

Comprehensive Annual Financial Report



Year ending June 30, 2020
Grants Pass, Oregon

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Comprehensive Annual Financial Report

Rogue Community College

Grants Pass, Oregon

For the Year Ended June 30, 2020

Report prepared by Rogue Community College
Budget and Financial Services Department

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NOTICE OF NONDISCRIMINATION

Rogue Community College does not discriminate in any programs, activities, or employment practices on the basis of race, color, religion, ethnicity, use of native language, national origin, sex, sexual orientation, gender identity, marital status, veteran status, disability, age, pregnancy, or any other status protected under applicable federal, state, or local laws. For further policy information and for a full list of regulatory specific contact persons visit the following webpage: www.roguecc.edu/nondiscrimination

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INTRODUCTORY SECTION





3345 Redwood Hwy
Grants Pass, OR 97527-9298

December 9, 2020

The Board of Education
Rogue Community College
Grants Pass, Oregon

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of Rogue Community College (the College) for the fiscal year ended June 30, 2020, together with the audit opinion therein of our auditors as required by Oregon State Statutes. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the College. We believe the financial statements and related information are stated fairly in all material aspects in reflecting the financial position and results of operations of the College. All disclosures necessary to enable the reader to gain maximum understanding of the College's financial affairs have been included.

We would like to extend a special thank you to faculty, students, staff and the community for their continued patience and support as we navigate unprecedented and challenging times during the COVID pandemic. Over the last several months the COVID-19 crisis and local wildfires have affected each of us in challenging ways. All the while, we have come together as a community encouraging, helping, and supporting each other.

This report consists of management's representations concerning the finances of the College. To provide a reasonable basis for making these representations, management of the College has established a comprehensive internal control framework. It is designed to protect the College's assets from loss, theft, or misuse, and to compile sufficient, reliable information for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in the United States of America. Because the cost of internal controls should not outweigh their benefit, the College's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatements. As management we assert, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

GAAP requires management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The College's MD&A can be found immediately following the independent auditor's report in the Financial Section.

The CAFR is organized in four sections: (1) The Introductory Section contains this letter of transmittal and information on the organizational structure of the College; (2) The Financial Section includes the basic financial statements, accompanying notes, required supplemental financial information, and the independent auditor's report; (3) The Statistical Section includes selected financial, demographic, economic and operating information; (4) The State and Federal Compliance Section contains the Schedule of Expenditures of Federal Awards and disclosures and comments required by the Minimum Standards for Audits of Oregon Municipal Corporations and by the Uniform Guidance.

The College's CAFR has been prepared in accordance with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants and other recognized standard-setting bodies. You will find a summary of significant accounting policies in the notes accompanying the basic financial statements.

Budgeting Controls

The annual budget is a quantitative expression of the College's mission, providing a foundation for financial planning and control. The College is required by the State of Oregon to adopt an annual budget subject to the requirements of Local Budget Law as addressed in Oregon Revised Statutes chapters 294 and 310. The budget is a plan for the financial operations to be conducted during the coming fiscal year and is adopted annually, prior to July 1.

The budget is developed with considerable College-wide participation. Our focus throughout the budget development and planning process is to determine the optimal balance of revenues, expenditures, and program and service levels, while taking into account the economic realities of our community. Along with the College Board of Education (Board), the Budget Advisory Team (BAT) is instrumental in the budget process, with representative membership from all employee groups, College divisions, and Associated Student Government.

The budget committee is comprised of fourteen (14) members, seven (7) members from the College's community and seven (7) elected Board members. It is the duty of the budget committee to analyze and approve the College's proposed operating budget and forward its recommendations to the Board for final consideration. As a part of the budget review and approval process, the budget committee holds public meetings to which citizens of the community are invited to give testimony on the budget before it is approved. The budget committee acts on fiscal matters, not on educational and personnel matters.

Following budget committee approval, the Board holds a public budget hearing. The purpose of the hearing is to provide the citizens of the community an opportunity to give testimony on the approved budget prior to its adoption.

The College maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. The activities of all funds are included in the annual appropriated budget as required by state law.

The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) for all funds is established at the function level. Transfers of appropriations between existing budget appropriations can be authorized by resolution of the Board.

As demonstrated by the statements and schedules included in the financial section of this report the College continues to meet its responsibilities for sound financial management. Budget-to-actual comparisons are provided in this report as part of the Other Supplementary Information in the Financial Section.

About the College

The Rogue Community College District, located in the Rogue Valley, covers a 4,453 square-mile area encompassing Josephine and Jackson counties. Total population for the two counties in 2019 is estimated at 306,957, which is a 5.6% increase since 2010.

The College was named for the Rogue River, which starts at Crater Lake and extends for 215 miles to the Pacific Ocean. As the river leaves the Cascade Mountains, it winds its way through the Rogue Valley that comprises Josephine and Jackson counties. The Rogue Valley is located midway between Seattle and San Francisco on the Interstate 5 corridor and extends to the Oregon-California border.

The College was established in Josephine County in November of 1970 by the vote of the electorate. On May 21, 1996, voters in Jackson and Josephine counties approved the expansion of the College's boundaries to encompass both counties. The annexation was effective July 1, 1997.

An elected seven-member Board establishes the policies of the College. Each member of the Board is elected to a four-year term. The Board has statutory charge and control of all activities, operations and programs of the College, including its property, personnel and finances. The College President is the Chief Executive Officer of the College and the administrative staff is responsible for the College's daily operations.

The Oregon State Board of Education establishes state standards for educational programs and facilities, approves courses of study, and adopts regulations for Oregon's community college system. Additionally, the Director of the Department of Community Colleges and Workforce Development serves as administrative officer of the state of Oregon under the direction of the Higher Education Coordinating Commission (HECC).

Mission, Vision and Core Values

The College's mission, as adopted by the Board, is to provide quality learning opportunities for students to achieve their goals and support the vitality of our communities. The College's vision is to be a premiere learning college that transforms, strengthens and inspires.

The following institutional core values have been established and approved by the Board of Education to help the College focus on achieving its mission:

Integrity requires us, as an institution and individuals, to be transparent, ethical and accountable.

Collaboration promotes an agile, responsive culture to creatively address the aspirations and needs of our communities.

Inclusion creates a compassionate and safe environment that views all individuals and ideas fairly.

Stewardship commits us to responsible and thoughtful guardianship of our human, economic, environmental, and cultural resources.

Courage frees the institution to find and pursue the best path in support of student learning and Rogue excellence.

In addition to core values, the College has developed three (3) Wildly Important Goals (WIGS): Core Themes, to further succeed in carrying out its mission:

1. Access to Educational Opportunities

- **Objective 1:** Improve access to educational and support systems for current and prospective students.
Make entry to the College a smoother transition for all students. Make use of College support systems more student-friendly, including course entry requirements and prerequisites.

- Objective 2: Increase participation of under-served populations in our programs.
College enrollments do not reflect under-served populations at the same rate as they occur in the community.
- Objective 3: Create collaborative learning spaces that connect students to other students, faculty, staff, and local employers.
These are spaces where students can learn together, with College faculty, staff, or with local employers.

2. Student Success

- Objective 4: Construct guided educational pathways.
Guided pathways are highly structured, educationally logical program maps.
- Objective 5: Increase effective student engagement strategies.
Student engagement is the degree of attention, curiosity, optimism, interest and passion that students demonstrate when they are learning. It influences the level of motivation they have to learn and progress in their education.
- Objective 6: Decrease student time to completion while maintaining quality education.
The longer it takes a student to finish a certificate or degree, the more likely they are to drop out of college. This has a negative impact on their earning power in the workforce.

3. Collaborative Partnerships

- Objective 7: Increase alignment between College programs and local employers.
Make sure that programs lead to actual jobs in the Rogue Valley.
- Objective 8: Leverage local partnerships to enhance College strategic goals.
Find ways to share resources and reduce costs.
- Objective 9: Maximize cross-divisional strategies to solve problems creatively.
Work together for the success of our students.

College Demographics

The College operates three comprehensive campuses and two learning sites. Each campus provides lower-division college transfer courses, two-year associate degree programs and career/technical training programs.

The Redwood Campus (RWC) is the College's founding campus. It is located on 88 wooded acres; five miles west of the city of Grants Pass. It serves 3,295 students representing 758 full-time equivalent students (FTE). The campus was originally constructed in the late 1960's as a federal training facility known as the Fort Vannoy Jobs Corps Training Center. Remodeled in 1989, the spacious campus of wood-framed buildings creates an informal atmosphere geared to student learning and success. In August 2019, the College completed the remodel of Deschutes (D), a 6,246 square foot building. This facility contains ergonomically designed studio classroom spaces, a well-equipped computer lab and media center, a lobby and exhibit space, and two faculty offices for the art department. RWC is home to the College's nursing and automotive departments.

The Riverside Campus (RVC) is located in the heart of downtown Medford, spanning a four-block radius, where it plays a key role in the educational and cultural renaissance occurring in Medford. RVC serves 3,777 students representing 1,098 FTE. RVC is the home of the College's dental and clinical health care programs.

RVC is also home to the RCC/SOU Higher Education Center (HEC). The HEC is a landmark building shared with our partner, Southern Oregon University. Here both institutions work together to create a supportive environment for students pursuing two-year, four-year and graduate degrees. HEC is 68,700 square feet, housing classrooms, science labs, computer labs, a Prometric Testing Center and a Business Center. In addition to being an example of cooperation and collaboration between the two institutions, the HEC serves as a model of environmental stewardship. The design team worked with faculty, staff, students, and community members to establish the green priorities for the project. It received a Platinum Leadership in Environmental Design (LEED) certification from the U.S. Green Building Council.

The Table Rock Campus (TRC) is located in an industrial park in White City, and is a high-tech facility housing professional and technical programs. It currently serves 1,142 students who represent 311 FTE. The original 102,000 square foot building is currently home to diesel technology, fire science, emergency medical services (EMS), electronics, apprenticeship, manufacturing, criminal justice, the reserve officer law enforcement academy (ROLEA) and practical nursing. In addition, the physical therapy assistant program offered through Lane Community College is housed in this building. The adjacent High Technology Center (HTC), a 12,000 square foot facility, offers mechatronics, advanced manufacturing, welding and related programs. In March 2019, the College broke ground on the Health Professions Center (HPC), a 35,648 square foot building. Set to open fall term 2020, the HPC will house all of the College's dental and clinical health care programs, including the associate degree nursing (ADN) program.

The Illinois Valley Learning Center (IVLC), located in Kerby provides a mix of educational and community services to residents of rural Josephine County. The core educational services provided include Internet Protocol (IP) video and computer labs for distance-delivery classes, English as a second language, adult basic education, and General Education Diploma (GED) preparation. The IVLC also houses the Masonic Lodge No. 18, a commercial kitchen, and the Business Entrepreneurial Center.

The Esther Bristol Education Center, located in downtown Grants Pass is home to the Small Business Development Center (SBDC). The SBDC provides free business advising and fee-based training to county businesses. It additionally houses the Rogue Area Senior Computer Assistance League (RASCAL), a computer club for seniors.

In response to the COVID-19 pandemic the State of Oregon suspended in-person instructional activities at institutions of higher education starting in March 2020. In just over two weeks, the College converted to an essentially all-online college, with instructors and staff working remotely. Remote learning currently serves 6,283 students who represent 1,644 FTE.

Economic Outlook

The economy remains in a Great Recession-size hole as of September 2020. The strong economic growth in recent months is encouraging, as many workers on temporary layoff are recalled. Overall, the current state of the economy is much better than originally feared in June. However, the economic outlook in the years ahead improved only modestly. It will take time, even under the best of circumstances, to regain lost ground due to recessions. So far 2020 is anything but the best.

In the near-term Oregon's economy is impacted by COVID-19 and the wildfires that destroyed our communities. Over the long-term Oregon's ability to attract and retain skilled, working-age households is one of our comparative advantages. To the extent the pandemic, wildfires, drought, or protests and clashes of violence impact this advantage remains to be seen, but they all represent downside risks to the outlook. On the other hand, should telecommuting and remote work increase because of the pandemic and changing business practices, Oregon stands to take advantage as migration to Oregon is less dependent on job opportunities. As of September 2020, the seasonally adjusted unemployment rate is 8.7% for Jackson County and 8.2% for Josephine County. This is a 4.4% and 3.6% increase, respectively, from the prior year.

Despite the sharp reduction in economic activity, Oregon's primary revenue instruments have continued to grow. Collections of Personal Income Taxes and Corporate Taxes both set record highs over the post-shutdown (March-to-September) period this year. This is due to the positive impact on tax collections associated with federal aid for businesses. Forgivable loans associated with the Payroll Protection Program, together with even larger industry bailouts for major corporations, have led to a surge in business tax liability. Another factor supporting strong tax collections is the fact high-income households have been relatively spared from economic losses to date. Given widening economic inequality, high-income households have an increasingly disproportionate impact on aggregate economic indicators like spending and income. This dynamic is even more pronounced for Oregon's Personal Income Tax revenues given our relatively progressive rate structure. However, even though high-income households have fared relatively well to date, the 5% net job losses we have already seen among high-wage industries are more than large enough to strain tax collections. Due to the unexpectedly large flow of collections seen over the past year, the General Fund revenue outlook for the 2019-21 biennium is now no different than it was before the recession hit. If the September 2020 forecast proves accurate, not only is the General Fund in very good shape for the current biennium, but there will be additional revenues available to apply to 2021-23. Following the June 2020 revenue forecast, the Oregon Legislature met in a special session and enacted measures that filled the expected budget hole for 2019-21. As a result, the additional revenues in the September 2020 forecast are not needed immediately. Instead, an expected General Fund ending balance of \$1.7 billion will be available to apply to the 2021-23 budget period.

The existing Board approved financial policies provide guidance for planning of resources, capital needs and adequate reserve levels for revenue shortfalls or unforeseen expenditure needs. Budgets are built on the basis of maintaining the financial stability of the College. Goals set for financial stability enable the College to manage revenue shortfalls and cash flows, ensuring continued operations and providing for unforeseen contingencies without impairing service quality. Additional detail regarding next year's budget and economic factors is available in the MD&A in the Financial Section of this report.

Long-Term Financial Planning

The College conducts long-range financial planning for five fiscal years forward with the goal of maintaining financial sustainability and flexibility. The forecast is updated and reviewed for changes in any of the primary revenue sources, personnel and other operating expenses. The most significant issues expected to impact the College include COVID-19 the uncertainty of state funding, the unprecedented drop in enrollment levels, PERS rates and unfunded mandates.

In May 2016, voters of the district approved a \$20 million ballot measure for the College to issue general obligation bonds for the acquisition, construction, renovation and improvement of facilities. The bond sale provided an additional \$3 million in premium proceeds. Passage of the bond levy allows the College to make use of \$14 million in matching capital project funds awarded by the State of Oregon, raising the total amount of funds available for capital projects to \$37 million. The projects completed, underway or planned for the near future include:

- High Technology Center remodel of the recently acquired building adjacent to the existing Table Rock Campus. Project completed, September 2018.
- Health Professions Center new construction on currently owned property at Table Rock Campus. Project substantially completed, June 2020.
- Connection to Grants Pass Municipal Water on the Redwood Campus. Project planning is underway.
- Science Building remodel of the existing Redwood Campus facility. Project is pending.
- Nursing Building expansion of the existing Redwood Campus facility. Project was reassigned to the Science Building project. The Nursing program will move to the Health Professions Center (HPC) when completed.
- Career and Technical Education expansion and improvements at the Redwood, Riverside and Table Rock Campuses. The Redwood project completed, August 2019.; the Riverside and Table Rock campuses project were reassigned to fund the HPC.
- Fire Training Classrooms construction at the Medford Fire District #3 location. Project completed, February 2019.

Accreditation

Accreditation is a voluntary process that fosters excellence in education through regular assessment and continuous improvement practices. Other advantages include student access to federal financial aid and College access to state and federal grants and funding. Students graduating from the College under accreditation will also enjoy smoother transfer experiences from the College to other colleges and universities within the state and nationwide.

The College is a regionally accredited, comprehensive, two-year public college in southern Oregon serving both Jackson and Josephine counties through its three campuses. The College's accreditation status has continuously been affirmed since receiving correspondent status in 1971. The Northwest Commission on Colleges and Universities (NWCCU) is the regional accreditation authority operating under the U.S. Department of Education. The new 2019 accreditation standards for NWCCU focus on Institutional Effectiveness, Student Success and Student Learning.

NWCCU last reaffirmed the College's accreditation status following a comprehensive evaluation in May 2020. During this evaluation, the Evaluation Team issued three commendations:

1. The Evaluation Team commends the institution for shaping and promoting a cultural ethos that generates a tangible sense of resiliency and tenacity on the part of faculty, staff, administrators, trustees and students. This ethos inspires ideation, innovation, and a sense of commitment to mission across the institutional community.
2. The Evaluation Team commends the institution for providing a broad range of services to its community, as evidenced by its business partnerships, community collaborations, and coordinated support of its three geographically dispersed campuses.
3. The Evaluation Team commends the institution for establishing a budget process that is inclusive, transparent, and results in a fiscally strong position.

Three programs at the College have achieved the standards for specialized accreditation: Nursing, Emergency Medical Services and Massage Therapy. Specialized accrediting agencies accredit individual educational programs such as business, law, engineering, or nursing with regard to program-specific standards. For each of

these specialized organizations has its distinct definitions of eligibility, criteria for accreditation, and operating procedures. Educational programs accredited by specialized accrediting agencies may reside within comprehensive institutions or within single-purpose institutions. Please visit www.roguecc.edu/accreditation for more details.

The College is also approved as a veterans training institution by the U.S. Department of Veterans Affairs.

Independent Audits

The provisions of Oregon Revised Statutes, Section 297.405 to 297.555 require an independent audit of the fiscal affairs of the College. The firm of Eide Bailly, LLP has completed their examination of the College's basic financial statements, and accordingly, has included their Independent Auditor's Report in the Financial Section of this CAFR.

The Single Audit Act and OMB Uniform Guidance require state and local governments which receive directly, or indirectly, certain amounts in federal assistance to have an audit conducted for that year. As of the date of this letter, the guidance for auditing new COVID-19 related programs have not been released. The College intends to issue a separate single audit report prior to March 2021.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the College for its CAFR for the fiscal year ended June 30, 2019. This was the eighteenth year, seventeenth consecutive, that the College has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to meet the Certificate of Achievement Program requirements and, therefore, will be submitted to the GFOA to determine its eligibility for certificate.

Acknowledgments

We wish to express our appreciation to the entire Budget and Financial Services department, Financial Aid department and Information Technology department for their efforts and contributions to this CAFR. We further extend our thanks to the staff of Eide Bailly, LLP for their extra efforts during this audit. We would also like to thank the members of the Board, faculty and staff for their continued support and dedication to the financial operations of the College.

Sincerely,

Cathy Kemper-Pelle, Ed.D.
President

Lisa Stanton, CPA
Chief Financial Officer

Rogue Community College

3345 Redwood Highway

Grants Pass, OR 97527

For the Year Ended June 30, 2020

<u>ZONE</u>	<u>BOARD OF DIRECTORS</u>	<u>TERM EXPIRES</u>
1	Claudia Sullivan	June 30, 2023
2	Pat Fahey	June 30, 2021
3	Shawn Hogan	June 30, 2021
4	Patricia (Pat) Ashley	June 30, 2023
5	Kevin Talbert, Ph.D.	June 30, 2023
6	Roger Stokes	June 30, 2021
7	Ron Fox	June 30, 2021

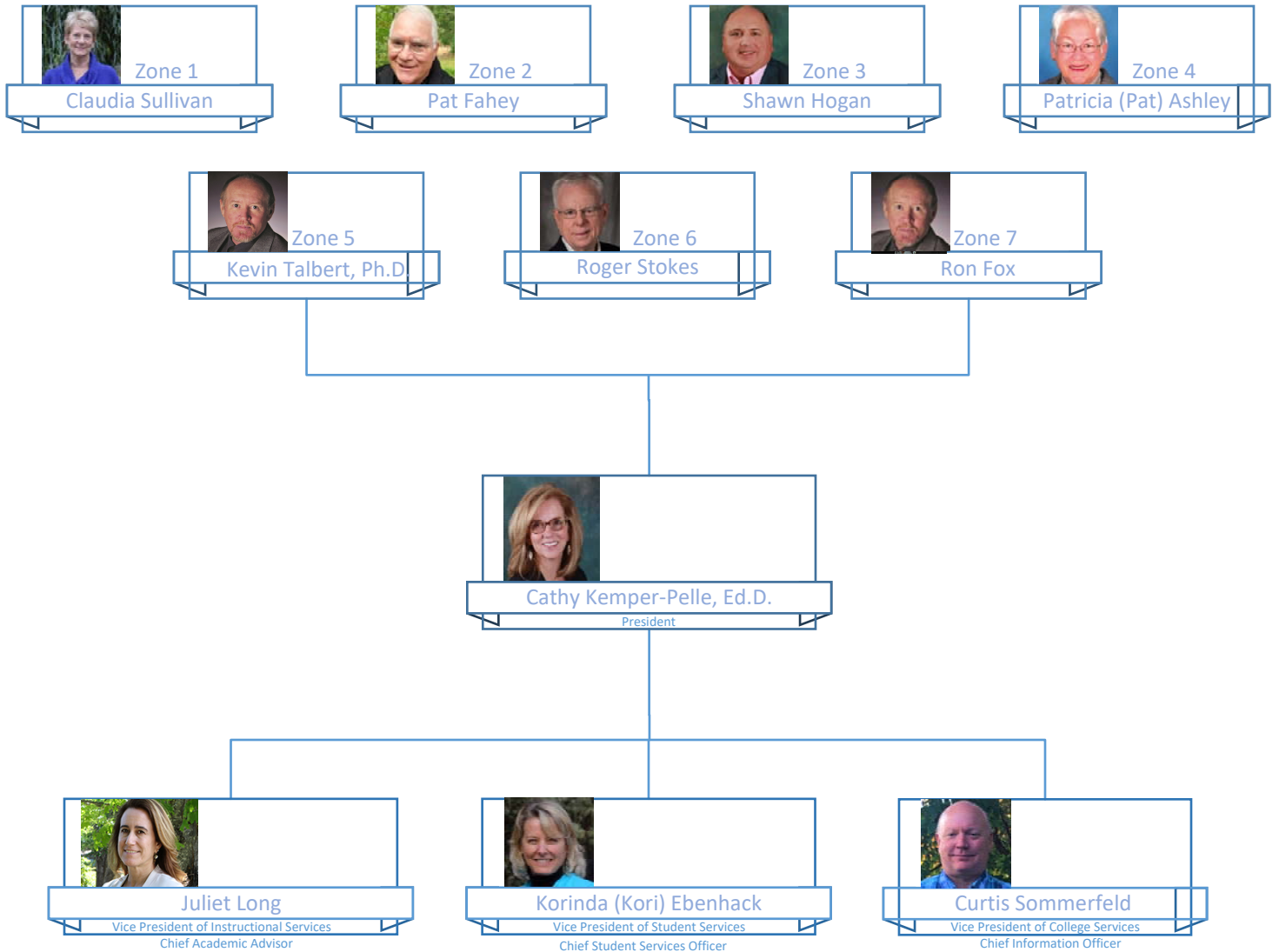
ADMINISTRATION

Cathy Kemper-Pelle, Ed.D., College President

Lisa Stanton, CPA, Chief Financial Officer

Organizational Chart

Board of Education



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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Rogue Community College
Oregon**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION





Independent Auditor's Report

To the Board of Education
Rogue Community College
Grants Pass, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of Rogue Community College (the College), and its discretely presented component unit as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit, Rogue Community College Foundation. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Rogue Community College Foundation is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Rogue Community College Foundation were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, based on our audit and the report of other auditors, the 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, 2020, and the changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in Total College Administered OPEB Liability and Related Ratios, Schedule of Employer's Proportionate Share of Net RHIA OPEB Liability/(Asset), Schedule of RHIA OPEB Employer Contributions, Schedule of Employer's Share of Net Pension Liability/(Asset) (OPERS), and Schedule of Employer Contributions (OPERS), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods or preparing the information and comparing the information for consistency with management's responses to our inquires, 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.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the College's financial statements. The introductory section, individual fund financial schedules, schedules of property tax transactions, and statistical section are presented for purposes of additional analysis and is not a required part of the financial statements.

