THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI

Independent Auditor's Reports, Audited Financial Statements and Supplementary Schedules as of and for the Year Ended June 30, 2020 (with summarized comparative financial information for June 30, 2019)

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI

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Daniel Jones
& Associates
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Community College District of
Jefferson County, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of the Community College District of Jefferson County, Missouri (the "College") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the Community College District of Jefferson County, Missouri, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The comparative financial statements of the College for the year ended June 30, 2019, were audited by another auditor, who expressed an unmodified audit opinion on those audited financial statements in their report dated November 27, 2019. The summarized comparative information for the year ended June 30, 2019, was derived from those audited financial statements.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-16 and required supplementary information on pages 50-52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The schedule of expenditures of state awards and the schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2020, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Daniel Jones & Associates

Arnold, Missouri
December 15, 2020

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020 (UNAUDITED)

Introduction

Management's discussion and analysis is an overview of the financial position and financial activities of The Community College of Jefferson County, Missouri (the "College"). The College's management prepared this discussion. It should be read in conjunction with the financial statements and notes that follow.

The College prepared the financial statements in accordance with Government Accounting Standards Board ("GASB") principles. The College has implemented GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities.* GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities and requires that financial statements be presented on a consolidated basis to focus on the College as a whole.

There are three financial statements presented: the statements of net position; the statements of revenues, expenses, and changes in net position; and the statements of cash flows.

Financial Highlights

The College's financial position at June 30, 2020 shows assets and deferred outflows at $67.9 million, liabilities and deferred inflows at $41.7 million, and net position at $26.2 million. Net position represents the balance in the College's assets after liabilities are deducted. Net position decreased by $696,465 during fiscal year 2020. The most significant changes in net position during fiscal year 2020 occurred because of a reduction in state aid of over one million dollars due to the COVID-19.

Statements of Net Position

The statements of net position present the assets, liabilities, and net position of the College at the end of the fiscal years June 30, 2020, 2019 and 2018. The purpose of the statements is to present a snapshot of the financial condition of the College. Total net position, which are the difference between total assets and total liabilities, is one of the indicators of the current financial condition of the College.

The assets and liabilities are categorized between Current, Non-current and Deferred Inflows / Outflows of Resources. The difference is that Current Assets and Liabilities mature or become payable within the normal 12 month accounting/operating cycle versus non-current which mature or become payable after 12 months. Deferred Inflows / Outflows are a result of the implementation of GASB 68.

For example, at June 30, 2020, the College's current assets consist primarily of cash, investments and receivables while non-current assets consist primarily of capital assets. Capital assets are the property, plant, and equipment owned by the College, net of any related accumulated depreciation.

Net Position is presented in four major categories. The first is Net Investment in Capital Assets, which represents the College's equity in its property, plant and equipment. The second category is Expendable, the third category is Nonexpendable while fourth is Unrestricted.

Expendable assets are funds that are limited in terms of the purpose for which the funds can be spent. Nonexpendable assets are endowments for which only the earnings can be spent as specified by the endowment covenants.

Unrestricted net position are available to the College for any lawful purpose. The College's Net Position is as follows:

	2020	2019	2018
Current assets	$20,182,996	$22,973,215	$22,337,977
Non-current assets	41,807,865	42,404,334	42,713,952
Deferred Outflows of Resources	5,943,652	8,528,933	10,593,965
Total Assets	67,934,513	73,906,482	75,645,894
Current Liabilities	$ 7,848,462	$ 8,404,193	$ 8,001,310
Non-current liabilities	27,998,835	33,046,605	35,463,393
Deferred Inflows of Resources	5,852,909	5,524,912	7,044,581
Total Liabilities	41,700,206	46,975,710	50,509,284
Invested in capital assets - net of related debt	$35,428,171	$33,694,536	$32,345,048
Restricted:			
Expendable	12,026,821	12,407,242	11,391,748
Nonexpendable	704,880	702,212	699,150
Unrestricted	(21,925,565)	(19,873,218)	(19,299,336)
Total Net Position	$26,234,307	$26,930,772	$25,136,610

Statements of Revenues, Expenses, and Changes in Net Position

The statements of revenues, expenses, and changes in net position present the College's financial results for the fiscal year. The statements include the College's revenues and expenses, both operating and non-operating.

The change in Current and Non-current Liabilities is a restatement of Deferred Tuition from Current Liabilities to Non-current Liabilities.

