

Moraine Valley Community College

COMMUNITY COLLEGE DISTRICT NUMBER 524, PALOS HILLS, IL

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022



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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2022**

Prepared by:

Division of Finance

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College Treasurer**

**Michael Cipolla
Controller**

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
Palos Hills, Illinois

ANNUAL COMPREHENSIVE FINANCIAL REPORT
June 30, 2022

TABLE OF CONTENTS

	PAGE
<u>INTRODUCTORY SECTION (UNAUDITED)</u>	
Transmittal Letter	1
Principal Officials	18
Organization Chart.....	19
Certificate of Achievement for Excellence in Financial Reporting (GFOA)	20
Certificate of Excellence in Financial Reporting (ASBO)	21
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report	22
<u>Required Supplementary Information</u>	
Management's Discussion and Analysis.....	25
<u>Basic Financial Statements</u>	
Statement of Net Position	STATEMENT 1 38
Statement of Revenues, Expenses and Changes in Net Position	STATEMENT 2 39
Statement of Cash Flows	STATEMENT 3 40
Notes to Basic Financial Statements	42
<u>Required Supplementary Information</u>	
Defined Benefit Pension Plan Schedule of the College's Proportionate Share of the Net Pension Liability.....	EXHIBIT 1 77
Schedule of College Contributions.....	EXHIBIT 2 79
Community College Health Insurance Program - Schedule of the College's Proportionate Share of the Collective Net OPEB Liability and Schedule of College Contributions.....	EXHIBIT 3 81
Notes to Required Supplementary Information	83
<u>Supplementary Information</u>	
Schedule of Management Information - Detail of Operating Expenses by Function and Object.....	EXHIBIT 4 86
Schedule of Expenditures for Tort Immunity Purposes.....	EXHIBIT 5 87
<u>STATISTICAL SECTION (UNAUDITED)</u>	
<u>Financial Trends</u>	
Net Position by Component	TABLE 1 88

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
Palos Hills, Illinois

ANNUAL COMPREHENSIVE FINANCIAL REPORT
June 30, 2022

TABLE OF CONTENTS

		PAGE
Changes in Net Position	TABLE 2	90
<u>Revenue Capacity</u>		
Assessed Value and Actual Value of Taxable Property.....	TABLE 3	92
Property Tax Levies and Collections	TABLE 4	94
Assessed Valuations, Taxes Extended and Tax Rates	TABLE 5	95
Property Tax Rates - Direct and Overlapping Governments	TABLE 6	97
Principal Property Taxpayers.....	TABLE 7	99
Enrollment, Tuition and Fee Rates, Credit Hours, and Fee Revenues Generated	TABLE 8	101
<u>Debt Capacity</u>		
Ratio of Net General Bonded Debt to Assessed Value and Personal Income and Net General Obligation Bonded Debt Per Capita	TABLE 9	103
Schedule of Ratios of Outstanding Debt	TABLE 10	105
Computation of Direct and Overlapping Debt	TABLE 11	107
Legal Debt Margin Information.....	TABLE 12	110
Pledged Revenue Coverage-Alternative Revenue Bonds.....	TABLE 13	111
<u>Demographic and Economic Information</u>		
District Demographics.....	TABLE 14	112
Student Enrollment Demographic Statistics.....	TABLE 15	113
Student Enrollment and Miscellaneous Statistics - Annual Unduplicated Enrollment.....	TABLE 16	114
Credit Hours Eligible for Funding by Illinois Community College Board Reimbursement Categories.....	TABLE 17	115
College Demographics.....	TABLE 18	117
Principal Employers	TABLE 19	118

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
Palos Hills, Illinois

ANNUAL COMPREHENSIVE FINANCIAL REPORT
June 30, 2022

TABLE OF CONTENTS

		PAGE
<u>Operating Information</u>		
Total Employees	TABLE 20	120
Capital Asset Statistics - Volume	TABLE 21	122
Capital Asset Statistics - Value	TABLE 22	124

SPECIAL REPORTS SECTION

<u>Supplementary Financial Information</u>		
<u>Illinois Community College Board —</u>		
<u>Uniform Financial Statements</u>		
All Funds Summary.....	SCHEDULE 1	126
Summary of Capital Assets and Long-Term Debt.....	SCHEDULE 2	128
Operating Funds Revenues and Expenditures	SCHEDULE 3	129
Restricted Purposes Fund Revenues and Expenditures	SCHEDULE 4	131
Current Funds Expenditures by Activity.....	SCHEDULE 5	132
Certification of Chargeback Reimbursement	SCHEDULE 6	133
<u>State Grant Activity and Schedule of Enrollment Data:</u>		
Independent Auditor's Report on Audits of Grant Program Financial Statements.....		134
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 <i>Government Auditing Standards</i>		137
<u>State Adult Education Restricted Fund Grants</u>		
Financial Statements:		
Statements of Net Position	SCHEDULE 7	139
Statements of Revenues, Expenses, and Changes in Net Position.....	SCHEDULE 8	140
Note to Financial Statements.....		141
<u>Supplementary Information</u>		
ICCB Compliance Statement for the Adult Education and Family Literacy Grant.....	SCHEDULE 9	142

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
Palos Hills, Illinois

ANNUAL COMPREHENSIVE FINANCIAL REPORT
June 30, 2022

TABLE OF CONTENTS

	PAGE
Independent Accountant's Report on the Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed.....	143
Schedule of Enrollment Data and Other Bases Upon Which Claims Are Filed	SCHEDULE 10 144
Residency Policy (Unexamined).....	SCHEDULE 11 146
Summary of Assessed Valuations (Unexamined).....	SCHEDULE 12 147

Moraine Valley Community College

COMMUNITY COLLEGE DISTRICT NUMBER 524, PALOS HILLS, IL

Introductory Section

Fiscal Year Ended June 30, 2022



Moraine Valley Community College

November 8, 2022

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

FORMAL TRANSMITTAL OF THE ANNUAL COMPREHENSIVE 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 30th. The Annual Comprehensive Financial Report (Annual Report) 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, 2022, 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 Annual Report for the fiscal year ended June 30, 2022. 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 25-37), 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: 8 buildings are less than 20 years old, 2 buildings are 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 1,100 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 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 2022 credit and noncredit annual enrollment is approximately 19,000 students. The College is ranked in the top three percent of the 2,839 two- and four-year U.S. institutions granting associates degrees, also ranking first in multi-interdisciplinary studies (Associate in Science degree). The College offers 139 degree and certificate programs, 486 credit courses, and 70 different noncredit courses.

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*. This designation indicates that the College is learning-centered and actively works to advance teaching and learning.

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 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.

Diversity, Equity, and Inclusion

Embracing diversity, equity and inclusion have helped Moraine Valley Community College become a premier institution of higher learning, and an invaluable resource for students to learn about the multicultural world in which we live. Diversity and inclusion are essential to the way we achieve our mission.

Acknowledging, understanding, appreciating, embracing and integrating individual differences and similarities by deliberately fostering a climate of respect affirms the value and contributions of each individual. Individual differences and similarities may include, but are not limited to age, race, religion, disability, national origin, gender, ethnicity, sexual orientation, marital status, socioeconomic status or class, geography, learning styles, language, culture, political ideology, values, and experiences.

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 2022

Moraine Valley Community College President appointed to Illinois Community College Board

Illinois Gov. J.B. Pritzker appointed Dr. Sylvia Jenkins to the Illinois Community College Board, which is responsible for fiduciary oversight and governing policies of the Illinois community college system. Her appointment is effective until 2026.

Pacesetter Award

Dr. Sylvia Jenkins also received the 2021 Pacesetter of the Year Award from District 3 of the National Council for Marketing and Public Relations. Dr. Jenkins accepted the award at the district's annual conference in Grand Rapids, Michigan, last fall. The award recognizes a community college president who has demonstrated special leadership and support in college communications and marketing.

Opportunity for All

Diversity, equity and inclusion

Moraine Valley is a world-class, learning-centered college where diversity, equity and inclusion (DEI) are essential to the way we achieve our mission. Embracing DEI has helped the College become a premier institution of higher learning and an invaluable resource for students to learn about the multicultural world in which they live. To help the College live out and emphasize its core values of DEI on campus, an executive director for Diversity, Equity and Inclusion joined the College and served their inaugural year in 2022.

First Equity Academy

The Completion Commitment Committee launched the Equity Academy, a professional development opportunity open to all employees. Participants had the option of joining as a "Scholar," which entailed completing a research project related to equity, or as an "Ally," which included the same content but did not require the research component. Over 120 employees participated.

The program's goals were to inform the College community about the importance of diversity, equity and inclusion in the workplace and how they can positively impact staff, students and the community. Content was presented through monthly lectures featuring guest speakers, online resources and a research project for those participating in the full academy.

Illinois Equity in Attainment Catalyst grant

The Partnership for College Completion, which is an Illinois Equity in Attainment partner, granted funds to the College to begin implementing its 2020-25 Institutional Equity Plan. These funds were used to support two components: the creation of the Equity Academy and to purchase copies of the book "Becoming a Student-Ready College: A New Culture of Leadership for Student Success" for members of the Student Development Supervisor's Council to read and discuss. Grant funds also paid for Dr. Tia Brown McNair, the lead author of the book, to provide a virtual workshop for the council.

Difficult Conversations Initiative

The Democracy Commitment implemented the Difficult Conversations Initiative, where faculty, staff and students engaged in seven virtual, collaborative discussions that focused more on learning from each other instead of trying to win a debate. Real, open conversations some might otherwise be afraid to discuss publicly provided a safe place to talk, disagree and grapple with challenging topics such as the Black Lives Matter movement, climate change, Critical Race Theory, "wokeism" and more.

HSE, ESL faculty and staff explore DEI in Instructor Insights group

Instructors in the high school equivalency (HSE) and English as a Second Language (ESL) programs wanted to learn more about cultural differences to help them plan curriculum and better work with their students from various backgrounds. Thus, the Instructor Insights group was born. During monthly virtual meetings, group members present DEI topics and share how others can incorporate this knowledge into HSE and ESL classes.

Staff presented about Instructor Insights at the Illinois Adult and Continuing Educators Association virtual conference in March 2021 and at the Coalition on Adult Basic Education conference in April.

Student Life diversity events

Student Life hosted many events to promote understanding and acceptance of diverse populations, including:

- Developing trivia questions regarding Dr. Martin Luther King, Black History Month, National Native American Heritage Month and Dia de los Muertos (Day of the Dead).
- Co-sponsoring with other community colleges virtual guest speakers for Martin Luther King Day and Hispanic Heritage Month. Clint Smith, best-selling author of "How the Word is Passed," spoke on the migration from slavery to the civil rights movement and the history of black people in the United States while Rosa Clemente explored the Afro/Black Latinx experience in America and the need to unite all Latinx cultures for empowerment.
- A World AIDS Day program hosted by the GASP Club to educate students and discuss the AIDS pandemic and how it affects the LGBTQ+ community. The club also had an event to raise awareness about preferred pronouns where students made buttons to display their preferred pronouns.

Student Life activities, programs and opportunities contributed to data from the 2021 Community College Survey of Student Engagement (CCSSE) that shows students scored Moraine Valley nearly 4.5 points higher than the cohort regarding how much the College emphasizes encouraging contact among students from different economic, social and racial or ethnic backgrounds.

Answered	Item	MVCC	2021 CCSSE Cohort
"Quite a bit" or "Very Much"	Encouraging contact among students from different economic, social, and racial or ethnic backgrounds.	61.7%	57.3%

Additional DEI initiatives

- Human Resources revised its hiring process guidelines and questions related to a fair and equitable hiring process and partnered with additional diverse publications and online resources to advertise open positions at the College.
- The Director of Purchasing was invited to speak on a panel for the Chicago Minority Supplier Diversity Council regarding procurement and opportunities at the College, and she spoke at a "meet and greet" for Supplier Diversity at the 16th Annual Virtual Illinois State Black Chamber of Commerce Convention.
- Three Student Development supervisors wrote an October 2021 blog post entitled, "Student-Centered Practices for Student Engagement and Success at Moraine Valley Community College." The Partnership for College Completion requested Moraine Valley participate in this blog post to speak about how DEI work is weaved into efforts to support students through and beyond the pandemic.

Opportunity in the Classroom

Faculty at Moraine Valley create unique opportunities for students to build, learn and master new skills and knowledge in smart classrooms and labs. Through experiential learning, students are prepared to succeed in a changing workforce.

Academic accomplishments

- A Moraine Valley instructor of welding was named the 2022 Professor of the Year. Welding has placed several students into local jobs and the pipefitter apprenticeship program; secured \$1,000 scholarships for eight students through the American Welding Society; and held two classes with the Local 27 Glaziers Union, successfully certifying 25 of their employees. Faculty also have impacted local high school students by running three full dual enrollment welding classes, participating in MACS Career Day and Reavis High School Career Day, and volunteering to hold welding classes at the Teen Bridge Center in Orland Park.
- Heating, Ventilation and Air Conditioning (HVAC) students completed a one-year project installing a commercial HVAC system, which gives them hands-on training for equipment seen in commercial office buildings.
- Corporate, Community and Continuing Education formalized a partnership with Green Flower Media Inc. to offer noncredit, online career programs in cannabis cultivation and manufacturing, and completed the first year of a partnership with 160 Driving Academy to train new commercial driver's license (CDL) drivers. The CDL program graduated its 100th student.
- The Nursing Program completed its first cohort using virtual reality through Oculus headsets in class. The faculty input scenarios into the virtual simulation, and each student in the course individually performed the simulation with their headset. Students practiced caring for a patient in a real-life virtual environment safe for learning and making and correcting mistakes. The department also purchased high-fidelity patient simulators to give students a more realistic experience of working in a health care setting.
- American Sign Language students signed the national anthem at a Chicago White Sox game last summer.
- Automotive Technology formed a new partnership with the TechForce Foundation, which provides scholarship opportunities for students. One Moraine Valley student enrolled in the College's Nissan Technician Training Academy was awarded one of these scholarships in Spring 2022.
- The Fire Science program trained 36 firefighters to work as first responders. The program's State Fire Marshal Exam passing rate is just under 100%. Three female students are enrolled – the highest number ever and above the usual ratio in the fire service industry.
- The new Paralegal Studies Program graduated its first three students.

Health care programs get reaccredited

- All Health Information Technology faculty were asked to be volunteer peer reviewers for the Commission on Accreditation for Health Informatics and Information Management Education after a successful site review last February. The department received a seven-year approval.
- The Medical Coding Specialist Program was reapproved from the Professional Certification Approval Program for three years.
- The Phlebotomy Program was approved by the National Accreditation Agency for Clinical Laboratory Sciences (NAACLS) for four years through 2026.

More online programs offered

Several degree and certificate programs were offered fully online for students who prefer that learning format. Students can now earn an Associate in Arts, Associate in Science and Associate in General Studies degree fully online. They also can choose from 20 certificate programs, including many in information technology, supply chain, criminal justice, emergency services, retail management and more.

Moraine Valley honors first certified culinarians

The first group of students to be named certified culinarians by the American Culinary Federation (ACF) were honored at a reception held in the College's Table 67 restaurant. Each recipient was awarded a special diploma and a patch to wear on their chef's jacket from the ACF. Students who complete their culinary arts associate degree and hold a student membership in the ACF can apply for the certified culinarian certification since they graduated from an ACF-accredited program.

Ha exhibition, master class

Gene Ha, a comics artist and writer best known for his work on books such as "Top 10" and "Top 10: The Forty-Niners" with Alan Moore and Zander Cannon, the Batman graphic novel "Fortunate Son" with Gerard Jones and "Wonder Woman Historia series: The Amazons," conducted a master class workshop for the Drawing Comics class.

Global Education makes an impact

Students in the Global Education program created a website for students and faculty to post work related to international and global topics. "The Mosaic" is a student-run site offering articles about different cultures, travel, etc.

Global Education also partnered with psychology faculty to pilot an eight-week International Virtual Exchange in the spring semester. Students used the skills they learned in class during real-world experiences with students across the globe. The virtual exchange is a result of a partnership between Moraine Valley and Soliya Global Connect.

Students enrolled in an Intensive English Language course met bi-weekly with students from Spanish I in a language exchange program.

Students in a developmental math course worked together with Intensive English Language students to solve conversion and equivalency problems.

Dual credit/enrollment by the numbers

The Dual Credit Program supports 31 area high schools at which their students take college courses during the day for college and high school credit. Moraine Valley classes are taught by 109 high school instructors qualified to teach college-level courses. There are 53 unique courses with 403 dual credit sections within general education and career technical education disciplines.

New transfer partnerships

The Transfer Center developed new transfer partnerships with:

- University of Maryland Global Campus
- DeVry University Advantage 60
- Chamberlain University
- Governors State University under the TransferBOOST initiative

In addition, support was provided to increase transferability of courses in Early Childhood Education with both Governors State University and Chicago State University.

Opportunity to Help Others

Service to others is one of the foundations at Moraine Valley. Faculty are encouraged to incorporate service learning in their curricula, and many student clubs and organizations do community service as part of their activities. Students also are the recipients of assistance through the Moraine Valley Foundation and other campus departments.

Even while mostly remote, our students understood the importance of giving back to the community and participating in community service efforts:

- Christian Fellowship collected over 80 hand-decorated cards for children spending the holidays in local hospitals.
- Student Life and the Fitness and Recreation Center held a Big Pink Volleyball tournament that raised over \$1,000 for breast cancer programming and research.
- In support of the One Book, One College program, Student Life and the Library sponsored a National Day of Service and Remembrance program where students volunteered at the Sagawau Environmental Learning Center to cut down invasive species.
- International Student Ambassadors sponsored a collection for Ukraine and filled five cars with basic necessities that were donated to the Saints Peter and Paul Ukrainian Orthodox Church to send to Ukraine.
- Muslim Student Association held a hygiene drive to donate items to Arab American Family Services.

Nursing students engage in act of kindness project

Third-semester students in a nursing clinical practicum positively impacted their community through The Act of Kindness project. The goal was to create community awareness, particularly in the pediatric population, of how a simple act can positively impact others. One student went to their local park district to talk to a small group of adolescents with special needs about oral hygiene and the importance of going to the dentist. The student presented a four-minute cartoon instructional video and gave them each a new toothbrush kit. Another student went to Edison School in Stickney to do vision screenings for a kindergarten class. The student brought eye charts and printed information about doing the test at home for other family members to use.

Veterans support

The Orland Park Veterans Commission sponsored a new scholarship for student veterans and dependents who attend Moraine Valley. The donated scholarship funds are to be used over a three-year period. The Orland Park VFW hosted a welcome back lunch for student veterans and dependents during the fall semester to assist them with information on VA benefits and other community resources. The sponsors of the Thank You Veteran Scholarship Fund agreed to include dependents as eligible recipients. This is the first scholarship at Moraine Valley to provide opportunities for dependents.

Opportunity for Student Success

Success can be measured in myriad ways, but completion is one of the more prominent ways Moraine Valley knows it is making a difference in students' lives. In addition, participating in extracurricular activities, honing a skill, and being recognized all are indicators our students are on the right path.

In-person graduation returns

About 400 students crossed the stage at the College's first in-person commencement in three years. To help maintain distancing among participants and guests, two ceremonies were offered in one day. Graduates could bring three guests to their ceremony, which each featured remarks from the Professor of the Year, the College President and a student speaker. Overall, the College had 3,616 students earn 2,090 degrees and 3,139 certificates this year.

Speech team shines all season

The Speech and Debate Team competed in 10 invitational tournaments throughout the year and won almost all of them:

- McHenry County Speech Tournament – 1st Place
- Highland College Speech Tournament – 3rd Place
- Elgin College Speech Tournament – 1st Place
- Phi Rho Pi Region IV RAFL – 1st Place
- College of DuPage Speech Tournament – 1st Place (community college division)
- Casper College Speech Tournament – 1st Place
- Harper College Speech Tournament – 1st Place
- Illinois State Tournament – 2nd Place
- Phi Rho Pi National Speech Tournament – Gold Medal

National champions also were named in three categories: Dramatic Interpretation, Impromptu Speaking, and Persuasive Speaking. One member of the Moraine Valley Speech Team won the Dan Haggerty Award (voted on by students, awarded to one person in Illinois who best embodies forensics).

Student newspaper wins 25 state awards

The Glacier student newspaper won 25 awards at the Illinois Community College Journalism Association Contest, including Best Student Media. The website won first place in the Mike Foster General Excellence Award. Individual student awards include: nine first place awards for News Story of the Year, Reporter of the Year, Individual News Story, Headline Writing, Game Story, Arts Review, Feature Photo, Graphics and Editorial Cartoon; five second place awards for Headline Writing, News Photo, Page Design, Feature Writing and Sports Feature; seven third place awards for Sports Feature, Podcast, Editorial Writer of the Year, Staff Editorial, Feature Writing and News Story; and three honorable mentions for Sports Column, Sports Photo and Sports Game Story.