The individual fund financial schedules and the schedules of property tax transactions are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and our other auditors. In our opinion, the individual fund financial statements and the schedules of property tax transactions are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 9, 2020 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, 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.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 9, 2020, on our consideration of the College's compliance with certain provisions of laws and regulations, including 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.



For Eide Bailly, LLP
Boise, Idaho
December 9, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Rogue Community College (the College) Comprehensive Annual Financial Report (CAFR) presents an analysis of the financial activities of the College for the fiscal year ended June 30, 2020. 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 information presented in this report. This discussion is designed to focus on current activities, resulting changes, and currently known facts.

Financial Highlights

The significant events of the fiscal year ended June 30, 2020 that impacted the College are as follows:

- FTE reimbursement from the State of Oregon increased 95.25% or \$6.65 million. This change is attributable to an increase in the overall State Appropriation for Community Colleges of \$70.6 million and the Oregon Legislature's deferral of its eighth quarter reimbursement from May 2020 to August 2020. The deferrals were enacted in 2003 and are scheduled to occur on alternate years so the State can balance its biennial budget. More information about FTE reimbursement is located in the revenue section of this analysis.
- The College's state and local government grants and contracts revenue increase \$5.1 million or 77.0%. The increase is attributable to state and local grant investment in capital construction, as well as additional state grant awards. More information about state and local government grants and contracts is located in the revenue section of this analysis.
- Auxiliary Enterprises income decreased \$413,000 or 24.1% from the prior year. The decrease is attributable to the decrease in student enrollment due to COVID-19, an increase in Open Educational Resources, and an increase in students buying from an alternate vendor.
- Investment income decreased \$232,000 or 18.5% from the prior year. The decrease is attributable to the decrease in interest rates and the reduction of unspent General Obligation and Refunding bond proceeds, Series 2016B.

One of the College's largest categories in net position, Net investment in capital assets (\$37.6 million), reflects the investment in capital assets (e.g. land, buildings, machinery and equipment) less any related, outstanding debt used to acquire those assets. The College uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the College's investment in its capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from other sources. The capital assets themselves cannot be used to liquidate these liabilities.

Overview of the Financial Statements

This discussion and analysis is an introduction to the College's basic financial statements, which are comprised of entity-wide financial statements prepared in accordance with the accrual basis of accounting and notes to the basic financial statements. In addition, the report contains the Required Supplementary Information Section, the Statistical Section and the State and Federal Compliance Section.

The entity-wide financial statements are designed to provide readers with a broad overview of the College's finances in a manner similar to a private-sector business. These entity-wide statements consist of comparative statements including: *Statement of Net Position*, *Statement of Revenues, Expenses and Changes in Net Position* and the *Statement of Cash Flows*. The *Notes to the Basic Financial Statements* provide additional information essential to a full understanding of the data provided in the entity-wide financial statements.

***Analysis of the Statement of Net Position
As of June 30, 2020***

The *Statement of Net Position* presents information on all of the College's assets and liabilities. Net position is the difference between assets plus deferred outflows, less liabilities and deferred inflows, and is one measure of the financial condition of the College. Over time, increases or decreases in net position are indicators of the improvement or erosion of the College's financial health when considered along with non-financial factors such as enrollment levels and the condition of the facilities. The *Statement of Net Position* includes all assets and liabilities of the College using the accrual basis of accounting, which is similar to the accounting presentation used by most private colleges.

	2020	2019	% Change
Assets			
Current assets	\$ 46,533,662	\$ 49,393,786	-5.79%
Capital assets, net of depreciation	51,784,148	40,152,176	28.97%
Other non-current assets	377,709	222,882	69.47%
Total Assets	98,695,519	89,768,844	9.94%
Deferred Outflow of Resources			
Deferred outflows	10,095,746	11,476,994	-12.03%
Total Deferred Outflow of Resources	10,095,746	11,476,994	-12.03%
Resources	\$ 108,791,265	\$ 101,245,838	7.45%
Liabilities			
Current liabilities	\$ 7,890,653	\$ 7,612,341	3.66%
Long-term debt, non-current portion	76,677,811	79,004,393	-2.94%
Total Liabilities	84,568,464	86,616,734	-2.36%
Deferred Inflows of Resources			
Deferred inflows	3,701,702	2,745,552	34.83%
Total Deferred Inflow of Resources	3,701,702	2,745,552	34.83%
Net Position			
Net investment in capital assets	37,645,212	28,786,256	30.77%
Restricted	1,760,972	1,687,454	4.36%
Unrestricted	(18,885,085)	(18,590,158)	1.59%
Total Net Position	20,521,099	11,883,552	72.68%
Total Liabilities, Deferred Inflow of Resources	\$ 108,791,265	\$ 101,245,838	7.45%

On June 30, 2020, the College's assets were approximately \$98.7 million. The College's current assets of \$46.5 million were sufficient to cover current liabilities of \$3.6 million. This represents a current ratio of 13.0. The

\$2.9 million decrease in current assets can be attributed to the increased construction costs associated with new construction and major remodel of facilities. Net investment in capital assets is \$37.6 million, representing an increase of \$8.9 million from the prior year. The College uses capital assets to provide services to students; consequently, these assets are not available for future spending. The College's receivables consist of taxes, student accounts, interest and various operating receivables. Additional information regarding capital assets can be found in Note 4.

Deferred outflows represent the consumption of net position attributable to a future period and are primarily associated with the College's obligations for the pension and other post-employment benefits, as well as the deferred charge on refunding of debt. Deferred outflows decreased \$1.4 million, or 12.0% from the previous year.

Current liabilities consist primarily of accounts payables, accrued compensation, unearned revenue, and the current portion of long-term obligations. Current liabilities decreased \$278,000 or 3.7% over prior year. The decrease is attributable to the decrease in accounts payable and retainage due to the near completion of one major construction project.

Net position is reported in three components with an overall increase of approximately 72.7% in fiscal year 2020. The largest portion of the College's net position is the \$37.6 million net investment in capital assets. The restricted component of net position consists of amounts set aside for debt service, student financial aid, federal financial aid, unspent bond proceeds, other post-employment benefit assets, and grants and contracts. The remaining component is categorized as unrestricted.

Unrestricted assets, as defined by GAAP, are funds that are not subject to externally imposed restrictions on the use. Unrestricted funds are allocated for academic programs, capital projects, reserves, and other purposes from year to year. With the implementation of GASB 68, 71 and 75, unrestricted net position will have the potential to fluctuate materially from year to year. The fluctuation is dependent on college-wide investment returns and changes related to the actuarial unfunded liability for pensions and OPEB. The large fluctuation in the recent valuation contributes to the College reporting a negative unrestricted net position of \$18.9 million at June 30, 2020.

***Analysis of the Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2020***

The *Statement of Revenues, Expenses and Changes in Net Position* presents the revenues earned and the expenses incurred during the year. All changes in net position are reported under the accrual basis of accounting, or as soon as the underlying event giving rise to the change occurs, regardless of the timing as to when the cash is received or disbursed. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. The utilization of long-lived investments is reflected in the financial statements as depreciation, which amortizes the cost of the capital asset over the expected useful life. Revenues and expenses are reported as either operating or non-operating, with operating revenues primarily generated from tuition and student financial aid grants. State appropriations and property taxes are classified as non-operating revenues. Because of the College's dependency on state aid and property tax revenue, this statement presents an operating loss.

Rogue Community College
Fiscal Year Ended June 30, 2020

	2020	2019	% Change
Operating Revenues:			
Student tuition and fees	\$ 16,972,303	\$ 17,612,777	-3.64%
Student financial aid grants	402,238	649,547	-37.07%
Federal grants and contracts	5,106,634	4,684,656	9.01%
State and local government grants and contracts	4,894,475	6,576,108	-25.57%
Auxiliary enterprises	1,299,636	1,712,679	-24.12%
Total operating revenues	28,675,286	31,235,767	-8.20%
Non-Operating Revenues:			
State community college support	13,630,772	6,981,355	95.25%
Federal Financial Aid	9,508,403	9,775,906	-2.74%
Property taxes	18,030,782	17,278,369	4.35%
Investment income	1,026,532	1,258,797	-18.45%
Other non-operating revenues	1,283,104	3,287,594	-60.97%
Gain/(loss) on capital assets	13,751	(1,199)	-1246.87%
Total non-operating revenues	43,493,344	38,580,822	12.73%
Operating and Non-Operating Expenses:			
Instruction	19,638,394	19,133,302	2.64%
Instructional support services	5,933,504	5,901,060	0.55%
Student services	11,776,484	11,290,980	4.30%
Community services	556,751	506,225	9.98%
College support services	9,528,604	10,439,614	-8.73%
Plant operations and maintenance	4,315,768	4,046,412	6.66%
Scholarships and grants	15,491,959	14,365,562	-20.91%
Depreciation	1,491,475	1,421,948	4.89%
Interest expense	1,512,185	1,632,506	-7.37%
Amortization of deferred charges	110,712	110,712	0.00%
Total operating and non-operating expenses	70,355,836	68,848,321	-2.19%
Income before contributions	1,812,794	968,268	87.22%
Capital contributions	6,824,753	12,500	100.00%
Change in net position	8,637,547	980,768	780.69%
Net position, beginning of year	11,883,552	10,902,784	9.00%
Net position, end of year	\$ 20,521,099	\$ 11,883,552	72.68%

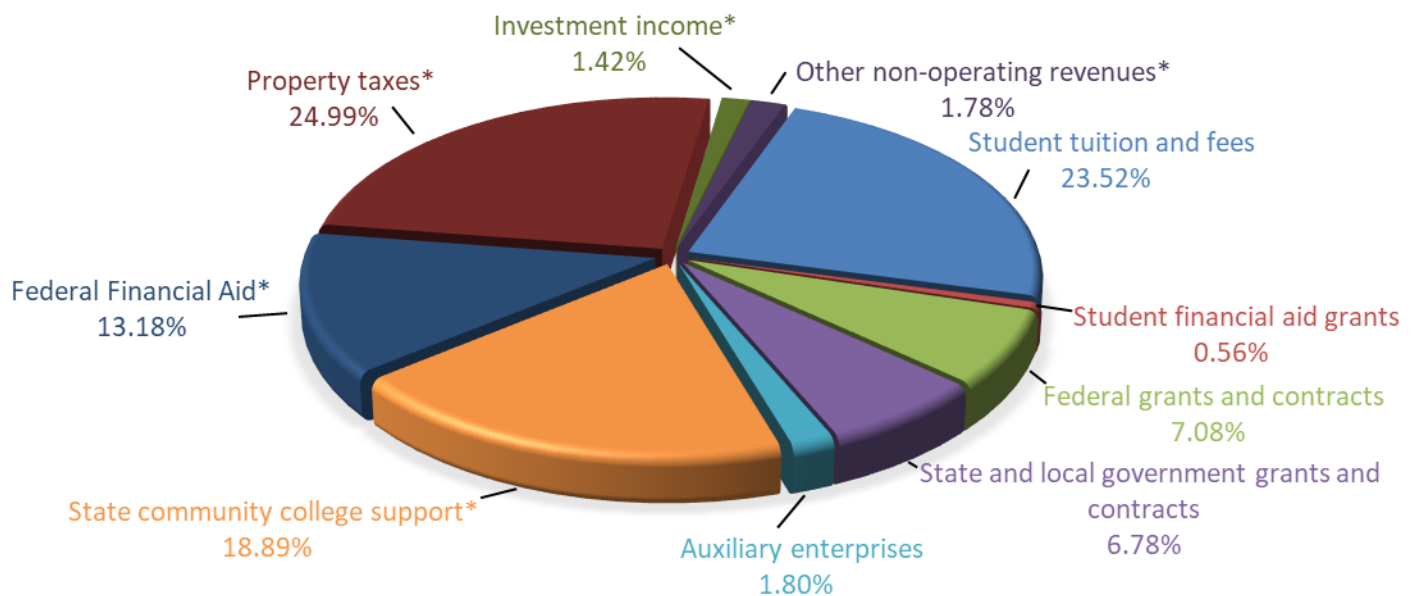
Revenues:

The *Statement of Revenues, Expenses and Changes in Net Position* presents the operating results of the College, as well as the non-operating revenues and expenses. Annual state reimbursements and property taxes, while budgeted for operations, are considered non-operating revenues according to GAAP.

Operating revenues decreased by \$7.8 million or 21.4% between 2019 and 2020. The most significant sources of operating revenue for the College include student tuition and fees and student financial aid grants. Tuition and fees decreased 3.6% or \$640,000. The decrease is due to a combination of a 7.8% decrease in FTE, a \$5

increase in tuition, and the retirement of the distance education fee in spring term 2020. Auxiliary services decreased \$413,000 or 24.1% due to the reduction in student FTE and increase in the use of open educational resources by faculty.

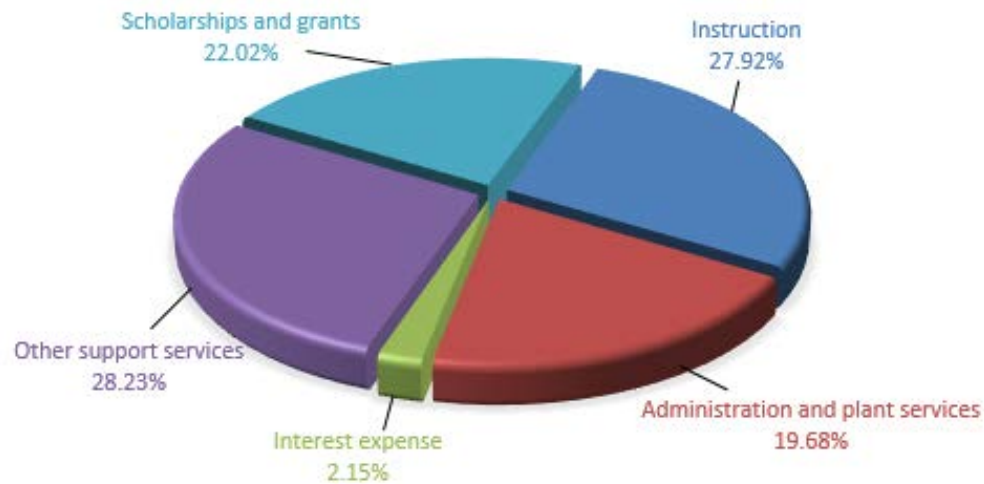
Non-operating revenues increased \$4.9 million or 12.7% between 2019 and 2020. The largest non-operating revenue source is property taxes. The College received \$18.0 million from property taxes representing a 4.4% increase from the prior year. This increase is directly related to the overall assessed value of property located in Jackson and Josephine counties increasing approximately 3.73%. The second largest non-operating revenue is State appropriations. The State appropriated \$640.9 million for the Community College Support Fund (CCSF) for the 2019-21 biennium. This is a \$70.6 million increase over the prior biennium. The College received an additional \$4.4 million due to this increase. The remaining \$2.3 million is due to the payment structure. Oregon Community Colleges report five support payments in the first year of a biennium and three payments in the second year. For the year ended June 30, 2020, the College reported five payments.



* indicates non-operating income

Expenses:

Operating and non-operating expenses totaling \$70.3 million include salaries and benefits, materials and supplies, utilities, operating leases, scholarships and depreciation. Instruction expenses represent a large percentage of total expenses at \$19.6 million or 27.9%. Support services, including auxiliary enterprises, contracted programs, and depreciation, represent \$19.8 million, or 28.2%, of total expenses. Scholarship and grant expenses of \$15.5 million represent 22.0% of total expenses. Administration expenses, including plant services, represent \$13.8 million, or 19.7%, of total expenses. Interest expense, the College's most significant non-operating expense, represents \$1.5 million, or 2.2%, of total expense.



Analysis of Cash Flows ***For the Year Ended June 30, 2020***

The primary purpose of the *Statement of Cash Flows* is to provide relevant information about cash receipts and cash payments, which is a basis to assess the financial health of the College. The *Statement of Cash Flows* presents information on cash flows from operating activities, non-capital financing activities, capital financing activities, and investing activities. It provides the net increase, or decrease, in cash between the beginning and end of the fiscal year, assisting in the evaluation of financial viability, the College's ability to meet financial obligations as they become due, and the need for external financing.

	2020	2019	% Change
Cash Provided By (Used In):			
Operating activities	\$ (33,088,788)	\$ (34,541,997)	-4.21%
Non-capital financing activities	40,646,371	35,545,883	14.35%
Capital financing activities	(9,132,610)	(10,481,154)	-12.87%
Investing activities	1,026,532	1,258,797	-18.45%
Net increase (decrease) in cash	(548,495)	(8,218,472)	-93.33%
Cash, beginning of year	41,346,685	49,565,156	-16.58%
Cash, end of year	\$ 40,798,190	\$ 41,346,685	-1.33%

The major sources of cash included in operating activities include student tuition and fees, student financial aid and contracts and grants. Major uses include payments to employees, suppliers, and students for financial aid and scholarships.

The primary sources of non-capital financing activities include federal financial aid, property taxes, and state support. Accounting standards require these sources of revenue be reported as non-operating even though the College depends on these revenues for normal operations. The majority of the 10.7% increase is due to the \$70.6 million increase in CCSF and the College recording five State support payments in 2020, compared to three in 2019.

The primary major uses in capital financing activities include the payment of long-term debt. Cash used by capital financing activities decreased by \$1.3 million compared to the prior year. The decrease is related to the capital construction activity in 2020.

The primary sources of investing activities is interest income. The cash provided by investing income decreased \$232,000, due to a decrease in interest rates and the reduction of unspent General Obligation and Refunding bond proceeds, Series 2016B.

Capital Assets and Debt Administration

Capital Assets

The College's investment in capital assets as of June 30, 2020, amounts to \$51.7 million, net of accumulated depreciation. Investment in capital assets includes land, buildings, improvements, machinery and equipment, library collections, and infrastructure. Additional information on the College's capital assets can be found in Note 4 of this report.

Long-Term Obligations

At the end of the current fiscal year, the College's total outstanding debt was \$44.0 million. Of this amount, \$30.8 million is General Obligation and Refunding Bonds, and their related premium; \$13.2 million is Limited Tax Pension Obligation Bonds; all of which are backed by the full faith and credit of the College. The College's total debt decreased by \$3.8 million during 2020. The College also has a compensated absences liability of \$805,000.

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. As of June 30, 2020, the College's general obligation debt is 0.06% of Real Market Value. Based upon this, the College's legal debt limit is \$688.6 million, which is significantly higher than the College's outstanding general obligation debt of \$27.4 million. Additional information on the College's long-term debt can be found in the Notes to the Basic Financial Statements, Note 5.

Pension and OPEB Obligations

At the end of the current fiscal year, the Pension and OPEB liabilities totaled \$36.2 million. Of this amount, \$29.0 million is the pension liability and \$2.2 million is the Pre-SLGRP liability. In addition, \$5.0 million is the College administered OPEB plan, while the Retirement Health Insurance Account administered by PERS has an asset of \$378,000. More information on the pension and OPEB obligations can be found in Note 8 and 9, respectively.

Economic Factors and Next Year's Budget

The College budget is built on the basis of maintaining the financial stability of the District. The College sets goals for financial stability enabling it to manage revenue shortfalls and cash flows to ensure continued operations, and to provide for unforeseen contingencies without impairing service quality.

When preparing the 2020/21 budget, revenue and expenditure forecasts were prepared within the context of the current economic conditions. As the global pandemic was an evolving situation which began at the end

of our budget planning cycle, the College did not incorporate potential impacts of the crisis due to the extreme uncertainty COVID-19 introduced into the economy.

The speed of policy changes affecting our federal, state, and local economies continues to impact our ability to accurately forecast. Prior to COVID-19, most government policies attempted to encourage economic growth and preserve employment. These policy changes took months, even years, to be adopted, enabling accurate incorporation of the changes into forecasts. During the pandemic, policies are focused on saving lives and take only days to adopt. This constant flurry of change is impossible to accurately incorporate into a forecast.

In addition to the constant start and stop of local economies, the stimulus packages are impacting our ability to create accurate forecasts. The unprecedented amount of federal aid from the Coronavirus Aid, Relief, and Economic Security (CARES) Act passed on March 27, 2020 potentially slowed the economic pain of the recession. Oregon is benefiting from the taxes assessed on the enhanced unemployment insurance as well as tax collections associated with federal aid for businesses. As the pandemic continues from season to season, without additional federal aid, the impact of additional lockdowns is unknown.

Oregon is also dealing with the aftermath of wildfires, drought, protests and clashes of violence throughout the State. With so much turmoil in Oregon fewer households and investments may be attracted to the state moving forward. To the extent quality of life has been reduced, or if Oregon is perceived as a riskier or costlier place to live and do business, overall growth will be slower.

Traditionally Oregon's recessions are more severe than those experienced at the national level. However, Oregon's employment, unemployment, and personal income are currently changing at a nearly identical rate as those experienced at the national level. This may change moving forward as the underlying shock works its way through the economy, and migration slows due to fewer job opportunities.

Regionally, Southern Oregon suffered significant damage when wildfires destroyed whole communities. Although devastating, the impacts of natural disasters are usually temporary in nature with the affected region made economically whole within a year. However, a key question is to what extent the lost communities will be fully rebuilt. There is a chance some of the damage will be permanent in that not all the homes will be rebuilt, not all the local businesses will reopen, and the like. Access to capital is key, in terms of financial assistance, disaster relief, a well-functioning insurance market, legal and regulatory forbearance, and so forth.

In response to the COVID-19 pandemic the State of Oregon suspended in-person instructional activities at institutions of higher education starting in March 2020. In just over two weeks, the College converted to an essentially all-online college, with instructors and staff working remotely. Most of the costs associated with this transition will be covered by the CARES: Higher Education Emergency Relief Fund, Institutional Portion of \$1.26 million. While most of our additional costs are covered, the decline in enrollment is weakening our financial security, as tuition and fees represent 1/3 of our overall revenue.

Due to the College offering only an on-line educational model, Spring term tuition and fees for credit programs declined approximately 10%. In addition, the College canceled all in-person community education, truck driver training, and driver's training courses for spring term. Tuition and fee revenue for credit programs for summer and fall terms experienced a sharp decrease of 25%. The 25% decline in credit tuition and fees is expected to continue the remainder of the academic year, reducing overall tuition and fee revenue for credit programs by \$3.2 million. In addition, all in-person community education, truck driver training, and driver's training courses for spring term 2021 will remain canceled.

The effects of the pandemic on state funding is still unknown. In May 2020, the state was anticipating reducing state funding for community colleges by as much as 20% starting in 2020/21. The September 2020 State of Oregon forecast shows the General Fund is in good shape for the current biennium, with additional revenues available for 2021-23. However, the economic pain of the pandemic has yet to be fully reflected in Oregon's revenue data. As of October, we are forecasting a reduction in state funding for community colleges of 3.5% for the 2021-23 biennium.

Although our district was significantly affected by the wildfires, with a significant loss of homes and business, property tax income for 2020/21 will not be significantly impacted. The assessed values of these homes and businesses approximate 1% of our overall tax levy. We do anticipate a slight increase in tax revenue in the coming years as homes and businesses are replaced.

As we grapple with the challenges brought by COVID-19, we must continue to focus on determining the optimal balance of revenue, expenditure and program and service levels, so we do not compromise the quality of our institution.

