REPORTS OF INDEPENDENT AUDITORS
AND FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION

TREASURE VALLEY COMMUNITY COLLEGE

Year Ended June 30, 2022

MOSSADAMS

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Report of Independent Auditors

The Board of Education
Treasure Valley Community College
Ontario, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of Treasure Valley Community College (the College), and its discretely presented component unit, Treasure Valley Community College Foundation (the Foundation), 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 respective financial position of the College and its discretely presented component unit, as of June 30, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. 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 opinions. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*.

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, and the schedules of net RHIA OPEB liability (asset), schedule of employer contributions – RHIA OPEB, schedule of changes in total RHIPA OPEB liability and related ratios, schedule of employer's share of net pension liability (asset), and the schedule of employer contributions – pensions on pages 54 through 58 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The schedules of revenues, expenditures, and changes in fund balance – budget to actual on pages 59 through 66, combining balance sheet – proprietary fund types – auxiliary on page 67, combining statement of revenue, expenses, and changes in net position – proprietary fund types – auxiliary on pages 68 through 69, combining statement cash flows – proprietary fund types – auxiliary on pages 70 through 71, statement of property tax transactions on page 72, statement of assets, liabilities, and fund balance – general fund on page 73, historical property values and general obligation legal debt capacity on page 74, the District major taxpayers on page 75 (collectively, the supplementary information), are presented for purposes of additional analysis and are 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary information referred to above 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 and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 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.

Other Reporting Required by Minimum Standards for Audits of Oregon Municipal Corporations

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have issued our report dated December 21, 2022, on our consideration of the College’s compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Moss Adams LLP

Portland, Oregon
December 21, 2022

This section of Treasure Valley Community College’s (the College) financial statements presents an analysis of the financial activities of the College for the fiscal year-ended June 30, 2022. This discussion has been prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction with them. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. This discussion is designed to focus on current activities, resulting changes, and current known facts.

Financial Highlights

The significant events that impacted the College for the fiscal year ended June 30, 2022, are as follows:

While COVID-19 has decreased in severity and most related mandates have been lifted, the College continued to use Federal stimulus funds that were awarded throughout the pandemic and it impacted the financial statements again this year. The College recognized $3.97million of revenue received as a result of COVID-19 stimulus funds made available by the Federal government. Of this amount, $2.09 million was awarded as emergency grants to students and $1.96 million was used to offset expenses incurred by the College to continue operations under strict COVID-19 protocols and to reimburse the College for lost revenue incurred as a result of the pandemic. While this stimulus funding has been a tremendous help in navigating through these difficult times, we must keep in mind that it is one-time funding only and cannot be relied upon for financing future operations of the College.

The College implemented GASB 87 Leases during the 2021-22 fiscal year which changed the manner in which leases are accounted for. After reviewing all leases, a noncurrent right of use asset amounting to $1.2M and a lease liability amounting to $1.0M were recorded on the books to record the College’s lease of the Caldwell Center. Rather than expensing the lease payments, amortization expense and interest expense relating to the lease were recorded. All other leases of the college were analyzed and it was determined that they were not required to be accounted for under GASB 87.

State of Oregon community college support revenue increased 78% or $4.5 million from the prior year. This increase is attributable to the Oregon Legislature’s deferral of the eighth quarter reimbursement for the biennium as well as the increase in overall funding to community colleges across the state. The College receives funding from the state across the biennium; however, the cash payments are not equal across the two years. In the first year of the biennium, the College receives five payments whereas, in the second year, it receives three. During the 2021-22 fiscal year, the College received five state payments, resulting in an increase in state community college support. In addition, overall state support awarded to the 17 Oregon community colleges by the 2021 legislature increased from $641M to $701M, resulting in an increase of approximately $624k to the College for the 2021-22 fiscal year.

As valued by PERS and an independent actuary, the College’s share of the system-wide PERS unfunded liability decreased, going from $12.7 million at June 30, 2021, to $5.5 million at June 30, 2022. The reporting requirements of GASB 68, *Accounting and Financial Reporting for Pensions,* continue to impact the financial statements in non-current liabilities, deferred outflows and inflows of resources, pension expense, and unrestricted fund balance. Additional information regarding pension reporting is located in Note 7, Pension Plans.

While smaller dollar amounts are involved, reporting requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* also continue to impact the financial statements for Other Postemployment Benefits (OPEB). Note 8 in the Notes to the Basic Financial Statements contains additional information regarding OPEB.

Total reimbursable and non-reimbursable FTE enrollment for 2021-22 was 1,710 which was an increase of 5.6% from the enrollment of 1620 in 2020-21. The increase in enrollment, combined with a $3 per credit increase in tuition resulted in a net increase in tuition and fees revenues of $75k. This increase seems low given the large increase in total FTE's. However, much of the increase was in dual credit courses which were nearly non-existent in the prior year and began to come back in 2021-22. These courses create very little tuition and revenue income but do create more reimbursable FTE for the college, which results in more state support funds in future years.

Grants and contract revenue decreased by approximately $2.8 million or 27.7%. The Department of Correction funds received from the State decreased and the Federal CAMP grant was not renewed for the 2021-22 fiscal year. In addition, the final federal and state funding for the construction and remodel of the CTE center was received in 2020-21 so none was received in 2021-22.

Analysis of the Statement of Net Position

The *Statement of Net Position* includes all assets, deferred outflows, liabilities, and deferred inflows of the College using the accrual basis of accounting, which is similar to the accounting presentation used by most nonprofit entities including private colleges and universities. Net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources, and it is one measure of the College's financial condition.

	2022	2021	$ Change	% Change
Assets				
Current assets	$ 14,552,667	$ 8,662,147	$ 5,890,520	68.0%
Capital assets, net	19,938,235	20,249,734	(311,499)	-1.5%
OPEB Asset	241,481	134,398	107,083	79.7%
Right of use assets	1,023,224	1,193,761	(170,537)	-14.3%
Total assets	35,755,607	30,240,040	5,515,567	18.2%
Deferred outflows of resources	2,741,880	4,076,242	(1,334,362)	-32.7%
Liabilities				
Current liabilities	4,261,173	3,258,681	1,002,492	30.8%
Noncurrent liabilities	17,591,802	26,043,624	(8,451,822)	-32.5%
Total liabilities	21,852,975	29,302,305	(7,449,330)	-25.4%
Deferred inflows of resources	7,984,696	2,443,363	5,541,333	226.8%
Net Position				
Net investment in capital assets	15,118,706	14,994,430	124,276	0.8%
Restricted – OPEB asset	241,481	134,398	107,083	79.7%
Unrestricted	(6,700,371)	(12,558,214)	5,857,843	-46.6%
Total net position	$ 8,659,816	$ 2,570,614	$ 6,089,202	237%

Analysis of the Statement of Net Position (continued)

Assets

Total assets for the College at the end of the fiscal year were approximately $36 million. Current assets were $14.6 million which is sufficient to cover current liabilities of $4.3 million. The College's total assets increased by approximately $5.5 million mainly due to the increase in cash in the Local Government Investment Pool (LGIP) which is a result of the buildup of carryover funds and reserve funds for use in future years to sustain the current service levels of the college.

Current assets are comprised of restricted and unrestricted cash and cash equivalents of $11.8 million, accounts receivable, net of allowances for uncollectable amounts of $2.4 million, prepaid assets of $50k, and inventory in the bookstore of $254k. The College's receivables consist of property taxes, student accounts, grants and special projects, as well as various operating receivables.

Capital assets totaling $37.2 million and associated accumulated depreciation totaling $17.3 million present a net capital asset value of $19.9 million. This is a decrease of $311k from 2020-21 mainly as a result of current year depreciation expense exceeding current year fixed asset additions. This was the first full year of depreciation of the new addition/remodel of the CTE center. Additional information regarding capital assets can be found in Note 3. Also included in noncurrent assets is $241k representing the College's proportionate share of the system-wide OPEB Asset for Retiree Health Insurance Account (RHIA). This asset increased by $107k from the prior fiscal year and is calculated as a result of GASB 75 as discussed in Note 8. The right of use asset relating to the lease of the Caldwell Center was added to the 2021 year and then reduced by amortization of $171k as a result of the implementation of GASB 87 during the 2021-22 fiscal year. Please see Note 1 for additional information regarding GASB 87 and lease accounting.

Deferred Outflows of Resources

The 2021-22 deferred outflows of resources ($2.7 million) decreased by $1.3 million due to changes of assumptions and differences between expected and actual results of pension (PERS) reporting required by GASB 68 as discussed in Note 7 and of other post-employment benefit (OPEB) reporting required by GASB 75 as discussed in Note 8.

Liabilities

Liabilities are classified as current and noncurrent. Current liabilities are mainly comprised of accounts payable, accrued payroll liabilities, unearned revenue, and the current portion of long-term debt. The current liabilities increased by $1.0 million which is almost entirely due to an increase in unearned revenue. Unearned revenue includes the percentage of institutional COVID-19 Federal stimulus funds that cannot be recognized until the same percentage of student COVID-19 funds are disbursed to students. Also included in unearned revenue is the aviation flight lab fees that have been charged to students but the actual hours of flight time have not yet been flown. Once the flight labs are completed, those fees will be moved from unearned revenue on the statement of net position to revenue from aviation fees on the statement of revenues, expenses, and changes in net position.

Analysis of the Statement of Net Position (continued)

Noncurrent liabilities are comprised of PERS bonds payable, the College's portion of the Pension Liabilities, the College's OPEB (Other Post-Employment Benefits) liability, and notes payable. The $8.5 million decrease in noncurrent liabilities is due to a combination of the manner in which PERS and OPEB liabilities are required to be reported under GASB 68 and GASB 75, and by regularly scheduled principal payments made on all outstanding debt. See Note 6 for additional information regarding long-term debt.

Deferred Inflows of Resources

The deferred inflows of resources totaled $8.0 million, reflecting a $5.5 million increase as a result the changes in proportion and differences in college contributions to the pension (PERS) plan and the other post-employment benefit (OPEB) plans which are entirely from the pension and OPEB reporting required by GASB 68 as discussed in Note 7 and GASB 75 as discussed in Note 8.

Net Position

Total net position is composed of three components including net investment in capital assets, restricted, and unrestricted. Because of the requirements of GASB 68 and GASB 75, net position continues to fluctuate materially from year to year depending upon the PERS system-wide investment returns and changes in the balances of related assets, deferred outflows, liabilities, and deferred inflows as a result of actuarially determined values. The net effect of these changes, the increase in state support payments resulting from receiving five payments rather than three, and the Federal COVID-19 stimulus payments, account for the net increase resulting in a positive total net position of approximately $8.7 million as of June 30, 2022. For the current year, there was an increase in net position of approximately $6.1 million.

Analysis of the Statement of Revenues, Expenses, and Changes in Net Position

The *Statement of Revenues, Expenses, and Changes in Net Position* presents the College's revenues earned and expenses incurred during the year which are reported as either operating or non-operating. The accrual basis of accounting was used, meaning that revenues and expenses are recorded as soon as the underlying event occurs, regardless of the timing as to when the cash is actually received. Because of this, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. Depreciation and amortization expense represent the utilization of capital assets and other long-term assets and is arrived at by amortizing the cost of the capital asset over the expected useful life.

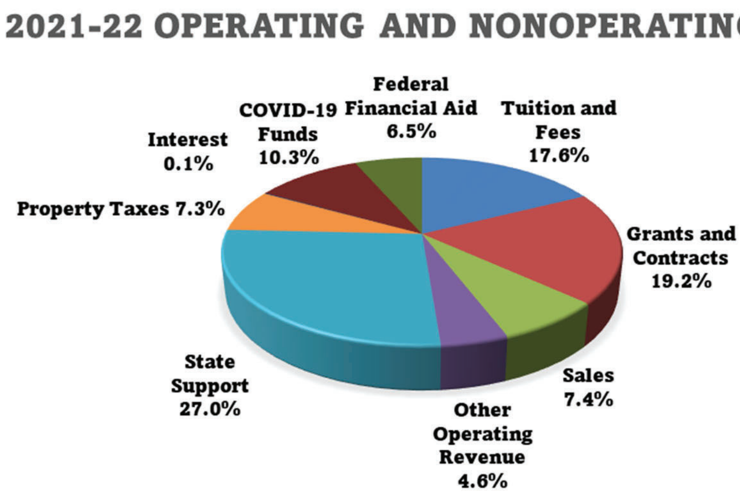
Under generally accepted accounting principles (GAAP), many revenues such as state appropriations and local property taxes are required to be presented as non-operating revenue. Federal COVID-19 stimulus funding is also required to be reported as non-operating revenue. This causes the operating revenue (loss) to show a significant loss, even though the College's total net position increased by $6.1 million.