PTK recognized as Reach Chapter

Moraine Valley's Alpha Iota Lambda chapter of the Phi Theta Kappa National Honor Society was recognized as a REACH Chapter for exceling in membership development at the national level.

Students win state geography award

The president of the Illinois Geographical Society presented the Community College Student Geographer Award to two Moraine Valley students at the society's annual meeting and awards

ceremony. The IGS selects four students from around the state who excelled in one or more geography classes within the past year and have met GPA requirements.

Athletes keep All-Sports trophy

The Illinois Skyway Collegiate Conference All-Sports Award stayed at Moraine Valley after another successful sports year. This trophy recognizes the collective achievements of each college's sports teams. The Cyclone men's and women's cross-country as well as softball team each won a Skyway title. Golf, men's basketball, and men's tennis each finished second. This is the 10th time the College has won the trophy since 2004, edging out rival Waubesa Community College for the top spot.

Student earns National Fluid Power Association scholarship

One Moraine Valley student was awarded the National Fluid Power Association scholarship worth \$2,000. It was the first scholarship he had ever received.

Students co-write Academic Theater play

The fall Academic Theater production of "How to Survive a Pandemic" was comprised of short scenes and monologues that approach topics from various perspectives. The funny and poignant exploration of how society survived the pandemic was written by the student actors in collaboration with Chicago-area playwright and adjunct theater instructor Jenni Lamb.

Opportunity to Shine

Faculty and staff are the backbone of the institution and truly are the reasons why students attend and stay at Moraine Valley. Their knowledge, expertise, advice and willingness to support students provide daily assurances to students they have someone in their corner. Every year, they shine on local, state and national stages.

In the News

Media often call upon Moraine Valley Community College faculty and staff to share their knowledge and expertise for news articles and publications.

- The Director of Nursing, and an instructor of Nursing, provided their insights on the shortage of nurses to the Center for American Progress, which were included in the report, "How to Ease the Nursing Shortage in America."
- An instructor of Baking and Pastry was featured in the *Daily Southtown* about culinary classes.
- An instructor of Welding was featured in a *Crain's Chicago Business* article about diversity in welding. He also was interviewed by the *Daily Southtown* for his role as a judge in a local high school welding competition.
- The Coordinator of Adult Basic Education published an article, "Latinas in Education and Leadership: My Journey from Student to Empowerment and Leadership" in the *International Forum of Teaching and Studies*.

Award-winning staff

National Academic Advising Association (NACADA) Awards

- Moraine Valley's Assistant Dean of Advising and Counseling won the NACADA 2021 Certificate of Merit Award for Outstanding Advising Administrator.
- An academic advisor won the NACADA 2021 Certificate of Merit Award for Outstanding Advisor.

- The developmental course College Study Skills (COS-041) Interventions project won the NACADA 2021 Certificate of Merit Award for Outstanding Advising Program.
- An academic advisor received the ILACADA 2021 Advising Administrator of the Year Award.
- An academic advisor won the ILACADA 2021 Advisor of the Year Award.

NASPA Award

The College's Dean of Student Engagement received the 2022 Doris Michiko Ching Award for Excellence as a Student Affairs Professional from the National Association of Student Personnel Administrators (NASPA). The Dean was selected from over 15,000 members for volunteer work to support NASPA through regional and national leadership roles, as a conference program reviewer for many conferences, as a conference presenter, and as an author for several NASPA publications.

Online tutoring wins state innovation award

The Illinois Council of Community College Administrators presented Moraine Valley with its 2021 Innovation Award for the Online Tutoring Implementation initiative.

Illinois Community College Trustee awards

Moraine Valley won three awards from the Illinois Community College Trustees Association at its annual banquet in June.

- The College's Professor of Computer Information Systems and Director of Faculty Development received the Lifelong Learner Award. This professor has earned four associate degrees and 10 certifications – successfully earning over 300 credit hours at Moraine Valley – along with two master's degrees and one doctoral degree.
- Moraine Valley's partnership with the Greater Chicago Food Depository won the Business/Industry Partnership Award. The Director of Community Education, Workforce Development and Government Relations, leads the Transportation, Distribution and Logistics program with the nonprofit food bank.
- An instructor of welding was named Moraine Valley's Professor of the Year. That recognition led to the instructor winning the Outstanding Full-time Faculty Member of the Year Award from the Illinois Community College Trustees Association.

Faculty/staff continue to shine

- A professor of Respiratory Therapy became the chair of the Committee on Accreditation for Polysomnographic Technologist Education.
- A professor of Communications received the 2022 Dennis Ross Award for service to Illinois forensics.
- An associate professor of Communications and head coach of women's basketball earned their 400th team victory last November. This professor has coached the Moraine Valley team since the 2000-01 season.
- The Dean of the Learning Resource Center received the 2021 Valerie J. Wilford Scholarship Grant for Library Education from the Illinois Library Association.

Marketing and Communications brings home the gold

Marketing and Communications won a gold and two bronze Paragon Awards from the National Council for Marketing and Public Relations. The gold award was for the *Mission Possible* virtual gala invitation,

and the bronze awards were for the College Journey microsite and the manipulated photo of a Cyclones volleyball player. The team also won nine awards in the Education Digital Marketing Awards competition and another nine awards in the Education Advertising Award competition.

College accomplishments

HLC review a success

Moraine Valley successfully completed its Year 4 Assurance Review by the Higher Learning Commission, the College's accrediting agency, with no recommended monitoring. The College met all criteria for compliance.

Athletics celebrates 45 years, inducts Hall of Fame members

Alumni, current athletes, community members, faculty and staff celebrated 45 years of sports at the College during an anniversary celebration in April. The event featured giveaways, food, music, games for children and the annual Athletics Hall of Fame ceremony, during which four new members were inducted into the Class of 2022.

Campus technology upgraded

Information Technology implemented several upgrades to technology and introduced new software to improve users' experience, including:

- Cleared4Class, the web platform used to manage daily COVID-19 health screenings, vaccinations and test results
- Multi-Factor Authentication to improve security and protect user data
- Office 365 migration to offer increased functionality
- Wi-Fi upgrade to provide faster speeds and increased coverage

Online instructor evaluation debuts

Institutional Research and Planning, in collaboration with Academic Services and Information Technology, rolled out SmartEvals, an online instructor evaluation system. The software provides faculty with various features such as enabling them to view results for multiple courses over multiple semesters and comparing averages across courses.

Center for Teaching and Learning turns 20

The Center for Teaching and Learning (CTL) celebrated its 20th anniversary. The CTL provides professional development for faculty and staff members, offers one-to-one consultations, develops training sessions for departments and presents events to enhance teaching, learning, technology and leadership. They also have facilities, such as a technology-assisted conference room, instructional classroom and computer lab, that can be used by employees. The CTL began in spring 2002, and the original spaces and programming were made possible by a Title III Strengthening Institutions grant from the U.S. Department of Education.

Federal Stimulus Funding

The College continued using Higher Education Emergency Relief Funds (HEERF) Federal Stimulus Grants that were received from the U.S. Department of Education in fiscal year 2021.

- Emergency Aid grants – These funds were used to make direct payments to students for emergency costs arising from coronavirus such as tuition, food, housing, health care (including mental), and childcare. The Financial Aid department awarded these emergency aid grants to 8,504 students. A portion of these funds was also used to reduce multiple students' outstanding

balances; with the remainder distributed directly as student refunds. Financial Aid has found that students who have received these funds were mostly likely to return for the following semester with an average retention rate of 75%.

- Institutional Funds – These funds were used to defray expenses associated with the coronavirus such as technology and other costs related to the transition to distance education, faculty and staff training, and student support activities that directly address coronavirus-related needs.
- Institutional Funds-Strengthening Institutions – Additional funds awarded to the College due to its Title III eligibility status. This designation means that the College meets financial and student aide needs as defined by the Department of Education.

College gives thousands back to students in vaccination credits

The Cashier's Office processed vaccination credits to 3,854 current students. The one-time credit of \$131 (cost of one credit hour) promoted health and safety during the pandemic and encouraged the student body to become fully vaccinated against COVID-19 while also providing tuition assistance.

Significant impact to regional economy

Moraine Valley is a sound investment for both students and taxpayers, according to a 2021 economic impact study conducted by the Center for Governmental Studies at Northern Illinois University. The College contributes to the vitality of its service area educationally, culturally, civically and economically. These activities represent significant economic contributions by increasing workers' earning potential and generating additional tax revenues.

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 10.0 percent in June 2021 to 5.4 percent in June 2022. The median household income for the district was \$69,439 in 2020, based on U.S. Census Bureau estimates, compared to \$67,886 for all of Cook County and \$68,428 for the State of Illinois. Estimated per capita income for the district was \$33,256 in 2020 compared to \$39,239 for all of Cook County and \$37,306 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 makes Cook County an ideal location for business expansion and relocation.

The estimated population of District 524 for the 2022 Fiscal Year is 391,437.

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 Accounting Standards Boards (GASB), 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.

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 2021 are collected in 2022. 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 2023 budget, tuition rate increases of \$3 per credit hour for in-district students, \$8 per credit hour for out-of-district students, and \$9 per credit hour for out-of-state/foreign students were approved for the Fall 2022 semester. All other college fees remain the same.

Prior to the COVID-19 pandemic, the College's enrollment for the next five academic years was expected to remain static, with a projected annual increase or decrease in student headcount of less than two percent each year. The lasting impact that COVID-19 will have on Moraine Valley's traditional enrollment still remains to be seen. The College will continue to develop progressive marketing, recruitment and outreach programs to build enrollment, implement strategic tuition and fee increases, cultivate process improvements to lower costs, and seek supplemental grant and private funding to lessen operating costs.

The College steadily conserves its 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, the College adheres to the goals set forth in its 2019-2024 Strategic Plan. The learning-centered and service-driven goals set forth in this plan guide Moraine Valley in preparing for future trends that will affect the College and help it adapt to changing education landscapes – reinforcing the College's unwavering commitment to deliver a high level of quality education to the community it serves.

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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. 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 Annual Report. 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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. In order to be awarded a Certificate of Excellence, the College must prepare its Annual Report in an easily readable and efficiently organized manner. The Annual Report is submitted to an ASBO Panel of Review. The panel of volunteers is comprised of professionals experienced in governmental accounting and auditing.

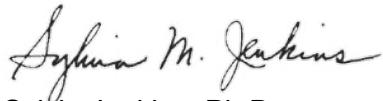
These awards are valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet both programs' requirements, and we are submitting it to the GFOA and ASBO to determine its eligibility for another certificate.

Acknowledgments

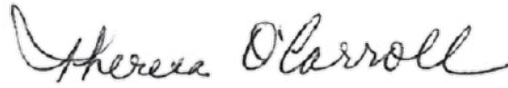
The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire Finance Division. Each member of the division has our sincere appreciation for the contributions made in the preparation of this report.

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, 2022**

BOARD OF TRUSTEES

	<u>Position</u>	<u>Term Expires</u>
Brian O'Neill	Chair	2023
Kimberly A. Hastings-Cristelli	Vice Chair	2027
Beth McElroy Kirkwood	Secretary	2025
Bernadette Barrett	Trustee	2025
John R. Coleman	Trustee	2023
Joseph P. Murphy	Trustee	2025
Patricia Joan Murphy	Trustee	2027
Nematallah Hasan	Student Trustee	2023

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
Mr. Richard Hendricks	Vice President of Administrative Services
Ms. Theresa O'Carroll	Vice President of Financial and Business Services and College Treasurer
Dr. Normah Salleh-Barone	Vice President of Student Development
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

DIVISION ISSUING REPORT

Finance Division

Board of Trustees

PRESIDENT
Dr. Sylvia Jenkins

INTERNAL AUDITOR
Willis Jordan

**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
Tim Kosiek

Director
Human Resources
Lynn Harrington

Chief
Police Department
Patrick Treacy

Executive Director
Diversity, Equity, and
Inclusion
Rory Smith

Compliance Officer
Kelly Grab

Manager
Sustainability
vacant

Dean
Academic Development/
Outreach
Cynthia Anderson

Dean
Career Programs
LoShay Willis

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
Dave Marcial

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
Campus Recreation/HFRC
Michael Schneider

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

Director
Payroll
Judy Healy

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
Thomas Yancey

Director
Infrastructure and
Network Services
vacant

Director
IT Project Management
vacant

Specialist
Information Security
Adam Maca



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Moraine Valley Community College
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

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 Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director

Moraine Valley Community College

COMMUNITY COLLEGE DISTRICT NUMBER 524, PALOS HILLS, IL

Financial Section

Fiscal Year Ended June 30, 2022



Independent Auditor's Report

RSM US LLP

Board of Trustees
Moraine Valley Community College –
Community College District Number 524

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Moraine Valley Community College – Community College District Number 524 (the College), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the College, as of June 30, 2022, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension and other post-employment benefit obligations related information (Exhibits 1-3) and the notes to the required supplementary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 supplementary information as described in the table of contents (Exhibits 4 and 5, and Schedules 1-6) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information as described in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section and Certification of Chargeback Reimbursement but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2022, 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 VS LLP

Chicago, Illinois
November 8, 2022

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

JUNE 30, 2022

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) Annual Comprehensive Financial Report presents management's discussion and analysis (MD&A) of the College's financial activity during the fiscal year ended June 30, 2022. 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 1-17), the College's financial statements (pages 38-41) and the notes to the financial statements (pages 42-76). 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 outflows of resources less liabilities and deferred inflow of resources equal 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.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

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, 2022, and 2021 are as follows:

(\$ in millions)	2022	Restated 2021	Increase (Decrease)	Percent Change
Assets				
Current and Other Assets*	\$ 164.8	\$ 151.6	\$ 13.2	8.7%
Capital Assets, Net of Depreciation	160.5	166.2	(5.7)	(3.4%)
Total Assets	325.3	317.8	7.5	2.4%
Deferred Outflow of Resources	2.2	3.2	(1.0)	(31.3%)
Liabilities				
Current Liabilities	17.1	16.8	0.3	1.8%
Non-current Liabilities	102.1	111.7	(9.6)	(8.6%)
Total Liabilities	119.2	128.5	(9.3)	(7.2%)
Deferred Inflow of Resources*	34.7	30.9	3.8	12.3%
Net Position				
Net Investment in Capital Assets	95.6	94.9	0.7	0.7%
Restricted Net Position	13.8	13.3	0.5	3.8%
Unrestricted Net Position	64.2	53.4	10.8	20.2%
Total Net Position	\$ 173.6	\$ 161.6	\$ 12.0	7.4%

*Assets and deferred inflows of resources for 2021 were adjusted for the adoption of GASB No. 87, Leases. There was no impact on 2021 total net position.

Fiscal Year 2022 Compared to Fiscal Year 2021

Assets

Total current and other assets increased \$13.2 million as compared to prior year. The increase primarily is attributable to an increase in the College's cash and investments due to an overall increase in net position in the current year. Lost revenue recovery received from the Higher Education Emergency Relief Fund (HEERF) grant contributed \$7.5 million of the increase in net position and the remaining increase is due to favorable operating results.

Capital assets, net of accumulated depreciation, decreased \$5.7 million. The College added \$2.2 million in depreciated and non-depreciated capital assets offset by an additional \$7.9 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, 2022

Deferred Outflow of Resources

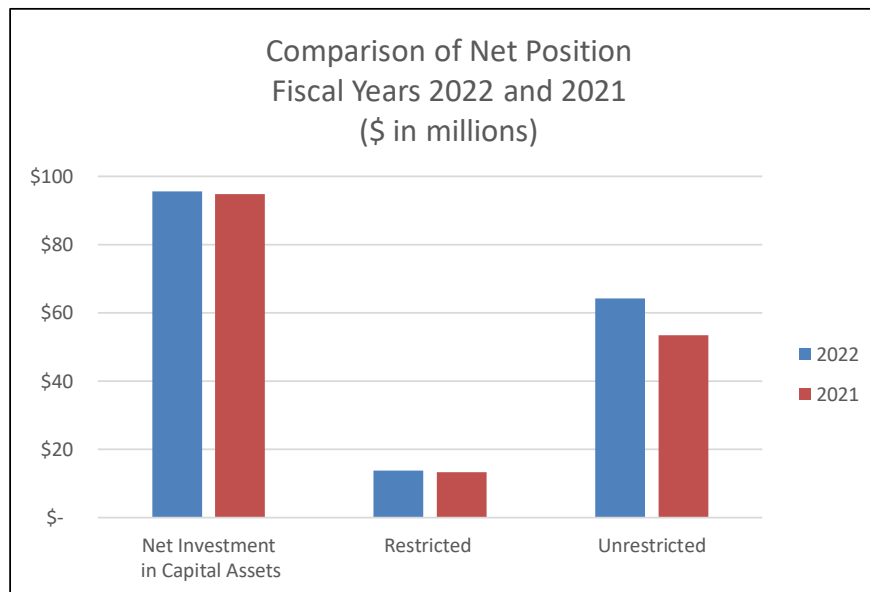
Deferred outflow of resources related to Other Post-Employment Benefits (OPEB) decreased by \$1.0 million in fiscal year 2022 due to actuarially calculated changes in proportion and differences between employer contributions and proportionate share of contributions. Deferred outflow of resources also includes contributions to the State Universities Retirement System (SURS) after the pension liability measurement date. The College is required to make these contributions for grant funded employees.

Liabilities

Current liabilities increased \$0.3 million in fiscal year 2022 compared to fiscal year 2021. Increases in the current portion of bonds payable, unearned tuition and fees revenue, and accrued payroll were partially offset by decreases in accounts payable and accrued compensated absences. Non-current liabilities decreased \$9.6 million in fiscal year 2022 compared to fiscal year 2021, as a result of decreases of \$7.4 million in long-term bonds payable and \$2.2 million in the net OPEB liability. Further discussion on long-term debt can be found on pages 34-35.

Deferred Inflow of Resources

The deferred inflow of resources increased \$3.8 million over the prior year. Of the total increase, the deferred inflow of resources related to OPEB increased by \$1.7 million. The property tax revenues levied in calendar 2021 that are intended to finance fiscal year 2023 increased by \$1.4 million. This increase predominantly reflects the annual Consumer Price Index (CPI) growth in the property tax levy. The unamortized gain on refunding increased by \$0.7 million over the prior year as a result of the College's issuance of refunding Bond series 2022.



Net Position

Total net position increased \$12.0 million from prior year. This increase is attributable to \$7.5 million of lost revenue recovery from the HEERF grant and from favorable operating results in fiscal year 2022.

(Continued)

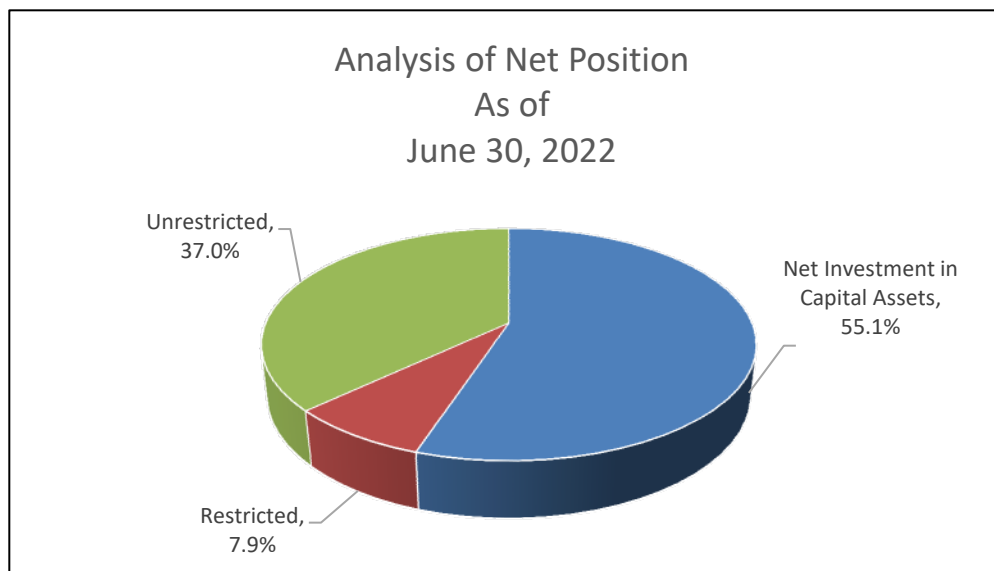
MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

Current Ratio

The College had a current ratio of 8.02 as of June 30, 2022. The current ratio is total current assets divided by total current liabilities. For every dollar of current liabilities, the College has \$8.02 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)	2022	2021	Increase (Decrease)	Percent Change
Net Position				
Net Investment in Capital Assets	\$ 95.6	\$ 94.9	\$ 0.7	0.7%
Restricted Net Position	13.8	13.3	0.5	3.8%
Unrestricted Net Position	64.2	53.4	10.8	20.2%
Total Net Position	<u>\$ 173.6</u>	<u>\$ 161.6</u>	<u>\$ 12.0</u>	<u>7.4%</u>



(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

Fiscal Year 2022 Compared to Fiscal Year 2021

Changes in net position are an indicator of a governmental entity's financial position. The College's combined net position increased 7.4 percent or \$12.0 million. Unrestricted net position increased \$10.8 million. This is the result of increased federal and state funding to offset the lost tuition and auxiliary revenue brought on by the COVID-19 pandemic in fiscal year 2022. Restricted net position increased \$0.5 million from the previous fiscal year with the increase attributable to the debt service and technology funds. Net investment in capital assets increased by \$0.7 million over the prior year, as a result of the reduction of \$6.5 million in related debt, partially offset by a decrease of \$5.8 million in net capital assets.

