

MORTON COLLEGE DISTRICT 527

Cicero, Illinois

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FISCAL YEARS ENDED
JUNE 30, 2024 & 2023**



**MORTON COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 527
CICERO, ILLINOIS**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FISCAL YEARS ENDED
JUNE 30, 2024 AND 2023**

Prepared by the Business Office

Morton College, Community College District No. 527
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June 30, 2024 and 2023

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INTRODUCTORY SECTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT

MORTON  COLLEGE

Fiscal Years Ended
June 30, 2024-2023

Introductory Section



March 7, 2025

To Members of the Board of Trustees of Morton College and
Citizens of Morton Community College District No. 527:

The Annual Comprehensive Financial Report (“ACFR”) of Morton College, (“the College”), Community College District No. 527, County of Cook, State of Illinois, for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rest with management of the College. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and changes in financial position of the College. All disclosures necessary to enable the reader to gain an understanding of the College’s financial activities in relation to its mission have been included.

FINANCIAL STATEMENTS

This letter of transmittal should be read in conjunction with the accompanying *Management’s Discussion and Analysis*, which focuses on current activities, accounting changes, and currently known facts.

VISION, MISSION AND GOALS

The District’s Vision Statement:

Our Vision is to be the leader among educational institutions in the delivery of quality academic and workforce development programs that enhance the quality of life for the towns of Berwyn, Cicero, Forest View, Lyons, McCook, and Stickney.

The District’s Mission Statement:

As a comprehensive Community College, recognized by the Illinois Community College Board (“ICCB”), the mission of Morton College is to enhance the quality of life of our diverse community through exemplary teaching and learning opportunities, community service, and life-long learning.

Consistent with our mission, Morton College’s educational philosophy conforms to requirements set forth in state law and stresses the importance of helping individuals live and work as better informed citizens in a dynamic society. This philosophy is reflected in the College’s programs that model core values of truth, compassion, fairness, responsibility and respect.

The following strategic goals define the framework within the District’s annual operating and capital budgets are formulated and considered for the next three to five years.

1. Make student success the core work of Morton College.
2. Strengthen Efficiencies in Operations
3. Develop new academic programs and revitalize existing programs
4. Promote economic and community vitality through dynamic partnerships
5. Maximize the teaching and learning experience through innovative and leading edge facilities
6. Increase giving and financial strength through improved development operations



DIVERSITY STATEMENT

Diversity at Morton College is more than just a variety of people with different backgrounds. It is the core of who we are as an educational culture and it supports our goals as an organization. Consistent with its mission of social responsibility and community development, Morton College continually works “to enhance the quality of life of our diverse community.”

GENERAL

The College prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”) as set forth by the Governmental Accounting Standards Board (“GASB”). The College maintains its accounts in accordance with guidelines set forth by the National Association of College and University Business Officers (“NACUBO”) and the ICCB. The ICCB requires accounting by funds in order that limitations and restrictions on resources can be easily accounted for. The financial records of the College are maintained on the accrual basis of accounting whereby all revenues are recorded when earned and all expenses are recorded when incurred.

ECONOMIC CONDITION AND OUTLOOK

The following table illustrates enrollments over the last five years:

PROGRAM TYPE	Student Enrollment Headcount Fiscal Year				
	2024	2023	2022	2021	2020
Transfer Program	1,646	1,680	1,624	1,730	2,057
Career Programs	1,141	1,130	1,512	1,470	1,645
Liberal Studies	774	656	232	664	889
Course Enrollees	1,360	1,093	1,123	670	944
Adult Education/ESL	1,002	1,037	819	861	1,191
Total	<u>5,923</u>	<u>5,596</u>	<u>5,310</u>	<u>5,395</u>	<u>6,726</u>
Total FTE	<u>2,335</u>	<u>2,188</u>	<u>2,174</u>	<u>2,255</u>	<u>2,620</u>

FINANCIAL INFORMATION

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

Budgetary Controls. The objective of the College budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the College’s Board of Trustees.



Activities of the following fund groups and individual funds are included in the annual budget. These funds are required for ICCB reporting purpose only.

FUND GROUP	FUND
Current Unrestricted	Education Operating and Maintenance Auxiliary / Enterprise
Current Restricted	Restricted Purpose Working Cash Liability, Protection, and Settlement Audit
Plant and Other	Bond and Interest Investment in Plant Operating and Maintenance (Restricted)

The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established for each individual fund of the College. The College also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at the end of each fiscal year.

As demonstrated by the statements included in financial section of this report, the College meets its responsibility for sound financial management.

Property Taxes. The following table illustrates the College's final property tax levy rates over the last five years:

Levy Rates (Per \$100 of assessed valuations):

Property Tax Year		<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Assessed valuation (in millions)		<u>\$ 2,613</u>	<u>\$ 1,920</u>	<u>\$ 1,951</u>	<u>\$ 2,132</u>	<u>\$ 1,640</u>
	Legal Limit					
Tax Rates						
Education Fund	0.7500	0.3354	0.4454	0.4122	0.3633	0.4596
Operation and Maintenance Fund	0.1000	0.0653	0.0834	0.0781	0.0712	0.0900
Operation and Maintenance Fund (restricted)	0.0500			-	-	-
Bond and interest	-	0.0260	0.0351	0.0346	0.0319	0.0414
Life Safety Fund	0.1000	-	-	-	-	-
Liability Insurance Fund	-	0.0263	0.0324	0.0304	0.0271	0.0347
Social Security Fund	-	0.0107	0.0133	0.0125	0.0112	0.0143
Audit Fund	0.0050	0.0033	0.0042	0.0039	0.0035	0.0044
Total	1.0050	0.4670	0.6138	0.5717	0.5082	0.6444

The assessed value of taxable property for 2023, for taxes collectible in 2024, is \$2,612,876,617.

The College's average collection rate over the past five years, including collection of back taxes, has been approximately 98.0%, as Cook County extends the College's levies up to 103.0% depending on the tax cap limitation.



PROSPECTS FOR THE FUTURE

The College's financial outlook for the future continues to be stable. As illustrated in an earlier table, the College's student enrollment for 2024 did have a 6% increase in student headcount and a 6% increase in full-time equivalent compared to 2023. We do expect to continue to see increases in enrollment and reach pre-pandemic enrollment number within the next fiscal year.

Public Act 89-1 placed limitations on the annual growth of property tax collections of most local governments, including the College.

DEBT ADMINISTRATION

The College had one General Obligation Bond during FY2024. As of June 30, 2024, \$7,135,000 was outstanding. See Note 5.

OTHER INFORMATION

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 annual comprehensive financial report for the fiscal year ended June 30, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR whose contents conform to program standards. Such ACFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

Independent Audit. State statutes require an annual audit by independent certified public auditors. The Morton College's Board of Trustees selected Forvis Mazars, LLP as the College's auditors. The auditor's report on the financial statements and schedules is included in the financial section of the report.

Acknowledgements. The preparation of the ACFR was made possible by the dedicated service of the entire staff of the finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,

/s/ Mireya Perez

Mireya Perez
Chief Financial Officer

/s/ Dr. Keith McLaughlin

Dr. Keith McLaughlin
President

Morton College, Community College District 527

PRINCIPAL OFFICIALS
June 30, 2024

BOARD OF TRUSTEES

Leonard B. Cannata, Chair
Anthony Martinucci, Vice Chair
Jose A. Collazo, Secretary
Francis F. Reitz, Trustee
Susan K. Grazzini, Trustee
Oscar Montiel, Trustee
Charles Hernandez, Trustee
Gizelle Beltran, Student Member

ADMINISTRATION

Dr. Keith McLaughlin, President

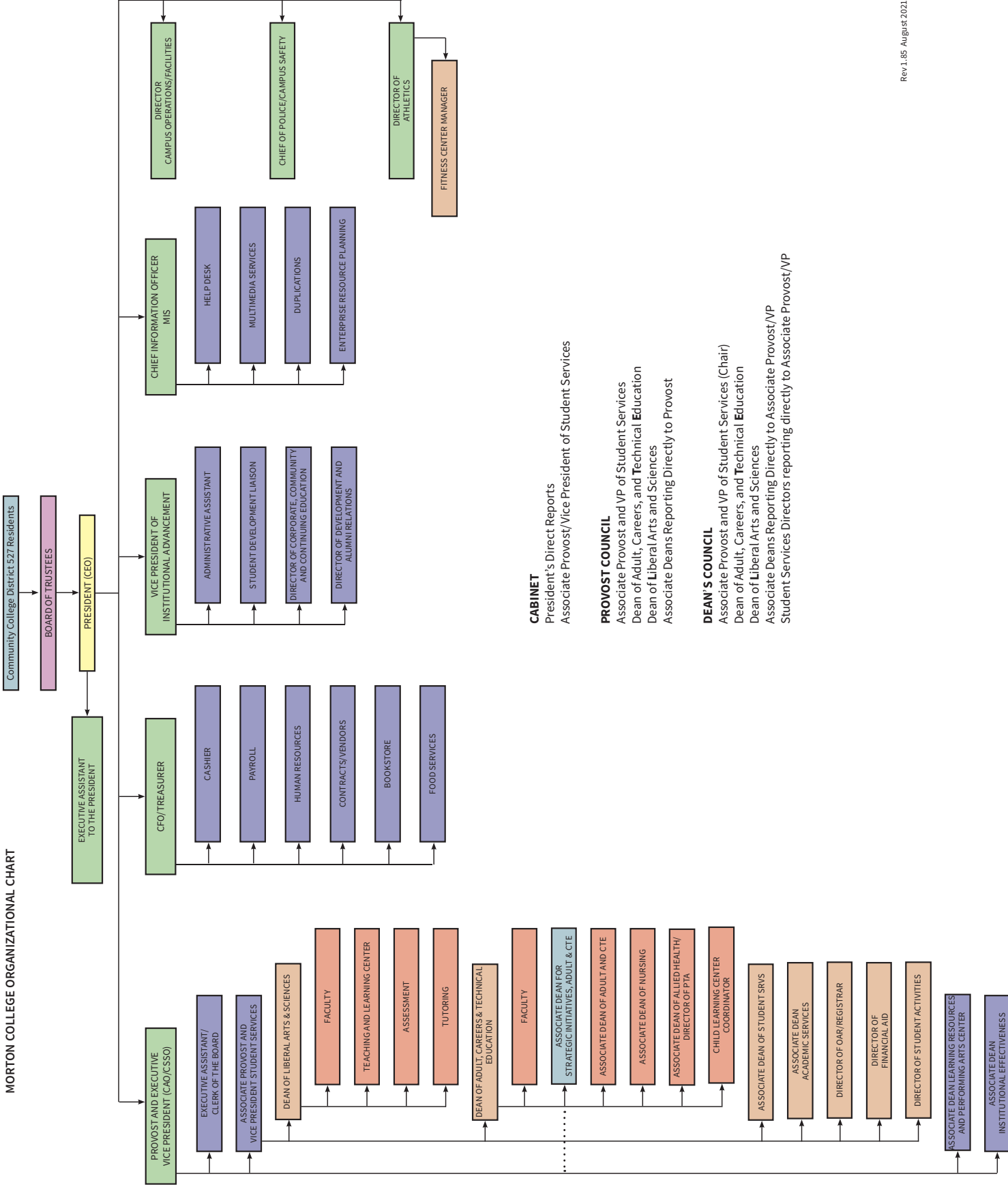
Marisol Velazquez – Associate Provost/Vice President of Student Services

Mireya Perez, Chief Financial Officer/Treasurer

DEPARTMENT ISSUING REPORT

Business Office

MORTON COLLEGE ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Morton College
Illinois Community College District 527

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT

MORTON  COLLEGE

Fiscal Years Ended
June 30, 2024-2023

Financial Section

Independent Auditor's Report

Board of Trustees
Morton College, Community College
District No. 527
Cicero, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Morton College, Community College District No. 527 (College), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Morton College, Community College District No. 527, as of June 30, 2024 and 2023, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the College's basic financial statements. The State Required Reports Section - Uniform Financial Statements Schedules 1-5 as listed in the table of contents is presented for purposes of

additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the State Required Reports Section - Uniform Financial Statements Schedules 1-5 as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory section, statistical section, and Schedule 6 – Fiscal Year 2024 Certification of Chargeback Reimbursement but does not include the basic financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2025, on our consideration of Morton College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Morton 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 Morton College's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Chicago, Illinois
March 7, 2025**

Management's Discussion and Analysis

MORTON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 527
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2024 and 2023
(UNAUDITED)

This section of Morton College's Financial Report presents Management's Discussion and Analysis of the College's financial activity during the fiscal years ended June 30, 2024 and June 30, 2023. Since this Management's Discussion and Analysis (MD&A) is designed to focus on current year's activities, resulting changes and currently known facts, it should be read in conjunction with the transmittal letter (pages i-iv), the College's basic financial statements (pages 11-14) and the footnotes (pages 15-40). Responsibility for the completeness and fairness of this information rests with the College.

Using This Annual Report

The financial statements prepared under Governmental Accounting Standards Board (GASB) Statement No. 34 focus on the College as a whole. The College's basic financial statements (see pages 11-14) are designed to emulate corporate presentation models whereby all College activities are consolidated into one total column. The Statements of Net Position presents information on all the College's assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources, with the difference between the two reported as net position. These statements combine and consolidate current and long-term financial resources and capital assets. The Statements of Revenues, Expenses and Changes in Net Position focus on both the gross costs and the net costs of College activities, which are supported mainly by property taxes, state and other revenues. This approach is intended to summarize and simplify the user's analysis of costs of various College services to students and the public.

Financial Highlights
Financial Analysis of the College as a Whole
Net Position
As of June 30, (In millions)

	<u>2024</u>	<u>2023</u>	<u>Increase (Decrease)</u>	<u>2022</u>	<u>Increase (Decrease)</u>
Current assets	\$ 37.8	\$ 34.8	\$ 3.0	\$ 34.4	\$ 0.4
Noncurrent assets:					
Restricted cash and long-term investments	2.7	2.7	-	2.8	(0.1)
Subscription, lease, and capital assets, net of depreciation and amortization	<u>34.4</u>	<u>33.5</u>	<u>0.9</u>	<u>31.3</u>	<u>2.2</u>
Total assets	<u>74.9</u>	<u>71.0</u>	<u>3.9</u>	<u>68.5</u>	<u>2.5</u>
Deferred outflows of resources	<u>1.3</u>	<u>1.5</u>	<u>(0.2)</u>	<u>2.0</u>	<u>(0.5)</u>
Current liabilities	6.8	5.5	1.3	6.8	(1.3)
Noncurrent liabilities	<u>14.9</u>	<u>13.6</u>	<u>1.3</u>	<u>23.4</u>	<u>(9.8)</u>
Total liabilities	<u>21.7</u>	<u>19.1</u>	<u>2.6</u>	<u>30.2</u>	<u>(11.1)</u>
Deferred inflows of resources	<u>14.5</u>	<u>16.6</u>	<u>(2.1)</u>	<u>9.8</u>	<u>6.8</u>
Net position:					
Investment in capital assets	24.6	25.0	(0.4)	22.5	2.5
Restricted	7.7	7.6	0.1	6.5	1.1
Unrestricted	<u>7.7</u>	<u>4.2</u>	<u>3.5</u>	<u>1.5</u>	<u>2.7</u>
Total net position	<u>\$ 40.0</u>	<u>\$ 36.8</u>	<u>\$ 3.2</u>	<u>\$ 30.5</u>	<u>\$ 6.3</u>

This schedule was prepared from the College's Statements of Net Position (pages 11-12), which are presented on an accrual basis of accounting.

MORTON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 527
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2024 and 2023
(UNAUDITED)

2024

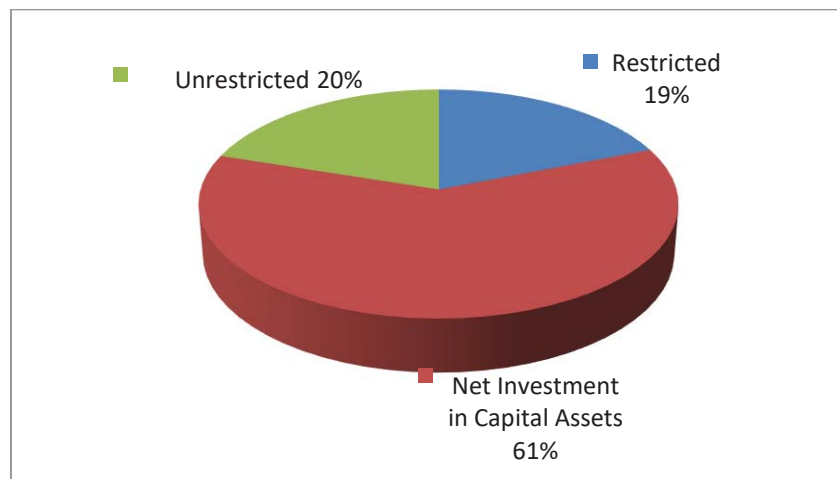
Total net position, at June 30, 2024, increased by \$3.2M compared to fiscal year 2023 bringing it to \$40.0M. The increase is primarily due to the increase in current assets of \$3.0M due to increase in cash and cash equivalents of \$5.2M and a decrease in Government Claims of \$1.5M mainly due to receivables collected from HEERF grants, an increase in subscription assets of \$2.2M due to a software five year agreement; an increase in current liabilities of \$1.3M due to an increase in unearned grant revenue of \$0.7M, an increase in other accrued expense of \$0.4M due to increase in capital projects completed by June 30 but not billed until the following fiscal year; and an increase in noncurrent liabilities of \$1.2M due to a subscription liability of \$1.3M related to the software five year agreement.

2023

Total net position, at June 30, 2023, increased by \$6.3M compared to fiscal year 2022 bringing it to \$36.8M. The increase is primarily due to the increase in current assets of \$2.5M due to increase in Government Claims of \$0.9M due to two new grant receivable and increase in grant receivable of other grants, increase in capital assets of \$2.2M due to various building renovations that were completed; offset by a decrease in current liabilities of \$1.3M due to a decrease of \$1.4M in accounts payable at year end for the various capital projects that were underway, an increase in unearned tuition and fees revenue of \$0.5M which means we had more students registering early for future terms, a decrease in unearned grants revenue of \$0.7M due to ISAC/MAP grant revenue disbursed after FY and a decrease in noncurrent liabilities of \$9.8M due to decrease in net other postemployment benefit liability due to a change in liability experience and change in assumption changes experience.

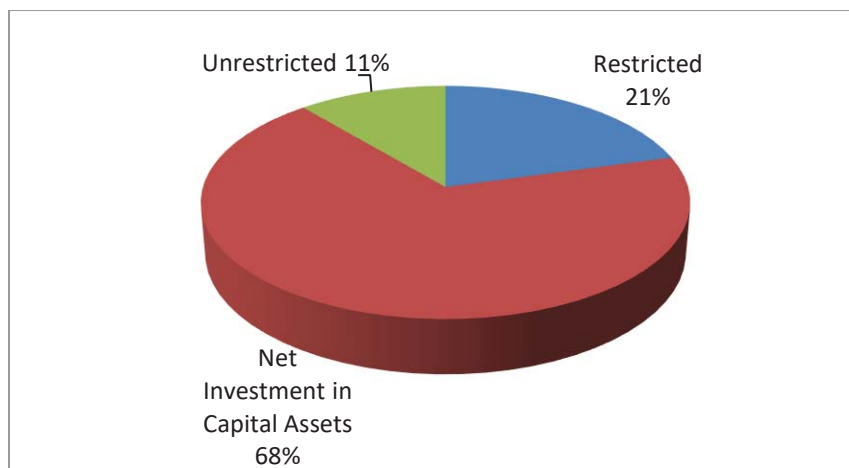
The following is a graphic illustration of net position.