Requests for Information

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

Rogue Community College
Budget and Financial Services
3345 Redwood Highway
Grants Pass, OR 97527

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Statement of Net Position
June 30, 2020

	College	Foundation (Component Unit)
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 40,798,189	\$ 237,514
Receivables:		
Property taxes	1,112,964	0
Accounts, net	2,683,606	2,656
Inventory	354,400	0
Prepaid expenses	1,584,503	3,130
Total current assets	<u>46,533,662</u>	<u>243,300</u>
Non-current Assets:		
Receivables, scholarships and promises to give	0	106,281
Endowment investments	0	11,945,550
Land investments	0	59,577
RHIA OPEB asset	377,709	0
Capital assets	75,866,558	45,647
Less: accumulated depreciation	<u>(24,082,410)</u>	<u>(43,881)</u>
Capital assets, net	<u>51,784,148</u>	<u>1,766</u>
Total non-current assets	<u>52,161,857</u>	<u>12,113,174</u>
TOTAL ASSETS	<u>98,695,519</u>	<u>12,356,474</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	553,561	0
Deferred outflow on pension obligation	8,968,133	0
Deferred outflow on college administered OPEB obligation	558,221	0
Deferred outflow on RHIA OPEB asset	<u>15,831</u>	<u>0</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>10,095,746</u>	<u>0</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	1,195,554	26,247
Retainage payable	332,482	0
Accrued interest payable	43,985	0
Payroll liabilities	1,816,548	15,040
Unearned revenue	199,613	0
Current portion of compensated absences	123,529	0
Current portion of long-term obligations	3,840,000	0
Current portion of Pre-SLGRP liability	<u>338,942</u>	<u>0</u>
Total current liabilities	<u>7,890,653</u>	<u>41,287</u>

See notes to basic financial statements.

Statement of Net Position
June 30, 2020 (continued)

	College	Foundation (Component Unit)
Non-current liabilities - long-term obligations		
Compensated absences	805,290	0
Less: current portion compensated absences	(123,529)	
College administered OPEB liability	5,019,320	0
Pension liability	28,961,522	0
Pension Pre-SLGRP liability	2,216,269	0
Less: current portion Pre-SLGRP liability	(338,942)	0
Pension bonds payable	13,220,000	0
General obligation and refunding bonds payable, net of unamortized premium	30,757,881	0
Liability under trust agreement	0	1,030,698
Less: current portion of long-term obligations	(3,840,000)	0
Total non-current liabilities - long-term obligations	<u>76,677,811</u>	<u>1,030,698</u>
TOTAL LIABILITIES	<u>84,568,464</u>	<u>1,071,985</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow on pension obligation	2,957,433	0
Deferred inflow on college administered OPEB obligation	670,381	0
Deferred inflow on RHIA OPEB asset	<u>73,888</u>	<u>0</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>3,701,702</u>	<u>0</u>
NET POSITION		
Investment in capital assets	51,784,148	0
Less: related debt	(14,692,497)	0
Plus: deferred outflows attributable to capital assets	<u>553,561</u>	<u>0</u>
Net investment in capital assets	<u>37,645,212</u>	<u>0</u>
Restricted - non-expendable		
Restricted - with donor restrictions	0	9,043,245
Restricted - expendable		
Restricted - debt service	371,467	0
Restricted - contracts and grants	1,011,796	0
Restricted - RHIA OPEB plan asset	<u>377,709</u>	<u>0</u>
Total restricted net position	<u>1,760,972</u>	<u>9,043,245</u>
Unrestricted	<u>(18,885,085)</u>	<u>2,241,244</u>
TOTAL NET POSITION	<u>\$ 20,521,099</u>	<u>\$ 11,284,489</u>

See notes to basic financial statements.

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Statement of Revenues, Expenses, and Changes in Net Position
For the year ended June 30, 2020

	College	Foundation (component unit) as restated
OPERATING REVENUES		
Student tuition and fees	\$ 16,972,303	\$ 0
Federal student financial aid grants	402,238	0
Federal grants and contracts	5,106,634	0
State and local grants and contracts	4,894,475	0
Auxiliary enterprises	1,299,636	0
Public support and revenue	0	1,849,816
Total operating revenues	<u>28,675,286</u>	<u>1,849,816</u>
OPERATING EXPENSES		
Instruction	19,638,394	0
Instructional support services	5,933,504	0
Student services	11,776,484	0
Community services	556,751	0
College support services	9,528,604	0
Plant operations and maintenance	4,315,768	0
Scholarships and grants	15,491,959	0
Foundation programs	0	1,855,351
Depreciation	1,491,475	0
Total operating expenses	<u>68,732,939</u>	<u>1,855,351</u>
Operating income (loss)	<u>(40,057,653)</u>	<u>(5,535)</u>
NON-OPERATING REVENUES (EXPENSES)		
State community college support	13,630,772	0
Federal financial aid	9,508,403	0
Property taxes	18,030,782	0
Investment income	1,026,532	591,813
Interest expense	(1,512,185)	0
Amortization of deferred charges	(110,712)	0
Gain/(loss) on disposal of capital assets	13,751	0
Other non-operating revenues	1,283,104	0
Total non-operating revenues	<u>41,870,447</u>	<u>591,813</u>
Income (loss) before contributions	1,812,794	586,278
CAPITAL CONTRIBUTIONS	<u>6,824,753</u>	<u>0</u>
Change in net position	8,637,547	586,278
NET POSITION		
Net position, beginning of year*	<u>11,883,552</u>	<u>10,698,211</u>
Net position, end of year	<u>\$ 20,521,099</u>	<u>\$ 11,284,489</u>

*The Foundation restated their beginning fund balance. More information provided in Note 1.

Statement of Cash Flows
For the year ended June 30, 2020

	<u>College</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Student tuition and fees	\$ 16,991,206
Student financial aid grants	444,473
Federal, state and local government grants and contracts	11,417,267
Payments to suppliers for goods and services	(12,654,522)
Payments to employees	(34,125,934)
Payments for student financial aid and other scholarships	(15,491,959)
Auxiliary enterprises:	
Cash received from customers	1,220,817
Paid to suppliers for resale materials	<u>(890,136)</u>
Net cash used in operating activities	<u>(33,088,788)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Cash received from property taxes	18,050,449
Cash received from state community college support fund	13,630,772
Federal financial aid	9,508,403
Principal paid on pension bonds	(1,135,000)
Interest paid on pension bonds	(691,356)
Cash from other non operating sources	<u>1,283,102</u>
Net cash provided by non-capital financing activities	<u>40,646,370</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Purchase of capital assets	(12,429,714)
Capital contributions	6,824,754
Principal paid on capital-related long-term debt	(2,400,000)
Interest paid on capital-related long-term debt	<u>(1,127,650)</u>
Net cash used in capital financing activities	<u>(9,132,610)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income (loss)	<u>1,026,532</u>
NET DECREASE IN CASH	(548,496)
Cash and cash equivalents, beginning of year	<u>41,346,685</u>
Cash and cash equivalents, end of year	<u>\$ 40,798,189</u>

See notes to basic financial statements.

Statement of Cash Flows
For the year ended June 30, 2020 (continued)

	<u>College</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	\$ (40,057,653)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation expense	1,491,475
GASB 68 actuarial pension (revenue) expense	3,883,370
GASB 75 actuarial OPEB (revenue) expense	(84,687)
Changes in assets and liabilities:	
Increase in accounts receivable	1,220,081
Decrease in inventory	241,871
Increase in prepaid expenses	830,009
Increase in accounts and retainage payable	(896,891)
Increase in payroll liabilities and compensated absences	328,111
Increase in deferred revenue	<u>(44,474)</u>
Net cash used in operating activities	<u>\$ (33,088,788)</u>
NON-CASH CAPITAL FINANCING AND INVESTING ACTIVITIES	
Premium on general obligation and refunding bonds	\$ 303,821
Amortization of premium on general obligation and refunding bonds	(303,821)
Net book value of capital assets disposed	59,114
Loss on disposal of capital assets	(56,199)
Capital assets acquired with accounts payable	678,982

See notes to basic financial statements.

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Rogue Community College
Grants Pass, Oregon

Notes to Basic Financial Statements

1. Summary of Significant Accounting Policies

The financial statements of Rogue Community College (the College) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board is the accepted standards-setting body for establishing governmental accounting and reporting principles. The most significant accounting policies are described below.

Reporting Entity

Rogue Community College was established in November 1970 in Josephine County, Oregon. On May 21, 1996, voters in Josephine and Jackson Counties approved the expansion of the College's boundaries to include both counties.

The College is an independent municipal corporation under the Oregon Revised Statutes. The College offers broad, comprehensive programs in academic and vocational-technical subjects to residents of Josephine and Jackson counties. The College is governed by an elected seven-member Board of Education.

As required by GAAP, the College's financial statements include the College and its component unit, the Rogue Community College Foundation (the Foundation).

The Foundation is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The Foundation Board of Directors is self-perpetuating. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon that the Foundation holds and invests, are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements.

The Foundation is a private nonprofit organization that reports under Financial Accounting Standards Board (FASB) standards, including FASB Accounting Standards Codification (ASC) 958-205-45, *Not-For-Profit Entities – Presentation of Financial Statements*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences.

During the year ended June 30, 2020, the Foundation provided scholarships and awards of \$472,278 and project grants and facility donations of \$785,354 for the benefit of the College community. Complete financial statements for the Foundation can be obtained at 3345 Redwood Highway, Building H, Grants Pass, Oregon 97527.

Measurement Focus and Basis of Accounting

The College is considered a special-purpose government engaged only in business-type activities for financial statement reporting purposes. Accordingly, the College's financial statements are prepared using the economic resource measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized in the accounting periods in which they are earned and expense

1. Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting (continued)

are recognized in the periods which liabilities are incurred, regardless of the timing of related cash flows. All significant intra-agency transactions have been eliminated.

Non-exchange transactions, in which the College receives value without directly giving equal value in return, include property taxes, federal, state, and local grants, state appropriations, and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenue from grants, state appropriations, and other contributions are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, matching requirements, and expense requirements. Timing requirements specify the year when the resources are required to be used or the fiscal year when use is first permitted. Matching requirements stipulate the College provide local resources to be used for a specified purpose. Expense requirements stipulate the College will receive resources on a reimbursement basis.

Use of Estimates

The preparation of financial statements, in accordance with GAAP, requires management to make estimates and assumptions affecting amounts reported in the financial statements and related disclosures. Actual results could differ from the estimates.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, cash with fiscal agent, demand deposits, the State of Oregon 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 not registered with the U.S. Securities and Exchange Commission as an investment company. The LGIP is stated at amortized cost, which approximates fair value. Fair value of the investment in the LGIP is substantially the same as the College's participant balance.

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. The College has an investment policy that is more restrictive than the Oregon Revised Statutes. As of June 30, 2020, and for the year then ended, the College was in compliance with the aforementioned State of Oregon statutes and its own internal investment policies.

Receivables

Student and agency receivables are shown net of an allowance for uncollectible accounts.

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. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established.

1. Summary of Significant Accounting Policies (continued)

Receivables (continued)

Allowable unreimbursed expenses from grantor agencies are reflected in the 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.

Inventory

The value of the Bookstores' inventory is calculated using the retail inventory method. This method calculates inventory value by taking the total retail value of the items originally in inventory, subtracting the total sales, then multiplying that dollar amount by the cost-to-retail ratio (the percentage by which goods are marked up from their wholesale purchase price to their retail sales price). Physical inventory is performed periodically to ensure the value of the inventory is calculated accurately.

Capital Assets

Capital assets include land, buildings and building improvements, furniture and equipment, infrastructure (which includes utility systems), library collections, software and construction in progress. The College's capitalization policy is to capitalize all assets when they have a life of more than one year and meet the capitalization thresholds. The College's capitalization threshold for library collections is \$0, furniture and equipment is \$5,000, and for all of the other categories is \$50,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Per GASB 72, donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value or functionality of an asset's life is not capitalized; instead, they are expensed as incurred.

Buildings, furniture and equipment, infrastructure, library collections and software are depreciated using the straight-line method over the following useful lives:

Building and building improvements	35-60 years
Infrastructure	25-100 years
Furniture and equipment	5-10 years
Library collections	7-10 years
Software	5 years

Under GASB, governments are encouraged, but not required to capitalize and depreciate artwork and historical treasures if it meets all of the following conditions:

1. The collection is held for public exhibition, education, or research in furtherance of public service, rather than financial gain.
2. The collection is protected, kept unencumbered, cared for and preserved.
3. The collection is subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections.

1. Summary of Significant Accounting Policies (continued)

Capital Assets (continued)

The College meets all of the above criteria and has chosen not to capitalize and depreciate artwork and historical treasures.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to 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 pension obligation, other post-employment benefit obligation (OPEB), and deferred charge on debt refunding. The pension obligation results from changes in assumptions, differences between expected and actual experience, and changes in proportion, reported in the actuarial calculation of the College's net pension liability. The College has two OPEB obligations; the first plan is a single employer plan, administered by the College. The second plan is a multi-employer Retirement Health Insurance Account (RHIA) administered by Oregon Public Employees Retirement System (PERS). The deferred outflows of resources for the College administered OPEB plan relates to changes in assumptions and the difference between expected and actual experience. The Deferred outflows of resources for the RHIA OPEB obligation administered by PERS is related to the changes in proportion. The deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

Compensated Absences

Employees accumulate vacation and sick leave in accordance with their related bargaining agreement, employee handbook, or under Oregon Revised Statutes Sections 653.601 – 653.661. Accumulated and unused vacation balances are accrued at the end of the year. Used vacation is expensed when incurred. Unused sick balances are not accrued at the end of the year, as they are forfeited when an employee separates from service. Used sick leave is expensed when incurred.

1. Summary of Significant Accounting Policies (continued)

Short-Term Obligations

Oregon Revised Statutes Section 287A.180 authorizes the College to borrow money by issuing notes with a maturity date of no more than thirteen months. In addition, the principal amount of the obligations cannot exceed eighty percent (80%) of the amount of taxes and other revenues budgeted to be received in that fiscal year. As of June 30, 2020, there were no outstanding short-term obligations.

Long-Term Obligations

Premiums and discounts related to bonds are deferred and amortized over the life of the obligation using straight-line amortization, which approximates the effective interest method.

Pensions

For purposes of measuring the net pension liability, deferred outflow of resources and deferred inflow of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (PERS) and additions to/deductions from PERS's 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 Postemployment Benefits Other Than Pensions

The College administers a single employer OPEB plan. This OPEB plan utilizes employee census data and benefits provided by the College for purposes of measuring the net OPEB liability, deferred outflow of resources and deferred inflow of resources related to OPEB, and OPEB expense. Benefit payments (including refunds of employee contributions) are financed on a pay-as-you-go basis. For the RHIA plan, the net OPEB liability, deferred outflow of resources and deferred inflow of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by PERS. Therefore, 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.

Pension Pre-SLGRP Liability

The Pension Pre-SLGRP Liability is an actuarially determined liability recorded in the statement of net position based on the College's entry into the Oregon Public Employees Retirement System (PERS) State and Local Government Rate Pool. The Pre-SLGRP liability is reduced each year by contributions to PERS and increased for interest charged by PERS.

Operating Revenues and Expenses

Operating revenues and expenses are distinguished from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the College's ongoing operations. The principal operating revenues of the College are charges to students for tuition and fees, grants and contracts for specific operating activities of the

1. Summary of Significant Accounting Policies (continued)

Operating Revenues and Expenses (continued)

College, and sales of goods and services. Operating expenses include the cost of the faculty, staff, administration, support expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Federal Financial Assistance Program

The College participates in various federally funded programs including Pell Grants, Federal Work-Study, Federal Supplemental Educational Opportunity Grants (SEOG), Federal Work-Study, and Federal Direct Loans. Federal programs are audited in accordance with the Single Audit Act, 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).

Federal Student Loan Programs

The College receives proceeds from the Federal Direct Student Loan Program. The College passes the awards directly to the students, without having administrative or direct financial involvement in the program. Federal student loans of \$5.2 million were received by the College's students during the fiscal year, but they were not reported in operations.

Net Position

Net position is the difference between the College's total assets and deferred outflows and total liabilities and deferred inflows. Net position is subdivided into three categories: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets represents capital assets, less accumulated depreciation and outstanding principal and premiums of capital asset related debt, plus cash held for construction. Net position subject to restrictions by external parties is categorized as restricted. This category represents debt service, contracts and grants and bond proceeds. 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.

Budgetary Information

In accordance with Oregon Revised Statutes, the College adopts an annual budget and makes appropriations for each fund. The resolution authorizing appropriations for each fund sets the level by which expenses cannot legally exceed appropriations. The level of budgetary control for appropriations is by function. Transfers of appropriations may be made between legally authorized appropriations when approved by Board resolution. Annual appropriations lapse on June 30.

1. Summary of Significant Accounting Policies (continued)**Restatement - Foundation**

During the fiscal year ended June 30, 2020, the Foundation determined net assets with donor restrictions related to the Helen M. Whitaker Education Fund (the Whitaker fund) were incorrectly recorded in prior year. Resources of the Whitaker Fund were deemed as agency obligations to the Foundation. The effects of the restatement on prior year amounts were as follows:

	Balance as previously reported	Effect of restatement	Balance, as restated
Statement of financial position			
Liability:			
Agency obligation from Whitaker Fund	\$ 0	\$ 894,776	\$ 894,776
Net assets:			
With donor restrictions	9,710,547	(894,776)	8,815,771
Statement of activities			
Investment income, net	679,986	(36,961)	643,025
Net assets at June 30, 2018	10,948,492	(857,815)	10,090,677
Net assets at June 30, 2019	11,592,987	(894,776)	10,698,211
Statement of cash flows			
Changes in net assets:	644,495	(36,961)	607,534
Realized and unrealized gain (loss) on investments, net	(679,986)	36,961	(643,025)
Purchases of investments	(475,779)	(1,729)	(477,508)
Student loans receivable, Whitaker Fund	0	(36)	(36)
Student loans made from Whitaker Fund	(22,805)	22,805	0
Loan repayments to Whitaker Fund	21,404	(21,404)	0

2. Cash and Investments

The primary objectives of the College's investment activity include preservation of capital, liquidity, diversification and yield. The schedule on the following page comprises the combined value of the College's cash and investment portfolio at June 30:

Cash on hand	\$ 5,562
Cash with fiscal agent	161,515
Deposits with Financial Institutions	2,079,273
Oregon LGIP	38,551,839
Total Cash and Cash Equivalent	<u>\$ 40,798,189</u>

The Oregon Local Government Investment Pool (LGIP) is subject to regulatory oversight by the Oregon Short Term Fund Board and the Oregon Short-Term Investment Council and does not receive credit quality ratings from nationally recognized statistical rating organizations. The State of Oregon Treasury administers the LGIP. It is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the state that by law is made the custodian of, or has

2. Cash and Investments (continued)

control of, any fund. The LGIP is commingled with the State's short-term funds. Participants' account balances in the pool are determined by the amount of participants' deposits, adjusted for withdraws and distributed interest. Interest is calculated and accrued daily on each participants' account based on the ending account balance and a variable interest rate determined periodically by the Oregon Short-Term Fund.

Credit Risk

In accordance with ORS Chapter 297 and the College's investment guidelines, investment in commercial paper must be rated by A1 or better by Moody's, P1 or better by Standard and Poor's, F1 or better by Fitch, or an equivalent rating by any nationally recognized rating agency. Corporate securities, bonds and debentures must be rated at settlement date Aaa or better by Moody's, AA or better by Standard and Poor's, AA or better by Finch, or equivalent rating by any nationally recognized rating agency.

Concentration of Credit Risk

It is the policy of the College to diversify its investments. Where appropriate, exposures will be limited by security type, maturity, issuance and issuer. In accordance with GASB 40, the College is required to report all non-federal investments in any one issuer that exceed 5% of total invested funds. There are no investments that exceed this threshold as of June 30, 2020.

Interest Rate Risk

In accordance with the objectives of the College's investment guidelines, interest rate risk is mitigated by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations. The College's investment portfolio contains investments with the LGIP. The weighted average maturities of investments in the LGIP at June 30, 2020 were: 61.16% mature within 93 days, 22.7% mature over one year, and 0% mature in over three years from settlement date. As of June 30, 2020, the College was in compliance with this requirement.

Custodial Credit Risk - Deposits

In the 2008 legislative session, new regulations were enacted for collateralizing public funds under ORS 295.004. The statute established a shared liability concept to protect public entities and eliminate personal liability of public officials for balance in excess of the collateral certificates. It also reduced over collateralization and defined qualified depository institutions and addressed collateralization of public funds over \$250,000. Finally, it specified the types of instruments that are allowed as collateral and require qualified bank depositories to sign a pledge agreement approved by the board of directors or loan committee. Under ORS 295.004, governmental entities can maintain balance with such bank depositories in accordance with their investment policies. On June 30, 2020, the College's bank balances were \$2.4 million, which includes all bank accounts. Of these deposits, FDIC covered \$260,348 on deposit with two banks and the remaining balance was covered by the procedures for collateralizing public funds.

2. Cash and Investments (continued)Custodial Credit Risk – Investments

The College has a Board approved investment policy, which states that the President shall appoint an Investment Officer who will perform specific investment functions for the College. Should a counter-party fail, there is a risk that the College would not be able to recover the value of its investments that are held by an outside party. To minimize this risk, securities purchased through any of the authorized, non-bank broker-dealers are held by an independent third-party safekeeping institution.

As of June 30, 2020, the College had \$0 invested in various investment instruments including time deposits. The College has no custodial credit risk at this time.

Foundation Cash and Investments

The Rogue Community College Foundation reported cash and cash equivalents of \$237,514 as of June 30, 2020. The Foundation maintains cash balances at a single financial institution. The Federal Deposit Insurance Corporation insures account balances at each institution for amounts up to \$250,000. At June 30, 2020, the bank balance of cash totaled \$330,010, leaving the \$80,010 not covered by the FDIC.

The Foundation's investments totaling \$11.7 million at June 30, 2020 are stated at fair value and consist of the following:

	Fair Value	(Level 1)	(Level 2)	(Level 3)
Investments:				
Cash and cash equivalents	\$ 1,082,907	\$ 1,082,907	\$ 0	\$ 0
Treasury and corporate bonds	2,087,119	0	2,087,119	0
Equities	6,737,329	6,737,329	0	0
Mutual funds	1,233,331	1,233,331	0	0
Exchange Traded Funds	428,007	428,007	0	0
REIT	56,133	56,133	0	0
Alternative investments (a)	98,119	0	0	0
Total	<u>\$ 11,722,945</u>	<u>\$ 9,537,707</u>	<u>\$ 2,087,119</u>	<u>\$ 0</u>
Charitable Remainder trust:				
Cash and cash equivalents	\$ 16,003	\$ 16,003	\$ 0	\$ 0
Mutual funds	42,801	42,801	0	0
Exchange traded funds	163,801	163,801	0	0
Total	<u>\$ 222,605</u>	<u>\$ 222,605</u>	<u>\$ 0</u>	<u>\$ 0</u>

(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended for reconciliation of the fair value hierarchy to the amounts presented on the statement of financial position.

The Foundation's investments are reported at fair value using quoted market prices in active markets for identical assets (stock market quotes). Accounting principles generally accepted in the

2. Cash and Investments (continued)

Foundation Cash and Investments (continued)

United States of America establish a framework for measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to the unobservable inputs (level 3 measurements). This measurement standard is based on three levels. Level 1 consists of financial instruments whose value is based on quoted market prices for identical financial instruments in an active market. Level 2 consists of financial instruments that are valued using models or other valuation methodologies. These models use inputs that are observable either directly or indirectly. Level 2 inputs include (i) quoted prices for similar assets or liabilities in active markets, (ii) quoted prices for similar assets or liabilities in markets that are not active, (iii) pricing models whose inputs are observable for substantially the full term of the financial instrument and (iv) pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the financial instrument. Level 3 – consists of financial instruments whose values are determined using pricing models that utilize significant inputs that are primarily unobservable, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Rogue Community College Foundation maintains accounts with a stock brokerage firm. The accounts contain cash and securities. The Securities Investor Protection Corporation (SIPC) insures account balances for amounts up to \$500,000 with a limit of \$100,000 for cash. SIPC insurance coverage does not protect accounts against market fluctuations. At June 30, 2020, the investment cash balance totaled \$1,098,910, leaving \$822,687 not covered by SIPC.

3. Accounts Receivable

The College's student and agency receivables are shown net of an allowance for uncollectible accounts. As of June 30, 2020, the allowance for uncollectible accounts totaled \$1.24 million.