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 2022 and 2021:

(\$ in millions)	Changes in Net Position Years Ended June 30,	
	2022	2021
Total revenue	\$ 165.8	\$ 176.6
Total expenses	153.8	160.6
Increase in net position	<u>\$ 12.0</u>	<u>\$ 16.0</u>

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

(\$ in millions)	2022	2021	Increase (Decrease)	Percent Change
Operating Revenues				
Tuition and Fees	\$ 19.2	\$ 21.4	\$ (2.2)	(10.3%)
Auxiliary Enterprise Revenue	5.6	5.4	0.2	3.7%
Other Operating Revenues	2.0	2.2	(0.2)	(9.1%)
Total Operating Revenues	26.8	29.0	(2.2)	(7.6%)
Less Operating Expenses	151.8	158.6	(6.8)	(4.3%)
Operating Income (Loss)	(125.0)	(129.6)	4.6	3.5%
Non-operating Revenues (Expenses)				
State Sources	51.8	64.3	(12.5)	(19.4%)
Property Taxes	44.7	40.6	4.1	10.1%
Federal Grants and Contracts	42.8	41.9	0.9	2.1%
Local Sources	0.5	0.5	-	0.0%
Investment (Loss) Income	(1.4)	0.3	(1.7)	(566.7%)
Interest on Capital Asset Related Debt	(2.0)	(1.9)	(0.1)	(5.3%)
Gain (Loss) on Disposal of Capital Assets	-	(0.1)	0.1	100.0%
Total Non-operating Revenues (Expenses)	136.4	145.6	(9.2)	(6.3%)
Increase in Net Position before Capital Contributions	11.4	16.0	(4.6)	(28.8%)
Capital Contributions	0.6	-	0.6	n/a
Increase in Net Position	12.0	16.0	(4.0)	(25.0%)
Net position, Beginning of Year	161.6	145.6	16.0	11.0%
Net position, End of Year	\$ 173.6	\$ 161.6	\$ 12.0	7.4%

Revenues

Operating and non-operating revenues totaled \$165.2 million for fiscal year 2022, a decrease of \$11.4 million over fiscal year 2021. Increases of \$5.0 million in federal and property tax revenue helped offset decreases of \$2.2 million in tuition and fees, \$12.5 million in state revenue, and \$1.7 million in investment income. The largest component of total fiscal year 2022 revenues, \$51.8 million, is from state sources which comprises 31.4 percent of total revenues. Local property tax revenues totaled \$44.7 million in fiscal year 2022 and represent the second largest component of total revenues at 27.0 percent. Federal revenues totaled \$42.8 million in fiscal year 2022 and represent the third largest component of total revenues at 25.9 percent. Revenues from student tuition and fees were \$19.2 million, accounting for 11.6 percent of total revenues for fiscal year 2022.

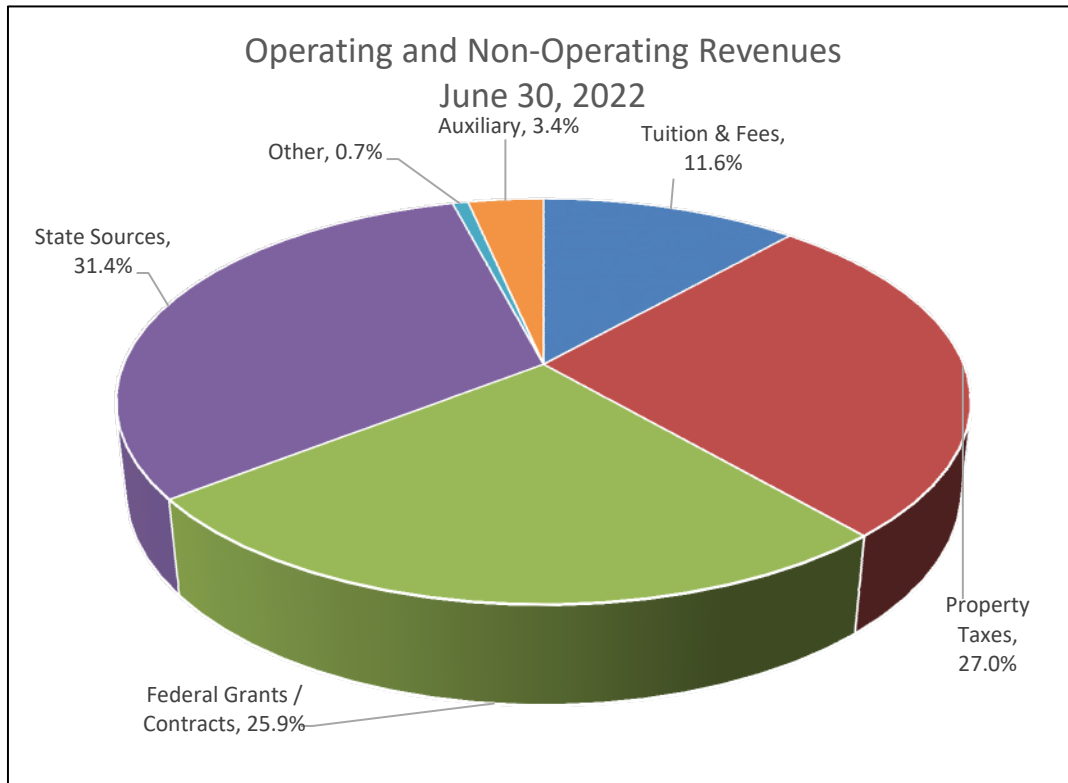
Operating revenues from tuition and fees, net of scholarship allowances, for fiscal year 2022 decreased \$2.2 million from the previous year. This decrease is attributable to decreased enrollment in fiscal year 2022 compared to fiscal year 2021 due to the continued impact of the coronavirus pandemic. 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 \$19.5 million in fiscal year 2022 compared to \$18.6 million in fiscal year 2021. The table below summarizes total gross tuition and fees revenue 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 \$38.7 million for fiscal year 2022, or \$1.3 million lower than fiscal year 2021.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

(\$ in millions)	2022	2021	Increase (Decrease)	Percent Change
Student Tuition and Fees	\$ 38.7	\$ 40.0	\$ (1.3)	(3.3%)
Federal and State Awards	(19.5)	(18.6)	(0.9)	(4.8%)
Student Tuition and Fees, Net	\$ 19.2	\$ 21.4	\$ (2.2)	(10.3%)

Total non-operating revenues and expenses decreased \$9.2 million overall. State revenues decreased \$12.5 million compared to fiscal year 2021. This was primarily due to a decrease of \$14.3 million in SURS on-behalf contributions, offset by increases of \$1.8 million in State base operating and equalization grants. Property taxes and federal grant revenue increased by \$4.1 million and \$0.9 million, respectively. Investment income decreased by \$1.7 million.



(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

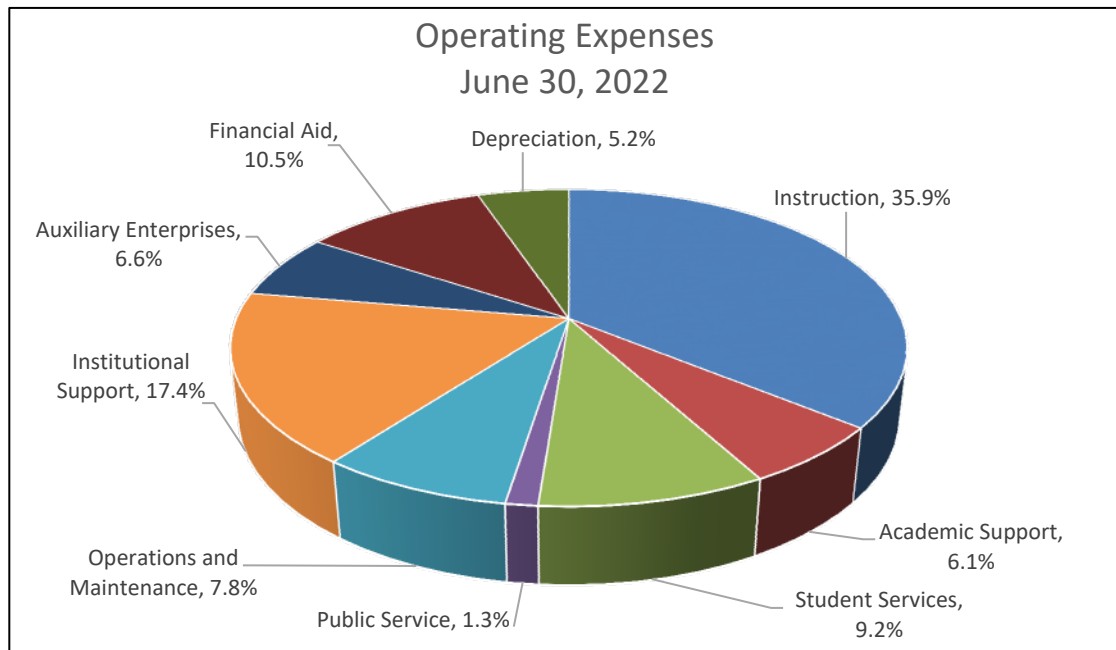
Operating Expenses

Operating expenses for fiscal year 2022 decreased \$6.8 million or approximately 4.3 percent compared to fiscal year 2021. Instructional expenses decreased \$5.6 million overall, resulting primarily from a decrease in SURS on-behalf contributions for faculty, partially offset by contractual salary increases and increases in healthcare costs. Institutional Support decreased by \$3.9 million due to a decrease in SURS on-behalf contributions and reduced spending through the Higher Education Emergency Relief Fund (HEERF). Student Services decreased \$1.7 million due to a decrease in SURS on-behalf contributions, partially offset by increased supportive funds to students. Academic Support, Operations and Maintenance, and Auxiliary Enterprises decreased by \$1.2 million, \$1.0 million, and \$1.0 million, respectively, primarily due to a decrease in SURS on-behalf contributions in fiscal year 2022. Financial Aid increased by \$7.1 million due to an increase in disbursements to students through HEERF in fiscal year 2022. This increase in HEERF disbursements was offset by lower enrollment during the pandemic which decreased other financial aid expenses.

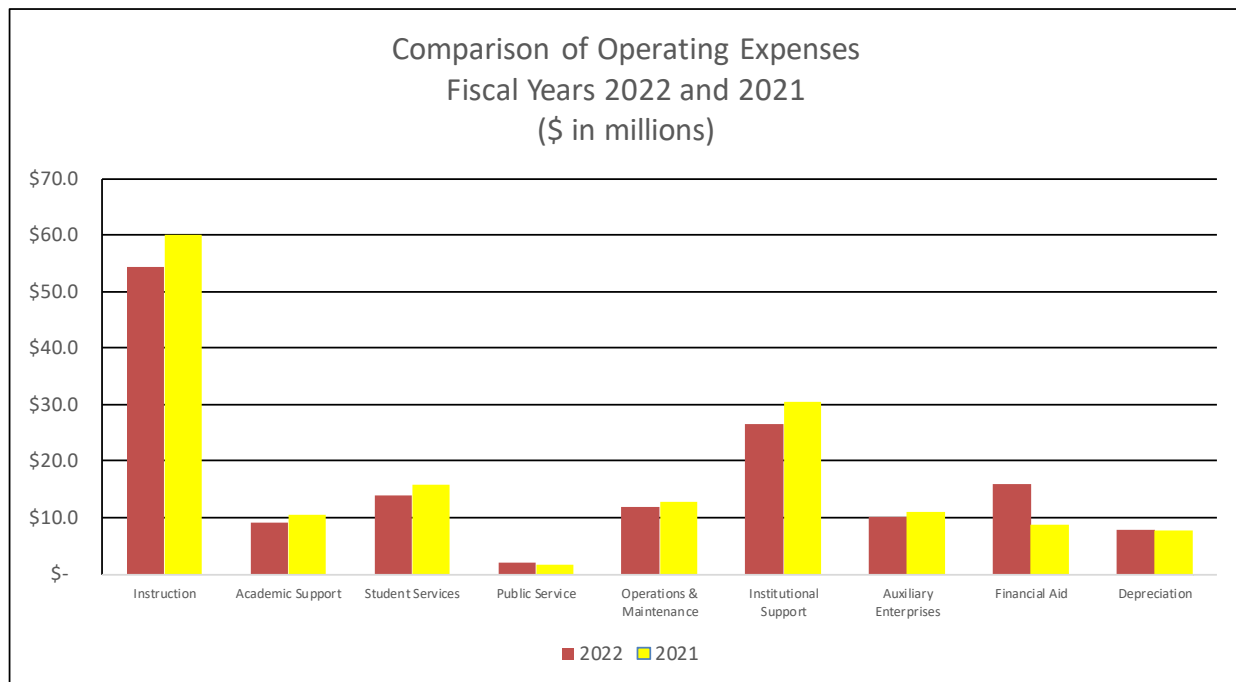
(\$ in millions)	2022	2021	Increase (Decrease)	Percent Change
Operating Expenses				
Instruction	\$ 54.5	\$ 60.1	\$ (5.6)	(9.3%)
Academic Support	9.2	10.4	(1.2)	(11.5%)
Student Services	14.0	15.7	(1.7)	(10.8%)
Public Service	2.0	1.6	0.4	25.0%
Operations and Maintenance	11.8	12.8	(1.0)	(7.8%)
Institutional Support	26.5	30.4	(3.9)	(12.8%)
Auxiliary Enterprises	10.0	11.0	(1.0)	(9.1%)
Financial Aid	15.9	8.8	7.1	80.7%
Depreciation	7.9	7.8	0.1	1.3%
Total Operating Expenses	\$ 151.8	\$ 158.6	\$ (6.8)	(4.3%)

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022



Fiscal year 2022 instruction costs were \$54.5 million. This category represents all of the direct costs associated with teaching students and is the largest component of operating expenses, accounting for 35.9 percent of total operating expenses. Financial aid expense represents the portion of financial aid that is refunded back to the students after tuition and fees.



(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

STATEMENT OF NET CAPITAL ASSETS AND LONG-TERM DEBT

(\$ in millions)	2022	2021	Increase (Decrease)	Percent Change
Capital Assets				
Construction in Progress	\$ 1.1	\$ 3.2	\$ (2.1)	(65.6%)
Land and Improvements	27.1	24.3	2.8	11.5%
Building and Improvements	224.0	224.0	-	0.0%
Equipment	12.7	11.3	1.4	12.4%
Technology	8.3	8.2	0.1	1.2%
Total	273.2	271.0	2.2	0.8%
Less Accumulated Depreciation	(112.7)	(104.8)	7.9	7.5%
Net Capital Assets	\$ 160.5	\$ 166.2	\$ (5.7)	(3.4%)

(\$ in millions)	2022	2021	Increase (Decrease)	Percent Change
Long-Term Debt				
General Obligation Bonds	\$ 61.0	\$ 69.7	\$ (8.7)	(12.5%)
Bond Premium	2.6	1.1	1.5	136.4%
Total Bonds, net	63.6	70.8	(7.2)	(10.2%)
Compensated Absences & Retirement Benefit Obligations	2.1	2.2	(0.1)	(4.5%)
Net OPEB Liability	44.9	47.2	(2.3)	(4.9%)
Note Payable	0.1	0.1	-	0.0%
Total Long-Term Debt	\$ 110.7	\$ 120.3	\$ (9.6)	(8.0%)

Fiscal Year 2022 Compared to Fiscal Year 2021

As of June 30, 2022, the College had a \$273.2 million investment in capital assets, and \$112.7 million in accumulated depreciation, for net capital assets of \$160.5 million. Net capital assets decreased \$5.7 million during fiscal year 2022. Construction in Progress decreased \$2.1 million due to completion of the baseball field reconstruction project, the heating plant project, and HVAC equipment replacement in Building H. This decrease was offset by additional progress on the exterior emergency call station system and the parking lot replacement project in fiscal year 2022. Land and Improvements increased by \$2.8 million from the addition of the baseball field. Equipment increased by \$1.4 million from asset additions of three boilers in the heating plant project, air handlers and additional HVAC equipment, instructional equipment and new vehicle purchases. Accumulated depreciation increased \$7.9 million resulting from current year depreciation less disposals. More detailed information about capital assets is presented in Note 6 to the financial statements.

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

STATEMENT OF NET CAPITAL ASSETS AND LONG-TERM DEBT

During fiscal year 2022, bonds payable decreased by \$7.2 million. This is attributable to the regularly scheduled payments on the outstanding bonds and the amortization of bond premiums. The College also refinanced \$26.7 million of outstanding debt which resulted in a savings of \$1.8 million for the taxpayers of the district over the life of the bonds. See Note 7 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 decreased by \$2.3 million in fiscal year 2022. Detailed information about the College's net OPEB liability is presented in Note 10 to the financial statements.

CURRENT ISSUES

The Board of Trustees passed a \$95.9 million operating expenditure budget for fiscal year 2023, which is an increase of \$1.8 million compared to fiscal year 2022. Budgeted operating revenue for fiscal year 2023 is \$91.0 million, or a decrease of \$3.1 million compared to fiscal year 2022. The College sustained reductions in tuition and fees revenue as a continued effect of the COVID-19 pandemic. The College will continue to monitor the budget and adjust as necessary. The Board of Trustees passed tuition increases effective for the Fall 2022 semester: \$3 per credit hour for in-district, \$8 per credit hour for out-of-district, and \$9 per credit hour for out-of-state/foreign.

The second installment of the tax year 2021 property taxes payments from Cook County have been delayed. These property taxes would typically be received early in fiscal year 2023. The College will use its cash reserves to fund current operations until the levied property taxes are collected and distributed by Cook County.

The College continues to follow, and adapt to, CDC and state guidelines regarding COVID-19. Classes continue to be offered in-person, online, and in hybrid format.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

Management has seen credit hour and head count decreases over the past several years. The COVID-19 pandemic has fueled further losses in enrollment, with decreases extending into the fall 2022 semester. In response to the declining enrollment, the College cut its 2021 budget through reduced capital spending, conference and travel expenses, adjunct instructor salary, and other supplies and services expenses. The College kept most of these cuts in place for its fiscal year 2022 and 2023 budgets as the effects of the pandemic continue to linger.

Starting in March 2020, the Department of Education awarded several rounds of grant funding through the Higher Education Emergency Relief Fund (HEERF). The College was awarded a total of \$48.7 million beginning in March 2020 and through fiscal year 2022. \$19.3 million was awarded for emergency assistance grants to students, with the remaining \$29.4 million awarded for institutional expenses the College has incurred in response to the pandemic. Through fiscal year 2022, the College disbursed the full \$19.3 million of HEERF funding directly to students in the form of emergency grants to help those struggling through the pandemic.

The College charged \$5.8 million of expenses to the Institutional and Strengthening Institutions Portions of the HEERF grant. These expenses included: the costs of transitioning all classes to an online format, the purchase of technology for students, faculty, and staff to facilitate remote learning and working, the enhancement of the College's IT capacity in order to improve digital access, functionality, and security, the purchase of personal protective equipment (PPE), and additional needs that arose directly as a result of the pandemic. \$1.8 million of the Institutional Funds was applied to student tuition balances to help struggling students remain in school during the pandemic. \$0.5 million of Institutional Funding was applied to student tuition balances as a one-credit hour refund for providing proof of vaccination. Through the HEERF grant, the College also recovered \$21.3 million in lost revenue caused by decreases in tuition, fees and auxiliary services revenue during the pandemic. The HEERF grant was completely spent down by the end of fiscal year 2022.

In addition to the HEERF funding, the College was also awarded \$1.1 million from the Governor's Emergency Education Relief (GEER) Fund to enroll and retain low income, underrepresented and first-generation students. Over fiscal years 2021 and 2022, \$0.7 million was applied towards students' tuition balances, scholarships, and books, and \$0.4 million was used to purchase technology for students. In fiscal year 2022, the College was also awarded an additional \$0.5 million in additional GEER funding to be used for enhancing academic and social-emotional support for students. The College used \$0.3 million of this award in fiscal year 2022 to support its students.

