4,054,488	870,000	984,245	1,854,245	2.19
2017	2,399,600	1,571,913	3,971,513	850,000	1,002,871	1,852,871	2.14
2016	2,426,916	1,423,426	3,850,342	830,000	1,021,071	1,851,071	2.08
2015	2,495,194	1,173,906	3,669,100	815,000	1,038,933	1,853,933	1.98
2014	2,409,778	-	2,409,778	-	1,038,933	1,038,933	2.32
2013	2,578,041	-	2,578,041	-	434,141	434,141	5.94

Source: College Financial Records

Note: The 2012D and 2013 Alternative Revenue Bonds are covered by a pledge of construction/infrastructure fee revenue available from the Operations and Maintenance restricted fund and membership fees available from the Health, Fitness and Recreation Center in the Auxiliary fund.

Bonds were issued in fiscal year 2013. The information above is presented for as many years as possible.

TABLE 14

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEMOGRAPHIC AND ECONOMIC INFORMATION
DISTRICT DEMOGRAPHICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	(1) Total Personal Income	Per Capita Personal Income	(1) Unemployment Rate	(2)
2019	391,383	\$ 11,767,321,278	\$ 30,066	4.2%	
2018	390,722	11,296,945,186	28,913	4.5%	
2017	391,765	11,254,624,920	28,728	5.2%	
2016	391,765	11,254,624,920	28,728	6.5%	
2015	391,614	11,250,286,992	28,728	6.5%	
2014	393,476	11,169,603,212	28,387	7.7%	
2013	391,778	10,967,041,554	27,993	10.5%	
2012	388,606	10,791,977,226	27,771	9.1%	
2011	388,606	10,720,862,328	27,588	9.5%	
2010	376,579	10,389,061,452	27,588	9.3%	

Sources:

(1) U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

(2) U.S. Bureau of Labor Statistics

TABLE 15

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEMOGRAPHIC AND ECONOMIC INFORMATION
STUDENT ENROLLMENT DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Fall Enrollment-Census Day					Headcount for Credit Courses		
	Full Time	Part Time	Head Count	Credit Hours	FTE	Yearly Total	Yearly Increase	Percent Change
2019	5,607	8,155	13,762	125,093	8,340	33,731	(2,672)	-7.34%
2018	5,942	8,678	14,620	132,382	8,825	36,403	(1,379)	-3.65%
2017	6,329	8,692	15,021	137,274	9,152	37,782	(890)	-2.30%
2016	6,393	8,623	15,016	140,169	9,345	38,672	(698)	-1.77%
2015	6,624	8,662	15,286	144,764	9,651	39,370	(2,615)	-6.23%
2014	6,764	9,342	16,106	149,481	9,965	41,985	(1,677)	-3.84%
2013	6,983	9,667	16,650	153,396	10,226	43,662	(2,137)	-4.67%
2012	7,307	10,862	18,169	160,199	10,680	45,799	(250)	-0.54%
2011	7,736	9,651	17,387	162,691	10,846	46,049	(817)	-1.74%
2010	7,761	10,013	17,774	162,766	10,851	46,866	1,237	2.71%

Source: College Records

TABLE 16

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEMOGRAPHIC AND ECONOMIC INFORMATION
STUDENT ENROLLMENT AND MISCELLANEOUS STATISTICS
ANNUAL UNDUPLICATED ENROLLMENT
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Credit Enrollment</u>	<u>Noncredit Enrollment</u>	<u>Total Credit Hours</u>	<u>High School Participation Rates</u>
2019	22,608	3,880	272,366	29%
2018	23,860	4,758	290,308	29%
2017	25,027	4,226	304,853	30%
2016	26,598	5,684	314,989	29%
2015	26,307	6,355	324,145	30%
2014	27,929	6,132	336,089	31%
2013	29,869	5,438	347,553	31%
2012	33,209	6,068	361,591	29%
2011	31,301	5,509	370,735	30%
2010	31,444	5,514	371,643	31%

Source: College Records as of Census Day

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEMOGRAPHIC AND ECONOMIC INFORMATION
CREDIT HOURS ELIGIBLE FOR FUNDING
BY ILLINOIS COMMUNITY COLLEGE BOARD
REIMBURSEMENT CATEGORIES
LAST TEN FISCAL YEARS

	2019	2018	2017	2016
Baccalaureate	164,890.5	170,850.5	179,299.0	188,830.0
Business Occupational	9,351.5	9,797.0	11,005.0	14,516.5
Technical Occupational	23,582.0	23,530.0	24,868.0	28,663.5
Health Occupational	16,629.0	17,362.5	17,497.5	18,753.5
Remedial Development	22,608.0	25,216.0	27,916.0	27,707.0
Adult Basic Secondary Education	8,144.0	8,174.0	8,297.0	9,169.0
TOTAL CREDIT HOURS	245,205.0	254,930.0	268,882.5	287,639.5

Source: College Records

TABLE 17

2015	2014	2013	2012	2011	2010
194,687.0	197,416.0	203,033.0	210,718.0	214,965.0	214,437.0
14,358.0	15,420.5	16,043.0	18,512.5	16,236.0	16,102.0
28,620.0	29,978.5	29,815.5	28,592.0	26,785.5	28,250.5
20,867.5	21,717.5	25,497.5	24,379.5	26,485.5	25,132.5
28,507.0	29,376.0	31,749.0	33,004.0	32,775.0	35,621.0
8,804.0	7,971.0	10,891.0	13,119.0	13,176.0	12,950.0
295,843.5	301,879.5	317,029.0	328,325.0	330,423.0	332,493.0

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEMOGRAPHIC AND ECONOMIC INFORMATION
COLLEGE DEMOGRAPHICS
JUNE 30, 2019