In 1999, the Foundation was bequeathed funds for the Helen M. Whitaker Education Fund. For the year ended June 30, 2020, they held a student loan receivable of \$106,281. The Foundation also received pledges from donors in the fiscal year 2019-20 and the total remaining receivable at June 30, 2020 consisted of \$2,656.

Notes to Basic Financial Statements
Year ended June 30, 2020

4. Capital Assets

The table on the following page presents the changes in the various capital assets categories:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Capital assets not being depreciated:				
Land	\$ 4,226,583	\$ 0	\$ 0	\$ 4,226,583
Construction in progress	5,034,805	12,592,120	1,982,909	15,644,016
Total capital assets not being depreciated	9,261,388	12,592,120	1,982,909	19,870,599
Capital assets being depreciated:				
Buildings	44,402,178	1,760,728	0	46,162,906
Infrastructure	1,421,014	0	0	1,421,014
Furniture and equipment	5,972,234	714,447	59,114	6,627,567
Library collections	909,141	41,976	0	951,117
Software	833,355	0	0	833,355
Total capital assets being depreciated	53,537,922	2,517,151	59,114	55,995,959
Less accumulated depreciation for:				
Buildings	17,629,669	989,332	0	18,619,001
Infrastructure	435,653	20,643	0	456,296
Furniture and equipment	3,033,545	450,661	56,199	3,428,007
Library collections	714,912	30,839	0	745,751
Software	833,355	0	0	833,355
Total accumulated depreciation	22,647,134	1,491,475	56,199	24,082,410
Total capital assets being depreciated, net	30,890,788	1,025,676	2,915	31,913,549
Total capital assets, net	\$ 40,152,176	\$ 13,617,796	\$ 1,985,824	\$ 51,784,148

5. Changes in Long-Term Obligations

Transactions for the fiscal year ended June 30, 2020 are as follows:

	Original Amount	June 30, 2019	Additions	Deletions	June 30, 2020	Due Within One Year
2005 Limited tax pension bonds, interest 4.643% to 4.831%, Maturity June 30, 2028	\$ 21,035,000	\$ 14,355,000	\$ 0	\$ 1,135,000	\$ 13,220,000	\$ 1,260,000
2012 General obligation refunding bonds, interest 3.0% to 4.0%, Maturity June 15, 2025	9,430,000	8,035,000	0	1,130,000	6,905,000	1,205,000
2016A General obligation refunding bonds, interest 3.0% to 4.0%, Maturity June 15, 2025	7,040,000	3,625,000	0	500,000	3,125,000	530,000
2016B General obligation refunding bonds, interest 3.0% to 5.0%, Maturity June 15, 2034	20,000,000	18,130,000	0	770,000	17,360,000	845,000
Premium on general obligation and refunding bonds	6,563,654	3,671,702	0	303,821	3,367,881	0
Compensated Absences	0	718,909	923,442	837,061	805,290	123,529
Total Long Term Obligations	\$ 64,068,654	\$ 48,535,611	\$ 923,442	\$ 4,675,882	\$ 44,783,171	\$ 3,963,529

5. Changes in Long-Term Obligations (continued)

Debt service requirements on long-term debt at June 30, 2020, are as follows:

FISCAL YEAR	Business-Type Activities			
	Bonds			
	General Obligation and Refunding Bonds			
	Pension Bonds			
	Principal	Interest	Principal	Interest
2020-21	\$ 1,260,000	\$ 638,658	\$ 2,580,000	\$ 1,055,650
2021-22	1,395,000	577,788	2,745,000	952,450
2022-23	1,540,000	510,395	2,995,000	848,350
2023-24	1,700,000	435,998	3,215,000	732,050
2024-25	1,865,000	353,871	3,445,000	606,900
2025-30	5,460,000	485,757	6,630,000	1,909,600
2030-35	-	-	5,780,000	541,600
	<u>\$ 13,220,000</u>	<u>\$ 3,002,467</u>	<u>\$27,390,000</u>	<u>\$ 6,646,600</u>

Bonds

Limited tax pension obligation bonds are direct obligations that pledge the full faith and credit of the College. The proceeds from this issuance were transferred to the State of Oregon Public Employees Retirement System to cover the College's portion of the system wide unfunded actuarial liability. The resulting asset is used to offset a portion of the College's annual required contribution on an annual basis through June 30, 2028.

General Obligation Bonds are direct obligations and pledge the full faith and credit of the College.

In April 2012, the College issued \$9.43 million of General Obligation and Refunding bonds to partially defease the existing General Obligation and Refunding Bond, Series 2005. This refunding reduces the College's total debt service payments over 14 years by \$815,939. As a result, the refunded Bonds are considered defeased and the liability for those Bonds has been removed from the College's basic financial statements. The re-acquisition price exceeded the net carrying amount of the old debt by \$905,000. As of June 30, 2020, \$6.9 million of the defeased bonds are outstanding.

In July 2016, the College issued \$27.04 million in General Obligation and Refunding bonds to provide funds (a) to refund \$7.64 million of the General Obligation Bond Series 2005, and (b) for the acquisition and construction of major capital facilities in both Jackson and Josephine counties. The College refunded these bonds to take advantage of current market yield, which created a net economic gain of \$1.1 million, based upon the total savings of \$1.2 million over the remaining life of the refunded bonds. The defeased portion of the General Obligation Bond Series 2005, were paid in full as of June 30, 2017.

The Tax Reform Act of 1986 requires governmental entities issuing tax-exempt bonds to refund to the U.S. Treasury interest earnings on bond proceeds in excess of the yield on those bonds. Governmental entities must comply with arbitrage rebate requirements in order for their bonds to maintain tax-

5. Changes in Long-Term Obligations (Continued)

exempt status. Entities are required to remit arbitrage rebate payments for non-purpose interest to the federal government at least once every five-year period that the debt is outstanding and at maturity. Arbitrage liabilities are recorded as a reduction in investment earnings in the General Fund. For the period July 25, 2016 to April 30, 2019, after the computation date credit, calculations indicate the arbitrage rebate amount to be a positive \$15,798. The first payment will be made, if necessary, based on a calculation as of July 25, 2021 as required by Section 148(f) of the Code of Regulations.

6. Operating Leases

The College leases building and office facilities and other equipment under non-cancelable operating leases. Payments under these leases totaled \$318,051 in 2019-20.

The current and future minimum lease payments for all leases, including building and other equipment, are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2020-21	\$ 167,478
2021-22	159,852
2022-23	161,414
2023-24	163,022
2024-25	163,860
2025-30	<u>311,078</u>
Total	<u>\$1,126,704</u>

7. Risk Management

The College is exposed to various risks of loss related to general liability, auto liability, property, crime, and workers' compensation. The College is a member of the OSBA Property and Casualty Coverage for Education (PACE) and pays an annual premium for property and casualty coverage. Workers' compensation insurance coverage is provided by SAIF Corporation. The property and auto policy premiums are based upon annually updated property and auto schedules. Effective with the 2020-21 policy renewal there are a few notable changes to key coverage areas.

(1) Cyber Coverage. Cyber claims have gone from an obscure and infrequent event to a rapidly escalating exposure. School districts, education service districts and community colleges are being specifically targeted. Over the past two years PACE has paid over \$1 million in cyber claims and the trend is escalating. Effective 07/01/2020, the PACE Cyber Coverage will include a \$5,000 per occurrence deductible with a \$25,000 per occurrence Cyber Extortion deductible.

(2) COVID-19. The 2020 PACE Property Coverage and PACE Educators Liability Coverage Documents will both include communicable disease exclusions. However, they will extend limited defense costs (up to \$50,000) resulting from all occurrences or wrongful acts related to a communicable disease.

7. Risk Management (Continued)

(3) Sexual Assault and Molestation Coverage (SAM). To ensure that PACE reporting requirements are followed, SAM coverage will be excluded for any claim or suit when any administrator, official, trustee, director, officer, or board member of the Named Participant made responsible in an official capacity to prevent or report sexual misconduct fails to report such sexual misconduct when under a legal duty to do so.

(4) Hazardous Substance Coverage. The PACE Limited Pollution Coverage is being replaced with Limited Hazardous Substance Coverage. The primary changes are to more narrowly define the types of pollutants that are covered and to restrict coverage to \$1 million annual aggregate cap for all PACE members combined during one policy period.

The College retains the risk of liability for claims under \$1,000 per occurrence. There have been no significant reductions in insurance coverage during 2019-20, and no insurance settlement exceeded insurance coverage for the past three years. Liability insurance has a limit of \$20 million per occurrence and \$30 million annual aggregate. The total limit of indemnification for all members for property coverage, is \$550 million, with a total limit of indemnification for any one member at \$100 million. A \$5,000 per occurrence deductible applies. Earth movement, flood, or the occurrence of either, has a loss limit of \$20 million per member, with an Annual Aggregate Loss Limit of \$450 million. A 5% deductible, not to exceed \$50,000, applies to quake and flood claims.

The College purchased workers' compensation insurance through the State Accident Insurance Fund Corporation (SAIF) for 2020-21. The coverage is limited to \$2 million per occurrence for bodily injury by accident and disease inside of Oregon and \$1 million per occurrence for bodily injury by accident and disease outside of Oregon. The workers' compensation policy is a guaranteed cost plan, which means the College pays the premium based on an estimated payroll at the beginning of the fiscal year. The College accrues additional/return premium calculated on the actual payroll through an end of fiscal year audit.

8. Pension Plans

General Information About the Pension Plans

The College contributes to two pension plans administered by 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. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: 1) The Pension Program, the defined benefit portion of the plan, which applies to the 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. 2) The Individual Account Program (IAP), the defined contribution portion of the plan. Beginning January 1, 2004, all PERS member contributions go into the IAP. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

8. Pension Plans (continued)

General Information About the Pension Plans (Continued)

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 <http://www.oregon.gov/pers/EMP/Pages/Actuarial-Financial-Information.aspx>

Benefits Provided

A. 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 that are actuarially equivalent to the base option. 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. Benefits may also be calculated under a formula plus an annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

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

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

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

8. Pension Plans (continued)

Benefits Provided (continued)

A. Tier One/Tier Two Retirement Benefit - ORS Chapter 238 (continued)

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 a 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 their variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market 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.

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

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

General Service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is 65, or age 58 with 30 years of retirement credit.

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

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

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

8. Pension Plans (continued)

Benefits Provided (continued)

C. Individual Account Program (IAP) – ORS Chapter 238A

Pension Benefits – A member of the IAP 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 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 monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation.

The rates based on a percentage of payroll, first became effective July 1, 2017. Employer contributions for the year ended June 30, 2020 were \$2,911,141, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2020 were 17.97% for Tier One/Tier Two General Service Members and 11.88% for OPSRP Pension Program General Service Members, net of 10.04% of side account rate relief.

Pension Liability, Pension Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources Related to Pensions

At June 30, 2020, the College reported a liability of \$29.0 million for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 and rolled forward to June 30, 2019. The College's proportion of the net pension

8. Pension Plans (continued)Pension Liability, Pension Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources Related to Pensions (continued)

liability was based on a projection of the College's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2020, the College's proportion was 0.167%, which was a decrease from its proportion of 0.178% measured as of June 30, 2019.

For the year ended June 30, 2020, the College recognized a pension expense of \$3.9 million. At June 30, 2020, the College reports deferred outflow of resources and deferred inflow of resources related to pensions from the following sources as shown:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 1,597,143	\$ 0
Changes of assumptions	3,928,961	0
Net difference between projected and actual earnings on investments	0	821,030
Changes in proportion	530,888	1,044,099
Differences between employer contributions and proportionate share of contributions	0	1,092,304
Total (prior to post-measurement date contributions)	6,056,992	2,957,433
Contributions subsequent to the measurement date	2,911,141	0
Total	<u>\$ 8,968,133</u>	<u>\$ 2,957,433</u>

There is \$2.9 million reported as deferred outflow of resources related to the pensions resulting from College contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized in pension expense as indicated in the following:

Fiscal Year	Recognized Net Deferred Outflow (Inflow) of Resources
2019-20	\$ 2,405,193
2020-21	(57,431)
2021-22	479,684
2022-23	300,355
2023-24	(28,242)
Total	<u>\$ 3,099,559</u>

8. Pension Plans (continued)Actuarial Assumptions

The employer contribution rates effective July 1, 2017, through June 30, 2019, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. Senate Bill 1049 was signed into law in June 2019 and requires a one-time re-amortization of Tier 1/Tier 2 UAL over a closed 22 year period at the December 31, 2019 rate setting actuarial valuation, which will set actuarially determined contribution rates for the 2021-2023 biennium.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for the normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years from the valuation in which they are first recognized.

Actuarial methods and assumptions used to determine the Total Pension Liability are detailed as follows:

Valuation date	December 31, 2017
Measurement date	June 30, 2019
Experience Study	2016, published July 26, 2017
Actuarial Assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.5 percent
Long-term expected rate of return	7.2 percent
Discount rate	7.2 percent
Projected salary increase	3.5 percent
Cost of living adjustments (COLA)	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	<p>Healthy Retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments with set-backs as described in the valuation.</p> <p>Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments with set-backs as described in the valuation.</p> <p>Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.</p>

8. Pension Plans (continued)Actuarial Assumptions (continued)

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 above are based on the 2016 Experience Study, which reviewed experience for the four-year period ended on December 31, 2016.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 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.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Compound Annual (Geometric) Return</u>
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Total	100.03%	
Assumed Inflation - Mean		2.50%

Note: Source for the above table does not foot to 100.00%

8. Pension Plans (continued)Discount Rate

The discount rate used to measure the total pension liability was 7.2% 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 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 Plan investments for the Defined Benefit 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 chart on the below presents the College's proportionate share of the net pension liability calculated using the discount rate of 7.2%, 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 one percentage point lower (6.2%) or one percentage point higher (8.2%) than the current rate:

	<u>1% Decrease (6.2%)</u>	<u>Discount Rate (7.2%)</u>	<u>1% Increase (8.2%)</u>
Proportionate share of Net Pension Liability	\$ 46,379,308	\$ 28,961,522	\$ 14,385,235

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report which may be found at: <http://www.oregon.gov/pers/EMP/Pages/Actuarial-Financial-Information.aspx>.

Pre-SLGRP Liability

The College reports a separate liability to the plan with a balance of \$2.2 million at June 30, 2020. The liability represents the College's allocated share of the pre-SLGRP pooled liability. The College is being assessed an employer contribution rate of 1.71% of covered payroll for the payment of this Pre-SLGRP liability.

	<u>Original Amount</u>	<u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u>	<u>Due Within One Year</u>
Pre-SLGRP Liability	\$3,426,185	\$ 2,555,211	\$ -	\$ 338,942	\$ 2,216,269	\$ 338,942

9. Post-Employment Health Care Costs**College Administered OPEB (CA OPEB)**

Oregon Revised Statutes (ORS) 243.303 requires local governments, including community colleges to provide retirees with group health care coverage comparable and within the same group as active employees. The governing body may prescribe reasonable terms and conditions of eligibility and coverage and set the maximum college paid premium contribution by collective bargaining agreement or other agreement.

Plan Description (CA OPEB)

The College operates a single-employer retiree benefit plan OPEB (the Plan) that provides postemployment health, dental, and vision coverage benefits to eligible employees and their eligible dependents. The Plan's health care coverage is provided through the Oregon Educators Benefit Board (OEBB). The Plan is not a stand-alone plan and therefore does not issue its own financial statements. The "Plan" has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits and eligibility for faculty, academic professionals, and classified staff are established and amended through collective bargaining with the recognized bargaining unit for each classification. Benefits and eligibility for exempt staff are established and amended by the Rogue Community College Board of Education. The maximum monthly employer paid premium contribution at June 30, 2020 is \$2,351.89 and is based upon the active employee's coverage level in effect at the time of retirement.

College contributions toward retiree healthcare are as shown below, subject to the additional requirements summarized on the following page.

Group	Hire Date	Years of Benefit Service	Age	The College Contribution for Retiree Health	Subsidized Coverage Level
Classified	Prior to 7/1/2006	10	58	100% of premiums, not to exceed the maximum College payment for active employees (by coverage level) in effect at the time of retirement.	Retiree and covered spouse or child(ren), if any
		30	Any		
	On or after 7/1/2006	15	58		Retiree only
Faculty	Prior to 6/30/2000	10	55		The retiree pays for all subsequent increases in excess of the maximums in effect at the time of his or her retirement.
	On or after 6/30/2000, but before 10/1/2007	15	55		
	On or after 10/1/2007	15	55	Retiree only	
Management/ Administrative/ Exempt	Prior to 9/1/2003	15	55		
	On or after 9/1/2003	15	62		Retiree only

9. Post-Employment Health Care Costs (continued)

Plan Description (CA OPEB) (continued)

The following details and/or additional requirements apply to the College's contributions:

- Any subsidy paid by the College toward healthcare premiums ends when access to this coverage ends, i.e., at the earlier of age 65 or upon the retiree's eligibility for Medicare, except in certain very rare situations where coverage may extend to retirees eligible for Medicare prior to age 65.
- Retirees who do not meet the minimum age and service requirements described on the above table are ineligible to participate in the College's healthcare plans.
- Employees retiring on disability are subject to the same age and service eligibility requirements described above.
- Coverage and premiums are provided through the Oregon Educators Benefit Board (OEBB), and include medical, dental, and vision benefits.
- Service requirements are based on years of College service while eligible for benefits. In general, part-time employees are not eligible for benefits. For part-time employees who later attain full-time faculty status, each two years of part-time (adjunct) faculty experience counts as an additional one year of benefit service.
- Retirees may choose (at the time of retirement only) to add dependents at their own cost if not already subsidized by the College as outlined in the above table.
- Benefit subsidies are not extended to dependents after the retiree's death, although a surviving spouse may continue coverage at their own expense after the retiree's death.
- Similarly, if the retiree reaches age 65 or becomes eligible for Medicare prior to his or her spouse, the College's subsidy, if any, ends. However, the spouse may continue coverage at his or her own expense until also attaining age 65 or becoming eligible for Medicare.
- There is one retiree not subject to the maximum subsidy.

Employees Covered by Benefit Terms (CA OPEB)

Benefits under this plan vary by employee group and date employed. The chart below summarizes the information:

Inactive employees or beneficiaries currently receiving benefit payments	26
Active Employees	276
Total	<u>302</u>

Funding Policy (CA OPEB)

The benefits from this program are fully paid by the College. Employee and retiree contributions may be required, depending on retirement date and employee group. There is no obligation on the part of the College to fund the benefits in advance. The College covers this obligation through annual

9. Post-Employment Health Care Costs (continued)**Funding Policy (CA OPEB) (continued)**

appropriations on a pay-as-you-go basis. For the year, ended June 30, 2020, benefit payments under the plan were \$356,891.

Net OPEB Liability (CA OPEB)

The College's total OPEB liability was measured as of June 30, 2019 and the total liability of \$5.01 million was determined by an actuarial valuation dated June 30, 2018. This actuarial valuation covered a measurement period of June 30, 2018 to June 30, 2019.

Actuarial Assumptions (CA OPEB)

The total OPEB liability as of June 30, 2020 actuarial valuation date, reported on September 2, 2020 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75% per year
Salary Increases	3.25%, average, including inflation
Discount Rates	3.62% as of 6/30/2018 3.13% as of 6/30/2019
Healthcare Cost Trend Rates	3.40% for 2019 and fluctuates to an ultimate increase rate of 4.20% for years 2094 and thereafter.

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 Fidelity High Grade 20 Year General Obligation Municipal Bond Index.

Mortality rates used in this valuation are based on the 2016 experience study of the Oregon Public Employees Retirement System using data from 2013 to 2016, except for a different basis used to project future mortality improvements.	
Pre-Retirement Mortality	Males: RP2014 Male Employee blended 50% White Collar and 50% Blue Collar, set back 12 months Females: RP2014 Female Employee blended 50% White-collar and 50% Blue Collar, no set back
Post-Retirement Mortality	Males: RP2014 Male Employee blended 50% White Collar and 50% Blue Collar, set back 12 months Females: RP2014 Female Employee blended 50% White-collar and 50% Blue Collar, no set back
Mortality Improvement	MacLeod Watts Scale 2018 applied generationally from 2014

9. Post-Employment Health Care Costs (continued)**Actuarial Assumptions (CA OPEB) (continued)**

The increase in employer cost sharing is an assumed increase at the rate of 6% annual until the date of each employee's retirement. Any cost increases occurring after the date of retirement are paid by the retiree.

Changes in the Total OPEB Liability (CA OPEB)

	Increase/(Decrease) OPEB Liability
Balance at Fiscal Year ending 6/30/2019	\$ 4,895,610
Changes for the Year	
Service cost	\$ 228,358
Interest	177,816
Differences between expected and actual experience	0
Changes of assumptions	141,375
Benefit Payments	(423,839)
Net change	\$ 123,710
Balance at Fiscal Year Ending 6/30/2020	\$ 5,019,320

Sensitivity of the Net OPEB Liabilities to Changes in the Discount Rate and Healthcare Cost Inflation (CA OPEB)

The following presents the net OPEB liability of the College, as well as what the College's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.13%) or 1-percentage-point higher (4.13%) than the current discount rate:

	<u>1% Decrease (2.13%)</u>	<u>Discount Rate (3.13%)</u>	<u>1% Increase (4.13%)</u>
Net OPEB Liability	\$ 5,366,998	\$ 5,019,320	\$ 4,690,248

The following presents the net OPEB liability of the College, as well as what the College's net OPEB liability would be if it were calculated using a health-care cost trend rate that is 1-percentage-point lower (2.40%) or 1-percentage-point higher (4.40%) than the current discount rate:

	<u>1% Decrease (2.40%)</u>	<u>Healthcare Trend (3.40%)</u>	<u>1% Increase (4.40%)</u>
Net OPEB Liability	\$ 4,547,076	\$ 5,019,320	\$ 5,566,887

9. Post-Employment Health Care Costs (continued)**Deferred Outflow of Resources and Deferred Inflow of Resources Related to OPEB (CA OPEB)**

For the year ended June 30, 2020 the College recognized OPEB expense of \$23,482. At June 30, 2020, the College reported deferred outflow of resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Changes of Assumptions	\$ 125,839	\$ 670,381
Differences Between Expected and Actual Experience	75,491	0
Total (prior to post-measurement date contributions)	201,330	670,381
Contributions made subsequent to the measurement date	356,891	0
Total	<u>\$ 558,221</u>	<u>\$ 670,381</u>

There is \$365,891 reported as deferred outflow of resources related to the OPEB resulting from College contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred inflow of resources and deferred outflow of resources related to pensions will be recognized in pension expense as indicated in the following:

Fiscal Year	Recognized Net Deferred Outflow (Inflow) of Resources
2020-21	\$ (72,765)
2021-22	(72,765)
2022-23	(72,765)
2023-24	(72,765)
2024-25	(72,765)
Thereafter	(105,226)
Total	<u>\$ (469,051)</u>

Retirement 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 Post Employment Benefit (OPEB) plan (the 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, 2019, there were 807 participating employers. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Oregon Public Employees Retirement System, Financial and Administrative Services Division Administrator at PO Box 23700, Tigard, OR 97281-3700.

9. Post-Employment Health Care Costs (continued)

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 toward the monthly cost of health insurance for eligible PERS members. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants 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.

Funding Policy (RHIA)

Contributions of 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 year ended June 30, 2019, PERS employers contributed 0.07 percent of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA benefits. PERS employers contributed 0.43 percent of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. These rates were based on the December 31, 2017 actuarial valuation.

Actuarial Methods and Assumptions Related to RHIA

The actuarial valuation calculations are based on the benefits provided under the terms of the plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members as of the December 31, 2017 valuation rolled forward to June 30, 2019.

The methods and assumptions shown below are based on the 2016 Experience Study, which reviewed experience for the four-year period ended on December 31, 2016. Experience studies are performed as of December 31 of even numbered years. Key actuarial methods and assumptions used to measure the total OPEB asset are illustrated in the table on the following page.

