Reports of Independent Auditors
in Accordance with Uniform Guidance
and Financial Statements
with Supplementary Information

Treasure Valley Community College

June 30, 2023

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, 2023, 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, 2023, 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 (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 5 through 13, and the schedules of employer's share 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 55 through 59 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 61 through 68, combining balance sheet – proprietary fund types – auxiliary on page 69, combining statement of revenue, expenses, and changes in net position – proprietary fund types – auxiliary on pages 70 and 71, combining statement cash flows – proprietary fund types – auxiliary on pages 72 and 73, statement of property tax transactions on page 74, statement of assets, liabilities, and fund balance – general fund on page 75, historical property values and general obligation legal debt capacity on page 76, the District major taxpayers on page 77, and the schedule of expenditures of federal awards on page 84 as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2023, 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 18, 2023, 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.

Scott Simpson

Scott Simpson, Partner
For Moss Adams LLP
Portland, Oregon
December 18, 2023

Management's Discussion and Analysis

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, 2023. 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, 2023, are as follows:

During the 2022-23 fiscal year, the College used all of the remaining Federal COVID-19 stimulus funds awarded throughout the pandemic. The College recognized $1.46 million of revenue received as a result of COVID-19 stimulus funds made available by the Federal government. Of this amount, $879k was awarded as emergency grants to students and $216k was used to reimburse the College for lost revenue incurred as a result of the pandemic. The difference between the amount recognized as revenue and the amount utilized ($368k) is the amount of institutional HEERF funds that were spent in the previous year but were recorded as deferred revenue because they could only be recognized at the same percentage as student funds. Since 100% of both student and institutional funds have been spent, all can now be recognized as revenue. While this stimulus funding was a tremendous help in navigating through difficult times, it is now depleted.

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. For fiscal year 2022-23, rather than expensing the lease payments, amortization expense and interest expense relating to the lease were recorded. The lease of the Caldwell Center was the only lease that was required to be accounted for under GASB 87. Effective July 1, 2023, this lease was renegotiated and it is no longer required to be accounted for under GASB 87. The right-of use-asset and corresponding lease liability have been eliminated as of June 30, 2023.

State of Oregon community college support revenue decreased 36% or $3.7 million from the prior year. This decrease is attributable to the Oregon Legislature's deferral of the eighth quarter reimbursement for the biennium netted against 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 2022-23 fiscal year, the College received only three state payments, resulting in a decrease in state community college support.

As valued by PERS and an independent actuary, the College's share of the system-wide PERS unfunded liability increased, going from $5.5 million at June 30, 2022, to $7.5 million at June 30, 2023. The reporting requirements of GASB 68, *Accounting and Financial Reporting for Pensions,* continue to impact the financial statements in noncurrent 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 2022-23 was 1,712 which was an increase of 2 FTE over the enrollment of 1,710 in 2021-22. The very slight increase in enrollment combined with increases in aviation flight fees, resulted in an increase of $942k in tuition and fees revenue. Grants and contracts revenue increased by approximately $2.9 million or 39.8%. The college was awarded a new $2.5 million renewable energy grant as well as several other grants by the state of Oregon.

Other operating revenues saw a significant increase of $2.3 million. The College filed amended payroll tax returns for the 1st and 2nd quarters of 2021 to claim the Employee Retention Tax Credit (ERTC) made possible for most employers that were affected by the COVID pandemic. The total amount has been recorded as an accounts receivable at June 30, 2023, in the amount of $2.4 million.

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.

	2023	2022	$ Change	% Change
Assets				
Current assets	$ 18,928,264	$ 14,552,667	$ 4,375,597	30.1%
Capital assets, net	20,043,928	19,938,235	105,693	0.5%
OPEB Asset	162,984	241,481	(78,497)	-32.5%
Right of use assets	-	1,023,224	(1,023,224)	-100.0%
Total assets	39,135,176	35,755,607	3,379,569	9.5%
Deferred outflows of resources	2,783,144	2,741,880	41,264	1.5%
Liabilities				
Current liabilities	4,995,929	4,261,173	734,756	17.2%
Noncurrent liabilities	17,062,532	17,591,802	(529,270)	-3.0%
Total liabilities	22,058,461	21,852,975	205,486	0.9%
Deferred inflows of resources	5,426,192	7,984,696	(2,558,504)	-32.0%
Net Position				
Net investment in capital assets	15,778,299	15,118,706	659,593	4.4%
Restricted – OPEB asset	162,984	241,481	(78,497)	-32.5%
Unrestricted	(1,507,616)	(6,700,371)	5,192,755	-77.5%
Total net position	$ 14,433,667	$ 8,659,816	$ 5,773,851	67%

Assets

Total assets for the College at the end of the fiscal year were approximately $39 million. Current assets were $18.9 million which is sufficient to cover current liabilities of $5 million. The College's total assets increased by approximately $3.4 million due to the accounts receivable recorded for the ERTC as well as the increase in cash in the Local Government Investment Pool (LGIP) as a result of the buildup of carryover funds and reserve funds being held 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 $13.3 million, accounts receivable, net of allowances for uncollectable amounts of $5.3 million, prepaid assets of $33k, and inventory in the bookstore of $232k. The College's receivables consist of property taxes, student accounts, grants, and special projects including the ERTC, as well as various operating receivables.

Capital assets totaling $37.3 million and associated accumulated depreciation and amortization totaling $17.2 million present a net capital asset value of $20.0 million. This is an increase of $106k over 2021-22 mainly as a result of current year construction in progress resulting from preliminary architectural and engineering work that has commenced on the new Nursing and Allied Health Professions Center. Additional information regarding capital assets can be found in Note 3. Also included in noncurrent assets is $163k representing the College's proportionate share of the system-wide OPEB Asset for Retiree Health Insurance Account (RHIA). This asset decreased by $78k from the prior fiscal year and is calculated as a result of GASB 75 as discussed in Note 8. A right-of-use asset relating to the lease of the Caldwell Center was added to the 2021-22 as a result of the implementation of GASB 87, then removed as of June 30, 2023, due to the renegotiation of the lease to an amount of $1 per year for the remaining life of the lease.

Deferred Outflows of Resources

The 2022-23 deferred outflows of resources ($2.8 million) increased by $41k 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 $735k which is almost entirely due to an increase in the current portion of the PERS bond payable. This is merely a change in the amortization schedule for the PERS bonds where, in the latter years of repayment, interest payments decrease substantially, and principal payments increase substantially. There is not a significant difference in the total payments required but only in the breakdown between principal and interest.

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 $529k 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, including the substantial switch between principal and interest payments on the PERS bonds as noted above. See Note 6 for additional information regarding long-term debt.

Deferred Inflows of Resources

The deferred inflows of resources totaled $5.4 million, reflecting a $2.6 million decrease 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 increases in state grants and contracts and other operating revenue resulting from the Renewable Energy Grant and the ERTC, the decrease in state support payments resulting from receiving three payments rather than five, and the decrease in Federal COVID-19 stimulus payments, combine for a net increase in net position of approximately $5.8 million. The total net position as of June 30, 2023, is approximately $14.4 million.

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

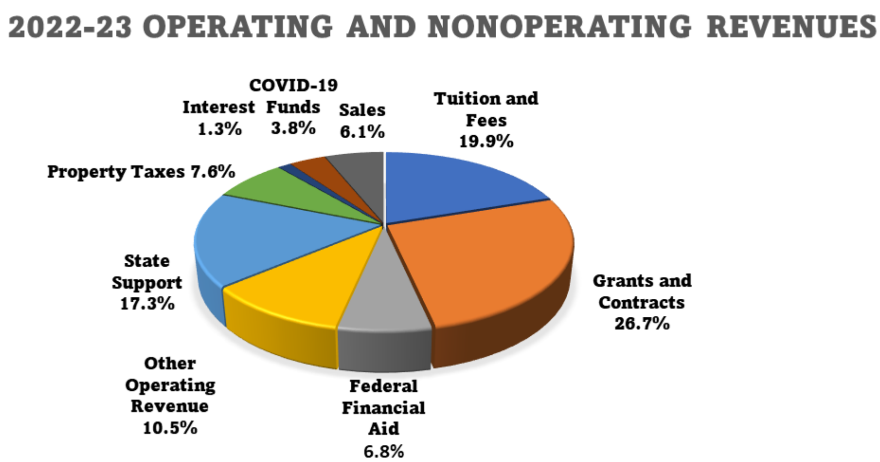
The *Statement of Revenues, Expenses, and Changes in Net Position* presents the College's revenues earned and expenses incurred during the year which are reported as either operating or non-operating. The accrual basis of accounting was used, meaning that revenues and expenses are recorded as soon as 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 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 loss of $6.9 million, even though the College's total net position increased by $5.8 million. Please see pages 17 and 18.