Analysis of the Statement of Revenues, Expenses, and Changes in Net Position (continued)

	2022	2021	$ Change	% Change
Operating revenues				
Tuition and fees	$ 6,747,314	$ 6,672,008	$ 75,306	1.1%
Grants and contracts	7,398,457	10,233,398	(2,834,941)	-27.7%
Sales of goods and services	2,849,526	2,888,318	(38,792)	-1.3%
Other operating revenues	1,771,989	2,097,913	(325,924)	-15.5%
Total operating revenues	18,767,286	21,891,637	(3,124,351)	-14.3%
Non operating revenues				
State community college support	10,411,610	5,864,340	4,547,270	78%
Property taxes	2,824,965	2,720,236	104,729	4%
Investment income	52,246	36,061	16,185	45%
Federal COVID-19 funds	3,966,267	3,406,537	559,730	16%
Federal financial aid	2,514,228	2,760,624	(246,396)	-9%
Total non-operating revenues	19,769,316	14,787,798	4,981,518	33.7%
Total revenues	38,536,602	36,679,435	1,857,167	5.1%
Operating expenses				
Educational and general	11,126,896	12,550,303	(1,423,407)	-11.3%
Other support services	8,021,900	8,092,645	(70,745)	-0.9%
Scholarships and grants	8,764,189	7,902,219	861,970	10.9%
Auxiliary enterprises	2,033,417	2,234,584	(201,167)	-9.0%
Depreciation	1,287,452	1,127,018	160,434	14.2%
Total operating expense	31,233,854	31,906,769	(672,915)	-2.1%
Non operating expenses				
Loss on disposal of assets	13,409	62,247	(48,838)	-78.5%
Interest expense	1,200,137	1,164,250	35,887	3%
Total expenses	32,447,400	33,133,266	(685,866)	-2.1%
Change in net position	$ 6,089,202	$ 3,546,169	$ 2,543,033	-72%

Revenue

Operating revenues for the fiscal year decreased by $3.1 million over the prior year. Tuition and fee income increased 1.1%, state and federal grants and contracts including aid received for students decreased 27.7%, auxiliary enterprise operational revenues decreased 1.3%, and other operating revenues including indirect costs received from federal and state grants decreased 15.5%. The main reason for the large decrease in state and federal grants and contracts can be attributed to the decrease in Department of Correction funds received from the State and the Federal CAMP grant not being renewed for the 2021-22 fiscal year. In addition, the final federal and state funding for the construction and remodel of the CTE center was received in 2020-21 so none was received in 2021-22. The decrease in other operating revenues is a result of local funds received in the prior year for equipment and furnishing in the CTE center. The percentages of total revenues by category are shown below.

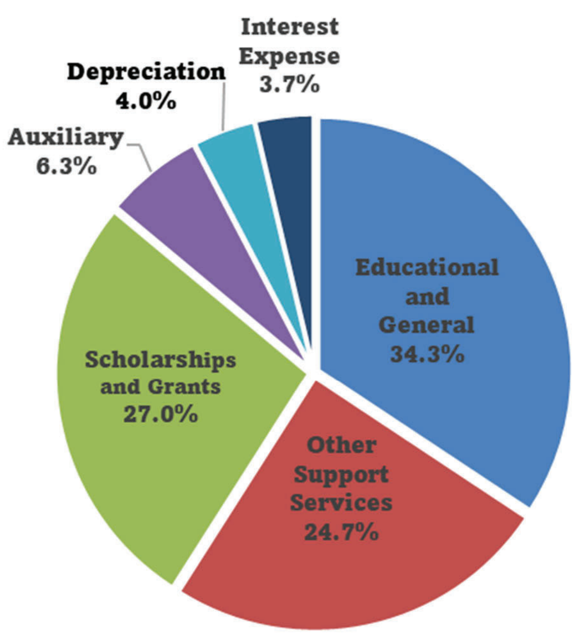


As previously stated under Financial Highlights, the State requires the College to report five CCSF support payments in the first year of a biennium and three payments in the second year. This, in conjunction with an increase in overall state support funding, resulted in a $4.5 million increase in state community college support payments in 2021-22. There was an increase of $560k in Federal COVID-19 funds from the prior year. Federal financial aid decreased $246k as a result of changes in types of enrolled students and fewer students receiving federal awards and student loans during the pandemic. As a result, total current year non-operating revenues increased approximately $5.0 million over the prior year.

Expenses

Total operating expenses for the College were $31.2 million for the 2021-22 fiscal year, a decrease of $673k from the prior year. Expenditures decreased for most categories except scholarships and grants and depreciation. Scholarships and grants increased by $862k primarily due to increases in COVID-19 Federal stimulus funds being disbursed to students. Depreciation expense increased by $160k mainly as a result of the new CTE center being depreciated for the entire year rather than a partial year in 2020-21 when it was originally completed and placed on the depreciation schedule. The other operating expense category decreases of 11.3% for educational and general, 0.9% for other support services, and 9% for auxiliary enterprises all resulted from decreased expenses such as travel which was nearly non-existent because of the pandemic with the exception of some athletic travel. Also contributing to lower operating expenses was the decreased retirement expenses across all departments as a result of accounting for pensions and other post-employment benefit plans under GASB Statements 68 and 75 as required by Generally Accepted Accounting Principles (GAAP). The percentages of expenses by category are shown in the table below.

2021-22 OPERATING AND NONOPERATING EXPENSES



Capital Assets

During the 2021-22 fiscal year, the College's net capital assets decreased by $312k due to capital asset additions of $801k, offset by deletions of $53k and $1.1 million of depreciation expense. See Note 3, Changes in Capital Assets, for additional information. Additionally, the college had a right to use asset related to the lease of the Caldwell Center as required under GASB 87 in the amount of $1.0 million.

Long-Term Obligations

As of June 30, 2022, the College's total outstanding debt was $11.8 million. Of this amount, $3.9 million is Housing Bonds and $6.0 million is Limited Tax Pension Obligation Bonds; which are backed by the full faith and credit of the College. In addition, the College had a note payable to the Bank of Eastern Oregon with an outstanding balance of $.9 million and a lease liability in the amount of $1.0 million.

State statutes limit the amount of general obligation debt the College may issue to 1.5% of Real Market Value of properties within the College's district. Based upon this, the College's legal debt limit is $48.9 million. See page 74 for additional information regarding general obligation legal debt capacity. Currently, none of the College's debt qualifies as general obligation debt.

Economic Factors and Next Year's Budget

The 2021-22 fiscal year was another interesting year with uncertainties surrounding COVID-19 and other economic events continuing to require the administration, faculty, and staff to be diligent with regard to the handling of many aspects of the operations of the College. Enrollment increased slightly from the prior year and we anticipate that we will be in a good position for state funding in 2022-23 based on our reimbursable FTE numbers in relation to the other 16 Oregon community colleges. While enrollment numbers appear to have begun to level out somewhat, they still remain below pre-COVID levels. TVCC continued to maintain face-to-face instruction for the entire year and also offered many classes via zoom and other modality options that have become preferred by many students following the pandemic. TVCC continues to provide a positive educational experience for students with the resources available. Like all community colleges across the state and across the nation, the College is concentrating on increasing enrollment and we continue to look for new and innovative ways to serve students, increase enrollment, and maintain the educational quality for which Treasure Valley Community College is known.

The College's board of directors adopted the budget for the 2022-23 fiscal year on June 21, 2022. The adopted budget was prepared keeping COVID-19 and other current economic conditions in mind. For 2022-23, the adopted General Fund budget totaled $19.62 million, representing an increase of 3.34% from the 2021-22 budget. The 2022-23 budget includes a 3% increase in property taxes, with a 1.5% decrease in enrollment due to the uncertainty of the pandemic's continued effects on enrollment. The College's board voted to increase tuition by $3 per credit over the 2021-22 budget to partially offset the decrease in tuition and fees related to decreased enrollment. The beginning fund balance for 2022-23 was budgeted at $2.45 million based on the assumption that the ending fund balance would be higher because of the one-time Federal stimulus funding that could be carried over. The budget was developed based on State funding for Oregon's community colleges remaining intact for the last year of the 2021-23 biennium with a slight increase of 1.5% to account for the funding formula based on the College's reimbursable FTE in relation to the other 16 Oregon community colleges. While it appears that the financial position of the College going into 2022-23 is more favorable than it has been for many years, it must be kept in mind that this strength is largely a result of the availability of one-time Federal stimulus money which cannot be used to sustain the College ongoing. The 2022-23 budget was developed with the goal of stretching the carryover of one-time funds out to sustain the college over the next three to four years. It is anticipated that, by that time, new programs and the new allied health professions center will be in place which will increase enrollment into future years to help regain tuition levels to pre-COVID numbers and higher. Increased enrollment is the key to the College's sustainability in the future. Administration continues to monitor the income sources as well as spending and will adjust the operating budget as needed during the coming months in order to finish the year with an acceptable carryover balance.

The College is in the midst of a major gifts fundraising campaign to raise funds necessary to begin construction on a new Nursing and Allied Health Professions Center on campus. State of Oregon capital construction matching funds in the amount $4.95 million have already been authorized to go towards the $11 million goal. It is anticipated that a significant portion of the remaining funds as well as funds to equip the building for the nursing and allied health programs can be obtained through the major gifts fundraising campaign as well as from grants and corporate donations. The anticipation for this building is extremely exciting and will provide a much-needed boost to the College's current nursing, medical assistant, nursing assistant, and emergency medical technician programs as well as additional opportunities for training students in skills necessary to become prospective employees in the healthcare industry.

Requests for Information

This financial report is designed to provide a general overview of Treasure Valley Community College's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Business Office
Treasure Valley Community College
650 College Blvd. Ontario, OR 97914

Treasure Valley Community College
Statement of Net Position
June 30, 2022

	Primary Government TVCC College	Component Unit TVCC Foundation
ASSETS		
Current assets		
Cash and cash equivalents	$ 11,844,786	$ 1,100,182
Restricted cash	4,652	-
Investments	-	9,237,063
Accounts receivable, net	2,398,956	-
Prepaid and other assets	50,185	-
Inventory	254,088	-
Total current assets	14,552,667	10,337,245
Noncurrent assets		
Capital assets – non-depreciable	389,758	-
Capital assets – depreciable, net	19,548,477	-
Net OPEB asset – RHIA	241,481	-
Right of use asset, net	1,023,224	-
Total noncurrent assets	21,202,940	-
Total assets	35,755,607	10,337,245
Deferred outflows of resources		
Deferred charge on refunding	134,418	-
Deferred outflows – RHIA OPEB	11,388	-
Deferred outflows – RHIPA OPEB	63,808	-
Deferred outflows on pension	2,532,266	-
Total deferred outflows of resources	2,741,880	-
LIABILITIES		
Current liabilities		
Accounts payable	450,965	7,726
Payroll liabilities	843,031	-
Compensated absences	111,654	-
Unearned revenue	1,964,058	-
Current portion of capital debt	605,642	-
Current portion of PERS bond payable	285,823	-
Total current liabilities	$ 4,261,173	$ 7,726

 See accompanying notes.

	Primary Government TVCC College	Component Unit TVCC Foundation
Noncurrent liabilities		
PERS bond payable	$ 5,690,000	$ -
Net pension liability	5,489,078	-
Pre-SLGRP PERS transition liability	611,844	-
Total OPEB liability – RHIPA	544,625	-
Notes payable	5,256,255	-
Total noncurrent liabilities	17,591,802	-
Total liabilities	21,852,975	7,726
Deferred inflows of resources		
Deferred inflows – RHIA OPEB	73,047	-
Deferred inflows – RHIPA OPEB	216,021	-
Deferred inflows pension amount	7,695,628	-
Total deferred inflows of resources	7,984,696	-
Net position		
Net investment in capital assets	15,118,706	-
Restricted – expendable		
Donor-imposed restriction	-	9,128,815
Net OPEB asset – RHIA	241,481	-
Unrestricted	(6,700,371)	1,200,704
Total net position	$ 8,659,816	$ 10,329,519

Treasure Valley Community College
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2022

	Primary Government TVCC College	Component Unit TVCC Foundation
Operating revenues		
Student tuition and fees	$ 6,747,314	$ -
Federal sources	4,037,489	-
State sources	3,360,968	-
	14,145,771	-
Auxiliary enterprises		
Bookstore	561,695	-
Food services	531,712	-
Housing	604,458	-
Printing	223,960	-
Transportation	174,786	-
Caldwell Center	752,915	
Contributions and special events proceeds	-	3,599,420
Other operating revenues	1,771,989	-
Total operating revenue	18,767,286	3,599,420
Operating expenses		
Educational and general	11,126,896	-
Other support services		
Student activities	2,424,838	-
College support	3,949,018	517,655
Plant operations	1,648,044	-
Scholarships and grants	8,764,189	325,389
Auxiliary enterprises		
Bookstore	558,410	-
Food services	409,794	-
Housing	187,566	-
Printing	112,512	-
Transportation	75,180	-
Caldwell Center	689,955	-
Fundraising expenses	-	127,060
Management and general expense	-	124,281
Depreciation and Amortization	1,287,452	-
Total operating expenses	31,233,854	1,094,385
Operating revenue (loss)	$ (12,466,568)	$ 2,505,035

 See accompanying notes.