DEGREES AND CERTIFICATES AWARDED FY 2019

Degree Type	
Associate in Arts (AA)	613
Associate in Fine Arts (AFA)	7
Associate in Science (AS)	<u>495</u>
Total Transfer Degrees	1,115
Associate in Applied Science (AAS)	436
Associate in General Studies (AGS)	<u>266</u>
Total Degrees Awarded	1,817
Total Certificates Awarded	<u>1,096</u>
Total Completions	<u><u>2,913</u></u>

Source: College Records

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEMOGRAPHIC AND ECONOMIC INFORMATION
PRINCIPAL EMPLOYERS
JUNE 30, 2019 AND NINE YEARS PRIOR

JUNE 30, 2019

Employers	Rank	Business	No. of Employees	% Total District Employed
Advocate Christ Medical Center (3)	1	Teaching hospital and trauma center	6,000	2.8%
Palos Community Hospital (Operated by DuPage Medical Grp)	2	Hospital and home health care	2,343	1.1%
Little Company of Mary Hospital (3)	3	Hospital and home health care	2,178	1.0%
Oak Forest Hospital	4	Hospital and home health care	1,600	0.7%
Moraine Valley District 524 (4)	5	Education	1,353	0.6%
Panduit	6	Electrical and communication products	1,200	0.6%
Community High School District 230 (3)	7	Education	891	0.4%
Metro South Medical Center	8	Hospital and health care	796	0.4%
Orland Park School District 135 (3)	9	Education	725	0.3%
Executive Mailing Service, Inc.	10	Direct mail service	600	0.3%
TOTAL			17,686	8.2%

Total number of employed within district 216,668

Sources:

- (1) Reference USA 2019 Employment Statistics
- (2) Illinois Department of Employment Security (Illinois.virtuallmi.com) Cook County Employer Statistics
- (3) Little Company of Mary (lcmh.org), Orland School District 135 (orland135.org), Advocate Christ Medical Center (advocatehealth.com), Community HS District 230 (d230.org)
- (4) College Records
- (5) US Census Bureau, American Community Survey Employment Estimates

TABLE 19

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEMOGRAPHIC AND ECONOMIC INFORMATION
PRINCIPAL EMPLOYERS
JUNE 30, 2019 AND NINE YEARS PRIOR

JUNE 30, 2009				
Employers	Rank	Business	No. of Employees	% Total District Employed
Advocate Christ Medical Center	1	Teaching hospital and trauma center	5,500	2.6%
Palos Community Hospital	2	Hospital and home health care	3,075	1.5%
Panduit	3	Producer of network & electrical solutions	3,000	1.4%
Moraine Valley Community College	4	Education	2,200	1.0%
Little Company of Mary Hospital	5	Hospital and home health care	1,700	0.8%
Metro South Medical Center	6	Hospital and home health care	1,337	0.6%
Univar USA Corporation	7	Chemical distributor	1,008	0.5%
Consolidated H.S. District #230	8	Education	908	0.4%
Allied Tube & Conduit-Harvey	9	Manufacturer: galvanized pipe, electrical conduit and tubing	800	0.4%
Orland Park School District 135	10	Education	795	0.4%
		TOTAL	20,323	9.6%
		Total number of employed within district		211,328

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

OPERATING INFORMATION
TOTAL EMPLOYEES
LAST TEN FISCAL YEARS

	2019	2018	2017	2016
<u>FACULTY</u>				
Full-Time	190	189	188	196
Part-Time	616	650	715	763
Total Faculty FTE	806	839	903	959
 <u>LIBRARY, COUNSELORS, AND ADVISORS</u>				
Full-Time	21	21	21	21
Part-Time	41	39	42	50
Total Library, Counselors, and Advisors	62	60	63	71
 <u>ADMINISTRATORS</u>	30	29	27	27
 <u>PROFESSIONAL STAFF</u>				
Full-Time	154	147	142	153
Part-Time	32	31	26	29
Total Professional Staff	186	178	168	182
 <u>CLASSIFIED EMPLOYEES</u>				
Full-Time	204	197	199	200
Part-Time	65	66	65	69
Total Classified Employees	269	263	264	269
 <u>TOTAL EMPLOYEES</u>	1,353	1,369	1,425	1,508

Source: College Records

TABLE 20

2015	2014	2013	2012	2011	2010
193	188	189	178	182	183
542	587	603	575	630	580
735	775	792	753	812	763
20	20	20	19	20	19
61	68	44	46	40	36
81	88	64	65	60	55
25	24	24	23	23	24
161	160	157	156	138	141
24	17	19	25	15	20
185	177	176	181	153	161
200	203	202	200	197	186
67	73	79	79	78	82
267	276	281	279	275	268
1,293	1,340	1,337	1,301	1,323	1,271

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

OPERATING INFORMATION
CAPITAL ASSET STATISTICS - VOLUME
LAST TEN FISCAL YEARS

	2019	2018	2017	2016
<u>CAPITAL ASSET TYPE:</u>				
Buildings (Gross Area Sq. Ft.)				
Education Center at Blue Island (ECBI)	44,232	44,232	44,232	44,232
Southwest Education Center (SWEC)	31,130	31,130	31,130	31,130
Building A, G & L (2)	275,902	275,902	275,902	251,258
Building B	100,323	100,323	100,323	100,323
Student Services Center (Building S)	60,149	60,149	60,149	60,149
Center for Contemporary Technology (Building T) (3)	133,408	129,048	129,048	129,048
Building D	64,613	64,613	64,613	64,613
Fine and Performing Arts Center (Building F)	91,361	91,361	91,361	91,361
Shipping and Receiving (Building S/R)	4,000	4,000	4,000	4,000
Police/Campus Operations (Building P)	20,182	20,182	20,182	20,182
Storage Garage	2,500	2,500	2,500	2,500
Student Union (Building U)	31,269	31,269	31,269	31,269
Moraine Conference & Business Center (Building M)	52,954	52,954	52,954	52,954
Dr. Vernon O. Crawley Science Hall (Building C)	111,496	111,496	111,496	111,496
Church (Building R) (1)	-	-	-	14,500
Health, Fitness and Recreation Center (Building H)	113,614	113,614	113,614	113,614
Equipment (number of assets)	254	244	236	226
Technology (number of assets)	88	81	73	58
Capital assets disposed (number of assets)	10	16	16	33