	2023	2022	$ Change	% Change
Operating revenues				
Tuition and fees	$ 7,688,820	$ 6,747,314	$ 941,506	14.0%
Grants and contracts	10,343,018	7,398,457	2,944,561	39.8%
Sales of goods and services	2,626,492	2,849,526	(223,034)	-7.8%
Other operating revenues	4,067,128	1,771,989	2,295,139	129.5%
Total operating revenues	24,725,458	18,767,286	5,958,172	31.7%
Non operating revenues				
State community college support	6,694,684	10,411,610	(3,716,926)	-36%
Property taxes	2,958,778	2,824,965	133,813	5%
Investment income	508,013	52,246	455,767	872%
Federal COVID-19 funds	1,463,475	3,966,267	(2,502,792)	-63%
Federal financial aid	2,370,851	2,514,228	(143,377)	-6%
Total non-operating revenues	13,995,801	19,769,316	(5,773,515)	-29.2%
Total revenues	38,721,259	38,536,602	184,657	0.5%
Operating expenses				
Educational and general	12,400,971	11,126,896	1,274,075	11.5%
Other support services	8,834,468	8,021,900	812,568	10.1%
Scholarships and grants	7,164,848	8,764,189	(1,599,341)	-18.2%
Auxiliary enterprises	1,983,774	2,033,417	(49,643)	-2.4%
Depreciation	1,294,602	1,287,452	7,150	0.6%
Total operating expense	31,678,663	31,233,854	444,809	1.4%
Non operating expenses				
Loss on disposal of assets	10,195	13,409	(3,214)	-24.0%
Interest expense	1,258,550	1,200,137	58,413	5%
Total expenses	32,947,408	32,447,400	500,008	1.5%
Change in net position	$ 5,773,851	$ 6,089,202	$ (315,351)	5%

Revenue

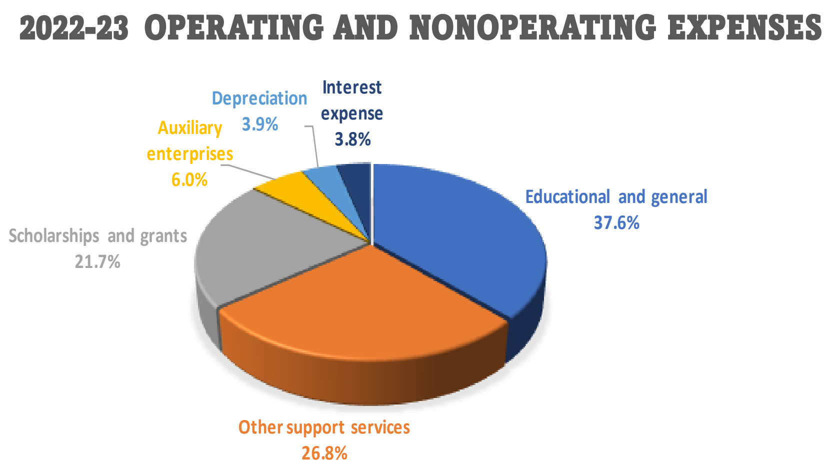
Operating revenues for the fiscal year increased by $5.9 million over the prior year. Tuition and fee income increased by $942k, federal sources including aid received for students decreased by $347k, state grants and contracts increased by $3.29 million, auxiliary enterprise operational revenues decreased by $223k, and other operating revenues including indirect costs received from federal and state grants increased by $2.3 million. The main reason for the large increase in other operating revenues can be attributed to the accounts receivable recorded for the employee retention tax credits. For state grants and contracts, the large increase can be attributed to several new state grants resulting from the state having COVID funds to distribute including a $2.5 million renewal energy grant, all of which was received in 2022-23. 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 being the second year of the biennium, resulted in a $3.7 million decrease in state community college support payments in 2022-23. There was a decrease of $2.5 million in Federal COVID-19 funds from the prior year as all of the remaining funds were expended. Federal financial aid decreased $143k as a result of changes in types of enrolled students and fewer students receiving federal awards and student loans during the current fiscal year. Due to the availability of larger than normal amounts of cash on hand as a result of Federal Stimulus dollars received in the current and prior years, and the increase in interest rates, investment income increased by $456k. When all of these things are netted together, total current year non-operating revenues decreased approximately $5.8 million from the prior year.

Expenses

Total operating expenses for the College were $31.7 million for the 2022-23 fiscal year, an increase of $445k from the prior year. Expenditures increased for most categories except plant operations and scholarships and grants. Scholarships and grants decreased by $1.6 million primarily due to decreases in COVID-19 Federal stimulus funds being disbursed to students as these funds were depleted during the year. The other operating expense category increases of 11.5% for educational and general, and 10.1% for other support services resulted from increased expenses such as travel, supplies, and other expenses which returned to pre-pandemic levels. In addition, personnel costs increased across all departments as a result of salary increases given to all employee groups. As in prior years, changes in operating expenses resulted from adjustments to 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.



Capital Assets

During the 2022-23 fiscal year, the College's net capital assets increased by $106k due to capital asset additions of $1.3 million, offset by net deletions of $11k and $1.1 million of depreciation expense. See Note 3, Changes in Capital Assets, for additional information.

Long-Term Obligations

As of June 30, 2023, the College's total outstanding debt was $10.1 million. Of this amount, $3.6 million is Residence Hall Bonds and $5.7 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 $786k.

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 $57.4 million. See page 76 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 2022-23 fiscal year was an interesting year with uncertainties regarding going forward after the pandemic 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. Anticipated enrollment for 2023-2024 remained flat from the prior year and the legislature increased the amount of funds allocated to community colleges, so we anticipate state funding in 2023-24 to increase by approximately 10 to 15% depending on our reimbursable FTE numbers in relation to the other 16 Oregon community colleges. In addition to face-to-face instruction, TVCC continued to offer 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 2023-24 fiscal year on June 20, 2023. The adopted budget was prepared keeping current economic conditions in mind. For 2023-24, the adopted General Fund budget totaled $21.55 million, representing an increase of 9.8% from the 2022-23 budget. The 2023-24 budget includes a 3% increase in property tax assessments, with neither an increase or 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 2023-24 budget to partially offset the decrease in tuition and fees related to decreased enrollment. There was also an increase in the universal fee of $1 per credit to offset rising costs of instructional supplies, technology, printing, campus security, and parking. The beginning fund balance for 2023-24 was budgeted at $2.75 million based on the assumption that the ending fund balance would be higher because of the one-time Federal COVID-19 stimulus funding that could be carried over. The budget was developed based on State funding for Oregon's community colleges at the rate included in the Governor's Revenue Budget which anticipated an increase of 6.4%. While it appears that the financial position of the College going into 2023-24 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 2023-24 budget was developed with the goal of continuing to stretch 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 future sustainability. 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 nearing the completion of a 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, $3 million in Federal Congressional Direct Spending funds, and other donations amounting to over $2 million has been raised to date. The original cost to build the 30,000 sq. ft. building, estimated six to seven years ago was $10 million. With rising building costs, it is now anticipated that the building will cost closer to $12.8 million. The board approved using an interfund transaction process for up to $2.3 million, if needed, to close the gap. To date, the College has received $1.4 million in additional grant funding to offset the $2.3 million. There are still several requests out to major donors in hopes that the additional amount can be raised. 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

Financial Statements

Treasure Valley Community College
Statement of Net Position
June 30, 2023

	Primary Government TVCC College	Component Unit TVCC Foundation
ASSETS		
Current assets		
Cash and cash equivalents	$ 13,310,255	$ 1,790,077
Restricted cash	27,658	-
Investments	-	10,365,065
Accounts receivable, net	5,325,236	285,996
Prepaid and other assets	33,108	6,956
Inventory	232,007	-
Total current assets	18,928,264	12,448,094
Noncurrent assets		
Capital assets – non-depreciable	543,233	-
Capital assets – depreciable, net	19,500,695	-
Net OPEB asset – RHIA	162,984	-
Total noncurrent assets	20,206,912	-
Total assets	39,135,176	12,448,094
Deferred outflows of resources		
Deferred charge on refunding	116,118	-
Deferred outflows – RHIA OPEB	40,233	-
Deferred outflows – RHIPA OPEB	67,729	-
Deferred outflows on pension	2,559,064	-
Total deferred outflows of resources	2,783,144	-
LIABILITIES		
Current liabilities		
Accounts payable	819,029	57,894
Payroll liabilities	782,957	-
Compensated absences	143,014	-
Unearned revenue	1,755,639	-
Current portion of capital debt	445,290	-
Current portion of PERS bond payable	1,050,000	-
Total current liabilities	4,995,929	57,894

See accompanying notes.