**Net Position
June 30, 2024**



MORTON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 527
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2024 and 2023
(UNAUDITED)

**Net Position
June 30, 2023**



**Operating Results
For the Years Ended June 30, (In millions)**

	2024	2023	Increase (Decrease)	2022	Increase (Decrease)
Operating revenues:					
Tuition and fees	\$ 11.3	\$ 10.9	\$ 0.4	\$ 10.2	\$ 0.7
Scholarship allowance	(4.4)	(4.9)	0.5	(4.5)	(0.4)
Auxiliary and other	0.1	0.1	-	0.1	-
Total	7.0	6.1	0.9	5.8	0.3
Less operating expenses	46.2	47.7	(1.5)	52.5	(4.8)
Net operating loss	(39.2)	(41.6)	2.4	(46.7)	5.1
Nonoperating revenues and expenses:					
Property taxes	11.7	10.3	1.4	10.1	0.2
State grants and contracts	20.0	22.0	(2.0)	23.3	(1.3)
Federal grants and contracts	9.5	15.0	(5.5)	15.5	(0.5)
Investment income	1.5	0.9	0.6	-	0.9
Interest expense	(0.3)	(0.3)	-	(0.3)	-
Total	42.4	47.9	(5.5)	48.6	(0.7)
Increase (decrease) in net position	3.2	6.3	(3.1)	1.9	4.4
Net position, beginning of year	36.8	30.5	6.3	28.6	1.9
Net position, end of year	40.0	36.8	3.2	30.5	6.3
Total revenues	\$ 49.7	\$ 54.3	\$ (4.6)	\$ 54.7	\$ (0.4)
Total expenses	\$ 46.5	\$ 48.0	\$ (1.5)	\$ 52.8	\$ (4.8)

MORTON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 527
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2024 and 2023
(UNAUDITED)

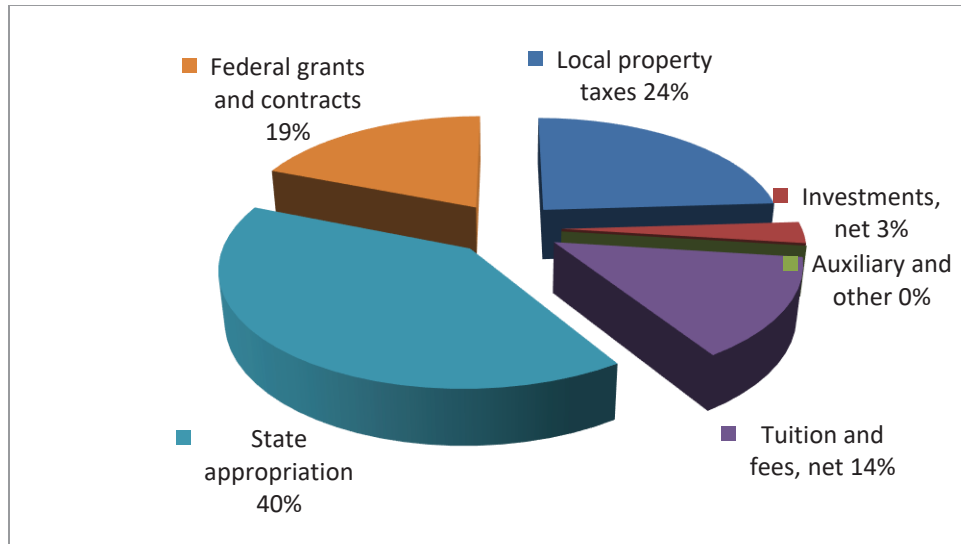
2024

Net operating loss, for the twelve months ended June 30, 2024, decreased to \$39.2 from \$41.6M in 2023. Total operating expenses decreased to \$46.2M from \$47.7M. This was mainly due to an increase in Instruction of \$3.9M caused by an increase in instructional service contracts and an increase in grants, and an increase in Operations and Maintenance of Plant of \$0.9M due to an increase in utility expense, contractual services and architectural fees offset by a decrease in Student Services of \$0.4M which was due to end in funding of certain HEERF grants, a decrease in Institutional Support of \$5.9M due to the end in funding of certain HEERF grants.

2023

Net operating loss, for the twelve months ended June 30, 2023, decreased to \$41.6M from \$46.7M in 2022 mainly due to a decrease in Instruction of \$2.1M caused by a decrease in OPEB expense of \$2.4M and a decrease in Operations and Maintenance of Plant of \$2.9M due to a decrease in capital projects in 2023 compared to 2022. There was an increase in Student Services of \$0.9M which was due to increase in Education Fund and Restricted Purpose Fund expenses for Student Services due to additional department account created and additional grants, an increase in Institutional Support of \$1.9M due to increase in Education Fund and Restricted Purpose Fund expenses and a decrease in Scholarship and Fellowship of \$2.7M mainly due to HEERF student grants awarded in 2022 and none awarded in 2023.

Revenues by Source (2024):



MORTON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 527
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2024 and 2023
(UNAUDITED)

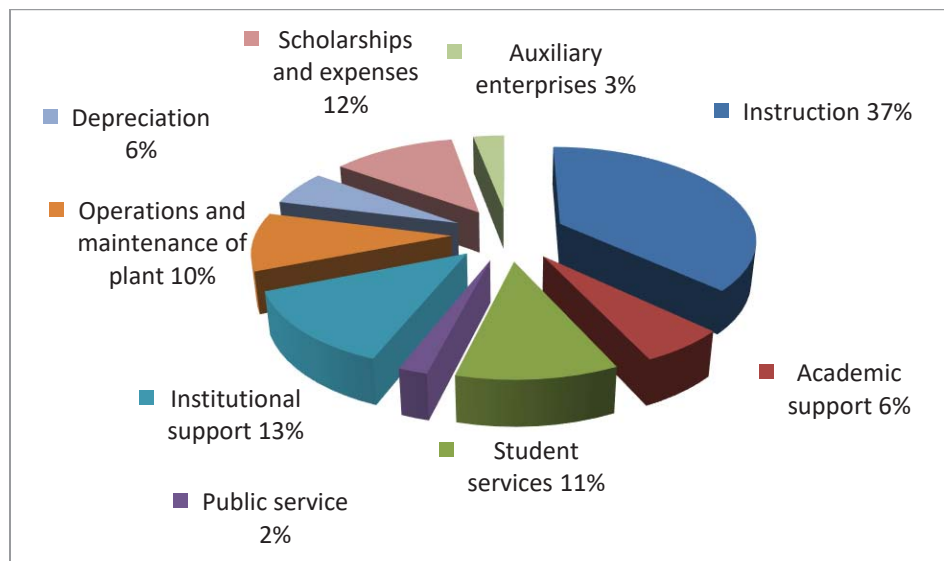
**Operating Expenses
For the Years Ended June 30,
(In millions)**

	2024	2023 *	Increase (Decrease)	2022 *	Increase (Decrease)
Instruction	\$ 17.1	\$ 15.8	\$ 1.3	\$ 18.3	\$ (2.5)
Academic support	2.7	2.5	0.2	2.3	0.2
Student services	5.2	5.5	(0.3)	4.7	0.8
Public service	1.0	0.8	0.2	1.0	(0.2)
Institutional support	6.1	9.8	(3.7)	9.2	0.6
Operations and maintenance of plant	4.3	3.2	1.1	4.1	(0.9)
Depreciation	2.8	2.6	0.2	2.8	(0.2)
Scholarships and fellowships	5.5	5.5	-	8.3	(2.8)
Auxiliary enterprises	1.5	2.0	(0.5)	1.8	0.2
Total	<u>\$ 46.2</u>	<u>\$ 47.7</u>	<u>\$ (1.5)</u>	<u>\$ 52.5</u>	<u>\$ (4.8)</u>

*Fiscal years 2023 and 2022 expenses by function have been revised for a previous error. No changes to expenses in total

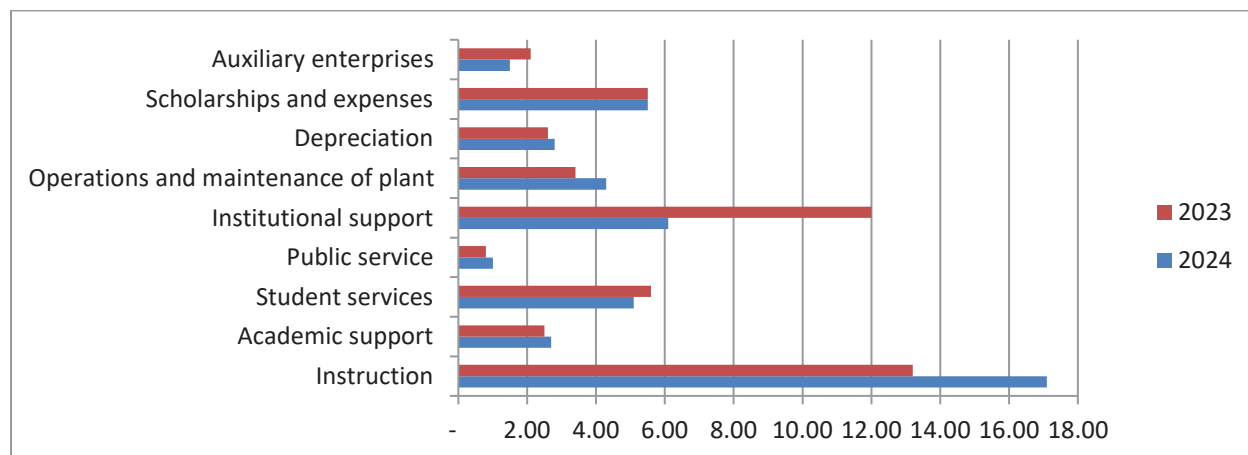
The following is a graphic illustration of operating expenses:

Operating Expenses by Function (2024):



MORTON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 527
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2024 and 2023
(UNAUDITED)

Comparison of Operating Expenses Fiscal Years 2024 and 2023 (in millions):



2024

Total operating expenses decreased to \$46.2M from \$47.7M mainly due to an increase in Instruction of \$1.3M caused by an increase in instructional service contracts and an increase in grants, an increase in Operations and Maintenance of Plant of \$1.1M due to an increase in utility expense, contractual services and architectural fees. There was a decrease in Student Services of \$0.3M which was due to end in funding of some HEERF grants, a decrease in Institutional Support of \$3.7M due end in funding of some HEERF grants.

2023

Total operating expenses decreased to \$47.7M from \$52.5M mainly due to a decrease in Instruction of \$2.5M caused by a decrease in OPEB expense of \$2.4M and a decrease in Scholarships and Fellowships of \$2.8M due to HEERF student grants awarded in 2022 and none awarded in 2023. There was an increase in Student Services of \$0.9M which was due to increase in Education Fund and Restricted Purpose Fund expenses for Student Services due to an additional department account created and additional grants and an increase in Institutional Support of \$0.6M due to increase in Education Fund and Restricted Purpose Fund expenses.

Analysis of Capital Assets
June 30,
(In millions)

	2024	2023	Increase (Decrease)	2022	Increase (Decrease)
Capital assets:					
Land improvements	\$ 2.6	\$ 2.6	\$ -	\$ 2.6	\$ -
Construction in progress	0.6	4.9	(4.3)	3.2	1.7
Building	57.0	51.6	5.4	48.7	2.9
Furniture, fixtures, and equipment	9.3	9.1	0.2	9.1	-
Lease assets	0.5	0.3	0.2	-	0.3
Total	70.0	68.5	1.5	63.6	4.9
Less: accumulated depreciation	(37.9)	(35.0)	(2.9)	(32.3)	(2.7)
Net capital assets	\$ 32.1	\$ 33.5	\$ (1.4)	\$ 31.3	\$ 2.2

MORTON COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 527
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2024 and 2023
(UNAUDITED)

2024

Net capital asset decrease of 1.4M mainly relates to the following: \$5.4M increase in building additions including Bio AP lab renovations, Tutoring Center renovations and sliding glass project; \$4.3M decrease in Construction in progress which include exterior upgrades and Building E ADA upgrades that were placed in service during FY24; and \$2.9M net increase in accumulated depreciation related to the building additions mentioned. For more detail information on capital asset activity, please see Note 4.

2023

Net capital asset increase of \$2.2M mainly relates to the \$2.9M increase in Building additions including mechanical upgrades, science lab renovations and lighting project to name a few. A \$2.7M net decrease in accumulated depreciation offset by a \$1.7M increase in Construction in progress which include tutoring center renovations, sliding glass project and Building E ADA upgrades to name a few. For more detail information on capital asset activity, please see Note 4.

Long-Term Debt
June 30,
(In millions)

	2024	2023	Increase (Decrease)	2022	Increase (Decrease)
Long-term debt:					
General obligations	\$ 8.0	\$ 8.4	\$ (0.4)	\$ 8.7	\$ (0.3)
Subscription liabilities	1.7	-	1.7	-	-
Lease liabilities	0.2	0.1	0.1	0.1	-
Net other postemployment benefit liability	5.8	5.6	0.2	14.9	(9.3)
Total	<u>\$ 15.7</u>	<u>\$ 14.1</u>	<u>\$ 1.6</u>	<u>\$ 23.7</u>	<u>\$ (9.6)</u>

2024

The \$1.6M increase in long-term debt is due to \$1.7M subscription liability for a software five-year contract, \$0.4M decrease in general obligations and \$0.2M increase in net other postemployment benefit liabilities, which was due to a change in liability experience and change in assumption changes experience (see Note 10). For more detail information on long-term debt activity please see Note 5.

2023

The \$9.6M decrease in long-term debt is due to \$0.3M decrease in general obligations and \$9.3M decrease in net other postemployment benefit liabilities, which was due to a change in liability experience and change in assumption changes experience (see Note 10). For more detail information on long-term debt activity please see Note 5.

Other Factors

The Coronavirus (COVID-19) pandemic has had an impact on enrollment for fiscal year 2019, 2021 and 2022. We started seeing enrollment increase in FY23 and FY24 and possibly reach pre-pandemic enrollment numbers by end of FY25.

Basic Financial Statements

Morton College, Community College District No. 527
Statements of Net Position
June 30, 2024 and 2023

	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 27,589,718	\$ 22,388,989
Receivables, net		
Property taxes and corporate personal property		
replacement taxes, net allowances of \$1,805,528 in		
2024 and \$1,600,958 in 2023, respectively	5,199,678	4,976,527
Government claims	1,999,227	4,326,965
Tuition and fees, net of allowances for doubtful		
accounts of \$6,283,839 in 2024 and \$6,079,325		
in 2023	2,423,349	2,673,251
Other	90,085	85,408
Prepaid expenses and other current assets	498,752	370,230
Total Current Assets	37,800,809	34,821,370
Noncurrent Assets		
Restricted cash and cash equivalents	2,659,945	2,688,222
Subscription assets, net of accumulated amortization	2,162,552	-
Lease assets, net of accumulated amortization	139,620	65,904
Capital assets, net of accumulated depreciation,		
where applicable	32,142,329	33,432,847
Total Noncurrent Assets	37,104,446	36,186,973
Total Assets	74,905,255	71,008,343
DEFERRED OUTFLOWS OF RESOURCES		
Other postemployment benefits	1,100,340	1,386,086
SURS contributions	226,609	126,006
Total Deferred Outflows of Resources	1,326,949	1,512,092

Morton College, Community College District No. 527
Statements of Net Position
June 30, 2024 and 2023

	2024	2023
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 727,177	\$ 738,351
Accrued salaries and vacation	1,041,343	1,050,931
Unearned revenue		
Tuition and fees	2,853,795	3,009,449
Grants	792,548	109,790
Other current liabilities	648,381	198,514
Long-term obligations - current		
Current portion of subscription liabilities	396,536	-
Current portion of lease liabilities	40,797	58,842
Current portion of general obligation bonds	340,000	320,000
Total Current Liabilities	6,840,577	5,485,877
Noncurrent Liabilities		
Subscription liabilities, net of current portion	1,297,609	-
Lease liabilities, net of current portion	129,168	52,308
General obligation bonds, net of current portion	7,658,764	8,036,829
Net other postemployment benefit liabilities	5,797,761	5,568,547
Total Noncurrent Liabilities	14,883,302	13,657,684
Total Liabilities	21,723,879	19,143,561
DEFERRED INFLOWS OF RESOURCES		
Property taxes	6,188,915	5,906,158
Other postemployment benefits	8,277,865	10,705,461
Total Deferred Inflows of Resources	14,466,780	16,611,619
NET POSITION		
Net investment in capital assets	24,581,627	25,030,772
Restricted for		
Capital projects	7,455,418	7,366,250
Working cash		
Debt service	112,831	55,741
Specific purposes	165,701	155,982
Unrestricted	7,725,968	4,156,510
Total Net Position	\$ 40,041,545	\$ 36,765,255

Morton College, Community College District No. 527
Statements of Revenues, Expenses and Changes in Net Position
Years Ended June 30, 2024 and 2023

	2024	2023
Operating Revenues		
Tuition and fees, net of scholarship allowances of \$4,421,103 and \$4,940,304 in 2024 and 2023, respectively	\$ 6,952,653	\$ 6,038,770
Sales and services of auxiliary activities	81,520	60,888
Total Operating Revenues	7,034,173	6,099,658
Operating Expenses		
Instruction	17,140,278	15,792,733
Academic support	2,661,081	2,459,372
Student services	5,150,054	5,522,531
Public service	960,865	794,382
Auxiliary enterprises	1,571,571	1,997,813
Operations and maintenance of plant	4,268,855	3,199,860
Institutional support	6,083,532	9,791,588
Scholarships and fellowships	5,528,357	5,501,365
Depreciation	2,790,773	2,637,448
Total Operating Expenses	46,155,366	47,697,092
Operating Loss	(39,121,193)	(41,597,434)
Nonoperating Revenue (Expense)		
Federal grants and contracts	9,516,885	15,006,502
State grants and contracts	20,004,842	22,036,171
Local grants and contracts	7,995	14,695
Property taxes	11,655,144	10,266,862
Interest expense on bonds	(282,886)	(300,363)
Investment income (expense)	1,495,503	884,989
Total Nonoperating Revenue	42,397,483	47,908,856
Change in Net Position	3,276,290	6,311,422
Net Position, Beginning of Year	36,765,255	30,453,833
Net Position, End of Year	\$ 40,041,545	\$ 36,765,255

Morton College, Community College District No. 527
Statements of Cash Flows
Years Ended June 30, 2024 and 2023

	2024	2023
Operating Activities		
Tuition and fees	\$ 7,046,901	\$ 6,375,657
Payments to suppliers	(19,191,728)	(25,060,974)
Payments to employees	(19,520,432)	(17,019,205)
Auxiliary enterprise charges, net	81,520	60,888
Net Cash Used in Operating Activities	(31,583,739)	(35,643,634)
Noncapital Financing Activities		
Local property taxes	11,714,750	10,424,221
Grants and contracts	11,095,230	14,841,614
State appropriations	15,210,171	14,359,130
Net Cash Provided by Noncapital Financing Activities	38,020,151	39,624,965
Capital and Related Financing Activities		
Purchase of capital assets	(1,451,039)	(4,760,760)
Subscription liability payments	(641,421)	-
Payments on capital debt	(384,117)	(372,098)
Interest paid on capital debt	(282,886)	(300,363)
Net Cash Used in Capital and Related Financing Activities	(2,759,463)	(5,433,221)
Investing Activities		
Proceeds from sales and maturities of investments	-	502,698
Interest received on investments	1,495,503	884,989
Net Cash Provided by Investing Activities	1,495,503	1,387,687
Net Increase (Decrease) in Cash and Cash Equivalents	5,172,452	(64,203)
Cash and Cash Equivalents, Beginning of Year	25,077,211	25,141,414
Cash and Cash Equivalents, End of Year	\$ 30,249,663	\$ 25,077,211
Reconciliation of Operating Loss to Net Cash		
Used in Operating Activities		
Operating loss	\$ (39,121,193)	\$ (41,597,434)
Adjustment to reconcile operating loss to net cash		
used in operating activities		
Depreciation and amortization	2,963,787	2,637,448
Amortization of bond premium	(38,065)	(36,211)
State payment in kind for retirement	8,308,451	8,667,242
State payment in kind for OPEB	(2,078,311)	(2,330,242)
Deferred outflows of resources - other postemployment benefit	185,143	497,035
Deferred inflows of resources - other postemployment benefit	(2,427,596)	6,726,472
Net other postemployment benefit liability	229,214	(9,365,301)
Changes in		
Tuition and fees receivable	249,902	(156,194)
Inventories		
Prepaid expenses	(128,522)	35,654
Accounts payable	(11,174)	(1,363,868)
Accrued salaries and vacation	(9,588)	146,728
Unearned tuition and fees	(155,654)	493,081
Other current liabilities	449,867	1,956
Net Cash Used in Operating Activities	\$ (31,583,739)	\$ (35,643,634)
Noncash Capital and Related Financing Activities		
Lease acquisitions	\$ 122,932	\$ 45,538
Subscription acquisitions	\$ 2,362,142	\$ -

Note 1. Organization and Summary of Significant Accounting Policies

Morton College, Community College District No. 527 is a separate taxing body created under the *Illinois Public Community College Act of 1965*, serving the towns of Berwyn, Cicero, Forest View, Lyons, McCook and Stickney. Established in 1924, it is the second oldest two-year college in Illinois providing baccalaureate-oriented, career-oriented and continuing education courses. The Board of Trustees, which is elected by residents of the District, is the College's governing body that establishes the policies and procedures by which the College is governed.