Source: College Records

Notes:

- (1) Church (Building R) demolished Fall of 2016
- (2) Student Success Center (Building G) added Fall of 2016
- (3) Additional 4,360 SF added to Building T in Fall of 2018 for Fire Sciences Garage

TABLE 21

2015	2014	2013	2012	2011	2010
44,232	44,232	44,232	44,232	44,232	7,300
31,130	31,130	31,130	31,130	31,130	-
251,258	251,258	251,258	251,258	251,258	251,258
100,323	100,323	100,323	100,323	100,323	100,323
60,149	60,149	60,149	60,149	60,149	60,149
129,048	129,048	129,048	129,048	129,048	129,048
64,613	64,613	64,613	64,613	64,613	64,613
91,361	91,361	91,361	91,361	91,361	91,361
4,000	4,000	4,000	4,000	4,000	4,000
20,182	20,182	20,182	20,182	20,182	20,182
2,500	2,500	2,500	2,500	2,500	2,500
31,269	31,269	31,269	31,269	31,269	31,269
52,954	52,954	52,954	52,954	52,954	52,954
111,496	111,496	111,496	111,496	111,496	111,496
14,500	14,500	14,500	14,500	-	-
113,614	113,614	-	-	-	-
230	213	210	206	212	189
56	64	54	42	46	51
22	14	8	27	1	75

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

OPERATING INFORMATION
CAPITAL ASSET STATISTICS - VALUE
LAST TEN FISCAL YEARS

	2019	2018	2017	2016
<u>CAPITAL ASSET TYPE:</u>				
Land	\$ 8,018,969	\$ 6,618,969	\$ 6,618,969	\$ 6,618,969
Land Improvements	18,090,782	17,096,430	17,096,430	16,839,417
Total Land and Land Improvements	26,109,751	23,715,399	23,715,399	23,458,386
Buildings/Building Improvements	232,284,389	230,909,112	228,705,618	216,969,455
Construction in Progress	715,564	1,449,065	1,219,666	11,985,831
Equipment	9,444,784	8,131,936	8,025,705	7,492,617
Technology	8,542,536	8,432,385	7,605,221	6,666,001
Total Capital Assets	<u>\$ 277,097,024</u>	<u>\$ 272,637,897</u>	<u>\$ 269,271,609</u>	<u>\$ 266,572,290</u>
<u>OTHER INFORMATION:</u>				
Capital Contributions	\$ -	\$ -	\$ -	\$ -
Depreciation Expense	7,763,485	8,032,094	7,799,745	7,168,646

Source: College Records

TABLE 22

2015	2014	2013	2012	2011	2010
\$ 5,848,757	\$ 5,848,757	\$ 5,848,757	\$ 5,848,757	\$ 5,848,757	\$ 5,848,757
17,506,290	15,994,153	15,680,214	13,055,752	11,873,007	11,873,007
23,355,047	21,842,910	21,528,971	18,904,509	17,721,764	17,721,764
217,739,667	216,524,580	184,798,311	179,167,787	174,301,177	149,050,745
1,689,411	1,593,481	11,698,483	4,203,447	1,796,072	19,419,182
6,992,023	6,283,457	5,855,562	5,398,419	6,921,755	6,745,373
6,711,837	6,606,867	6,397,203	6,112,923	6,245,183	1,449,686
<u>\$ 256,487,985</u>	<u>\$ 252,851,295</u>	<u>\$ 230,278,530</u>	<u>\$ 213,787,085</u>	<u>\$ 206,985,951</u>	<u>\$ 194,386,750</u>
\$ 546,895	\$ 287,166	\$ 21,865	\$ 113,113	\$ 64,087	\$ 16,580
6,927,671	6,326,932	5,797,526	5,463,902	4,972,550	3,976,924

Moraine Valley Community College

COMMUNITY COLLEGE DISTRICT NUMBER 524, PALOS HILLS, IL

Special Reports Section ***Fiscal Year Ended June 30, 2019***



MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
JUNE 30, 2019

SUPPLEMENTAL FINANCIAL INFORMATION

UNIFORM FINANCIAL STATEMENTS

The Uniform Financial Statements are required by the Illinois Community College Board for the purpose of providing consistent audited data for every community college district. Regardless of the basis of accounting used for a College's balance sheet and statement of revenues and expenditures, the Uniform Financial Statements are completed using the modified accrual basis of accounting prescribed by the NCGA Statement No. 1 and related interpretations.