Operating revenues and expenses are those for which the College directly exchanges goods and services. Non-operating revenues and expenses are those that exclude specific, direct exchanges of goods and services. Local property tax revenue and state aid are two examples of non-operating revenues where the local taxpayers and state legislature do not directly receive goods and services for the revenue. For the years ended June 30, 2020, 2019 and 2018, a summarized version of the College's revenues, expenses and changes in net position are as follows:

	2020	2019	2018
Operating revenue	$9,645,416	$10,796,187	$10,488,256
Operating expenses	(41,364,594)	(39,921,493)	(40,478,639)
Operating Loss	($31,719,178)	($29,125,306)	($29,990,383)
Non-operating revenue, net	$31,022,713	$30,919,468	$31,100,012
Increase (decrease) in net assets	($696,465)	$1,794,162	$1,109,629
Net Position – Beginning of Year	$26,930,772	$25,136,610	$26,400,572
Prior Year Adjustment	-	-	(2,373,591)
Net Position – End of Year	$26,234,307	$26,930,772	$25,136,610

The College's fiscal year 2020, 2019, 2018 revenues, both operating and non-operating, are as follows:

Operating Revenues:	2020	2019	2018
Tuition & fees – net of scholarship allowances	$ 7,338,200	$ 8,302,650	$ 7,694,293
Student housing revenue, net	559,620	663,459	632,229
Other	1,747,596	1,830,078	2,161,734
Total	$ 9,645,416	$ 10,796,187	$ 10,488,256

Non-operating revenue (expenses)	2020	2020	2019
Local Taxes	$11,412,078	$10,974,189	$10,884,671
State Aid	6,615,285	7,650,035	7,652,417
Grants & contracts	10,214,444	8,792,704	9,937,640
Interest Income	274,657	253,013	114,033
Interest expense on capital asset related debt	(275,108)	(343,971)	(390,746)
Other	2,781,357	3,593,498	2,901,997
Total	$31,022,713	$30,919,468	$31,100,012

During fiscal year 2020 tuition and fees net of discounts changed due to an increase in the tuition rate. Grants and Contracts revenue decreased due to a reduction in federal and state funding. Tax revenue increased due to a small increase in assessed valuation. State Aid was down over $1 million dollars as compared to last year due to COVID-19.

During fiscal years 2020, 2019 and 2018, the operating expenses for the College are as follows:

Operating expenses:	**2020**	**2019**	**2018**
Salaries & Benefits	$28,758,665	$26,935,707	$27,264,092
Supplies, utilities and other services	6,962,803	7,133,279	7,110,584
Depreciation	2,317,987	2,303,640	2,159,012
Financial aid and scholarships	3,325,139	3,548,867	3,944,951
Total	$41,364,594	$39,921,493	$40,478,639

During fiscal year 2020 salaries and benefits increased due to a small increase in faculty & staff salaries along with the compensation study increase being partially implemented. Financial Aid Scholarship expenses decreased due to an increase in Pell Grant tuition discounts.

Statements of Cash Flows

The statements of cash flows present information about the cash activity of the College. The statements show the major sources and uses of cash. For the years ended June 30, 2020, 2019, and 2018, a summary of the statements of cash flows is as follows:

Cash provided (used) by:	**2020**	**2019**	**2018**
Operating activities	($31,983,466)	($28,267,779)	($28,645,341)
Capital and capital related financing activities	(2,019,004)	(1,702,947)	(3,701,433)
Noncapital financing activities	30,409,210	30,463,551	31,698,651
Investing activities	2,195,336	392,588	(1,288,505)
Net increase (decrease) in cash	($1,397,924)	$885,413	($1,936,628)
Cash - beginning of the year	$14,683,435	$13,798,022	$15,734,650
Cash - end of the year	$13,285,511	$14,683,435	$13,798,022

Capital and Debt Activities

The College refinanced $3.98 million in our Leasehold Revenue Bonds during fiscal year 2014. This refinance will save the college just over $1 million in interest expenses over the bonds remaining life. The College did not issue any new debt in fiscal year 2020.

See accompanying financial statements for additional disclosures regarding capital and debt activities.

During fiscal year 2017, the College entered into a direct borrowing agreement for a video display for the field house at a cost of $83,350. The term of this lease is eight years.