Reporting Entity

The accompanying financial statements include all entities for which the Board of Trustees of the College has financial accountability. In defining the financial reporting entity, the College has considered whether there are any potential component units. The decision whether to include a potential component unit in the reporting entity was made by applying the criteria set forth in Government Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*. These statements amend Statement No. 14, *The Financial Reporting Entity*, to provide guidance to determine whether certain organizations for which the College is not financially accountable should be reported as a component unit based upon the nature and significance of the relationship with the College. Generally, it requires reporting as a component an organization that raises and holds significant economic resources for the direct benefit of a government unit. The Morton College Foundation is a legally separate, tax exempt organization that acts as a fundraising organization to supplement the resources that are available to the College. The Foundation's resources are not deemed to be significant to the operations of the College and accordingly, it is not reported as a component unit.

Basis of Accounting

The College's financial statements have been prepared in accordance with generally accepted accounting principles as applicable to public colleges and universities outlined in GASB Statement No. 35 as well as those prescribed by the Illinois Community College Board (ICCB).

The College reports as a business-type activity, as defined by GASB Statement No. 35. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

Accrual Basis

The financial statements of the College have been prepared on the accrual basis of accounting, whereby revenue is recognized when earned and expenditures are recognized when the related liabilities are incurred and certain measurement and matching criteria are met.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Cash and cash equivalents are restricted for certain projects from funding received from the Illinois Capital Development Board.

Investments

Investments are reported at fair value, based upon quoted market prices. Changes in the carrying value of investments, resulting in unrealized gains or losses, are reported as a component of investment income in the statement of revenues, expenses and changes in net position. The Illinois Funds is an external investment pool

Morton College, Community College District No. 527
Notes to Basic Financial Statements
June 30, 2024 and 2023

administered by the Illinois State Treasurer. The fair value of the College's investment in the fund is the same as the value of the pool shares.

Capital Assets and Lease Assets

Capital assets are reported at cost at the date of acquisition or their estimated acquisition value at the date of donation. For movable property, the College's capitalization policy includes all items with a unit cost of \$5,000 or more. Renovations to buildings and land improvements that exceed \$50,000 and significantly increase the value or extend the useful life of the structure are capitalized.

Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings and 5 years for equipment.

Lease assets are included within capital assets. Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Subscription Assets

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying information technology asset.

Noncurrent Liabilities

Noncurrent liabilities include principal amounts of general obligation bonds and leases with contractual maturities greater than one year.

Unearned Tuition and Fee Revenue

Tuition and fee revenues collected during the fiscal year which relate to the period after June 30, 2024 and 2023, have been recognized as unearned revenues. Unearned revenues arise when resources are received by the College before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the College has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet or statement of net position and revenue is recognized.

Bond Premium

Bond premiums are capitalized and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable.

Net Investment in Capital Assets

This represents the College's total investment in capital assets, net of accumulated depreciation and reduced by outstanding debt obligations related to acquisition, construction or improvement of those capital assets.

Restricted Net Position

Restricted expendable net position include resources that the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. Net position restricted for capital projects

Morton College, Community College District No. 527
Notes to Basic Financial Statements
June 30, 2024 and 2023

includes unspent bond or grant proceeds that are restricted by the bond documents or grantor for future capital projects. Net position for debt service is resources accumulated for retirement of debt service that is restricted via the College's annual property tax levy. Prior to April of 2020, the Working Cash subfund restriction represented the principal balance of the Working Cash subfund, which pursuant to College Board of Trustees resolution and Illinois law, was held in perpetuity. In April of 2020, the College Board of Trustees approved resolution abolishing the Working Cash subfund and transfer to the Education subfund for necessary infrastructure projects. The amounts restricted for specific purposes represent funds accumulated from taxes levied for audit purposes (\$154,523 and \$144,803 at June 30, 2024 and 2023, respectively) and other restricted purposes (\$11,178 and \$11,179 at June 30, 2024 and 2023, respectively). When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first, then unrestricted resources when they are needed.

Unrestricted Net Position (Deficit)

Unrestricted net position (deficit) represents net positions that are not subject to externally imposed constraints. Unrestricted net position may be designated for specific purposes by action of management or the governing board.

Operating Revenues and Expenses

Revenue and expense transactions are normally classified as operating revenue and expenses when such transactions are generated by the College's principal ongoing operations. However, most revenue that is considered to be nonexchange, such as tax revenue, federal Pell Grant revenue and state appropriations, is nonoperating revenue.

Personal Property Replacement Taxes

Personal property replacement taxes are recognized as revenue when these amounts are deposited by the State of Illinois in its Replacement Tax Fund for distribution.

Revenue Recognition of Tuition and Fees

The academic programs are offered in traditional fall and spring semesters. Revenue from tuition and student fees is recognized during the academic term. Revenue from the summer semester, which commences in May and ends in August, is split and recognized proportionally to the number of days of the semester within the fiscal year. Tuition revenue is reported at established rates net of institutional financial aid and discounts provided directly by the College to students.

Scholarship Discounts and Allowances

Certain aid, such as loans, funds provided to students as awarded by third parties and Federal Direct Lending, is accounted for as a third-party payment (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition.

Grant Revenue

Revenue from grant and contract agreements is recognized as it is earned through expenditure in accordance with the agreement.

Federal Financial Assistance Programs

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work Study and Federal Direct Lending programs. Federal programs are audited in accordance with Title 2 U.S. *Code of Federal Regulations*

Morton College, Community College District No. 527
Notes to Basic Financial Statements
June 30, 2024 and 2023

Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the compliance supplement.

During the years ended June 30, 2024 and 2023, the College distributed \$314,074 and \$272,911, respectively, for direct lending through the U.S. Department of Education, which is not included as revenue and expenditures on the accompanying financial statements.

Income Taxes

The College as a governmental body is not subject to state or federal income taxes.

Use of Estimates

The preparation of financial statements requires management to make estimate and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The College only has one item that qualifies for reporting in this category. That is the deferred outflows of resources from Other Postemployment Benefits (OPEB) reported in the statement of net position. The deferred outflows of resources related to OPEB represents other postemployment benefits that will be recognized as expense (or as a reduction of net OPEB liability) in future periods.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The College has two items that qualify for reporting in this category: deferred revenue, which is derived from property tax and deferred inflows of resources related to other postemployment benefits. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available or as amortized as a reduction of OPEB expense.

Retirement System – Pension

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

For the purposes of financial reporting, the State of Illinois and participating employers are considered to be under a special funding situation. A special funding situation is defined as a circumstance in which a nonemployer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either (1) the amount of the contributions for which the nonemployer entity is legally responsible is not dependent upon one or more events unrelated to pensions or (2) the nonemployer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a nonemployer contributing entity. Participating employers are considered employer contributing entities.

Cost-Sharing Defined Benefit Other Postemployment Benefit Plan

The College participates in a cost-sharing multiple-employer defined benefit other postemployment benefit plan, Community College Health Insurance Security Fund (OPEB Plan). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 10 additional disclosures.

Reclassification

Certain reclassifications have been made to the 2023 financial statements to conform to the 2024 financial statement presentation. These reclassifications had no effect on net position.

Note 2. Property Taxes

The College's property taxes are levied each calendar year on all taxable real property located in the College's district. Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the units their respective shares of the collections. Taxes levied in 2023 become due and payable in two installments (March 1, 2024 and August 1, 2024). The first installment is an estimated bill and is one half of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization.

Any changes from the prior year will be reflected in the second installment bill. Taxes must be levied by the last Tuesday in December for the following levy year. The levy becomes an enforceable lien against the property as of January 1 immediately following the levy year.

In accordance with the College Board resolution, 50% of property taxes extended for the 2023 tax year and collected in 2024 are recorded as revenue in the year ended June 30, 2024. The remaining revenue related to the 2023 tax year extension has been deferred and will be recorded as revenue in the subsequent fiscal year. However, for the Bond and Interest Fund, the levy is intended to pay for the principal and interest payments due during 2024. The deferred revenue is related to bonds and interest payments. Based upon collection histories, the College records real property taxes at approximately 50% of the 2023 extended levy.

A reserve of approximately \$1,800,000 and \$1,600,000 for the fiscal years 2024 and 2023, respectively, has been set up for the estimated amount of unpaid amounts related to prior years' taxes.

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The statutory maximum tax rates and the respective rates for the 2023 and 2022 tax levies, per \$100 of assessed valuation, are as follows:

	Statutory Maximum Rate	Tax Levy Year	
		2023	2022
Current			
Education Fund	0.7500	0.3302	0.4314
Operation and Maintenance Fund	0.1000	0.0653	0.0834
Operation and Maintenance Fund (Restricted)	-	-	-
Bond and Interest	-	-	-
Limited Bonds	-	0.0260	0.0351
Life Safety Fund	0.1000	-	-
Liability, Protection, and Settlement Fund	-	0.0263	0.0324
Social Security Fund	-	0.0107	0.0133
Audit Fund	0.0050	0.0033	0.0042
Levy Adjustment	-	0.0052	0.0140
	<u>0.9550</u>	<u>0.4670</u>	<u>0.6138</u>

Note 3. Cash and Investments

State statutes authorize the College to make deposits in commercial banks and savings and loan institutions, and to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, savings accounts, credit union shares, repurchase agreements (under certain statutory restrictions), commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds and the Illinois School District Liquid Asset Fund Plus.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered within the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the *Investment Company Act of 1940*. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price at which the investment could be sold.

Deposits

As of June 30, 2024 and 2023, the carrying amounts of the College's deposits were \$4,255,833 (\$2,659,945 is restricted) and \$2,367,981 (\$2,688,222 is restricted), respectively, with bank balances of \$4,592,785 and \$2,979,888, respectively. These amounts do not include the petty cash on hand of \$518 and \$518 at June 30, 2024 and 2023, respectively. It is the College's policy that 105% of the bank balances be collateralized by securities held in the pledging bank's trust department or by its agent in the College's name when not federally insured. At June 30, 2024, approximately \$2,600,000 of the College's deposits were exposed to custodial credit risk. At June 30, 2023, none of the College's deposits were exposed to custodial credit risk. The Illinois Funds investments are not required to be categorized based on custodial risk in accordance with GASB Statement No. 40 because they are not securities. The relationship between the College and the Illinois Funds is a direct contractual relationship and the investments are not supported by a transferable instrument that evidences ownership. For the College's reporting purposes, Illinois Funds are considered cash equivalents.

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Investments

The investments which the College may purchase are limited by Illinois law to the following (1) securities which are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. Government Agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a Federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds and (8) money market mutual funds and certain other instruments.

The College's deposits and investments are included on the statements of net position under the following classifications at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 27,589,718	\$ 22,388,989
Restricted cash and cash equivalents	<u>2,659,945</u>	<u>2,688,222</u>
Total cash and investments	<u>\$ 30,249,663</u>	<u>\$ 25,077,211</u>

The amounts in the previous chart are classified in the following categories for disclosure purposes:

	<u>2024</u>	<u>2023</u>
Deposits	\$ 4,255,833	\$ 2,367,981
Investments in securities and similar instruments	25,993,312	22,708,712
Petty cash on hand	<u>518</u>	<u>518</u>
Total cash and investments	<u>\$ 30,249,663</u>	<u>\$ 25,077,211</u>

As of June 30, 2024, the College had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities			
		Less Than 1 Year	1 - 5 Years	6 - 10 Years	More Than 10 Years
State Treasurer Illinois Funds	<u>\$ 25,993,312</u>	<u>\$ 25,993,312</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

As of June 30, 2023, the College had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities			
		Less Than 1 Year	1 - 5 Years	6 - 10 Years	More Than 10 Years
State Treasurer Illinois Funds	<u>\$ 22,708,712</u>	<u>\$ 22,708,712</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

State Treasurer Illinois Funds are reported as cash and cash equivalents on the statement of net position. The credit rating is AAAM as described by the Standard & Poor's and Moody's at June 30, 2024 and 2023.

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Note 4. Capital Assets

The following is a summary of changes in capital assets for the year ended June 30, 2024:

	Beginning Balance	Additions	Transfers/ Disposals	Ending Balance
Capital assets not being depreciated				
Land and improvements	\$ 2,600,248	\$ -	\$ -	\$ 2,600,248
Construction in progress	4,881,142	144,987	(4,385,835)	640,294
Total capital assets not being depreciated	7,481,390	144,987	(4,385,835)	3,240,542
Capital assets being depreciated				
Building and building improvements	51,559,369	1,036,040	4,385,835	56,981,244
Furniture, fixtures and equipment	9,068,748	270,012	-	9,338,760
Lease assets - equipment	333,130	122,932	-	456,062
Total capital assets being depreciated	60,961,247	1,428,984	4,385,835	66,776,066
Total	68,442,637	1,573,971	-	70,016,608
Less accumulated depreciation and amortization for:				
Buildings and building improvements	26,371,027	2,498,802	-	28,869,829
Furniture, fixtures and equipment	8,305,633	242,755	-	8,548,388
Lease assets	267,226	49,216		316,442
Total accumulated depreciation and amortization	34,943,886	2,790,773	-	37,734,659
Capital assets, net	<u>\$ 33,498,751</u>			<u>\$ 32,281,949</u>

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Notes to Basic Financial Statements
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The following is a summary of changes in capital assets for the year ended June 30, 2023:

	Beginning Balance	Additions	Transfers/ Disposals	Ending Balance
Capital assets not being depreciated				
Land and improvements	\$ 2,600,248	\$ -	\$ -	\$ 2,600,248
Construction in progress	3,254,764	2,341,159	(714,781)	4,881,142
Total capital assets not being depreciated	5,855,012	2,341,159	(714,781)	7,481,390
Capital assets being depreciated				
Building and building improvements	48,684,171	2,160,417	714,781	51,559,369
Furniture, fixtures and equipment	8,809,569	259,179	-	9,068,748
Lease assets - equipment	287,588	45,542	-	333,130
Total capital assets being depreciated	57,781,328	2,465,138	714,781	60,961,247
Total	63,636,340	4,806,297	-	68,442,637
Less accumulated depreciation and amortization for:				
Buildings and building improvements	24,130,412	2,240,615	-	26,371,027
Furniture, fixtures and equipment	7,972,833	332,800	-	8,305,633
Lease assets	203,194	64,032	-	267,226
Total accumulated depreciation and amortization	32,306,439	2,637,447	-	34,943,886
Capital assets, net	<u>\$ 31,329,901</u>			<u>\$ 33,498,751</u>

Note 5. Bonds Payable

On May 29, 2019, Morton College issued \$8,335,000 of General Obligation Limited Tax Bonds, Series 2019. The 2019 Series bonds have interest rates ranging from 1.82% to 3.16% and are payable on December 15 and June 15 in each year. These bonds have annual maturities of \$280,000 to \$625,000 starting in 2020 and ending in 2038.

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A summary of long-term liability activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Payments	Ending Balance	Current Portion
Bonds payable					
Serial bonds, 2019 series	\$ 7,455,000	\$ -	\$ 320,000	\$ 7,135,000	\$ 340,000
Other long-term liabilities					
Unamortized bond premium	901,829	-	38,065	863,764	-
	<u>\$ 8,356,829</u>	<u>\$ -</u>	<u>\$ 358,065</u>	<u>\$ 7,998,764</u>	<u>\$ 340,000</u>

A summary of long-term liability activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Additions	Payments	Ending Balance	Current Portion
Bonds payable					
Serial bonds, 2019 series	\$ 7,760,000	\$ -	\$ 305,000	\$ 7,455,000	\$ 320,000
Other long-term liabilities					
Unamortized bond premium	938,040	-	36,211	901,829	-
	<u>\$ 8,698,040</u>	<u>\$ -</u>	<u>\$ 341,211</u>	<u>\$ 8,356,829</u>	<u>\$ 320,000</u>

Total principal and interest maturities on the bonds as of June 30, 2024, is as follows:

Year Ending June 30,	Debt Obligation		
	Principal	Interest	Total
2025	\$ 340,000	\$ 304,450	\$ 644,450
2026	355,000	287,075	642,075
2027	375,000	268,825	643,825
2028	390,000	249,700	639,700
2029	410,000	229,700	639,700
Thereafter	5,265,000	1,131,875	6,396,875
	<u>\$ 7,135,000</u>	<u>\$ 2,471,625</u>	<u>\$ 9,606,625</u>

A computation of the legal debt margin of the College is as follows:

	2024	2023
Assessed valuation	<u>\$ 2,612,876,617</u>	<u>\$ 1,920,327,082</u>
Legal debt limit rate - 2.875% of assessed valuation	75,120,203	55,209,404
Debt applicable to debt limit	<u>(7,998,764)</u>	<u>(8,356,829)</u>
Legal debt margin	<u>\$ 67,121,439</u>	<u>\$ 46,852,575</u>

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The legal debt limit rate is set by Illinois Compiled Statutes 50 ILCS 405/1.