9. Post-Employment Health Care Costs (continued)**Actuarial Methods and Assumptions Related to RHIA (continued)**

Valuation date	December 31, 2017
Measurement date	June 20, 2019
Experience study	2016, published July 26, 2017
Actuarial assumptions:	
Actuarial cost method	Entry age normal
Inflation rate	2.50%
Long-term expected rate of return	7.20%
Discount rate	7.20%
Projected salary increases	3.50%
Retiree healthcare participation	Healthy retirees: 35%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
Mortality	<p>Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustment and set-backs as described in the valuation.</p> <p>Active members: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustment and set-backs as described in the valuation.</p> <p>Disabled retirees: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale.</p>

Discount Rate (RHIA)

The discount rate used to measure the total OPEB asset at June 30, 2020 was 7.20 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 of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB asset.

Long-Term Expected Rate of Return (RHIA)

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 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 turn for each major asset

9. Post-Employment Health Care Costs (continued)

Long-Term Expected Rate of Return (RHIA) (continue)

class, calculated using both arithmetic and geometric means; see PERS' audited financial statements at <https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>.

Depletion Rate Projection (RHIA)

GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Asset (the Actuarial Accrued Asset 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 market value of 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 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 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 the projections would not reflect any adverse future experience, which might impact the plan's funded position.

Based on these circumstances, it is our 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 (RHIA)

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.

If the employer did not make contributions during the fiscal year, their proportionate share will be set to zero and the employer will be allocated no proportionate share of OPEB amounts.

9. Post-Employment Health Care Costs (continued)**Use of Estimates in the Preparation of the Schedules (RHIA)**

The preparation of the Schedules in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect certain amounts and disclosures. Actual results could differ from those estimates.

OPEB Asset, OPEB Expense, and Deferred Outflow of Resources and Deferred Inflow of Resources Related to OPEB (RHIA)

At June 30, 2020, the College reported an asset of \$377,709 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2019 and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2017. The College's proportion of the net OPEB asset 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, 2019, the College's proportion was 0.195%, which was a decrease of 0.004% from its proportion measured as of June 30, 2018.

At June 30, 2020, the College reported deferred outflow of resources and deferred inflow of resources related to pensions from the sources identified in the following table:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 0	\$ 49,809
Changes of assumptions	0	391
Net difference between projected and actual earnings on investments	0	23,314
Changes in proportion	2,860	374
Total (prior to post-measurement date contributions)	2,860	73,888
Contributions subsequent to the measurement date	12,971	0
Total	<u>\$ 15,831</u>	<u>\$ 73,888</u>

Deferred outflow of resources related to OPEB resulting from the College's contributions subsequent to the measurement date of \$12,971, will be recognized as an addition to the net OPEB asset in the year ended June 30, 2021.

The amounts reported as deferred outflow of resources and deferred inflow of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Deferred Outflow/(Inflow) of Resources (prior to post- measurement date contributions)
2020-21	\$ (36,637)
2021-22	(32,589)
2022-23	(4,204)
2023-24	2,402
Total	<u>\$ (71,028)</u>

9. Post-Employment Health Care Costs (continued)**Sensitivity of RHIA Assets to Changes in the Discount Rate (RHIA)**

The discount rate used for the fiscal year end 2020 is 7.20%. 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 healthcare trend rate, as well as what the net OPEB asset would be if calculated using one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
Proportionate share of net RHIA Liability/(Asset)	\$ (292,822)	\$ (377,709)	\$ (450,039)

10. Commitments**Federal Issues**

The College receives grants from third parties, including the Federal Government. 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, may constitute a liability of the College. This potential liability is deemed immaterial.

Purchasing Commitments

In October 2017, the College entered into a contract for the proposed Health Professions Building located on the Table Rock Campus with Kistler Small & White Architects for \$1.4 million for architectural services and then in April 2019 entered into a contract with Adroit Construction for \$13.16 million for construction services. As of June 30, 2020, the Kistler Small & White Architects contract has a remaining commitment of \$19,926, and the Adroit contract has a remaining commitment of \$1.88 million.

In June 2019, the College entered into a contract with Marquess Associates for \$66,000 to develop plans and specifications as required to connect the College's Redwood Campus to the City of Grants Pass Municipal Water Service. As of June 30, 2020, the Marquess Associates contract has a remaining commitment of \$15,681.

In June 2020, the College entered into a contract for the proposed Science Center Building located on the Redwood Campus with ORW Architecture for \$789,442 for architectural services and also in June 2020 entered into a contract with Adroit Construction as a CMGC project for \$19,500 for pre-construction services. As of June 30, 2020, the ORW Architecture contract has a remaining commitment of \$755,653 and the Adroit contract has a remaining commitment of \$11,375.

In June 2020, the College entered into a contract with ArcSine Engineering for \$29,500 to provide a power distribution analysis of the Redwood Campus to ensure the needs of the College's Redwood Campus with the addition of the new Redwood Campus Science Center are met. As of June 30, 2020, the ArcSine contract has a remaining commitment of \$26,550.

11. Subsequent Events

Pandemic

In March 2020, the United States and global markets experienced significant declines in value resulting from uncertainty caused by the world-wide coronavirus pandemic. Management continues to monitor their operations, enrollment numbers and state and local funding sources and is actively working to minimize the impact of these declines. The full impact on the College's financial statements as a result of the world-wide coronavirus pandemic cannot be reasonably determined as of the date the financial statements were available to be issued.

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Rogue Community College
Grants Pass, Oregon

Required Supplementary Information

Schedule of Changes in Total College Administered OPEB Liability and Related Ratios
Last Ten Fiscal Years *

	2019-20	2018-19	2017-18
Total College administered OPEB liability			
Service cost	\$ 228,358	\$ 266,693	\$ 287,458
Interest	177,816	193,806	165,059
Differences between expected and actual experience	0	96,755	0
Changes of assumptions	141,375	(639,914)	(256,946)
Benefit payments	(423,839)	(398,068)	(368,991)
Net change in total OPEB liability	123,710	(480,728)	(173,420)
Total OPEB liability - beginning	4,895,610	5,376,338	5,549,758
Total OPEB liability - ending	\$ 5,019,320	\$ 4,895,610	\$ 5,376,338
Covered employee payroll	\$ 16,891,964	\$ 17,664,744	\$ 17,559,003
Total OPEB liability as a percentage of covered employee payroll	29.71%	27.71%	30.62%
Discount rate	3.13%	3.62%	3.56%

Notes to Schedule:

* 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.

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. See above for the discount rates used in each period. Detail regarding the College's OPEB Liability can be found in Note 9 to the financial statements.

No assets were accumulated in a trust.

Date reported is measured as of June 30, 2019 (measurement date) and rolled forward to June 30, 2020.

Schedule of Employer's Proportionate Share of Net RHIA OPEB Liability/(Asset)
 Oregon Public Employees Retirement System (OPERS)
 Last Ten Fiscal Years*

Reported as of measurement date of 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 covered payroll**	(b/c) College's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2019	0.19546529%	\$ (377,709)	\$ 21,436,407	-1.77%	144.40%
2018	0.19966668%	\$ (222,882)	\$ 20,525,876	-1.04%	123.99%
2017	0.20598489%	\$ (85,966)	\$ 19,296,046	-0.42%	108.88%

Note: See the accompanying Notes to Financial Statements for the plan description, funding policy, annual RHIA cost, net RHIA asset, funded status and funding progress. The Plan receives an actuarial valuation every year.

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

** Employer's covered-employee payroll is equal to the amount reported to PERS during the fiscal year presented. This amount includes adjustments from prior year's covered payroll.

Schedule of RHIA OPEB Employer Contributions
Oregon Public Employees Retirement System (OPERS) RHIA OPEB
Last Ten Fiscal Years*

Reported as of fiscal year date of June 30,*	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) College's covered employee payroll**	(b/c) Contributions as a percent of covered employee payroll
2020	\$ 12,971	\$ (12,971)	\$ 0	\$ 21,530,929	-0.06%
2019	\$ 96,877	\$ (96,877)	\$ 0	\$ 21,436,407	-0.45%
2018	\$ 96,679	\$ (96,679)	\$ 0	\$ 20,525,876	-0.47%

Note: See the accompanying Notes to Financial Statements for the plan description, funding policy, annual RHIA cost, net RHIA asset, funded status and funding progress. The Plan receives an actuarial valuation every year.

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

Fiscal year 2018 statutorily required contribution and contributions in relation to the statutorily required contribution amounts were restated from prior year.

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

** Employer's covered-employee payroll is equal to the amount reported to PERS during the fiscal year presented. This amount includes adjustments from prior year's covered payroll.

Schedule of Employer's Share of Net Pension Liability/(Asset)
Oregon Public Employees Retirement System (OPERS)
Last Ten Fiscal Years*

Reported as of measurement date of 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 its covered payroll	Plan fiduciary net position as a percentage of the total pension liability/(asset)
2019	0.16743082%	\$ 28,961,522	\$ 21,332,003	135.77%	80.2%
2018	0.17836182%	\$ 27,019,466	\$ 19,794,872	136.50%	82.1%
2017	0.17414395%	\$ 23,474,670	\$ 19,296,046	121.66%	83.1%
2017	0.16813948%	\$ 25,241,640	\$ 19,521,681	129.30%	80.5%
2016	0.16520408%	\$ 9,485,128	\$ 18,622,319	50.93%	91.9%
2015	0.16757515%	\$ (3,798,451)	\$ 19,502,761	-19.48%	103.6%

Note: See the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPERS cost, net OPERS obligation, funded status and funding progress. The Plan receives an actuarial valuation every year.

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

** This amount is equal to the covered payroll applicable to the proceeding year presented.

Schedule of Employer Contributions
Oregon Public Employees Retirement System (OPERS)
Last Ten Fiscal Years*

Reported as of fiscal year date of June 30,*	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) College's covered payroll**	(b/c) Contributions as a percent of covered payroll
2020	\$ 2,911,141	\$ (2,911,141)	\$ 0	\$ 21,530,929	13.52%
2019	\$ 2,258,589	\$ (2,258,589)	\$ 0	\$ 21,332,003	10.59%
2018	\$ 2,254,184	\$ (2,254,184)	\$ 0	\$ 19,794,872	11.39%
2017	\$ 1,627,953	\$ (1,627,953)	\$ 0	\$ 19,296,046	8.44%
2016	\$ 1,600,743	\$ (1,600,743)	\$ 0	\$ 19,521,681	8.20%
2015	\$ 1,540,025	\$ (1,540,025)	\$ 0	\$ 18,622,319	8.27%

Note: See the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPERS cost, net OPERS obligation, funded status and funding progress. The College receives an actuarial valuation every year.

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

** Employer's covered-employee payroll is equal to the amount reported to PERS during the fiscal year presented. This amount includes adjustments from prior year's covered payroll.

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Rogue Community College
Grants Pass, Oregon

Other Supplementary Information

(Individual Fund Financial Schedules)

Other Supplementary Information
Description of Budgeted College Funds

Other supplementary information consists of schedules required by the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Oregon Secretary of State. Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual are presented on a Non-GAAP budgetary basis for each College fund required to be budgeted in accordance with Oregon Local Budget Law. The Non-GAAP budgetary basis reflects a modified accrual basis of accounting where revenues are reported when earned; expenditures are reported when liability is incurred; and property taxes are accounted for on a cash basis.

The level of control established by the College's appropriation resolution is by function: Instruction; Instructional Support; Student Services; Community Services; College Support Services; Plant Operations and Maintenance; Financial Aid; Facilities Acquisition & Construction; Transfers Out; and Contingency.

Budgeted College funds are as follows:

General Fund – Covers the general operations of the College and accounts for all financial resources and expenditures of the College, except for those required to be accounted for in another fund. The principal sources of revenue include tuition, property taxes, and state community college support.

Capital Improvement Funds – Account for the receipt and disbursement of resources for buildings and land, buying or maintaining College facilities, and equipment. The principal revenues include transfers from other funds, bond levy proceeds, state and local resources, and investment earnings.

Debt Service Funds – Account for the accumulation of resources for and payment of principal and interest on the College's long-term debt obligations. The principal revenues are transfers from other funds and property taxes approved for bond levies.

College Services Fund – Accounts for non-technology fees charged to students. These fees include materials fees, the college services fee, testing fees, collection fees, and installment fees. The principal revenue is fees remitted by students. The principal expenditures include facility lease, transportation costs, and transfers to other funds.

Contract and Grant Fund – Accounts for grants and contracts awarded to and for the College from federal, state, and local sources.

Entrepreneurial Fund – Accounts for the development and growth of innovative activities of the College. The principal revenue is transfers from the General Fund and tuition and fees.

Financial Aid Fund – Accounts for student aid in the form of federal and state grants, local scholarships through the RCC Foundation, state scholarships, third party scholarships, federal work-study student employment, federal direct loans to students and private student loans.

Higher Education Center Fund – Accounts for the day-to-day operations of the Higher Education Center Building at the Riverside Campus, jointly owned with Southern Oregon University (SOU). The principal expenditures include security, utilities, custodial services, copiers, maintenance services, and technology support necessary to run the Higher Education Center building. The principal revenue includes transfers from the General Fund for the College's portion and other revenue for SOU's portion.

Rogue Community College

Other Supplementary Information

Description of Budgeted College Funds (continued)

Intra-College Fund – Accounts for activities performed by the College for the benefit of the College. Activities include Associated Student Government of Rogue Community College, Professional Growth, Athletics, and other departmental charges. The principal revenue for this fund is transfers from other funds.

PERS Fund – Accounts for the reserve held by the College for anticipated, future rate increases and the unfunded actuarial liability. The principal revenue is the PERS expense charged in other funds. Funds are transferred from this fund to the Debt Service Fund – Other to pay the Limited Tax Pension Obligation Series 2005.

Self-Support Fund – Accounts for the self-support instructional activities of the College. The principal revenue is tuition and fees.

Stability Reserve Fund – Accounts for the funds set aside by the College Board of Education to be used to stabilize the College's funding. The principal revenue is transfers from the General Fund.

Technology and Equipment Fund – This fund is designated for the replacement of the College's equipment and software maintenance. The principal revenues are the technology fee charged to students, the distance education fee charged to students, and transfers from other funds. The principal expenditures are upgrades/replacements for equipment, software maintenance, and transfers out to other funds.

Unemployment Fund – Accounts for the payments to the Oregon Employment Division for unemployment benefits paid to terminated employees. Principal revenues are the unemployment expense charged to other funds and investment earnings.

Auxiliary Services Fund – Accounts for the operation of the College's bookstore. The principal revenue is book sales.

Other Auxiliary Services Fund – Accounts for the operation of ancillary activities for Art, Auto Artist, Diesel Technology, Disability Services, Early Childhood Education Facility, Facility Rental, Friends of the Library, Gallery Projects, Illinois Valley Business Entrepreneurial Center Facility, Manufacturing Engineering Technology, Massage, Math, Music Ensembles, RogueNet intergovernmental agreements, Testing Center, Theater, and Welding. The principal revenue is sales to customers.

Rogue Community College

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Revenues:				
State sources	\$ 9,563,217	\$ 9,818,343	\$ 11,350,891	\$ 1,532,548
Local sources	14,453,862	14,453,862	14,502,672	48,810
Tuition and fees	12,925,917	12,925,917	12,439,857	(486,060)
Other revenue sources	<u>566,853</u>	<u>566,853</u>	<u>664,629</u>	<u>97,776</u>
Total revenues	<u>37,509,849</u>	<u>37,764,975</u>	<u>38,958,049</u>	<u>1,193,074</u>
Expenditures:				
Instruction	15,692,026	15,960,326	15,377,492	582,834
Instructional support services	4,012,118	4,157,722	4,037,120	120,602
Student services	6,441,917	6,614,029	5,954,810	659,219
Community services	191,687	191,687	144,136	47,551
College support services	8,874,944	9,064,223	7,808,419	1,255,804
Plant operations and maintenance	3,245,201	3,245,201	2,903,266	341,935
Contingency	<u>2,570,115</u>	<u>1,594,820</u>	<u>0</u>	<u>1,594,820</u>
Total expenditures	<u>41,028,008</u>	<u>40,828,008</u>	<u>36,225,243</u>	<u>4,602,765</u>
Revenues over (under) expenditures	<u>(3,518,159)</u>	<u>(3,063,033)</u>	<u>2,732,806</u>	<u>5,795,839</u>
Other financing sources (uses):				
Transfers in	358,605	103,479	57,474	(46,005)
Transfers out	<u>(1,886,754)</u>	<u>(2,086,754)</u>	<u>(1,973,326)</u>	<u>113,428</u>
Total other financing sources (uses)	<u>(1,528,149)</u>	<u>(1,983,275)</u>	<u>(1,915,852)</u>	<u>67,423</u>
Revenues and other sources over (under) expenditures and other uses	<u>(5,046,308)</u>	<u>(5,046,308)</u>	<u>816,954</u>	<u>5,863,262</u>
Fund balance, beginning of year	<u>5,046,308</u>	<u>5,046,308</u>	<u>4,980,373</u>	<u>(65,935)</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,797,327</u>	<u>\$ 5,797,327</u>

Rogue Community College

Capital Improvement Fund - COPs and Bonds
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 300,000	\$ 300,000	\$ 374,988	\$ 74,988
Expenditures:				
Facilities acquisition & construction	14,131,334	14,131,334	5,551,450	8,579,884
Contingency	4,000,000	4,000,000	0	4,000,000
Total expenditures	18,131,334	18,131,334	5,551,450	12,579,884
Revenues over (under) expenditures	(17,831,334)	(17,831,334)	(5,176,462)	12,654,872
Fund balance, beginning of year	17,831,334	17,831,334	18,570,740	739,406
Fund balance, end of year	\$ 0	\$ 0	\$ 13,394,278	\$ 13,394,278

Capital Improvement Fund - Maintenance
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 60,000	\$ 60,000	\$ 73,684	\$ 13,684
Expenditures:				
Plant operations and maintenance	2,348,508	2,348,508	643,531	1,704,977
Facilities acquisition & construction	230,314	230,314	0	230,314
Contingency	200,000	200,000	0	200,000
Total expenditures	2,778,822	2,778,822	643,531	2,135,291
Revenues over (under) expenditures	(2,718,822)	(2,718,822)	(569,847)	2,148,975
Other financing sources (uses):				
Transfers in	894,631	894,631	966,601	71,970
Transfers out	(200,000)	(200,000)	0	200,000
Total other financing sources (uses)	694,631	694,631	966,601	271,970
Revenues and other sources over (under) expenditures and other uses	(2,024,191)	(2,024,191)	396,754	2,420,945
Fund balance, beginning of year	2,024,191	2,024,191	1,995,754	(28,437)
Fund balance, end of year	\$ 0	\$ 0	\$ 2,392,508	\$ 2,392,508

Rogue Community College

Capital Improvement Fund - State and Local Funds
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
State sources	\$ 14,000,000	\$ 14,000,000	\$ 6,040,268	\$ (7,959,732)
Local sources	1,762,500	1,762,500	628,358	(1,134,142)
Other revenue sources	0	0	(3,762)	(3,762)
Total revenues	<u>15,762,500</u>	<u>15,762,500</u>	<u>6,664,864</u>	<u>(9,097,636)</u>
Expenditures:				
Facilities acquisition & construction	<u>15,778,241</u>	<u>15,778,241</u>	<u>6,680,605</u>	<u>9,097,636</u>
Total expenditures	<u>15,778,241</u>	<u>15,778,241</u>	<u>6,680,605</u>	<u>9,097,636</u>
Revenues over (under) expenditures	(15,741)	(15,741)	(15,741)	0
Fund balance, beginning of year	<u>15,741</u>	<u>15,741</u>	<u>15,741</u>	<u>0</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Rogue Community College

Debt Service Fund - General Obligation Bonds
Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Local sources	\$ 3,546,778	\$ 3,546,778	\$ 3,547,775	\$ 997
Other revenue sources	19,455	19,455	176,568	157,113
Total revenues	<u>3,566,233</u>	<u>3,566,233</u>	<u>3,724,343</u>	<u>158,110</u>
Expenditures:				
Debt service	3,527,650	3,527,650	3,527,650	0
Unappropriated ending fund balance	<u>389,170</u>	<u>389,170</u>	<u>0</u>	<u>389,170</u>
Total expenditures	<u>3,916,820</u>	<u>3,916,820</u>	<u>3,527,650</u>	<u>389,170</u>
Revenues over (under) expenditures	(350,587)	(350,587)	196,693	547,280
Fund balance, beginning of year	<u>350,587</u>	<u>350,587</u>	<u>389,475</u>	<u>38,888</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 586,168</u>	<u>\$ 586,168</u>
Summary of expenditures by appropriation:				
College support services	\$ 3,527,650	\$ 3,527,650	\$ 3,527,650	\$ 0
Unappropriated ending fund balance	<u>389,170</u>	<u>389,170</u>	<u>0</u>	<u>389,170</u>
Total expenditures	<u>\$ 3,916,820</u>	<u>\$ 3,916,820</u>	<u>\$ 3,527,650</u>	<u>\$ 389,170</u>

Rogue Community College

Debt Service Fund - Other

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:			0	
Other revenue sources	\$ 0	\$ 0	\$ (1)	\$ (1)
Expenditures:				
Debt service	1,852,102	1,852,102	1,826,356	25,746
Contingency	34,240	34,240	0	34,240
Total expenditures	1,886,342	1,886,342	1,826,356	59,986
Revenues over (under) expenditures	(1,886,342)	(1,886,342)	(1,826,357)	59,985
Other financing sources (uses):				
Transfers in	1,852,102	1,852,102	1,826,353	(25,749)
Revenues and other sources over (under) expenditures and other uses	(34,240)	(34,240)	(4)	34,236
Fund balance, beginning of year	34,240	34,240	4	(34,236)
Fund balance, end of year	\$ 0	\$ 0	\$ 0	\$ 0
Summary of expenditures by appropriation:				
College support services	\$ 1,852,102	\$ 1,852,102	\$ 1,826,356	\$ 25,746
Contingency	34,240	34,240	0	34,240
Total expenditures	\$ 1,886,342	\$ 1,886,342	\$ 1,826,356	\$ 59,986

Rogue Community College

College Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Tuition and fees	\$ 1,668,822	\$ 1,668,822	\$ 1,643,797	\$ (25,025)
Expenditures:				
College support services	175,707	175,707	58,053	117,654
Plant operations and maintenance	189,751	189,751	179,470	10,281
Contingency	100,000	76,768	0	76,768
Reserved for future expenditures	4,230,406	4,230,406	0	4,230,406
Total expenditures	4,695,864	4,672,632	237,523	4,435,109
Revenues over (under) expenditures	(3,027,042)	(3,003,810)	1,406,274	4,410,084
Other financing sources (uses):				
Transfers out	(1,194,876)	(1,218,108)	(1,218,109)	(1)
Revenues and other sources over (under) expenditures and other uses	(4,221,918)	(4,221,918)	188,165	4,410,083
Fund balance, beginning of year	4,221,918	4,221,918	4,265,914	43,996
Fund balance, end of year	\$ 0	\$ 0	\$ 4,454,079	\$ 4,454,079

Rogue Community College

Contract and Grant Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Federal sources	\$ 6,739,146	\$ 6,739,146	\$ 3,923,144	\$ (2,816,002)
State sources	1,994,100	1,893,231	414,348	(1,478,883)
Local sources	78,000	117,500	75,250	(42,250)
Tuition and fees	291,100	291,100	282,165	(8,935)
Other revenue sources	610,944	604,193	637,238	33,045
Total revenues	9,713,290	9,645,170	5,332,145	(4,313,025)
Expenditures:				
Instruction	1,646,531	1,867,954	1,358,711	509,243
Instructional support services	1,243,188	1,062,069	922,558	139,511
Student services	4,723,553	4,654,757	3,013,582	1,641,175
Community services	5,000	5,000	4,197	803
College support services	95,627	95,627	95,584	43
Plant operations and maintenance	648,753	545,000	6,563	538,437
Facilities acquisition & construction	1,505,000	1,651,022	149,931	1,501,091
Contingency	943,163	929,386	0	929,386
Total expenditures	10,810,815	10,810,815	5,551,126	5,259,689
Revenues over (under) expenditures	(1,097,525)	(1,165,645)	(218,981)	946,664
Fund balance, beginning of year	1,097,525	1,165,645	1,230,780	65,135
Fund balance, end of year	\$ 0	\$ 0	\$ 1,011,799	\$ 1,011,799