During fiscal year 2017, the College entered into a direct borrowing agreement for the library renovation at a cost of $1,200,000. The term of this lease is six years. The College paid an additional $591,000 in principal in April 2020 that was from donations transferred from the Foundation. This direct borrowing will now mature in August of 2022.

During fiscal year 2019, the College entered into a direct borrowing agreement for tasers and cartridges at a cost of $23,700. The term of this lease is five years.

Significant Budget Variances

For fiscal year 2020, the State of Missouri administrated two withholdings due to the Coronavirus Pandemic which resulted in the College receiving approximately $1 million dollars less than what was budgeted. We budgeted to receive 20% lower in State aid for FY 2021 from what was budgeted in FY 2020 due to the withholdings experienced.

STATE AID HISTORY

	Actual FY 2018	Actual FY 2019	Actual FY 2020	Budget FY 2021
Unrestricted				
General Revenue	$7,319,374	$7,316,992	$6,329,934	$5,800,000
Budget Stabilization Funds	-	-	-	-
Total Unrestricted	7,319,374	7,316,992	6,329,934	5,800,000
Restricted				
Maintenance & Repair HB3	333,043	333,043	285,351	268,000
Total Restricted	333,043	333,043	285,351	268,000
Total State Aid	$7,652,417	$7,650,035	$6,615,285	$6,068,000

TUITION HISTORY

	Actual FY 2018	Actual FY 2019	Actual FY 2020	Budget FY 2021
Tuition Rates				
In District	$ 105	$ 106	$ 112	$ 112
Out of District	158	159	168	168
Out of State	210	212	224	224
Technology Fee	5	10	16	25
Activity Fee	-	-	-	5
Gross Tuition and Fee Revenue				
Unrestricted Funds				
Gross Tuition and Fees	$10,768,992	$11,066,637	$11,348,507	$10,416,990
Plant Funds				
Gross Tuition and Fees	761,480	739,926	699,779	559,760
All Funds				
Gross Tuition and Fees	$11,530,472	$11,806,563	$12,048,286	$10,976,750

TAX RATES AND REVENUES HISTORY

Tax Rates

	Actual FY 2018	Actual FY 2019	Actual FY 2020	Budget FY 2021
Current Unrestricted	$.2516	$.2516	$.2498	$.2498
Plant	.0300	.0300	.0300	.0300
Capital Projects	.0500	.0500	.0500	.0500
Total Tax Levy	$.3316	$.3316	$.3298	$.3298

Tax Revenue

	Actual FY 2018	Actual FY 2019	Actual FY 2020	Budget FY 2021
Current Unrestricted	$ 8,346,666	$ 8,327,030	$ 8,650,163	$ 8,372,140
Plant	951,759	992,756	1,035,936	1,002,050
Capital Projects	1,586,246	1,654,403	1,725,979	1,675,310
Total Tax Revenue	$10,884,671	$10,974,189	$11,412,078	$11,049,500

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020 (UNAUDITED)

The following is the College's approved budget for Fiscal Year 2021.

BUDGET SUMMARY

		2018 Actuals	2019 Actuals	2020 Actuals	2021 Budget
Revenues:					
	State Aid	$ 7,652,417	$ 7,650,035	$ 6,615,285	$ 6,068,000
	Tuition and fees	11,530,472	11,806,563	12,048,286	10,976,750
	Local Taxes	10,884,671	10,974,189	11,412,078	11,049,500
	Federal Grant Revenue	1,458,764	1,235,835	3,231,095	1,878,401
	State Grant Revenue	2,909,172	2,981,953	3,144,078	3,084,305
	Student Aid	8,822,161	8,334,614	7,711,068	6,862,366
	Sales & Services	1,244,251	982,169	1,158,873	941,753
	Adult Education	180,651	198,587	199,119	227,360
	Student Activities	55,319	39,896	32,478	31,700
	Organized Activities	87,920	79,742	18,643	59,250
	Auxiliary Enterprises	1,195,769	1,209,186	1,116,693	785,250
	Interest Income	114,333	253,273	274,658	123,500
	Other	3,464,295	3,916,188	3,365,509	3,317,200
Total Revenues		**$49,600,195**	**$49,662,230**	**$50,327,863**	**$45,405,335**
Expenditures:					
	Instructional	$14,967,940	$15,036,667	$14,602,566	$15,277,941
	Administration & General	11,520,660	11,184,397	13,452,071	10,205,167
	Plant Oper and Maint	3,611,396	3,662,418	3,717,758	5,645,798
	Grants & Scholarships	10,368,577	10,103,025	11,011,203	8,685,604
	Auxiliary Enterprises	1,261,889	1,225,405	1,400,750	1,210,191
	Academic Support	1,261,928	1,321,853	1,251,783	1,231,553
	Student Services	4,288,819	4,050,122	4,226,402	4,676,786
	Scholarships	1,102,500	1,163,939	1,321,363	1,233,500
	Public Service	106,857	120,242	40,432	20,000
Total Expenditures		**$48,490,566**	**$47,868,068**	**$51,024,328**	**$48,186,540**
	Net Revenue Less Expenses	$1,109,629	$1,794,162	($696,465)	($2,781,205)
	Transfers In/Out	-	-	-	-
	Net Increase/Decrease for YTD	$1,109,629	$1,794,162	($696,465)	($2,781,205)
	Beginning Net Asset	26,400,572	25,136,610	26,930,772	26,234,307
	Prior Period Adjustment	(2,373,591)	-	-	-
	Ending Net Assets	**$25,136,610**	**$26,930,772**	**$26,234,307**	**$23,453,102**