Cash Paid for Interest

Cash paid for interest for the fiscal year was approximately \$282,886 and \$300,363 for the years ended June 30, 2024 and 2023, respectively.

Note 6. Lease Liabilities

The College entered into various leases for certain equipment in fiscal year 2016 through fiscal year 2024, with monthly payments ranging from \$179 through \$2,897 and interest rates ranging from 4.82% through 8.00%. The leases have various maturity dates through March of 2029. The equipment was recorded at a cost of \$456,062 and \$333,130 and accumulated depreciation is \$316,442 and \$267,226 as of June 30, 2024 and 2023, respectively.

Lease liability activity for the years ended June 30, 2024 and 2023, was as follows:

	Beginning Balance	Additions	Payments	Ending Balance	Due Within One Year
June 30, 2024					
Lease liabilities	<u>\$ 111,150</u>	<u>\$ 122,932</u>	<u>\$ 64,117</u>	<u>\$ 169,965</u>	<u>\$ 40,797</u>
June 30, 2023					
Lease liabilities	<u>\$ 132,710</u>	<u>\$ 45,538</u>	<u>\$ 67,098</u>	<u>\$ 111,150</u>	<u>\$ 58,842</u>

The following is a schedule by year of payments under the leases as of June 30, 2024:

Year Ending June 30,	Principal	Debt Obligation Interest	Total
2025	\$ 40,797	\$ 9,442	\$ 50,239
2026	35,009	6,779	41,788
2027	36,991	4,630	41,621
2028	32,872	2,287	35,159
2029	<u>24,296</u>	<u>3,567</u>	<u>27,863</u>
	<u>\$ 169,965</u>	<u>\$ 26,705</u>	<u>\$ 196,670</u>

Note 7. Compensated Absences

Sick leave for classified staff members is continuously accumulated at the rate of one day per month; administrative personnel accumulate sick leave at the rate of 20 days per year. Accumulated sick leave is not subject to a maximum number of days and can be taken in the event of illness or doctor's appointments. Upon employee termination, the College has no commitment for accumulated sick leave and, therefore, no liability is recorded. Employees who retire are given credit for unused sick leave toward years of service in the State Universities Retirement System.

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Vacation leave is accrued at a minimum rate of 5/6 day per month up to a maximum of 21 days. All vacation leave must be used by the end of the benefit year, except if written approval is obtained. All unused vacation leave is computed at the daily rate of compensation and is paid to the employee or beneficiary in the event of termination, retirement or death. Accumulated vacation leave is recorded as expenditure and as a liability.

The activity related to the accrued compensated absences for the years ending June 30, 2024 and 2023, is as follows:

	<u>2024</u>	<u>2023</u>
Beginning balance	\$ 317,895	\$ 301,423
Additions	280,029	317,895
Deletions	<u>(317,895)</u>	<u>(301,423)</u>
Ending balance	<u>\$ 280,029</u>	<u>\$ 317,895</u>

Note 8. Defined Benefit Pension Plan

Plan Description

The College contributes to the State Universities Retirement System (SURS) of Illinois, a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 1, 1941, to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents and other beneficiaries of such employees. SURS is considered a component unit of the State of Illinois' financial reporting entity and is included in the State's financial reports as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the Illinois Compiled Statutes. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at www.SURS.org.

Benefits Provided

A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier I refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2023, can be found in the System's annual comprehensive financial report (ACFR) notes to the financial statements.

Contributions

The State of Illinois is primarily responsible for funding the System on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of the System to reach 90% of the total actuarial accrued liability by the end of fiscal year 2045. Employer contributions from trust, federal and other funds are provided under Section 15-155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer's normal cost for fiscal years 2024 and 2023 was 12.53% and

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12.83%, respectively, of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary except for police officers and fire fighters who contribute 9.5% of their earnings. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly. Participating employers make contributions toward separately financed specific liabilities under Section 15.139.5(e) of the Illinois Pension Code (relating to contributions payable due to the employment of affected annuitants or specific return to work annuitants) and Section 15.155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period), and Section 15-155(j-5) (relating to contributions payable due to earnings exceeding the salary set for the Governor). Contributions by the State for the years ended June 30, 2024 and 2023, were \$7,925,682 and \$8,435,319, respectively, which have been recognized as revenue and expense by the College. College contributions were \$0 for the same periods.

Net Pension Liability

At June 30, 2024 and 2023, SURS reported a net pension liability of \$29,444,538,098 and \$29,078,053,857, respectively. The 2024 net pension liability was measured as of June 30, 2023. The 2023 net pension liability was measured as of June 30, 2022.

Employer Proportionate Share of Net Pension Liability

The fiscal year 2024 and 2023 amounts of the proportionate share of the net pension liability to be recognized by the College is \$0. The fiscal year 2024 and 2023 proportionate shares of the State's net pension liability associated with the College are \$123,842,844 or 0.4206% and \$128,871,318 or 0.4432%, respectively. This amount is not recognized in the financial statements, due to the special funding situation. The net pension liabilities and total pension liabilities were measured as of June 30, 2023 and 2022, and were determined based on the June 30, 2022 and 2021 actuarial valuations rolled forward. The basis of allocations used in the proportionate share of net pension liabilities are the actual reported pensionable earnings made to SURS during fiscal years 2022 and 2021.

Pension Expense

For the years ended June 30, 2024 and 2023, SURS reported a collective net pension expense of \$1,884,388,521 and \$1,903,314,699, respectively.

Employer Proportionate Share of Pension Expense

The employer proportionate share of collective pension expense is recognized as nonoperating revenue with matching expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable earnings made to SURS during fiscal year 2021. As a result, the College recognized on-behalf revenue and pension expense of \$7,925,682 from this special funding situation for the fiscal year ended June 30, 2024, and \$8,435,319 for the fiscal year ended June 30, 2023.

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Deferred Outflows of Resources and Deferred Inflows of Resources

No deferred outflows of resources or deferred inflows of resources related to pensions have been recorded at June 30, 2024 or 2023.

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Sources

	As of June 30, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 62,591,844	\$ 12,277,871
Change in assumptions	70,957,694	420,880,693
Net difference between projected and actual earnings on pension plan investments	187,992,691	-
	<u>\$ 321,542,229</u>	<u>\$ 433,158,564</u>
	As of June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 31,973,496	\$ 28,674,599
Change in assumptions	279,362,441	982,954,268
Net difference between projected and actual earnings on pension plan investments	31,628,935	-
	<u>\$ 342,964,872</u>	<u>\$ 1,011,628,867</u>

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Expenses as of June 30, 2024

Year Ending June 30,	Amount
2025	\$ (428,264,966)
2026	(171,164,633)
2027	465,174,033
2028	22,639,231
2029	-
Thereafter	-
	<u>\$ (111,616,335)</u>

The College's Deferral of Fiscal Year 2024 Contributions

The College paid \$100,603 in contributions to SURS defined benefit pension plan during the year ended June 30, 2024. These contributions were made subsequent to the pension liability measurement date of June 30, 2023, and are recognized as deferred outflows of resources as of June 30, 2024.

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Actuarial Assumptions

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period June 30, 2017 to June 30, 2020. The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.00% to 12.75%, including inflation
Investment rate of return	6.50%

Mortality rates were based on the Pub-2010 employee and retiree distinct tables with projected generational mortality and a separate mortality assumption for disabled participants.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s). For each major asset class that is included in the pension plans target asset allocation as of June 30, 2023, these best estimates are summarized in the following table:

Asset Class	Strategic Policy Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	36.0%	8.0%
Credit Fixed Income	6.5%	4.5%
Core Real Assets	8.0%	4.7%
Private Credit	2.5%	7.4%
Private Equity	11.0%	11.3%
Non-Core Real Assets	4.0%	8.7%
U.S. TIPS	5.0%	2.1%
Core Fixed Income	10.0%	1.1%
Systematic Trend Following	10.0%	3.2%
Alternative Risk Premia	3.0%	3.3%
Long Duration	2.0%	3.0%
Long Volatility	2.0%	(1.1)%
	<u>100.0%</u>	

Discount Rate

A single discount rate of 6.37% (6.39% in the prior year) was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% (6.50% in the prior year) and a municipal bond rate of 3.86% (3.69% in the prior year) (based on the Fidelity 20-Year Municipal GO AA Index as of June 30, 2023). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under the System's funding policy. Based on these assumptions, the pension plan's

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fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2074. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2074, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of the System's Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.37% (6.39% in the prior year), as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

<u>1% Decrease 5.37%</u>	<u>Current Single Discount Rate Assumption 6.37%</u>	<u>1% Increase 7.37%</u>
\$ 35,695,434,682	\$ 29,444,538,098	\$ 24,236,489,318

Additional information regarding the SURS basic financial statements including the plan net position can be found in the SURS annual comprehensive financial report by accessing the website at www.SURS.org.

Changes of Benefit Terms

Public Act 103-0080, effective June 9, 2023, created a disability benefit for police officers injured in the line of duty on or after January 1, 2022. This benefit was first reflected in the Total Pension Liability as of June 30, 2023.

Changes of Assumptions

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members, and benefit recipients of SURS. An experience review for the years June 30, 2017 to June 30, 2020, was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021. These assumptions are listed below. Only the disability rates assumption changed for the June 30, 2023 actuarial valuation.

Salary increase. The overall assumed salary increase range from 3.00% to 12.75% based on years of service, with an underlying wage inflation rate of 2.25%.

Investment return. The investment return is assumed to be 6.50%. This reflects an assumed real rate of return of 4.25% and assumed price inflation of 2.25%.

Effective rate of interest. The long-term assumption for the effective rate of interest for crediting the money purchase accounts is 6.50%.

Normal retirement rates. Separate rates are assumed for members in academic positions and nonacademic positions to reflect that retirement rates for academic positions are lower than for nonacademic positions.

Early retirement rates. Separate rates for members in academic positions and nonacademic positions to reflect that retirement rates for academic positions are lower than for nonacademic positions.

Turnover rates. Assumed rates maintain the pattern of decreasing termination rates as years of service increase.

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Mortality rates. Use of Pub-2010 mortality tables reflects its high applicability to public pensions. The projection scale utilized is the MP-2020 scale.

Disability rates. Separate rates for members in academic positions and nonacademic positions as well as for males and females. New for the June 30, 2023, valuation, 50% of police officer disability incidence is assumed to be line-of-duty related.

Plan election. For non-academic members, assumed plan election rates are 75% for Tier 2 and 25% for Retirement Savings Plan (RSP). For academic members, assumed plan election rates are 55% for Tier 2 and 45% for Retirement Savings Plan (RSP).

Note 9. Defined Contribution Retirement Plan

Plan Description

The College contributes to the Retirement Savings Plan (RSP) administered by SURS. The RSP is a cost-sharing multiple-employer defined contribution pension plan with a special funding situation whereby the State of Illinois (State) makes substantially all required contributions on behalf of the participating employers. See Note 8 for more information regarding SURS.

Benefits Provided

A defined contribution pension plan, originally called the Self-Managed Plan, was added to SURS benefit offerings as a result of Public Act 90-0448 enacted effective January 1, 1998. The plan was renamed the RSP effective September 1, 2020, after an extensive plan redesign. New employees are allowed six months after their date of hire to make an irrevocable election whether to participate in either the traditional or portable defined benefit pension plans or the RSP. A summary of the benefit provisions as of June 30, 2023, can be found in SURS annual comprehensive financial report (ACFR) notes to the financial statements.

Contributions

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

Forfeitures

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

Defined Contribution Pension Expense

For the year ended June 30, 2023, the State's contributions to the RSP on behalf of individual employers totaled \$90,330,044. Of this amount, \$81,991,471 was funded via an appropriation from the State and \$8,338,573 was funded from previously forfeited contributions.

For the year ended June 30, 2022, the State's contributions to the RSP on behalf of individual employers totaled \$89,770,940. Of this amount, \$80,902,699 was funded via an appropriation from the State and \$8,868,241 was funded from previously forfeited contributions.

Employer Proportionate Share of Defined Contribution Pension Expense

The employer proportionate share of collective defined contribution pension expense is recognized as nonoperating revenue with matching operating expense (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective defined contribution pension expense is the actual reported pensionable contributions made to the RSP during fiscal years 2024 and 2023. The College's share of pensionable contributions was .1452% and .1679% during 2024 and 2023, respectively. As a result, the College recognized revenue and defined contribution pension expense of \$131,198 and \$150,737 from this special funding situation during the years ended June 30, 2024 and 2023, respectively, of which \$12,111 and \$14,891 constituted forfeitures.

Note 10. Other Postemployment Benefit Plan

Plan Description

The College contributes and is part of the Community College Health Insurance Security Fund (CCHISF) [also known as the College Insurance Program, "CIP"] which was established under the *State Employees Group Insurance Act of 1971*, as amended, 5 ILCS 375/6.9 (f), which became effective July 1, 1999. The purpose of the CCHISF is to receive and record all revenues from the administration of health benefit programs under Article 15 of the Illinois Pension Code.

The OPEB Plan is a cost-sharing, multiple-employer, defined benefit OPEB Plan due to the following criteria:

1. Plan assets are pooled and may be used to pay employee benefits of any employer participating in the plan.
2. OPEB is provided to the employees of more than one employer.
3. Benefits plan members will receive at or after separation from employment are defined by specific benefit terms as noted in 5 ILCS 375/6 and 5 ILCS 375/6.1.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, paragraph 18, states, "special funding situations are circumstances in which a nonemployer entity is legally responsible for providing financial support for OPEB of the employees of another entity by making contributions directly to an OPEB plan that is administered through a trust that meets the criteria," of trust fund reporting (GASB 75, paragraph 4), and either of the following criteria are met: (1) the amount of contributions or benefit payments for which the nonemployer entity legally is responsible is not dependent upon one or more events or circumstances unrelated to the OPEB or (2) the nonemployer entity is the only entity with a legal obligation to provide financial support directly to an OPEB plan that is used to provide OPEB to employees of another entity.

The CCHISF has a special funding situation as described in 40 ILCS 15/1.4. The State is required by statute to contribute a defined percentage of participant payroll directly to the OPEB plan, which is administered through a trust.

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CCHISF has no component units and is not a component unit of any other entity. However, because CCHISF is not legally separate from the State of Illinois, the financial statements of the CCHISF are included in the financial statements of the State of Illinois as a pension (and other employee benefit) trust fund. This fund is a nonappropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs.

The *State Employees Group Insurance Act of 1971* (5 ILCS 375/6.9) requires the Director of the Department to determine the rates and premiums for annuitants and dependent beneficiaries and establish the cost-sharing parameter, as well as funding. At the option of the Board of Trustees, the college districts may pay all or part of the balance of the cost of coverage for retirees from their district. Administrative costs are paid by the CCHISF.

Benefits Provided

The CCHISF provides health, prescription, vision and dental coverage to eligible retirees and their dependents. A summary of postemployment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services. A copy of the financial statements of the Department may be obtained by writing to the Department of Central Management Services, 401 South Spring Street, Springfield, Illinois, 62706-4100.

Contributions

Employers participating in a cost-sharing OPEB plan, and any nonemployer contributing entities that meet the definition of a special funding situation, are required to recognize their proportionate share of the collective OPEB amounts for OPEB benefits provided to members through the CCHISF plan.

The *State Employees Group Insurance Act of 1971* (5 ILCS 375/6.10) requires every active contributor of the State Universities Retirement System (SURS), who is a full-time employee of a community college district or an association of community college boards, to make contributions to the plan at the rate of 0.5% of salary. The same section of statute requires every community college district or association of community college boards that is an employer under the SURS, to contribute to the plan an amount equal to 0.5% of the salary paid to its full-time employees who participate in the plan. The *State Pension Funds Continuing Appropriation Act* (40 ILCS 15/1.4) requires the State to make an annual appropriation to the fund in an amount certified by the SURS Board of Trustees.

For each of the years ended June 30, 2024 and 2023, the College contributed \$81,186 and \$76,712, respectively, to CCHISF.

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June 30, 2024 and 2023

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

At June 30, 2024, the College reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the College. The amounts recognized by the College as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the College were as follows:

	<u>2024</u>	<u>2023</u>
College's proportionate share of the net OPEB liability	\$ 5,797,761	\$ 5,568,547
State proportionate share of the net OPEB liability associated with the College	<u>5,797,761</u>	<u>5,568,547</u>
Total	<u>\$ 11,595,522</u>	<u>\$ 11,137,094</u>

The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The College's proportion of the net OPEB liability was based on actual contributions made to the plan by the College compared to the total actual contributions made to the plan by all employers. At June 30, 2023, the College's proportion was 0.82%, which was an increase of 0.01% from its proportion as of June 30, 2022.

A summary net other employment benefit liabilities for the years ended June 30, 2024 and 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
June 30, 2024					
Net other postemployment benefit liabilities	<u>\$ 5,568,547</u>	<u>\$ 328,355</u>	<u>\$ 99,141</u>	<u>\$ 5,797,761</u>	<u>\$ -</u>
June 30, 2023					
Net other postemployment benefit liabilities	<u>\$ 14,933,848</u>	<u>\$ 115,193</u>	<u>\$ 9,480,494</u>	<u>\$ 5,568,547</u>	<u>\$ -</u>

For the years ended June 30, 2024 and 2023, the College recognized OPEB expense of \$1,826,975 and \$1,936,587, respectively. The College recognized on-behalf revenue for the State share amounting to \$2,078,314 in 2024 and \$2,330,242 in 2023. These amounts are included in the OPEB expense recognized by the College.

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Notes to Basic Financial Statements
June 30, 2024 and 2023

At June 30, 2024 and 2023, the College reported deferred outflows or resources and deferred inflows of resources related to OPEB from the following sources:

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 87,246	\$ 1,745,455
Changes of assumptions	-	5,667,829
Net difference between projected and actual earnings on OPEB investments	-	1,239
Changes in proportion and differences between the College's contributions and proportionate share of contributions	931,908	863,342
College contributions subsequent to the measurement date	81,186	-
	<u>\$ 1,100,340</u>	<u>\$ 8,277,865</u>
	2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 43,991	\$ 2,319,473
Changes of assumptions	-	7,506,227
Net difference between projected and actual earnings on OPEB investments	-	288
Changes in proportion and differences between the College's contributions and proportionate share of contributions	1,265,383	879,473
College contributions subsequent to the measurement date	76,712	-
	<u>\$ 1,386,086</u>	<u>\$ 10,705,461</u>

The College's contribution of \$81,186 in 2024 and \$76,712 in 2023 were made after the measurement date of the OPEB liability but before the end of the College's nonemployer contribution entity's reporting period and will be recognized as a reduction of the OPEB liability in the subsequent fiscal period rather than the current fiscal period.