The Uniform Financial Statements include the following schedules:

- 1 All Funds Summary
- 2 Summary of Capital Assets and Long-Term Debt
- 3 Operating Funds Revenues and Expenditures
- 4 Restricted Purposes Fund Revenues and Expenditures
- 5 Current Funds Expenditures by Activity

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

UNIFORM FINANCIAL STATEMENTS
ALL FUNDS SUMMARY
FOR THE YEAR ENDED JUNE 30, 2019

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Bond and Interest Fund	Auxiliary Enterprises Fund
Fund Balance June 30, 2018	\$ 44,224,410	\$ 6,230,980	\$ 13,965,204	\$ 3,992,718	\$ 9,926,477
Revenues:					
Local Tax Revenue	22,201,508	7,412,389	981,729	6,779,493	-
ICCB Grants	8,620,500	5,314,960	-	-	-
All Other State Revenue	-	-	-	-	-
Federal Revenue	-	-	-	-	-
Student Tuition and Fees	46,402,953	-	2,231,094	-	1,451,882
All Other Revenue	2,853,550	166,729	590,670	34,476	7,667,020
Total Revenues	<u>80,078,511</u>	<u>12,894,078</u>	<u>3,803,493</u>	<u>6,813,969</u>	<u>9,118,902</u>
Expenditures:					
Instruction	34,871,953	-	-	-	-
Academic Support	6,370,339	-	-	-	-
Student Services	8,309,964	-	-	-	-
Public Service/Continuing Education	39,495	-	-	-	-
Auxiliary Services	-	-	-	-	11,392,438
Operations and Maintenance	-	12,383,217	4,122,978	-	-
Institutional Support	17,253,817	-	-	8,556,413	-
Scholarships, Grants, Waivers	6,792,006	-	-	-	-
Total Expenditures	<u>73,637,574</u>	<u>12,383,217</u>	<u>4,122,978</u>	<u>8,556,413</u>	<u>11,392,438</u>
Net Transfers	<u>(6,595,675)</u>	<u>-</u>	<u>2,144,817</u>	<u>1,855,183</u>	<u>1,755,675</u>
Fund Balance June 30, 2019	<u>\$ 44,069,672</u>	<u>\$ 6,741,841</u>	<u>\$ 15,790,536</u>	<u>\$ 4,105,457</u>	<u>\$ 9,408,616</u>

Note: This statement is prepared under the modified accrual basis of accounting which is in accordance with generally accepted accounting principles (GAAP).

State Universities Retirement System (SURS) on-behalf contributions are reflected in restricted purposes fund.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

UNIFORM FINANCIAL STATEMENTS
ALL FUNDS SUMMARY
FOR THE YEAR ENDED JUNE 30, 2019

Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection & Settlement Fund	Total Current Funds	Total All Funds
\$ 4,709,348	\$ 13,187,363	\$ 161,906	\$ 1,666,304	\$ 66,919,425	\$ 98,064,710
-	-	79,804	446,068	30,139,769	37,900,991
833,560	-	-	-	14,769,020	14,769,020
37,498,190	-	-	-	37,498,190	37,498,190
21,659,948	-	-	-	21,659,948	21,659,948
-	-	-	-	47,854,835	50,085,929
727,058	405,636	2,360	21,436	11,438,153	12,468,935
60,718,756	405,636	82,164	467,504	163,359,915	174,383,013
19,961,560	-	-	-	54,833,513	54,833,513
3,703,550	-	-	-	10,073,889	10,073,889
5,038,426	-	-	-	13,348,390	13,348,390
1,347,037	-	-	-	1,386,532	1,386,532
2,015,867	-	-	-	13,408,305	13,408,305
2,445,032	-	-	-	14,828,249	18,951,227
6,741,431	-	86,700	676,071	24,758,019	33,314,432
20,400,241	-	-	-	27,192,247	27,192,247
61,653,144	-	86,700	676,071	159,829,144	172,508,535
840,000	-	-	-	(4,000,000)	-
\$ 4,614,960	\$ 13,592,999	\$ 157,370	\$ 1,457,737	\$ 66,450,196	\$ 99,939,188

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

UNIFORM FINANCIAL STATEMENTS
SUMMARY OF CAPITAL ASSETS AND LONG-TERM DEBT
FOR THE YEAR ENDED JUNE 30, 2019

	Capital Assets/Long- Term Debt			Capital Assets/Long- Term Debt
	July 1, 2018	Additions	Deletions	June 30, 2019
<u>Capital Assets</u>				
Sites and Improvements	\$ 23,715,399	\$ 2,394,352	\$ -	\$ 26,109,751
Construction in Progress	1,449,065	2,737,837	3,471,338	715,564
Buildings, Additions, and Improvements	230,909,112	1,375,277	-	232,284,389
Equipment	8,131,936	1,533,688	220,840	9,444,784
Equipment - Technology	8,432,385	110,151	-	8,542,536
Total Capital Assets	272,637,897	8,151,305	3,692,178	277,097,024
Accumulated Depreciation	92,950,443	7,763,485	198,361	100,515,567
Net Capital Assets	\$ 179,687,454	\$ 387,820	\$ 3,493,817	\$ 176,581,457
<u>Long-Term Debt</u>				
Bonds Payable	\$ 88,075,000	\$ -	\$ 6,005,000	\$ 82,070,000
Premium on Bond Issuance	1,458,071	-	100,570	1,357,501
Total Bonds, net	89,533,071	-	6,105,570	83,427,501
Compensated Absences & Retirement Benefit Obligations	1,836,557	1,197,666	1,214,306	1,819,917
Net OPEB Liability	44,667,920	3,502,870	-	48,170,790
Note Payable	-	150,000	-	150,000
Total Long Term Debt	\$ 136,037,548	\$ 4,850,536	\$ 7,319,876	\$ 133,568,208