In the year ahead, the College will continue to support its students and communities, many of whom continue to deal with the economic and health impacts of COVID-19, providing them the resources to ensure they can access and enroll in the College. The College is committed to providing its students a healthy environment at which they can feel safe in returning to campus to complete their education. Federal Funding in the form of lost revenue recovery from the HEERF grant will be used to offset any deficits the College may incur over the next two years.

Compensation and benefits comprise the largest portion of the College's expenses. All of the College's unionized groups have contracts that will end in June 2024. Going forward, the College will continue its prudent attention to spending and balanced budgets to prevent any erosion of the College's current financial position.

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

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, 2022**

BASIC FINANCIAL STATEMENTS

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 19,398,617
Short-term Investments	90,310,805
Property Tax Receivable	21,511,005
Tuition and Fees Receivable	2,176,343
Other Accounts Receivable	140,475
Interest Receivable	162,943
Intergovernmental Receivable	1,679,595
Inventory	806,731
Prepaid Expenses	882,382
Short-term Lease Receivable	120,353

Total Current Assets	<u>137,189,249</u>
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Non-current Assets:

Long-term Investments	27,533,248
Long-term Lease Receivable	139,339
Capital Assets, not being depreciated	9,114,561
Capital Assets, net of accumulated depreciation	151,341,342

Total Non-current Assets	<u>188,128,490</u>
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Total Assets	<u>325,317,739</u>
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DEFERRED OUTFLOW OF RESOURCES

Deferred Outflows Related to OPEB	1,956,827
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Deferred Outflows Related to Pensions	259,074
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Total Deferred Outflow of Resources	<u>2,215,901</u>
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LIABILITIES

Current Liabilities:

Accounts Payable	1,169,560
Accrued Payroll	3,545,749
Accrued Compensated Absences	1,366,284
Accrued Interest Payable	138,704
Accrued Retirement Benefit Obligations	122,549
Intergovernmental Payables	5,755
Unearned Tuition and Fees Revenue	3,631,629
Current Portion of Long-term Bonds Payable	7,125,000

Total Current Liabilities	<u>17,105,230</u>
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Non-current Liabilities:

Accrued Compensated Absences	455,428
Net OPEB Liability	44,924,938
Accrued Retirement Benefit Obligations	179,904
Long-term Bonds Payable	56,434,918
Note Payable	150,000

Total Non-current Liabilities	<u>102,145,188</u>
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Total Liabilities	<u>119,250,418</u>
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DEFERRED INFLOW OF RESOURCES

Deferred Inflows Related to OPEB	11,934,806
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Deferred Inflows Related to Leases	257,051
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Unamortized Gain on Refunding	1,040,622
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Deferred Property Tax Revenue	21,416,480
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Total Deferred Inflow of Resources	<u>34,648,959</u>
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NET POSITION

Net Investment in Capital Assets	95,566,659
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Restricted:

Scholarships	528,393
Capital Projects	1,287,555
Debt Service	4,962,008
Technology Projects	5,834,477
Liability Insurance Purposes	1,036,295
Audit Purposes	149,156

Unrestricted	64,269,720
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Total Net Position	<u>\$ 173,634,263</u>
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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, 2022

REVENUES**Operating Revenues**

Tuition and Fees, net of scholarship allowances of \$19,530,083	\$ 19,240,056
Auxiliary Enterprise Revenue	5,633,604
Other Operating Revenues	<u>1,966,653</u>
Total Operating Revenues	<u>26,840,313</u>

EXPENSES**Operating Expenses**

Instruction	54,501,458
Academic Support	9,200,344
Student Services	14,011,839
Public Service	2,041,716
Operations and Maintenance	11,802,000
Institutional Support	26,445,108
Auxiliary Enterprises	10,045,781
Financial Aid	15,877,113
Depreciation	<u>7,943,881</u>
Total Operating Expenses	<u>151,869,240</u>

OPERATING INCOME (LOSS)	<u>(125,028,927)</u>
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NON-OPERATING REVENUES (EXPENSES)

State Sources	51,820,848
Property Taxes	44,693,842
Federal Grants and Contracts	42,791,398
Local Sources	468,977
Investment Loss	(1,352,904)
Interest on Capital Asset Related Debt	(1,989,440)
Gain on Disposal of Capital Assets	<u>4,982</u>
Total Non-operating Revenues (Expenses)	<u>136,437,703</u>

Increase in Net Position before Capital Contributions	11,408,776
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Capital Contributions	<u>587,524</u>
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Increase in Net Position	11,996,300
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Net Position - Beginning of Year	<u>161,637,963</u>
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Net Position - End of Year	<u><u>\$ 173,634,263</u></u>
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See accompanying notes to basic financial statements.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Tuition and Fees	\$ 19,492,176
Sales and Services	7,746,315
Payments to:	
Employees	(74,216,767)
Suppliers	(22,016,994)
Students	(15,877,113)
Net Cash Used by Operating Activities	<u>(84,872,383)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

State Sources	20,484,833
Property Taxes	43,944,444
Local Sources	468,977
Federal Grants and Contracts	42,936,884
Net Cash Provided by Noncapital Financing Activities	<u>107,835,138</u>

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES

Proceeds from Bond Refunding	25,055,000
Premium from Bond Issuance	2,343,534
Purchases of Capital Assets and Construction	(1,533,166)
Principal Paid on Capital Debt	(6,789,928)
Payment to Escrow Agent for Bond Refunding	(27,079,592)
Interest Paid on Capital Debt	(2,114,781)
Net Cash Used by Capital Financing Activities	<u>(10,118,933)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Sales and Maturities of Investments	80,065,434
Interest on Investments	197,076
Purchases of Investments	(113,247,275)
Net Cash Used by Investing Activities	<u>(32,984,765)</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS

(20,140,943)

CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR

39,539,560

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 19,398,617

See accompanying notes to basic financial statements.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022

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

Operating Income (Loss)	\$ (125,028,927)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Used by Operating Activities:	
Depreciation Expense	7,943,881
State Universities Retirement System on-Behalf Contributions	31,527,384
OPEB on-Behalf Contributions	(125,269)
Changes in Assets and Liabilities:	
Tuition and Fees Receivable, Net	85,983
Inventories and Other Assets	116,181
Accounts Payable and Accrued Liabilities	(174,844)
Accrued Salaries and Wages	179,741
Prepaid Expenses	51,367
Unearned Tuition and Fees Revenue	166,137
Changes in Deferred Inflows Related to Leases	40,056
Changes in Deferred Outflows Related to Pensions	(20,028)
Changes in OPEB Liability, Deferred Inflows, and Deferred Outflows	365,955
Net Cash Used by Operating Activities	<u>\$ (84,872,383)</u>

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:

Decrease in fair value of investments	\$ (1,595,252)
Gain on disposal of capital assets	4,982
State on-behalf payments for fringe benefits	31,402,115
Amortization of bond premiums and discounts	(117,121)
Accounts payable and retainage payable for capital assets	283,776
State capital contribution for construction project	587,524

MORAINE VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

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 Codification Section 2100: *Defining the Financial Reporting Entity*, 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 the GASB Codification.

The primary criterion for including a potential component unit within the reporting entity, 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 criterion, 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, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation:

GASB 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 net of any related deferred outflows or inflows.

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 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. 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, include 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, 2022

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 of \$1,324,731, (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, (5) lease receivables, and (6) 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, 2022 was \$5,468,330. Balances in excess of seven years are fully reserved. During the fiscal year, the College wrote off \$1,817,510 of 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 2022 was \$7,943,881.

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, 2022

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The College's current year deferred outflows of resources include deferred outflows related to other post-employment benefits (OPEB) and pensions.

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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The College's current year deferred inflows of resources include deferred inflows related to OPEB, leases, unamortized gain on bond refunding, and deferred property tax revenue.

I. Federal Financial Assistance Programs:

The College participates in federally funded Pell Grants, Supplemental Educational Opportunity Grants (SEOG), the Federal Work-Study Program, and the 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 2021 tax year and collected in 2022 are recorded as revenue in fiscal year 2022. The remaining 50 percent of revenue related to the 2021 tax year extension and collected in calendar year 2022 has been deferred and will be recorded as revenue in fiscal year 2023.

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, 2022

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, 2022, the College has recorded a vacation liability of \$1,821,712. The College considers \$1,366,284 of this liability current as of June 30, 2022.

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 with a maturity of less than one year at date of purchase 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.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The amount of the State of Illinois' expense that is associated with the College for the State Universities Retirement System and the Community College Health Insurance Program is recorded by the College as pension expense (compensation and benefits) and nonoperating revenue. In fiscal year 2022, these amounts totaled \$31,527,384 and (\$125,269), respectively, for these programs (See Notes 8-10).

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.

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, deferred outflows of resources, liabilities, and deferred inflows of resources to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ.

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

T. Early Retirement Incentive Program:

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.

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.

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, 2022, the College was obligated to pay 25 employees as part of the plans with payments due through 2026. The net present value of the College's liability at June 30, 2022 was \$302,453. The College considers \$122,549 of this liability current as of June 30, 2022.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

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 August 17, 2021. 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, 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 has not changed in the current fiscal year.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

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 sub-funds. 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.

	2022	2021
Liability for health care costs at July 1	\$ -	\$ -
Inurred claims	11,013,047	11,713,535
Payments on claims	(11,013,047)	(11,713,535)
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, 2022

NOTE 4 - DEPOSITS AND INVESTMENTS

A. Cash:

The carrying amount of cash was \$19,398,617 at June 30, 2022, while the bank balances were \$20,363,850. As of June 30, 2022, 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) Illinois Metropolitan Investment Fund; (9) Municipal Bonds rated within the three highest general classifications established by at least one major rating service; and (10) 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 \$60,553,488 at June 30, 2022. In accordance with College policy, Certificates of Deposit were collateralized with securities of the U.S. Government in an amount equal to 102 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, 2022.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

Type	Investment Reported Value	Investment Maturities	
		Less than One Year	One to Five Years
Certificates of Deposit	\$ 60,553,488	\$ 58,624,480	\$ 1,929,008
Investments:			
U.S. Agencies	23,666,457	440,172	23,226,285
U.S. Treasury	24,178,431	21,800,476	2,377,955
Bond Funds	846,594	846,594	-
Money Market - Mutual Funds	2,169,240	2,169,240	-
Money Market - Illinois Funds	6,429,843	6,429,843	-
Total	<u>\$ 117,844,053</u>	<u>\$ 90,310,805</u>	<u>\$ 27,533,248</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.

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.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

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, 2022 (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	AAAm	AA/Aaa	Not Rated
U.S. Agencies	0%	100%	0%
Bond Funds	0%	0%	100%
Money Market - Mutual Funds	0%	100%	0%
Money Market - Illinois Funds	100%	0%	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.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 4 - DEPOSITS AND INVESTMENTS (Concluded)

The College was fully collateralized as of June 30, 2022.

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 \$35,000,000 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 Bank Note	26.58%
Federal Farms Credit Bank	11.04%

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, 2022</u>
Cash	\$ 19,398,617
Certificates of Deposit	60,553,488
Investments	
U.S. Agencies	23,666,457
U.S. Treasury	24,178,431
Bond Funds	846,594
Money Market - Mutual Funds	2,169,240
Money Market - Illinois Funds	6,429,843
Totals	<u><u>\$ 137,242,670</u></u>
<u>Statement of Net Position</u>	
Cash and Cash Equivalents	\$ 19,398,617
Short-term Investments	90,310,805
Long-term Investments	27,533,248
Totals	<u><u>\$ 137,242,670</u></u>

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 5 - LEASE RECEIVABLE

In fiscal year 2022, the College adopted GASB Statement No. 87, *Leases*. The College, as a lessor, leases building and outdoor parking space under long-term agreements to governmental entities and other third-parties. These leases have terms ranging from 1 to 4 years. The adoption of this standard resulted in the recognition of a lease receivable and corresponding deferred inflow of resources.

The College's lease receivable is measured at the present value of future fixed lease payments expected to be received under the long-term lease agreements at a discount rate of 4 percent. At June 30, 2022, the College has recorded a lease receivable of \$259,692. The College considers \$120,353 of this receivable current as of June 30, 2022.

At the initiation of the leases, the deferred inflow of resources is recorded at an amount equal to the initial recording of the lease receivable and is amortized on a straight-line basis over the term of the leases. At June 30, 2022, the College has recorded a deferred inflow of resources related to leases of \$257,051. In fiscal year 2022, the College recognized \$135,834 of lease revenue and \$6,613 of interest income from these leases.

NOTE 6 - CAPITAL ASSETS

The following table presents the changes in the various capital asset categories for fiscal year 2022:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022
Capital Assets, not Being Depreciated				
Land	\$ 8,018,969	\$ -	\$ -	\$ 8,018,969
Construction in Progress	3,249,255	1,570,255	3,723,918	1,095,592
Total Capital Assets, not Being Depreciated	11,268,224	1,570,255	3,723,918	9,114,561
Capital Assets, Being Depreciated				
Land Improvements	16,345,257	2,785,980	-	19,131,237
Buildings and Improvements	223,998,269	-	-	223,998,269
Equipment	11,288,872	1,430,349	38,500	12,680,721
Technology	8,158,023	142,071	-	8,300,094
Total Capital Assets, Being Depreciated	259,790,421	4,358,400	38,500	264,110,321
Total Cost	\$ 271,058,645	\$ 5,928,655	\$ 3,762,418	\$ 273,224,882

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 6 - CAPITAL ASSETS (Concluded)

A summary of changes in the accumulated depreciation by asset categories for fiscal year 2022 follows:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022
Land Improvements	\$ 8,288,884	\$ 919,105	\$ -	\$ 9,207,989
Buildings and Improvements	83,946,155	5,735,653	-	89,681,808
Equipment	5,968,429	937,758	22,779	6,883,408
Technology	6,644,409	351,365	-	6,995,774
Total Accumulated Depreciation	104,847,877	\$ 7,943,881	\$ 22,779	112,768,979
Net Capital Assets	<u>\$ 166,210,768</u>			<u>\$ 160,455,903</u>

NOTE 7 - LONG-TERM OBLIGATIONS

A schedule of the College's long-term debt activity for the year ended June 30, 2022, is as follows:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Due within one year
General Obligation Bonds	\$ 69,745,000	\$ 25,055,000	\$ 33,775,000	\$ 61,025,000	\$ 7,125,000
Bond Premium	1,063,882	2,343,534	872,498	2,534,918	-
Compensated Absences	1,980,969	1,326,470	1,485,727	1,821,712	1,366,284
Net OPEB Liability	47,183,876	-	2,258,938	44,924,938	-
Retirement Benefit Obligation	159,850	142,603	-	302,453	122,549
Note Payable	150,000	-	-	150,000	-
Total	<u>\$ 120,283,577</u>	<u>\$ 28,867,607</u>	<u>\$ 38,392,163</u>	<u>\$ 110,759,021</u>	<u>\$ 8,613,833</u>

In addition to the principal retired during the year, the College incurred interest expense of \$1,989,440 on General Obligation Bonds. See Note 1, pages 46-48, for more information on compensated absences, note payable, and retirement benefit obligations.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 7 - LONG-TERM OBLIGATIONS (Continued)

The General Obligation Bonds Repayment Schedule at June 30, 2022 is as follows:

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. A portion of the Series 2012C bonds were refunded in September 2020 with the issuance of Community College Bonds Series 2020. Repayment of the remaining portion 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	\$6,105,000
Long-term Portion	\$ -
Interest Rate	0.79% to 3.25%
Final Payment Date	December 1, 2022
Payment Dates	June 1 and December 1, as set forth below

Year Ending June 30	Principal	Interest	Total Debt Service
2023	\$ 6,105,000	\$ 90,659	\$ 6,195,659
Totals	<u>\$ 6,105,000</u>	<u>\$ 90,659</u>	<u>\$ 6,195,659</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.

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
2023	\$ -	\$ 284,100	\$ 284,100
2024	-	284,100	284,100
2025	-	284,100	284,100
2026	1,030,000	268,650	1,298,650
2027	8,440,000	126,600	8,566,600
Totals	<u>\$ 9,470,000</u>	<u>\$ 1,247,550</u>	<u>\$ 10,717,550</u>

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 7 - 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.

Bond Issue Date	June 12, 2018
Current Portion	\$ -
Long-term Portion	\$1,645,000
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
2023	\$ -	\$ 65,800	\$ 65,800
2024	-	65,800	65,800
2025	1,455,000	36,700	1,491,700
2026	190,000	3,800	193,800
Totals	<u>\$ 1,645,000</u>	<u>\$ 172,100</u>	<u>\$ 1,817,100</u>

In September 2020, the College issued Community College Bonds Series 2020 in the amount of \$19,110,000 in order to refund a portion of the District's outstanding General Obligation Community College Bonds, Series 2012A and 2012C. The purpose of the refunding is to realize debt service savings for the College.

Bond Issue Date	September 16, 2020
Current Portion	\$230,000
Long-term Portion	\$18,650,000
Interest Rate	0.55% to 0.95%
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
2023	\$ 230,000	\$ 155,740	\$ 385,740
2024	6,600,000	131,950	6,731,950
2025	5,625,000	84,944	5,709,944
2026	6,425,000	30,518	6,455,518
Totals	<u>\$ 18,880,000</u>	<u>\$ 403,152</u>	<u>\$ 19,283,152</u>

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 7 - LONG-TERM OBLIGATIONS (Continued)

In March 2022, the College issued Community College Bonds Series 2022 in the amount of \$25,055,000 in order to fully refund the District's outstanding General Obligation Community College Bonds, Series 2013. 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 \$1,762,107 savings, and the economic gain on the transaction was \$1,346,637.

Bond Issue Date	March 7, 2022
Current Portion	\$790,000
Long-term Portion	\$24,135,000
Interest Rate	3.00% to 5.00%
Final Payment Date	June 1, 2042
Payment Dates	June 1 and December 1, as set forth below

Year Ending June 30	Principal	Interest	Total Debt Service
2023	\$ 790,000	\$ 976,800	\$ 1,766,800
2024	835,000	937,300	1,772,300
2025	875,000	895,550	1,770,550
2026	920,000	851,800	1,771,800
2027	960,000	805,800	1,765,800
2028-2032	5,575,000	3,268,950	8,843,950
2033-2037	6,860,000	1,986,900	8,846,900
2038-2042	8,110,000	743,850	8,853,850
Totals	<u>\$ 24,925,000</u>	<u>\$ 10,466,950</u>	<u>\$ 35,391,950</u>

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 7 - LONG-TERM OBLIGATIONS (Concluded)

The College has pledged revenues to repay certain bond issues. The pledges will remain until all bonds are retired. During fiscal year 2022, the final payment was made on the Series 2012D bonds. In addition, the College issued Series 2022 bonds to refund the Series 2013 bonds. Therefore, Series 2012D and Series 2013 are fully retired as of June 30, 2022. The amount of pledges remaining as of June 30, 2022 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date
2012D	Construction/Infrastructure and Membership Fees	\$ -	2022
2013	Construction/Infrastructure and Membership Fees	-	2022
2022	Construction/Infrastructure and Membership Fees	35,391,950	2042

Debt Issue	Pledged Revenue Source	Pledged Revenue	Principal and Interest Retired	Percentage of Revenue Pledged
2012D	Construction/Infrastructure and Membership Fees	\$ 3,503,308	\$ 747,520	21.34%
2013	Construction/Infrastructure and Membership Fees	3,503,308	1,108,038	31.63%
2022	Construction/Infrastructure and Membership Fees	3,503,308	359,437	10.26%

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 8 - 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, 2021, can be found in the SURS Annual Comprehensive Financial Report, 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 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 2021 and 2022, respectively, was 12.70 percent and 12.32 percent of employee payroll. Contributions for fiscal years 2021 and 2022 were \$239,046 and \$259,074, respectively. 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 except for police officers and fire fighters, who contribute 9.5 percent of their earnings. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 8 - DEFINED BENEFIT PENSION PLAN (Continued)

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 and Deferred Inflows of Resources Related to Defined Benefit Pensions

Net Pension Liability: The net pension liability was measured as of June 30, 2021. At June 30, 2021, the collective net pension liability was \$28,528,477,079.

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 \$377,510,490 or 1.3233 percent. The College's proportionate share changed by (0.0033 percent) from 1.3266 percent since the last measurement date on June 30, 2020. This amount is not recognized in the College's financial statements. The net pension liability and the total pension liability as of June 30, 2021, was determined based on the June 30, 2020 actuarial valuation rolled forward to the measurement date. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS defined benefit plan during fiscal year 2021.

Defined Benefit Pension Expense: At June 30, 2021, the collective net pension expense was \$2,342,460,058.