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June 30, 2024 and 2023

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB at June 30, 2024, will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2025	\$ (2,103,034)
2026	(1,638,841)
2027	(1,510,000)
2028	(1,350,287)
2029	(932,235)
2030	275,686
	<u>\$ (7,258,711)</u>

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement date of June 30, 2023, unless otherwise specified:

Inflation	2.25%
Salary increases	Depends on service and ranges from 12.75% at less than 1 year of service to 3.50% at 34 or more years of service for employees under 50 and ranges from 12.00% at less than 1 year of service to 3.00% at 34 or more years of service for employees over 50. Salary increase includes a 3.00% wage inflation assumption.
Health care cost trend and rates	Trend rates for plan year 2024 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2025 and decrease gradually to an ultimate rate of 4.25% in 2040. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 6.08% in 2034, declining gradually to an ultimate rate of 4.25% in 2040.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.

Mortality rates for retirement and beneficiary annuitants were based on the Pub-2010 Healthy Retiree Mortality Table. For disabled annuitants mortality rates were based on the Pub-2010 Disabled Retiree Mortality Table. Mortality rates for pre-retirement were based on the Pub-2010 Employee Mortality Table. Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period June 30, 2017 to June 30, 2020. The actuarial valuation was based on the Entry-Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability

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June 30, 2024 and 2023

equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

OPEB Plan Investment and Returns

During plan year ended June 30, 2023, the trust earned \$168,000 in interest, and due to a significant benefit payable, the plan fiduciary net position at June 30, 2023, is negative \$107.1 million. Given the significant benefit payable, negative asset value and pay-as-you-go funding policy, the investment return assumption was set to zero.

Discount Rate

The State, community colleges and active members each contribute 0.50% of pay. Retirees contribute a percentage of the premium rate. The State also contributes an additional amount to cover plan costs in excess of contributions and investment income. Because plan benefits are financed on a pay-as-you-go basis, this single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.86% at June 30, 2023, and 3.69% at June 30, 2022 , was used to measure the total OPEB liability.

Sensitivity of the College's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Health Care Cost Trend Rates

The College's proportionate share of the net OPEB liability has been calculated using a discount rate of 3.86% (3.69% in the prior year). The following presents the College's proportionate share of the net OPEB liability calculated using a discount rate 1% higher and 1% lower than the current discount rate.

<u>1% Decrease 2.86%</u>		Current Single Discount Rate Assumption 3.86%	<u>1% Increase</u>	
\$	6,325,415	\$	5,797,761	\$ 5,343,402

The following table shows the College's share in the plan's net OPEB liability as of June 30, 2023, using current healthcare cost trend rates and what the College's share in the OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates. The key current claims trend rates are 9.14% for fiscal year end 2023 decreasing to an ultimate trend rate of 4.25% in 2039.

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June 30, 2024 and 2023

Healthcare Cost Trend Rates Assumption (a)		
1% Decrease (b)		1% Increase (c)
\$ 5,207,785	\$ 5,797,761	\$ 6,509,193

- (a) Current healthcare trend rates – Pre-Medicare per capita costs: 9.14% in 2024, 8.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 6.08% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2040.
- (b) One percentage point decrease in current healthcare trend rates – Pre-Medicare per capita costs: 8.14% in 2024, 7.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 18.42% from 2029 to 2033, 5.08% in 2034 decreasing ratably to an ultimate rate of 3.25% in 2040.
- (b) One percentage point increase in current healthcare trend rates – Pre-Medicare per capita costs: 10.14% in 2024, 9.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 20.42% from 2029 to 2033, 7.08% in 2034 decreasing ratably to an ultimate rate of 5.25% in 2040.

Payable to the OPEB Plan

At June 30, 2024 and 2023, the College has no outstanding contributions payable the OPEB Plan.

Note 11. Risk Management

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The College participates in the Illinois Public Risk Fund for workers’ compensation insurance and with the Illinois Counties Risk Management Trust (ICRMT) for liability insurance. The Illinois Public Risk Fund is Illinois’ largest self-insured risk pool for workers’ compensation coverage. It serves countless governmental entities and public agencies throughout Illinois. The Illinois Counties Risk Management Trust has been a leading provider of insurance and risk management services tailored to Illinois public entities. For over 35 years, ICRMT has grown from 4 to over 400 public entities and has maintained an annual member retention rate of at least 95% since inception.

As of June 30, 2024 and 2023, the loss limits were \$1 million for property, \$1 million for liability and \$3 million for workers’ compensation for each occurrence. Excess insurance of \$20 million on the property and \$20 million on liability.

Note 12. Commitments and Contingencies

General Liability

The College is subject to claims and lawsuits that arose primarily in the ordinary course of its activities. It is of the opinion of management the disposition or ultimate resolution of such claims and lawsuits will not have a material

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adverse effect on the financial position, change in net assets and cash flows of the College. Events could occur that would change this estimate materially in the near term.

Other Commitments

The College had capital project commitments as of June 30, 2024, totaling approximately \$640,000 of projects that are in progress.

Management is not aware of any claims or lawsuits against the College that are not covered by insurance or whose settlement would materially affect the financial statements at June 30, 2024.

Note 13. Revision

Certain immaterial revisions have been made to the 2023 financial statements to reflect proper reporting of operating expenses by function. These revisions did not have a significant impact on the financial statement line items impacted. The following summarizes the revision and its impact on certain operating expenses presented on the statement of revenue, expenses and changes in net position for the year ended June 30, 2023. These revisions had no impact to the change in net position or ending net position.

	<u>As Revised</u>	<u>As Previously Reported</u>	<u>Effect of Revision</u>
Statement of Revenue, Expenses, and Changes in Net Position			
Operating Expenses			
Instruction	\$ 15,792,733	\$ 13,162,559	\$ 2,630,174
Academic support	2,459,372	2,504,914	(45,542)
Student services	5,522,531	5,564,677	(42,146)
Auxiliary enterprises	1,997,813	2,125,079	(127,266)
Operations and maintenance of plant	3,199,860	3,452,336	(252,476)
Institutional support	9,791,588	11,954,332	(2,162,744)

Note 14. Subscription Assets

Subscription asset activity for the year ended June 30, 2024 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments</u>	<u>Ending Balance</u>
Subscription Assets - Software	\$ -	\$ 2,335,566	\$ -	\$ 2,335,566
Less amortization	-	173,014	-	173,014
	<u>\$ -</u>	<u>\$ 2,162,552</u>	<u>\$ -</u>	<u>\$ 2,162,552</u>

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June 30, 2024 and 2023

Note 15. Subscription Liabilities

The College has subscription-based information technology arrangements (SBITA), the terms of which expire during various years through the year ending June 30, 2029.

Subscription liability activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Payments	Ending Balance	Due Within One Year
Subscription payable	\$ -	\$ 2,335,566	\$ 641,421	\$ 1,694,145	\$ 396,536

The following is a schedule by year of payments under the SBITAs as of June 30, 2024:

Fiscal Year	Principal	Interest	Total
2025	\$ 396,536	\$ 76,350	\$ 472,886
2026	409,124	58,959	468,083
2027	451,286	40,344	491,630
2028	437,199	19,812	457,011
Total minimum payments	\$ 1,694,145	\$ 195,465	\$ 1,889,610

Note 16. Pronouncements to be Implemented in the Future

GASB Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences under a unified model. It defines compensated absences and requires that liabilities be recognized in financial statements prepared using the economic resources measurement focus for leave that has not been used and leave that has been used but not yet paid or settled. A liability for compensated absences should be accounted for and reported on a basis consistent with governmental fund accounting principles for financial statements prepared using the current financial resources measurement focus. GASB 101 also amends the disclosure requirements related to compensated absences. The standard is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter, with early application encouraged.

GASB Statement No. 102, *Certain Risk Disclosures*, provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

The College will begin assessing the potential impact on the financial statements of these standards, and begin the process of communicating the impact with those charged with governance and other stakeholders, where appropriate.

Required Supplementary Information

Morton College, Community College District No. 527
Required Supplementary Information
Pension
June 30, 2024 and 2023

Components of Net Pension Liability and Related Ratios

Schedule of the College's Proportionate Share of the Net Pension Liability

	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
(a) Proportion percentage of the collective net pension liability	0%	0%	0%	0%	0%	0%	0%	0%	0%
(b) Proportion of amount of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c) Portion of nonemployer contributing entities' total proportion of collective net pension liability associated with employer	123,842,844	128,871,318	122,883,562	131,890,759	124,070,707	113,717,486	104,396,091	104,137,848	93,240,864
Total (b) + (c)	<u>\$ 123,842,844</u>	<u>\$ 128,871,318</u>	<u>\$ 122,883,562</u>	<u>\$ 131,890,759</u>	<u>\$ 124,070,707</u>	<u>\$ 113,717,486</u>	<u>\$ 104,396,091</u>	<u>\$ 104,137,848</u>	<u>\$ 93,240,864</u>
Covered payroll	\$ 17,103,901	\$ 16,027,510	\$ 16,489,566	\$ 15,965,798	\$ 15,572,814	\$ 14,739,149	\$ 14,419,344	\$ 14,439,567	\$ 14,278,533
Portion of collective net pension liability associated with employer as a percentage of covered payroll	724.06%	804.06%	745.22%	826.08%	796.71%	771.53%	724.00%	721.20%	653.01%
SURS plan net position as a percentage of the total pension liability	44.06%	43.65%	45.45%	39.05%	40.71%	41.27%	42.04%	39.57%	42.37%

Schedule of the College Contributions

	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Federal, trust, grant and other contribution	\$ 100,603	\$ 126,006	\$ 77,040	\$ 41,411	\$ -	\$ -	\$ -	\$ -	\$ -
Contribution in relation to required contribution	100,603	126,006	77,040	41,411	-	-	-	-	-
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
Covered payroll	17,104,491	17,110,785	16,043,377	16,438,493	16,230,875	16,030,474	14,795,075	14,530,503	14,439,567
Contribution as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: The Illinois State University Retirement System implemented GASB 68 in fiscal year 2015. The information above is presented for as many years as available. The Schedule is intended to show information for 10 years. The Net Pension Liability as a Percentage of Covered Employee Payroll Schedule comprised of both SURS and the District's information while the Federal, Trust, Grant and Other Contribution Schedule is only comprised of the District's information.

Covered Employee Payroll

The payroll of employees that are provided with pensions through the pension plan.

Changes of Benefit Terms

Public Act 103-0080, effective June 9, 2023, created a disability benefit for police officers injured in the line of duty on or after January 1, 2022. This benefit was first reflected in the Total Pension Liability as of June 30, 2023.

Changes of Assumptions

In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2017 to June 30, 2020, was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021. These assumptions are listed below. Only the disability rates assumption changed for the June 30, 2023 actuarial valuation.

Salary increase. The overall assumed salary increase range from 3.00% to 12.75% based on years of service, with an underlying wage inflation rate of 2.25%.

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Required Supplementary Information
Pension
June 30, 2024 and 2023

Investment return. The investment return is assumed to be 6.50%. This reflects an assumed real rate of return of 4.25% and assumed price inflation of 2.25%.

Effective rate of interest. The long-term assumption for the effective rate of interest for crediting the money purchase accounts is 6.50%.

Normal retirement rates. Separate rates are assumed for members in academic positions and nonacademic positions to reflect that retirement rates for academic positions are lower than for nonacademic positions.

Early retirement rates. Separate rates for members in academic positions and nonacademic positions to reflect that retirement rates for academic positions are lower than for nonacademic positions.

Turnover rates. Assumed rates maintain the pattern of decreasing termination rates as years of service increase.

Mortality rates. Use of Pub-2010 mortality tables reflects its high applicability to public pensions. The projection scale utilized is the MP-2020 scale.

Disability rates. Separate rates for members in academic positions and nonacademic positions as well as for males and females. New for the June 30, 2023, valuation, 50% of police officer disability incidence is assumed to be line-of-duty related.

Plan election. For non-academic members, assumed plan election rates are 75% for Tier 2 and 25% for Retirement Savings Plan (RSP). For academic members, assumed plan election rates are 55% for Tier 2 and 45% for Retirement Savings Plan (RSP).

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Required Supplementary Information
Other Postemployment Benefit Obligations
June 30, 2024 and 2023

Schedule of the College's Proportionate Share of the Net OPEB Liability

	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2019</u>
College's proportion of the net OPEB liability	0.8208%	0.8134%	0.8605%	0.8071%	0.7841%	0.7491%
College's proportion of the net OPEB liability	\$ 5,797,761	\$ 5,568,547	\$ 14,933,848	\$ 14,710,639	\$ 14,808,702	\$ 14,121,970
State's proportionate share of the net OPEB liability associated with the College	5,797,761	5,568,547	14,933,848	14,710,581	14,808,702	14,121,970
Total	<u>\$ 11,595,522</u>	<u>\$ 11,137,094</u>	<u>\$ 29,867,696</u>	<u>\$ 29,421,220</u>	<u>\$ 29,617,404</u>	<u>\$ 28,243,940</u>
College's covered payroll	\$ 17,110,785	\$ 16,043,377	\$ 16,438,493	\$ 16,230,875	\$ 16,030,474	\$ 14,795,075
College's proportionate share of the net OPEB liability as a percentage of covered payroll	67.77%	69.42%	181.69%	181.27%	184.76%	190.90%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: The State of Illinois through the Department of Central Management Services (CMS) implemented GASB 75 in fiscal year 2018. The information above is presented for as many years as available. The Schedule is intended to show information for 10 years. The OPEB Liability as a Percentage of Covered Employee Payroll Schedule comprised of both CMS and the District's information.

Schedule of College Contributions

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Statutorily required contribution	\$ 81,186	\$ 76,712	\$ 80,006	\$ 74,222	\$ 70,388	\$ 65,415
Contributions in relation to the actuarially determined contribution	81,186	76,712	80,006	74,222	70,388	65,415
Contribution deficiency (excess)	-	-	-	-	-	-
Covered payroll	17,104,491	17,110,785	16,043,377	16,438,493	16,230,875	16,030,474
Contributions as a percentage of covered payroll	0.47%	0.45%	0.50%	0.45%	0.43%	0.41%

The information above is presented for as many years as available. The Schedule is intended to show information for 10 years. Contributions are defined by State statute and Actuarially Determined Contributions are not developed. Benefits are financed on a pay-as-you go basis, based on contribution rates defined by statute. For fiscal year end June 30, 2024, contribution rates are 0.50% of pay for active members, 0.50% of pay for community colleges, and 0.50% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.

Morton College, Community College District No. 527
Required Supplementary Information
Other Postemployment Benefit Obligations
June 30, 2024 and 2023

Notes to Schedule

Actuarial valuation date June 30, 2022

Methods and assumptions used to determine contribution rates

Actuarial cost method Entry-age normal

Asset valuation method Market value

Inflation 2.25%

Health care cost trend rates Trend rates for plan year 2024 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2025 and decrease gradually to an ultimate rate of 4.25% in 2040. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 6.08% in 2034, declining gradually to an ultimate rate of 4.25% in 2040.

Salary increases Depends on service and ranges from 12.75% at less than one year of service to 3.50% at 34 or more years of service for employees under 50 and ranges from 12.00% at less than one year of service to 3.00% at 34 or more years of service for employees over 50. Salary increase includes a 3.00% wage inflation assumption.

Investment rate of return 0%, net of OPEB Plan investment expenses, including inflation, for all plan years.

Retirement age Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2021 actuarial valuation of SURS.

Mortality Retirement and beneficiary annuitants: Pub-2010 White Collar Retiree Mortality Table and PubT-2010 Health Retiree Mortality Table. Disabled annuitants: Pub-2010 Disabled Retiree Mortality Table. Pre-retirement: Pub-2010 Employee Mortality Table and PubT-2010 Employee Mortality Table. Tables are adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2020.

Aging factors Based on the 2013 SOA Study, "Health Care Costs - From Birth to Death."

Other information Health administrative expenses are included in the development of the per capita claim costs. Operating expenses are included as a component of the annual OPEB expense.

STATISTICAL SECTION



ANNUAL COMPREHENSIVE FINANCIAL REPORT

MORTON  COLLEGE

Fiscal Years Ended
June 30, 2024-2023

Statistical Section

Morton College, Community College District No. 527
Statistical Section
Contents
June 30, 2024

The statistical section of the College’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the College’s overall financial health.

Financial Trends 45

These schedules contain trend information to help the reader understand how the College’s financial performance and well-being have changed over time.

Revenue Capacity..... 51

These schedules contain information to help the reader assess the College’s most significant local revenue source, the property tax.

Debt Capacity..... 60

These schedules contain information about College’s ability to meet its current levels of outstanding debt, and, the College’s ability to issue additional debt in the future.

Demographic and Economic Information 66

These schedules offer demographic and economic indicators to help the reader understand the environment within which the College’s financial activities take place.

Operating Information..... 68

These schedules contain service and infrastructure data to help the reader understand how the information in the College’s financial report relates to the services the College provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Morton College, Community College District No. 527
Financial Trends (Unaudited)
Net Position by Component
Last Ten Fiscal Years

Fiscal Year	2024	2023	2022	2021
Net Investment in Capital Assets	\$ 24,581,627	\$ 25,030,772	\$ 22,499,151	\$ 21,086,465
Restricted				
Capital projects	7,455,418	7,366,250	6,178,396	4,445,810
Working cash	-	-	-	-
Debt service	112,831	55,741	100,144	129,090
Specific purposes	165,701	155,982	157,476	314,086
Unrestricted *	<u>7,725,968</u>	<u>4,156,510</u>	<u>1,518,666</u>	<u>2,592,563</u>
Total Net Position	<u><u>\$ 40,041,545</u></u>	<u><u>\$ 36,765,255</u></u>	<u><u>\$ 30,453,833</u></u>	<u><u>\$ 28,568,014</u></u>

Data Source

College records

2020	2019	2018	2017	2016	2015
\$ 21,602,244	\$ 22,674,183	\$ 20,501,284	\$ 21,847,098	\$ 22,796,061	\$ 19,481,082
5,658,557	1,559,071	734,920	549,584	483,236	1,128,601
-	9,442,448	9,442,448	9,442,448	9,392,979	9,384,486
77,289	1,447,845	938,618	966,420	1,011,459	1,154,821
1,701,251	1,618,288	1,542,806	1,469,734	-	-
<u>(3,009,117)</u>	<u>(9,837,151)</u>	<u>(5,759,931)</u>	<u>5,684,050</u>	<u>5,251,744</u>	<u>9,416,289</u>
<u>\$ 26,030,224</u>	<u>\$ 26,904,684</u>	<u>\$ 27,400,145</u>	<u>\$ 39,959,334</u>	<u>\$ 38,935,479</u>	<u>\$ 40,565,279</u>

Morton College, Community College District No. 527
Financial Trends (Unaudited)
Changes in Net Position
Last Ten Fiscal Years

Fiscal Year	2024	2023*	2022*	2021
Operating Revenue				
Student tuition and fees, net	\$ 6,952,653	\$ 6,038,770	\$ 5,770,183	\$ 6,692,938
Other	81,520	60,794	56,402	112,287
Total Operating Revenue	7,034,173	6,099,564	5,826,585	6,805,225
Operating Expenses				
Instruction	17,140,278	15,792,733	18,274,990	19,921,704
Academic support	2,661,081	2,459,372	2,324,469	3,101,980
Student services	5,150,054	5,522,531	4,736,560	4,823,607
Public service	960,865	794,382	936,001	1,068,325
Institutional administration	6,083,532	9,791,588	9,217,916	9,344,100
Operations and maintenance of plant	4,268,855	3,199,860	4,138,286	5,331,449
Depreciation	2,790,773	2,637,448	2,787,618	2,368,358
Scholarship expense	5,528,357	5,501,365	8,273,607	6,159,499
Auxiliary expense	1,571,571	1,997,813	1,802,611	1,573,353
Total Operating Expenses	46,155,366	47,697,092	52,492,058	53,692,375
Operating Loss	(39,121,193)	(41,597,528)	(46,665,473)	(46,887,150)
Nonoperating Revenue (Expenses)				
Local property taxes	11,655,144	10,266,956	10,123,128	10,493,834
State appropriations	20,004,842	22,036,171	23,291,847	25,567,161
Federal grants and contracts	9,516,885	15,006,502	15,455,055	13,672,200
Local grants and contracts	7,995	14,695	2,010	957
Investment income	1,495,503	884,989	(3,623)	23,965
Interest expense on bonds	(282,886)	(300,363)	(317,125)	(333,177)
Net Nonoperating Revenue	42,397,483	47,908,950	48,551,292	49,424,940
Increase (Decrease) in Net Position	\$ 3,276,290	\$ 6,311,422	\$ 1,885,819	\$ 2,537,790

* Fiscal year 2023 and 2022 expenses by function have been revised for a previous error.
No changes to expenses in total.