	Primary Government TVCC College	Component Unit TVCC Foundation
Nonoperating revenues (expenses)		
Property taxes	$ 2,824,965	$ -
State FTE reimbursement	10,411,610	-
Federal financial aid	2,514,228	-
Federal COVID-19 funds	3,966,267	-
Investment income	52,246	(1,502,404)
Loss on disposal of assets	(13,409)	-
Interest expense	(1,200,137)	-
Net nonoperating revenues	18,555,770	(1,502,404)
Change in net position	6,089,202	1,002,631
Net position, beginning of year	2,570,614	9,326,888
Net Position, end of year	$ 8,659,816	$ 10,329,519

Treasure Valley Community College
Statement of Cash Flows
Year Ended June 30, 2022

	Primary Government TVCC College
Operating activities	
Tuition and fees, net	$ 9,548,461
Federal grants and contracts	4,037,489
State and local government grants and contracts	3,360,968
Payments to suppliers for goods and services	(8,862,558)
Payments to employees	(13,273,964)
Payments for student financial aid and other scholarships	(8,764,189)
Other cash receipts	3,693,814
Net cash used for operating activities	(10,259,979)
Noncapital financing activities	
Cash received from property taxes	2,824,965
State full time equivalent reimbursement	10,411,610
Federal COVID-19 funds received	3,966,267
Federal financial aid received	2,514,228
Net cash from noncapital financing activities	19,717,070
Capital related financing activities	
Purchases of capital assets	(721,418)
Principal paid on long-term debt	(873,775)
Interest paid on long-term debt	(1,200,137)
Net cash used for capital related financing activities	(2,795,330)
Investing activities	
Interest on investments	52,246
Net cash from investing activities	52,246
NET CHANGE IN CASH, RESTRICTED CASH, AND CASH EQUIVALENTS	6,714,007
CASH, RESTRICTED CASH, AND CASH EQUIVALENTS, beginning of year	5,135,431
CASH, RESTRICTED CASH, AND CASH EQUIVALENTS, end of year	$ 11,849,438

See accompanying notes.

	Primary Government TVCC College
Reconciliation of cash, restricted cash, and cash equivalents to the statement of net position	
Cash and cash equivalents	$ 11,844,786
Restricted cash	4,652
Cash, restricted cash, and cash equivalents at end of year	$ 11,849,438
Reconciliation of operating loss to net cash used for operating activities	
Operating loss	$ (12,466,568)
Adjustments to reconcile operating revenues net of operating expenses to net cash used for operating activities	
Depreciation and amortization	1,287,452
GASB 68 – actuarial pension expense	(810,907)
GASB 75 – RHIA OPEB revenue	(37,237)
GASB 75 – RHIPA OPEB expense	37,981
Changes in assets and liabilities	
Accounts receivable	814,878
Prepaid assets	(2,200)
Accounts payable	(175,935)
Unearned revenue	1,058,568
Inventory	10,809
Accrued payroll and payroll costs	5,024
Compensated absences	18,156
Net cash used for operating activities	$ (10,259,979)

As of June 30, 2022, the College had $79,107 of capital assets in accounts payable.

Note 1 – Summary of Significant Accounting Policies

Treasure Valley Community College (the College) is a public two-year educational institution. The College is a municipal corporation governed under the laws prescribed by the state of Oregon, charged with educating students. A seven-member Board of Directors is locally elected and is authorized to establish policies governing the operations of the College. The College qualifies as a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. Treasure Valley Community College maintains a main campus in Ontario, Oregon, and outreach sites in Burns, Oregon, Caldwell, Idaho, Snake River Correctional Institute, and Warner Creek Correctional Facility.

Reporting entity – In accordance with the Governmental Accounting Standards Board (GASB), the College has included all funds, organizations, agencies, boards, commissions, and authorities. The College has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the College are such that exclusion would cause the College's financial statements to be misleading or incomplete.

As defined by GASB, the College includes one component unit in its financial statements: Treasure Valley Community College Foundation (hereinafter referred to as the Foundation). The Foundation is a nonprofit, nongovernmental organization, whose purpose is to provide support for scholarships and programs for the College. The Foundation's financial statements are prepared in accordance with the Financial Accounting Standards Board (FASB); however, their financial statements have been reclassified to match that of the College. Copies of the Foundation's audited financial statements may be obtained from the Foundation Treasurer at 650 College Blvd, Ontario, Oregon, 97914.

Newly Implemented Accounting Standards – In June 2017, GASB issued Statement No. 87, Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The Statement is effective for the fiscal year ending June 30, 2022. The implementation of this statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This change establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-of-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

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, or lease of those assets.

Note 1 – Summary of Significant Accounting Policies (continued)

Restricted expendable net position – Consists of external constraints placed on asset use by laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – Net position that is not subject to externally imposed stipulations. Resources may be designated for specific purposes by action of management or by the board of education or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for academic and general programs of the College.

The basic financial statements report information on all activities of the College. The effect of interfund activity has been removed from these statements. The College follows the “business- type activities” reporting requirements of GASB that provide a comprehensive one-column look at the College’s financial activities.

Measurement focus and basis of accounting – For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities as defined by GASB. Accordingly, the basic financial statements of the College have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with GAAP. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred.

Non-exchange transactions are those in which the College receives value without directly giving equal value in return. These 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. Revenues from grants, state appropriations, and other contributions are recognized in the year in which all eligibility, matching, and expenditure 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 apply to grants and contracts in which the College must provide local resources to be used for a specified purpose; and expenditure requirements are those for which the resources are provided to the College on a reimbursement basis.

Use of estimates – The preparation of basic financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents – Cash and cash equivalents are considered to be cash on hand, demand deposits, funds invested with the Oregon State Treasurer’s Local Government Investment Pool (LGIP), and short-term investments with original maturities of three months or less from the date of acquisition. The LGIP is stated at amortized cost, which approximates fair value. All other cash and cash equivalents are carried at cost.

Note 1 – Summary of Significant Accounting Policies (continued)

Restricted cash and cash equivalents – Restricted cash consists of funds available for payment of outstanding debt which is restricted by outside sources.

Investments – Oregon Revised Statutes authorize investment in general obligations of the U.S. government and its agencies, certain bonded obligations of Oregon municipalities, repurchase agreements, and bankers' acceptances. As of June 30, 2022, the College was in compliance with the aforementioned State of Oregon Statutes. As of June 30, 2022, the College does not have any funds in investment accounts.

Receivables – Property taxes are levied and become a lien on all taxable property as of July 1. Taxes are payable on November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Malheur and Baker Counties collect and allocate property taxes to the College. Property tax revenues are recognized when they become available. Available means when due, or past due and receivable within the current period. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, typically, no allowance for uncollectible taxes is deemed necessary.

Allowable unreimbursed expenses from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenses are incurred. Grant funds received prior to the occurrence of qualifying expenses are recorded as unearned revenue.

Student revenues are from tuition, fees, housing, and food services and are included in receivables and revenues for the year ended June 30, 2022.

Inventory – The value of the College's inventory is carried at the lower of first-in, first-out (FIFO) cost or market, and are charged to cost of sales as used.

Capital assets – Capital assets include land and land improvements, buildings and building improvements, equipment and machinery, leasehold improvements, and construction in progress. The College's capitalization threshold is $5,000 for equipment. Donated capital assets are recorded at the acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value or functionality of the assets' lives are not capitalized and are expensed as incurred. Buildings, equipment and machinery, infrastructure, library collections, leasehold improvements, and land improvements of the College are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	24–40 years
Land improvements	10–20 years
Machinery and equipment	5–10 years
Vehicles	5–10 years

Note 1 – Summary of Significant Accounting Policies (continued)

Leases – The College determines if an arrangement is or contains a lease at inception. The College has both leases under which it is obligated as a lessee and leases for which it is a lessor. Leases in which the College is a lessee are include in the right of use asset and liabilities on the statement of net position. These assets and liabilities are initially recognized based on the present value of the future minimum lease payments over the lease term at commencement date discounted using an appropriate incremental borrowing rate. Options to extend or terminate a lease are included in the amount recognized to the extent that the College is reasonably certain to exercise those options. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Variable lease payments based on an index or rate, such as the consumer price index, are initially measured using the index or rate in effect at lease commencement. At July 1, 2021 the balance of the right of use asset was $1,193,761. Current year amortization on the right of use asset was $170,537, resulting in a balance of $1,023,224 at June 30, 2022.

Short-term leases with an initial term of 12 months or less are not included on the statement of net position. The College recognizes lessee and lessor short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract. Rental revenue arising from leases in which the College is a lessor is included in auxiliary revenues in the statement of revenues, expenses and changes in net position.

Tuition and fees and unbilled revenue – Tuition and fees include all assessments to students for educational purposes. The College's fiscal year begins with summer term and ends with spring term. Tuition and fees payments received prior to July 1, 2022, for the College's 2022-2023 summer and fall terms are recorded as unearned revenue.

Compensated absences – It is the College's policy to permit employees to accumulate earned but unused vacation and sick pay. There is no liability for unpaid accumulated sick leave since the College does not have a policy to pay any amounts when employees separate from service. Unused vacation pay is recognized as an expense and accrued when earned. As of June 30, 2022, the accrued compensated absences amounted to $111,654.

Long-term debt – Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method.

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

Other post-employment benefits (OPEB) – State of Oregon Retiree Health Insurance Account (RHIA): For purposes of measuring the net OPEB asset - RHIA, deferred outflows of resources and deferred inflows of resources related to the RHIA and plan revenue, information about the fiduciary net position of the plan, and additions to/deductions from the plan's fiduciary net position have been determined based on the same basis as they are reported by PERS. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms.

Note 1 – Summary of Significant Accounting Policies (continued)

Single Employer Retiree Health Insurance Premium Account (RHIPA): This OPEB plan utilizes employee census data and benefits provided by the College for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense. Benefit payments (including refunds of employee contributions) are financed on a pay-as-you-go basis.

Pre-SLGRP Pooled Liability – The Pre-SLGRP Pooled Liability was an actuarially determined liability recorded in the statement of net position based on the College's entry into the PERS State and Local Government Rate Pool. The transition liability is reduced each year by contributions to PERS and increased for interest charged by PERS.

Deferred outflows/inflows of resources – In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. The College has three items that qualify for reporting in this category: the net pension liability, the RHIA and RHIPA OPEB asset/liability, and deferred charge on refunding, which are reported on the Statement of Net Position. The net pension liability results from differences between expected and actual experience, changes in assumptions, differences between projected and actual earnings on investments, changes in proportion share, and contributions made subsequent to the measurement date of the net pension liability. The RHIA and RHIPA OPEB amounts result from contributions subsequent to the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The College has two items that qualify for reporting in this category: the employer net pension liability and the RHIA and RHIPA OPEB asset/liability. The employer net pension liability results from the differences between employer's contributions and employer's proportionate share of system contributions derived from the actuarial calculation of the College's net pension liability. The RHIA and RHIPA OPEB amounts result from the differences between the projected and actual earnings on investments, changes in proportionate share, and changes in assumptions.

Operating and nonoperating revenues and expenses – Operating revenues and expenses generally result from providing services to students. Principal operating revenues include tuition and fees, federal and state grants, charges for services, and sale of educational materials. Operating expenses include the cost of faculty, administration, sales and services for food services, printing, housing, bookstore, transportation, and the Caldwell Center operations, and depreciation. All other revenues and expenses, including property taxes, state educational support, investment income, and interest expense not meeting this definition are reported as non-operating revenues and expenses.

Note 1 – Summary of Significant Accounting Policies (continued)

Federal financial assistance programs – The College participates in federally funded Pell Grants, Supplemental Educational Opportunity Grants, Federal Work-Study, and Federal Direct Lending programs. Federal programs are audited in accordance with the Single Audit Act, the U.S. Office of Management and Budget Uniform Guidance, Cost Principles, Audit, and Administrative Requirements for Federal Awards, and the Compliance Supplement.

Net position – Net position is classified according to external donor restrictions or availability of assets for satisfaction of College obligations. Expendable restricted net position represents funds restricted for specific purposes. When both restricted and unrestricted resources are available for use, it is the college’s practice to use restricted resources first, then unrestricted resources as they are needed.

Restatement of prior periods – The implementation of GASB 87 required the restatement of prior periods presented in the financial statements for leasing activity of the university. Previously, the College had operating lease revenues and expenses. As a result of the implementation, the College recorded and additional $1,193,761 of noncurrent assets, $1,042,368 of noncurrent liabilities, and $151,393 of current liabilities on the statement of net position, with no change to total net position as of June 30, 2021.

Statement of Net Position

	June 30, 2021 (As Previously Reported)	Cumulative Effect of GASB 87 Implementation	June 30, 2021 (As Restated)
Assets			
Current assets	$ 8,662,147	$ -	$ 8,662,147
Noncurrent assets	20,384,132	1,193,761	21,577,893
Total assets	29,046,279	1,193,761	30,240,040
Deferred outflows of resources	4,076,242	-	4,076,242
Liabilities			
Current liabilities	3,107,288	151,393	3,258,681
Noncurrent liabilities	25,001,256	1,042,368	26,043,624
Total liabilities	28,108,544	1,193,761	29,302,305
Deferred inflows of resources	2,443,363	-	2,443,363
Net Position			
Net investment in capital assets	14,994,430	-	14,994,430
Restricted – OPEB asset	134,398	-	134,398
Unrestricted	(12,558,214)	-	(12,558,214)
Total net position	$ 2,570,614	$ -	$ 2,570,614

Note 2 – Stewardship, Compliance, and Accountability

A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by the Oregon Local Budget Law. The budgets for all budgeted funds are adopted on a basis consistent with generally accepted accounting principles, except depreciation on capital assets is not an expenditure of the funds, amortization of long-lived assets is not an expenditure of the funds, inventory is not capitalized in the funds, and principal on debt services is an expenditure of the funds.