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

UNIFORM FINANCIAL STATEMENTS
OPERATING FUNDS REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2019

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING REVENUES BY SOURCE			
Local Government:			
Local Taxes	\$ 20,964,480	\$ 7,412,389	\$ 28,376,869
CPPRT	1,237,028	-	1,237,028
TOTAL LOCAL GOVERNMENT	<u>22,201,508</u>	<u>7,412,389</u>	<u>29,613,897</u>
State Government:			
ICCB Credit Hour Grants	2,277,840	5,314,960	7,592,800
ICCB Equalization Grants	5,575,010	-	5,575,010
ICCB Career and Technical Education	695,330	-	695,330
Other	72,320	-	72,320
TOTAL STATE GOVERNMENT	<u>8,620,500</u>	<u>5,314,960</u>	<u>13,935,460</u>
Student Tuition and Fees:			
Tuition	42,277,201	-	42,277,201
Fees	4,125,752	-	4,125,752
TOTAL TUITION AND FEES	<u>46,402,953</u>	<u>-</u>	<u>46,402,953</u>
Other Sources:			
Sales and Service Fees	946,199	-	946,199
Facilities Revenue	350	16,555	16,905
Investment Revenue	1,367,906	149,072	1,516,978
Other	539,095	1,102	540,197
TOTAL OTHER SOURCES	<u>2,853,550</u>	<u>166,729</u>	<u>3,020,279</u>
TOTAL REVENUES	<u>80,078,511</u>	<u>12,894,078</u>	<u>92,972,589</u>
Less Non-Operating Items			
Transfer from Non-Operating Funds	-	-	-
ADJUSTED REVENUES	<u>\$ 80,078,511</u>	<u>\$ 12,894,078</u>	<u>\$ 92,972,589</u>

Note: This statement is prepared under the modified accrual basis of accounting which is in accordance with generally accepted accounting principles (GAAP).

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

UNIFORM FINANCIAL STATEMENTS
OPERATING FUNDS REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2019

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING EXPENDITURES			
BY PROGRAM			
Instruction	\$ 34,871,953	\$ -	\$ 34,871,953
Academic Support	6,370,339	-	6,370,339
Student Services	8,309,964	-	8,309,964
Public Service/Continuing Education	39,495	-	39,495
Operations and Maintenance	-	12,383,217	12,383,217
Institutional Support	17,253,817	-	17,253,817
Scholarships, Grants, Waivers	6,792,006	-	6,792,006
Transfers	6,595,675	-	6,595,675
TOTAL EXPENDITURES	<u>80,233,249</u>	<u>12,383,217</u>	<u>92,616,466</u>
Less Non-Operating Items			
Transfer to Non-Operating Funds	6,595,675	-	6,595,675
ADJUSTED EXPENDITURES	<u><u>\$ 73,637,574</u></u>	<u><u>\$ 12,383,217</u></u>	<u><u>\$ 86,020,791</u></u>
BY OBJECT			
Salaries	\$ 49,644,145	\$ 4,139,877	\$ 53,784,022
Employee Benefits	9,603,762	1,197,563	10,801,325
Contractual Services	3,378,385	4,175,104	7,553,489
General Materials and Supplies	3,142,693	702,328	3,845,021
Conferences and Meeting Expenses	584,914	6,911	591,825
Fixed Charges	46,832	2,000	48,832
Utilities	78,576	1,991,135	2,069,711
Capital Outlay	119,167	168,299	287,466
Other	7,039,100	-	7,039,100
Transfers	6,595,675	-	6,595,675
TOTAL EXPENDITURES	<u>80,233,249</u>	<u>12,383,217</u>	<u>92,616,466</u>
Less Non-Operating Items			
Transfer to Non-Operating Funds	6,595,675	-	6,595,675
ADJUSTED EXPENDITURES	<u><u>\$ 73,637,574</u></u>	<u><u>\$ 12,383,217</u></u>	<u><u>\$ 86,020,791</u></u>

Note: This statement is prepared under the modified accrual basis of accounting which is in accordance with generally accepted accounting principles (GAAP).

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

UNIFORM FINANCIAL STATEMENTS
RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2019

	Restricted Purposes Fund
REVENUES BY SOURCE:	
State Government:	
ICCB Adult Education and Family Literacy Grants	\$ 833,560
Illinois Student Assistance Commission	2,194,986
Other State	35,303,204
TOTAL STATE GOVERNMENT	<u>38,331,750</u>
Federal Government:	
Department of Education	19,621,440
Department of Labor	579,667
Other	1,458,841
TOTAL FEDERAL GOVERNMENT	<u>21,659,948</u>
Other Sources:	
Other	727,058
Transfers	840,000
TOTAL OTHER SOURCES	<u>1,567,058</u>
TOTAL	<u>\$ 61,558,756</u>
EXPENDITURES BY PROGRAM:	
Instruction	\$ 19,961,560
Academic Support	3,703,550
Student Services	5,038,426
Public Service/Continuing Education	1,347,037
Auxiliary Services	2,015,867
Operations and Maintenance	2,445,032
Institutional Support	6,741,431
Scholarships, Student Grants and Waivers	20,400,241
TOTAL	<u>\$ 61,653,144</u>
EXPENDITURES BY OBJECT:	
Salaries	\$ 2,689,157
Employee Benefits	35,930,120
Contractual Services	579,539
General Materials and Supplies	1,077,063
Conferences and Meeting Expenses	271,089
Capital Outlay	288,711
Other	467,918
Financial Aid	20,349,547
TOTAL	<u>\$ 61,653,144</u>