Treasure Valley Community College
Statement of Net Position
June 30, 2023

	Primary Government TVCC College	Component Unit TVCC Foundation
Noncurrent liabilities		
PERS bond payable	4,640,000	-
Net pension liability	7,489,364	-
Pre-SLGRP PERS transition liability	455,746	-
Total OPEB liability – RHIPA	541,266	-
Notes payable	3,936,156	-
Total noncurrent liabilities	17,062,532	-
Total liabilities	22,058,461	57,894
Deferred inflows of resources		
Deferred inflows – RHIA OPEB	24,482	-
Deferred inflows – RHIPA OPEB	222,951	-
Deferred inflows pension amount	5,178,759	-
Total deferred inflows of resources	5,426,192	-
Net position		
Net investment in capital assets	15,778,299	-
Restricted – expendable		
Donor-imposed restriction	-	11,182,859
Net OPEB asset – RHIA	162,984	-
Unrestricted	(1,507,616)	1,207,341
Total net position	$ 14,433,667	$ 12,390,200

See accompanying notes.

Treasure Valley Community College
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2023

	Primary Government TVCC College	Component Unit TVCC Foundation
Operating revenues		
Student tuition and fees, net	$ 7,688,820	$ -
Federal sources	3,690,520	-
State sources	6,652,498	-
	18,031,838	-
Auxiliary enterprises		
Bookstore	519,613	-
Food services	466,594	-
Housing	517,007	-
Printing	92,664	-
Transportation	51,002	-
Caldwell Center	979,612	
Contributions and special events proceeds	-	2,000,960
Other operating revenues	4,067,128	-
Total operating revenue	24,725,458	2,000,960
Operating expenses		
Educational and general	12,400,971	-
Other support services		
Student activities	2,893,079	-
College support	4,504,474	342,816
Plant operations	1,436,915	-
Scholarships and grants	7,164,848	353,695
Auxiliary enterprises		
Bookstore	573,220	-
Food services	480,699	-
Housing	158,611	-
Printing	83,839	-
Transportation	37,728	-
Caldwell Center	649,677	-
Fundraising expenses	-	142,319
Management and general expense	-	135,469
Depreciation and amortization	1,294,602	-
Total operating expenses	31,678,663	974,299
Operating revenue (loss)	(6,953,205)	1,026,661

See accompanying notes.

Treasure Valley Community College
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2023

	Primary Government TVCC College	Component Unit TVCC Foundation
Nonoperating revenues (expenses)		
Property taxes	2,958,778	-
State FTE reimbursement	6,694,684	-
Federal financial aid	2,370,851	-
Federal COVID-19 funds	1,463,475	-
Investment income	508,013	1,034,020
Loss on disposal of assets	(10,195)	-
Interest expense	(1,258,550)	-
Net nonoperating revenues	12,727,056	1,034,020
Change in net position	5,773,851	2,060,681
Net position, beginning of year	8,659,816	10,329,519
Net Position, end of year	$ 14,433,667	$ 12,390,200

See accompanying notes.

Treasure Valley Community College
Statement of Cash Flows
Year Ended June 30, 2023

	Primary Government TVCC College
Operating activities	
Tuition and fees, net	$ 5,584,735
Federal grants and contracts	3,690,520
State and local government grants and contracts	6,652,498
Payments to suppliers for goods and services	(9,400,365)
Payments to employees	(13,325,858)
Payments for student financial aid and other scholarships	(7,164,848)
Other cash receipts	5,663,006
Net cash used for operating activities	(8,300,312)
Noncapital financing activities	
Cash received from property taxes	2,958,778
State full time equivalent reimbursement	6,694,684
Federal COVID-19 funds received	1,463,475
Federal financial aid received	2,370,851
Net cash from noncapital financing activities	13,487,788
Capital related financing activities	
Purchases of capital assets	(1,182,190)
Principal paid on long-term debt	(1,766,274)
Interest paid on long-term debt	(1,258,550)
Net cash used for capital related financing activities	(4,207,014)
Investing activities	
Interest on investments	508,013
Net cash from investing activities	508,013
NET CHANGE IN CASH, RESTRICTED CASH, AND CASH EQUIVALENTS	1,488,475
CASH, RESTRICTED CASH, AND CASH EQUIVALENTS, beginning of year	11,849,438
CASH, RESTRICTED CASH, AND CASH EQUIVALENTS, end of year	$ 13,337,913

See accompanying notes.

Treasure Valley Community College
Statement of Cash Flows
Year Ended June 30, 2023

	Primary Government TVCC College
Reconciliation of cash, restricted cash, and cash equivalents to the statement of net position	
Cash and cash equivalents	$ 13,310,255
Restricted cash	27,658
Cash, restricted cash, and cash equivalents at end of year	$ 13,337,913
Reconciliation of operating loss to net cash used for operating activities	
Operating loss	$ (6,953,205)
Adjustments to reconcile operating revenues net of operating expenses to net cash used for operating activities	
Depreciation and amortization	1,294,602
Right-of-use asset deletion	888,560
GASB 68 – actuarial pension expense	(699,478)
GASB 75 – RHIA OPEB revenue	1,087
GASB 75 – RHIPA OPEB expense	(350)
Changes in assets and liabilities	
Accounts receivable	(2,926,280)
Prepaid assets	17,077
Accounts payable	292,727
Unearned revenue	(208,419)
Inventory	22,081
Accrued payroll and payroll costs	(60,074)
Compensated absences	31,360
Net cash used for operating activities	$ (8,300,312)

See accompanying notes.

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.

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 amortization and outstanding debt obligations and deferred inflows/outflows attributable to the acquisition, construction, or improvement, or lease of those assets.

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.

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, 2023, the College was in compliance with the aforementioned State of Oregon Statutes. As of June 30, 2023, 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, 2023.

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

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 included 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.

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, 2023, for the College's 2023-2024 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, 2023, the accrued compensated absences amounted to $143,014.

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.

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 total 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 assets 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 proportionate 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 assets 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 and amortization. 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.

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.

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:

LEVEL OF CONTROL

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, 2022	Additions	Retirements	Transfers	Balance June 30, 2023
Capital assets not being depreciated					
Land	$ 233,381	$ -	$ -	$ -	$ 233,381
Construction in progress	156,377	175,526	-	(22,051)	309,852
Total capital assets not being depreciated	389,758	175,526	-	(22,051)	543,233
Other capital assets					
Buildings	27,225,451	261,467	(44,416)	22,051	27,464,553
Improvements and software	4,310,840	290,671	(322,386)	-	4,279,125
Vehicles and equipment	5,332,960	530,604	(860,161)	-	5,003,403
Total other capital assets	36,869,251	1,082,742	(1,226,963)	22,051	36,747,081
Total capital assets	37,259,009	1,258,268	(1,226,963)	-	37,290,314
Less accumulated depreciation					
Buildings	10,314,122	703,466	(44,416)	-	10,973,172
Improvements and software	2,859,251	172,609	(337,167)	-	2,694,693
Vehicles and equipment	4,147,401	265,564	(834,444)	-	3,578,521
Total accumulated depreciation	17,320,774	1,141,639	(1,216,027)	-	17,246,386
Capital assets, net	$ 19,938,235	$ 116,629	$ (10,936)	$ -	$ 20,043,928

Depreciation expense for the year ended June 30, 2023, was $1,141,639.