The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in the spring. Public notices of the budget hearing are generally published in the spring with a public hearing being held approximately two weeks later. The Board of Education may amend the budget prior to adoption. However, budgeted expenditures for each fund may not be increased by more than ten percent without re-publication. The budget is then adopted, appropriations are made, and the tax levy declared to the county assessors no later than July 15th.

Expenditure budgets are appropriated at the following levels for each fund:

<u>LEVEL OF CONTROL</u>

Instruction	Instructional Support
Community Services	Student Services
College Support Services	Financial Aid
Other Uses – Debt Service and Interfund Transfers	Facilities Acquisition & Construction
Debt Service	Operating Contingency

Note 3 – Changes in Capital Assets

The following table presents the changes in various capital asset categories:

	Balance July 1, 2021	Additions	Retirements	Transfers	Balance June 30, 2022
Capital assets not being depreciated					
Land	$ 233,381	$ -	$ -	$ -	$ 233,381
Construction in progress	60,649	156,377	-	(60,649)	156,377
Total capital assets not being depreciated	294,030	156,377	-	(60,649)	389,758
Other capital assets					
Buildings	27,259,571	18,601	(52,721)	-	27,225,451
Improvements and software	4,122,156	188,684	-	-	4,310,840
Vehicles and equipment	4,835,448	436,863	-	60,649	5,332,960
Total other capital assets	36,217,175	644,148	(52,721)	60,649	36,869,251
Total capital assets	36,511,205	800,525	(52,721)	-	37,259,009
Less accumulated depreciation					
Buildings	9,657,449	695,985	(39,312)	-	10,314,122
Improvements and software	2,682,532	176,719	-	-	2,859,251
Vehicles and equipment	3,921,490	225,911	-	-	4,147,401
Total accumulated depreciation	16,261,471	1,098,615	(39,312)	-	17,320,774
Capital assets, net	$ 20,249,734	$ (298,090)	$ (13,409)	$ -	$ 19,938,235

Depreciation expense for the year ended June 30, 2022 was $1,098,615.

Note 4 – Cash and Investments

The College maintains a cash and investment pool that is available for use by all funds. This pool is displayed on the statement of net position as cash and cash equivalents.

Cash consisted of the following at June 30, 2022:

Cash and cash equivalents	
Petty cash	$ 2,750
Deposits with banks	2,207,808
State Treasurer's Local Government Investment Pool (LGIP)	9,634,228
Total cash and cash equivalents	11,844,786
Restricted cash and cash equivalents	
State Treasurer's Local Government Investment Pool (LGIP)	4,652
Total cash and cash equivalents	$ 11,849,438

Deposits – The Governmental Accounting Standards Board has adopted accounting principles generally accepted in the United States of America (GAAP) which include standards to categorize bank deposits to give an indication of the level of custodial risk assumed by the College at June 30, 2022. If bank deposits at year end are not entirely insured or collateralized with securities held by the College or by its agent in the College's name, the College must disclose the custodial credit risk (below) that exists. Deposits with financial institutions are comprised of bank demand deposits. For deposits in excess of federal depository insurance, Oregon Revised Statutes require depository institutions to be in compliance with ORS 295.

At June 30, 2022, the carrying amount of the College's deposits (cash and LGIP) was $11,849,438 and the bank balance was $11,704,988. The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. Federal depository insurance (FDIC) of $250,000 applies to deposits in each depository. When balances continually exceed $250,000, ORS 295.015 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories found on the Oregon State Treasurers website. Qualifying depository banks must pledge securities with a particular value based on the bank's level of capitalization. At June 30, 2022, and for the year then ended, the College's deposits were in compliance with ORS 295.015.

Custodial credit risk, deposits – This is the risk that in the event of a bank failure, the College's deposits may not be returned to it. The College does not have a policy for custodial credit risk of deposits. The balances in excess of the FDIC insurance are considered exposed to custodial credit risk. As of June 30, 2022, $250,000 of deposits were fully covered by federal depository insurance and the remainder of the balance was collateralized by the Oregon Public Funds Collateralization Program; thus no assets were exposed to custodial credit risk.

Note 4 – Cash and Investments (continued)

Cash equivalents – At June 30, 2022, the College held $9,638,880 in the Oregon Local Government Investment Pool, which is all classified as cash equivalents on the Statement of Net Position. The College has no policy for managing interest rate risk or credit risk.

Custodial credit risk, investments – This is the risk that, in the event of the failure of 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 College does not have a policy for custodial risk for investments. At June 30, 2022, none of the College's cash equivalents were exposed to custodial credit risk.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The College minimizes this risk by limiting investments to only those that provide FDIC insurance and certificate of collateralization from the Federal Home Loan Bank. This action limits the College's exposure to an individual security issue or backer, when possible. The Local Government Investment Pool is not currently rated.

The Oregon Local Government Investment Pool (LGIP) is an external investment pool as defined by GASB. The LGIP is part of the Oregon Short-Term Fund. Investment policies of this fund are governed by the Oregon Revised Statutes and the Oregon Investment Council. In accordance with Oregon Statutes, funds are invested as a prudent investor would do, exercising reasonable care, skill, and caution. LGIP was created to offer a short-term investment alternative to Oregon local governments. The Local Government Investment Pool holds certain derivatives to enhance return while managing the overall risk of the fund. These derivatives include asset-backed securities and floating rate notes of U.S. government securities. Securities held by the pool are not specifically identified to the district and are not categorized for risk purposes. Separate financial statements for the Oregon Short-Term Fund are available from the Oregon State Treasurer.

Note 5 – Accounts Receivable

Receivables as of June 30, 2022, were as follows:

Property tax	$ 108,461
Tuition and related fees	1,364,292
Due from other governmental units	1,209,667
Other	129,120
	2,811,540
Allowance for uncollectible tuition and fees	(412,584)
Total accounts receivable, net	$ 2,398,956

Note 6 – Long-Term Obligations

The following is a summary of long-term obligation transactions during the year:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Bank of Eastern Oregon	$ 1,090,304	$ -	$ (155,775)	$ 934,529	$ 161,835
PERS UAL bond	6,262,430	-	(286,607)	5,975,823	285,823
Series 2012 refinancing	4,165,000	-	(280,000)	3,885,000	290,000
Lease payable - right of use assets	1,193,761	-	(151,393)	1,042,368	153,807
Total debt	12,711,495	-	(873,775)	11,837,720	891,465
Pre-SLGRP PERS transition liability	774,109	-	(162,265)	611,844	-
Compensated absences	93,498	352,588	(334,432)	111,654	111,654
Total other	$ 867,607	$ 352,588	$ (496,697)	$ 723,498	$ 111,654

In April 2003, the College issued $10,701,480 in limited tax pension bonds to finance the unfunded net pension liability to the Oregon Public Employees Retirement System (PERS). These bonds have interest rates that range from 5.60 to 6.25 percent. Interest payments are made semiannually on June 30 and December 30. Principal payments are made on June 30 of each year. Debt service is financed by a self-imposed pension expense based on a percentage of payroll costs. The bond is collateralized as mandated by state statute, which collateralizes the bond with all General Fund revenue and assets of the College.

In December of 2012, the College refinanced three different debt issues. The amount refinanced was $5.89 million and the total debt issuance was $6.225 million. The debt refunded partially, or wholly, the 2000, 2005, and 2006 debt issues. The coupon rate on the debt is between 2 and 4% for the life of the obligation. The reacquisition price exceeded the net carrying amount of the old debt by $335,000; however, the refunding reduced the College's total debt service payments over the remaining life of the debt by $620,000. The financing is collateralized by the College General Fund.

In October 2017, the College entered into a loan agreement with Bank of Eastern Oregon in the amount of $1.616 million to refinance three of its smaller notes payable. The remaining funds were designated to purchase critical computer software and website development as well as various other projects as determined by the administration. The variable interest loan is being repaid in monthly installments of $16,176 over ten years. The interest rate is calculated at 0.5 percentage points below the prime rate as published by the Wall Street Journal. The initial rate on the note is 3.75% per annum and changes to this rate will not occur for at least five years from the date of the loan. The loan is collateralized by the security instrument as listed in the promissory note.

The College has acquired right-of-use assets under a lease agreement. The value of the College's leased assets totaled $1,042,368 and $1,193,761 for the fiscal years ended June 30, 2022 and 2021, respectively. The remaining lease term is 6 years. The lease is recorded at the present value of the minimum future lease payments at the inception date. The discount rate on lease is 4.75 percent.

Note 6 – Long-Term Obligations (continued)

Future payments for long-term debt at June 30, 2022, include:

	Principal	Interest	Total
2023	$ 891,465	$ 1,242,442	$ 2,133,907
2024	1,669,289	515,924	2,185,213
2025	1,818,529	433,554	2,252,083
2026	1,928,393	343,067	2,271,460
2027	2,098,910	245,208	2,344,118
2028–2032	2,411,011	425,405	2,836,416
2033–2037	1,020,123	82,400	1,102,523
	$ 11,837,720	$ 3,288,000	$ 15,125,720

Note 7 – Pension Plans

Plan description – The College contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the College's contribution for qualifying employees who were hired before August 29, 2003 and is a cost-sharing multiple-employer defined benefit pension plan. This fund consists of Tier One and Tier Two employees based on membership dates before or after January 1, 1996. The 2003 Legislature enacted HB 2021, codified as ORS 238A, which created the Oregon Public Service Retirement Plan (OPSRP). OPSRP consists of the Pension Program (defined benefit) and the Individual Account Program (IAP). The Pension Program is the defined benefit portion of the plan which applies to qualifying College employees hired after August 29, 2003. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. The IAP is the defined contribution portion of the plan. Beginning January 1, 2004, PERS active Tier One and Tier Two members became members of the IAP of OPSRP. PERS members retain their existing Plan accounts, but member contributions are now deposited into the member's IAP account, not into the member's Defined Benefit Plan account.

Both PERS plans provide retirement and disability benefits, postemployment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained at: https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf.

Note 7 – Pension Plans (continued)

Benefits Provided

Tier One/Tier Two Retirement Benefit - ORS Chapter 238

Pension benefits – The PERS retirement allowance is payable monthly for life. The allowance may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage, equal to 1.67 percent for general service employees, is multiplied by the number of years of service and the final average salary. Beginning in 2021, final average salary is limited to $197,730 to be indexed for inflation in later years. Benefits may also be calculated under a formula plus an annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death benefits – Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- The member was employed by an PERS employer at the time of death,
- The member died within 120 days after termination of PERS-covered employment,
- The member died as a result of injury sustained while employed in an PERS-covered job, or
- The member was on an official leave of absence from an PERS-covered job at the time of death.

Disability benefits – A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

Benefit changes after retirement – Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

Note 7 – Pension Plans (continued)

PERS Pension Program (OPSRP-DB) – ORS Chapter 238A

Pension benefits – This portion of the OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

- General service – 1.5 percent is multiplied by the number of years of service and the final average salary. Beginning in 2021, final average salary is limited to $197,730 to be indexed for inflation in later years. Normal retirement age for general service members is 65, or age 58 with 30 years of retirement credit.

A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

Death benefits – Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

Disability benefits – A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

OPSRP Individual Account Program (OPSRP IAP) – ORS Chapter 238A

Pension benefits – An IPA member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: The date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the OPSRP IAP is terminated, the date the active member becomes disabled, or the date the active member dies. The accounts fall under Internal Revenue Code Section 401(a).

Upon retirement, a member of the IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15- or 20-year period or an anticipated life span option. Each distribution option has a $200 minimum distribution limit.

Note 7 – Pension Plans (continued)

Death benefits – Upon the death of a non-retired member, the beneficiary receives, in a lump sum, the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping –PERS contracts with Voya Financial to maintain IAP participant records.

Contributions –PERS' funding policy provides for periodic member and employer contributions at rates established by the board. The rates established for member and employer contributions were approved based on the recommendations of the System's third-party actuary.

Starting July 1, 2020, Senate Bill 1049 required a portion of member contributions to their IAP accounts to be redirected to the Defined Benefit fund. If the member earns more than $2,500 per month (increased to $2,535 per month on January 1, 2021), 0.75 percent (if OPSRP member) or 2.5 percent (if Tier One/Tier Two member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Pension Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected.

Employer contribution rates during the period were based on the December 31, 2019, actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivisions have made supplemental unfunded actuarial liability payments, and their rates have been reduced.