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

UNIFORM FINANCIAL STATEMENTS
CURRENT FUNDS EXPENDITURES BY ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2019

INSTRUCTION	
Instructional Programs	\$ 54,833,513
Total Instruction	<u>54,833,513</u>
ACADEMIC SUPPORT	
Library Center	2,206,375
Academic Administration and Planning	3,198,208
Other	4,669,306
Total Academic Support	<u>10,073,889</u>
STUDENT SERVICES	
Admissions and Records	1,527,076
Counseling and Career Services	4,567,992
Financial Aid Administration	951,297
Other	6,302,025
Total Student Services	<u>13,348,390</u>
PUBLIC SERVICE/CONTINUING EDUCATION	
Community Education	42,387
Community Services	1,344,145
Total Public Service/Continuing Education	<u>1,386,532</u>
AUXILIARY SERVICES	<u>13,408,305</u>
OPERATIONS AND MAINTENANCE	
Maintenance	3,589,232
Custodial Services	2,962,327
Grounds	974,156
Campus Security	2,444,810
Transportation	116,336
Utilities	1,986,664
Other	2,754,724
Total Operations and Maintenance	<u>14,828,249</u>
INSTITUTIONAL SUPPORT	
Executive Management	1,753,400
Fiscal Operations	2,320,547
Community Relations	18,211
Administrative Support Services	7,173,942
Board of Trustees	58,976
General Institutional	3,106,318
Institutional Research	336,772
Administrative Data Processing	4,082,207
Other	5,907,646
Total Institutional Support	<u>24,758,019</u>
SCHOLARSHIPS, GRANTS, & WAIVERS	<u>27,192,247</u>
TOTAL CURRENT FUNDS EXPENDITURES	<u>\$ 159,829,144</u>

Note: Current Funds include the Education; Operations and Maintenance; Auxiliary Enterprises; Restricted Purposes; Audit; and Liability, Protection, and Settlement Funds.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
CERTIFICATION OF CHARGEBACK REIMBURSEMENT FOR FISCAL YEAR 2020

ALL FISCAL YEAR 2019 NONCAPITAL AUDITED OPERATING
EXPENDITURES FROM THE FOLLOWING FUNDS:

Education Fund	\$ 73,518,408
Operations and Maintenance Fund	12,214,918
Bond and Interest Fund	8,556,413
Restricted Purposes Fund	26,108,831
Audit Fund	86,700
Liability, Protection and Settlement Fund	676,071
Auxiliary Enterprises Fund (subsidy only)	<u>1,755,675</u>
TOTAL NONCAPITAL EXPENDITURES	\$ <u>122,917,016</u>
Depreciation on capital outlay expenditures (equipment, buildings and fixed equipment paid) from sources other than state and federal funds	<u>\$ 6,898,197</u>
TOTAL COSTS INCLUDED	\$ <u>129,815,213</u>
Total Certified Semester Credit Hours for FY 2019	<u>245,205</u>
PER CAPITA COST	\$ <u>529.42</u>
All FY 2019 state and federal operating grants for noncapital expenditures	<u>\$ 24,559,571</u>
FY 2019 state and federal grants per semester credit hour	<u>\$ 100.16</u>
District's average ICCB grant rate (excluding equalization grants) for FY 2020	<u>\$ 32.08</u>
District's student tuition and fee rate per semester credit hour for FY 2020	<u>\$ 148.00</u>
Chargeback reimbursement per semester credit hour	<u><u>\$ 249.17</u></u>

Approved: Theresa O'Carroll
Vice President, Financial and Business Services
College Treasurer

Approved: William H. Jenkins
Chief Executive Officer

10/2/19
Date

10/2/19
Date

**MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
JUNE 30, 2019**

STATE GRANT ACTIVITY

State Adult Education and Family Literacy Restricted Funds Grants

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

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

Independent Auditor's Report on Audits of Grant Program Financial Statements

RSM US LLP

The Board of Trustees
Moraine Valley Community College –
Community College District Number 524
Palos Hills, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the State Adult Education Grant (State Basic and State Performance), and the Career and Technical Education – Program Improvement Grant (collectively, the Grant Programs) of Moraine Valley Community College – Community College District Number 524 (the College) as of and for the year ended June 30, 2019, and the related notes to the Illinois Community College Board (ICCB) State grants financial statements, which collectively comprise the College's grant program 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 grant program 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 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, 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's *Fiscal Management Manual*. Those standards and guidelines 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 entity'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 entity'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 Grant (State Basic and State Performance and the Career and Technical Education – Program Improvement Grant) as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The grant program financial statements present only the Grant Programs referred to above and do not purport to, and do not, present the financial position of the College as of June 30, 2019, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Our audit was conducted for the purpose of forming opinions on the grant program financial statements of the College. The ICCB Compliance Statement on page 133 is presented for purposes of additional analysis and is not a required part of the grant program financial statements.

The ICCB Compliance Statement on page 133 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the grant program financial statements. Such information has been subjected to the auditing procedures applied in the audit of the grant program financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the grant program financial statements or to the grant program financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the ICCB Compliance Statement on page 133 is fairly stated, in all material respects, in relation to the grant program financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2019, on our consideration of the College's internal control over financial reporting of the Grant Programs and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

RSM US LLP

Chicago, Illinois
October 2, 2019

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

The Board of Trustees
Moraine Valley Community College –
Community College District Number 524
Palos Hills, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the guidelines of the Illinois Community College Board *Fiscal Management Manual*, the financial statements of the State Adult Education Grant (State Basic and State Performance and the Career and Technical Education – Program Improvement Grant) (the Grant Programs) of Moraine Valley Community College – Community College District Number 524 (the College) as of and for the year ended June 30, 2019, and the related notes to the Illinois Community College Board (ICCB) State grants financial statements, and have issued our report thereon dated October 2, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the grant program financial statements, we considered the College's internal control over financial reporting (internal control) to determine 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. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 College's grant program 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 determination of the financial statement amounts. 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 over financial reporting and compliance and the results of that testing, and not provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM VS LLP