Rogue Community College

Entrepreneurial Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
State sources	\$ 99,648	\$ 99,648	\$ 95,226	\$ (4,422)
Tuition and fees	1,390,092	1,390,092	857,726	(532,366)
Other revenue sources	100,000	100,000	0	(100,000)
Total revenues	<u>1,589,740</u>	<u>1,589,740</u>	<u>952,952</u>	<u>(636,788)</u>
Expenditures:				
Instruction	1,242,903	1,242,903	669,070	573,833
Instructional support	354,275	334,275	166,849	167,426
Student services	237,670	217,670	143,349	74,321
Community services	20,000	90,256	58,530	31,726
College support services	260,096	240,096	228,290	11,806
Facilities acquisition & construction	20,000	9,744	0	9,744
Contingency	<u>406,618</u>	<u>406,618</u>	<u>0</u>	<u>406,618</u>
Total expenditures	<u>2,541,562</u>	<u>2,541,562</u>	<u>1,266,088</u>	<u>1,275,474</u>
Revenues over (under) expenditures	<u>(951,822)</u>	<u>(951,822)</u>	<u>(313,136)</u>	<u>638,686</u>
Other financing sources (uses):				
Transfers in	250,000	250,000	250,000	0
Transfers out	<u>(88,504)</u>	<u>(88,504)</u>	<u>(64,353)</u>	<u>24,151</u>
Total other financing sources (uses):	<u>161,496</u>	<u>161,496</u>	<u>185,647</u>	<u>24,151</u>
Revenues and other sources over (under) expenditures and other uses	<u>(790,326)</u>	<u>(790,326)</u>	<u>(127,489)</u>	<u>662,837</u>
Fund balance, beginning of year	<u>790,326</u>	<u>790,326</u>	<u>801,825</u>	<u>11,499</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 674,336</u>	<u>\$ 674,336</u>

Rogue Community College

Financial Aid Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Federal sources	\$ 23,397,006	\$ 23,397,006	\$ 16,395,049	\$ (7,001,957)
State sources	5,700,000	5,700,000	3,839,044	(1,860,956)
Local sources	500,000	500,000	472,278	(27,722)
Total revenues	<u>29,597,006</u>	<u>29,597,006</u>	<u>20,706,371</u>	<u>(8,890,635)</u>
Expenditures:				
Student financial aid	<u>29,562,006</u>	<u>29,562,006</u>	<u>20,687,376</u>	<u>8,874,630</u>
Total expenditures	<u>29,562,006</u>	<u>29,562,006</u>	<u>20,687,376</u>	<u>8,874,630</u>
Revenues over (under) expenditures	35,000	35,000	18,995	(16,005)
Other financing sources (uses):				
Transfers in	0	0	8,242	8,242
Transfers out	<u>(35,000)</u>	<u>(35,000)</u>	<u>(27,237)</u>	<u>7,763</u>
Total other financing sources (uses)	<u>(35,000)</u>	<u>(35,000)</u>	<u>(18,995)</u>	<u>16,005</u>
Revenues and other sources over (under) expenditures and other uses	0	0	0	0
Fund balance, beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance, end of year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

Rogue Community College

Higher Education Center Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 438,481	\$ 438,481	\$ 215,457	\$ (223,024)
Expenditures:				
Instructional support	38,958	38,958	37,474	1,484
College support services	294,045	316,505	276,164	40,341
Plant operations and maintenance	505,478	483,018	322,389	160,629
Contingency	100,000	100,000	0	100,000
Total expenditures	938,481	938,481	636,027	302,454
Revenues over (under) expenditures	(500,000)	(500,000)	(420,570)	79,430
Other financing sources (uses):				
Transfers in	510,000	510,000	430,524	(79,476)
Transfers out	(10,000)	(10,000)	(10,000)	0
Revenues and other sources over (under) expenditures and other uses	0	0	(46)	(46)
Fund balance, beginning of year	0	0	46	46
Fund balance, end of year	\$ 0	\$ 0	\$ 0	\$ 0

Rogue Community College

Intra-College Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Tuition and fees	\$ 1,750	\$ 1,750	\$ 260	\$ (1,490)
Other revenue sources	32,500	22,023	44,382	22,359
Total revenues	34,250	23,773	44,642	20,869
Expenditures:				
Instructional support	268,860	263,860	94,301	169,559
Student services	408,476	413,953	313,274	100,679
College support services	74,788	74,311	64,571	9,740
Contingency	0	0	0	0
Total expenditures	752,124	752,124	472,146	279,978
Revenues over (under) expenditures	(717,874)	(728,351)	(427,504)	300,847
Other financing sources (uses):				
Transfers in	420,045	443,277	421,250	(22,027)
Transfers out	(5,500)	(5,500)	0	5,500
Total other financing sources (uses)	414,545	437,777	421,250	(16,527)
Revenues and other sources over (under) expenditures and other uses	(303,329)	(290,574)	(6,254)	284,320
Fund balance, beginning of year	303,329	290,574	354,853	64,279
Fund balance, end of year	\$ 0	\$ 0	\$ 348,599	\$ 348,599

Rogue Community College

PERS Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance
(Non-GAAP Budgetary Basis) - Budget and Actual
For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 2,187,460	\$ 2,187,460	\$ 1,845,454	\$ (342,006)
Expenditures:				
College support services	100,000	100,000	10,934	89,066
Contingency	102,274	102,274	0	102,274
Reserved for future expenditures	5,773,673	5,773,673	0	5,773,673
Total expenditures	5,975,947	5,975,947	10,934	5,965,013
Revenues over (under) expenditures	(3,788,487)	(3,788,487)	1,834,520	5,623,007
Other financing sources (uses):				
Transfers in	0	0	0	0
Transfers out	(1,826,356)	(1,826,356)	(1,826,356)	0
Total other financing sources (uses)	(1,826,356)	(1,826,356)	(1,826,356)	0
Revenues and other sources over (under) expenditures and other uses	(5,614,843)	(5,614,843)	8,164	5,623,007
Fund balance, beginning of year	5,614,843	5,614,843	5,721,902	107,059
Fund balance, end of year	\$ 0	\$ 0	\$ 5,730,066	\$ 5,730,066

Rogue Community College

Self-Support Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
State sources	\$ 133,560	\$ 133,560	\$ 76,305	\$ (57,255)
Tuition and fees	882,816	797,816	524,258	(273,558)
Other revenue sources	100,000	100,000	8,701	(91,299)
Total revenues	<u>1,116,376</u>	<u>1,031,376</u>	<u>609,264</u>	<u>(422,112)</u>
Expenditures:				
Instruction	615,331	621,022	417,803	203,219
Instructional support services	665,239	659,548	557,005	102,543
Contingency	182,329	182,329	0	182,329
Total expenditures	<u>1,462,899</u>	<u>1,462,899</u>	<u>974,808</u>	<u>488,091</u>
Revenues over (under) expenditures	<u>(346,523)</u>	<u>(431,523)</u>	<u>(365,544)</u>	<u>65,979</u>
Other financing sources (uses):				
Transfers in	232,466	317,466	266,373	(51,093)
Transfers out	(35,000)	(35,000)	(998)	34,002
Total other financing sources (uses)	<u>197,466</u>	<u>282,466</u>	<u>265,375</u>	<u>(17,091)</u>
Revenues and other sources over (under) expenditures and other uses	<u>(149,057)</u>	<u>(149,057)</u>	<u>(100,169)</u>	<u>48,888</u>
Fund balance, beginning of year	<u>149,057</u>	<u>149,057</u>	<u>177,570</u>	<u>28,513</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 77,401</u>	<u>\$ 77,401</u>

Stability Reserve Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Reserved for future expenditures	3,811,052	3,811,052	0	3,811,052
Total expenditures	3,811,052	3,811,052	0	3,811,052
Revenues over (under) expenditures	(3,811,052)	(3,811,052)	0	3,811,052
Other financing sources (uses):				
Transfers in	500,000	500,000	500,000	0
Transfers out	0	0	0	0
Total other financing sources (uses)	500,000	500,000	500,000	0
Revenues and other sources over (under) expenditures and other uses	(3,311,052)	(3,311,052)	500,000	3,811,052
Fund balance, beginning of year	3,311,052	3,311,052	3,311,052	0
Fund balance, end of year	\$ 0	\$ 0	\$ 3,811,052	\$ 3,811,052

Rogue Community College

Technology and Equipment Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Tuition and fees	\$ 1,344,512	\$ 1,183,655	\$ 1,183,782	\$ 127
Other revenue sources	102,000	2,000	600	(1,400)
Total revenues	<u>1,446,512</u>	<u>1,185,655</u>	<u>1,184,382</u>	<u>(1,273)</u>
Expenditures:				
Instruction	345,098	493,200	384,490	108,710
Instructional support services	23,000	22,366	14,862	7,504
Student services	15,580	15,580	0	15,580
College support services	1,538,023	1,616,020	1,274,848	341,172
Plant operations and maintenance	10,000	24,400	10,900	13,500
Contingency	90,000	90,261	0	90,261
Total expenditures	<u>2,021,701</u>	<u>2,261,827</u>	<u>1,685,100</u>	<u>576,727</u>
Revenues over (under) expenditures	<u>(575,189)</u>	<u>(1,076,172)</u>	<u>(500,718)</u>	<u>575,454</u>
Other financing sources (uses):				
Transfers in	383,448	513,448	470,522	(42,926)
Transfers Out	255,126	15,000	12,845	2,155
Total other financing sources (uses)	<u>128,322</u>	<u>498,448</u>	<u>457,677</u>	<u>(40,771)</u>
Revenues and other sources over (under) expenditures and other uses	<u>(446,867)</u>	<u>(577,724)</u>	<u>(43,041)</u>	<u>534,683</u>
Fund balance, beginning of year	<u>446,867</u>	<u>577,724</u>	<u>577,721</u>	<u>(3)</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 534,680</u>	<u>\$ 534,680</u>

Rogue Community College

Unemployment Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other revenue sources	\$ 79,319	\$ 79,319	\$ 77,265	\$ (2,054)
Expenditures:				
College support services	82,125	94,441	119,877	(25,436)
Contingency	211,931	199,615	0	199,615
Total expenditures	294,056	294,056	119,877	174,179
Revenues over (under) expenditures	(214,737)	(214,737)	(42,612)	172,125
Fund balance, beginning of year	214,737	214,737	212,049	(2,688)
Fund balance, end of year	\$ 0	\$ 0	\$ 169,437	\$ 169,437

Rogue Community College

Auxiliary Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Sales	\$ 1,438,438	\$ 1,438,438	\$ 1,387,632	\$ (50,806)
Other income	7,250	7,250	9,049	1,799
Total revenues	<u>1,445,688</u>	<u>1,445,688</u>	<u>1,396,681</u>	<u>(49,007)</u>
Expenditures:				
Personnel services	299,431	299,431	262,808	36,623
Other payroll expense	199,201	199,201	174,176	25,025
Materials and services	99,900	158,900	142,467	16,433
Materials for resale	1,115,409	1,115,409	1,133,210	(17,801)
Contingency	264,322	205,322	0	205,322
Total expenditures	<u>1,978,263</u>	<u>1,978,263</u>	<u>1,712,661</u>	<u>265,602</u>
Revenues over (under) expenditures	(532,575)	(532,575)	(315,980)	216,595
Other financing sources (uses):				
Transfers in	200,000	200,000	0	(200,000)
Transfers out	(14,550)	(14,550)	(14,550)	0
Total other financing sources (uses)	<u>185,450</u>	<u>185,450</u>	<u>(14,550)</u>	<u>(200,000)</u>
Revenues and other sources over (under) expenditures and other uses	(347,125)	(347,125)	(330,530)	16,595
Fund balance, beginning of year	<u>347,125</u>	<u>347,125</u>	<u>792,697</u>	<u>445,572</u>
Fund balance, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 462,167</u>	<u>\$ 462,167</u>
Summary of expenditures by appropriation:				
Student services	\$ 1,713,941	\$ 1,772,941	\$ 1,712,661	\$ 60,280
Contingency	264,322	205,322	0	205,322
Total expenditures	<u>\$ 1,978,263</u>	<u>\$ 1,978,263</u>	<u>\$ 1,712,661</u>	<u>\$ 265,602</u>

Rogue Community College

Other Auxiliary Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

(Non-GAAP Budgetary Basis) - Budget and Actual

For the year ended June 30, 2020

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other income	\$ 609,324	\$ 609,324	\$ 411,920	\$ (197,404)
Expenditures:				
Personnel services	110,108	110,108	141,761	(31,653)
Other payroll expense	67,993	67,993	78,828	(10,835)
Materials and services	818,423	769,345	153,365	615,980
Materials for resale	36,136	36,057	7,640	28,417
Capital equipment	72,160	121,317	49,157	72,160
Contingency	92,998	92,998	0	92,998
Total expenditures	1,197,818	1,197,818	430,751	767,067
Revenues over (under) expenditures	(588,494)	(588,494)	(18,831)	569,663
Other financing sources (uses):				
Transfers in	0	0	0	0
Transfers out	(49,631)	(49,631)	(49,564)	67
Total other financing sources (uses)	(49,631)	(49,631)	(49,564)	67
Revenues and other sources over (under) expenditures and other uses	(638,125)	(638,125)	(68,395)	569,730
Fund balance, beginning of year	638,125	638,125	636,261	(1,864)
Fund balance, end of year	\$ 0	\$ 0	\$ 567,866	\$ 567,866
Summary of expenditures by appropriation:				
Student services	\$ 75,289	\$ 75,289	\$ 13,686	\$ 61,603
College services	6,700	6,700	0	6,700
Community services	709,000	709,000	313,892	395,108
Plant operations and maintenance	313,831	313,831	103,173	210,658
Contingency	92,998	92,998	0	92,998
Total expenditures	\$ 1,197,818	\$ 1,197,818	\$ 430,751	\$ 767,067

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Rogue Community College
Grants Pass, Oregon

Other Supplementary Information

(Schedule of Property Tax Transactions)

Schedule of Property Tax Transactions - General Fund
For the year ended June 30, 2020

<u>Fiscal Year Ended</u>	<u>Uncollected Balances July 1, 2019</u>	<u>Current Year's Levy</u>	<u>Adjustments and Discounts</u>	<u>Collections</u>	<u>Uncollected Balances June 30, 2020</u>
2020	\$ 0	\$ 15,034,008	\$ (534,918)	\$ 14,162,755	\$ 336,335
2019	338,297	0	(2,458)	176,537	159,302
2018	159,641	0	(2,645)	70,425	86,571
2017	130,483	0	(2,237)	53,552	74,694
2016	89,500	0	(2,325)	21,566	65,609
2015	63,641	0	(2,110)	5,351	56,180
Prior Years	<u>161,672</u>	<u>0</u>	<u>(8,540)</u>	<u>11,211</u>	<u>141,921</u>
Total	<u>\$ 943,234</u>	<u>\$ 15,034,008</u>	<u>\$ (555,233)</u>	<u>\$ 14,501,397</u>	<u>\$ 920,612</u>

Schedule of Property Tax Transactions - Debt Service Fund
For the year ended June 30, 2020

<u>Fiscal Year Ended</u>	<u>Uncollected Balances July 1, 2019</u>	<u>Current Year's Levy</u>	<u>Adjustments and Discounts</u>	<u>Collections</u>	<u>Uncollected Balances June 30, 2020</u>
2020	\$ 0	\$ 3,687,558	\$ (133,225)	\$ 3,475,415	\$ 78,918
2019	74,111	0	(447)	38,645	35,019
2018	37,160	0	(523)	15,803	20,834
2017	32,173	0	(519)	12,725	18,929
2016	13,099	0	(308)	2,938	9,853
2015	9,694	0	(242)	744	8,708
Prior Years	<u>23,160</u>	<u>0</u>	<u>(1,564)</u>	<u>1,505</u>	<u>20,091</u>
Total	<u>\$ 189,397</u>	<u>\$ 3,687,558</u>	<u>\$ (136,828)</u>	<u>\$ 3,547,775</u>	<u>\$ 192,352</u>

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STATISTICAL SECTION



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FINANCIAL TRENDS:	107
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These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

REVENUE CAPACITY:	112
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These schedules contain information to help the reader assess the government's most significant local revenue source, property taxes.

DEBT CAPACITY:	123
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These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION:.....	128
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

OPERATING INFORMATION:	130
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These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the published comprehensive annual financial reports for the relevant year. The College implemented GASB Statement No. 65 in fiscal 2014; schedules containing information for years prior to fiscal year 2014 have not been restated in accordance with GASB No. 65, unless otherwise stated. The College implemented GASB Statement No. 68 and No. 71 in fiscal 2015; schedules containing information for years prior to fiscal year 2015 have not been restated in accordance with GASB No. 68 and No 71, unless otherwise stated. The College implemented GASB Statement No. 75 in fiscal 2018; schedules containing information for years prior to fiscal year 2018 have not been restated in accordance with GASB No. 75, unless otherwise stated.

Net Position by Component
Last Ten Fiscal Years - (unaudited)

	2019-20	2018-19	2017-18	2016-17
Net investment in capital assets	\$ 37,645,212	\$ 28,786,256	\$ 24,023,561	\$ 17,721,477
Restricted - expendable	1,760,972	1,687,454	1,510,835	4,727,814
Unrestricted	<u>(18,885,085)</u>	<u>(18,590,158)</u>	<u>(14,631,612)</u>	<u>(11,593,652)</u>
Total net position	<u>\$ 20,521,099</u>	<u>\$ 11,883,552</u>	<u>\$ 10,902,784</u>	<u>\$ 10,855,639</u>

Note: The College implemented GASB Statement No. 54 in fiscal 2014; years prior to 2014 have not been restated, unless otherwise stated. The College implemented GASB Statement No. 68 and No. 71 in fiscal 2015, with an adjustment in 2017; schedules containing information for years prior to the referenced fiscal years have not been restated in accordance with GASB No. 68 and No. 71, unless otherwise stated. The College implemented GASB Statement No. 75 in fiscal 2018; schedules containing information for years prior to fiscal year 2018 have not been restated in accordance with GASB No. 75, unless otherwise stated.

Source: Rogue Community College Budget and Financial Services Department.

2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
\$ 16,913,135	\$ 14,283,970	\$ 14,057,119	\$ 13,608,528	\$ 13,153,067	\$ 13,752,101
927,191	881,954	993,992	592,876	607,081	747,302
(3,060,806)	1,607,452	22,310,498	16,945,296	16,428,065	12,038,388
\$ 14,779,520	\$ 16,773,376	\$ 37,361,609	\$ 31,146,700	\$ 30,188,213	\$ 26,537,791

Changes in Net Position
Last Ten Fiscal Years - (unaudited)

	2019-20	2018-19	2017-18	2016-17
Operating revenues:				
Student tuition and fees	\$ 16,972,303	\$ 17,612,777	\$ 17,043,113	\$ 17,346,411
Federal student financial aid grants	402,238	5,872,314	5,958,859	7,796,047
Federal grants and contracts	5,106,634	4,684,656	5,051,871	3,948,966
State and local grants and contracts	4,894,475	6,576,108	4,141,439	5,023,057
Auxiliary enterprises	1,299,636	1,712,679	1,942,526	2,292,794
Total operating revenues	\$ 28,675,286	\$ 36,458,534	\$ 34,137,808	\$ 36,407,275
Operating Expenses:				
Instruction	\$ 19,638,394	\$ 19,133,302	\$ 18,350,270	\$ 18,643,414
Instructional support services	5,933,504	5,901,060	6,062,044	6,612,951
Student services	11,776,484	11,290,980	11,062,661	10,963,620
Community services	556,751	506,225	559,362	918,368
College support services	9,528,604	10,439,614	8,250,664	8,163,765
Plant operations and maintenance	4,315,768	4,046,412	3,752,575	3,978,409
Scholarships and grants	15,491,959	19,588,329	19,260,733	21,331,237
Depreciation	1,491,475	1,421,948	1,324,245	1,356,198
Total operating expenses	\$ 68,732,939	\$ 72,327,870	\$ 68,622,554	\$ 71,967,962
Operating income (loss)	\$ (40,057,653)	\$ (35,869,336)	\$ (34,484,746)	\$ (35,560,687)
Non-operating revenues (expenses):				
State community college support fund	\$ 13,630,772	\$ 6,981,355	\$ 11,956,146	\$ 7,125,402
Federal financial aid	9,508,403	9,775,906	9,420,754	9,743,242
Property taxes	18,030,782	17,278,369	16,867,187	16,255,532
Investment income	1,026,532	1,258,797	898,649	330,789
Interest expense	(1,512,185)	(1,632,506)	(1,731,019)	(1,453,237)
Amortization of deferred charges	(110,712)	(110,712)	(110,712)	(166,864)
Gain (Loss) on disposal of capital assets	13,751	(1,200)	(260,642)	(50,008)
Other non-operating revenue	1,283,104	3,287,595	2,659,829	3,094,731
Total non-operating revenue (expenses)	\$ 41,870,447	\$ 36,837,604	\$ 39,700,192	\$ 34,879,587
Income (loss) before contributions	1,812,794	968,268	5,215,446	(681,100)
Capital contribution	6,824,753	12,500	0	35,613
Change in net position	\$ 8,637,547	\$ 980,768	\$ 5,215,446	\$ (645,487)

Note: The College implemented GASB Statement No. 54 in fiscal 2014; years prior to 2014 have not been restated, unless otherwise stated. The College implemented GASB Statement No. 68 and No. 71 in fiscal 2015, with an adjustment in 2017; schedules containing information for years prior to the referenced fiscal years have not been restated in accordance with GASB No. 68 and No. 71, unless otherwise stated. The College implemented GASB Statement No. 75 in fiscal 2018; schedules containing information for years prior to fiscal year 2018 have not been restated in accordance with GASB No. 75, unless otherwise stated.

Source: Rogue Community College Budget and Financial Services Department.

The presentation of direct loans was updated in 2019/20, however the presentation was not restated for prior years.