Employer contributions for the year ended June 30, 2022 were $393,766, excluding amounts to fund employer specific liabilities. The rates, presented as a percentage of covered payroll, for the College in effect for the fiscal year ended June 30, 2022, were:

	Chapter 238 Tier One and Tier Two	Chapter 238A - OPERS Pension Program (OPSRP-DB)
General service	8.10%	4.41%

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions – At June 30, 2022, the College reported a liability of $5,489,078 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The College's proportion of the net pension liability was based on the College's projected long-term contribution effort as compared to the total projected long-term contribution effort of all employers.

Note 7 – Pension Plans (continued)

Rates of every employer have at least two major components:

- *Normal cost rate* – The economic value, stated as a percent of payroll, for the portion of each active member's total projected retirement benefit that is allocated to the upcoming year of service. The rate is in effect for as long as each member continues in PERS-covered employment. The current value of all projected future Normal Cost Rate contributions is the Present Value of Future Normal Costs (PVFNC). The PVFNC represents the portion of the projected long-term contribution effort related to future service.

- *UAL rate* – If system assets are less than the actuarial liability, an Unfunded Actuarial Liability (UAL) exists. UAL can arise in a biennium when an event such as experience differing from the assumptions used in the actuarial valuation occurs. An amortization schedule is established to eliminate the UAL that arises in a given biennium over a fixed period of time if future experience follows assumptions. The UAL Rate is the upcoming year's fixed component of the cumulative amortization schedules, stated as a percent of payroll.

The employer's PVFNC depends on both the normal cost rates charged on the employer's payrolls, and on the underlying demographics of the respective payrolls. For PERS funding, employers have up to three different payrolls, each with a different normal cost rate: (1) Tier 1/Tier 2 payroll, (2) OPSRP general service payroll, and (3) OPSRP police and fire payroll.

After the employer's projected long-term contribution effort is calculated, that amount is reduced by the value of the employer's supplemental lump-sum payments, known as side accounts, transition surpluses and pre-SLGRP (State and Local Government Rate Pool) surpluses as of the valuation date. Side accounts decrease the employer's projected long-term contribution effort because side accounts are effectively pre-paid contributions.

Looking at both rate components, the projected long-term contribution effort is the sum of the PVFNC and UAL. The PVFNC part of the contribution effort pays for the value of future service while the UAL part of the contribution effort pays for the value of past service not already funded by accumulated contributions and investment earnings. Each of the two contribution effort components are calculated at the employer-specific level. The sum of these components across all employers is the total projected long-term contribution effort.

At June 30, 2022, the College's proportion was 0.04587045 percent, and was 0.05838112 percent at the prior year date of June 30, 2021.

Note 7 – Pension Plans (continued)

For the year ended June 30, 2022, the College recognized a pension expense of $460,977. At June 30, 2022, the College reports deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 513,814	$ -
Changes of assumptions	1,374,083	14,446
Net difference between projected and actual earnings on investments	-	4,063,522
Changes in proportionate share	250,603	2,469,379
Differences between College contributions and the College's proportionate share of system contributions	-	1,148,281
	2,138,500	7,695,628
College contributions subsequent to the measurement date	393,766	-
	$ 2,532,266	$ 7,695,628
Net deferred outflow (inflow) of resources		$ (5,163,362)

The $393,766 reported as deferred outflows of resources related to pensions resulting from college contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/(asset) in the year ended June 30, 2023. Other amounts reported as deferred outflow of resource and deferred inflow of resource related to pensions will be recognized in pension expense in future years as follows:

		Deferred Outflow (Inflow) of Resources
Years Ending June 30,	2023	$ (1,463,868)
	2024	(1,347,129)
	2025	(1,201,323)
	2026	(1,479,493)
	2027	(65,315)
		$ (5,557,128)

Note 7 – Pension Plans (continued)

A summary of the economic assumptions used for the December 31, 2019, actuarial valuation is shown below:

Actuarial Methods and Assumptions	Valuation Date: December 31, 2019 Measurement Date: June 30, 2021
Experience Study	2018, published July 24, 2019
Actuarial Assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	**Healthy retirees and beneficiaries:** Pub-2010 Healthy retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and setbacks as described in the valuation. **Active members:** Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and setbacks as described in the valuation. **Disabled retirees:** Pub-2010 Disabled retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an on-going plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Experience studies are performed as of December 31st of even-numbered years. The methods and assumptions shown above are based on the 2018 experience study, which reviewed experience for the four-year period ended December 31, 2018.

Note 7 – Pension Plans (continued)

Long-term expected rate of return – To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Annual Arithmetic Return	20-Year Annualized Geometric Mean	Annual Standard Deviation
Global equity	30.62%	7.11%	5.85%	17.05%
Private equity	25.50%	11.35%	7.71%	30.00%
Core fixed income	23.75%	2.80%	2.73%	3.85%
Real estate	12.25%	6.29%	5.66%	12.00%
Master limited partnerships	0.75%	7.65%	5.71%	21.30%
Infrastructure	1.50%	7.24%	6.26%	15.00%
Commodities	0.63%	4.68%	3.10%	18.85%
Hedge fund of funds - multistrategy	1.25%	5.42%	5.11%	8.45%
Hedge fund equity - hedge	0.63%	5.85%	5.31%	11.05%
Hedge fund - macro	5.62%	5.33%	5.06%	7.90%
US cash	-2.50%	1.77%	1.76%	1.20%
Assumed inflation – mean			2.40%	1.65%

Discount rate – The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan, a reduction approved by the Board from 7.20 percent in the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Note 7 – Pension Plans (continued)

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the College's proportionate share of the net pension liability/(asset) calculated using the discount rate of 6.9 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.9 percent) or 1-percentage point higher (7.9 percent) than the current rate:

	1% Decrease (5.9%)	Discount Rate (6.9%)	1% Increase (7.9%)
Proportionate share of net pension liability	$ 10,779,236	$ 5,489,078	$ 1,063,136

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report that can be found at http://www.oregon.gov/pers.

Pre-SLGRP pooled liability – The College reports a separate liability to the plan with a balance of $611,844 at June 30, 2022. The liability represents the College's allocated share of the pre-SLGRP pooled liability. The College is being assessed an employer contribution rate of 1.52% of covered payroll for the payment of this transition liability.

Note 8 – Postemployment Healthcare Plans

State Retiree Health Insurance Account (RHIA) – Oregon Public Employees Retirement System (PERS or the System) administers the Retirement Health Insurance Account (RHIA) cost-sharing, multiple-employer defined benefit Other Postemployment Benefit (OPEB) plan (Plan) for units of state government, political subdivisions, community colleges, and school districts, containing multiple actuarial pools. Plan assets may be used to pay the benefits of the employees of any employer that provides OPEB through the Plan. Contributions are mandatory for each employer that is a member of PERS. As of June 30, 2021, there were 900 participating employers. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The reports and other related schedules including plan assumptions, methods and plan provisions may be found on the PERS website at https://www.oregon.gov/pers/EMP/Pages/GASB.aspx.

Plan Description (RHIA) – Oregon Revised Statute 238.420 established the Retirement Health Insurance Account (RHIA) and authorizes a payment of up to $60 from RHIA towards the monthly cost of health insurance for eligible PERS members. The Plan was closed to new entrants hired on or after August 29, 2003.

Note 8 – Postemployment Healthcare Plans (continued)

To be eligible to receive this monthly payment toward the premium cost, the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan.

Basis of Accounting (RHIA) – Contributions for employers are recognized on the accrual basis of accounting. Employer contributions to PERS are calculated based on creditable compensation for active members reported by employers. Employer contributions are accrued when due pursuant to legal requirements. These are amounts normally included in the employer statements cut off as of the fifth of the following month.

For the fiscal year ended June 30, 2021, state agencies contributed 0.06 and 0.12 percent of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA and RHIPA benefits, respectively. State agencies contributed 0.27 percent of all PERS-covered salaries to amortize the unfunded actuarial accrued liability of the RHIPA program over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years

Actuarial methods and assumptions related to RHIA – Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown below are based on the 2018 Experience Study, which reviewed experience for the four-year period ended on December 31, 2018.

Note 8 – Postemployment Healthcare Plans (continued)

Key actuarial methods and assumptions used to measure the total OPEB liability are illustrated in the table below:

Actuarial Methods and Assumptions	Valuation Date: December 31, 2019 Measurement Date: June 30, 2021
Experience Study	2018, published July 24, 2019
Actuarial Assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.40%
Long-term expected rate of return	6.90%
Discount rate	6.90%
Projected salary increases	3.40%
Retiree healthcare participation	Healthy retirees: 32%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
Mortality	**Healthy retirees and beneficiaries:** Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale with job category adjustments and set-backs as described in the valuation. **Active members:** Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale with job category adjustments and set-backs as described in the valuation. **Disabled retirees:** Pub-2010 Disabled retiree, sex-distinct, generational with Unisex, Social Security Data Scale with job category adjustments and set-backs as described in the valuation.

Discount rate – The discount rate used to measure the total OPEB liability at June 30, 2021, was 6.9 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate on return of OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Note 8 – Postemployment Healthcare Plans (continued)

Long-term expected rate of return – To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means; see PERS' audited financial statements at: https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf

Depletion rate projection – GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair value of investment assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 75 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 75 (paragraph 82) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for Oregon PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.

- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100 percent funded position by the end of the amortization period if future experience follows assumption.

- GASB 75 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is PERS' third-party actuary's opinion that the detailed depletion date projections outlined in GASB 75 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Note 8 – Postemployment Healthcare Plans (continued)

Proportionate share allocation methodology – The basis for the employer's proportion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers.

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

At June 30, 2022, the College reported an asset of $241,481 for its proportionate share of the net OPEB asset – RHIA. The net OPEB asset – RHIA was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB asset – RHIA was determined by an actuarial valuation as of December 31, 2019. The College's proportion of the net OPEB asset – RHIA was based on a projection of the College's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the College's proportion was 0.07032060%, which was an increase of 0.00436151% from the proportion measurement of 0.06595909% as of June 30, 2020.

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	$ -	$ 6,718
Changes of assumptions	4,750	3,592
Net difference between projected and actual earnings on investments	-	57,389
Changes in proportionate share	5,507	5,348
	10,257	73,047
College contributions subsequent to the measurement date	1,131	-
	$ 11,388	$ 73,047

Note 8 – Postemployment Healthcare Plans (continued)

The deferred outflows of resources related to OPEB resulting from the College's contributions subsequent to the measurement date of $1,131 will be recognized as a reduction of the net OPEB asset – RHIA in the year ended June 30, 2023. Other amounts reported as deferred outflow of resource and deferred inflow of resource related to pensions will be recognized in pension expense in future years as follows:

		Deferred Outflow (Inflow) of Resources
Years Ended June 30,	2023	$ (17,781)
	2024	(13,778)
	2025	(13,102)
	2026	(18,129)
		$ (62,790)

Sensitivity of RHIA asset to changes in the discount rate – The discount rate used for the fiscal year ended June 30, 2022, is 6.9%. The impact of a 1% increase or decrease in these assumptions is shown in the chart below. The following table presents the College's proportionate share of the net OPEB asset of the RHIA OPEB asset calculated using the current discount rate as well as what the net OPEB liability/(asset) would be if calculated using one percentage point lower or one percentage higher than the current rate:

	1% Decrease (5.9%)	Discount Rate (6.9%)	1% Increase (7.9%)
Proportionate share of net RHIA Liability (asset)	$ (213,555)	$ (241,481)	$ (265,337)

Single Employer Retiree Health Insurance Premium Account (RHIPA)

Plan description – The College operates a single-employer retiree benefit plan that provides postemployment health, dental, vision, and prescription coverage benefits to eligible employees and their eligible dependents. This plan is not a stand-alone plan and therefore does not issue financial statements. The Plan has no assets accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75.

Funding policy – The College contributes premiums for eligible faculty and academic professional employees and their eligible dependents up to the employer paid maximum at the time of retirement (College Paid-Cap). The employer cap separates employees into three distinct categories: faculty, staff (which includes classified, professional, and administrative staff), and part-time employees. Faculty received an employer paid cap of $1,600 to $1,625, staff received $1,400, and part-time employees received between 50% and 75% of the individual insurance rate based on their FTE, for the year ended June 30, 2022.

Note 8 – Postemployment Healthcare Plans (continued)

The College is required by Oregon Revised Statute 243.303 to provide retirees who qualify for retirement under Oregon PERS with group health and dental insurance from the date of retirement to age 65 at the same rate provided to current employees. Retired employees who are eligible for the College Paid-Cap whose College paid benefits end prior to age 65 may continue enrollment in the health plans on a self-pay basis until age 65. Retired employees who are not eligible for the College Paid-Cap may continue enrollment in the health plans on a self-pay basis until age 65.

Total net OPEB liability – The College's total OPEB liability was measured as of June 30, 2021, and the total liability of $544,625 was determined by an actuarial valuation dated December 31, 2020. This actuarial valuation covered a measurement period of July 1, 2021 to June 30, 2022.