Chicago, Illinois
October 2, 2019

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

STATE ADULT EDUCATION RESTRICTED FUNDS
COMBINED BALANCE SHEET
JUNE 30, 2019

	State Basic	Performance	Total (Memorandum Only)
<u>ASSETS</u>			
Accounts Receivable	\$ 118,302	\$ 48,410	\$ 166,712
TOTAL ASSETS	<u>\$ 118,302</u>	<u>\$ 48,410</u>	<u>\$ 166,712</u>
<u>LIABILITIES AND DEFERRED INFLOW OF RESOURCES</u>			
<u>LIABILITIES</u>			
Salaries and Benefits Payable	\$ -	\$ 2,233	\$ 2,233
Due to Other Funds	<u>118,302</u>	<u>46,177</u>	<u>164,479</u>
TOTAL LIABILITIES	<u>118,302</u>	<u>48,410</u>	<u>166,712</u>
<u>FUND BALANCE</u>			
Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE	<u>\$ 118,302</u>	<u>\$ 48,410</u>	<u>\$ 166,712</u>

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

STATE ADULT EDUCATION RESTRICTED FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2019

	State Basic	Performance	Total (Memorandum Only)
<u>REVENUE</u>			
Grant Revenue	\$ 591,510	\$ 242,050	\$ 833,560
<u>EXPENDITURES BY PROGRAM</u>			
Instruction	300,492	-	300,492
Guidance Services	217,535	67,313	284,848
Assessment and Testing	1,483	229	1,712
Subtotal Instructional and Student Services	519,510	67,542	587,052
Program Support:			
Improvement of Instructional Services	48,242	331	48,573
General Administration	5,698	142,613	148,311
Indirect Costs	18,060	31,564	49,624
Subtotal Program Support	72,000	174,508	246,508
TOTAL EXPENDITURES	591,510	242,050	833,560
<u>Excess of Revenue Over (Under)</u>			
<u>Expenditures</u>	-	-	-
Fund Balances July 1, 2018	-	-	-
Fund Balances June 30, 2019	\$ -	\$ -	\$ -

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

ICCB COMPLIANCE STATEMENT FOR THE
ADULT EDUCATION AND FAMILY LITERACY GRANT
EXPENDITURE AMOUNTS AND PERCENTAGES FOR ICCB GRANT FUNDS ONLY
FOR THE YEAR ENDED JUNE 30, 2019

State Basic	Audited Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	\$ 300,492	50.80%
General Administration (15% Maximum Allowed)	\$ 5,698	0.96%

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
STATE GRANTS
NOTE TO FINANCIAL STATEMENTS
For the year ended June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying statements include only those transactions from the State Adult Education and Family Literacy (State Basic and Performance) Grant Programs and are not intended to present the financial position or results of operations of Moraine Valley Community College. These transactions have been accounted for in a Restricted Purposes Fund and conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of the significant policies.

A. Basis of Accounting:

These grant program financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. Expenditures are reported when services are rendered, or when goods are received.

Grant revenues are reported in these grant program financial statements when allowable grant expenditures are made. Expenditures are allowable if they comply with "Policy Guidelines for Restricted Grant Expenditures and Reporting" set forth in the Illinois Community College Board (ICCB) Fiscal Management Manual. Grant funds should be accounted for in the same period as in the credit hour claiming process.

B. Capital Assets:

Capital asset purchases, if any, are recorded as capital outlays of the program from which the expenditures are made. Such expenditures have been capitalized at cost in the College's financial statements.

C. Background Information on Grant Activity:

The State Adult Education and Family Literacy Restricted Funds Grants provide funding to assist adults to become literate and obtain knowledge and skills necessary for employment and self-sufficiency; to assist adults, who are parents, obtain the education skills necessary to become full partners in the educational development of their children; and to assist adults in the completion of a secondary education.

**MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
JUNE 30, 2019**

ENROLLMENT DATA AND OTHER BASES UPON WHICH CLAIMS ARE FILED

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

Credit hour grants are to be received for courses for each semester credit hour or equivalent for students who were certified as being in attendance at midterm during each semester of the fiscal year. There are no special restrictions on the use of these funds. The Schedule of Enrollment Data and Other Bases upon Which Claims Are Filed provides information on which such grants are based.

**Independent Accountant's Report on the Schedule of Enrollment Data and
Other Bases Upon Which Claims Are Filed**

RSM US LLP

The Board of Trustees
Moraine Valley Community College –
Community College District Number 524
Palos Hills, Illinois

We have examined the accompanying Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed of Moraine Valley Community College – Community College District Number 524 for the year ended June 30, 2019 (the Schedule). The College's management is responsible for preparing the Schedule in accordance with the guidelines of the Illinois Community College Board's *Fiscal Management Manual*. Our responsibility is to express an opinion on the schedule based upon our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Schedule referred to above is in accordance with the guidelines of the Illinois Community College Board's *Fiscal Management Manual*, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement of the Schedule referred to above, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Schedule is presented in accordance with the provisions of the Illinois Community College Board's *Fiscal Management Manual* in all material respects.

The supplementary information on pages 138 and 139 discusses the College's residency policy and provides a summary of assessed valuations and is the responsibility of the College's management. This information has not been subjected to the examination procedures applied in the examination of the Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed and, accordingly, we do not express an opinion or provide any assurance on it.

RSM US LLP

Chicago, Illinois
October 2, 2019

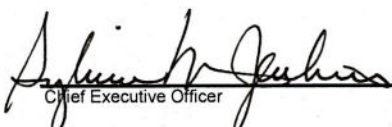
MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
SCHEDULE OF ENROLLMENT DATA AND OTHER BASES
UPON WHICH CLAIMS ARE FILED
FOR THE YEAR ENDED JUNE 30, 2019

Total Semester Credit Hours by Term (In-District and Out of District Reimbursable)								
	Summer		Fall		Spring		Total	
	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Baccalaureate	21,555.0	-	74,877.0	-	68,458.5	-	164,890.5	-
Business Occupational	935.0	-	3,832.5	-	4,584.0	-	9,351.5	-
Technical Occupational	1,722.0	-	10,009.5	-	11,850.5	-	23,582.0	-
Health Occupational	1,979.0	-	7,218.5	-	7,431.5	-	16,629.0	-
Remedial Development	1,598.0	-	12,645.0	-	8,365.0	-	22,608.0	-
Adult Basic/Secondary Education	-	2,180.0	-	2,907.0	-	3,057.0	-	8,144.0
Total	27,789.0	2,180.0	108,582.5	2,907.0	100,689.5	3,057.0	237,061.0	8,144.0