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, 2023:

Cash and cash equivalents	
Petty cash	$ 2,650
Deposits with banks	2,982,011
State Treasurer's Local Government Investment Pool (LGIP)	10,325,594
Total cash and cash equivalents	13,310,255
Restricted cash and cash equivalents	
State Treasurer's Local Government Investment Pool (LGIP)	27,658
Total cash and cash equivalents	$ 13,337,913

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, 2023. 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, 2023, the carrying amount of the College's deposits (cash and LGIP) was $13,337,913 and the bank balance was $13,578,337. 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, 2023, 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, 2023, $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.

Cash equivalents – At June 30, 2023, the College held $10,353,252 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, 2023, 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, 2023, were as follows:

Property tax	$ 119,748
Tuition and related fees	1,594,602
Due from other governmental units	1,632,444
ERTC	2,409,392
Other	147,020
	5,903,206
Allowance for uncollectible tuition and fees	(577,970)
Total accounts receivable, net	$ 5,325,236

Note 6 – Long-Term Obligations

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

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year
Bank of Eastern Oregon	$ 934,529	$ -	$ (148,083)	$ 786,446	$ 155,290
PERS UAL bond	5,975,823	-	(285,823)	5,690,000	1,050,000
Series 2012 refinancing	3,885,000	-	(290,000)	3,595,000	290,000
Lease payable - right of use assets	1,042,368	-	(1,042,368)	-	-
Total debt	11,837,720	-	(1,766,274)	10,071,446	1,495,290
Pre-SLGRP PERS transition liability	611,844	-	(156,098)	455,746	-
Compensated absences	111,654	402,461	(371,101)	143,014	143,014
Total other	$ 723,498	$ 402,461	$ (527,199)	$ 598,760	$ 143,014

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 $1.62 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 was 3.75% per annum with changes to the rate occurring five years from the date of the loan. In October, 2022, the interest rate increased to 5.75% for the remaining five years. The loan is collateralized by the security instrument as listed in the promissory note.

Future payments for long-term debt at June 30, 2023, include:

	Principal	Interest	Total
2024	$ 1,495,290	$ 489,923	$ 1,985,213
2025	1,637,053	415,029	2,052,082
2026	1,741,621	329,839	2,071,460
2027	1,906,752	237,365	2,144,117
2028	1,080,730	137,204	1,217,934
2029–2033	1,520,000	325,400	1,845,400
2034–2038	690,000	41,600	731,600
	$ 10,071,446	$ 1,976,360	$ 12,047,806

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: oregon.gov/pers/Documents/Financials/ACFR/2022-Annual-Comprehensive-Financial-Report.PDF.

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. The final average salary is limited to $210,582 as of January 1, 2022, and it is indexed for inflation every year. 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.

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 a 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 caused by changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

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

Pension benefits – The Pension Program provides benefits to members hired on or after August 29, 2003. 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. Normal retirement age for general service members is 65, or age 58 with 30 years of retirement credit.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary is limited for all members beginning in 2021. The limit will be equal to $210,582 in 2022 and will be indexed with inflation in later years.

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, or, 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 IAP 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 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 OPSRP 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.

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. In 2022, if the member earns more than $3,333 per month, 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. Effective January 1, 2020, Senate Bill 1049 requires employers to pay contributions on re-employed PERS retirees' salaries as if they were active members, excluding IAP (6%) contributions. Re-employed retirees do not accrue additional benefits while they work after retirement.

Employer contributions for the year ended June 30, 2023 were $438,751, 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, 2023, 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, 2023, the College reported a liability of $7,489,364 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. 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.

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, 2023, the College's proportion was 0.04891171 percent, and was 0.04587045 percent at the prior year date of June 30, 2022.

For the year ended June 30, 2023, the College recognized a pension expense of $471,999. At June 30, 2023, 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	$ 363,548	$ 46,705
Changes of assumptions	1,175,122	10,736
Net difference between projected and actual earnings on investments	-	1,338,953
Changes in proportionate share	581,643	1,696,389
Differences between College contributions and the College's proportionate share of system contributions	-	2,085,976
	2,120,313	5,178,759
College contributions subsequent to the measurement date	438,751	-
	$ 2,559,064	$ 5,178,759
Net deferred outflow (inflow) of resources		$ (2,619,695)

The $438,751 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, 2024. 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,	2024	$ (1,062,453)
	2025	(928,413)
	2026	(1,233,479)
	2027	254,055
	2028	(88,156)
		$ (3,058,446)

A summary of the economic assumptions used for the December 31, 2020, actuarial valuation is shown below:

Actuarial Methods and Assumptions	Valuation Date: December 31, 2020 Measurement Date: June 30, 2022
Experience Study	2020, published July 20, 2021
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 2020 experience study, which reviewed experience for the four-year period ended December 31, 2020.

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%

Depletion Date Projection – GASB 68 generally requires that a blended discount rate be used to measure the Total Pension 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 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 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) 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 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% funded position by the end of the amortization period if future experience follows assumption.

- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate 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 our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Discount rate – The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan. 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.

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	$ 13,281,739	$ 7,489,364	$ 2,641,413

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 $455,746 at June 30, 2023. The liability represents the College's allocated share of the pre-SLGRP pooled liability. The College is being assessed an employer contribution rate of 1.42% 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, 2022, there were 812 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.

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, 2022, state agencies contributed 0.05 and 0.11 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 0.17 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 2020 Experience Study, which reviewed experience for the four-year period ended on December 31, 2020.

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, 2020 Measurement Date: June 30, 2022
Experience Study	2020, published July 20, 2021
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: 27.5%; Disabled retirees: 15.0%
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-back 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, 2022, 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.

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: oregon.gov/pers/Documents/Financials/ACFR/2022-Annual-Comprehensive-Financial-Report.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.

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, 2023, the College reported an asset of $162,984 for its proportionate share of the net OPEB asset – RHIA. The net OPEB asset – RHIA was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB asset – RHIA was determined by an actuarial valuation as of December 31, 2020. 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, 2022, the College's proportion was 0.04586775%, which was a decrease of 0.02445285% from the proportion measurement of 0.07032060% as of June 30, 2021.

At June 30, 2023, 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	$ -	$ 4,417
Changes of assumptions	1,276	5,433
Net difference between projected and actual earnings on investments	-	12,430
Changes in proportionate share	37,249	2,202
	38,525	24,482
College contributions subsequent to the measurement date	1,708	-
	$ 40,233	$ 24,482
Net deferred outflow (inflow) of resources		$ 15,751

The deferred outflows of resources related to OPEB resulting from the College's contributions subsequent to the measurement date of $1,708 will be recognized as a reduction of the net OPEB asset – RHIA in the year ended June 30, 2024. Other amounts reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized in pension expense in future years as follows:

		Deferred Outflow (Inflow) of Resources
Years Ended June 30,	2024	$ 13,058
	2025	4,849
	2026	(7,844)
	2027	3,980
		$ 14,043

Sensitivity of RHIA asset to changes in the discount rate – The discount rate used for the fiscal year ended June 30, 2023, 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)	$ (146,895)	$ (162,984)	$ (176,777)

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 $1,500, and part-time employees received between 50% and 75% of the individual insurance rate based on their FTE, for the year ended June 30, 2023.

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 until eligible for Medicare coverage 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 Medicare age may continue enrollment in the health plans on a self-pay basis until reaching Medicare eligibility. Retired employees who are not eligible for the College Paid-Cap may continue enrollment in the health plans on a self-pay basis until reaching Medicare eligibility.

Total OPEB liability – The College's total OPEB liability was measured as of June 30, 2022, and the total liability of $541,266 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
2062-2067	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

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 (2.54%) or 1 percentage point higher (4.54%) than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total RHIPA Liability (asset)	$ 578,041	$ 541,266	$ 506,553

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 (4.00%) or 1 percentage point higher (6.00%) than the current health-care cost trend rate:

	1% Decrease (4.00%)	Health Care Cost Trend Rate (5.00%)	1% Increase (6.00%)
Total RHIPA Liability (asset)	$ 488,483	$ 541,266	$ 602,990

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.