Data Source

Morton College Annual Comprehensive Financial Reports and general ledger reports

2020	2019	2018	2017	2016	2015
\$ 6,544,419	\$ 6,133,413	\$ 4,982,373	\$ 4,684,983	\$ 4,596,204	\$ 4,040,567
53,378	119,321	1,211,196	1,696,682	1,720,315	1,850,764
6,597,797	6,252,734	6,193,569	6,381,665	6,316,519	5,891,331
16,652,880	18,077,524	17,995,297	15,728,370	10,517,895	12,568,259
3,359,257	2,940,227	2,563,405	2,585,214	2,766,990	2,364,630
4,464,665	3,919,084	3,668,700	3,072,864	2,552,963	2,552,583
1,272,212	1,185,466	1,436,109	1,134,636	558,055	528,553
7,976,278	6,773,878	6,951,773	7,036,574	6,589,007	7,022,773
8,676,087	5,808,513	5,062,853	4,607,377	7,959,932	4,787,610
2,695,030	2,094,445	2,076,399	1,870,339	2,068,042	1,797,419
5,018,587	4,347,856	3,624,113	3,684,305	4,095,799	4,391,965
810,214	1,071,095	2,121,933	2,463,156	2,482,407	2,440,249
50,925,210	46,218,088	45,500,582	42,182,835	39,591,090	38,454,041
(44,327,413)	(39,965,354)	(39,307,013)	(35,801,170)	(33,274,571)	(32,562,710)
9,844,059	9,861,485	9,982,119	9,763,900	9,128,821	9,310,381
23,570,198	20,952,783	19,957,533	18,480,322	15,145,280	14,449,848
9,621,196	8,568,350	9,353,438	8,651,665	8,852,948	9,458,611
-	3,783	1,848	11,625	3,300	20,710
327,794	522,777	264,202	(177,874)	27,677	3,687
(351,096)	(439,285)	(162,642)	95,387	(204,466)	(243,648)
43,012,151	39,469,893	39,396,498	36,825,025	32,953,560	32,999,589
\$ (1,315,262)	\$ (495,461)	\$ 89,485	\$ 1,023,855	\$ (321,011)	\$ 436,879

Morton College, Community College District No. 527
Financial Trends (Unaudited)
Operating Expenses by Function
(Dollars in Thousands)
Last Ten Fiscal Years

Fiscal Year	Total	Instruction	Academic Support	Student Services	Institutional Support
2024	\$ 43,365	\$ 17,140	\$ 2,661	\$ 5,150	\$ 6,084
2023*	45,060	15,793	2,460	5,522	9,792
2022*	49,704	18,275	2,324	4,737	9,218
2021	51,324	19,922	3,102	4,824	9,344
2020	48,230	16,653	3,359	4,465	7,976
2019	44,124	18,078	2,940	3,919	6,774
2018	43,424	17,995	2,563	3,669	6,952
2017	40,312	15,728	2,585	3,073	7,037
2016	37,523	10,518	2,767	2,553	6,589
2015	36,658	12,568	2,365	2,553	7,023

Note:

Does not include unallocated depreciation amounts.

* Fiscal year 2023 and 2022 expenses by function have been revised for a previous error.

Data Source

College records

Operation and Maintenance of Plant		Scholarships and Fellowships		Public Service		Auxiliary Service	
\$	4,269	\$	5,528	\$	961	\$	1,572
	3,200		5,501		794		1,998
	4,138		8,273		936		1,803
	5,332		6,159		1,068		1,573
	8,676		5,019		1,272		810
	5,809		4,348		1,185		1,071
	5,063		3,624		1,436		2,122
	4,607		3,684		1,135		2,463
	7,960		4,096		558		2,482
	4,788		4,392		529		2,440

Morton College, Community College District No. 527
Revenue Capacity (Unaudited)
Assessed Value and Actual Value of Taxable Property
Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Property	Railroad Property
2023	\$ 2,007,808,693	\$ 357,825,707	\$ 206,087,066	\$ -	\$ 41,155,151
2022	1,394,941,127	320,080,503	165,364,747	-	39,940,705
2021	1,419,920,437	327,197,477	171,058,005	-	32,942,517
2020	1,565,323,626	341,791,360	192,289,009	-	33,302,712
2019	1,149,645,557	307,851,289	152,033,853	-	31,017,224
2018	1,171,731,640	309,100,358	151,394,813	-	28,320,242
2017	1,225,521,099	308,743,701	160,163,978	-	27,394,270
2016	1,001,392,862	277,468,730	136,440,304	-	26,971,080
2015	962,020,600	270,979,264	135,101,934	-	25,750,151
2014	992,167,998	276,656,708	140,550,826	-	25,475,596

Notes

Property in the College's district is reassessed every three years.

Cook County is on a triennial reassessment cycle.

Property estimated assessed value is at 33% of actual value.

Data Source

Offices of the County Clerk of Cook County

Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
\$ 2,612,876,617	46.70%	\$ 7,838,629,851	33.33%
1,920,327,082	61.40%	5,760,981,246	33.33%
1,951,118,436	57.20%	5,853,355,308	33.33%
2,132,706,707	50.90%	6,398,120,121	33.33%
1,640,547,923	64.50%	4,921,643,769	33.33%
1,660,547,053	61.90%	4,981,641,159	33.33%
1,721,823,048	58.30%	5,165,469,144	33.33%
1,442,272,976	68.00%	4,326,818,928	33.33%
1,393,851,949	69.80%	4,181,555,847	33.33%
1,434,851,128	67.00%	4,304,553,384	33.33%

Morton College, Community College District No. 527
Revenue Capacity (Unaudited)
Property Tax Rates – Direct and Overlapping Governments
Last Ten Levy Years

Taxing Body	2023	2022	2021	2020
Cook County	0.386	0.431	0.446	0.453
Cook County Forest Preserve	0.075	0.081	0.058	0.458
Metropolitan Water Reclamation	0.345	0.374	0.382	0.378
Consolidated Elections	0.032	-	0.019	-
Town of Cicero	4.085	5.699	5.651	5.070
Town of Cicero Library Fund	0.182	0.254	0.252	0.225
General Assistance	0.014	0.019	0.019	0.017
Clyde Park District	0.359	0.479	0.448	0.396
Elementary School District #99	2.987	3.975	3.715	3.376
High School District #201	2.222	2.925	2.728	2.461
Cicero Community Mental Health	0.062	0.087	0.086	0.077
Total overlapping rate	10.749	14.324	13.804	12.911
Morton Community College No. 527	0.467	0.614	0.572	0.509
Total rate	11.216	14.938	14.376	13.420

Year is year of extension.

Data Source

Cook County Clerk's Office

2019	2018	2017	2016	2015	2014
0.454	0.489	0.496	0.533	0.552	0.568
0.059	0.060	0.062	0.063	0.069	0.069
0.389	0.396	0.402	0.406	0.426	0.430
0.030	-	0.031	-	0.034	-
6.633	6.504	6.029	6.382	6.315	5.760
0.296	0.287	0.279	0.394	0.388	0.351
0.023	0.023	0.024	0.041	0.049	0.047
0.517	0.507	0.460	0.530	0.542	0.556
4.453	4.306	4.111	4.717	5.238	4.998
3.128	3.036	2.875	3.251	3.339	3.216
0.104	0.104	0.093	0.122	0.120	0.104
16.086	15.712	14.862	16.439	17.072	16.099
0.645	0.619	0.583	0.680	0.698	0.670
16.731	16.331	15.445	17.119	17.770	16.769

Morton College, Community College District No. 527
Revenue Capacity (Unaudited)
Principal Property Taxpayers
2023 Levy Year and Nine Years Ago

<u>Name</u>	<u>Type of Business or Property</u>	<u>2023 Equalized Assessed Valuation*</u>	<u>Rank</u>
Hawthorne Works Ste 316	Shopping center	\$ 22,071,224	1
Wirtz Beverage Illinois	Shopping center	20,045,108	2
Cermak Plaza Associate	Shopping center	19,787,459	3
Liberty Waste McCook	Industrial Services	17,264,080	4
Citgo Petroleum Corp	Industrial Services	16,858,987	5
Maribel Salinas	Estate	16,032,446	6
Extra Space Storage	Industrial Services	15,317,787	7
P7 DP McCook LLC	Commercial property	14,358,417	8
Dimucci Companies	Shopping center, supermarket	14,130,186	9
Liberty Property Trust	Commercial property	13,575,118	10
MacNeal Hospital Finance	General hospital and commercial properties		
Wal-Mart Real Estate	Commercial property		
ONC Cicero LLC	Industrial property		
Thomas Carey Heirs	Estate		
Concordia Realty Management	Commercial property		
SVF W 47th McCook LLC	Industrial property		
HB Lyons Cold Storage	Commercial property		
Heartland Bank	Financial Services		
Cicero Market Place	Shopping center		
		<u>\$169,440,812</u>	

(1) 2023 total equalized asset valuation: \$2,612,876,617.
(2) 2014 total equalized asset valuation: \$1,434,851,128.
Includes only those parcels with 2023 EAVs over \$100,000.

Note:
The information above is the most recent information available

Data Source

Cook County Clerk's and Assessor's Offices

Percent of District's Total EAV	2014 Equalized Assessed Valuation*	Rank	Percent of District's Total EAV
0.84%	\$ 12,100,311	2	0.84%
0.77%			
0.76%			
0.66%			
0.65%			
0.61%			
0.59%			
0.55%			
0.54%			
0.52%			
	17,440,485	1	1.22%
	11,221,412	3	0.78%
	8,952,829	4	0.62%
	8,403,342	5	0.59%
	8,107,762	6	0.57%
	7,061,217	7	0.49%
	7,001,416	8	0.49%
	6,896,284	9	0.48%
	<u>6,600,099</u>	10	0.46%
	<u><u>\$ 93,785,157</u></u>		

Morton College, Community College District No. 527
Revenue Capacity (Unaudited)
Property Tax Levies and Collections
Last Ten Levy Years

<u>Year of Levy</u>	<u>Total Extended Tax Levy</u>	<u>Collections</u>	<u>Percent of Levy</u>	<u>Delinquent Taxes Collected (Refunded)</u>	<u>Total Taxes Collected</u>	<u>Percent of Levy EAV</u>
2023	\$ 12,200,261	\$ 5,778,729	47.37%	-	\$ 5,778,729	47.37%
2022	11,787,664	10,826,624	91.85%	-	10,826,624	91.85%
2021	11,154,926	11,225,415	100.63%	-	11,225,415	100.63%
2020	10,836,748	10,568,562	97.53%	-	10,568,562	97.53%
2019	10,570,508	10,484,856	99.19%	-	10,484,856	99.19%
2018	10,278,763	10,139,003	98.64%	-	10,139,003	98.64%
2017	10,038,214	9,886,521	98.49%	(217,433)	9,669,088	96.32%
2016	9,807,456	9,674,736	98.65%	(248,141)	9,426,595	96.12%
2015	9,729,038	9,888,151	101.64%	(579,296)	9,308,855	95.68%
2014	9,613,393	9,535,983	99.19%	(364,673)	9,171,310	95.40%

Data Source

County tax records

Morton College, Community College District No. 527
Revenue Capacity (Unaudited)
Assessed Valuations and Taxes Extended
Governmental Fund Types
Last Ten Levy Years

	2023 Levy	2022 Levy	2021 Levy	2020 Levy
Assessed valuation	<u>\$ 2,612,876,617</u>	<u>\$ 1,920,327,082</u>	<u>\$ 1,951,118,436</u>	<u>\$ 2,132,706,707</u>
Tax rates (per \$100 of assessed valuation)				
Education Fund	0.3354	0.4454	0.4122	0.3633
Operations and Maintenance Fund	0.0653	0.0834	0.0781	0.0712
Bond and Interest Fund	0.0260	0.0351	0.0346	0.0319
Liability, Protection and Settlement Fund	0.0263	0.0324	0.0304	0.0271
Social Security Fund	0.0107	0.0133	0.0125	0.0112
Audit Fund	<u>0.0033</u>	<u>0.0042</u>	<u>0.0039</u>	<u>0.0035</u>
Total tax rates	<u>0.4670</u>	<u>0.6138</u>	<u>0.5717</u>	<u>0.5082</u>
Taxes extended				
Education Fund	\$ 8,763,113	\$ 8,552,990	\$ 8,042,813	\$ 7,748,000
Operations and Maintenance Fund	1,705,600	1,600,623	1,523,823	1,518,400
Bond and Interest Fund	679,068	674,908	675,168	680,108
Audit Fund	686,400	623,034	76,093	73,840
Social Security Fund	280,800	256,181	243,889	238,160
Liability, Protection and Settlement Fund	<u>85,280</u>	<u>79,928</u>	<u>593,140</u>	<u>578,240</u>
Total taxes extended	<u>\$ 12,200,261</u>	<u>\$ 11,787,664</u>	<u>\$ 11,154,926</u>	<u>\$ 10,836,748</u>

Data Source

County tax records

2019 Levy	2018 Levy	2017 Levy	2016 Levy	2015 Levy	2014 Levy
<u>\$ 1,640,547,923</u>	<u>\$ 1,660,547,053</u>	<u>\$ 1,721,823,048</u>	<u>\$ 1,442,272,976</u>	<u>\$ 1,393,851,949</u>	<u>\$ 1,434,851,128</u>
0.4596	0.4426	0.4168	0.4860	0.4999	0.4711
0.0900	0.0875	0.0815	0.0926	0.1000	0.1000
0.0414	0.0368	0.0354	0.0448	0.0463	0.0134
0.0347	0.0337	0.0317	0.0370	0.0373	0.0713
0.0143	0.0138	0.0130	0.0150	0.0149	0.0145
0.0044	0.0042	0.0039	0.0046	0.0048	0.0050
<u>0.6444</u>	<u>0.6186</u>	<u>0.5823</u>	<u>0.6800</u>	<u>0.7032</u>	<u>0.6753</u>
\$ 7,540,000	\$ 7,363,200	\$ 7,187,938	\$ 7,010,249	\$ 6,914,220	\$ 6,683,975
1,476,800	1,456,000	1,404,000	1,335,186	1,381,307	1,434,851
679,068	611,364	609,076	645,502	644,592	642,824
71,760	69,680	67,600	66,760	66,904	71,743
234,000	216,919	223,600	215,684	206,290	198,356
568,880	561,600	546,000	534,075	515,725	581,644
<u>\$ 10,570,508</u>	<u>\$ 10,278,763</u>	<u>\$ 10,038,214</u>	<u>\$ 9,807,456</u>	<u>\$ 9,729,038</u>	<u>\$ 9,613,393</u>

Morton College, Community College District No. 527
Debt Capacity (Unaudited)
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Unamortized Bond Premium	Leases Liability	Subscription Liability	Total Outstanding Debt
2024	\$ 7,135,000	\$ 863,764	\$ 169,965	\$ 1,694,145	\$ 9,862,874
2023	7,455,000	901,829	111,150	-	8,467,979
2022	7,760,000	938,040	132,710	-	8,830,750
2021	8,055,000	972,489	176,510	-	9,203,999
2020	8,335,000	1,005,262	208,238	-	9,548,500
2019	8,335,000	1,036,438	217,738	-	9,589,176
2018	2,995,000	267,578	37,438	-	3,300,016
2017	3,455,000	314,910	93,475	-	3,863,385
2016	3,895,000	364,264	131,463	-	4,390,727
2015	4,315,000	411,669	172,376	-	4,899,045

*Estimated figures used for 2014 through 2024.

N/A - Personal income not available for 2014 through 2024.

Data Source

College records and Bureau of Economic Analysis

District 527 Assessed Taxable Property Value	Percentage of Total Debt to Actual Taxable Property Value	Population*	Total Debt Per Capita	Percentage of Personal Income
\$ 2,612,876,617	0.38%	157,067	62.79	N/A
1,920,327,082	0.44%	157,067	53.91	N/A
1,951,118,436	0.45%	157,067	56.22	N/A
2,132,706,707	0.43%	157,067	58.60	N/A
1,640,547,923	0.58%	157,067	60.79	N/A
1,660,547,053	0.58%	157,067	61.05	N/A
1,721,823,048	0.19%	157,067	21.01	N/A
1,442,272,976	0.27%	157,067	24.60	N/A
1,393,851,949	0.32%	157,067	27.95	N/A
1,434,851,128	0.34%	157,067	31.19	N/A

Morton College, Community College District No. 527
Debt Capacity (Unaudited)
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Unamortized Bond Premium	Total Outstanding Bonded Debt	Amounts Available In Debt Service Fund	Total Net Outstanding Bond Debt
2024	\$ 7,135,000	\$ 863,764	\$ 7,998,764	\$ 112,831	\$ 7,885,933
2023	7,455,000	901,829	8,356,829	55,741	8,301,088
2022	7,760,000	938,040	8,698,040	100,144	8,597,896
2021	8,055,000	972,489	9,027,489	409,090	8,618,399
2020	8,335,000	1,005,262	9,340,262	1,477,289	7,862,973
2019	8,335,000	1,036,438	9,371,438	2,016,134	7,355,304
2018	2,995,000	267,578	3,262,578	938,618	2,323,960
2017	3,455,000	314,910	3,769,910	966,420	2,803,490
2016	3,895,000	364,264	4,259,264	1,011,459	3,247,805
2015	4,315,000	411,669	4,726,669	1,154,821	3,571,848

*Estimated figures used for 2015 through 2024.