Actuarial Assumptions

Economic Assumptions

Discount rate

2.21% for results as of the June 30, 2020 measurement date.
2.16% for results as of the June 30, 2021 measurement date.
3.54% for results as of the June 30, 2022 measurement date.
These rates reflect the Bond Buyer 20-Year General Obligation Bond Index. Reporting dates follow measurement dates by one full year

Healthcare cost trend rate

The medical trend assumptions used in this valuation are based on long-term healthcare trend rates generated by the Society of Actuaries' Getzen Trend Model. Inputs to the model are consistent with other assumptions used in the valuation.

The medical trend assumption includes the impact of the Further Consolidated Appropriations Act, 2020, which became law on December 20, 2019. This law repeals the Cadillac Tax completely and removes the Health Insurer Fee permanently beginning in 2021.

Medical:

Year	Pre-65 Trend
2021	3.25%
2022	5.00
2023	5.25
2024-2025	5.00
2026-2028	4.75
2029-2061	4.50
2061-2067	4.25
2068-2072	4.00
2073+	3.75

Dental and Vision: 4.00% per year

Health and dental cost trend affects both the projected health care costs as well as the projected health care premiums

General Inflation

2.40% per year, used to develop other economic assumptions

Annual Salary Increases

3.40% per year, based on general inflation and the likelihood of raises throughout participants' careers

Note 8 – Postemployment Healthcare Plans (continued)

When the financing of OPEB liabilities is on a pay-as-you-go basis, as the College does, GASB 75 requires that the discount rate used for valuing liabilities be based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The discount rate was based on the Bond Buyer 20-Year General Obligation Bond Index. Reporting dates follow measurement dates by one full year.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Cost Inflation

The following presents the total OPEB liability of the College, calculated using the disclosure discount rate as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.16%) or 1 percentage point higher (3.16%) than the current discount rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total RHIPA Liability (asset)	$ 580,688	$ 544,625	$ 510,154

The following presents the total OPEB liability of the College, calculated using the disclosure health care cost trend rate as well as what the College's total OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower (2.25%) or 1 percentage point higher (4.25%) than the current health-care cost trend rate:

	1% Decrease (2.25%)	Health Care Cost Trend Rate (3.25%)	1% Increase (4.25%)
Total RHIPA Liability (asset)	$ 488,686	$ 544,625	$ 610,452

The medical trend assumptions are based on long-term healthcare trend rates generated by the Society of Actuaries' Getzen Trend Model. Inputs to the model are consistent with other assumptions used in the valuation. The medical trend assumption includes the impact of the H.R 1865 Further Consolidated Appropriations act, 2020, which became law on December 20, 2019. This law repeals the Cadillac Tax completely and removes the Health Insurer Fee permanently beginning in 2021. Given the substantial uncertainty regarding the impact of COVID-19 on plan costs, including whether the pandemic will increase or decrease costs during the term of these projections, no adjustment was made to the expected plan costs. It is possible that the COVID-19 pandemic could have a material impact on the projected costs.

Note 8 – Postemployment Healthcare Plans (continued)

OPEB expense – The following table shows the components affecting the College's OPEB expense for the fiscal year ended June 30, 2022:

BALANCE, June 30, 2021	$ 691,145
Service cost	85,753
Interest on total OPEB liability	16,499
Recognition of deferred (inflows) outflows of resources	
Effect of economic/demographic gains or losses	(173,032)
Effect of assumption changes or inputs	(14,762)
Benefit payments	(60,978)
OPEB expense	(146,520)
BALANCE, June 30, 2022	$ 544,625

Deferred outflows of resources and deferred inflows of resources related to OPEB – For the year ended June 30, 2022, the College recognized OPEB expense of $37,981. 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
Changes of assumptions or inputs	$ 31,993	$ 30,423
Differences between expected and actual experience	-	185,598
College contributions subsequent to the measurement date	31,815	-
	$ 63,808	$ 216,021

Note 8 – Postemployment Healthcare Plans (continued)

The College will recognize the $31,815 of contributions made subsequent to the measurement date in the next fiscal year. In addition, other amounts currently reported as deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

		Deferred Outflow (Inflow) of Resources
Years Ended June 30,	2023	$ (32,456)
	2024	(32,456)
	2025	(29,864)
	2026	(27,061)
	2027	(25,609)
	Thereafter	(36,582)
		$ (184,028)

Note 9 – Commitments and Contingencies

The College receives significant financial assistance from various federal, state, and local governmental agencies. These funds are subject to audit and adjustment by these agencies, which may occur after the College's annual audit. Any disallowed costs, including amounts already collected, could become a liability of the general fund or other applicable funds. In the opinion of management, any such potential liability would not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the College at June 30, 2022.

Note 10 – Risk Management

The College is exposed to various risks of loss related to torts, theft, damage, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The College is insured for the physical damage to property and carries commercial insurance for all risks of loss, including workers' compensation, and employee health and accident insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

Note 11 – Related Party

The Treasure Valley Community College Foundation (the Foundation) provides scholarships to students of the College based upon on the terms of donations received. For the year ended June 30, 2022, the Foundation provided scholarship support of $325,389 and program support of $48,519. It also provided CTE building and equipment support of $75,000 and Nursing and Allied Health Professions Center building and equipment support of $166,194. During the year ended June 30, 2022, the College provided support to the Foundation to pay salaries and benefits for the executive director and administrative personnel of $115,674. The College donated $18,052 and $51,825 to the Foundation for supplies and in-kind contributions, including office space, respectively.

Note 12 – Component Unit

Treasure Valley Community College Foundation Operations and Significant Accounting Policies – Treasure Valley Community College Foundation (the Foundation) was organized under the provisions of the Oregon Non-Profit Corporation Act in 1962.

The Foundation encourages, receives, and administers gifts and bequests for the support of the College. The Board of Directors recognizes its responsibility to manage all funds entrusted to the organization in a prudent manner, with the understanding that the primary purpose of these funds is to provide support for priority projects at the College. This includes scholarships, grants in aid, tuition waivers, educational facilities, and equipment. The Foundation awards scholarships only to qualifying students attending the College who have properly completed both application for admission and financial aid obtained and processed by the College financial aid office.

All accepted and funded applicants must meet specific grade point average standards and any other stipulations established by the respective donor. Any other aid given directly to the College students is subject to approval by the college scholarship committee, the Foundation's Executive Director, and the Foundation's Board of Directors.

The Board also recognizes a responsibility to allocate resources, striking a reasonable balance between the organization's current cash flow requirements and the equally compelling educational needs of future generations. These policies are intended to assure the optimum investment opportunity for all of the money received, whether funds are to be expended within a day or two or endowed in perpetuity.

The Foundation's financial statements are prepared in accordance with standards set by the Financial Accounting Standards Board (FASB). FASB standards require two classes of net assets: net assets without donor restrictions, and net assets with donor restrictions, instead of reporting by fund as is done under GASB standards. Other differences include criteria for recognizing in-kind donations and the presentation of information.

Note 12 – Component Unit (continued)

Investments – Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the best information available.

A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets that the Foundation can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset. In these situations, the Foundation develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessary correspond to the Foundation's assessment of the quality risk or liquidity profile of the asset.

A significant amount of the Foundation's investment assets are classified within Level 1 because they are comprised of investment securities with readily determinable fair values based on daily redemption values. The fixed income securities are valued by the custodians of the securities using pricing models based upon credit quality, time to maturity, stated interest rates, and market rate assumptions, and are classified within Level 2.

Note 12 – Component Unit (continued)

The assets that are measured at fair value on a recurring basis as of June 30, 2022, are as follows:

	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Investment securities				
Fixed income	$ -	$ 1,030,352	$ -	$ 1,030,352
Mutual funds				
Fixed income mutual funds	983,490	-	-	983,490
Equities				
Large Cap Growth	992,605	-	-	992,605
Large Cap Value	829,513	-	-	829,513
Small/Mid Cap Growth	214,676	-	-	214,676
Small/Mid Cap Value	468,265	-	-	468,265
International Equity	545,524	-	-	545,524
Equities Blend	53,440	-	-	53,440
Exchange traded funds				
Fixed income exchange traded funds	1,550,999	-	-	1,550,999
Equity exchange traded funds	2,568,199	-	-	2,568,199
Total assets at fair value	$ 8,206,711	$ 1,030,352	$ -	$ 9,237,063

Donated materials and services – Donated materials and services for the year ended June 30, 2022, were:

	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 19,341	$ 27,054	$ 27,054	$ 73,449
Employee benefits	11,368	15,429	15,428	42,225
Materials and supplies	8,708	7,040	2,304	18,052
In-kind contributions	17,275	17,275	17,275	51,825
	$ 56,692	$ 66,798	$ 62,061	$ 185,551

All donated materials and services were provided by the College.

Endowment – The Foundation's endowment consists of over 115 individual funds established for a variety of purposes. The endowment consists of funds with donor restrictions and two funds without donor restriction that have been designated for the endowment by the Board of Directors. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based upon the existence or absence of donor-imposed restrictions.

Note 12 – Component Unit (continued)

The Board of Directors of the Foundation has interpreted the Oregon Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor- restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gifts donated to the endowment, and (b) any accumulations to the endowment made in accordance with direction of the applicable donor gift instrument at the time the accumulation is added.

Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditures in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund or endowment
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effects of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

The endowment funds net asset composition at June 30, 2022, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds	$ 1,200,704	$ 7,534,488	$ 8,735,192

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and scholarships supported by its endowment while seeking to maintain the fair value of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to provide both a reasonably predictable income stream and principal appreciation that exceeds inflation. The Foundation expects its endowment funds, over time, to provide an average minimum rate of return equal to or greater than the Foundation's spending rate percentage and management fee.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term return objectives within the prudent risk constraints.

Note 12 – Component Unit (continued)

The Foundation has a policy of appropriating for annual distribution 4% of its endowment fund's average fair value over the individual endowment's average daily principal balance outstanding during the fiscal year. While the Foundation intends to maintain this 4% distribution, the annual distribution is contingent on projected revenues from investments meeting the 4% threshold for disbursement. If anticipated revenues do not meet the 4% distribution limit, the scholarships awarded for the following year are decreased to ensure corpus balances are maintained. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long-term, the Foundation expects the current spending policy to allow its endowment to grow at the rate of inflation. This is consistent with objectives to maintain the principal of the endowment assets in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Changes in endowment net assets are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment assets			
Beginning of year, July 1, 2021	$ 1,405,812	$ 6,862,842	$ 8,268,654
Investment return			
Investment income	30,352	167,650	198,002
Net realized and unrealized appreciation	(260,655)	(1,439,751)	(1,700,406)
Contributions	208,797	2,227,995	2,436,792
Other changes			
Appropriation of endowment assets for expenditures	(183,602)	(284,248)	(467,850)
Funds transferred by donor request	-	-	-
Endowment assets			
End of year, June 30, 2022	$ 1,200,704	$ 7,534,488	$ 8,735,192

Note 12 – Component Unit (continued)

The Foundation has $3,626,217 in financial assets as of the balance sheet date, reduced by amounts not available for general use within one year because of donor-imposed restrictions or internal designations. Amounts available include the Board-approved appropriations from the endowment fund for the following year as well as donor-restricted amounts that are available for general expenditure in the following year. Amounts not available include amounts set aside for operating and other reserves that could be drawn upon if the Board of Directors approves that action.

Cash	$ 1,100,182
Accounts receivable	-
Investments	9,237,063
Total financial assets	10,337,245
Donor-imposed restrictions	
Endowment fund	(7,534,488)
Add back amounts available for expenditures in one year	467,850
Board designations	
Operating reserves and other available for expenditure in one year	355,610
Financial assets available to meet cash needs for general expenditures within one year	$ 3,626,217

Required Supplementary Information

Schedule of Employer's Share of Net RHIA OPEB Liability (Asset)
Last Ten Fiscal Years*

As of the Measurement Date June 30,	(a) College's Proportion of the Net OPEB Liability (Asset)	(b) College's Proportionate Share of the Net OPEB Liability (Asset)	(c) College's Employee Covered Payroll	(b) / (c) College's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2021	0.07032060%	$ (241,481)	$ 9,736,684	-2.48%	183.90%
2020	0.06595909%	$ (134,398)	$ 10,179,311	-1.32%	150.10%
2019	0.07723731%	$ (149,250)	$ 10,462,730	-1.43%	144.40%
2018	0.07723731%	$ (88,688)	$ 10,541,986	-0.84%	82.07%
2017	0.08464059%	$ (35,324)	$ 10,687,660	-0.33%	108.90%

*GASB Statement No. 75 requires presentation of information for 10 years. However, until a full 10-year trend is compiled, only those years in which information is available will be presented.

Treasure Valley Community College
Schedule of Employer Contributions – RHIA OPEB
June 30, 2022

For Fiscal Years Ended June 30,	(a) Statutorily Required Contribution	Contributions Related to the Statutorily Required Contribution	(a) - (b) Contribution Deficiency (Excess)	(c) College's Covered Payroll	(b) / (c) Contributions as a Percent of Covered Payroll
2022	$ 2,084	$ 2,084	$ -	$ 8,160,427	0.03%
2021	4,195	4,195	-	9,736,684	0.04%
2020	38,322	38,322	-	10,179,311	0.38%
2019	25,595	25,595	-	10,462,730	0.24%
2018	38,470	38,470	-	10,541,986	0.36%

*GASB Statement No. 75 requires presentation of information for 10 years. However, until a full 10-year trend is compiled, only those years in which information is available will be presented.