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
(UNAUDITED)

Current Unrestricted Fund

		2018 Actuals	2019 Actuals	2020 Actuals	2021 Budget
Revenues:					
	State Aid	$ 7,319,374	$ 7,316,992	$ 6,329,934	$ 5,800,000
	Tuition and fees	10,768,992	11,066,637	11,348,507	10,416,990
	Local Taxes	8,346,666	8,327,030	8,650,163	8,372,140
	Federal Grant Revenue	25,823	23,465	19,062	19,000
	State Grant Revenue	666,282	110,285	121,853	100,000
	Student Aid	1,596,388	1,859,220	1,846,487	1,800,000
	Sales & Services	1,244,251	982,169	1,158,873	941,753
	Adult Education	-	-	-	-
	Student Activities	-	-	-	-
	Organized Activities	11,368	22,151	13,948	15,500
	Auxiliary Enterprises	438,507	413,375	320,776	400,500
	Interest Income	109,176	177,915	144,182	75,000
	Other	414,720	411,390	306,534	253,500
Total Revenues		**$30,941,547**	**$30,710,629**	**$30,260,319**	**$28,194,383**
Expenditures:					
	Instructional	$13,561,800	$12,963,211	$12,453,085	$12,855,042
	Admin & General	6,053,729	5,747,338	7,744,433	5,566,420
	Plant Oper and Maint	3,191,319	3,299,424	3,196,026	3,183,798
	Grants & Scholarships	1,664,734	1,935,009	1,896,967	1,908,500
	Auxiliary Enterprises	516,649	513,980	542,841	575,545
	Academic Support	1,159,945	1,300,404	1,236,542	1,185,370
	Student Services	3,601,841	3,501,420	3,820,591	4,016,073
	Scholarships	1,102,500	1,163,939	1,321,363	1,233,500
	Public Service	101,461	95,051	40,432	20,000
Total Expenditures		**$30,953,978**	**$30,519,776**	**$32,252,280**	**$30,544,248**
	Net Revenue Less Expenses	($12,431)	$190,853	($1,991,961)	($2,349,865)
	Transfers In/Out	(268,447)	(186,523)	562,376	105,205
	Net Increase/Decrease for YTD	($280,878)	$4,330	($1,429,585)	($2,244,660)
	Beginning Net Assets	(15,114,462)	(17,768,931)	(17,764,601)	(19,194,186)
	Prior Period Adjustment	(2,373,591)	-	-	-
	Ending Net Assets	**($17,768,931)**	**($17,764,601)**	**($19,194,186)**	**($21,438,846)**