Data Source

College records and Bureau of Economic Analysis

District 527 Assessed Taxable Property Value	Percentage of Net Outstanding Bonded Debt to Actual Taxable Property Value	Population*	Total Net Outstanding Bonded Debt Per Capita
\$ 2,612,876,617	0.30%	157,067	50.2
1,920,327,082	0.43%	157,067	52.9
1,951,118,436	0.44%	157,067	54.7
2,132,706,707	0.40%	157,067	54.9
1,640,547,923	0.48%	157,067	50.1
1,660,547,053	0.44%	157,067	46.8
1,721,823,048	0.13%	157,067	14.8
1,442,272,976	0.19%	157,067	17.8
1,393,851,949	0.23%	157,067	20.7
1,434,851,128	0.25%	157,067	22.7

Morton College, Community College District No. 527
Debt Capacity (Unaudited)
Direct and Overlapping General Obligation Bonded Debt*
June 30, 2024

Name	Outstanding Bonds	Applicable to District	
		Percentage	Amount
Morton Community College District No. 527	\$ 7,135,000	100.00%	\$ 7,135,000
Cook County	2,093,131,750	1.31%	27,461,889
Cook County Forest Preserve	87,340,000	1.31%	1,145,901
Metropolitan Water Reclamation District	2,548,156,218 (1)	1.34%	34,017,886
Municipalities			
City of Berwyn	174,130,000	100.00%	174,130,000
Town of Cicero	28,830,000	100.00%	28,830,000
Village of Forest View	12,135,000	38.94%	4,724,884
Village of Lyons	1,775,000 (3)(5)	95.14%	1,688,700
Village of McCook	22,635,000 (4)	26.32%	5,956,853
Village of Stickney	3,600,000	100.00%	3,600,000
Park Districts			
Berwyn Park District	1,630,000	100.00%	1,630,000
Central Stickney Park District	450,000	1.65%	7,407
Clyde Park District	1,080,000 (3)	100.00%	1,080,000
McCook Park District	553,000	26.58%	146,965
North Berwyn Park District	5,104,375 (3)	100.00%	5,104,375
Library District			
Stickney Forest View Public Library District	405,000	50.19%	203,265
School Districts			
School District #99	44,280,000 (3)	100.00%	44,280,000
School District #100	16,760,000	100.00%	16,760,000
School District #103	4,366,165 (2)	70.87%	3,094,257
School District #104	15,495,000	4.08%	631,886
High School District #201	48,266,263 (2)	100.00%	48,266,263
Total Direct and Overlapping General Obligation Bonded Debt			<u><u>\$ 409,895,530</u></u>

*2023 Equalized Assessed Values were used for this statement.
Outstanding bonds are as of June 30, 2024.

- (1) Includes IEPA Revolving Loan Fund Bonds
- (2) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.
- (3) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation. Excludes self-supporting bonds.
- (4) Includes TIF bonds
- (5) Excludes debt certificates

Data Source

Offices of the Cook County Clerk, Cook County Comptroller and the
Treasurer of the Metropolitan Water Reclamation District of Greater Chicago

Morton College, Community College District No. 527
Debt Capacity (Unaudited)
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	Assessed Valuation Amount	Legal Debt Limit Rate	Legal Debt Limit	Amount Applicable to Debt Limit	Legal Debt Margin	Applicable Debt as Percentage of Debt Limit
2024	\$ 2,612,876,617	2.875%	\$ 75,120,203	\$ 7,998,764	\$ 67,121,439	10.65%
2023	1,920,327,082	2.875%	55,209,404	8,356,829	46,852,575	15.14%
2022	1,951,118,436	2.875%	56,094,655	8,698,040	47,396,615	15.51%
2021	2,132,706,707	2.875%	61,315,318	9,027,489	52,287,829	14.72%
2020	1,640,547,923	2.875%	47,165,753	9,340,262	37,825,491	19.80%
2019	1,660,547,053	2.875%	47,740,728	9,371,438	38,369,290	19.63%
2018	1,721,823,048	2.875%	49,502,413	3,262,578	46,239,835	6.59%
2017	1,442,272,976	2.875%	41,465,348	3,769,910	37,695,438	9.09%
2016	1,393,851,949	2.875%	40,073,244	4,259,264	35,813,980	10.63%
2015	1,434,851,128	2.875%	41,251,970	4,726,669	36,525,301	11.46%

Data Source

County tax records; College records

Morton College, Community College District No. 527
Demographic and Economic Information (Unaudited)
Personal Income Per Capita
Last Ten Fiscal Years

Fiscal Year	Population Employed ⁽²⁾	Personal Income ⁽²⁾	Per Capital Personal Income	Unemployment Rate ⁽¹⁾
2024	N/A	N/A	N/A	N/A
2023	N/A	N/A	N/A	N/A
2022	N/A	N/A	N/A	N/A
2021	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A

N/A - Data Not Available

Data Source

(1) Illinois Department of Employment Security; Illinois Labor Market Information for the County of Cook

(2) Bureau of Economic Analysis Bearfacts Regional Economic Accounts for the County of Cook

Morton College, Community College District No. 527
Demographic and Economic Information (Unaudited)
Principal Employers
Current Year and Nine Years Ago

Employer	City	Approximate Number of Employees	Data Source	Rank	Percent of Total District Employment*
<u>2024</u>					
Breakthru Beverage Illinois (formerly Wirtz Beverage Illinois)	Cicero	3,000	(1)	1	4.45%
MacNeal Hospital & Health Services	Berwyn	2,100	(4)	2	3.11%
Amazon	Cicero	1,000	(1)	3	1.48%
High School District 201	Berwyn, Cicero	866	(1)	4	1.28%
Sabert (LBP Manufacturing)	Cicero	578	(2)	5	0.86%
Hawthorne Race Course	Cicero	500	(3)	6	0.74%
Brad Foote Gear Works, Inc./Broadwind Energy	Cicero	450	(3)	7	0.67%
Morton College (FTE)	Cicero	407	(3)	8	0.60%
City of Berwyn (FTE)	Berwyn	400	(3)	9	0.59%
UOP LLC Honeywell	McCook	375	(3)	10	0.56%
Turano Bakery	Berwyn	350	(2)	11	0.52%
Walmart Supercenter	Cicero	335	(2)	12	0.50%
Total		<u>10,361</u>			<u>15.36%</u>
<u>2015</u>					
MacNeal Hospital & Health Services	Berwyn	2,200	(5)	1	3.20%
Wirtz Beverage Illinois, LLC	Cicero	1,000	(5)	2	1.46%
High School District 201 (FTE)	Berwyn, Cicero	706	(5)	3	1.03%
Sabert (LBP Manufacturing)	Cicero	500	(5)	4	0.73%
USF Holland, Inc.	McCook	500	(5)	5	0.73%
Morton College (FTE)	Cicero	410	(5)	6	0.60%
Terrace Paper Co., Inc.	Cicero	400	(5)	7	0.58%
Meade Electric Co.	Cicero	400	(5)	8	0.58%
City of Berwyn (FTE)	Berwyn	371	(5)	9	0.54%
A&R Janitorial Services, Inc.	Cicero	350	(5)	10	0.51%
Turano Bakery	Berwyn	300	(5)	11	0.44%
Fontanini Italian Meats	Cicero	270	(5)	12	0.39%
		<u>7,407</u>			<u>10.78%</u>

* Calculating applicable percentages to the Illinois Department of Employment Security Reports the estimated number of persons employed in the District in 2023 is 67,456 and 68,708 in 2015.

Data Source

- (1) Village Records / School District Records
- (2) Employer Website
- (3) A to Z Database.com - Business Edition
- (4) Phone Contact with Employer
- (5) 2015 Annual Financial Reports

Morton College, Community College District No. 527
Operating Information (Unaudited)
Full-Time Equivalent Employees
Last Ten Fiscal Years

	2024	2023	2022	2021
Faculty				
Full time	66	70	70	78
Full time overload	-	-	-	-
Full time summer	-	-	-	-
	66	70	70	78
Part time	114	106	115	74
Total Faculty FTE	180	176	185	152
Teaching	180	176	185	152
Non-teaching	-	-	-	-
Total Faculty FTE	180	176	185	152
Library, counselors and others				
Full time	6	5	5	5
Summer	-	-	-	-
Part time	1	2	2	2
Total Library, counselors and others	7	7	7	7
Library	-	-	-	-
Counselors	-	-	-	-
Others	-	-	-	-
Total library, counselors and others	-	-	-	-
Administrators	26	26	28	29
Classified employees	107	138	122	96
Total FTE employees	320	347	342	284
Student employee (1)	6	12	3	7
Total FTE employees	326	359	345	291

(1) Student FTE are based upon 20 hours per week.

Data Source

College records

2020	2019	2018	2017	2016	2015
74	63	56	53	55	56
-	-	-	-	-	-
-	-	-	-	-	-
74	63	56	53	55	56
100	124	179	171	171	187
174	187	235	224	226	243
174	187	235	224	226	243
-	-	-	-	-	-
174	187	235	224	226	243
6	4	4	-	3	3
-	-	-	-	-	-
4	3	4	5	4	3
10	7	8	5	7	6
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
31	27	23	26	30	34
127	134	121	121	121	113
342	355	387	376	384	396
10	13	14	7	15	11
352	368	401	383	399	407

Morton College, Community College District No. 527
Operating Information (Unaudited)
Capital Assets Statistics
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Capital asset type				
Land and improvements	\$ 2,600,248	\$ 2,600,248	\$ 2,600,248	\$ 2,600,248
Building and building improvements	56,981,244	51,559,369	48,684,171	47,839,684
Furniture, fixtures and equipment	9,794,822	9,401,878	9,097,157	8,959,534
Construction in progress	640,294	4,881,142	3,254,764	481,596
Total capital assets	<u>70,016,608</u>	<u>68,442,637</u>	<u>63,636,340</u>	<u>59,881,062</u>
Less accumulated depreciation				
Building and building improvements	(28,869,829)	(26,371,027)	(24,130,412)	(22,026,710)
Furniture, fixtures and equipment	(8,864,830)	(8,572,859)	(8,176,027)	(7,492,111)
Total accumulated depreciation	<u>(37,734,659)</u>	<u>(34,943,886)</u>	<u>(32,306,439)</u>	<u>(29,518,821)</u>
Total net capital assets	<u>\$ 32,281,949</u>	<u>\$ 33,498,751</u>	<u>\$ 31,329,901</u>	<u>\$ 30,362,241</u>
Other information				
Capital additions	<u>\$ 1,573,971</u>	<u>\$ 4,806,297</u>	<u>\$ 3,755,278</u>	<u>\$ 4,560,131</u>
Depreciation expense	<u>\$ 2,790,773</u>	<u>\$ 2,637,447</u>	<u>\$ 2,787,618</u>	<u>\$ 2,368,358</u>

Data Source

College records

2020	2019	2018	2017	2016	2015
\$ 2,600,248	\$ 2,600,248	\$ 2,600,248	\$ 2,600,248	\$ 2,600,248	\$ 2,600,248
40,347,711	36,016,067	35,441,975	35,510,495	30,648,155	30,355,520
8,735,122	8,437,776	7,855,997	7,725,949	7,534,528	7,296,085
3,637,850	697,860	165,000	-	4,602,737	807,330
<u>55,320,931</u>	<u>47,751,951</u>	<u>46,063,220</u>	<u>45,836,692</u>	<u>45,385,668</u>	<u>41,059,183</u>
(20,299,125)	(18,256,495)	(16,745,295)	(15,372,978)	(14,118,355)	(12,606,188)
<u>(6,851,338)</u>	<u>(6,198,938)</u>	<u>(5,615,693)</u>	<u>(4,911,611)</u>	<u>(4,295,895)</u>	<u>(3,740,020)</u>
<u>(27,150,463)</u>	<u>(24,455,433)</u>	<u>(22,360,988)</u>	<u>(20,284,589)</u>	<u>(18,414,250)</u>	<u>(16,346,208)</u>
<u>\$ 28,170,468</u>	<u>\$ 23,296,518</u>	<u>\$ 23,702,232</u>	<u>\$ 25,552,103</u>	<u>\$ 26,971,418</u>	<u>\$ 24,712,975</u>
<u>\$ 7,568,980</u>	<u>\$ 1,523,731</u>	<u>\$ 226,528</u>	<u>\$ 451,024</u>	<u>\$ 4,326,485</u>	<u>\$ 1,296,860</u>
<u>\$ 2,695,030</u>	<u>\$ 2,094,445</u>	<u>\$ 2,076,399</u>	<u>\$ 1,870,339</u>	<u>\$ 2,068,042</u>	<u>\$ 1,797,419</u>

Morton College, Community College District No. 527
Residency Policy
Year Ended June 30, 2024

The tuition rate is determined by the student's residence. Residence is defined as the place where a student lives and which a student intends to be his true permanent home. A student who temporarily moves into the District for the purpose of attending the College at a reduced tuition rate will not be considered as having established a true residence within the District.

The student must meet the following criteria to be considered a resident of the District: One must have occupied and/or owned a dwelling in the District for 30 days immediately prior to the start of classes and must demonstrate proof of District residency by providing at least two of the following acceptable proof of residency documents: Illinois driver's license, state I.D., automobile registration, property tax statement, voter registration card, lease or purchase agreement, matricula, utility or telephone bill. Acceptable proof of identification documents include Illinois driver's license, state I.D., matricula and passports.

A change from out-of-district to in-district status during a semester becomes effective no earlier than the following semester. Students who move in or out of the District during a semester are required to report their new residence to the Office of Admissions and Records.

District Residency Verification

1. High school transcripts are on-file for all degree-seeking in-district and in-state high school graduates.
2. Two forms of identification as listed above must be provided for any student who has mail returned, or who has been reported to reside outside of the District. A student's record will be restricted until this is verified. A photocopy of this documentation will be placed in the student file.

Contract Training

In-district companies many provide contract training for their employees at an in-district rate. Contract training is defined as specific coursework or enrollment in a specific degree/certificate program which is job-related as approved by the sponsoring in-district company. It infers the company will derive direct benefits as a result of the employee's training. The procedures are:

An authorized company representative must sign a contract training agreement form with Morton College for each employee to be trained verifying the courses approved as being related to their job.

The company is directly billed for the courses at in-district tuition rates.

SPECIAL REPORTS SECTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT

MORTON  COLLEGE

Fiscal Years Ended
June 30, 2024-2023

Special Reports Section

State Required Report Section

Morton College, Community College District No. 527
All Funds Summary
Uniform Financial Statement Number 1
Year Ended June 30, 2024

	Education Fund	Operations and Maintenance Fund	Operation and Maintenance Fund (Restricted)	Auxiliary Enterprises Fund	Restricted Purposes Fund
Account balance at July 1, 2023	<u>\$ 22,591,722</u>	<u>\$ 5,739,694</u>	<u>\$ 1,626,556</u>	<u>\$ (45,293)</u>	<u>\$ 11,179</u>
Revenues					
Local tax revenue	\$ 8,382,126	\$ 1,638,903	\$ -	\$ -	\$ -
ICCB grants	6,665,803	650,000	-	-	1,350,576
All other state revenue (including SURS and OPEB on-behalf)	1,756,298	905,593	-	-	8,618,426
Federal revenue	-	-	-	-	9,516,885
Student tuition and fees	11,297,058	-	-	-	-
All other revenue	<u>1,580,206</u>	<u>1,544</u>	<u>116,711</u>	<u>-</u>	<u>7,995</u>
Total revenues	<u>29,681,491</u>	<u>3,196,040</u>	<u>116,711</u>	<u>-</u>	<u>19,493,882</u>
Expenditures					
Instruction	11,666,426	-	-	-	7,359,514
Academic support	2,222,919	-	-	-	549,809
Student services	3,277,862	-	-	-	2,072,958
Public service/continuing education	443,476	-	-	-	514,555
Auxiliary services	1,483,083	-	-	-	86,655
Operation and maintenance of plant	8,057	3,017,876	1,736,000	-	548,073
Institutional support	4,583,294	-	-	-	1,074,606
Scholarships, student grants and waivers	2,652,953	-	-	-	7,286,953
Debt service	-	-	-	-	-
Depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>26,338,070</u>	<u>3,017,876</u>	<u>1,736,000</u>	<u>-</u>	<u>19,493,123</u>
Transfers in	760	-	1,530,293	-	-
Transfers out	<u>1,545,293</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>760</u>
Account balance at June 30, 2024	<u>\$ 24,390,610</u>	<u>\$ 5,917,858</u>	<u>\$ 1,537,560</u>	<u>\$ (45,293)</u>	<u>\$ 11,178</u>

Bond Retirement Fund	Audit Fund	Liability, Protection, and Settlement Fund	Total	Fiduciary Activity	Adjustments for GAAP	Total
<u>\$ 55,741</u>	<u>\$ 144,803</u>	<u>\$ (111,731)</u>	<u>\$ 30,012,671</u>	<u>\$ 529,057</u>	<u>\$ 6,223,527</u>	<u>\$ 36,765,255</u>
\$ 659,336	\$ 109,926	\$ 864,853	\$ 11,655,144	\$ -	\$ -	\$ 11,655,144
-	-	-	8,666,379	-	-	8,666,379
-	-	-	11,280,317	-	58,146	11,338,463
-	-	-	9,516,885	-	-	9,516,885
-	-	-	11,297,058	76,698	-	11,373,756
640	107	747	1,707,950	-	(122,932)	1,585,018
<u>659,976</u>	<u>110,033</u>	<u>865,600</u>	<u>54,123,733</u>	<u>76,698</u>	<u>(64,786)</u>	<u>54,135,645</u>
-	-	143,292	19,169,232	-	(2,028,954)	17,140,278
-	-	18,014	2,790,742	-	(129,661)	2,661,081
-	-	35,009	5,385,829	37,593	(273,368)	5,150,054
-	-	5,475	963,506	-	(2,641)	960,865
-	-	2,898	1,572,636	-	(1,065)	1,571,571
-	-	19,082	5,329,088	-	(1,060,233)	4,268,855
-	115,313	811,868	6,585,081	-	(501,549)	6,083,532
-	-	-	9,939,906	9,554	-	9,949,460
602,886	-	-	602,886	-	(320,000)	282,886
-	-	-	-	-	2,790,773	2,790,773
<u>602,886</u>	<u>115,313</u>	<u>1,035,638</u>	<u>52,338,906</u>	<u>47,147</u>	<u>(1,526,698)</u>	<u>50,859,355</u>
-	15,000	-	1,546,053	-	-	1,546,053
-	-	-	1,546,053	-	-	1,546,053
<u>\$ 112,831</u>	<u>\$ 154,523</u>	<u>\$ (281,769)</u>	<u>\$ 31,797,498</u>	<u>\$ 558,608</u>	<u>\$ 7,685,439</u>	<u>\$ 40,041,545</u>

Morton College, Community College District No. 527
Summary of Capital Assets and Debt
Uniform Financial Statement Number 2
Year Ended June 30, 2024

	Capital Asset/Debt July 1, 2023	Additions	Disposals	Transfers	Capital Asset/Debt June 30, 2024
Capital asset type					
Land and improvements	\$ 2,600,248	\$ -	\$ -	\$ -	\$ 2,600,248
Building and building improvements	51,559,369	1,036,040	-	4,385,835	56,981,244
Furniture, fixtures and equipment	9,068,748	270,012	-	-	9,338,760
Right to use lease assets - equipment	333,130	122,932	-	-	456,062
Construction in progress	4,881,142	144,987	-	(4,385,835)	640,294
Total capital assets	68,442,637	1,573,971	-	-	70,016,608
Less accumulated depreciation and amortization	(34,943,886)	(2,790,773)	-	-	(37,734,659)
Total net capital assets	<u>\$ 33,498,751</u>	<u>\$ (1,216,802)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,281,949</u>
Debt					
Bonds payable	\$ 8,356,829	\$ -	\$ (358,065)	\$ -	7,998,764
Other	5,679,697	352,146	(64,117)	-	5,967,726
Total debt	<u>\$ 14,036,526</u>	<u>\$ 352,146</u>	<u>\$ (422,182)</u>	<u>\$ -</u>	<u>\$ 13,966,490</u>

Morton College, Community College District No. 527
Operating Funds Revenues and Expenditures
Uniform Financial Statement Number 3
Year Ended June 30, 2024

	Education Fund	Operation and Maintenance Fund	Total Operating Funds
Operating revenues, by source			
Local government			
Taxes	\$ 8,382,126	\$ 1,638,903	\$ 10,021,029
Total local government	<u>8,382,126</u>	<u>1,638,903</u>	<u>10,021,029</u>
State government			
ICCB credit hour grants	2,675,787	-	2,675,787
ICCB equalization grants	3,771,230	650,000	4,421,230
ICCB CTE formula	218,786	-	218,786
Corporate personal property replacement taxes	1,635,925	905,593	2,541,518
On-behalf payments for community college health insurance program	120,373	-	120,373
Total state government	<u>8,422,101</u>	<u>1,555,593</u>	<u>9,977,694</u>
Student tuition and fees			
Tuition	9,461,860	-	9,461,860
Fees	1,835,198	-	1,835,198
Total student tuition and fees	<u>11,297,058</u>	<u>-</u>	<u>11,297,058</u>
Other sources			
Sales and service fees	563	-	563
Facilities rental	-	-	-
Investment revenue	1,376,444	1,494	1,377,938
Other sources	203,199	50	203,249
Total other sources	<u>1,580,206</u>	<u>1,544</u>	<u>1,581,750</u>
Total revenue	29,681,491	3,196,040	32,877,531
Less nonoperating items*			
Tuition chargeback revenue	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted revenue	<u>\$ 29,681,491</u>	<u>\$ 3,196,040</u>	<u>\$ 32,877,531</u>

*Intercollegiate revenues that do not generate related local college credit hours are subtracted to allow for statewide comparisons.