Treasure Valley Community College
Schedule of Changes in Total RHIPA OPEB Liability and Related Ratios
Year Ended June 30, 2022

	2022	2021	2020	2019	2018
Total RHIPA OPEB liability					
Service cost	$ 85,753	$ 74,725	$ 59,850	$ 59,047	$ 61,573
Interest on total OPEB liability	16,499	22,671	24,974	21,751	16,817
Effect of economic/demographic gains or losses	(173,032)	-	(56,491)	-	-
Effect of assumptions changes or inputs	(14,762)	42,839	(1,826)	(13,222)	(31,976)
Benefit payments	(60,978)	(43,822)	(34,188)	(27,148)	(25,696)
Net changes in total RHIPA OPEB liability	(146,520)	96,413	(7,681)	40,428	20,718
Total RHIPA OPEB liability – beginning	691,145	594,732	602,413	561,985	541,267
Total RHIPA OPEB asset – ending	$ 544,625	$ 691,145	$ 594,732	$ 602,413	$ 561,985
Covered payroll	$ 8,160,427	$ 9,736,684	$ 10,179,311	$ 10,462,730	$ 10,541,986
Total RHIPA OPEB asset as a percentage of covered payroll	6.67%	7.10%	5.84%	5.76%	5.33%
Discount rate	2.16%	2.21%	3.50%	3.58%	7.50%

*GASB Statement No. 75 requires presentation of information for 10 years. However, until a full 10-year trend is compiled, only those years in which information is available will be presented.

No assets were accumulated in a trust.

Treasure Valley Community College
Schedule of Employer's Share of Net Pension Liability (Asset)
June 30, 2022

As of the Measurement Date June 30,	(a) College's Proportion of the Net Pension Liability (Asset)	(b) College's Proportionate Share of the Net Pension Liability (Asset)	(c) College's Covered Payroll	(b) / (c) College's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2021	0.045870%	$ 5,489,078	$ 9,736,684	56.38%	87.60%
2020	0.058381%	12,740,768	10,179,311	125.16%	75.80%
2019	0.055755%	9,644,354	10,472,730	92.09%	80.20%
2018	0.067303%	10,245,094	10,541,986	97.18%	82.10%
2017	0.073026%	9,843,936	10,687,660	92.11%	83.10%
2016	0.070116%	10,526,017	9,090,288	115.79%	80.50%
2015	0.060478%	3,472,304	9,643,827	36.01%	91.90%
2014	0.056709%	(1,285,441)	9,603,844	-13.38%	103.60%

GASB Statement No. 68 requires ten years of information to be presented in this table; however, until a full ten-year trend is compiled, the College will present information for those years for which information is available.

Treasure Valley Community College
Schedule of Employer Contributions – Pensions
June 30, 2022

For Fiscal Years Ended June 30,	(a) Statutorily Required Contribution	(b) Contributions Related to the Statutorily Required Contribution	(a) - (b) Contribution Deficiency (Excess)	(c) College's Covered Payroll	(b) / (c) Contributions as a Percent of Covered Payroll
2022	$ 393,766	$ 393,766	$ -	$ 8,160,427	4.8%
2021	648,993	648,993	-	9,736,684	6.7%
2020	619,196	619,196	-	10,179,311	6.1%
2019	577,489	577,489	-	10,462,730	5.5%
2018	575,406	575,406	-	10,541,986	5.5%
2017	398,056	398,056	-	10,687,660	3.7%
2016	403,935	403,935	-	9,090,288	4.4%
2015	504,541	504,541	-	9,643,827	5.2%

GASB Statement No. 68 requires ten years of information to be presented in this table; however, until a full ten-year trend is compiled, the College will present information for those years for which information is available.

Supplementary Information

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis)
General Fund
Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 3,162,050	$ 3,162,050	$ 3,264,728	$ 102,678
State sources	7,823,909	7,823,909	8,457,414	633,505
Lost revenue recovery	750,000	750,000	526,982	(223,018)
Tuition and fees	5,243,412	5,243,412	4,993,729	(249,683)
Total revenues	16,979,371	16,979,371	17,242,853	263,482
Expenditures				
Instruction	6,251,615	6,251,615	5,697,986	553,629
Instruction support	877,092	877,092	844,650	32,442
Student services	2,401,838	2,401,838	2,177,462	224,376
College support services	4,708,927	4,708,927	4,294,968	413,959
Plant operation and maintenance	1,805,732	1,805,732	1,804,060	1,672
Plant additions	40,000	40,000	34,274	5,726
Financial aid	1,035,999	1,035,999	982,699	53,300
Operating contingency	-	-	-	-
Total expenditures	17,121,203	17,121,203	15,836,099	1,285,104
Excess of revenues over (under) expenditures	(141,832)	(141,832)	1,406,754	1,548,586
Other financing sources (uses)				
Transfers in	10,000	10,000	12,500	2,500
Transfers out	(618,168)	(618,168)	(609,768)	8,400
Total other financing sources (uses)	(608,168)	(608,168)	(597,268)	10,900
Excess of revenues, other Financing sources over (under) expenditures, other Financing (uses)	(750,000)	(750,000)	809,486	1,559,486
Available fund balance, July 1	2,000,000	2,000,000	2,151,441	151,441
Available fund balance, June 30	$ 1,250,000	$ 1,250,000	$ 2,960,927	$ 1,710,927

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis)
Special Projects Fund
Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 526,120	$ 526,120	$ 656,432	$ 130,312
Tuition and fees	2,512,000	2,512,000	1,503,113	(1,008,887)
Lost revenue recovery	-	-	176,896	176,896
State sources	2,618,856	2,618,856	2,908,971	290,115
Federal sources	5,560,006	5,560,006	3,188,476	(2,371,530)
Total revenues	11,216,982	11,216,982	8,433,888	(2,783,094)
Expenditures				
Instruction	5,925,746	5,925,746	4,559,713	1,366,033
Supporting services	5,032,743	5,032,743	3,081,227	1,951,516
Total expenditures	10,958,489	10,958,489	7,640,940	3,317,549
Excess of revenues over (under) expenditures	258,493	258,493	792,948	534,455
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(385,000)	(385,000)	-	385,000
Total other financing sources (uses)	(385,000)	(385,000)	-	385,000
Excess of revenues, other Financing sources, over (under) expenditures	(126,507)	(126,507)	792,948	919,455
Available fund balance, July 1	175,414	175,414	1,633,855	1,458,441
Available fund balance, June 30	$ 48,907	$ 48,907	$ 2,426,803	$ 2,377,896

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis)
Debt Service Fund
Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 1,251,145	$ 1,251,145	$ 1,251,145	$ -
Total revenues	1,251,145	1,251,145	1,251,145	-
Expenditures				
Debt service	1,882,313	1,882,313	1,873,913	8,400
Total expenditures	1,882,313	1,882,313	1,873,913	8,400
Excess of revenues over (under) expenditures	(631,168)	(631,168)	(622,768)	8,400
Other financing sources (uses)				
Transfer from other funds	631,168	631,168	622,768	(8,400)
Total other financing sources (uses)	631,168	631,168	622,768	(8,400)
Excess of revenues, other Financing sources over (under) expenditures, other financing (uses)	-	-	-	-
Available fund balance, July 1	-	-	-	-
Available fund balance, June 30	$ -	$ -	$ -	$ -

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis)
Capital Projects Fund
Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 200,000	$ 200,000	$ (81,100)	$ (281,100)
State sources	500,000	500,000	-	(500,000)
Federal sources	500,000	500,000	-	(500,000)
Total revenues	1,200,000	1,200,000	(81,100)	(1,281,100)
Expenditures				
Facilities acquisition and construction	1,200,000	1,200,000	227,233	972,767
Debt service	-	-	-	-
Total expenditures	1,200,000	1,200,000	227,233	972,767
Excess of revenues over (under) expenditures	-	-	(308,333)	(308,333)
Other financing sources (uses)				
Transfers in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess of revenues, other Financing sources over (under) expenditures, other financing (uses)	-	-	(308,333)	(308,333)
Available fund balance, July 1	-	-	463,321	463,321
Available fund balance, June 30	$ -	$ -	$ 154,988	$ 154,988

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis)
Reserve Fund
Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 905,000	$ 905,000	$ 1,205,899	$ 300,899
State sources	-	-	-	-
Lost revenue recovery	-	-	-	-
Tuition and fees	145,000	145,000	-	(145,000)
Total revenues	1,050,000	1,050,000	1,205,899	155,899
Expenditures				
Support services	935,000	935,000	545,043	389,957
Facilities acquisition and construction	362,500	362,500	5,040	357,460
Total expenditures	1,297,500	1,297,500	550,083	747,417
Excess of revenues over (under) expenditures	(247,500)	(247,500)	655,816	(591,518)
Other financing sources (uses)				
Transfers from other funds	335,000	335,000	335,000	-
Transfers to other Funds	-	-	-	-
Total other financing sources (uses)	335,000	335,000	335,000	-
Excess of revenues, other Financing sources over (under) expenditures, other financing (Uses)	87,500	87,500	990,816	903,316
Available fund balance, July 1	1,352,500	1,352,500	3,529,493	2,176,993
Available fund balance, June 30	$ 1,440,000	$ 1,440,000	$ 4,520,309	$ 3,080,309

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis)
Agency Fund
Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 354,800	$ 354,800	$ 549,197	$ 194,397
Lost revenue recovery	-	-	75,877	75,877
Tuition and fees	419,242	419,242	-	(419,242)
Total revenues	774,042	774,042	625,074	(148,968)
Expenditures				
Instruction	155,369	155,369	61,761	93,608
Support Services	962,778	962,778	523,330	439,448
Total expenditures	1,118,147	1,118,147	585,091	533,056
Excess of revenues over (under) expenditures	(344,105)	(344,105)	39,983	384,088
Other financing sources (uses)				
Transfers from other funds	2,500	2,500	-	(2,500)
Transfers to other Funds	(12,500)	(12,500)	(12,500)	-
Total other financing sources (uses)	(10,000)	(10,000)	(12,500)	(2,500)
Excess of revenues, other Financing sources over (under) expenditures, other financing (Uses)	(354,105)	(354,105)	27,483	381,588
Available fund balance, July 1	591,236	591,236	767,722	176,486
Available fund balance, June 30	$ 237,131	$ 237,131	$ 795,205	$ 558,074

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis)
Student Financial Aid Fund
Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 25,000	$ 25,000	$ -	$ (25,000)
State sources	550,000	550,000	597,956	47,956
Federal sources	11,025,000	11,025,000	7,183,546	(3,841,454)
Total revenues	11,600,000	11,600,000	7,781,502	(3,818,498)
Expenditures				
Supporting services	11,600,000	11,600,000	7,781,502	3,818,498
Total expenditures	11,600,000	11,600,000	7,781,502	3,818,498
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess of revenues, other Financing sources over (under) expenditures, other financing (uses)	-	-	-	-
Available fund balance, July 1	-	-	-	-
Available fund balance, June 30	$ -	$ -	$ -	$ -

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis)
Auxiliary Fund
Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
Operating revenues				
Sales	$ 2,552,600	$ 2,552,600	$ 1,885,445	$ (667,155)
Lost revenue recovery	-	-	705,814	705,814
Tuition and fees	2,099,550	2,099,550	752,915	(1,346,635)
Total operating revenues	4,652,150	4,652,150	3,344,174	(1,307,976)
Operating expenses				
Instruction	2,149,900	2,149,900	935,438	1,214,462
Enterprise services	2,198,094	2,198,094	1,581,112	616,982
Total operating expenses	4,347,994	4,347,994	2,516,550	1,831,444
Operating Income	304,156	304,156	827,624	523,468
Other financing sources (uses)				
Transfer from other funds	100,000	100,000	-	(100,000)
Transfer to other funds	(448,000)	(448,000)	(348,000)	100,000
Total other financing sources (uses)	(348,000)	(348,000)	(348,000)	-
Excess of revenues, other Financing sources over (under) expenditures, other financing (uses)	(43,844)	(43,844)	479,624	523,468
Available fund balance, July 1	3,397,850	3,397,850	3,810,868	413,018
Available fund balance, June 30	$ 3,354,006	$ 3,354,006	$ 4,290,492	$ 936,486

Other Information

Treasure Valley Community College
Combining Balance Sheet – Proprietary Fund Types – Auxiliary
June 30, 2022