2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
\$ 16,962,306	\$ 17,160,540	\$ 19,189,090	\$ 18,951,762	\$ 19,980,687	\$ 17,396,805
20,626,247	24,250,395	28,357,361	29,282,493	31,128,994	29,517,520
3,028,295	2,370,058	2,407,971	2,070,948	2,306,020	2,627,174
3,929,186	3,283,212	3,039,372	3,382,815	3,315,112	3,832,881
2,290,647	2,600,729	2,886,688	3,012,341	3,263,140	3,446,288
<u>\$ 46,836,681</u>	<u>\$ 49,664,934</u>	<u>\$ 55,880,482</u>	<u>\$ 56,700,359</u>	<u>\$ 59,993,953</u>	<u>\$ 56,820,668</u>
\$ 21,071,960	\$ 14,706,052	\$ 16,944,686	\$ 16,959,707	\$ 17,602,427	\$ 17,036,563
7,096,620	5,232,455	5,270,080	8,457,690	4,763,229	4,621,373
10,312,279	7,802,365	8,713,370	637,728	8,757,710	8,821,596
802,943	655,848	690,447	4,770,501	696,173	635,513
8,273,480	6,643,253	6,540,975	6,522,004	6,578,074	5,917,232
4,197,801	3,531,257	3,775,239	3,485,631	3,864,283	4,915,125
23,478,895	26,639,338	30,818,208	31,995,666	33,719,682	30,816,983
1,318,294	1,383,795	1,249,414	1,232,604	1,177,785	1,137,160
<u>\$ 76,552,272</u>	<u>\$ 66,594,363</u>	<u>\$ 74,002,419</u>	<u>\$ 74,061,531</u>	<u>\$ 77,159,363</u>	<u>\$ 73,901,545</u>
<u>\$ (29,715,591)</u>	<u>\$ (16,929,429)</u>	<u>\$ (18,121,937)</u>	<u>\$ (17,361,172)</u>	<u>\$ (17,165,410)</u>	<u>\$ (17,080,877)</u>
\$ 11,792,670	\$ 6,419,845	\$ 8,812,032	\$ 3,902,363	\$ 7,690,282	\$ 4,099,976
0	0	0	0	0	0
14,273,517	13,893,310	13,363,178	12,779,883	12,708,580	12,816,782
230,823	196,146	3,050,295	2,327,212	674,452	3,637,636
(1,481,265)	(1,665,064)	(1,730,889)	(1,791,596)	(1,818,453)	(2,036,715)
(118,835)	(21,313)	(121,865)	(151,950)	(148,952)	(47,295)
(20,080)	(5,602)	(14,745)	(1,040)	(5,323)	(3,688)
3,033,080	3,186,377	1,318,307	1,237,287	1,715,246	1,080,360
<u>\$ 27,709,910</u>	<u>\$ 22,003,699</u>	<u>\$ 24,676,313</u>	<u>\$ 18,302,159</u>	<u>\$ 20,815,832</u>	<u>\$ 19,547,056</u>
(2,005,681)	5,074,270	6,554,376	940,987	3,650,422	2,466,179
11,825	20,700	40,500	17,500	0	0
<u>\$ (1,993,856)</u>	<u>\$ 5,094,970</u>	<u>\$ 6,594,876</u>	<u>\$ 958,487</u>	<u>\$ 3,650,422</u>	<u>\$ 2,466,179</u>

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Assessed and Estimated Real Market Value of Taxable Property
Jackson and Josephine Counties - Last Ten Fiscal Years - (unaudited)

Fiscal Year	Total Direct Tax Rate (2)	Assessed Value (1) (3)						Real Market Value (3)	Assessed Value as a Percent of
		Real Property	Manufactured Structures	Personal Property	Utilities	Other	Total		Real Market Value
Jackson County:									
2019-20	0.6521	\$ 19,996,862	\$ 182,620	\$ 536,577	\$ 906,425	\$ 236,954	\$ 21,859,438	\$ 33,335,844	65.6%
2018-19	0.5601	19,218,154	167,104	533,650	893,771	244,799	21,057,478	31,672,792	66.5%
2017-18	0.6652	18,390,158	155,710	495,702	764,059	244,970	20,050,599	28,643,175	70.0%
2016-17	0.6691	17,643,475	152,415	478,044	714,156	251,515	19,239,605	26,608,474	72.3%
2015-16	0.6197	17,011,213	148,818	452,579	675,537	227,750	18,515,897	25,101,286	73.8%
2014-15	0.6216	16,336,982	149,974	438,182	636,656	221,296	17,783,090	23,512,803	75.6%
2013-14	0.6252	15,564,230	144,879	428,371	572,796	221,874	16,932,150	21,365,297	79.3%
2012-13	0.6231	15,018,426	148,002	423,276	575,197	208,255	16,373,156	20,963,860	78.1%
2011-12	0.6193	15,253,569	170,153	439,403	586,330	0	16,449,455	22,526,553	73.0%
2010-11	0.6319	15,059,656	161,634	459,830	569,936	0	16,251,056	24,611,610	66.0%
Josephine County:									
2019-20	0.5652	\$ 7,585,579	\$ 75,368	\$ 127,161	\$ 245,936	\$ 74,927	\$ 8,108,971	\$ 12,570,839	64.5%
2018-19	0.5601	7,310,856	75,158	123,487	244,976	78,751	7,833,228	12,362,642	63.4%
2017-18	0.5683	7,113,052	66,849	120,441	226,932	0	7,527,274	10,052,724	74.9%
2016-17	0.5695	6,810,298	61,778	116,091	217,304	0	7,205,471	8,983,551	80.2%
2015-16	0.5128	6,557,658	58,753	117,364	212,676	0	6,946,451	8,209,105	84.6%
2014-15	0.5128	6,355,768	54,208	109,899	186,685	0	6,706,560	8,063,237	83.2%
2013-14	0.5128	6,110,168	54,858	108,816	171,861	0	6,445,703	7,405,558	87.0%
2012-13	0.5128	5,934,113	55,862	112,494	164,801	0	6,267,270	7,275,734	86.1%
2011-12	0.5128	5,811,113	88,261	114,715	168,844	0	6,182,933	7,574,999	81.6%
2010-11	0.5128	5,682,170	117,201	122,550	165,070	0	6,086,991	8,446,480	72.1%

(1) Beginning in 1997-98 the assessed value of property in Oregon is determined by statute under Measure 50.

(2) Tax rates are per \$1,000 of assessed valuation.

(3) \$ values are presented to the nearest \$1,000.

Source: Jackson and Josephine County Assessor's Offices

Property Tax Rates - All Direct and Overlapping Governments
Last Ten Fiscal Years (Rate per \$1,000 of Assessed Value) - (unaudited)

	2019-20	2018-19	2017-18	2016-17
Jackson County:				
Rogue Community College Permanent Rate	0.5128	0.5128	0.5128	0.5128
Rogue Community College Bond Rate	0.1491	0.1393	0.1524	0.1563
Total Rogue Community College Rate - Jackson County	0.6619	0.6521	0.6652	0.6691
Josephine County:				
Rogue Community College Permanent Rate	0.5128	0.5128	0.5128	0.5128
Rogue Community College Bond Rate	0.0524	0.0475	0.0555	0.0567
Total Rogue Community College Rate - Josephine County	0.5652	0.5603	0.5683	0.5695
Jackson County:				
Jackson County	2.1276	2.1364	2.1579	2.1755
4-H Ag Extension District	0.0410	0.0410	0.0410	0.0410
Southern Oregon ESD	0.3524	0.3524	0.3524	0.3524
Jackson County Library District	0.5200	0.5200	0.5200	0.5200
Jackson County Soil & Water Conservation	0.0500	0.0500	0.0500	0.0500
Rogue Valley Transit District	0.3072	0.3072	0.3072	0.3072
Vector Control	0.0429	0.0429	0.0429	0.0429
White City Enhanced Law Enforcement	2.0211	2.0211	2.0211	2.0211
White City Lighting District	0.3000	0.3000	0.3000	0.3500
Cities and Towns:				
Ashland	4.4676	4.4301	4.4378	4.4002
Butte Falls	7.2494	7.2494	7.2494	7.2494
Central Point	4.4700	4.4700	4.4700	4.4700
Eagle Point	2.4584	2.5391	2.5489	2.6667
Gold Hill	2.1926	2.0223	2.2496	2.2469
Jacksonville	2.3651	2.3699	2.3783	2.4413
Medford	5.3513	5.3536	5.3566	5.3525
Phoenix	3.6463	3.6463	3.6463	3.6463
Rogue River	3.6594	3.6746	3.7180	3.7444
Shady Cove	0.5474	0.7984	0.8036	0.8081
Talent	3.4797	3.4718	3.4639	3.4502
Fire Districts:				
Applegate RFPD #9	2.7287	2.5987	2.5987	2.5987
Colestine RFPD	1.9455	1.9455	1.9455	1.9455
Evans Valley #6	1.6505	1.6505	1.6505	1.6505
Jackson County RFPD #3 (Central Point)	3.1194	3.1194	3.1194	3.1194
Jackson County RFPD #5 (Talent)	3.1976	3.1976	3.1976	3.1976
Lake Creek RFPD	1.4740	1.4740	1.4740	1.4740
Medford #2	2.4938	2.4938	2.4938	2.4938
Prospect	0.9902	0.9902	0.9902	0.9902
Rogue River #1	2.6813	2.6813	2.6813	2.6813
Shady Cove/Trail #4	3.0081	3.0081	3.0081	2.0181

2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
0.5128	0.5128	0.5128	0.5128	0.5128	0.5128
0.1069	0.1088	0.1124	0.1103	0.1065	0.1191
0.6197	0.6216	0.6252	0.6231	0.6193	0.6319
0.5128	0.5128	0.5128	0.5128	0.5128	0.5128
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.5128	0.5128	0.5128	0.5128	0.5128	0.5128
2.1805	2.1883	2.1988	2.2040	2.2056	2.3276
0.0388	0.0500	0.0000	0.0000	0.0000	0.0000
0.3524	0.3524	0.3524	0.3524	0.3524	0.3524
0.5200	0.5200	0.0000	0.0000	0.0000	0.0000
0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
0.1772	0.1772	0.1772	0.1772	0.1772	0.1772
0.0429	0.0429	0.0429	0.0429	0.0429	0.0429
2.0211	2.0211	2.0211	2.0211	2.0211	2.0211
0.3500	0.4000	0.4000	0.4700	0.4700	0.4700
4.4070	4.4169	4.6175	4.6252	4.7608	4.6036
7.2494	7.2494	7.2494	7.2494	7.2494	7.2494
4.4700	4.4700	4.4700	4.4700	4.4700	4.4700
2.6854	2.6991	2.7063	2.7076	2.7123	2.7168
2.3053	2.3032	2.3348	2.4378	2.4169	2.3744
2.4450	2.4474	2.4625	2.4673	2.4447	2.4653
5.3658	5.3688	5.3733	5.3760	5.3753	5.3814
3.6463	3.6463	3.6463	3.6463	3.6463	3.6463
3.7916	3.7994	3.8477	3.5216	3.6422	3.6425
0.8706	0.8598	0.8989	0.9224	0.9044	0.9145
3.4548	3.4429	3.4310	3.4270	3.4346	3.4056
2.5987	2.5987	2.5287	2.5287	2.5287	2.5287
1.9455	1.9455	1.9455	1.9455	1.9455	1.9455
1.6505	1.6505	1.6505	1.6505	1.6505	1.6505
3.1194	3.1194	3.1194	3.1194	3.1194	3.1194
3.1976	3.1976	3.1976	3.1976	3.1976	3.1976
1.4740	1.4740	1.4740	1.4740	1.4740	1.4740
2.4938	2.4938	2.4938	2.4938	2.4938	2.4938
0.9902	0.9902	0.9902	0.9902	0.9902	0.9902
2.6813	2.6813	2.6901	2.6887	2.6849	2.7261
2.0181	2.0181	2.0181	2.0181	2.0181	2.0181

Property Tax Rates - All Direct and Overlapping Governments

Last Ten Fiscal Years (Rate per \$1,000 of Assessed Value) - (unaudited) (continued)

	2019-20	2018-19	2017-18	2016-17
School Districts:				
Ashland #5	7.4464	7.0522	7.3603	7.4266
Butte Falls #91	4.5749	4.5749	4.5749	4.5749
Central Point #6	5.5669	5.5435	5.5595	5.5567
Eagle Point #9	6.2116	6.2932	6.3221	6.3405
Medford #549C	5.7919	5.8451	5.9814	6.0981
Phoenix/Talent #4	5.6655	5.6631	5.1822	5.1950
Pinehurst #94	4.8235	4.8235	4.8235	4.8235
Prospect #59	4.3628	4.3628	4.3628	4.3628
Rogue River #35	4.7460	4.7767	4.7969	4.8113
Three Rivers #40	4.1107	4.1985	4.2514	4.2618
Special Levies:				
Medford Urban Renewal	0.0000	0.0000	0.0000	0.4350
Talent Urban Renewal	0.0000	1.3978	1.3975	1.3495
Josephine County:				
Josephine County	1.5967	1.5967	1.7372	0.8054
4-H Extension	0.0459	0.0459	0.0459	0.0459
Josephine Community Library	0.3900	0.3900	0.3900	0.0000
Southern Oregon ESD	0.3524	0.3524	0.3524	0.3524
Kerby Water District	1.6788	1.7522	1.8281	1.9284
Cities:				
Grants Pass	5.9235	6.1518	6.3062	6.3101
Cave Junction	1.8959	1.8959	1.8959	1.8959
Fire Districts:				
Applegate RFPD #9	2.7287	2.5987	2.5987	2.5987
Illinois Valley RFPD #1	2.6554	2.6532	2.5957	2.4172
Williams RFPD	1.7052	1.7052	1.7052	1.5852
Wolf Creek RFPD	2.7765	2.7765	2.7765	2.7765
School Districts:				
Grants Pass #7	4.5248	4.5248	4.5248	4.5248
Three Rivers	4.1107	4.1985	4.2514	4.2618

Note: Ballot Measure 50, approved by the voters in May 1997, recalculated taxing districts' levies into "permanent" tax rates and imposed reductions in assessed value. Districts may levy local option levies or bond repayment levies in addition to their permanent rates if approved by the voters. In addition to the College's permanent rate of 0.5128, voters in Jackson County approved a bond levy in 2004/05. Voters in both counties approved an additional bond levy in 2016/17.

Source: Jackson and Josephine County Assessor's Offices

2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
7.4383	7.3543	7.3576	7.4270	7.4172	7.4508
4.5749	4.5749	4.5749	4.5749	4.5749	4.5749
5.5043	5.5491	5.5921	5.6479	5.6745	5.5963
6.3080	6.2823	6.3143	6.2575	6.2443	6.3475
6.0959	6.2713	6.3651	6.3127	6.4663	6.4746
5.2051	5.0440	5.1095	5.0473	5.0777	5.1057
4.8235	4.8235	4.8235	4.8235	4.8235	4.8235
4.3628	4.3628	4.3628	4.3628	4.3628	4.3628
4.8275	4.7523	4.9170	4.6933	5.0023	5.0290
4.2677	4.2739	4.2838	4.2861	4.2460	4.2919
0.4396	0.4291	0.4400	0.4070	0.3806	0.3828
1.3190	1.2845	1.3183	1.2504	1.2298	1.2231
0.8135	0.8247	0.7464	0.7542	0.7532	0.7583
0.0459	0.0459	0.0459	0.0459	0.0459	0.0459
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.3524	0.3524	0.3524	0.3524	0.3524	0.3524
2.7439	2.8605	3.0247	2.9764	3.1356	3.4055
6.3135	6.3232	6.3092	6.3250	6.3288	6.3301
1.8959	1.8959	1.8959	1.8959	1.8959	1.8959
2.5987	2.5987	2.5287	2.5287	2.5287	2.5287
2.4705	2.5352	2.4498	2.4272	2.1685	2.2220
1.5852	1.5852	1.5852	1.5852	1.5852	1.5852
2.7765	2.7765	2.7765	2.8765	2.8765	2.8765
4.5248	4.5248	4.5248	5.8968	5.9661	5.9206
4.2677	4.2739	4.2838	4.2861	4.2460	4.2919

Principal Taxpayers of Jackson County
Current Year and Nine Years Ago

Taxpayer	June 30, 2020			June 30, 2011		
	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value
Pacificorp (PP&L)	\$ 281,178,000	1	1.29%	\$ 226,224,000	1	1.39%
Avista Corp. DBA Avista Utilities	159,548,000	2	0.73%	64,437,000	5	0.40%
Charter Communications	119,059,900	3	0.55%	46,911,000	8	0.29%
Rogue Valley Manor	118,547,040	4	0.54%	79,232,620	3	0.49%
Centurylink	87,763,000	5	0.40%			
Boise Cascade Wood Products LLC	68,830,207	6	0.31%			
Deluca, Ronald L Trustee et al	50,191,730	7	0.23%			
Harry & David Operations Inc	64,724,383	8	0.30%	87,607,082	2	0.54%
Carestream Health	51,177,600	9	0.23%	76,212,870	4	0.47%
Amy's Kitchen	51,346,430	10	0.23%			
Rogue Valley Mall LLC				52,869,810	6	0.33%
Qwest Corporation				51,679,300	7	0.32%
Boise Building Solutions				42,473,945	9	0.26%
Biomass One Ltd Partnership				41,183,000	10	0.25%
Total - principal taxpayers	1,052,366,290		4.81%	768,830,627		4.74%
Other taxpayers	20,807,071,472		95.19%	15,482,225,310		95.26%
Total - all taxpayers	<u>\$ 21,859,437,762</u>		<u>100.00%</u>	<u>\$ 16,251,055,937</u>		<u>100.00%</u>

Source: Jackson County Assessor's Office

Principal Taxpayers of Josephine County
Current Year and Nine Years Ago

Taxpayer	June 30, 2020			June 30, 2011		
	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value
Pacificorp (PP&L)	\$ 103,633,170	1	1.28%	\$ 76,007,580	1	1.25%
Charter Communications	39,888,009	2	0.49%	13,546,800	8	0.22%
Masterbrand Cabinets, Inc.	31,498,500	3	0.39%	17,400,900	4	0.29%
Avista Corp dba Avista Utilities	38,234,500	4	0.47%			
S-H Forty-Nine Properties	25,382,020	5	0.31%			
Auerbach Grants Pass LLC & Freeman Grants Pass LLC	22,546,190	6	0.28%	17,075,600	6	0.28%
Johnson Trust, Carl D	21,738,020	7	0.27%			
Centurylink	19,689,860	8	0.24%			
Lynn-Ann Development LLC	15,140,122	9	0.19%	13,600,666	7	0.22%
Fred Meyer Stores, Inc.	14,772,130	10	0.18%			
Paradise Ranchland Development LLC				25,007,060	2	0.41%
Qwest Corporation				19,843,130	3	0.33%
Nunn, Ronald C & Marcia K				17,341,301	5	0.28%
Grants Pass FMS LLC				13,345,550	9	0.22%
Wal-Mart Stores, Inc				13,097,545	10	0.22%
Total - principal taxpayers	332,522,521		4.10%	226,266,132		3.72%
Other taxpayers	7,778,735,162		95.90%	5,860,724,792		96.28%
Total - all taxpayers	\$ 8,111,257,683		100.00%	\$ 6,086,990,924		100.00%

Source: Josephine County Assessor's Office

Property Tax Levies and Collections - General Fund
Last Ten Fiscal Years - (unaudited)

	2019-20	2018-19	2017-18	2016-17
General Fund				
Levy extended by assessor	\$ 15,034,008	\$ 14,497,619	\$ 13,932,571	\$ 13,283,281
Property taxes receivable:				
Current year collections	14,162,755	13,680,575	13,166,418	12,564,911
Percentage of levy	94.20%	94.36%	94.50%	94.59%
Tax roll adjustments and discounts	(534,918)	(478,748)	(434,204)	(358,045)
Tax receivable - initial year of levy	336,335	338,296	331,949	360,325
Total taxes receivable beginning of year	943,234	923,952	907,811	888,574
Changes in taxes receivable:				
Prior year receivable collections	(338,642)	(311,535)	(304,694)	(335,201)
Tax roll adjustments and discounts	(20,315)	(7,479)	(11,114)	(5,887)
Total taxes receivable end of year	920,612	943,234	923,952	907,811
Interest	80,405	74,700	68,606	79,407
Other payments received in lieu of taxes	1,276	61,329	7,035	8,818
Total received by College	<u>\$ 14,583,078</u>	<u>\$ 14,128,139</u>	<u>\$ 13,546,753</u>	<u>\$ 12,988,337</u>
Tax levy rate (per \$1,000 assessed value)	\$ 0.5128	\$ 0.5128	\$ 0.5128	\$ 0.5128
Total tax collections in subsequent years	\$ 0	\$ 178,994	\$ 245,378	\$ 285,631
Total collections to date	\$ 14,162,755	\$ 13,859,569	\$ 13,411,796	\$ 12,850,542
Percentage of levy collected	94.20%	95.60%	96.26%	96.74%

Source: Rogue Community College Budget and Financial Services Department.

2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
\$ 12,773,306	\$ 12,288,116	\$ 11,685,242	\$ 11,308,025	\$ 11,355,208	\$ 11,267,815
12,052,892	11,556,905	10,963,892	10,538,024	10,559,245	10,468,814
94.36%	94.05%	93.83%	93.19%	93.00%	92.91%
(350,113)	(294,827)	(316,620)	(339,368)	(336,588)	(311,637)
370,301	436,384	404,730	430,633	459,375	487,364
948,699	867,967	909,858	921,323	903,928	826,255
(358,262)	(360,359)	(553,084)	(505,121)	(433,201)	(386,760)
(72,164)	4,707	106,463	63,023	(8,779)	(22,931)
888,574	948,699	867,967	909,858	921,323	903,928
85,891	91,638	99,755	97,330	91,119	72,938
1,472	0	0	0	0	0
\$ 12,498,517	\$ 12,008,902	\$ 11,616,731	\$ 11,140,475	\$ 11,083,565	\$ 10,928,512
\$ 0.5128	\$ 0.5128	\$ 0.5128	\$ 0.5128	\$ 0.5128	\$ 0.5128
\$ 304,692	\$ 380,204	\$ 360,179	\$ 396,326	\$ 426,583	\$ 477,176
\$ 12,357,584	\$ 11,937,109	\$ 11,324,071	\$ 10,934,350	\$ 10,985,828	\$ 10,945,990
96.75%	97.14%	96.91%	96.70%	96.75%	97.14%

Property Tax Levies and Collections - Debt Service Fund
Last Ten Fiscal Years - (unaudited)

	2019-20	2018-19	2017-18	2016-17
Debt Service Fund				
Levy extended by assessor	\$ 3,687,558	\$ 3,309,433	\$ 3,477,816	\$ 3,418,548
Property taxes receivable:				
Current year collections	3,475,415	3,124,398	3,295,110	3,236,665
Percentage of levy	94.25%	94.41%	94.75%	94.68%
Tax roll adjustments and discounts	(133,225)	(110,923)	(103,750)	(92,637)
Tax receivable - initial year of levy	78,918	74,112	78,956	89,246
Total taxes receivable beginning of year	189,397	184,820	167,975	126,691
Changes in taxes receivable:				
Prior year receivable collections	(72,360)	(67,544)	(60,790)	(47,129)
Tax roll adjustments and discounts	(3,603)	(1,991)	(1,321)	(833)
Total taxes receivable end of year	192,352	189,397	184,820	167,975
Interest	17,822	14,896	12,648	10,734
Other payments received in lieu of taxes	0	9,129	155	2,126
Total received by College	<u>\$ 3,547,775</u>	<u>\$ 3,215,967</u>	<u>\$ 3,368,703</u>	<u>\$ 3,296,654</u>
Tax levy rate (per \$1,000 assessed value)	\$ 0	\$ 0.1393	\$ 0.1524	\$ 0.1563
Total collections in subsequent years	\$ N/A	\$ 39,093	\$ 58,122	\$ 70,317
Total collections to date	\$ 3,475,415	\$ 3,163,491	\$ 3,353,232	\$ 3,306,982
Percentage of levy collected	94.25%	95.59%	96.42%	96.74%

Source: Rogue Community College Budget and Financial Services Department.

2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
\$ 1,981,762	\$ 1,935,996	\$ 1,910,095	\$ 1,807,962	\$ 1,753,567	\$ 1,938,022
1,875,062	1,815,528	1,784,301	1,685,217	1,631,852	1,800,335
94.62%	93.78%	93.41%	93.21%	93.06%	92.90%
(54,103)	(53,490)	(63,387)	(56,672)	(53,529)	(54,704)
52,597	66,978	62,407	66,073	68,186	82,983
139,333	125,112	137,289	139,254	151,401	130,706
(48,991)	(63,243)	(91,300)	(64,951)	(79,034)	(62,508)
(16,248)	10,486	16,716	(3,087)	(1,299)	220
126,691	139,333	125,112	137,289	139,254	151,401
12,207	14,260	16,990	14,975	15,608	11,688
0	0	0	0	0	0
<u>\$ 1,936,260</u>	<u>\$ 1,893,031</u>	<u>\$ 1,892,591</u>	<u>\$ 1,765,143</u>	<u>\$ 1,726,494</u>	<u>\$ 1,874,531</u>
\$ 0.1069	\$ 0.1088	\$ 0.1124	\$ 0.1103	\$ 0.1065	\$ 0.1191
\$ 42,744	\$ 58,270	\$ 55,185	\$ 60,943	\$ 63,174	\$ 82,417
\$ 1,917,806	\$ 1,873,798	\$ 1,839,486	\$ 1,746,160	\$ 1,695,026	\$ 1,882,752
96.77%	96.79%	96.30%	96.58%	96.66%	97.15%

Ratios of Outstanding Debt
Last Ten Fiscal Years - (unaudited)

	2019-20	2018-19	2017-18	2016-17
General obligation and refunding bonds, net (1)	\$ 30,757,881	\$ 33,461,703	\$ 35,975,524	\$ 38,309,347
General bonded debt	30,757,881	33,461,703	35,975,524	38,309,347
Limited tax pension obligation bonds	\$ 13,220,000	\$ 14,355,000	\$ 15,370,000	\$ 16,275,000
Certificates of participation	0	0	0	0
Note payable	0	0	130,069	147,921
Other debt to be repaid by general government resources	13,220,000	14,355,000	15,500,069	16,422,921
Total outstanding debt	\$ 43,977,881	\$ 47,816,703	\$ 51,475,593	\$ 54,732,268
General Bonded Debt Ratios				
Per capita	\$ 99.72	\$ 109.01	\$ 118.41	\$ 126.67
Per full-time student equivalent (FTSE)	\$ 7,871	\$ 7,664	\$ 8,087	\$ 8,290
As a percentage of taxable assessed value	0.10%	0.12%	0.13%	0.14%
Total Outstanding Debt Ratios				
Per capita	\$ 142.59	\$ 155.78	\$ 169.42	\$ 180.97
Per full-time student equivalent (FTSE)	\$ 11,254	\$ 10,952	\$ 11,571	\$ 11,844
As a percentage of taxable assessed value	0.15%	0.17%	0.19%	0.21%

(1) Presented net of original issuance discounts and premiums

Note: Detail regarding the College's outstanding debt can be found in the notes to the financial statements.