OPEB expense – The following table shows the components affecting the College's OPEB expense for the fiscal year ended June 30, 2023:

BALANCE, June 30, 2022	$ 544,625
Service cost	67,082
Interest on total OPEB liability	12,871
Recognition of deferred (inflows) outflows of resources	
Effect of economic/demographic gains or losses	-
Effect of assumption changes or inputs	(51,497)
Benefit payments	(31,815)
OPEB expense	(3,359)
BALANCE, June 30, 2023	$ 541,266

Deferred outflows of resources and deferred inflows of resources related to OPEB – For the year ended June 30, 2023, the College recognized OPEB expense of $193,022. At June 30, 2023, 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	$ 26,570	$ 66,976
Differences between expected and actual experience	-	155,975
College contributions subsequent to the measurement date	41,159	-
	$ 67,729	$ 222,951
Net deferred outflow (inflow) of resources		$ (155,222)

The College will recognize the $41,159 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,	2024	$ (39,144)
	2025	(36,552)
	2026	(33,749)
	2027	(32,297)
	2028	(26,199)
	Thereafter	(28,440)
		$ (196,381)

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, 2023.

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, 2023, the Foundation provided scholarship support of $353,695 and program support of $98,337. It also provided CTE building and equipment support of $67,000 and Nursing and Allied Health Professions Center building and equipment support of $82,506. During the year ended June 30, 2023, the College provided support to the Foundation to pay salaries and benefits for the executive director and administrative personnel of $94,784. The College donated $11,725 and $49,080 to the Foundation for supplies and in-kind contributions, including office space, respectively. The fair value of the office space is determined by averaging the fair rental rate for office buildings within the College's community. At June 30, 2023, the Foundation had amounts due to the College of $54,895.

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 a properly completed application for admission and whose financial aid has been 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. The Foundation's 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.

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 necessarily 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.

The assets that are measured at fair value on a recurring basis as of June 30, 2023, 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	$ -	$ 1,023,633	$ -	$ 1,023,633
Mutual funds				
Fixed income mutual funds	965,411	-	-	965,411
Cash mutual funds	45,782	-	-	45,782
Equities				
Large Cap Growth	1,345,073	-	-	1,345,073
Large Cap Value	783,937	-	-	783,937
Small/Mid Cap Growth	262,768	-	-	262,768
Small/Mid Cap Value	566,726	-	-	566,726
International Equity	662,840	-	-	662,840
Equities Blend	79,573	-	-	79,573
Exchange traded funds				
Fixed income exchange traded funds	1,693,903	-	-	1,693,903
Cash exchange traded funds	84,252	-	-	84,252
Other exchange traded funds	23,040	-	-	23,040
Equity exchange traded funds	2,828,127	-	-	2,828,127
Total assets at fair value	$ 9,341,432	$ 1,023,633	$ -	$ 10,365,065

Donated materials and services – Donated materials and services for the year ended June 30, 2023, were:

	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 16,026	$ 22,473	$ 22,473	$ 60,972
Employee benefits	9,056	12,378	12,378	33,812
Materials and supplies	4,547	4,217	2,961	11,725
In-kind contributions	16,360	16,360	16,360	49,080
	$ 45,989	$ 55,428	$ 54,172	$ 155,589

All donated materials and services were provided by the College.

Endowment – The Foundation's endowment consists of over 120 individual funds established for a variety of purposes. The endowment consists of funds with donor restrictions and two funds without donor restrictions 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.

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, 2023, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds	$ 1,207,341	$ 8,776,251	$ 9,983,592

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.

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, 2022	$	1,200,704	$	7,534,488	$	8,735,192
Investment return						
Investment income, net		31,182		211,210		242,392
Net realized and unrealized appreciation		98,068		664,261		762,329
Contributions		-		555,837		555,837
Other changes						
Fundraising and other income		94,559		-		94,559
Appropriation of endowment assets for expenditures		(217,172)		(189,545)		(406,717)
Endowment assets						
End of year, June 30, 2023	$	1,207,341	$	8,776,251	$	9,983,592

The Foundation has $3,929,673 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	$	1,790,077
Accrued interest receivable		6,956
Promises to give		285,996
Investments		10,365,065
Total financial assets		12,448,094
Donor-imposed restrictions		
Promises to give		(285,996)
Endowment fund		(8,776,251)
Add back amounts available for expenditures in one year		189,545
Board designations		
Operating reserves and other available for expenditure in one year		354,281
Financial assets available to meet cash needs for general expenditures within one year	$	3,929,673

Promises to give receivable represents unconditional promises to give to the Foundation that are legally enforceable. An allowance for doubtful accounts has not been estimated for potentially uncollectible pledges because it is not anticipated to be an amount that would be material to the financial statements as a whole.

One year or less	$	122,661
1 to 5 years		123,335
More than 5 years		40,000
Total promises to give receivable	$	285,996

Required Supplementary Information

Treasure Valley Community College
Schedule of Employer's Share of Net RHIA OPEB Liability (Asset)
June 30, 2023

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
2022	0.04586775%	$ (162,984)	$ 8,160,427	-2.00%	194.60%
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, 2023

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
2023	$ 1,128	$ 1,128	$ -	$ 8,390,154	0.01%
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, 2023

	2023	2022	2021	2020	2019	2018
Total RHIPA OPEB liability						
Service cost	$ 67,082	$ 85,753	$ 74,725	$ 59,850	$ 59,047	$ 61,573
Interest on total OPEB liability	12,871	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	(51,497)	(14,762)	42,839	(1,826)	(13,222)	(31,976)
Benefit payments	(31,815)	(60,978)	(43,822)	(34,188)	(27,148)	(25,696)
Net changes in total RHIPA OPEB liability	(3,359)	(146,520)	96,413	(7,681)	40,428	20,718
Total RHIPA OPEB liability – beginning	544,625	691,145	594,732	602,413	561,985	541,267
Total RHIPA OPEB liability – ending	$ 541,266	$ 544,625	$ 691,145	$ 594,732	$ 602,413	$ 561,985
Covered employee payroll	$ 8,390,154	$ 8,160,427	$ 9,736,684	$ 10,179,311	$ 10,462,730	$ 10,541,986
Total RHIPA OPEB liability as a percentage of covered employee payroll	6.45%	6.67%	7.10%	5.84%	5.76%	5.33%
Discount rate	3.54%	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.

Treasure Valley Community College
Schedule of Employer's Share of Net Pension Liability (Asset)
June 30, 2023

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
2022	0.048912%	$ 7,489,364	$ 8,160,427	91.78%	84.50%
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. 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 – Pensions
June 30, 2023

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
2023	$ 438,751	$ 438,751	$ -	$ 8,390,154	5.2%
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. 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.

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, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 3,474,458	$ 3,474,458	$ 3,719,813	$ 245,355
State sources	8,559,663	8,559,663	8,985,836	426,173
Lost revenue recovery	-	-	163,116	163,116
Tuition and fees	5,114,998	5,114,998	4,999,471	(115,527)
Total revenues	17,149,119	17,149,119	17,868,236	719,117
Expenditures				
Instruction	6,320,089	6,320,089	6,061,044	259,045
Instruction support	909,258	909,258	862,734	46,524
Student services	2,601,210	2,601,210	2,543,740	57,470
College support services	4,916,855	4,916,855	4,914,108	2,747
Plant operation and maintenance	1,943,265	1,943,265	1,941,491	1,774
Plant additions	60,000	60,000	60,000	-
Financial aid	1,058,674	1,058,674	1,033,501	25,173
Operating contingency	950,000	950,000	-	950,000
Total expenditures	18,759,351	18,759,351	17,416,618	1,342,733
Excess of revenues over (under) expenditures	(1,610,232)	(1,610,232)	451,618	2,061,850
Other financing sources (uses)				
Transfers in	25,000	25,000	15,000	(10,000)
Transfers out	(564,768)	(564,768)	(564,768)	-
Total other financing sources (uses)	(539,768)	(539,768)	(549,768)	(10,000)
Excess of revenues, other Financing sources over (under) expenditures, other Financing (uses)	(2,150,000)	(2,150,000)	(98,150)	2,051,850
Available fund balance, July 1	2,450,000	2,450,000	2,960,927	510,927
Available fund balance, June 30	$ 300,000	$ 300,000	$ 2,862,777	$ 2,562,777