Morton College, Community College District No. 527
Operating Funds Revenues and Expenditures
Uniform Financial Statement Number 3
Year Ended June 30, 2024

	Education Fund	Operation and Maintenance Fund	Total Operating Funds
Operating expenditures			
By program			
Instruction	\$ 11,666,426	\$ -	\$ 11,666,426
Academic support	2,222,919	-	2,222,919
Student services	3,277,862	-	3,277,862
Public service/continuing education	443,476	-	443,476
Auxiliary services	1,483,083	-	1,483,083
Operation and maintenance of plant	8,057	3,017,876	3,025,933
Institutional support	4,583,294	-	4,583,294
Scholarships, student grants and waivers	2,652,953	-	2,652,953
Total operating expenditures, by program	26,338,070	3,017,876	29,355,946
Total operating items*			
Tuition chargeback revenue	-	-	-
Adjusted expenditures	26,338,070	3,017,876	29,355,946
By object			
Salaries	16,084,176	1,276,726	17,360,902
Employee benefits	2,183,337	168,155	2,351,492
Contractual services	2,903,095	462,993	3,366,088
General materials and supplies	1,414,748	141,849	1,556,597
Conference and meeting expenses	593,321	1,358	594,679
Fixed charges	133,363	-	133,363
Utilities	-	830,248	830,248
Capital outlay	234,912	136,547	371,459
Student grants and scholarships	2,653,343	-	2,653,343
Other	137,775	-	137,775
Total operating expenditures, by object	26,338,070	3,017,876	29,355,946
Less operating items*			
Tuition chargeback revenue	-	-	-
Adjusted expenditures	<u>\$ 26,338,070</u>	<u>\$ 3,017,876</u>	<u>\$ 29,355,946</u>

*Intercollegiate revenues that do not generate related local college credit hours are subtracted to allow for statewide comparisons.

Morton College, Community College District No. 527
Restricted Purposes Fund Revenues and Expenditures
Uniform Financial Statement Number 4
Year Ended June 30, 2024

Restricted purposes fund revenues, by source

Local government

Other	\$ 7,995
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State government

ICCB adult education	899,357
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ICCB Pipeline for the Advancement of the Healthcare

Workforce program (PATH)	322,748
--------------------------	---------

Other grants	128,471
--------------	---------

SURS - On Behalf	8,188,078
------------------	-----------

Other state revenue	430,348
---------------------	---------

Total state government	<u>9,969,002</u>
------------------------	------------------

Federal government

Department of Education	<u>9,516,885</u>
-------------------------	------------------

Total restricted purposes fund revenues, by source	<u><u>\$ 19,493,882</u></u>
--	-----------------------------

Restricted purposes fund expenditures, by program

Instruction	\$ 7,359,514
-------------	--------------

Academic support	549,809
------------------	---------

Student services	2,072,958
------------------	-----------

Public service/continuing education	514,555
-------------------------------------	---------

Auxiliary services	86,655
--------------------	--------

Operation and maintenance of plant	548,073
------------------------------------	---------

Institutional support	1,074,606
-----------------------	-----------

Scholarships, student grants and waivers	<u>7,286,953</u>
--	------------------

Total restricted purposes fund expenditures, by program	<u><u>\$ 19,493,123</u></u>
---	-----------------------------

Restricted purposes fund expenditures, by object

Salaries	\$ 2,123,943
----------	--------------

Employee benefits	8,634,806
-------------------	-----------

Contractual services	221,959
----------------------	---------

General materials and supplies	569,635
--------------------------------	---------

Conference and meeting expenses	133,123
---------------------------------	---------

Fixed charges	261
---------------	-----

Capital outlay	285,760
----------------	---------

Student grants and scholarships	<u>7,523,636</u>
---------------------------------	------------------

Total restricted purposes fund expenditures, by object	<u><u>\$ 19,493,123</u></u>
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Morton College, Community College District No. 527
Current Funds – Expenditure by Activity
Uniform Financial Statements Number 5
Year Ended June 30, 2024

Instruction	
Instruction programs	\$ 11,666,426
Other	7,502,806
Total instruction	<u>19,169,232</u>
Academic support	
Library center	775,311
Instructional materials center	286,717
Other	1,728,714
Total academic support	<u>2,790,742</u>
Student services support	
Admissions and records	696,707
Counseling and career services	1,129,818
Financial aid administration	518,739
Other student services support	3,040,565
Total student services and support	<u>5,385,829</u>
Public service/continuing education	
Community education	114,434
Community services	322,159
Other	526,913
Total public service/continuing education	<u>963,506</u>
Auxiliary services	<u>1,572,636</u>
Operation and maintenance	
Maintenance	434,834
Custodial services	470,941
Grounds	121,791
Campus security	817,582
Plant utilities	830,248
Administration	917,692
Total operation and maintenance	<u>3,593,088</u>
Institutional support	
Executive management	612,376
Fiscal operations	570,690
Community relations	484,685
Administration support services	507,776
Board of Trustees	39,197
General institutional	1,536,149
Administrative data processing	1,664,322
Other	1,169,886
Total institutional support	<u>6,585,081</u>
Scholarship, student grants and waivers	<u>9,939,906</u>
Total current funds expenditures	<u>\$ 50,000,020</u>

*Current funds include the Education, Operation and Maintenance, Auxiliary Enterprises, Restricted Purposes, Audit, and Liability, Protection, and Settlement Funds.

Morton College, Community College District No. 527
Fiscal Year 2025 Certification of Chargeback Reimbursement
Year Ended June 30, 2024

All fiscal year 2024 noncapital audited operating expenditures
from the following funds

Education Fund	\$ 26,103,162
Operations and Maintenance Fund	2,942,050
Operations and Maintenance Fund (restricted)	758,327
Bond Retirement Fund	602,886
Restricted Purposes Fund	19,207,362
Audit Fund	115,315
Liability, Protection, and Settlement Fund	1,035,639
Auxiliary Enterprises Fund	-
Total noncapital expenditures	<u>50,764,741</u>

Depreciation on capital outlay expenses paid from sources
other than state and federal funds

2,177,979

Total costs included

\$ 52,942,720

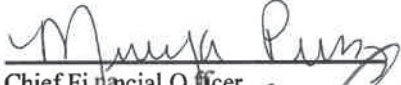
Total certified semester credit hours

65,673

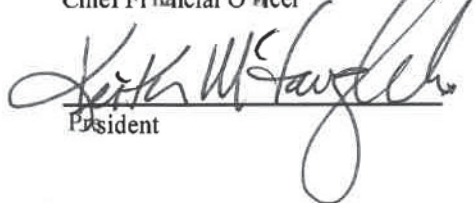
Per capita cost per semester credit hour

\$ 806.16

Approved:


Chief Financial Officer 12/9/24
Date

Approved:


President 12/9/24
Date

State Grant Compliance Section

Independent Auditor's Report

Board of Trustees
Morton College, Community College
District No. 527
Cicero, Illinois

Opinion

We have audited the accompanying financial statements of the State Adult Education and Family Literacy Grant Program (State Basic and Performance) (Grant Programs) of Morton College, Community College District No. 527 (College) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Grant Programs' financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Grant Program, as of June 30, 2024, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As described in Note 1, the grant program financial statements present only the Grant Programs, and do not purport to, and do not, present fairly the financial position of the College as of June 30, 2024, or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the grant program financial statements of the College. The ICCB Compliance Statement for the Adult Education and Family Literacy Grant Program – Expenditure Amounts and Percentages for ICCB Grant Funds Only is presented for purposes of additional analysis and is not a required part of the grant program financial statements.

The ICCB Compliance Statement for the Adult Education and Family Literacy Grant Program – Expenditure Amounts and Percentages for ICCB Grant Funds Only is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the grant program financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the grant program financial statements or to the grant program financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of

America. In our opinion, the ICCB Compliance Statement for the Adult Education and Family Literacy Grant Program – Expenditure Amounts and Percentages for ICCB Grant Funds Only is fairly stated, in all material respects, in relation to the grant program financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 7, 2025, on our consideration of the College's internal control over financial reporting of the grant programs and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 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.

Forvis Mazars, LLP

**Chicago, Illinois
March 7, 2025**

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

Board of Trustees
Morton College, Community College
District No. 527
Cicero, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the guidelines of the Illinois Community College Board *Fiscal Management Manual*, the financial statements of the Morton College, Community College District No. 527 (College) State Adult Education and Family Literacy Grant (State Basic, and Performance - Grant Programs) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Grant Programs' financial statements, and have issued our report thereon, dated March 7, 2025. As described in Note 1, these financial statements present only the Grant Programs, and do not purport to, and do not, present fairly the financial position of the College as of June 30, 2024, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

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

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 Grant Programs' 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 in this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance of the Grant Programs. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance of the Grant Programs. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

**Chicago, Illinois
March 7, 2025**

***State Adult Education and
Family Literacy Grant Program***

Morton College, Community College District No. 527
State Adult Education and Family Literacy Grant Program
(State Basic and Performance)
Balance Sheet
June 30, 2024

	<u>State Basic</u>	<u>Performance</u>	<u>Total (Memorandum Only)</u>
Assets			
Receivables	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities and Program Balance			
Liabilities			
Due to other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Program Balance	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Morton College, Community College District No. 527
State Adult Education and Family Literacy Grant Program
(State Basic and Performance)
Statement of Revenues, Expenditures and Changes in Program Balances
Year Ended June 30, 2024

	<u>State Basic</u>	<u>Performance</u>	<u>Total (Memorandum Only)</u>
Revenues			
Illinois Community College Board Grant	<u>\$ 728,207</u>	<u>\$ 170,300</u>	<u>\$ 898,507</u>
Expenditures			
Personnel services	653,985	113,664	767,649
Fringe benefits	61,968	17,635	79,603
Travel	12,254	-	12,254
Equipment	-	-	-
Supplies	-	32,339	32,339
Contractual services	-	5,000	5,000
Training and Education	-	1,662	1,662
Indirect cost	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>728,207</u>	<u>170,300</u>	<u>898,507</u>
Excess of Revenues Over Expenditures	-	-	-
Program Balance			
Beginning balance - July 1, 2023	<u>-</u>	<u>-</u>	<u>-</u>
Ending balance - June 30, 2024	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Morton College, Community College District No. 527
ICCB Compliance Statement for the
Adult and Family Literacy Grant Program
Expenditure Amounts and Percentages for ICCB Grant Funds Only
Year Ended June 30, 2024

<u>State Basic</u>	<u>Audited Expenditure Amount</u>	<u>Actual Expenditure Percentage</u>
Instruction (45% minimum required)	\$ 715,953	98%

Note 1. Description of Programs

The following grants received from the Illinois Community College Board (ICCB) are administered by Morton College, Community College District No. 527 (College). The accompanying statements include only those transactions resulting from the State Adult Education and Family Literacy Grant. These transactions have been accounted for in the College's Restricted Purposes Fund. Because the financial statements of the ICCB grant programs present only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position or cash flows, if applicable, of the College.

State Adult Education and Family Literacy Grant

This grant is intended to assist adults to become literate, obtain the knowledge and skills necessary for employment and self-sufficiency, become full partners in the educational development of their children and completion of secondary school education.

Note 2. Basis of Presentation and Significant Accounting Policies

ICCB Grant Programs

The financial statements of the ICCB grant programs have been prepared on the modified accrual basis of accounting. Expenditures included all accounts payable representing liabilities for goods and services actually received as of June 30, 2024. Amounts received from ICCB are recognized as revenues when the corresponding expenditures are incurred.

Funds obligated for goods and services by June 30, 2024, and paid for by August 31, 2024, are recorded as encumbrances. Payments of prior year's encumbrances for goods received prior to August 31, 2023, are reflected as expenditures during the current fiscal year.

Credit Hour Data

Independent Accountant's Report on Schedule of Credit Hour Data and Other Bases Upon Which Claims Were Filed

Board of Trustees
Morton College, Community College
District No. 527
Cicero, Illinois

We have examined the accompanying Schedule of Credit Hour Data and Other Bases Upon Which Claims Were Filed (Schedule) of Morton College, Community College District No. 527 for the year ended June 30, 2024. Morton College, Community College District No. 527's management is responsible for presenting the Schedule in accordance with the guidelines of the Illinois Community College's Board's *Fiscal Management Manual*. Our responsibility is to express an opinion on the Schedule based upon our examination.

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

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

In our opinion, the accompanying Schedule of Credit Hour Data and Other Bases Upon Which Claims Were Filed is presented in accordance with the provisions of the Illinois Community College Board's *Fiscal Management Manual* in all material respects.

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

Forvis Mazars, LLP

**Chicago, Illinois
March 7, 2025**

Morton College, Community College District No. 527
Schedule of Credit Hour Data and Other Bases
Upon Which Claims Were Filed
Year Ended June 30, 2024

Credit Hour Categories	Total Reimbursable Semester Credit Hours by Term			
	Summer Term		Fall Term	
	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours
Baccalaureate	4,749.0	-	20,790.0	-
Business occupational	232.0	-	1,764.0	-
Technical occupational	273.0	-	1,539.0	-
Health occupational	213.0	-	1,570.0	-
Remedial/developmental	157.0	-	1,344.0	-
Adult education	-	916.0	-	2,971.0
Total	5,624.0	916.0	27,007.0	2,971.0

Credit Hour Categories	Spring Term		Total All Terms	
	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours
Baccalaureate	19,236.0	-	44,775.0	-
Business occupational	1,444.0	-	3,440.0	-
Technical occupational	2,269.0	-	4,081.0	-
Health occupational	1,580.0	-	3,363.0	-
Remedial/developmental	901.0	-	2,402.0	-
Adult education	-	3,725.0	-	7,612.0
Total	25,430.0	3,725.0	58,061.0	7,612.0

In-District (All terms)	
Unrestricted Hours	Restricted Hours
Reimbursable credit hours	49,913.0
Credit hours on chargeback or Contractual agreement	412.0

	Dual Credit (All Terms)		Dual Enrollment (All Terms)	
	Unrestricted Hours	Restricted Hours	Unrestricted Hours	Restricted Hours
Reimbursable credit hours	5,822.0	-	1,131.0	-
Equalized assessed valuation	2,612,876,617			

Morton College, Community College District No. 527

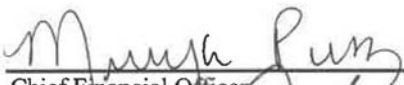
Schedule of Credit Hour Data and Other Bases

Upon Which Claims Were Filed

Year Ended June 30, 2024

Credit Hour Categories	Correctional Semester Credit Hours			
	Summer	Fall	Spring	Total
	Correctional Hours	Correctional Hours	Correctional Hours	Correctional Hours
Baccalaureate	-	-	-	-
Business occupational	-	-	-	-
Technical occupational	-	-	-	-
Health occupational	-	-	-	-
Remedial/developmental	-	-	-	-
Adult education	-	-	-	-
Total	-	-	-	-

Approved:


Chief Financial Officer

12/9/24
Date

Approved:


President

12/9/24
Date

Morton College, Community College District No. 527
Reconciliation of Total Semester Credit Hours
Year Ended June 30, 2024

Credit Hour Categories	Total Reimbursable Semester Credit Hours		
	Total Reported in Audit Unrestricted Hours	Total Certified to ICCB Unrestricted Hours	Difference
Baccalaureate	44,775.0	44,775.0	-
Business occupational	3,440.0	3,440.0	-
Technical occupational	4,081.0	4,081.0	-
Health occupational	3,363.0	3,363.0	-
Remedial/developmental	2,402.0	2,402.0	-
Adult education	-	-	-
Total	58,061.0	58,061.0	-

Credit Hour Categories	Total Reported in Audit Restricted Hours	Total Certified to ICCB Restricted Hours	Difference
Baccalaureate	-	-	-
Business occupational	-	-	-
Technical occupational	-	-	-
Health occupational	-	-	-
Remedial/developmental	-	-	-
Adult education	7,612.0	7,612.0	-
Total	7,612.0	7,612.0	-

	Total Reported in Audit Unrestricted Hours	Total Certified to ICCB Unrestricted Hours	Difference
In-district credit hours	49,913.0	49,913.0	-
Dual credit hours	5,822.0	5,822.0	-
Dual enrollment hours	1,131.0	1,131.0	-

	Total Reported in Audit Restricted Hours	Total Certified to ICCB Restricted Hours	Difference
In-district credit hours	6,117.5	6,117.5	-
Dual credit hours	-	-	-
Dual enrollment hours	-	-	-

Morton College, Community College District No. 527
Reconciliation of Total Semester Credit Hours
Year Ended June 30, 2024

Credit Hour Categories	Total Correctional Semester Credit Hours		Difference
	Total Reported in Audit Unrestricted Hours	Total Certified to ICCB Unrestricted Hours	
Baccalaureate	-	-	-
Business occupational	-	-	-
Technical occupational	-	-	-
Health occupational	-	-	-
Remedial/developmental	-	-	-
Adult education	-	-	-
Total	-	-	-
Credit Hour Categories	Total Reported in Audit Restricted Hours	Total Certified to ICCB Restricted Hours	Difference
Baccalaureate	44,775.0	44,775.0	-
Business occupational	3,440.0	3,440.0	-
Technical occupational	4,081.0	4,081.0	-
Health occupational	3,363.0	3,363.0	-
Remedial/developmental	2,402.0	2,402.0	-
Adult education	7,612.0	7,612.0	-
Total	65,673.0	65,673.0	-