Current Restricted Fund

		2018 Actuals	2019 Actuals	2020 Actuals	2021 Budget
Revenues:					
	State Aid	$ 333,043	$ 333,043	$ 285,351	$ 268,000
	Tuition and fees	-	-	-	-
	Local Taxes	-	-	-	-
	Federal Grant Revenue	1,432,941	1,212,370	3,212,034	1,859,401
	State Grant Revenue	2,235,401	2,871,668	3,022,225	2,984,305
	Student Aid	7,225,773	6,475,394	5,864,581	5,062,366
	Sales & Services	-	-	-	-
	Adult Education	180,651	198,587	199,118	227,360
	Student Activities	55,319	39,896	32,478	31,700
	Organized Activities	76,552	57,591	4,695	43,750
	Auxiliary Enterprises	757,262	795,811	795,917	384,750
	Interest Income	28,536	34,331	33,795	19,700
	Other	2,830,105	2,801,689	2,845,649	3,018,700
Total Revenues		**$15,155,583**	**$14,820,380**	**$16,295,843**	**$13,900,032**
Expenditures:					
	Instructional	$ 1,318,211	$ 1,863,255	$ 1,957,727	$ 2,296,899
	Admin & General	2,673,799	2,711,116	2,701,476	3,022,250
	Plant Oper and Maint	208,935	71,841	456,543	1,186,000
	Grants & Scholarships	8,703,843	8,168,016	9,114,235	6,777,104
	Auxiliary Enterprises	649,695	706,993	828,687	634,646
	Academic Support	13,809	21,449	14,152	23,683
	Student Services	632,217	492,516	385,932	582,713
	Scholarships	-	-	-	-
	Public Service	5,396	17,971	-	-
Total Expenditures		**$14,205,905**	**$14,053,157**	**$15,458,752**	**$14,523,295**
	Net Revenue Less Expenses	$949,678	$767,223	$837,091	($623,263)
	Transfers In/Out	(641,402)	(318,774)	(551,816)	395,567
	Net Increase/Decrease for YTD	$308,276	$448,449	$285,275	($227,696)
	Beginning Net Assets	1,498,298	1,806,574	2,255,023	2,540,298
	Ending Net Assets	**$1,806,574**	**$2,255,023**	**$2,540,298**	**$2,312,602**

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020
(UNAUDITED)

Plant Funds

		2018 Actuals	2019 Actuals	2020 Actuals	2021 Budget
Revenues:					
	State Aid	$ -	$ -	$ -	$ -
	Tuition and fees	761,480	739,926	699,779	559,760
	Local Taxes	2,538,005	2,647,159	2,761,915	2,677,360
	Federal Grant Revenue	-	-	-	-
	State Grant Revenue	7,490	-	-	-
	Student Aid	-	-	-	-
	Sales & Services	-	-	-	-
	Adult Education	-	-	-	-
	Student Activities	-	-	-	-
	Organized Activities	-	-	-	-
	Auxiliary Enterprises	-	-	-	-
	Interest Income	1,198	2,643	2,007	1,200
	Other	219,470	703,108	213,326	45,000
Total Revenues		**$3,527,643**	**$4,092,836**	**$3,677,027**	**$3,283,320**
Expenditures:					
	Instructional	$ 87,929	$ 210,201	$ 191,754	$ 126,000
	Admin & General	790,515	583,364	811,565	1,616,497
	Plant Oper and Maint	211,142	291,153	65,188	1,276,000
	Grants & Scholarships	-	-	-	-
	Auxiliary Enterprises	95,545	4,427	29,224	-
	Academic Support	88,174	-	1,088	22,500
	Student Services	54,761	56,186	19,879	78,000
	Scholarships	-	-	-	-
	Public Service	-	7,220	-	-
Total Expenditures		**$1,328,066**	**$1,152,551**	**$1,118,698**	**$3,118,997**
	Net Revenue Less Expenses	$2,199,577	$2,940,285	$2,558,329	$164,323
	Transfers In/Out	(4,735,201)	(2,510,371)	(2,920,631)	(500,772)
	Net Increase/Decrease for YTD	($2,535,624)	$429,914	($362,302)	($336,449)
	Beginning Net Assets	11,200,908	8,665,284	9,095,198	8,732,896
	Ending Net Assets	**$8,665,284**	**$9,095,198**	**$8,732,896**	**$8,396,447**