Source: Jackson and Josephine County Assessor's Offices and Rogue Community College Budget and Financial Services Department.

2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
\$ 17,498,606	\$ 18,827,897	\$ 20,052,184	\$ 21,186,474	\$ 23,025,763	\$ 22,893,181
17,498,606	18,827,897	20,052,184	21,186,474	23,025,763	22,893,181
\$ 17,080,000	\$ 17,790,000	\$ 18,410,000	\$ 18,950,000	\$ 19,410,000	\$ 19,800,000
0	0	0	135,000	265,000	390,000
164,830	180,846	196,016	210,385	223,996	236,887
17,244,830	17,970,846	18,606,016	19,295,385	19,898,996	20,426,887
\$ 34,743,436	\$ 36,798,743	\$ 38,658,200	\$ 40,481,859	\$ 42,924,759	\$ 43,320,068

\$ 58.86	\$ 64.07	\$ 69.35	\$ 73.72	\$ 80.29	\$ 78.58
\$ 3,759	\$ 3,768	\$ 3,714	\$ 3,808	\$ 3,947	\$ 3,626
0.07%	0.08%	0.09%	0.09%	0.10%	0.10%

\$ 116.86	\$ 125.21	\$ 133.71	\$ 140.85	\$ 149.68	\$ 148.69
\$ 7,464	\$ 7,365	\$ 7,160	\$ 7,276	\$ 7,358	\$ 6,861
0.14%	0.15%	0.17%	0.18%	0.19%	0.20%

Direct and Overlapping Governmental Activities Debt
As of June 30, 2020 - (unaudited)

	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	Percent Overlap
Direct Debt			
Rogue Community College	\$ 40,610,000	\$ 27,390,000	
Premium on general obligation and refunding bonds	3,367,881	3,367,881	
Total Direct Debt	\$ 43,977,881	\$ 30,757,881	
Overlapping Debt			
Jackson County	23,870,000	23,870,000	100.0%
Cities:			
Ashland	18,324,949	3,399,908	100.0%
Central Point	9,353,826	9,353,826	100.0%
Gold Hill	144,276	144,276	100.0%
Jacksonville	2,585,000	1,200,000	100.0%
Medford	65,309,567	43,079,567	100.0%
Phoenix	5,474,307	1,344,307	100.0%
Rogue River	2,968,353	1,259,378	100.0%
Shady Cove	1,815,000	0	100.0%
Talent	3,707,226	907,226	100.0%
Fire Districts and other:			
Jackson County RFPD 3	4,226,656	4,226,656	100.0%
Jackson County RFPD 5	2,651,368	2,651,368	100.0%
Jackson County Housing Authority	9,679,109	3,496,536	100.0%
Rogue Valley Transit District	329,904	329,904	100.0%
School Districts:			
Ashland #5	105,855,000	105,855,000	100.0%
Central Point #6	85,763,063	85,763,063	100.0%
Eagle Point #9	3,709,059	3,709,059	100.0%
Medford #549C	152,790,000	152,790,000	100.0%
Phoenix #4	78,085,301	78,085,301	100.0%
Rogue River #35	1,797,786	1,797,786	100.0%

Direct and Overlapping Governmental Activities Debt
As of June 30, 2020 - (unaudited) (continued)

	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	Percent Overlap
Overlapping Debt (continued)			
Josephine County	5,650,000	5,650,000	100.0%
Cities:			
Grants Pass	9,200,000	6,000,000	100.0%
Fire Districts and other:			
Illinois Valley RFPD #1	549,736	549,736	100.0%
School Districts:			
Grants Pass #7	4,500,000	4,500,000	100.0%
Three Rivers	23,210,976	23,210,976	100.0%
Total Overlapping Debt	\$ 621,550,462	\$ 563,173,873	
Total Direct and Overlapping Debt	\$ 665,528,343	\$ 593,931,754	

Source: Oregon State Treasury

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the counties that the College does business in. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the taxpayers of the counties. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the taxpayers should be taken into account. However, this does not imply that every resident is a taxpayer, and therefore responsible for repaying the debt, of each overlapping government. The percentage of overlapping debt applicable is estimated using real market property values. Applicable percentages were estimated by determining the portion of the Counties' real market value that is within the College's boundaries and dividing it by the Counties' total property real market value.

Computations of Legal Debt Margin
Last Ten Fiscal Years - (unaudited)

Fiscal Year	Real Market Value of Taxable Property	Legal Debt Limitation (1)	Bonded Indebtedness	Bonded Debt Margin	Bonded Indebtedness As a Percentage of Legal Debt Limit
2019-20					
Jackson County	\$ 33,335,844,153	\$ 500,037,662	\$ 22,691,696	\$ 477,345,966	4.54%
Josephine County	12,570,839,101	188,562,587	4,698,304	183,864,283	2.49%
2018-19					
Jackson County	31,672,792,068	475,091,881	24,873,342	450,218,539	5.24%
Josephine County	12,362,641,812	185,439,627	4,916,658	180,522,969	2.65%
2017-18					
Jackson County	28,643,175,645	429,647,634	26,868,595	402,779,040	6.25%
Josephine County	10,052,724,360	150,790,865	5,131,405	145,659,460	3.40%
2016-17					
Jackson County	26,608,473,944	399,127,109	28,599,400	370,527,709	7.17%
Josephine County	8,983,550,869	134,753,263	5,430,600	129,322,663	4.03%
2015-16					
Jackson County	25,101,285,743	376,519,286	16,605,000	359,914,286	4.41%
Josephine County	8,209,104,762	123,136,571	0	123,136,571	0.00%
2014-15					
Jackson County	23,512,802,671	352,692,040	17,835,000	334,857,040	5.06%
Josephine County	8,063,236,663	120,948,550	0	120,948,550	0.00%
2013-14					
Jackson County	21,365,297,099	320,479,456	18,960,000	301,519,456	5.92%
Josephine County	7,405,557,726	111,083,366	0	111,083,366	0.00%
2012-13					
Jackson County	20,963,859,574	314,457,893	19,995,000	294,462,893	6.36%
Josephine County	7,275,733,739	109,136,006	0	109,136,006	0.00%
2011-12					
Jackson County	22,526,552,961	337,898,294	20,950,000	316,948,294	6.20%
Josephine County	7,574,999,491	113,624,992	0	113,624,992	0.00%
2010-11					
Jackson County	24,611,610,456	369,174,156	21,000,000	348,174,156	5.69%
Josephine County	8,446,479,564	126,697,193	0	126,697,193	0.00%

(1) The legal debt limitation is calculated at 1.5% of real market value of the property in the College taxing district according to ORS 341.613(2).

Note: Bonded indebtedness may be incurred for a specific service area only and not for the general benefit of the College.

Source: Rogue Community College Budget and Financial Services Department and the Jackson and Josephine County Assessor's Offices.

Demographic and Economic Statistics by County
Last Ten Fiscal Years - (unaudited)

Year Ended	Estimated Population	Total Personal Income	Per Capita Income	Median Age	Percent of Population With A Bachelors Degree or Higher	Unemployment Rate
2019-20						
Jackson County	220,944	\$ 10,669,698	\$ 28,728	N/A	27.4%	11.6
Josephine County	87,487	3,810,451	24,763	N/A	17.2%	11.5
2018-19						
Jackson County	219,564	10,232,320	27,081	42.0	24.7%	4.6
Josephine County	87,393	3,581,121	24,349	47.0	17.2%	5.4
2017-18						
Jackson County	217,479	9,647,267	25,612	42.0	26.8	4.5
Josephine County	86,352	3,358,766	23,004	47.0	17.6	5.2
2016-17						
Jackson County	216,527	9,062,145	24,605	42.0	26.1	4.4
Josephine County	85,904	3,187,774	22,470	47.0	17.3	5.1
2015-16						
Jackson County	212,567	8,650,946	24,460	42.0	25.6	6.2
Josephine County	84,745	3,051,963	22,412	47.0	16.7	6.9
2014-15						
Jackson County	210,287	7,914,576	24,378	42.0	25.1	7.0
Josephine County	83,599	2,806,979	21,791	47.0	17.3	7.9
2013-14						
Jackson County	206,412	7,687,191	24,449	42.0	24.8	8.5
Josephine County	82,930	2,654,901	21,028	47.0	17.0	9.6
2012-13						
Jackson County	203,206	7,490,481	24,263	42.0	24.4	9.5
Josephine County	82,713	2,600,748	21,535	47.0	16.4	11.2
2011-12						
Jackson County	203,950	7,087,194	24,410	42.1	23.7	10.8
Josephine County	82,820	2,498,196	21,539	47.3	16.8	11.7
2010-11						
Jackson County	207,745	6,951,654	24,182	42.1	24.4	11.4
Josephine County	83,600	2,450,499	21,256	47.3	16.5	12.5

N/A - Not available

Source: U. S. Census Bureau, U. S. Bureau of Economic Analysis, Suburban Stats, and State of Oregon Employment Department

Principal Employers by Industry in the Rogue Valley
Current Year and Nine Years Ago - (unaudited)

Industry	June 30, 2020			June 30, 2011		
	Rank	Total Employees	Percentage of Total Regional Employment	Rank	Total Employees	Percentage of Total Regional Employment
Education & Health Services	1	29,040	26.40%	1	25,690	25.96%
Trade, Transportation, & Utilities	2	24,280	22.07%	2	21,560	21.78%
Leisure & Hospitality	3	12,450	11.32%	3	12,090	12.21%
Manufacturing	4	10,420	9.47%	4	8,610	8.70%
Professional & Business Services	5	9,610	8.73%	6	8,060	8.14%
Government	6	7,370	6.70%	5	8,370	8.45%
Construction	7	6,650	6.04%	8	4,190	4.23%
Financial Activities	8	5,520	5.02%	7	4,980	5.03%
Other Services	9	3,380	3.07%	9	3,460	3.49%
Information	10	1,300	1.18%	10	1,990	2.01%
Total		<u>110,020</u>	<u>100.00%</u>		<u>99,000</u>	<u>100.00%</u>

Source: Oregon Employment Department

Full-Time Equivalent (FTE) Employees
Last Ten Fiscal Years - (unaudited)

<u>Fiscal Year</u>	<u>Management</u>	<u>Classified</u>	<u>Part-Time Classified</u>	<u>Faculty</u>	<u>Part-Time Faculty</u>	<u>Students</u>	<u>Total</u>
2019-20	47	158	7	86	136	133	567
2018-19	45	158	8	102	155	148	616
2017-18	43	153	9	93	151	128	577
2016-17	43	161	8	101	159	111	583
2015-16	45	155	9	104	153	108	574
2014-15	54	150	10	99	158	114	585
2013-14	52	148	13	97	163	106	579
2012-13	52	152	13	102	167	114	600
2011-12	53	157	13	109	175	130	637
2010-11	48	155	13	117	173	120	626

Source: Rogue Community College Budget and Financial Services Department.

Note: This report is reflective of the FTE-generated based on actual hours worked, not existing positions. Position vacancies will cause fluctuations above and beyond the addition and/or elimination of actual positions.

Tuition Rates and Enrollment Statistics
Last Ten Fiscal Years - (unaudited)

Fiscal Year	Tuition Rate Per Credit Hour		Total FTE	Total Reimbursable FTE	Unduplicated Headcount
	In-District	Out-Of-State			
2019-20	\$ 112	\$ 137	3,907.75	3,831.40	11,439
2018-19	107	131	4,366.15	4,236.25	14,221
2017-18	104	127	4,448.67	4,338.64	15,040
2016-17	99	121	4,621.25	4,502.42	16,372
2015-16	95	116	4,655.11	4,546.52	16,417
2014-15	91	111	4,996.67	4,884.00	16,584
2013-14	91	111	5,399.56	5,333.17	17,092
2012-13	87	107	5,563.99	5,495.17	16,643
2011-12	85	104	5,834.14	5,764.08	16,956
2010-11	75	91	6,314.03	6,232.09	18,647

* Residents of Washington, Idaho, California and Nevada pay the in-district tuition rate. International student tuition is \$375

Source: Rogue Community College Budget and Financial Services Department.

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Operating Indicators by Function
Last Ten Fiscal Years - (unaudited)

	2019-20	2018-19	2017-18	2016-17
Adult basic education	60.61	83.89	84.65	121.12
Self improvement	21.06	66.30	42.83	40.29
Career and technical education - preparatory	788.15	843.04	866.53	911.35
Career and technical education - apprenticeship	82.08	79.26	75.32	63.42
Career and technical education - stand alone preparatory	1.23	6.10	9.43	4.68
Career and technical education - supplemental	46.53	68.33	57.49	48.16
English as a second language	65.44	67.30	60.95	81.62
General educational development	61.84	71.05	77.93	88.86
Lower division collegiate	2,326.78	2,466.51	2,466.73	2,549.02
Post secondary remedial	33.06	52.01	65.72	76.80
Post secondary remedial - math	207.78	268.76	305.94	324.77
Post secondary remedial - electives	136.84	163.70	225.12	192.33
Total reimbursable FTSE *	3,831.40	4,236.25	4,338.64	4,502.42
Non-reimbursable	76.36	129.90	110.03	118.83
Total FTSE	3,907.76	4,366.15	4,448.67	4,621.25
State appropriation	\$ 13,630,772	\$ 9,258,542	\$ 9,622,996	\$ 9,457,105
State appropriation per reimbursable FTSE	\$ 3,557.66	\$ 2,185.55	\$ 2,217.98	\$ 2,100.45

* Prior to 11-week Hold Harmless calculation done at the State level.

Source: Rogue Community College Institutional Research and Effectiveness Department, verified by the Higher Education Coordinating Commission.

2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
181.77	196.86	210.41	278.60	254.47	320.60
34.53	28.57	45.57	58.11	70.28	104.18
867.44	965.29	1,021.62	954.69	1,031.18	1,067.64
56.96	50.69	42.79	34.29	34.85	37.47
14.38	19.14	19.97	20.64	0.00	0.00
55.91	74.46	46.57	59.53	78.62	127.35
90.21	84.68	92.71	106.38	117.96	169.64
102.70	129.88	101.46	106.48	106.95	134.24
2,551.25	2,688.64	2,948.83	3,024.24	3,148.54	3,199.12
67.51	80.64	117.25	146.40	386.85	511.40
338.57	371.43	453.95	482.05	534.38	560.45
185.29	193.72	232.04	223.76	0.00	0.00
4,546.52	4,884.00	5,333.17	5,495.17	5,764.08	6,232.09
108.59	112.67	66.39	68.82	70.06	81.94
4,655.11	4,996.67	5,399.56	5,563.99	5,834.14	6,314.03
\$ 9,780,930	\$ 8,428,906	\$ 7,433,388	\$ 5,278,969	\$ 5,967,177	\$ 5,821,722
\$ 2,151.30	\$ 1,725.82	\$ 1,393.80	\$ 960.66	\$ 1,035.23	\$ 934.15

Capital Assets Activity
Last Ten Fiscal Years - (unaudited)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2019-20				
Land	\$ 4,226,583	\$ 0	\$ 0	\$ 4,226,583
Buildings	44,402,178	1,760,728	0	46,162,906
Equipment	5,972,234	714,447	59,114	6,627,567
Construction in progress	5,034,805	12,592,120	1,982,909	15,644,016
Infrastructure	1,421,014	0	0	1,421,014
Library Collections	909,141	41,976	0	951,117
Software	833,355	0	0	833,355
Total capital and others assets	62,799,310	15,109,271	2,042,023	75,866,558
Less accumulated depreciation	22,647,134	1,491,475	56,199	24,082,410
Total	<u>\$ 40,152,176</u>	<u>\$ 13,617,796</u>	<u>\$ 1,985,824</u>	<u>\$ 51,784,148</u>
2018-19				
Land	\$ 3,827,853	\$ 398,730	\$ 0	\$ 4,226,583
Buildings	40,645,537	3,756,641	0	44,402,178
Equipment	4,842,821	1,275,261	145,848	5,972,234
Construction in progress	3,529,116	6,129,993	4,624,304	5,034,805
Infrastructure	1,421,014	0	0	1,421,014
Library collections	857,189	51,952	0	909,141
Software	833,355	0	0	833,355
Total capital and other assets	55,956,885	11,612,577	4,770,152	62,799,310
Less accumulated depreciation	21,333,347	1,421,948	108,161	22,647,134
Total	<u>\$ 34,623,538</u>	<u>\$ 10,190,629</u>	<u>\$ 4,661,991</u>	<u>\$ 40,152,176</u>
2017-18				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	40,645,537	0	0	40,645,537
Equipment	4,239,470	666,879	63,528	4,842,821
Construction in progress	1,132,072	2,397,044	0	3,529,116
Infrastructure	1,797,825	0	376,811	1,421,014
Library collections	810,731	46,458	0	857,189
Software	946,812	0	113,457	833,355
Total capital and other assets	53,400,300	3,110,381	553,796	55,956,885
Less accumulated depreciation	20,292,208	1,324,245	283,106	21,333,347
Total	<u>\$ 33,108,092</u>	<u>\$ 1,786,136</u>	<u>\$ 270,690</u>	<u>\$ 34,623,538</u>

Source: Rogue Community College Budget and Financial Services Department.

Capital Assets Activity

Last Ten Fiscal Years - (unaudited) (continued)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2016-17				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	40,645,537	0	0	40,645,537
Equipment	4,192,944	614,412	567,886	4,239,470
Construction in progress	802,775	364,854	35,557	1,132,072
Infrastructure	1,797,825	0	0	1,797,825
Library collections	764,152	46,579	0	810,731
Software	996,153	0	49,341	946,812
Total capital and other assets	53,027,239	1,025,845	652,784	53,400,300
Less accumulated depreciation	19,503,229	1,356,198	567,219	20,292,208
Total	<u>\$ 33,524,010</u>	<u>\$ (330,353)</u>	<u>\$ 85,565</u>	<u>\$ 33,108,092</u>
2015-16				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	40,645,537	0	0	40,645,537
Equipment	3,820,538	772,024	399,618	4,192,944
Construction in progress	49,899	752,876	0	802,775
Infrastructure	1,797,825	0	0	1,797,825
Library collections	717,681	46,471	0	764,152
Software	996,153	0	0	996,153
Total capital and other assets	51,855,486	1,571,371	399,618	53,027,239
Less accumulated depreciation	18,562,774	1,318,294	377,839	19,503,229
Total	<u>\$ 33,292,712</u>	<u>\$ 253,077</u>	<u>\$ 21,779</u>	<u>\$ 33,524,010</u>
2014-15				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	40,645,537	0	0	40,645,537
Equipment	3,590,850	333,106	103,418	3,820,538
Construction in progress	49,899	0	0	49,899
Infrastructure	1,797,825	0	0	1,797,825
Library collections	667,497	50,184	0	717,681
Software	996,153	0	0	996,153
Total capital and other assets	51,575,614	383,290	103,418	51,855,486
Less accumulated depreciation	17,270,296	1,383,795	91,317	18,562,774
Total	<u>\$ 34,305,318</u>	<u>\$ (1,000,505)</u>	<u>\$ 12,101</u>	<u>\$ 33,292,712</u>

Capital Assets Activity

Last Ten Fiscal Years - (unaudited) (continued)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2013-14				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	40,645,537	0	0	40,645,537
Equipment	3,433,122	230,097	72,369	3,590,850
Construction in progress	49,899	0	0	49,899
Infrastructure	1,797,825	0	0	1,797,825
Library collections	626,516	40,981	0	667,497
Software	833,355	162,798	0	996,153
Total capital and other assets	51,214,107	433,876	72,369	51,575,614
Less accumulated depreciation	16,078,505	1,249,414	57,623	17,270,296
Total	<u>\$ 35,135,602</u>	<u>\$ (815,538)</u>	<u>\$ 14,746</u>	<u>\$ 34,305,318</u>
2012-13				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	40,366,219	279,318	0	40,645,537
Equipment	3,273,523	180,435	20,836	3,433,122
Construction in progress	6,206	323,011	279,318	49,899
Infrastructure	1,797,825	0	0	1,797,825
Library collections	586,424	40,092	0	626,516
Software	833,355	0	0	833,355
Total capital and other assets	50,691,405	822,856	300,154	51,214,107
Less accumulated depreciation	14,865,697	1,232,604	19,796	16,078,505
Total	<u>\$ 35,825,708</u>	<u>\$ (409,748)</u>	<u>\$ 280,358</u>	<u>\$ 35,135,602</u>
2011-12				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	37,855,019	2,511,200	0	40,366,219
Equipment	2,964,863	333,366	24,706	3,273,523
Construction in progress	1,722,567	916,138	2,632,499	6,206
Infrastructure	1,797,825	0	0	1,797,825
Library collections	556,364	30,060	0	586,424
Software	833,355	0	0	833,355
Total capital and other assets	49,557,846	3,790,764	2,657,205	50,691,405
Less accumulated depreciation	13,701,293	1,177,785	13,381	14,865,697
Total	<u>\$ 35,856,553</u>	<u>\$ 2,612,979</u>	<u>\$ 2,643,824</u>	<u>\$ 35,825,708</u>

Capital Assets Activity

Last Ten Fiscal Years - (unaudited) (continued)

Fiscal Year	Beginning Balance	Additions	Deletions	Ending Balance
2010-11				
Land	\$ 3,827,853	\$ 0	\$ 0	\$ 3,827,853
Buildings	37,503,316	351,703	0	37,855,019
Equipment	2,760,326	244,339	39,802	2,964,863
Construction in progress	1,088,929	985,340	351,702	1,722,567
Infrastructure	1,797,825	0	0	1,797,825
Library collections	525,080	31,284	0	556,364
Software	833,355	0	0	833,355
Total capital and other assets	48,336,684	1,612,666	391,504	49,557,846
Less accumulated depreciation	12,600,247	1,137,160	36,114	13,701,293
Total	\$ 35,736,437	\$ 475,506	\$ 355,390	\$ 35,856,553

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STATE AND FEDERAL COMPLIANCE SECTION



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Audit Comments - Disclosures and Comments Required by Oregon State Regulations

Oregon Administrative 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 following.



Independent Auditor's Report Required by Oregon State Regulations

We have audited the basic financial statements of Rogue Community College (the College) as of and for the year ended June 30, 2020, and have issued our report thereon dated December 9, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

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 grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations except as follows:

- The College's expenditures exceeded appropriations for one of the two appropriations in the College's unemployment fund.

OAR 162-10-0230 Internal Control

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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



For Eide Bailly, LLP
Boise, Idaho
December 9, 2020

Rogue Community College
Grants Pass, Oregon

Government Audit Standards Report



Independent Auditor's Report 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*

To the Board of Education
Rogue Community College
Grants Pass, 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 Rogue Community College (the College) and its discretely presented component unit, as of and for the year ended June 30, 2020, 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 9, 2020. Our report includes a reference to other auditors who audited the financial statements of Rogue Community College Foundation, as described in our report on the College's financial statements. The audit of the financial statements of the Foundation were not performed 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 that are reported on separately by those auditors of Rogue Community College Foundation.

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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's 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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
December 9, 2020

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