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, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 700,000	$ 700,000	$ 372,792	$ (327,208)
Tuition and fees	2,725,110	2,725,110	2,228,291	(496,819)
State sources	3,925,000	3,925,000	6,052,365	2,127,365
Federal sources	3,570,000	3,570,000	4,301,239	731,239
Total revenues	10,920,110	10,920,110	12,954,687	2,034,577
Expenditures				
Instruction	8,289,982	8,289,982	5,486,235	2,803,747
Supporting services	3,380,128	3,380,128	1,678,674	1,701,454
Total expenditures	11,670,110	11,670,110	7,164,909	4,505,201
Excess of revenues over (under) expenditures	(750,000)	(750,000)	5,789,778	6,539,778
Other financing sources (uses)				
Transfers in	500,000	500,000	-	(500,000)
Transfers out	(500,000)	(500,000)	-	500,000
Total other financing sources (uses)	-	-	-	-
Excess of revenues, other Financing sources, over (under) expenditures	(750,000)	(750,000)	5,789,778	6,539,778
Available fund balance, July 1	750,000	750,000	2,426,803	1,676,803
Available fund balance, June 30	$ -	$ -	$ 8,216,581	$ 8,216,581

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, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 1,311,144	$ 1,311,144	$ 1,303,494	$ (7,650)
Total revenues	1,311,144	1,311,144	1,303,494	(7,650)
Expenditures				
Debt service	1,943,912	1,943,912	1,936,262	7,650
Total expenditures	1,943,912	1,943,912	1,936,262	7,650
Excess of revenues over (under) expenditures	(632,768)	(632,768)	(632,768)	-
Other financing sources (uses)				
Transfer from other funds	632,768	632,768	632,768	-
Total other financing sources (uses)	632,768	632,768	632,768	-
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, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 1,000,000	$ 1,000,000	$ -	$ (1,000,000)
State sources	2,000,000	2,000,000	100,966	(1,899,034)
Federal sources	2,000,000	2,000,000	-	(2,000,000)
Total revenues	5,000,000	5,000,000	100,966	(4,899,034)
Expenditures				
Facilities acquisition and construction	5,150,000	5,150,000	165,124	4,984,876
Total expenditures	5,150,000	5,150,000	165,124	4,984,876
Excess of revenues, other Financing sources over (under) expenditures, other financing (uses)	(150,000)	(150,000)	(64,158)	85,842
Available fund balance, July 1	150,000	150,000	154,988	4,988
Available fund balance, June 30	$ -	$ -	$ 90,830	$ 90,830

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – Reserve Fund
Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 1,200,000	$ 1,200,000	$ 1,218,071	$ 18,071
Tuition and fees	175,000	175,000	89,945	(85,055)
Total revenues	1,375,000	1,375,000	1,308,016	(66,984)
Expenditures				
Support services	1,071,500	1,071,500	688,092	383,408
Facilities acquisition and construction	928,500	928,500	-	928,500
Total expenditures	2,000,000	2,000,000	688,092	1,311,908
Excess of revenues over (under) expenditures	(625,000)	(625,000)	619,924	(1,378,892)
Other financing sources (uses)				
Transfers from other funds	1,050,000	1,050,000	280,000	(770,000)
Transfers to other Funds	(700,000)	(700,000)	-	700,000
Total other financing sources (uses)	350,000	350,000	280,000	(70,000)
Excess of revenues, other Financing sources over (under) expenditures, other financing (Uses)	(275,000)	(275,000)	899,924	1,174,924
Available fund balance, July 1	3,387,000	3,387,000	4,520,309	1,133,309
Available fund balance, June 30	$ 3,112,000	$ 3,112,000	$ 5,420,233	$ 2,308,233

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – Agency Fund
Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 312,800	$ 312,800	$ 284,818	$ (27,982)
Lost revenue recovery	-	-	1,660	1,660
Tuition and fees	422,000	422,000	375,938	(46,062)
Total revenues	734,800	734,800	662,416	(72,384)
Expenditures				
Instruction	270,000	270,000	68,336	201,664
Support Services	1,177,867	1,177,867	603,262	574,605
Total expenditures	1,447,867	1,447,867	671,598	776,269
Excess of revenues over (under) expenditures	(713,067)	(713,067)	(9,182)	703,885
Other financing sources (uses)				
Transfers from other funds	25,000	25,000	-	(25,000)
Transfers to other Funds	(25,000)	(25,000)	(15,000)	10,000
Total other financing sources (uses)	-	-	(15,000)	(15,000)
Excess of revenues, other Financing sources over (under) expenditures, other financing (Uses)	(713,067)	(713,067)	(24,182)	688,885
Available fund balance, July 1	713,067	713,067	795,205	82,138
Available fund balance, June 30	$ -	$ -	$ 771,023	$ 771,023

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, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local sources	$ 20,000	$ 20,000	$ -	$ (20,000)
State sources	780,000	780,000	500,165	(279,835)
Federal sources	8,200,000	8,200,000	5,633,000	(2,567,000)
Total revenues	9,000,000	9,000,000	6,133,165	(2,866,835)
Expenditures				
Supporting services	9,000,000	9,000,000	6,131,346	2,868,654
Total expenditures	9,000,000	9,000,000	6,131,346	2,868,654
Excess of revenues, other Financing sources over (under) expenditures, other financing (uses)	-	-	1,819	1,819
Available fund balance, July 1	-	-	-	-
Available fund balance, June 30	$ -	$ -	$ 1,819	$ 1,819

Treasure Valley Community College
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – Auxiliary Fund
Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Operating revenues				
Sales	$ 2,227,500	$ 2,227,500	$ 1,656,116	$ (571,384)
Lost revenue recovery	-	-	36,814	36,814
Tuition and fees	1,597,795	1,597,795	979,612	(618,183)
Total operating revenues	3,825,295	3,825,295	2,672,542	(1,152,753)
Operating expenses				
Instruction	1,597,795	1,597,795	896,585	701,210
Enterprise services	1,984,894	1,984,894	1,554,370	430,524
Total operating expenses	3,582,689	3,582,689	2,450,955	1,131,734
Operating Income	242,606	242,606	221,587	(21,019)
Other financing sources (uses)				
Transfer from other funds	200,000	200,000	-	(200,000)
Transfer to other funds	(548,000)	(548,000)	(348,000)	200,000
Total other financing sources (uses)	(348,000)	(348,000)	(348,000)	-
Excess of revenues, other Financing sources over (under) expenditures, other financing (uses)	(105,394)	(105,394)	(126,413)	(21,019)
Available fund balance, July 1	3,974,705	3,974,705	4,290,492	315,787
Available fund balance, June 30	$ 3,869,311	$ 3,869,311	$ 4,164,079	$ 294,768

Treasure Valley Community College
Combining Balance Sheet – Proprietary Fund Types – Auxiliary
June 30, 2023

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals, June 30, 2023
ASSETS							
Cash	$ 500	$ -	$ 250	$ -	$ -	$ 600	$ 1,350
Interfund receivable	48,600	114,412	269,818	139,692	138,284	-	710,806
Prepaid assets	-	-	-	-	-	2,232	2,232
Receivables	17,467	-	-	-	-	-	17,467
Inventory	232,007	-	-	-	-	-	232,007
Capital assets (net of accumulated depreciation)	34,507	20,292	3,560,589	17,094	-	34,288	3,666,770
	$ 333,081	$ 134,704	$ 3,830,657	$ 156,786	$ 138,284	$ 37,120	$ 4,630,632
LIABILITIES AND NET POSITION							
Liabilities							
Accrued payroll	$ -	$ -	$ -	$ -	$ -	$ 21,342	$ 21,342
Deposits payable	-	-	75,210	-	-	-	75,210
Interfund payable	-	-	-	-	-	370,001	370,001
Total liabilities	-	-	75,210	-	-	391,343	466,553
Net position							
Unrestricted	333,081	134,704	3,755,447	156,786	138,284	(354,223)	4,164,079
Total net position	333,081	134,704	3,755,447	156,786	138,284	(354,223)	4,164,079
	$ 333,081	$ 134,704	$ 3,830,657	$ 156,786	$ 138,284	$ 37,120	$ 4,630,632