Other Funds

		2018 Actuals	2019 Actuals	2020 Actuals	2020 Budget
Revenues:					
	State Aid	$ -	$ -	$ -	$ -
	Tuition and fees	-	-	-	-
	Local Taxes	-	-	-	-
	Federal Grant Revenue	-	-	-	-
	State Grant Revenue	-	-	-	-
	Student Aid	-	-	-	-
	Sales & Services	-	-	-	-
	Adult Education	-	-	-	-
	Student Activities	-	-	-	-
	Organized Activities	-	-	-	-
	Auxiliary Enterprises	-	-	-	-
	Interest Income	(24,577)	38,384	94,674	27,600
	Other	-	-	-	-
Total Revenues		**($24,577)**	**$38,384**	**$94,674**	**$27,600**
Expenditures:					
	Instructional	$ -	$ -	$ -	$ -
	Admin & General	-	-	-	-
	Plant Oper and Maint	-	-	-	-
	Grants & Scholarships	-	-	-	-
	Auxiliary Enterprises	-	-	-	-
	Academic Support	-	-	-	-
	Student Services	-	-	-	-
	Scholarships	-	-	-	-
	Public Service	-	-	-	-
Total Expenditures		$ -	$ -	$ -	$ -
	Net Revenue Less Expenses	($24,577)	$38,384	$94,674	$ 27,600
	Transfers In/Out	30,387	(35,321)	(92,007)	-
	Net Increase/Decrease for YTD	$ 5,810	$ 3,063	$ 2,667	$ 27,600
	Beginning Net Assets	693,340	699,150	702,213	704,880
	Ending Net Assets	**$699,150**	**$702,213**	**$704,880**	**$732,480**

Economic Outlook

State Aid was expected to decrease due to COVID-19 For FY 2021, however it appears the state will release at least half of its withholdings which means the College could receive $467,430 in additional funds than what was originally budgeted.

Property tax revenue has remained relatively flat. The College's administration believes that this will show a slight increase through 2021.

The College projected an enrollment decline of about 20% in fiscal year 2021 due to COVID-19, however, the fall semester decline was only around 11%, it is too early to tell how spring and summer numbers will turn out at this point.

The Board of Trustees and Management will continue to maintain a close watch over its resources and be cognizant of long-term financial goals to ensure its ability to plan and react to future internal and external issues.

Contacting the College's Financial Management

This financial report is designed to provide the College's Board, State Officials, Legislature, taxpayers, and other interested parties with a general overview of the College's finances and to demonstrate the College's accountability for the funding it receives. If you have questions about this report or need additional financial information, contact Daryl Gehbauer, VP of Finance and Administration, at 1000 Viking Drive, Hillsboro, MO 63050. The College's budgets and audited financial statements are available upon request.

Other

Management is not aware of any other currently known facts, decisions, or conditions that would have a significant effect on the College's financial position.

FINANCIAL STATEMENTS

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020
(With Summarized Comparative Financial Information as of June 30, 2019)