	Attending Out-of-District on Chargeback or a		
	Attending In-District	Cooperative/Contractual Agreement	Total
Semester Credit Hours (All Terms)	203,781.5	1,810.0	205,591.5

	Dual Credit	Dual Enrollment
Reimbursable Semester Credit Hours (All Terms)	7,473.0	1,136.0

District 2018 Equalized Assessed Valuation \$ 10,129,709,671

Signatures:  
 Chief Executive Officer Vice President, Financial and Business Services
 College Treasurer

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS
FOR THE YEAR ENDED JUNE 30, 2019

	Total Unrestricted Credit Hours	Total Unrestricted Credit Hours Certified to the ICCB	Difference	Total Restricted Credit Hours	Total Restricted Credit Hours Certified to the ICCB	Difference
Baccalaureate	164,890.5	164,890.5	-	-	-	-
Business Occupational	9,351.5	9,351.5	-	-	-	-
Technical Occupational	23,582.0	23,582.0	-	-	-	-
Health Occupational	16,629.0	16,629.0	-	-	-	-
Remedial Development	22,608.0	22,608.0	-	-	-	-
Adult Basic/Secondary Education	-	-	-	8,144.0	8,144.0	-
Total	237,061.0	237,061.0	-	8,144.0	8,144.0	-

RECONCILIATION OF IN-DISTRICT/CHARGEBACK AND COOPERATIVE/CONTRACTUAL AGREEMENT CREDIT HOURS

	Total Attending (Unrestricted and Restricted)	Total Attending as Certified to the ICCB (Unrestricted and Restricted)	Difference
In- District Residents	203,781.5	203,781.5	-
Out-of-District on Chargeback or Contractual Agreement	1,810.0	1,810.0	-
Total	205,591.5	205,591.5	-

	Total Reimbursable	Total Reimbursable Certified to ICCB	Difference
Dual Credit	7,473.0	7,473.0	-
Dual Enrollment	1,136.0	1,136.0	-
Total	8,609.0	8,609.0	-

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
RESIDENCY POLICY

A resident must live in the Moraine Valley Community College district at least 30 days prior to the start of the semester and meet at least one of these criteria:

- Under 18 whose parents or legal guardians reside in the college district;
- Under 18 who is married and who is established in a permanent family residence in the district;
- Under 18 who resides in the district in a dwelling he or she has purchased; and or
- 18 or older who resides in the district, providing residence was not for the sole purpose of attending college.

Students shall be classified as residents of a community college district without meeting the 30-day residency requirement of the district if they are currently residing in the district and are youth (i) who are currently under the legal guardianship of the Illinois Department of Children and Family Services or have recently been emancipated from the Department, and (ii) who had previously met the 30-day residency requirement of the district but who had a placement change into a new community college district. (Public Act 99-0845)

A district map is available at morainevalley.edu. To verify your residency status, call (708) 974-2110.

Tuition rates are determined by the legal residence of the student. These rates are lower for residents of the Moraine Valley Community College district than they are for out-of-district residents who attend Moraine Valley. A student who temporarily moves into the district for the purpose of attending the College at a reduced tuition rate will not be considered as having established a bona fide residence within the district.

It is the student's responsibility to demonstrate residence status. A student may be asked to display verification of residence before class registration can be completed. The following documents may be presented to verify residency: Illinois driver's license or state ID, property tax statement, vehicle registration, copy of lease or purchase agreement, utility or telephone bill, or voter's registration card. Documents or bills that are used to verify residence are required to be in the student's name.

Residency status is determined at the time of registration. It will not be changed after the refund period for that semester.

The Dean of Enrollment Services or a chosen representative will determine whether an applicant meets the residency criterion.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

SUMMARY OF ASSESSED VALUATIONS
FOR THE LAST TEN LEVY YEARS

<u>TAX LEVY YEAR</u>	<u>EQUALIZED ASSESSED VALUATION</u>
2018	\$ 10,129,709,671
2017	10,443,699,860
2016	9,059,427,914
2015	8,661,463,263
2014	8,925,844,845
2013	9,303,736,891
2012	9,896,006,401
2011	10,788,573,903
2010	12,844,448,092
2009	12,889,581,841

Source: Cook County Treasurer's Office

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Patricia Joan Murphy

Andrew Williams, Student Trustee

Dr. Sylvia M. Jenkins, College President

Moraine Valley Community College is committed to a policy of according no preference to persons on the basis of race, color, age, sex, religion, national or ethnic origin, disability, creed, ancestry, marital status, sexual orientation, gender identity, gender expression, arrest record, military status or unfavorable military discharge, citizenship status, or other legally protected characteristics or conduct in its educational programs, activities, or employment practices. Such discrimination is prohibited by Titles VI and VII of the Civil Rights Act, Title IX of the Education Amendments, Sections 503 and 504 of the Rehabilitation Act of 1973 as amended, the Age Discrimination Acts of 1974 and 1975, and other federal and state statutes and regulations as well as Presidential Executive Orders. This commitment applies in all areas to students and college personnel as well as to relevant aspects concerning the choice of contractors and suppliers of goods and services and to the use of college facilities. More specifically, in its employment practices, Moraine Valley Community College continually seeks to employ and promote the best qualified individuals while endorsing the principles of Affirmative Action, as well as all federal and state laws regarding equal employment opportunity.



9000 W. College Parkway, Palos Hills, IL 60465-2478