Treasure Valley Community College
Combining Statement of Revenue, Expenses, and Changes in Net Position – Proprietary Fund Types – Auxiliary
Year Ended June 30, 2023

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals, June 30, 2023
OPERATING REVENUES							
Sale of textbooks and school supplies	$ 519,615	$ -	$ -	$ -	$ -	$ -	$ 519,615
Food and catering sales	-	475,086	-	-	-	-	475,086
Housing income	-	-	517,750	-	-	-	517,750
Printing income	-	-	-	92,664	-	-	92,664
Transportation Income	-	-	-	-	51,001	-	51,001
Lost revenue recovery	36,135	-	679	-	-	-	36,814
Tuition and fees	-	-	-	-	-	979,612	979,612
Total operating revenues	555,750	475,086	518,429	92,664	51,001	979,612	2,672,542
OPERATING EXPENSES							
Salaries and benefits	163,530	17,344	110,011	38,850	1,051	542,417	873,203
Cost of goods sold	404,134	-	-	-	-	-	404,134
Travel and mileage	-	-	3,776	-	1,487	6,158	11,421
Materials and supplies	-	2,564	9,578	16,302	1,875	4,922	35,241
Rent	-	2,242	-	-	-	200,075	202,317
Outside services	21,133	460,012	18,581	24,652	-	44,231	568,609
Repairs and maintenance	-	-	6,259	-	33,474	12	39,745
Printing	8,073	-	1,689	12,718	3	2,564	25,047
Other expense	264	1,070	16,219	-	-	21,059	38,612
Depreciation	6,391	2,641	164,477	3,461	-	26,063	203,033
Utilities	-	-	509	-	-	49,084	49,593
Total operating expenses	603,525	485,873	331,099	95,983	37,890	896,585	2,450,955
OPERATING INCOME	(47,775)	(10,787)	187,330	(3,319)	13,111	83,027	221,587

Treasure Valley Community College
Combining Statement of Revenue, Expenses, and Changes in Net Position – Proprietary Fund Types – Auxiliary
Year Ended June 30, 2023

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals, June 30, 2023
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	380,856	145,491	3,916,117	160,105	125,173	(437,250)	4,290,492
NET POSITION, end of year	$ 333,081	$ 134,704	$ 3,755,447	$ 156,786	$ 138,284	$ (354,223)	$ 4,164,079

Treasure Valley Community College
Combining Statement of Cash Flows – Proprietary Fund Types – Auxiliary
Year Ended June 30, 2023

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals, June 30, 2023
OPERATING ACTIVITIES							
Cash received from customers	$ 519,615	$ 475,086	$ 517,750	$ 92,664	$ 51,001	$ 979,612	$ 2,635,728
Lost revenue recovery	36,135	-	679	-	-	-	36,814
Payments to employees	(163,530)	(17,344)	(110,011)	(38,850)	(1,051)	(538,087)	(868,873)
Payments to suppliers	(400,348)	(465,888)	(22,111)	(53,672)	(36,839)	(327,817)	(1,306,675)
Net cash from (used for) operating activities	(8,128)	(8,146)	386,307	142	13,111	113,708	496,994
NONCAPITAL FINANCING ACTIVITIES							
Increase (decrease) in interfund receivable/payable	8,128	7,402	(23,089)	(142)	(13,111)	(113,708)	(134,520)
Operating transfers In (Out)	-	-	(348,000)	-	-	-	(348,000)
Net cash from (used for) noncapital financing activities	8,128	7,402	(371,089)	(142)	(13,111)	(113,708)	(482,520)
INVESTING ACTIVITIES							
Net increase in capital assets	-	744	(15,218)	-	-	-	(14,474)
Net change in cash used for investing activities	-	-	-	-	-	-	(14,474)
NET CHANGE IN CASH	-	-	-	-	-	-	-
NET CASH, beginning of year	500	-	250	-	-	600	1,350
NET CASH, end of year	$ 500	$ -	$ 250	$ -	$ -	$ 600	$ 1,350

Treasure Valley Community College
Combining Statement of Cash Flows – Proprietary Fund Types – Auxiliary
Year Ended June 30, 2023

	Bookstore	Food Service	Housing	Printing	Transportation	Caldwell Center	Totals June 30, 2023
Reconciliation of operating income to net net cash from operating activities							
Operating income	$ (47,775)	$ (10,787)	$ 187,330	$ (3,319)	$ 13,111	$ 83,027	$ 221,587
Depreciation and amortization	6,391	2,641	164,477	3,461	-	26,063	203,033
(Increase) decrease in accounts receivable (net)	11,176	-	-	-	-	-	11,176
(Increase) decrease in inventory	22,080	-	-	-	-	-	22,080
(Increase) decrease in prepaid assets	-	-	-	-	-	288	288
Increase (decrease) in payroll payable	-	-	-	-	-	4,330	4,330
Increase (decrease) in deposits payable	-	-	34,500	-	-	-	34,500
Net cash from (used for) operating activities	$ (8,128)	$ (8,146)	$ 386,307	$ 142	$ 13,111	$ 113,708	$ 496,994

Treasure Valley Community College
Statement of Property Tax Transactions
Year Ended June 30, 2023

Tax Year Special Levy All Counties	Uncollected Taxes June 30, 2022	2022-2023 Assessment	Adjustments	Rebates Allowed	Interest	Taxes Collected	Total Amount Collected	Uncollected Taxes June 30, 2023
2022-2023	$ -	$ 3,129,458	$ 2,539	$ 77,369	$ 1,649	$ 2,980,217	$ 2,981,866	$ 69,333
2021-2022	57,598	1,983	305	13	2,224	30,715	32,939	28,548
2020-2021	29,547	600	318	(2)	2,328	12,802	15,130	17,029
2019-2020	15,903	630	278	(1)	3,427	12,085	15,512	4,171
2018-2019	4,811	-	380	(1)	1,532	4,027	5,559	405
2017-2018	334	-	102	-	63	130	193	102
2016-2017	100	-	96	-	1	3	4	1
Prior years	170	-	-	-	16	11	27	159
Total	$ 108,463	$ 3,132,671	$ 4,018	$ 77,378	$ 11,240	$ 3,039,990	$ 3,051,230	$ 119,748

Treasure Valley Community College
Statement of Assets, Liabilities, and Fund Balance – General Fund
June 30, 2023

ASSETS	
Cash and cash equivalents	$ 13,336,564
Accounts receivable, net	3,234,387
Prepaid assets	29,916
Total assets	$ 16,600,867
LIABILITIES	
Accounts payable	$ 562,077
Payroll liabilities	804,399
Due to other funds	12,286,737
Unearned revenue	84,878
Total liabilities	13,738,091
FUND BALANCE	2,862,777
	$ 16,600,868

Treasure Valley Community College
Historical Property Values and General Obligation Legal Debt Capacity
Year Ended June 30, 2023

Fiscal Year	Measure 5 Real Market Value	Total Assessed Value	% AV Growth
2023	$ 3,827,780,000	$ 2,591,996,000	4.08%
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 2023)	$ 3,827,780,000
G.O. bond debt capacity	57,416,700
Less: outstanding debt subject to limit	-
Remaining general obligation debt capacity	$ 57,416,700
Percent of debt capacity issued	0%

Treasure Valley Community College
District Major Taxpayers
Year Ended June 30, 2023

Taxpayer	Business/Service	Tax (1)	Assessed Value (2)	Percent of Value
Idaho Power Co	Utilities	$ 2,358,305	$ 202,772,359	8.22%
ORMAT Technologies Inc	Renewable energy	1,435,828	139,705,200	5.66%
HJ Heinz Company LP	Food processing	1,418,667	96,188,410	3.90%
Simplot US Foods Group	Food processing	521,849	36,004,828	1.46%
Fry Foods	Food processing	370,406	34,136,299	1.38%
PacifiCorp (PP&L)	Utilities	264,832	25,394,992	1.03%
EP Minerals LLC	Diatomaceous earth	189,685	19,297,576	0.78%
Union Pacific Railroad Co.	Freight/transportation	267,194	17,739,003	0.72%
Lumen Technologies Inc	Telecommunications	180,687	14,164,000	0.57%
Wal-Mart Rest Est Business Trs	Real estate	205,127	13,387,655	0.54%
Subtotal - Ten of District's largest taxpayers			598,790,322	24.28%
All other District's taxpayers			1,867,819,623	75.72%
Total district			$ 2,466,609,945	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, 2023, 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 18, 2023. 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 18, 2023