Employer Proportionate Share of Defined Benefit Pension Expense: The College's proportionate share of the State's pension expense that is associated with the College is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contribution made to SURS defined benefit plan during fiscal year 2021. As a result, the College recognized revenue and defined benefit pension expense of \$30,997,212 from this special funding situation during the year ended June 30, 2022.

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 8 - DEFINED BENEFIT PENSION PLAN (Continued)

Deferred Outflows and Deferred Inflows of Resources Related to Defined Benefit Pensions:
Deferred outflows of resources are the consumption of net position that is applicable to future reporting periods. Conversely, deferred inflows of resources are the acquisition of net position that is applicable to future reporting periods. Collective Deferred Outflows and Deferred Inflows of Resources for the Plan - by Sources are as follows:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 113,467,689	\$ -
Changes in assumptions	776,968,084	-
Net difference between projected and actual earnings on pension plan investments	-	2,283,514,660
Total	<u>\$ 890,435,773</u>	<u>\$ 2,283,514,660</u>

Collective Deferred Outflows and Deferred Inflows of Resources for the Plan - by Year to be Recognized in Future Pension Expenses are as follows:

Year Ending June 30	Net Deferred Outflow of Resources
2022	\$ 34,095,451
2023	(197,005,703)
2024	(538,343,058)
2025	(691,825,577)
Total	<u>\$ (1,393,078,887)</u>

Employer Deferral of Fiscal Year 2022 Pension Contributions

The College paid \$259,074 in federal, trust or grant contributions for the fiscal year ended June 30, 2022. These contributions were made subsequent to the pension liability measurement date of June 30, 2021 and are recognized as deferred outflows of resources as of June 30, 2022.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 8 - DEFINED BENEFIT PENSION PLAN (Continued)

Assumptions and Other Inputs

Actuarial assumptions: The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period June 30, 2017 through June 30, 2020. The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	3.00 to 12.75 percent, including inflation
Investment rate of return	6.50 percent beginning with the actuarial valuation as of June 30, 2021

The salary increase assumption in the current year of 3.00 percent to 12.75 percent was a change from the prior year salary increase assumption of 3.25 percent to 12.25 percent. The investment rate of return assumption decreased from 6.75 percent to 6.50 percent in the current fiscal year.

Mortality rates were based on the Pub-2010 employee and retiree gender distinct tables with projected generational mortality and a separate mortality assumption for disabled participants. This was a change from the RP-2014 white collar mortality rate table used in the previous year.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 8 - DEFINED BENEFIT PENSION PLAN (Continued)

The long-term expected rate of return on defined benefit pension plan investments (6.50%) 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, 2021, these best estimates are summarized in the following table:

Defined Benefit Plan	Strategic Policy Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Traditional Growth		
Global Public Equity	41.0%	6.30%
Stabilized Growth		
Credit Fixed Income	14.0%	1.82%
Core Real Assets	5.0%	3.92%
Options Strategies	6.0%	4.20%
Non-Traditional Growth		
Private Equity	7.5%	10.45%
Non-Core Real Assets	2.5%	8.83%
Inflation Sensitive		
U.S. TIPS	6.0%	-0.22%
Principal Protection		
Core Fixed Income	8.0%	-0.81%
Crisis Risk Offset		
Systematic Trend Following	3.5%	3.45%
Alternative Risk Premia	3.0%	2.30%
Long Duration	3.5%	0.91%
Total	100.0%	4.43%
Inflation		2.25%
Expected Arithmetic Return		6.68%

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 8 - DEFINED BENEFIT PENSION PLAN (Concluded)

Discount Rate: A single discount rate of 6.12 percent (a decrease of 0.37 percent from fiscal year 2021) was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50 percent and a municipal bond rate of 1.92 percent (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2021). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under SURS funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2075. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2075, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: Regarding the sensitivity of the collective net pension liability to changes in the single discount rate, the following presents the collective net pension liability calculated using a single discount rate of 6.12 percent, as well as what the collective 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	1% Increase
5.12%	6.12%	7.12%
\$ 35,000,704,353	\$ 28,528,477,079	\$ 23,155,085,730

Additional information regarding the SURS basic financial statements, including the plan's net position, can be found in the SURS Annual Comprehensive Financial Report by accessing the website at www.SURS.org.

NOTE 9 - DEFINED CONTRIBUTION PENSION PLAN

General Information about the Pension Plan

Plan Description: The College contributes to the Retirement Savings Plan (RSP) administered by the State Universities Retirement System (SURS), a cost-sharing multiple employer defined contribution pension plan with a special funding situation whereby the State of Illinois (State) makes substantially all required contributions on behalf of the participating employers. SURS was established July 21, 1941, to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees.

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 9 - DEFINED CONTRIBUTION PENSION PLAN (Continued)

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. The RSP and its benefit terms were established and may be amended by the State's General Assembly.

Benefits Provided: A defined contribution pension plan, originally called the Self-Managed Plan, was added to SURS benefit offerings as a result of Public Act 90-0448 enacted effective January 1, 1998. The plan was renamed the RSP effective September 1, 2020, after an extensive plan redesign. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable defined benefit pension plans or the RSP. A summary of the benefit provisions as of June 30, 2021, can be found in the SURS Annual Comprehensive Financial Report- Notes to the Financial Statements.

Contributions: All employees who have elected to participate in the RSP are required to contribute 8.0 percent of their annual covered earnings. Section 15-158.2(h) of the Illinois Pension Code provides for an employer contribution to the RSP of 7.6 percent of employee earnings. The State is primarily responsible for contributing to the RSP on behalf of the individual employers. Employers are required to make the 7.6 percent contribution for employee earnings paid from "trust, federal, and other funds" as described in Section 15-155(b) of the Illinois Pension Code. The contribution requirements of plan members and employers were established and may be amended by the State's General Assembly.

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

Pension Expense Related to Defined Contribution Pensions

Defined Contribution Pension Expense: For the year ended June 30, 2021, the State's contributions to the RSP on behalf of individual employers totaled \$76,280,832. Of this amount, \$70,403,460 was funded via an appropriation from the State and \$5,877,372 was funded from previously forfeited contributions.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 9 - DEFINED CONTRIBUTION PENSION PLAN (Concluded)

Employer Proportionate Share of Defined Contribution Pension Expense: The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal year 2021. The College's share of pensionable contributions was 0.6950 percent. As a result, the College recognized revenue and defined contribution pension expense of \$530,172 from this special funding situation during the year ended June 30, 2022, of which \$40,849 constituted forfeitures.

NOTE 10 - 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 in a non-appropriated trust fund. Participating employers are considered to be under a special funding situation. The benefits, employer, employee, retiree and state contributions are dictated by Illinois Compiled Statutes (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.

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 percent of covered payroll and every community college district to contribute 0.5 percent 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 College's contribution to the Plan for the year ending June 30, 2022, was \$245,627. The College contribution was equal to the required contribution in fiscal year 2022.

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

OPEB Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources: At June 30, 2022, 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	\$ 44,924,938
The portion of the State's proportionate share amount of the collective net OPEB liability associated with the employer	<u>44,924,938</u>
Total CIP net collective OPEB liability associated with the employer	<u><u>\$ 89,849,876</u></u>

The collective net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation performed as of June 30, 2020, rolled forward to June 30, 2021. 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, 2021 and June 30, 2020, the College's proportions were 2.588539 percent and 2.588590 percent, respectively.

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

For the year ended June 30, 2022, the College recognized OPEB expense of \$370,903. At June 30, 2022, 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	\$ 284,302	\$ 3,283,481
Changes of assumptions	-	8,582,085
Net difference between projected and actual investment earnings on OPEB plan investments	-	1,294
Changes in proportion and differences between employer contributions and share of contributions	1,426,898	67,946
Total deferred amounts to be recognized in expense in future periods	1,711,200	11,934,806
Employer contributions subsequent to the measurement date	245,627	-
	<u>\$ 1,956,827</u>	<u>\$ 11,934,806</u>

The College reported \$245,627 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 in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to CIP will be recognized in OPEB expense as follows:

Year Ending June 30

2023	\$ (3,017,373)
2024	(2,552,556)
2025	(2,309,270)
2026	(1,616,345)
2027	(728,062)
	<u>\$ (10,223,606)</u>

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 10 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Actuarial Assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, the measurement date, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified.

Inflation	2.25%
Salary Increases	3.25% to 12.25%
Investment Rate of Return	0.00%
Healthcare Cost Trend Rates	8.00% trending to 4.25%
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-2017.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period June 30, 2014 to June 30, 2020.

The following OPEB-related assumption changes were made since the last actuarial evaluation as of June 30, 2019:

- The discount rate was changed from 2.45 percent at June 30, 2020 to 1.92 percent at June 30, 2021;
- The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2020, projected plan cost for plan year-end June 30, 2021, premium changes through plan year-end 2021, and expectation of future trend increases after June 30, 2021;
- Per capita claim costs were updated based on projected claims and enrollment experience through June 30, 2021, and updated premium rates through plan year 2022; 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)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 10 - 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, 2021, was 1.92 percent, which was a decrease from the June 30, 2020 rate of 2.45 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 1.92 percent 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 (0.92 percent) or 1 percentage point higher (2.92 percent) than the current rate:

	1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
Employer's proportionate share of the collective net OPEB liability	\$ 51,182,712	\$ 44,924,938	\$ 39,520,790

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rate: 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 percent in 2022 decreasing to an ultimate trend rate of 4.25 percent in 2038.

	1% Decrease (a)	Healthcare Cost Trend Rates Assumption	1% Increase (b)
Employer's proportionate share of the collective net OPEB liability	\$ 37,017,442	\$ 44,924,938	\$ 55,515,432

- a) 1 percentage point decrease in healthcare trend rates are 7.00 percent in 2022 decreasing to an ultimate trend rate of 3.25 percent in 2038.
- b) 1 percentage point increase in healthcare trend rates are 9.00 percent in 2022 decreasing to an ultimate trend rate of 5.25 percent in 2038.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 10 - 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.

Employer Proportionate Share of State OPEB Expense: The amount of the State's OPEB expense that is associated with the College is recorded by the College as OPEB expense (compensation and benefits) and nonoperating revenue. The net amount recognized for the year ended June 30, 2022, was (\$125,269).

NOTE 11 - CONTINGENT LIABILITIES AND COMMITMENTS

The College had construction commitments of \$1,520,873 as part of the campus expansion project as of June 30, 2022.

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 12 - 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.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 12 - FAIR VALUE MEASUREMENT AND APPLICATION (Continued)

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.

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.

Investments classified in Level 2 of the fair value hierarchy are valued using significant other observable inputs.

Money market mutual funds, Illinois Funds, and bond funds are not subject to GASB Statement No. 72 fair value disclosure because they are recorded at cost. 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, 2022:

	Fair Value Measurements Using			
	June 30, 2022	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	\$ 6,323,402	\$ -	\$ 6,323,402	\$ -
Federal Home Loan Bank Note	15,227,775	-	15,227,775	-
Federal Home Loan Mortgage Corporation	2,115,280	-	2,115,280	-
U.S. Treasury	24,178,431	-	24,178,431	-
Total investments measured at fair value	47,844,888	\$ -	\$ 47,844,888	\$ -
<u>Investments Not Measured at Fair Value</u>				
Money Market - Mutual Funds	2,169,240			
Money Market - Illinois Funds	6,429,843			
Bond Funds	846,594			
Total investments not measured at fair value	9,445,677			
Total investments	<u>\$ 57,290,565</u>			

(Continued)

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 12 - FAIR VALUE MEASUREMENT AND APPLICATION (Concluded)

The College has an investment as of June 30, 2022 measured at net asset value (NAV) as follows:

		Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Money Market - Mutual Funds	\$ 2,169,240	n/a	Daily	5 Days
Money Market - Illinois Funds	6,429,843	n/a	Daily	5 Days
Total investments measured at NAV	<u>\$ 8,599,083</u>			

NOTE 13 - COOK COUNTY INCENTIVES

The Cook County Assessor's Office, in conjunction with municipalities located within Cook County and within the College's boundaries, encourages certain industrial and commercial development by offering real estate tax incentive programs (such as Class 6a, 6b, 7, 8 and 9) for the development of new industrial facilities, the rehabilitation of existing industrial structures and industrial utilization of abandoned buildings or areas experiencing severe stagnation. These programs offer qualified properties a reduced equalized assessed valuation for up to 12 years. Based on 2020 tax levy year information, the College estimates its portion of annual abatement of property taxes to various local companies under this development incentive to be \$1.3 million.

NOTE 14 - PENDING ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, will be effective for the College beginning with its year ended June 30, 2023. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs).

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, will be effective for the College beginning with its year ended June 30, 2023. The objective of this statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangement (SBITAs) for government end users (governments).

The objectives of GASB Statement No. 99, *Omnibus*, are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to leases, PPPs, and SBITAs are effective for the College beginning with its year ended June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for the College beginning with its year ended June 30, 2024.

(Continued)

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2022

NOTE 14 - PENDING ACCOUNTING PRONOUNCEMENTS (Concluded)

GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*, will be effective for the College beginning with its year ended June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Statement No. 101, *Compensated Absences*, will be effective for the College beginning with its year ended June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

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

NOTE 15 - SUBSEQUENT EVENT

Pursuant to State Statute, the first installment of Cook County Property tax bills, which is equal to 55 percent of the prior year's total taxes, must be mailed in January. The second installment, to be mailed by June 30, includes the remaining amount of taxes due. The Cook County Treasurer's office has not yet issued the Tax Year 2021 Second Installment Property Tax bills. The delays in issuance of the tax bills will delay the College's property tax collections and receipts potentially into the start of the calendar year 2023.

**MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
JUNE 30, 2022**

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 2022 AND SEVEN YEARS PRIOR

	2022	2021	2020
Proportion Percentage of Collective Net Pension Liability	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	377,510,490	406,196,128	384,705,353
Total	<u>\$ 377,510,490</u>	<u>\$ 406,196,128</u>	<u>\$ 384,705,353</u>
College's Covered Payroll	\$ 54,142,361	\$ 54,709,252	\$ 53,717,529
Proportionate Share of the Net Pension Liability associated with the College as a Percentage of Covered Payroll	697.26%	742.46%	716.16%
SURS Plan Net Position as a Percentage of Total Pension Liability	45.45%	39.05%	40.71%

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.

2019			2018			2017			2016			2015		
0.00%			0.00%			0.00%			0.00%			0.00%		
\$	-	\$	\$	-	\$	\$	-	\$	\$	-	\$	\$	-	
360,976,035			326,514,892			324,319,090			293,555,914			266,176,193		
\$	360,976,035	\$	\$	326,514,892	\$	\$	324,319,090	\$	\$	293,555,914	\$	\$	266,176,193	
\$	52,450,031	\$	\$	50,975,417	\$	\$	50,870,877	\$	\$	50,972,002	\$	\$	49,784,608	
688.23%			640.53%			637.53%			575.92%			534.66%		
41.27%			42.04%			39.57%			42.37%			44.39%		

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
REQUIRED SUPPLEMENTARY INFORMATION
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF COLLEGE CONTRIBUTIONS
FISCAL YEAR 2022 AND SEVEN YEARS PRIOR

	2022	2021	2020
Federal, Trust, Grant and Other Contribution	\$ 259,074	\$ 239,046	\$ 196,187
Contribution in Relation to Required Contribution	259,074	239,046	196,187
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
College's Covered Payroll	\$ 2,328,337	\$ 1,915,281	\$ 2,084,051
Contributions as a Percentage of Covered Payroll	11.13%	12.48%	9.41%

Note: SURS implemented GASB 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.

2019	2018	2017	2016	2015
\$ 203,574	\$ 174,102	\$ 165,335	\$ 155,880	\$ 185,048
203,574	174,102	165,335	155,880	185,048
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,148,432	\$ 1,610,875	\$ 1,675,173	\$ 1,663,069	\$ 1,609,453
9.48%	10.81%	9.87%	9.37%	11.50%

MORAIN 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*	2022	2021
Employer's proportion of the collective net OPEB liability	2.588539%	2.588590%
Employer's proportionate share of the collective net OPEB liability	\$ 44,924,938	\$ 47,183,876
The State's proportionate share of the collective net OPEB liability associated with the employer	44,924,938	47,183,876
Total	<u>\$ 89,849,876</u>	<u>\$ 94,367,752</u>
Employee covered payroll	\$ 56,470,698	\$ 56,624,533
Collective net OPEB liability as a percentage of the employee covered payroll	79.55%	83.33%
Plan fiduciary net position as a percentage of the total pension liability	0.0%	0.0%

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

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.

2020	2019	2018	2017
2.577847%	2.555138%	2.449387%	2.333444%
\$ 48,683,685	\$ 48,170,790	\$ 44,667,920	\$ 42,467,622
48,683,749	48,170,818	44,079,566	44,247,673
\$ 97,367,434	\$ 96,341,608	\$ 88,747,486	\$ 86,715,295
\$ 55,801,581	\$ 54,598,463	\$ 52,586,292	\$ 52,546,050
87.24%	88.23%	84.94%	80.82%
0.0%	0.0%	0.0%	0.0%

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEFINED BENEFIT PENSION PLAN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022

Changes of benefit terms. There were no benefit changes recognized in the Total Pension Liability as of June 30, 2021.

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 actuarial valuations of the total pension liability be performed every 2 years. An experience review for the years June 30, 2017, to June 30, 2020, was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021.

- Salary increase. Change in the overall assumed salary increase rates, ranging from 3.00 percent to 12.75 percent based on years of service, with underlying wage inflation of 2.25 percent.
- Investment return. Decrease the investment return assumption to 6.50 percent. This reflects decreasing an assumed real rate of return of 4.25 percent and maintaining the underlying assumed price inflation of 2.25 percent.
- Effective rate of interest. Decrease the long-term assumption for the effective rate of interest for crediting the money purchase accounts to 6.50 percent.
- Normal retirement rates. Establish separate rates for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions.
- Early retirement rates. Establish separate rates for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions.
- Turnover rates. Change rates to produce lower expected turnover for most members, while maintaining pattern of decreasing termination rates as years of service increase.
- Mortality rates. Change from the RP-2014 to the Pub-2010 mortality tables to reflect the latter's higher applicability to public pensions. Update the projection scale from MP-2017 to the MP-2020 scale.
- Disability rates. Establish separate rates for members in academic positions and non-academic positions and maintain separate rates for males and females.
- Plan election. Change plan election assumptions to 75 percent Tier 2 and 25 percent Retirement Savings Plan (RSP) for non-academic members. Change plan election assumptions to 55 percent Tier 2 and 45 percent Retirement Savings Plan (RSP) for academic members.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEFINED BENEFIT PENSION PLAN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022

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, 2022

Notes to Schedule of Contributions

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Sponsor's Fiscal Year-End	June 30, 2022

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, 2021, 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, for all plan years.
Inflation	2.25%
Salary Increases	Depends on service and ranges from 12.25% at less than 1 year of service to 3.25% at 34 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018 actuarial valuation of SURS.
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-2017.
Healthcare Cost Trend Rates	Actual trend used for fiscal year 2022 based on premium increases. For fiscal years on and after 2023, trend starts at 8.00% for non-Medicare costs and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%.
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.

**MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
JUNE 30, 2022**

SUPPLEMENTARY INFORMATION

The following supplementary information is maintained for management information purposes.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
SCHEDULE OF MANAGEMENT INFORMATION
DETAIL OF OPERATING EXPENSES BY FUNCTION AND OBJECT
YEAR ENDED JUNE 30, 2022

	Salaries	Benefits	Services	Supplies	Utilities	Other	Totals
Instruction	\$ 31,222,428	\$ 21,835,457	\$ 251,061	\$ 933,166	\$ -	\$ 259,346	\$ 54,501,458
Academic Support	4,540,738	3,671,395	459,708	494,632	-	33,871	9,200,344
Student Services	6,936,300	5,841,929	300,924	276,564	-	656,122	14,011,839
Public Service	689,775	561,865	362,564	52,294	-	375,218	2,041,716
Operations and Maintenance	3,815,116	3,334,535	1,798,168	490,570	1,901,083	462,528	11,802,000
Institutional Support	10,019,635	8,884,066	3,148,349	2,119,061	57,046	2,216,951	26,445,108
Auxiliary Enterprises	2,592,259	2,199,052	2,310,624	2,816,403	945	126,498	10,045,781
Financial Aid	-	-	-	-	-	15,877,113	15,877,113
Depreciation	-	-	-	-	-	7,943,881	7,943,881
Totals	\$ 59,816,251	\$ 46,328,299	\$ 8,631,398	\$ 7,182,690	\$ 1,959,074	\$ 27,951,528	\$ 151,869,240

MORaine VALLEY COMMUNITY COLLEGE
 COMMUNITY COLLEGE DISTRICT NUMBER 524
 SCHEDULE OF EXPENDITURES FOR TORT IMMUNITY PURPOSES
 YEAR ENDED JUNE 30, 2022

General Liability	\$ 544,583
Worker's Compensation Insurance	286,414
Unemployment Insurance	<u>23,750</u>
Total Tort Immunity Purposes Expenditures	<u><u>\$ 854,747</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 2021 as levied by Cook County was \$865,200. 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, 2022



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

JUNE 30, 2022

This section of Moraine Valley Community College's Annual Comprehensive 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.	88-91
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.	92-102
Debt Capacity Data is shown to disclose the College's current level of outstanding debt and to indicate the College's ability to issue additional debt.	103-111
Demographic and Economic Information These tables offer information about the socioeconomic environment within which the College operates. Data is provided to facilitate comparisons of financial statement information over time and between the College and other community colleges.	112-119
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.	120-125

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

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

FINANCIAL TRENDS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2022	2021	2020	2019
Net Position:				
Net Investment in				
Capital Assets	\$ 95,566,659	\$ 94,872,121	\$ 92,866,509	\$ 92,516,369
Restricted				
Scholarships	528,393	678,156	587,708	531,152
Capital Projects	1,287,555	1,244,123	1,107,389	1,412,257
Debt Service	4,962,008	4,687,434	4,284,355	4,105,457
Technology Projects	5,834,477	5,515,111	3,859,383	3,768,987
Liability Insurance	1,036,295	1,044,015	1,231,096	1,457,737
Audit Purposes	149,156	156,064	152,590	157,371
Unrestricted	<u>64,269,720</u>	<u>53,440,939</u>	<u>41,530,506</u>	<u>41,104,677</u>
Total Net Position	<u><u>\$ 173,634,263</u></u>	<u><u>\$ 161,637,963</u></u>	<u><u>\$ 145,619,536</u></u>	<u><u>\$ 145,054,007</u></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

2018	2017	2016	2015	2014	2013
\$ 89,589,086	\$ 89,638,547	\$ 88,549,091	\$ 79,617,885	\$ 75,818,713	\$ 76,381,814
528,148	384,321	496,650	276,766	329,501	376,809
1,912,832	1,987,706	2,863,561	2,808,457	5,187,493	5,283,488
3,992,718	3,197,252	4,308,549	3,535,206	7,645,585	6,934,352
3,741,809	3,707,848	3,901,507	4,386,595	3,771,550	3,758,802
1,666,304	1,831,392	1,912,747	1,899,099	1,782,037	1,632,645
161,906	153,215	137,313	132,553	112,946	104,215
42,686,478	75,918,410	77,978,558	91,708,977	85,347,076	78,897,297
<u>\$ 144,279,281</u>	<u>\$ 176,818,691</u>	<u>\$ 180,147,976</u>	<u>\$ 184,365,538</u>	<u>\$ 179,994,901</u>	<u>\$ 173,369,422</u>

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

FINANCIAL TRENDS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2022	2021	2020	2019
OPERATING REVENUES				
Tuition and Fees, net of scholarship allowances	\$ 19,240,056	\$ 21,362,637	\$ 26,136,246	\$ 28,211,172
Auxiliary Enterprise Revenue	5,633,604	5,391,832	6,795,014	8,335,041
Chargeback Revenue	-	-	-	-
Other Operating Revenues	1,966,653	2,253,440	1,706,919	1,704,367
Total Operating Revenues	26,840,313	29,007,909	34,638,179	38,250,580
OPERATING EXPENSES				
Instruction	54,501,458	60,059,599	61,356,795	58,189,985
Academic Support	9,200,344	10,425,784	10,936,862	10,551,136
Student Services	14,011,839	15,707,974	14,842,651	14,219,012
Public Service	2,041,716	1,593,556	991,752	1,428,685
Operations and Maintenance	11,802,000	12,814,447	14,786,842	15,381,956
Institutional Support	26,445,108	30,395,939	27,280,712	26,218,601
Auxiliary Enterprises	10,045,781	10,998,060	12,511,950	13,781,214
Financial Aid	15,877,113	8,838,043	7,749,671	6,160,820
Depreciation	7,943,881	7,780,238	7,701,488	7,763,485
Total Operating Expenses	151,869,240	158,613,640	158,158,723	153,694,894
Operating Income (Loss)	(125,028,927)	(129,605,731)	(123,520,544)	(115,444,314)
NON-OPERATING REVENUES (EXPENSES)				
State Sources	51,820,848	64,287,232	61,541,208	55,573,521
Property Taxes (1)	44,693,842	40,593,619	39,079,741	37,900,992
Federal Grants and Contracts	42,791,398	41,926,628	22,998,745	21,659,948
Local Sources	468,977	479,538	632,146	749,698
Investment Income (Loss)	(1,352,904)	340,651	2,273,650	2,705,623
Interest on Capital Asset Related Debt	(1,989,440)	(1,937,384)	(2,230,536)	(2,365,263)
Gain (Loss) on Disposal of Capital Assets	4,982	(100,672)	(265,915)	(5,479)
Total Non-Operating Revenues (Expenses)	136,437,703	145,589,612	124,029,039	116,219,040
Net Income (Loss) Before Capital Contributions	11,408,776	15,983,881	508,495	774,726
CAPITAL CONTRIBUTIONS	587,524	34,546	57,034	-
CHANGE IN NET POSTION	\$ 11,996,300	\$ 16,018,427	\$ 565,529	\$ 774,726

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

2018	2017	2016	2015	2014	2013
\$ 29,217,252	\$ 31,684,193	\$ 29,649,676	\$ 30,778,456	\$ 31,347,745	\$ 31,179,582
8,475,861	7,923,375	8,177,236	7,896,751	7,204,215	6,720,190
-	20,929	26,205	16,687	14,333	17,938
1,979,267	2,232,655	2,199,383	2,142,787	1,856,389	2,398,101
39,672,380	41,861,152	40,052,500	40,834,681	40,422,682	40,315,811
56,186,068	50,618,494	46,634,358	45,284,704	43,025,800	40,717,950
9,923,811	9,403,522	8,303,706	8,035,517	8,019,968	8,215,403
13,639,009	12,894,865	12,322,858	12,604,860	12,119,869	11,373,003
1,442,863	462,880	580,481	885,352	392,306	321,134
14,497,186	14,631,510	12,905,682	12,590,713	13,698,851	11,797,328
25,478,038	23,055,316	21,450,577	19,117,399	19,172,422	19,136,264
13,110,752	12,903,456	12,418,600	12,648,365	10,938,153	10,917,646
8,225,850	5,340,524	5,490,812	7,419,550	7,947,171	7,319,332
8,032,094	7,799,745	7,168,646	6,927,671	6,326,932	5,797,526
150,535,671	137,110,312	127,275,720	125,514,131	121,641,472	115,595,586
(110,863,291)	(95,249,160)	(87,223,220)	(84,679,450)	(81,218,790)	(75,279,775)
63,769,017	37,127,892	28,441,683	34,266,592	29,650,355	26,787,955
36,846,539	36,940,839	36,126,203	35,649,995	34,903,424	34,041,114
21,871,273	21,364,385	20,791,251	22,232,483	22,464,967	22,899,762
608,129	630,409	716,674	911,813	1,102,860	326,788
2,188,332	991,500	2,790,399	1,011,333	4,301,274	1,899,592
(4,575,679)	(5,009,979)	(5,453,247)	(5,530,166)	(4,846,799)	(4,745,620)
(128,610)	(125,171)	(407,305)	(38,858)	(18,978)	27,632
120,579,001	91,919,875	83,005,658	88,503,192	87,557,103	81,237,223
9,715,710	(3,329,285)	(4,217,562)	3,823,742	6,338,313	5,957,448
-	-	-	546,895	287,166	21,865
\$ 9,715,710	\$ (3,329,285)	\$ (4,217,562)	\$ 4,370,637	\$ 6,625,479	\$ 5,979,313

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
2021	2020	\$ 7,481,698,804	\$ 2,898,379,622	\$ 1,241,972,003	\$ 1,045,639
2020	2019	6,608,333,208	2,551,516,249	959,648,375	926,876
2019	2018	6,692,391,061	2,480,740,724	930,779,824	930,699
2018	2017	6,935,939,435	2,534,835,666	951,071,594	969,483
2017	2016	5,914,419,554	2,275,175,731	847,427,674	772,900
2016	2015	5,657,172,218	2,160,585,700	820,635,434	702,337
2015	2014	5,816,943,352	2,232,244,038	853,506,867	762,980
2014	2013	6,096,296,413	1,987,560,168	1,193,477,862	585,006
2013	2012	6,504,355,168	2,084,450,025	1,281,478,463	581,809
2012	2011	7,124,609,970	2,252,154,536	1,385,696,695	620,349

Source: Cook County Clerk

2021 levy year information from Cook County was not available at the time this report was published.

2020 levy year information is the most current available.

TABLE 3

Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Ratio of Total Assessed Value to Total Estimated Actual Value
\$ 26,005,993	\$ 11,649,102,061	0.351	\$ 34,950,801,263	33.33%
24,177,330	10,144,602,038	0.393	30,436,849,799	33.33%
24,867,363	10,129,709,671	0.384	30,392,168,230	33.33%
20,883,682	10,443,699,860	0.365	31,334,233,003	33.33%
21,632,055	9,059,427,914	0.406	27,181,001,842	33.33%
22,367,574	8,661,463,263	0.419	25,986,988,488	33.33%
22,387,608	8,925,844,845	0.403	26,780,212,556	33.33%
25,817,442	9,303,736,891	0.375	27,914,002,073	33.33%
25,140,936	9,896,006,401	0.346	29,690,988,302	33.33%
25,492,353	10,788,573,903	0.311	32,368,958,605	33.33%

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 (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Year	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2022	2021	\$ 10,677,872,072	\$ 42,040,356	\$ 21,321,995	50.72%	\$ -	\$ 21,321,995	50.72%
2021	2020	11,649,102,061	40,801,391	20,647,554	50.61%	18,878,745	39,526,299	96.87%
2020	2019	10,144,602,038	39,839,776	20,122,722	50.51%	18,282,186	38,404,908	96.40%
2019	2018	10,129,709,671	38,870,621	19,541,133	50.27%	17,709,634	37,250,767	95.83%
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%

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

Notes: 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.

(1) Taxes levied for the fiscal year ended June 30, 2022 (tax levy year 2021) include \$486,710 from Illinois Public Act 102-0519.

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				
Levy Year	Cook County Assessed Valuation	Education Fund	Operations and Maintenance Fund	Liability, Protection, and Settlement Fund
2021 (1)	\$ 10,677,872,072	\$ 24,067,923	\$ 8,232,639	\$ 843,551
2020	11,649,102,061	23,417,556	8,249,288	877,586
2019	10,144,602,038	23,453,980	8,256,664	475,860
2018	10,129,709,671	22,300,161	7,894,945	462,746
2017	10,443,699,860	21,679,183	7,655,413	473,046
2016	9,059,427,914	21,099,407	7,329,077	525,446
2015	8,661,463,263	20,796,173	7,145,707	511,026
2014	8,925,844,845	20,039,931	7,016,734	600,988
2013	9,303,736,891	19,500,000	6,762,998	800,725
2012	9,896,006,401	19,501,708	6,613,063	818,749

Tax Rates (Per \$100 of assessed valuation)				
Tax Year		Education Fund	Operations and Maintenance Fund	Liability, Protection, and Settlement Fund
2021 (1)		0.2254	0.0771	0.0079
2020		0.2010	0.0708	0.0075
2019		0.2312	0.0814	0.0047
2018		0.2201	0.0779	0.0046
2017		0.2076	0.0733	0.0045
2016		0.2329	0.0809	0.0058
2015		0.2401	0.0825	0.0059
2014		0.2245	0.0786	0.0067
2013		0.2096	0.0727	0.0086
2012		0.1971	0.0668	0.0083

Source: Cook County Treasurer's Office

Note: (1) An additional \$486,710 was allocated to the College in tax year 2021 through Illinois Public Act 102-0519, increasing the College's total levy to \$42,040,356. The total tax rate is also increased by 0.0046 bringing the total tax rate to 0.3938. These adjustments are not included in the fund level data above.

TABLE 5

Life Safety Fund	Bond and Interest Fund	Audit Fund	Total
\$ 950,330	\$ 7,373,781	\$ 85,422	\$ 41,553,646
927,000	7,242,411	87,550	40,801,391
392,899	7,176,428	83,945	39,839,776
1,030,000	7,098,824	83,945	38,870,621
1,030,000	7,132,953	83,430	38,054,025
1,032,774	6,627,670	90,594	36,704,968
996,068	6,689,928	95,276	36,234,178
1,501,794	6,696,596	99,119	35,955,162
1,500,000	6,221,702	102,000	34,887,425
959,402	6,161,000	111,089	34,165,011

Life Safety Fund	Bond and Interest Fund	Audit Fund	Total
0.0089	0.0691	0.0008	0.3892
0.0080	0.0622	0.0008	0.3510
0.0039	0.0707	0.0008	0.3930
0.0102	0.0701	0.0008	0.3840
0.0099	0.0683	0.0008	0.3650
0.0114	0.0732	0.0010	0.4060
0.0115	0.0772	0.0011	0.4190
0.0168	0.0750	0.0011	0.4030
0.0161	0.0669	0.0011	0.3750
0.0097	0.0623	0.0011	0.3460

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

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

Taxing Bodies	2020	2019	2018	2017
City of Palos Hills	0.606	0.659	0.639	0.601
North Palos School District #117	4.854	5.452	5.361	4.982
North Palos Fire Protection District	1.220	1.320	1.106	1.032
Green Hills Public Library District	0.389	0.431	0.400	0.415
Consolidated H.S. District #230	2.295	2.488	2.425	2.287
South Cook County Mosquito Abatement District	0.017	0.018	0.017	0.016
Metropolitan Water Reclamation District	0.378	0.389	0.396	0.402
General Assistance Palos	0.007	0.010	0.009	0.008
Road and Bridge Palos	0.049	0.053	0.051	0.047
Township of Palos	0.062	0.067	0.064	0.060
Consolidated Elections	0.000	0.030	0.000	0.031
Forest Preserve District of Cook County	0.058	0.059	0.060	0.062
County of Cook	0.453	0.454	0.489	0.496
Total Overlapping Rate	10.388	11.430	11.017	10.439
Moraine Valley Community College Dist 524	0.351	0.393	0.384	0.365
Total Rate	10.739	11.823	11.401	10.804
Moraine Valley Community College Dist 524 Percentage of Total	3.27%	3.32%	3.37%	3.38%

Source: Cook County, Illinois Tax Extension Division

For Local Property Tax Payers of City of Palos Hills, IL

2021 tax levy year information from Cook County was not available at the time this report was published.

2020 tax levy year information is the most current available.

TABLE 6

2016	2015	2014	2013	2012	2011
0.680	0.698	0.675	0.637	0.579	0.515
5.679	5.853	5.614	5.391	4.916	4.406
1.161	1.198	1.134	1.076	0.974	0.869
0.471	0.486	0.469	0.442	0.403	0.358
2.778	2.879	2.770	2.641	2.438	2.180
0.017	0.017	0.017	0.016	0.014	0.012
0.406	0.426	0.430	0.417	0.370	0.320
0.008	0.008	0.007	0.006	0.005	0.005
0.054	0.055	0.052	0.049	0.046	0.042
0.068	0.070	0.066	0.063	0.057	0.050
0.000	0.034	0.000	0.031	0.000	0.025
0.063	0.069	0.069	0.069	0.063	0.058
0.533	0.552	0.568	0.560	0.531	0.462
11.918	12.345	11.871	11.398	10.396	9.302
0.406	0.419	0.403	0.375	0.346	0.311
12.324	12.764	12.274	11.773	10.742	9.613
3.29%	3.28%	3.28%	3.19%	3.22%	3.24%

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

REVENUE CAPACITY
PRINCIPAL PROPERTY TAXPAYERS
2020 TAX LEVY YEAR AND NINE YEARS PRIOR

2020 TAX LEVY YEAR				
Taxpayer	Type of Business	Equalized Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Simon Property Group	Shopping Center	\$ 98,840,562	1	0.85%
Star West Property Group	Shopping Center	55,164,236	2	0.47%
New Plan Dep 124	Shopping Center	54,842,060	3	0.47%
IRC	Shopping Center	53,747,522	4	0.46%
Albertsons	Grocery Store	37,503,799	5	0.32%
Menards Inc.	Retail Store	34,710,806	6	0.30%
Lakeview Plaza	Shopping Center	30,799,880	7	0.26%
Ingredion	Food Manufacturing	27,858,462	8	0.24%
New Plan Excel Prop Trust	Shopping Center	23,479,864	9	0.20%
Plymouth Industrial	Industrial	23,321,233	10	0.20%
TOTAL		<u>\$ 440,268,424</u>		<u>3.78%</u>
TOTAL ASSESSED VALUATION		<u>\$ 11,649,102,061</u>		

Source: Cook County Clerk's Office

2021 tax levy year information from Cook County was not available at the time this report was published.

2020 tax levy year information is the most current available.

TABLE 7

2011 TAX LEVY YEAR				
Taxpayer	Type of Business	Equalized Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Simon Properties IRC	Shopping Center	\$ 117,688,197	1	1.09%
DoubleTree IRC	Hotel	53,942,914	2	0.50%
WLFD Processing Dept./Chicago Ridge Mall	Shopping Center	53,835,551	3	0.50%
Wal-Mart	Discount Department Store	47,071,308	4	0.44%
Bradley Partnership	Shopping Center	32,117,827	5	0.30%
Target	Discount Department Store	29,755,220	6	0.28%
RLJ Cap Partners IL LLC	Shopping Center	28,077,835	7	0.26%
New Plan Excel Properties	Shopping Center	25,134,241	8	0.23%
Home Depot	DIY Retail Store	24,561,054	9	0.23%
CJF2 CO Nai Hiffman	Shopping Center	23,093,646	10	0.21%
		<u>\$ 435,277,793</u>		<u>4.03%</u>
		<u>\$ 10,788,573,903</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
2022	6,065	10,578	451	\$ 153	\$ 338	\$ 392
2021	6,410	11,026	622	151	336	390
2020	7,712	13,032	815	148	328	381
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

Source: College Records

TABLE 8

Tuition and Fee Revenues		
Education Fund	Auxiliary Enterprises & Other Funds	Total All Funds
\$ 36,272,118	\$ 3,023,497	\$ 39,295,615
37,783,923	2,400,557	40,184,480
44,194,901	3,238,915	47,433,816
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

MORaine 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)
2022	\$ 36,100,000	\$ 217,914	\$ 36,317,914	\$ 4,962,008	\$ -	\$ 31,355,906
2021	42,140,000	266,883	42,406,883	4,687,434	-	37,719,449
2020	47,410,000	413,799	47,823,799	4,284,355	-	43,539,444
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

Sources: College Records, Annual Comprehensive 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 are therefore excluded from this schedule.
- (2) Details of the College's outstanding debt can be found in Note 7 of the Financial Section.
- (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, American Community Survey Population Estimates.