	Primary Government 2020	Component Unit Foundation 2020	Primary Government 2019	Component Unit Foundation 2019
ASSETS				
Current assets:				
Cash (Note 2)	$ 12,124,875	$ 277,643	$ 13,679,673	$ 474,173
Cash - Self Insurance	1,160,633	-	1,003,432	-
Investments (Note 2)	1,000,000	2,866,760	1,000,000	2,223,413
Receivables:				
Student fees, net of allowance of $347,596 and $289,567, respectively	2,799,480	-	4,718,828	-
Government Program	2,135,859	-	1,546,632	-
Taxes, net of allowance of $22,901 and $21,679, respectively	486,109	-	461,382	-
Other	40,994	117,123	127,520	91,258
Supplies & material inventories	41,666	-	33,242	-
Prepaid expenses	393,380	14,560	402,506	11,648
Total Current assets	20,182,996	3,276,086	22,973,215	2,800,492
Restricted deposits (Note 2)	3	-	330	-
Restricted investments (Note 2)	763,294	-	771,609	-
Long-term Pledges Receivable	-	88,088	-	140,910
Capital assets, net (Note 3)	41,044,568	490,963	41,632,395	512,981
TOTAL ASSETS	$ 61,990,861	$ 3,855,137	$ 65,377,549	$ 3,454,383
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts related to state pension system	$ 5,943,652	$ -	$ 8,528,933	$ -
TOTAL DEFFERRED OUTFLOWS OF RESOURCES	$ 5,943,652	$ -	$ 8,528,933	$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 67,934,513	$ 3,855,137	$ 73,906,482	$ 3,454,383
LIABILITIES				
Current liabilities:				
Accounts Payable	$ 694,572	$ 7,337	$ 887,761	$ 15,000
Payroll Liabilities Payable	4,837,517	-	4,939,114	-
Accrued Payroll Expenses	126,605	-	128,516	-
Accured Interest Payable	27,486	-	37,746	-
Current Portion of Bonds Payable	963,497	-	929,663	-
Current Portion of COPS	245,000	-	620,000	-
Current Portion of Direct Borrowings	199,099	-	179,059	-
Compensated Absences	754,686	-	682,334	-
Total Current liabilities	7,848,462	7,337	8,404,193	15,000
Deferred Inflows of Resources				
Deferred Aid and Tuition	3,192,198	-	5,239,581	-
Total Deferred Inflows of Resources	3,192,198	-	5,239,581	-
Noncurrent liabilities:				
Bonds Payable	3,092,095	-	4,055,592	-
COPS	1,060,000	-	1,305,000	-
Direct Borrowings	56,705	-	848,545	-
Early Retirement Liability (Note 4)	16,041	-	15,177	-
Share of Missouri State Pension Liability	20,581,796	-	21,582,710	-
Total Noncurrent liabilities	24,806,637	-	27,807,024	-
TOTAL LIABILITIES	$ 35,847,297	$ 7,337	$ 41,450,798	$ 15,000
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts related to state pension system	$ 4,961,617	$ -	$ 5,419,546	$ -
Deferred amounts related to OPEB	891,292	-	105,366	-
TOTAL DEFERRED INFLOWS OF RESOURCES	$ 5,852,909	$ -	$ 5,524,912	$ -
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	$ 41,700,206	$ 7,337	$ 46,975,710	$ 15,000
NET POSITION				
Net Position:				
Net investment in capital assets	35,428,171	-	33,694,536	-
Restricted:				
With Donor Restriction	-	2,010,575	-	1,701,931
Expendable	12,026,821	-	12,407,242	-
Nonexpendable	704,880	-	702,212	-
Unrestricted/Without Donor Restriction	(21,925,565)	1,837,225	(19,873,218)	1,737,452
TOTAL NET POSITION	26,234,307	3,847,800	26,930,772	3,439,383
TOTAL LIABILITIES AND NET POSITION	$ 67,934,513	$ 3,855,137	$ 73,906,482	$ 3,454,383

The notes to the financial statements are an integral part of this statement.

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020
(With Summarized Comparative Financial Information as of June 30, 2019)

	Primary Government 2020	Component Unit Foundation 2020	Primary Government 2019	Component Unit Foundation 2019
OPERATING REVENUES				
Operating Revenues:				
Tuition and Fees (net of scholarships)	$ 7,338,200	$ -	$ 8,302,650	$ -
Student Housing Revenues (net of scholarships)	559,620	-	663,459	-
Other Operating Revenues	1,747,596	-	1,830,078	-
Total Operating Revenues	9,645,416	-	10,796,187	-
OPERATING EXPENSES				
Operating expenses:				
Salaries	18,752,045	147,738	18,317,726	88,123
Benefits	10,006,620	44,802	8,617,981	27,721
Financial Aid and Scholarships	3,325,139	-	3,548,867	-
Utilities	1,001,212	-	1,074,392	-
Supplies and Other Services	5,961,591	-	6,058,887	-
Depreciation	2,317,987	22,019	2,303,640	22,019
Total Operating Expenses	41,364,594	214,559	39,921,493	137,863
OPERATING INCOME / (LOSS)	(31,719,178)	(214,559)	(29,125,306)	(137,863)
NON-OPERATING REVENUES (EXPENSES):				
Regular State Aid	6,615,285	-	7,650,035	-
Local Taxes	11,412,078	-	10,974,189	-
Grants and Contracts	10,214,444	-	8,792,704	93,500
Investment Income	274,657	116,269	253,013	54,939
Interest Expense	(275,108)	-	(343,971)	-
Gain (Loss) on sale of assets	(367,326)	-	(8,054)	-
Gain (Loss) on marketable securities	-	243,532	-	230,266
Other Income	-	-	-	-
Library Renovation Income	-	199,000	-	50,895
Membership Fees	-	-	-	-
Events Revenue	-	106,032	-	125,998
Contributions - Net	-	439,630	-	361,762
Programs - scholarships	-	(143,080)	-	(237,739)
Administration	-	(15,954)	-	(9,823)
Advertising	-	(11,648)	-	(12,448)
Ault House	-	(3,887)	-	(2,551)
Awards & Recognition	-	(5,876)	-	(3,766)
Capital Improvements	-	(72,721)	-	(593,599)
Events Expense	-	(33,351)	-	(82,833)
Financing & Investing	-	(168,640)	-	(110,050)
Instructional Programs	-	(7,875)	-	(14,828)
Professional Fees	-	(18,455)	-	(90,978)
Other Nonoperating Revenues	3,148,683	-	3,601,552	-
Net Non-Operating Revenues (expenses)	31,022,713	622,976	30,919,468	(241,255)
Income Before Other Revenues Expenses Gains or Losses	(696,465)	408,417	1,794,162	(379,118)
NET POSITION				
Net Position - Beginning of Year	26,930,772	3,439,383	25,136,610	3,818,501
Net Position - End of Year	$ 26,234,307	$ 3,847,800	$ 26,930,772	$ 3,439,383