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals, June 30, 2022
ASSETS							
Cash	$ 500	$ -	$ 250	$ -	$ -	$ 600	$ 1,350
Interfund receivable	56,729	121,814	246,729	139,550	125,173	-	689,995
Prepaid assets	-	-	-	-	-	2,520	2,520
Receivables	28,642	-	-	-	-	-	28,642
Inventory	254,087	-	-	-	-	-	254,087
Capital assets (net of	-	-	-	-	-	-	-
accumulated depreciation)	40,898	23,677	3,709,848	20,555	-	60,350	3,855,328
	$ 380,856	$ 145,491	$ 3,956,827	$ 160,105	$ 125,173	$ 63,470	$ 4,831,922
LIABILITIES AND NET POSITION							
Liabilities							
Accrued payroll	$ -	$ -	$ -	$ -	$ -	$ 17,010	$ 17,010
Accounts payable	-	-	-	-	-	-	-
Deposits payable	-	-	40,710	-	-	-	40,710
Interfund payable	-	-	-	-	-	483,710	483,710
Total liabilities	-	-	40,710	-	-	500,720	541,430
Net position							
Unrestricted	380,856	145,491	3,916,117	160,105	125,173	(437,250)	4,290,492
Total net position	380,856	145,491	3,916,117	160,105	125,173	(437,250)	4,290,492
	$ 380,856	$ 145,491	$ 3,956,827	$ 160,105	$ 125,173	$ 63,470	$ 4,831,922

Treasure Valley Community College
Combining Statement of Revenue, Expenses, and Change in Net Position – Proprietary Fund Types – Auxiliary
Year Ended June 30, 2022

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals, June 30, 2022
OPERATING REVENUES							
Sale of textbooks and school supplies	$ 561,696	$ -	$ -	$ -	$ -	$ -	$ 561,696
Food and catering sales	-	531,712	-	-	-	-	531,712
Housing income	-	-	604,458	-	-	-	604,458
Printing income	-	-	-	94,431	-	-	94,431
Transportation Income	-	-	-	-	93,148	-	93,148
Lost revenue recovery	224,302	10,627	5,506	129,529	81,638	254,212	705,814
Tuition and fees	-	-	-	-	-	752,915	752,915
Total operating revenues	785,998	542,339	609,964	223,960	174,786	1,007,127	3,344,174
OPERATING EXPENSES							
Salaries and benefits	157,347	25,491	144,514	51,698	40,651	598,151	1,017,852
Cost of goods sold	402,352	-	-	-	-	-	402,352
Travel and mileage	-	-	1,194	-	1,215	6,967	9,376
Materials and supplies	-	5,686	15,218	15,716	844	8,850	46,314
Rent	-	2,420	-	-	-	200,060	202,480
Outside services	17,679	379,568	27,920	31,058	-	27,507	483,732
Repairs and maintenance	-	191	4,038	73	37,600	769	42,671
Printing	4,558	180	1,506	22,394	-	2,935	31,573
Other expense	354	36	5,580	-	1,328	20,918	28,216
Depreciation	9,376	3,616	165,396	4,315	-	26,063	208,766
Utilities	-	-	-	-	-	43,201	43,201
Bad debts	-	-	-	-	-	17	17
Total operating expenses	591,666	417,188	365,366	125,254	81,638	935,438	2,516,550
OPERATING INCOME	$ 194,332	$ 125,151	$ 244,598	$ 98,706	$ 93,148	$ 71,689	$ 827,624

Treasure Valley Community College
Combining Statement of Revenue, Expenses, and Change in Net Position – Proprietary Fund Types – Auxiliary (continued)
Year Ended June 30, 2022

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals, June 30, 2022
Other financing sources (uses)							
Transfer to other funds	$ -	$ -	$ (348,000)	$ -	$ -	$ -	$ (348,000)
Total other financing sources (uses)	-	-	(348,000)	-	-	-	(348,000)
NET POSITION, beginning of year	186,524	20,340	4,019,519	61,399	32,025	(508,939)	3,810,868
NET POSITION, end of year	$ 380,856	$ 145,491	$ 3,916,117	$ 160,105	$ 125,173	$ (437,250)	$ 4,290,492

Treasure Valley Community College
Combining Statement Cash Flows – Proprietary Fund Types – Auxiliary
Year Ended June 30, 2022

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals, June 30, 2022
OPERATING ACTIVITIES							
Cash received from customers	$ 561,696	$ 531,712	$ 604,458	$ 94,431	$ 93,148	$ 752,915	$ 2,638,360
Lost revenue recovery	224,302	10,627	5,506	129,529	81,638	254,212	705,814
Payments to employees	(157,347)	(25,491)	(144,514)	(51,698)	(40,651)	(598,151)	(1,017,852)
Payments to suppliers	(400,689)	(388,081)	(31,706)	(69,241)	(40,987)	(310,594)	(1,241,298)
Net cash from (used for) operating activities	227,962	128,767	433,744	103,021	93,148	98,382	1,085,024
NONCAPITAL FINANCING ACTIVITIES							
Increase (decrease) in interfund receivable/payable	(228,462)	(124,386)	(68,423)	(93,491)	(93,148)	(98,222)	(706,132)
Operating transfers In (Out)	-	-	(348,000)	-	-	-	(348,000)
Net cash from (used for) noncapital financing activities	(228,462)	(124,386)	(416,423)	(93,491)	(93,148)	(98,222)	(1,054,132)
Investing activities							
Net increase in capital assets	-	(4,381)	(17,321)	(9,530)	-	-	(31,232)
Net change in cash used for investing activities	-	(4,381)	(17,321)	(9,530)	-	-	(31,232)
NET CHANGE IN CASH	(500)	-	-	-	-	160	(340)
NET CASH AND CASH ITEMS, beginning of year	1,000	-	250	-	-	440	1,690
NET CASH AND CASH ITEMS, end of year	$ 500	$ -	$ 250	$ -	$ -	$ 600	$ 1,350

Treasure Valley Community College
Combining Statement Cash Flows – Proprietary Fund Types – Auxiliary (continued)
Year Ended June 30, 2022

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals June 30, 2022
Reconciliation of operating income to net net cash from operating activities							
Operating income	$ 194,332	$ 125,151	$ 244,598	$ 98,706	$ 93,148	$ 71,689	$ 827,624
Depreciation and amortization	9,376	3,616	165,396	4,315	-	26,063	208,766
(Increase) decrease in accounts receivable (net)	13,444	-	-	-	-	-	13,444
(Increase) decrease in inventory	10,810	-	-	-	-	-	10,810
(Increase) decrease in prepaid assets	-	-	-	-	-	2,480	2,480
(Increase) decrease in capital assets	-	-	-	-	-	-	-
Increase (decrease) in accounts payable	-	-	-	-	-	-	-
Increase (decrease) in payroll payable	-	-	-	-	-	(1,850)	(1,850)
Increase (decrease) in deposits payable	-	-	23,750	-	-	-	23,750
Net cash from (used for) operating activities	$ 227,962	$ 128,767	$ 433,744	$ 103,021	$ 93,148	$ 98,382	$ 1,085,024

Treasure Valley Community College
Statement of Property Tax Transactions
Year Ended June 30, 2022

Tax Year Special Levy All Counties	Uncollected Taxes June 30, 2021	2021-2022 Assessment	Adjustments	Rebates Allowed	Interest	Taxes Collected	Total Amount Collected	Uncollected Taxes June 30, 2022
2021-2022	$ -	$ 2,957,904	$ 2,221	$ 74,254	$ 5,314	$ 2,823,831	$ 2,829,142	$ 57,598
2020-2021	68,269	-	5,278	(132)	3,012	33,576	36,587	29,547
2019-2020	35,003	-	4,507	(113)	3,471	14,706	18,177	15,903
2018-2019	20,354	-	4,450	(105)	4,401	11,198	15,599	4,811
2017-2018	7,430	-	3,029	(78)	2,451	4,145	6,597	334
2016-2017	511	-	3,205	(83)	105	(2,711)	(2,605)	100
2015-2016	336	-	3,144	(83)	101	(2,791)	(2,689)	66
2014-2015	128	-	158	-	7	(152)	(145)	122
Prior years	(20)	-	-	-	-	-	-	(20)
Total	$ 132,011	$ 2,957,904	$ 25,992	$ 73,660	$ 18,862	$ 2,881,802	$ 2,900,663	$ 108,461

ASSETS	
Cash and cash equivalents	$ 11,847,988
Accounts receivable, net	809,757
Prepaid assets	47,664
Total assets	$ 12,705,409
LIABILITIES	
Accounts payable	$ 406,985
Payroll liabilities	826,017
Due to other funds	8,496,070
Unearned revenue	15,410
Total liabilities	9,744,482
FUND BALANCE	2,960,927
	$ 12,705,409

Treasure Valley Community College
Historical Property Values and General Obligation Legal Debt Capacity
Year Ended June 30, 2022

Fiscal Year	Measure 5 Real Market Value	Total Assessed Value	% AV Growth
2022	$ 3,260,096,435	$ 2,490,407,965	5.60%
2021	2,965,819,495	2,358,369,638	4.25%
2020	2,767,230,255	2,262,141,576	2.78%
2019	2,605,439,627	2,201,060,119	2.09%
2018	2,587,475,727	2,155,920,246	9.94%
2017	2,303,823,037	1,961,033,816	10.15%
2016	2,030,563,331	1,780,364,713	2.75%
2015	1,999,474,573	1,732,664,506	2.90%
2014	1,934,924,557	1,683,880,925	-2.25%
2013	1,996,579,975	1,722,597,592	6.71%
2012	1,915,006,675	1,614,261,739	1.95%
2011	2,032,940,238	1,583,378,391	3.72%
2010	2,065,610,076	1,526,586,029	3.57%
2009	2,001,937,822	1,473,990,650	5.02%
2008	1,838,225,220	1,403,564,969	3.48%
2007	1,671,097,840	1,356,378,265	2.08%
2006	1,547,887,690	1,328,764,895	4.22%
2005	1,506,054,290	1,274,997,655	3.09%
2004	1,450,814,560	1,236,815,526	2.41%
2003	1,421,109,120	1,207,731,074	1.84%
2002	1,448,793,430	1,185,961,331	7.03%
2001	1,397,851,930	1,108,062,481	-

Source: Oregon Department of Revenue, Research Section

General Obligation Legal Debt Capacity

Real market value (Fiscal Year 2021)	$ 3,260,096,435
G.O. bond debt capacity	48,901,447
Less: outstanding debt subject to limit	-
Remaining general obligation debt capacity	$ 48,901,447
Percent of debt capacity issued	0%

Treasure Valley Community College
District Major Taxpayers
Year Ended June 30, 2022

Taxpayer	Business/Service	Tax (1)	Assessed Value (2)	Percent of Value
Idaho Power Co	Utilities	$ 2,149,818	$ 173,700,000	6.97%
HJ Heinz Company LP	Food processing	1,945,728	131,897,187	5.30%
ORMAT Technologies Inc	Renewable energy	1,473,697	134,874,900	5.42%
Fry Foods	Food processing	301,225	27,516,018	1.10%
Union Pacific Railroad Co.	Freight/transportation	259,244	17,049,005	0.68%
PacifiCorp (PP&L)	Utilities	238,891	21,537,989	0.86%
EP Minerals LLC	Diatomaceous earth	193,664	18,633,141	0.75%
Lumen Technologies Inc	Telecommunications	192,882	14,829,971	0.60%
Wal-Mart Rest Est Business Trs	Real estate	185,736	12,451,920	0.50%
Americold Realty Inc	Real estate	159,222	10,680,610	0.43%
Subtotal - Ten of District's largest taxpayers			563,170,741	22.61%
All other District's taxpayers			1,927,237,224	77.39%
Total district			$ 2,490,407,965	100.00%

(1) Tax amount is the total tax paid by the taxpayer within the boundaries of Malheur County. This amount is distributed to individual local governments by Malheur County. A breakdown of amounts paid to each individual local government is not available.

(2) Assessed value does not exclude offsets such as urban renewal and farm tax credits.

Oregon Administration Rules 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required financial statements and schedules are set forth in preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.

Report of Independent Auditors Required by Oregon State Regulations

The Board of Education
Treasure Valley Community College
Ontario, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of Treasure Valley Community College (the College) and the discretely presented component unit, Treasure Valley Community College Foundation (the Foundation), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Treasure Valley Community College's basic financial statements, and have issued our report thereon dated December 21, 2022. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards* or the provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*.

Compliance

As part of obtaining reasonable assurance about whether the College's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-0000 to 162-010-0330, of the Minimum Standards for Audits of Oregon Municipal Corporations, 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to, the following:

- Accounting records and internal control
- Public fund deposits
- Indebtedness
- Budget
- Insurance and fidelity bonds
- Programs funded from outside sources
- Investments
- Public contracts and purchasing

In connection with our testing, nothing came to our attention that caused us to believe the College was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of ORS as specified in OAR 162-010-0000 through 162-010-0330 of the Minimum Standards for Audits of Oregon Municipal Corporations.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a 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 have not been identified.

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. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the board of education and management of the College and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Scott Simpson

Scott Simpson, Partner
For Moss Adams LLP
Portland, Oregon
December 21, 2022

MOSSADAMS

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Education
Treasure Valley Community College
Ontario, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Treasure Valley Community College (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, and have issued our report thereon dated December 21, 2022. The financial statements of the Treasure Valley Community College Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Treasure Valley Community College Foundation.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a 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 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.

Moss Adams LLP

Portland, Oregon
December 21, 2022

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