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), and its discretely presented component unit, Treasure Valley Community College Foundation, as of and for the year ended June 30, 2023, 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 18, 2023. 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 18, 2023

Single Audit Section

Treasure Valley Community College
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number*	Passed through to Subrecipients	Expenditures
U.S. Department of Education				
Direct Programs				
Student Financial Assistance Cluster				
Federal Pell Grant Program	84.063		$ -	$ 2,370,851
Federal Supplemental Educational Opportunity Grant Program	84.007		-	153,321
Federal Work Study Program	84.033		-	50,929
Federal Direct Student Loans	84.268		-	2,178,833
Total Student Financial Assistance Cluster			-	4,753,934
Migrant Education – Basic Grant				
Migrant Education – High School Equivalency Program (HEP)	84.141A		-	431,525
Title III, Part A Higher Education Act				
Higher Education Institutional Aid	84.031A		-	19,260
COVID-19 Education Stabilization Fund	84.425E		-	663,415
COVID-19 Education Stabilization Fund	84.425F		-	225
COVID-19 Education Stabilization Fund	84.425T		-	431,302
Total Education Stabilization Fund			-	1,094,942
Total Direct Programs			-	6,299,661
Passed through Oregon State Dept. of Education:				
Migrant Education State Grant Program				
TVCC Leadership Institute	84.011	S011A180037	-	201,517
Career and Technical Education - Basic Grant to States	84.048A	57605	-	181,722
Total Passed through Oregon Dept of Education			-	383,239
Passed through Oregon Higher Ed Coordinating Commission:				
Adult Education – Basic Grants to States	84.002	21-122N	-	143,431
WIOA Title II Adult Education and Family Literacy Grant (IELCE)	84.002A	21-112N	-	99,478
Total passed through Higher Ed Coordinating Commission			-	242,909
Passed through Eastern Oregon University				
COVID-19 Governors Emergency Education Relief (GEER) Fund	84.425C	21-203	-	220,375
Total U.S. Department of Education			-	7,146,184
U.S. Small Business Administration				
Passed through Oregon Small Business Dev Center Network				
Small Business Development Centers	59.037	SBAHQ-20-C-0074	-	23,931
Small Business Development Centers	59.037	SBAHQ-22-B-0056	-	33,863
Total U.S. Small Business Administration			-	57,794
Total Federal Financial Assistance			$ -	$ 7,203,978

*All awards are direct from the named federal agency unless indicated by a pass-through entity identifying number in this column.

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Treasure Valley Community College (the College) under programs of the federal government for the year ended June 30, 2023. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position or cash flows for the College. The College received federal awards both directly from federal agencies and indirectly through pass-through entities.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are recognized on the accrual basis of accounting. Such expenditures are recognized following the cost principles in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The College's summary of significant accounting policies is presented in Note 1 in the College's basic financial statements. No federal financial assistance has been provided to a subrecipient.

Note 3 – Indirect Cost Rate

The College has not elected to use the 10% de minimis cost rate.

MOSSADAMS

Report of Independent Auditors on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

The Board of Education
Treasure Valley Community College

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Treasure Valley Community College's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Treasure Valley Community College's major federal programs for the year ended June 30, 2023. Treasure Valley Community College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Treasure Valley Community College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Treasure Valley Community College and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Treasure Valley Community College's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Treasure Valley Community College's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Treasure Valley Community College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Treasure Valley Community College's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Treasure Valley Community College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Treasure Valley Community College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Treasure Valley Community College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Moss Adams LLP

Portland, Oregon
December 18, 2023

I. Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR, Section 200.516(a)? ☐ Yes ☒ No

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

Federal Assistance Listing Number(s)	*Name of Federal Program or Cluster*	*Type of Auditor's Report Issued on Compliance for Major Federal Programs*
Various	Student Financial Assistance Cluster	Unmodified
84.425 E, F, T	COVID-19 Education Stabilization Fund	Unmodified

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

II. Section II – Financial Statement Findings

None reported

III. Section III – Federal Award Findings and Questioned Costs

None reported

Summary Schedule of Prior Audit Findings

Single Audit Findings

Finding 2022-001
Federal Agency Name: Department of Education
Program Name: Student Financial Aid Cluster
ALN #: 84.268, 84.063

Enrollment Reporting
Significant Deficiency in Internal Control over Compliance

Condition:
A sample of 26 students who were borrowers of Federal Direct student loans and recipients of Pell Grants and had withdrawn or graduated from the College during the 2021-2022 fiscal year were selected. The enrollment information and withdrawal or graduation date per the College's records was compared to the information reported to the NSLDS. In our sample, we noted that 1 withdrawn student who was a federal borrower or Pell recipient were considered as withdrawn by the College, however the attendance change was not reported to NSLDS. In addition, 5 students who were Federal borrowers and Pell recipients were considered as withdrawn or graduated from the College during the 2021-2022 fiscal year, however the students' status change were not reported to NSLDS within the 60 day requirement. All 6 instances were outside of the period of July 19, 2022 through February 28, 2023 and as such are not excluded from our evaluation of the institution's compliance with the enrollment reporting requirements under electronic announcement ID: General-23-04.

Recommendation:
The auditors recommend the College follow and enhance existing policies to ensure all student changes in status are identified timely and submitted accurately within the required time frame. We also recommend a review of roles and responsibilities surrounding this process be evaluated and, if deemed necessary, revised. Lastly, we recommend the College establish a formal internal monitoring control whereby a designated individual with NSLDS access, on a sample basis, spot checks the status updates on NSLDS so to internally audit the NSC submissions.

Current Status:
Treasure Valley Community College made marked progress towards improved procedures and training of staff to correct the conditions which led to this finding. Below is a list of steps outlined in our Correction Action Plan, and progress on those steps.

- Hire Enterprise Network Position in Student Services to assist with reporting and student information system services.
  - TVCC posted this position in Winter 2023. We only received one qualified applicant, made an offer, and the offer was not accepted. The position was re-opened and still has not received an applicant with the minimum qualifications. It remains open at this time.
- Provide ongoing and intensive trainings for new Financial Aid Staff, new Registrar and the Enterprise Network position once filled.
  - Financial aid staff have had training in the following topics related to enrollment reporting: **FSA Training**; NSLDS Enrollment Overview, parts 1 & 2, **Student Clearinghouse**: Federal Financial Aid Enrollment Compliance Reporting; Enrollment Reporting, An Introduction; Enrollment Reporting, File Submission; Enrollment Reporting: NSLDS SSCR Errors

  - The Registrar (new position, hired in December 2022) has had internal staff-to-staff training in the complete cycle of enrollment reporting.
- Collaborate with appropriate colleagues in Oregon using similar Student Information Systems that are currently addressing or have previously addressed enrollment reporting concerns.
  - TVCC has been in contact with two partnering colleges who have like systems to address continued development of appropriate processes and procedures to ensure accurate and timely enrollment reporting.
- Utilize an external review of services of Financial Aid software for recommendations on improvements.
  - In September 2023, TVCC had an in-depth FAM software audit performed by an outside FAM consulting firm. From that engagement, we received a series of output reports that identify potential problem areas, as well as configuration and underutilization issues. This report has significantly improved our ability to identify potential problem areas in compliance areas, such as enrollment reporting, allowing us to make necessary changes to avoid such issues.
- Identify college policy to address and draft to support accurate enrollment reporting.
  - The TVCC Registrar has researched and drafted appropriate policies for review that specifically address withdrawals and the issuance of grades prior and post-term ending. TVCC is also engaged in a review of all Student Services policies, as we move from the OSBA Policy Platform to the CSSA Platform. This is tentatively scheduled to be completed by the Spring of 2024.

We believe this finding to be corrected and will continue to work towards completing all components of our Corrective Action Plan.