TABLE 9

Assessed Value	Percentage of Net General Obligation Bonded Debt to Assessed Value	Population (4)	Total Personal Income	Percentage of Net General Obligation Bonded Debt to Personal Income	Net General Obligation Bonded Debt Per Capita
\$ 10,677,872,072	0.29%	391,437	\$ 13,017,628,872	0.24%	80.10
11,649,102,061	0.32%	387,166	12,401,701,312	0.30%	97.42
10,144,602,038	0.43%	390,314	12,134,862,260	0.36%	111.55
10,129,709,671	0.48%	391,383	11,767,321,278	0.42%	125.21
10,443,699,860	0.52%	390,722	11,296,945,186	0.48%	138.95
9,059,427,914	0.68%	391,765	11,254,624,920	0.55%	157.14
8,661,463,263	0.75%	391,765	11,254,624,920	0.58%	165.86
8,925,844,845	0.78%	391,614	11,250,286,992	0.62%	178.10
9,303,736,891	0.74%	393,476	11,169,603,212	0.62%	175.98
9,896,006,401	0.74%	391,778	10,967,041,554	0.67%	187.30

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

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

	2022	2021	2020	2019	2018
Debt					
General Obligation Bonds	\$ 36,317,914	\$ 42,406,883	\$ 47,823,799	\$ 53,110,417	\$ 58,285,104
Alternative Revenue Bonds	27,242,004	28,401,999	29,370,104	30,317,084	31,247,967
Notes Payable	150,000	150,000	150,000	150,000	-
Total Outstanding Debt	<u>\$ 63,709,918</u>	<u>\$ 70,958,882</u>	<u>\$ 77,343,903</u>	<u>\$ 83,577,501</u>	<u>\$ 89,533,071</u>
Per Student (1)	\$ 3,366.44	\$ 3,733.70	\$ 3,198.41	\$ 3,155.30	\$ 3,128.56
Percentage of Personal Income	0.49%	0.57%	0.64%	0.71%	0.79%

Source: College Records

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

TABLE 10

2017	2016	2015	2014	2013
\$ 109,833,142	\$ 114,360,983	\$ 118,357,043	\$ 121,964,235	\$ 125,388,898
31,043,366	31,901,322	32,739,138	33,561,818	33,569,363
-	-	-	-	-
<u>\$ 140,876,508</u>	<u>\$ 146,262,305</u>	<u>\$ 151,096,181</u>	<u>\$ 155,526,053</u>	<u>\$ 158,958,261</u>
\$ 4,815.80	\$ 4,530.77	\$ 4,626.05	\$ 4,566.10	\$ 4,502.17
1.25%	1.30%	1.34%	1.39%	1.45%

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEBT CAPACITY
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION BONDS
JUNE 30, 2022

<u>Taxing District</u>	<u>Outstanding Debt (1)</u>	<u>Percent (2)</u>	<u>Amount</u>
<u>Direct</u>			
Moraine Valley Community College District 524 (4)	\$ 63,559,918	100.000%	\$ 63,559,918
<u>Overlapping</u>			
<u>County and Township Special Service Areas:</u>			
Cook County	2,596,351,750	6.703%	174,033,458
Cook County Forest Preserve District	85,505,000	6.703%	5,731,400
<u>Library Districts:</u>			
Stickney-Forest View Public Library District	775,000	45.286%	350,967
Summit Library District	835,000	99.323%	829,347
<u>Municipalities:</u>			
Village of Alsip	10,115,000	100.000%	10,115,000
Village of Bedford Park	13,015,000	100.000%	13,015,000
City of Blue Island	2,306,253	98.014%	2,260,451
Village of Bridgeview	223,970,000	100.000%	223,970,000
City of Burbank	9,445,000	100.000%	9,445,000
Village of Calumet Park	7,640,000	100.000%	7,640,000
Village of Chicago Ridge	6,710,000	100.000%	6,710,000
Village of Evergreen Park	22,620,000	100.000%	22,620,000
Village of Forest View	250,000	58.412%	146,030
City of Hickory Hills	1,125,000	100.000%	1,125,000
Village of Lyons	3,510,000	0.013%	456
Village of Merrionette Park	985,000	100.000%	985,000
Village of Midlothian	19,215,000	1.927%	370,273
City of Oak Forest	20,580,000	14.299%	2,942,734
Village of Oak Lawn	63,720,000	100.000%	63,720,000
Village of Orland Park	80,680,000	99.209%	80,041,821
City of Palos Heights	5,060,000	100.000%	5,060,000
Village of Posen	650,000	0.033%	215
Village of Robbins	3,661,988	99.956%	3,660,377
Village of Summit	5,128,966	93.325%	4,786,608
Village of Tinley Park	9,085,000	51.546%	4,682,954
Village of Willow Springs	450,000	35.878%	161,451

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEBT CAPACITY
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION BONDS
JUNE 30, 2022

Taxing District	Outstanding Debt (1)	Percent (2)	Amount
<u>Park Districts:</u>			
Alsip Park District	\$ 235,000	100.000%	\$ 235,000
Bedford Park Park District	730,000	100.000%	730,000
Bridgeview Park District	2,150,000	100.000%	2,150,000
Burbank Park District	1,950,000	100.000%	1,950,000
Central Stickney Park District	595,000	98.109%	583,749
Chicago Ridge Park District	1,560,000	100.000%	1,560,000
Hickory Hills Park District	788,000	100.000%	788,000
Justice Park District	383,000	100.000%	383,000
Midlothian Park District	12,305,000	1.928%	237,240
Mokena Community Park District	5,135,000	10.479%	538,097
Oak Forest Park District	2,332,000	8.863%	206,685
Pleasant Dale Park District	675,000	0.453%	3,058
Summit Park District	286,000	92.944%	265,820
<u>Sanitary Districts:</u>			
Metropolitan Water Reclamation District (3)	2,563,828,340	6.813%	174,673,625
South Palos Sanitary District	235,000	11.823%	27,784
<u>Fire Districts:</u>			
Central Stickney Fire District	880,000	100.000%	880,000
Palos Heights Fire District	600,000	100.000%	600,000
<u>School Districts:</u>			
Summit School District #104	22,210,000	96.623%	21,459,968
Willow Springs Consolidated School District #108	1,845,000	100.000%	1,845,000
Indian Springs School District #109	9,545,000	100.000%	9,545,000
Burbank School District #111	58,911,275	100.000%	58,911,275
North Palos School District #117	17,400,000	100.000%	17,400,000
Palos Consolidated School District #118	6,310,000	100.000%	6,310,000
Ridgeland School District #122	38,215,000	100.000%	38,215,000
Oak Lawn School District #123	11,957,635	100.000%	11,957,635
Evergreen Park School District #124	4,000,000	100.000%	4,000,000
Atwood School District #125	2,405,000	100.000%	2,405,000
Worth School District #127	982,901	100.000%	982,901
Chicago Ridge School District #127-1/2	875,000	100.000%	875,000
Palos Heights School District #128	5,610,000	100.000%	5,610,000
Blue Island School District #130	17,081,470	100.000%	17,081,470
Calumet Park School District #132	2,362,000	95.141%	2,247,230
Orland Park School District #135	8,330,000	100.000%	8,330,000
Forest Ridge School District #142	6,600,000	13.696%	903,936
Midlothian School District #143	1,460,000	33.756%	492,838
Posen-Robbins School District #143 1/2	14,750,000	44.585%	6,576,288
Tinley Park Comm. Cons. School District #146	19,010,000	50.857%	9,667,916

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEBT CAPACITY
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION BONDS
JUNE 30, 2022

Taxing District	Outstanding Debt (1)	Percent (2)	Amount
<u>High School Districts:</u>			
Argo Community High School District #217	\$ 25,280,000	100.000%	\$ 25,280,000
Oak Lawn Community High School District #218	33,205,000	100.000%	33,205,000
Reavis Township High School District #220	68,370,000	100.000%	68,370,000
Bremen Community High School District #228	50,000,000	2.717%	1,358,500
Oak Lawn Community High School District #229	13,765,000	100.000%	13,765,000
Consolidated High School District #230	26,035,000	100.000%	26,035,000
Total Overlapping General Obligation Bonded Debt			<u>\$ 1,223,045,557</u>
Total Direct And Overlapping General Obligation Bonded Debt			<u>\$ 1,286,605,475</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 alternative revenue bonded debt:
Cook County Forest Preserve District - \$45,065,000; Metropolitan Water Reclamation District - \$95,190,000; City of Blue Island - \$1,420,000; Village of Crestwood - \$45,885,000; Village of Justice - \$1,830,696; Village of Lyons - \$23,353,000; Village of Orland Hills - \$3,535,000; Village of Palos Park - \$1,000,000; Village of Summit - \$275,000; Village of Willow Springs - \$4,590,000; Village of Worth - \$4,395,000; Acorn Public Library District - \$450,000; Green Hills Public Library District - \$945,000; Bridgeview Park District - \$5,570,000; Burbank Park District - \$2,920,000; Chicago Ridge Park District - \$2,220,000; Hickory Hills Park District - \$2,560,000; Pleasant Dale Park District - \$2,605,000; Summit Park District \$1,170,000; South Stickney Sanitary District - \$2,420,000; and Oak Lawn Community High School District 218 - \$5,175,000.
- (2) Percentages are based on 2020 EAVs, the most recent available.
- (3) Includes IEPA Revolving Loan Bonds (\$944,799,00), per the District's audit for the year ending December 31, 2020.
- (4) The amount of outstanding debt for Moraine Valley Community College is current for the 2021 tax levy year.

MORAIN 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
2022	2021	\$ 10,677,872,072	2.875%	\$ 306,988,822	\$ 36,100,000	\$ 270,888,822	11.76%
2021	2020	11,649,102,061	2.875%	334,911,684	42,140,000	292,771,684	12.58%
2020	2019	10,144,602,038	2.875%	291,657,309	47,410,000	244,247,309	16.26%
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%

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, the 2013, and the 2022 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.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEBT CAPACITY
PLEDGED REVENUE COVERAGE-ALTERNATIVE REVENUE BONDS
LAST TEN FISCAL YEARS

ALTERNATIVE REVENUE BONDS, SERIES 2012D, 2013, AND 2022

Fiscal Year	Construction/ Infrastructure fee Revenues	Membership Fee Revenues	Total Revenue Available for Debt Service	Principal	Interest	Total	Coverage Ratio
2022	\$ 2,041,949	\$ 1,461,359	\$ 3,503,308	\$ 1,080,000	\$ 1,134,995	\$ 2,214,995	1.58
2021	1,708,972	1,104,447	2,813,419	925,000	925,846	1,850,846	1.52
2020	2,105,399	1,454,402	3,559,801	905,000	945,683	1,850,683	1.92
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, 2013, and 2022 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.

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⁾
2022	391,437	\$ 13,017,628,872	\$ 33,256	5.4%
2021	387,166	12,401,701,312	32,032	10.0%
2020	390,314	12,134,862,260	31,090	17.4%
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%

Sources:

(1) U.S. Census Bureau, American Community Survey

(2) U.S. Bureau of Labor Statistics

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 Decrease	Percent Change
2022	3,808	6,770	10,578	90,974	6,065	26,544	(779)	-2.85%
2021	4,131	6,895	11,026	96,152	6,410	27,323	(5,052)	-15.60%
2020	5,138	7,894	13,032	115,679	7,712	32,375	(1,356)	-4.02%
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%

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

Fiscal Year	Credit Enrollment	Noncredit Enrollment	Total Credit Hours	High School Participation Rates
2022	17,409	1,516	203,648	20%
2021	17,692	1,313	218,830	21%
2020	21,075	3,107	255,763	27%
2019	22,608	3,880	272,366	27%
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%

Source: College Records as of Census Day

MORAIN 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

	2022	2021	2020	2019
Baccalaureate	121,103.0	136,486.0	155,456.0	164,890.5
Business Occupational	10,270.0	10,497.0	11,133.5	9,351.5
Technical Occupational	16,278.5	15,448.0	21,972.0	23,582.0
Health Occupational	11,768.0	12,649.0	16,044.0	16,629.0
Remedial Development	11,370.0	12,962.0	21,706.0	22,608.0
Adult Basic Secondary Education	5,970.0	3,510.0	7,582.0	8,144.0
TOTAL CREDIT HOURS	176,759.5	191,552.0	233,893.5	245,205.0

Source: College Records

TABLE 17

2018	2017	2016	2015	2014	2013
170,850.5	179,299.0	188,830.0	194,687.0	197,416.0	203,033.0
9,797.0	11,005.0	14,516.5	14,358.0	15,420.5	16,043.0
23,530.0	24,868.0	28,663.5	28,620.0	29,978.5	29,815.5
17,362.5	17,497.5	18,753.5	20,867.5	21,717.5	25,497.5
25,216.0	27,916.0	27,707.0	28,507.0	29,376.0	31,749.0
8,174.0	8,297.0	9,169.0	8,804.0	7,971.0	10,891.0
254,930.0	268,882.5	287,639.5	295,843.5	301,879.5	317,029.0

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEMOGRAPHIC AND ECONOMIC INFORMATION
COLLEGE DEMOGRAPHICS
June 30, 2022

DEGREES AND CERTIFICATES AWARDED FY 2022

Degree Type	
Associate in Arts (AA)	642
Associate in Engineering Science (AES)	8
Associate in General Studies (AGS)	637
Associate in Fine Arts (AFA)	7
Associate in Science (AS)	<u>413</u>
Total Transfer Degrees	1,707
Associate in Applied Science (AAS)	<u>384</u>
Total Degrees Awarded	2,091
Total Certificates Awarded	<u>3,138</u>
Total Completions	<u><u>5,229</u></u>

Source: College Records

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEMOGRAPHIC AND ECONOMIC INFORMATION
PRINCIPAL EMPLOYERS
JUNE 30, 2022 AND NINE YEARS PRIOR

JUNE 30, 2022				
Employers	Rank	Business	No. of Employees	% Total District Employed
Advocate Christ Medical Center	1	Teaching hospital and trauma center	4,832	2.2%
Jewel Osco	2	Grocery	3,016	1.4%
Northwestern Medicine Palos Hospital	3	Hospital and home health care	3,000	1.4%
OSF Little Company of Mary Hospital	4	Hospital and home health care	1,502	0.7%
Panduit	5	Network and electrical solutions	1,200	0.5%
Moraine Valley Community College	6	Education	1,086	0.5%
Community High School District 230	7	Education	982	0.4%
Orland School District 135	8	Education	676	0.3%
Community High School District 218	9	Education	658	0.3%
Target	10	Retail store	615	0.3%
TOTAL			17,567	8.0%
Total number employed within district			220,864	

Sources:

Reference Solutions Employer Statistics

Illinois Department of Employment Security (Illinois.virtuallmi.com) Cook County Employer Statistics

Orland School District 135 (orland135.org), Consolidated HS District 218 (chsd218.org), Consolidated HS District 230 (d230.org)

College Records

US Census Bureau, American Community Survey Employment Estimates

TABLE 19

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

DEMOGRAPHIC AND ECONOMIC INFORMATION
PRINCIPAL EMPLOYERS
JUNE 30, 2022 AND NINE YEARS PRIOR

June 30, 2013				
Employers	Rank	Business	No. of Employees	% Total District Employed
Advocate Christ Medical Center	1	Hospital and home health care	5,500	2.5%
Palos Hospital	2	Hospital and home health care	3,118	1.4%
Moraine Valley Community College	3	Education	2,157	1.0%
Metro South Medical Center	4	Hospital and home health care	1,200	0.5%
Oak Forest Hospital	5	Hospital and home health care	1,000	0.5%
Panduit	6	Network and electrical solutions	1,000	0.5%
Village of Orland Park	7	Municipality	862	0.4%
Oak Lawn Community HS District 218	8	Education	800	0.4%
Orland School District 135	9	Education	785	0.3%
Uniforms to You	10	Uniform sales and service	775	0.3%
TOTAL			17,197	7.8%
Total number employed within district				219,471

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

OPERATING INFORMATION
TOTAL EMPLOYEES
LAST TEN FISCAL YEARS

	2022	2021	2020	2019
<u>FACULTY</u>				
Full-Time	182	186	191	190
Part-Time	408	508	569	616
Total Faculty FTE	590	694	760	806
<u>LIBRARY, COUNSELORS, AND ADVISORS</u>				
Full-Time	20	21	21	21
Part-Time	29	34	33	41
Total Library, Counselors, and Advisors	49	55	54	62
<u>ADMINISTRATORS</u>	29	29	28	30
<u>PROFESSIONAL STAFF</u>				
Full-Time	148	154	159	154
Part-Time	25	21	35	32
Total Professional Staff	173	175	194	186
<u>CLASSIFIED EMPLOYEES</u>				
Full-Time	193	201	203	204
Part-Time	52	58	66	65
Total Classified Employees	245	259	269	269
<u>TOTAL EMPLOYEES</u>	1,086	1,212	1,305	1,353

Source: College Records

TABLE 20

2018	2017	2016	2015	2014	2013
189	188	196	193	188	189
650	715	763	542	587	603
839	903	959	735	775	792
21	21	21	20	20	20
39	42	50	61	68	44
60	63	71	81	88	64
29	27	27	25	24	24
147	142	153	161	160	157
31	26	29	24	17	19
178	168	182	185	177	176
197	199	200	200	203	202
66	65	69	67	73	79
263	264	269	267	276	281
1,369	1,425	1,508	1,293	1,340	1,337

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

OPERATING INFORMATION
CAPITAL ASSET STATISTICS - VOLUME
LAST TEN FISCAL YEARS

	2022	2021	2020	2019
<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	275,902
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	133,408	133,408	133,408
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)	-	-	-	-
Health, Fitness and Recreation Center (Building H)	113,614	113,614	113,614	113,614
Equipment (number of assets)	283	271	258	254
Technology (number of assets)	102	92	88	88
Capital assets disposed (number of assets)	1	7	47	10

Source: College Records

Notes:

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

TABLE 21

2018	2017	2016	2015	2014	2013
44,232	44,232	44,232	44,232	44,232	44,232
31,130	31,130	31,130	31,130	31,130	31,130
275,902	275,902	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	113,614	113,614	113,614	-
244	236	226	230	213	210
81	73	58	56	64	54
16	16	33	22	14	8

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

OPERATING INFORMATION
CAPITAL ASSET STATISTICS - VALUE
LAST TEN FISCAL YEARS

	2022	2021	2020	2019
<u>CAPITAL ASSET TYPE:</u>				
Land	\$ 8,018,969	\$ 8,018,969	\$ 8,018,969	\$ 8,018,969
Land Improvements	19,131,237	16,345,257	16,345,257	18,090,782
Total Land and Land Improvements	27,150,206	24,364,226	24,364,226	26,109,751
Buildings/Building Improvements	223,998,269	223,998,269	223,998,269	232,284,389
Construction in Progress	1,095,592	3,249,255	1,124,695	715,564
Equipment	12,680,721	11,288,872	10,293,813	9,444,784
Technology	8,300,094	8,158,023	8,266,036	8,542,536
Total Capital Assets	<u>\$ 273,224,882</u>	<u>\$ 271,058,645</u>	<u>\$ 268,047,039</u>	<u>\$ 277,097,024</u>
<u>OTHER INFORMATION:</u>				
Capital Contributions	\$ 587,524	\$ 34,546	\$ 57,034	\$ -
Depreciation Expense	7,943,881	7,780,238	7,701,488	7,763,485

Source: College Records

TABLE 22

2018	2017	2016	2015	2014	2013
\$ 6,618,969	\$ 6,618,969	\$ 6,618,969	\$ 5,848,757	\$ 5,848,757	\$ 5,848,757
17,096,430	17,096,430	16,839,417	17,506,290	15,994,153	15,680,214
23,715,399	23,715,399	23,458,386	23,355,047	21,842,910	21,528,971
230,909,112	228,705,618	216,969,455	217,739,667	216,524,580	184,798,311
1,449,065	1,219,666	11,985,831	1,689,411	1,593,481	11,698,483
8,131,936	8,025,705	7,492,617	6,992,023	6,283,457	5,855,562
8,432,385	7,605,221	6,666,001	6,711,837	6,606,867	6,397,203
<u>\$ 272,637,897</u>	<u>\$ 269,271,609</u>	<u>\$ 266,572,290</u>	<u>\$ 256,487,985</u>	<u>\$ 252,851,295</u>	<u>\$ 230,278,530</u>
\$ -	\$ -	\$ -	\$ 546,895	\$ 287,166	\$ 21,865
8,032,094	7,799,745	7,168,646	6,927,671	6,326,932	5,797,526

Moraine Valley Community College

COMMUNITY COLLEGE DISTRICT NUMBER 524, PALOS HILLS, IL

Special Reports Section

Fiscal Year Ended June 30, 2022



MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
JUNE 30, 2022

SUPPLEMENTARY 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, 2022

	Education Fund	Operations and Maintenance Fund	Operations and Maintenance Fund (Restricted)	Bond and Interest Fund	Auxiliary Enterprises Fund
Fund Balance June 30, 2021	\$ 55,516,206	\$ 10,585,221	\$ 15,588,982	\$ 4,687,434	\$ 11,387,004
Revenues:					
Bond Proceeds	-	-	-	25,055,000	-
Premium on Bond Issuance	-	-	-	2,343,534	-
Local Tax Revenue	27,544,924	8,212,529	923,662	7,083,436	-
ICCB Grants	13,277,731	3,354,637	-	-	-
All Other State Revenue	-	-	587,524	-	-
Federal Revenue	6,335,981	46,168	261,063	-	902,956
Student Tuition and Fees	36,272,118	-	2,041,949	-	981,548
All Other Revenue	968,672	73,501	(217,584)	3,729	5,021,365
Total Revenues	84,399,426	11,686,835	3,596,614	34,485,699	6,905,869
Expenditures:					
Instruction	35,785,436	-	-	-	-
Academic Support	6,416,701	-	-	-	-
Student Services	8,412,003	-	-	-	-
Public Service/Continuing Education	36,361	-	-	-	-
Auxiliary Services	-	-	-	-	8,668,981
Operations and Maintenance	-	9,522,756	1,919,462	-	-
Institutional Support	16,666,236	-	-	35,984,301	-
Scholarships, Grants, Waivers	5,848,646	-	-	-	-
Total Expenditures	73,165,383	9,522,756	1,919,462	35,984,301	8,668,981
Net Transfers	(5,263,547)	(2,000,000)	2,226,824	1,773,176	2,773,547
Fund Balance June 30, 2022	\$ 61,486,702	\$ 10,749,300	\$ 19,492,958	\$ 4,962,008	\$ 12,397,439

Note: This statement is prepared under the modified accrual basis of accounting which is the regulatory basis required by the Illinois Community College Board for the Uniform Financial Statements.

Revenue and expenditures in the Restricted Purposes Fund include State Universities Retirement System (SURS) on-behalf contributions of \$31,402,115.

SCHEDULE 1

Restricted Purposes Fund	Working Cash Fund	Audit Fund	Liability, Protection & Settlement Fund	Total Current Funds	Total All Funds
\$ 5,388,067	\$ 13,922,343	\$ 156,064	\$ 1,044,015	\$ 84,076,577	\$ 118,275,336
-	-	-	-	-	25,055,000
-	-	-	-	-	2,343,534
-	-	84,850	844,441	36,686,744	44,693,842
970,066	-	-	-	17,602,434	17,602,434
34,304,720	-	-	-	34,304,720	34,892,244
43,338,474	-	-	-	50,623,579	50,884,642
-	-	-	-	37,253,666	39,295,615
462,286	(150,581)	242	2,586	6,528,652	6,164,216
79,075,546	(150,581)	85,092	847,027	182,999,795	220,931,527
18,623,900	-	-	-	54,409,336	54,409,336
2,752,652	-	-	-	9,169,353	9,169,353
5,529,496	-	-	-	13,941,499	13,941,499
2,017,185	-	-	-	2,053,546	2,053,546
1,360,873	-	-	-	10,029,854	10,029,854
2,002,872	-	-	-	11,525,628	13,445,090
16,869,521	-	92,000	854,747	34,482,504	70,466,805
29,558,550	-	-	-	35,407,196	35,407,196
78,715,049	-	92,000	854,747	171,018,916	208,922,679
490,000	-	-	-	(4,000,000)	-
\$ 6,238,564	\$ 13,771,762	\$ 149,156	\$ 1,036,295	\$ 92,057,456	\$ 130,284,184

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, 2022

	Capital Assets/Long- Term Debt July 1, 2021	Additions	Deletions	Capital Assets/Long- Term Debt June 30, 2022
<u>Capital Assets</u>				
Sites and Improvements	\$ 24,364,226	\$ 2,785,980	\$ -	\$ 27,150,206
Construction in Progress	3,249,255	1,570,255	3,723,918	1,095,592
Buildings, Additions, and Improvements	223,998,269	-	-	223,998,269
Equipment	11,288,872	1,430,349	38,500	12,680,721
Equipment - Technology	8,158,023	142,071	-	8,300,094
Total Capital Assets	271,058,645	5,928,655	3,762,418	273,224,882
Accumulated Depreciation	104,847,877	7,943,881	22,779	112,768,979
Net Capital Assets	\$ 166,210,768	\$ (2,015,226)	\$ 3,739,639	\$ 160,455,903
<u>Long-Term Debt</u>				
Bonds Payable	\$ 69,745,000	\$ 25,055,000	\$ 33,775,000	\$ 61,025,000
Premium on Bond Issuance	1,063,882	2,343,534	872,498	2,534,918
Total Bonds, net	70,808,882	27,398,534	34,647,498	63,559,918
Compensated Absences & Retirement Benefit Obligations	2,140,819	1,469,073	1,485,727	2,124,165
Net OPEB Liability	47,183,876	-	2,258,938	44,924,938
Note Payable	150,000	-	-	150,000
Total Long Term Debt	\$ 120,283,577	\$ 28,867,607	\$ 38,392,163	\$ 110,759,021

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

UNIFORM FINANCIAL STATEMENTS
OPERATING FUNDS REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2022

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING REVENUES BY SOURCE			
Local Government:			
Local Taxes	\$ 23,801,180	\$ 8,212,529	\$ 32,013,709
CPPRT	3,743,744	-	3,743,744
TOTAL LOCAL GOVERNMENT	27,544,924	8,212,529	35,757,453
State Government:			
ICCB Credit Hour Grants	5,291,513	3,354,637	8,646,150
ICCB Equalization Grants	7,308,680	-	7,308,680
ICCB Career and Technical Education	664,813	-	664,813
Other	12,725	-	12,725
TOTAL STATE GOVERNMENT	13,277,731	3,354,637	16,632,368
Federal Government			
Department of Education Direct	6,335,981	-	6,335,981
Federal Grants & Contracts	-	46,168	46,168
TOTAL FEDERAL GOVERNMENT	6,335,981	46,168	6,382,149
Student Tuition and Fees:			
Tuition	33,236,406	-	33,236,406
Fees	3,035,712	-	3,035,712
TOTAL TUITION AND FEES	36,272,118	-	36,272,118
Other Sources:			
Sales and Service Fees	491,322	-	491,322
Facilities Revenue	104,524	187,963	292,487
Investment Revenue	(790,899)	(115,048)	(905,947)
Other	1,163,725	586	1,164,311
TOTAL OTHER SOURCES	968,672	73,501	1,042,173
TOTAL REVENUES	84,399,426	11,686,835	96,086,261
Less Non-Operating Items			
Transfer from Non-Operating Funds	-	-	-
ADJUSTED REVENUES	\$ 84,399,426	\$ 11,686,835	\$ 96,086,261

Note: This statement is prepared under the modified accrual basis of accounting which is the regulatory basis required by the Illinois Community College Board for the Uniform Financial Statements.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

UNIFORM FINANCIAL STATEMENTS
OPERATING FUNDS REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2022

	Education Fund	Operations and Maintenance Fund	Total Operating Funds
OPERATING EXPENDITURES			
BY PROGRAM			
Instruction	\$ 35,785,436	\$ -	\$ 35,785,436
Academic Support	6,416,701	-	6,416,701
Student Services	8,412,003	-	8,412,003
Public Service/Continuing Education	36,361	-	36,361
Operations and Maintenance	-	9,522,756	9,522,756
Institutional Support	16,666,236	-	16,666,236
Scholarships, Grants, Waivers	5,848,646	-	5,848,646
Transfers	5,263,547	2,000,000	7,263,547
TOTAL EXPENDITURES	<u>78,428,930</u>	<u>11,522,756</u>	<u>89,951,686</u>
Less Non-Operating Items			
Transfer to Non-Operating Funds	5,263,547	2,000,000	7,263,547
ADJUSTED EXPENDITURES	<u>\$ 73,165,383</u>	<u>\$ 9,522,756</u>	<u>\$ 82,688,139</u>
BY OBJECT			
Salaries	\$ 50,280,752	\$ 3,815,116	\$ 54,095,868
Employee Benefits	11,437,255	1,307,998	12,745,253
Contractual Services	3,012,161	1,769,262	4,781,423
General Materials and Supplies	2,280,304	490,570	2,770,874
Conferences and Meeting Expenses	133,757	2,995	136,752
Fixed Charges	32,953	1,000	33,953
Utilities	57,046	1,901,083	1,958,129
Capital Outlay	24,931	234,732	259,663
Other	5,906,224	-	5,906,224
Transfers	5,263,547	2,000,000	7,263,547
TOTAL EXPENDITURES	<u>78,428,930</u>	<u>11,522,756</u>	<u>89,951,686</u>
Less Non-Operating Items			
Transfer to Non-Operating Funds	5,263,547	2,000,000	7,263,547
ADJUSTED EXPENDITURES	<u>\$ 73,165,383</u>	<u>\$ 9,522,756</u>	<u>\$ 82,688,139</u>

Note: This statement is prepared under the modified accrual basis of accounting which is the regulatory basis required by the Illinois Community College Board for the Uniform Financial Statements.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

UNIFORM FINANCIAL STATEMENTS
RESTRICTED PURPOSES FUND REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2022

	Restricted Purposes Fund
REVENUES BY SOURCE:	
State Government:	
ICCB Adult Education and Family Literacy Grants	\$ 970,066
Illinois Student Assistance Commission	2,654,005
State Universities Retirement System (SURS) On-Behalf Contributions	31,402,115
Other State	248,600
TOTAL STATE GOVERNMENT	<u>35,274,786</u>
Federal Government:	
Department of Education	41,252,400
Department of Labor	415,139
Other	1,670,935
TOTAL FEDERAL GOVERNMENT	<u>43,338,474</u>
Other Sources:	
Other	462,286
Transfers	490,000
TOTAL OTHER SOURCES	<u>952,286</u>
TOTAL	<u><u>\$ 79,565,546</u></u>
EXPENDITURES BY PROGRAM:	
Instruction	\$ 18,623,900
Academic Support	2,752,652
Student Services	5,529,496
Public Service/Continuing Education	2,017,185
Auxiliary Services	1,360,873
Operations and Maintenance	2,002,872
Institutional Support	16,869,521
Scholarships, Student Grants and Waivers	29,558,550
TOTAL	<u><u>\$ 78,715,049</u></u>
EXPENDITURES BY OBJECT:	
Salaries	\$ 3,375,578
Employee Benefits	32,431,246
Contractual Services	1,269,476
General Materials and Supplies	1,579,523
Conferences and Meeting Expenses	92,862
Capital Outlay	492,348
Other	8,799,842
Financial Aid	30,674,174
TOTAL	<u><u>\$ 78,715,049</u></u>

Note: Revenue and expenditures in the Restricted Purposes Fund include State Universities Retirement System (SURS) on-behalf contributions of \$31,402,115.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

UNIFORM FINANCIAL STATEMENTS
CURRENT FUNDS EXPENDITURES BY ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2022

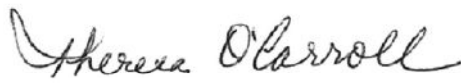
INSTRUCTION	
Instructional Programs	\$ 54,409,336
Total Instruction	<u>54,409,336</u>
ACADEMIC SUPPORT	
Library Center	2,360,801
Academic Administration and Planning	3,169,294
Other	3,639,258
Total Academic Support	<u>9,169,353</u>
STUDENT SERVICES	
Admissions and Records	1,664,459
Counseling and Career Services	4,730,008
Financial Aid Administration	993,940
Other	6,553,092
Total Student Services	<u>13,941,499</u>
PUBLIC SERVICE/CONTINUING EDUCATION	
Community Education	36,382
Community Services	1,655,048
Other	362,116
Total Public Service/Continuing Education	<u>2,053,546</u>
AUXILIARY SERVICES	<u>10,029,854</u>
OPERATIONS AND MAINTENANCE	
Maintenance	2,256,630
Custodial Services	2,052,096
Grounds	784,633
Campus Security	2,287,176
Transportation	98,391
Utilities	1,897,297
Other	2,149,405
Total Operations and Maintenance	<u>11,525,628</u>
INSTITUTIONAL SUPPORT	
Executive Management	1,890,623
Fiscal Operations	2,281,661
Community Relations	8,349
Administrative Support Services	6,816,688
Board of Trustees	70,115
General Institutional	2,217,570
Institutional Research	494,292
Administrative Data Processing	3,879,298
Other	16,823,908
Total Institutional Support	<u>34,482,504</u>
SCHOLARSHIPS, GRANTS, & WAIVERS	<u>35,407,196</u>
TOTAL CURRENT FUNDS EXPENDITURES	<u>\$ 171,018,916</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 2023

ALL FISCAL YEAR 2022 NONCAPITAL OPERATING
EXPENDITURES FROM THE FOLLOWING FUNDS:

Education Fund	\$ 73,140,452
Operations and Maintenance Fund	9,288,024
Bond and Interest Fund	9,346,528
Restricted Purposes Fund	46,820,586
Audit Fund	92,000
Liability, Protection and Settlement Fund	854,747
Auxiliary Enterprises Fund (subsidy only)	<u>8,668,981</u>
TOTAL NONCAPITAL EXPENDITURES	\$ <u>148,211,318</u>
Depreciation on capital outlay expenditures (equipment, buildings and fixed equipment paid) from sources other than state and federal funds	<u>\$ 7,065,813</u>
TOTAL COSTS INCLUDED	\$ <u>155,277,131</u>
Total Certified Semester Credit Hours for FY 2022	<u>176,760</u>
PER CAPITA COST	\$ <u>878.46</u>
All FY 2022 state and federal operating grants for noncapital expenditures	<u>\$ 48,034,239</u>
FY 2022 state and federal grants per semester credit hour	<u>\$ 271.75</u>
District's average ICCB grant rate (excluding equalization grants) for FY 2023	<u>\$ 35.64</u>
District's student tuition and fee rate per semester credit hour for FY 2023	<u>\$ 156.00</u>
Chargeback reimbursement per semester credit hour	<u><u>\$ 415.07</u></u>

Approved: 
Vice President, Financial and Business Services
College Treasurer

November 8, 2022

Date

Approved: 
Chief Executive Officer

November 8, 2022

Date

**MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
JUNE 30, 2022**

STATE GRANT ACTIVITY

State Adult Education and Family Literacy Restricted Funds Grants

State Basic: This 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: This 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

Board of Trustees
Moraine Valley Community College –
Community College District Number 524

Opinion

We have audited the accompanying financial statements of the State Adult Education Grants (State Basic and State Performance) (Grant Program) of Moraine Valley Community College – Community College District Number 524 (the College), as of and for the year ended June 30, 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Grant Program, as of June 30, 2022, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), and the guidelines of the Illinois Community College Board's *Fiscal Management Manual*. Our responsibilities under those standards and guidelines are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Emphasis of Matter

As discussed in Note 1, the grant program financial statements present only the Grant Programs referred to above and do not purport to, and do not, present fairly the financial position of the College as of June 30, 2022, 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the grant program financial statements of the College. The ICCB Compliance Statement (Schedule 9) is presented for purposes of additional analysis and is not a required part of the grant program financial statements.

The ICCB Compliance Statement (Schedule 9) 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 (Schedule 9) 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 November 8, 2022, 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 VS LLP

Chicago, Illinois
November 8, 2022

**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***

Independent Auditor's Report

Board of Trustees
Moraine Valley Community College –
Community College District Number 524

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 Grants (State Basic and State Performance) (the Grant Program) of Moraine Valley Community College – Community College District Number 524 (the College) as of and for the year ended June 30, 2022, and the related notes to the financial statements, and have issued our report thereon dated November 8, 2022.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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
November 8, 2022

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

STATE ADULT EDUCATION RESTRICTED FUND GRANTS
STATEMENTS OF NET POSITION
JUNE 30, 2022

	<u>State Basic</u>	<u>Performance</u>	<u>Total</u>
<u>ASSETS</u>			
Cash	\$ 1,237	\$ 2,310	\$ 3,547
TOTAL ASSETS	<u>\$ 1,237</u>	<u>\$ 2,310</u>	<u>\$ 3,547</u>
<u>LIABILITIES</u>			
<u>LIABILITIES</u>			
Salaries and Benefits Payable	\$ 1,237	\$ 2,310	\$ 3,547
TOTAL LIABILITIES	<u>1,237</u>	<u>2,310</u>	<u>3,547</u>
<u>NET POSITION</u>			
Net Position	-	-	-
TOTAL NET POSITION	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,237</u>	<u>\$ 2,310</u>	<u>\$ 3,547</u>

See Notes to Grant Program Financial Statements.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

STATE ADULT EDUCATION RESTRICTED FUND GRANTS
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	<u>State Basic</u>	<u>Performance</u>	<u>Total</u>
<u>REVENUE</u>			
Grant Revenue	\$ 711,401	\$ 258,665	\$ 970,066
<u>EXPENSES BY PROGRAM</u>			
Instruction	365,249	-	365,249
Guidance Services	<u>223,200</u>	<u>49,232</u>	<u>272,432</u>
Subtotal Instructional and Student Services	<u>588,449</u>	<u>49,232</u>	<u>637,681</u>
Program Support:			
Improvement of Instructional Services	46,378	352	46,730
General Administration	44,888	175,567	220,455
Indirect Costs	<u>31,686</u>	<u>33,514</u>	<u>65,200</u>
Subtotal Program Support	<u>122,952</u>	<u>209,433</u>	<u>332,385</u>
TOTAL EXPENSES	<u>711,401</u>	<u>258,665</u>	<u>970,066</u>
<u>Excess of Revenue Over (Under)</u>			
<u>Expenses</u>	-	-	-
Net Position July 1, 2021	<u>-</u>	<u>-</u>	<u>-</u>
Net Position June 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to Grant Program Financial Statements.

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

STATE ADULT EDUCATION RESTRICTED FUND GRANTS
NOTE TO FINANCIAL STATEMENTS

For the year ended June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying statements include only those transactions from the State Adult Education Grants (State Basic and State Performance) 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 using the accrual basis of accounting. Expenses 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 until capitalized at cost in the College's financial statements.

C. Background Information on Grant Activity:

The State Adult Education Grant provides 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.

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, 2022

State Basic	Expenditure Amount	Actual Expenditure Percentage
Instruction (45% Minimum Required)	\$ 365,249	51.34%
General Administration (20% Maximum Allowed)	\$ 44,888	6.31%

**MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
JUNE 30, 2022**

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

Board of Trustees
Moraine Valley Community College –
Community College District Number 524

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, 2022 (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 presented is in accordance with the guidelines of the Illinois Community College Board's *Fiscal Management Manual*, in all material respects. An examination involves performing procedures to obtain evidence about the Schedule. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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 other information included in Schedules 11 and 12 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.

This report is intended solely for the information and use of the College Board of Trustees, College management, and the Illinois Community College Board, and is not intended to be and should not be used by anyone other than the specified parties.

RSM US LLP

Chicago, Illinois
November 8, 2022

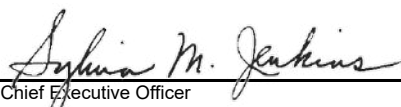
MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
SCHEDULE OF ENROLLMENT DATA AND OTHER BASES
UPON WHICH CLAIMS ARE FILED
FOR THE YEAR ENDED JUNE 30, 2022

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	18,192.0	-	54,018.0	-	48,893.0	-	121,103.0	-
Business Occupational	1,102.0	-	4,333.0	-	4,835.0	-	10,270.0	-
Technical Occupational	1,373.0	-	6,918.0	-	7,987.5	-	16,278.5	-
Health Occupational	1,484.5	-	4,654.5	560.0	4,773.0	296.0	10,912.0	856.0
Remedial Development	919.0	-	6,335.0	-	4,116.0	-	11,370.0	-
Adult Basic/Secondary Education	-	2,174.0	-	2,006.0	-	1,790.0	-	5,970.0
Total	23,070.5	2,174.0	76,258.5	2,566.0	70,604.5	2,086.0	169,933.5	6,826.0

	Attending Out-of-District on Chargeback or a		
	Attending In-District	Cooperative/Contractual Agreement	Total
Semester Credit Hours (All Terms)	150,186.5	1,129.5	151,316.0

	Dual Credit	Dual Enrollment
Reimbursable Semester Credit Hours (All Terms)	5,608.0	223.0

District 2021 Equalized Assessed Valuation	\$ 10,677,872,072
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Signatures: 
Chief Executive Officer


Vice President, Financial and Business Services
College Treasurer

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
RECONCILIATION OF TOTAL SEMESTER CREDIT HOURS
FOR THE YEAR ENDED JUNE 30, 2022

	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	121,103.0	121,103.0	-	-	-	-
Business Occupational	10,270.0	10,270.0	-	-	-	-
Technical Occupational	16,278.5	16,278.5	-	-	-	-
Health Occupational	10,912.0	10,912.0	-	856.0	856.0	-
Remedial Development	11,370.0	11,370.0	-	-	-	-
Adult Basic/Secondary Education	-	-	-	5,970.0	5,970.0	-
Total	169,933.5	169,933.5	-	6,826.0	6,826.0	-

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	150,186.5	150,186.5	-
Out-of-District on Chargeback or Contractual Agreement	1,129.5	1,129.5	-
Total	151,316.0	151,316.0	-

	Total Reimbursable	Total Reimbursable Certified to ICCB	Difference
Dual Credit	5,608.0	5,608.0	-
Dual Enrollment	223.0	223.0	-
Total	5,831.0	5,831.0	-

MORaine VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524
RESIDENCY POLICY (UNEXAMINED)

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: property tax statement, driver's license, Illinois State ID card, vehicle registration, copy of lease or purchase agreement, utility 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.

MORAIN VALLEY COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 524

SUMMARY OF ASSESSED VALUATIONS (UNEXAMINED)
FOR THE LAST TEN LEVY YEARS

<u>TAX LEVY YEAR</u>	<u>EQUALIZED ASSESSED VALUATION</u>
2021	\$ 10,677,872,072
2020	11,649,102,061
2019	10,144,602,038
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

Source: Cook County Treasurer's Office

Board of Trustees

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Kimberly A. Hastings Cristelli, Vice Chair
Beth McElroy Kirkwood, Secretary
Bernadette Barrett
John R. Coleman
Joseph P. Murphy
Patricia Joan Murphy
Nematallah Hasan, 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