The notes to the financial statements are an integral part of this statement.

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020
(With Summarized Comparative Financial Information as of June 30, 2019)

	Primary Government 2020	Component Unit Foundation 2020	Primary Government 2019	Component Unit Foundation 2019
CASH FLOWS FROM OPERATING ACTIVITIES:				
Tuition and fees	$ 7,210,165	$ -	$ 8,373,814	$ -
Student Housing Revenue	559,620	-	663,459	-
Payments to Suppliers	(7,154,543)	-	(6,619,549)	-
Payments to Employees	(28,789,704)	-	(26,560,155)	-
Cash Payments for Insurance Claims and Fees	-	-	-	-
Financial aid and scholarships	(3,325,139)	-	(3,548,867)	-
Change in Net Assets	-	408,417	-	(379,118)
Gain (Loss) on marketable securities - Unrealized	-	(82,445)	-	(124,916)
Contributions restricted to endowment funds	-	(282,695)	-	516,949
Investment income restricted to endowment funds	-	(58,972)	-	(26,758)
Changes in assets and liabilites - (increase) or decrease in pledges receivable	-	20,957	-	32,306
Other receipts or expenses - net	(483,865)	17,443	(576,481)	19,371
Net cash provided by (used in) operating activities	(31,983,466)	22,705	(28,267,779)	37,834
CASH FLOWS FROM CAPITAL AND CAPITAL-RELATED FINANCING ACTIVITIES:				
Capital Contribution - Self-Insurance	-	-	-	-
Net purchased of capital assets & intagibles activities	587,827	-	345,022	-
Proceeds from sale of capital assets	-	-	-	-
Issuance of new debt	-	-	-	-
Principal paid on capital debt	(2,321,463)	-	(1,694,511)	-
Interest paid on capital debt	(285,368)	-	(353,458)	-
Cost of debt restructuring	-	-	-	-
Net cash provided by (used in) capital and capital-related financing activities	(2,019,004)	-	(1,702,947)	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Local taxes	11,387,351	-	10,954,738	-
State aid	6,615,285	-	7,650,035	-
Grants and Contracts	9,625,217	-	9,014,938	-
Proceeds from contributions restricted to endowment funds	-	282,695	-	(516,949)
Investment income restricted to endowment funds	-	58,972	-	26,758
Gifts received for other than capital purposes	2,781,357	-	3,593,497	-
Title IV Settlement	-	-	(749,657)	-
Net cash provided by (used in) noncapital financing activities	30,409,210	341,667	30,463,551	(490,191)
CASH FLOWS FROM INVESTING ACTIVITES:				
Proceeds from sale and maturities of investments	8,315	(463,400)	(35,321)	-
(Increase) or decrease in marketable securities	-	(97,502)	-	(67,253)
Interest on investments	274,657	-	253,014	-
Net impact of GASB 68	1,605,909	-	353,674	-
Net impact of GASB 75	306,455	-	(178,779)	-
Net cash provided by (used in) investing activities	2,195,336	(560,902)	392,588	(67,253)
INCREASE (DECREASE) IN CASH	(1,397,924)	(196,530)	885,413	(519,610)
CASH - Beginning of year	14,683,435	474,173	13,798,022	993,783
CASH - End of year	$ 13,285,511	$ 277,643	$ 14,683,435	$ 474,173
RECONCILIATION OF NET OPERATING REVENUE (EXPENSES) TO THE NET CASH FROM OPERATING ACTIVITIES:				
Operating Income (loss)	$ (31,719,178)	$ 408,417	$ (29,125,306)	$ (379,118)
Adjustments to reconcile operating loss to cash flows from operating activities:				
Depreciation	2,317,987	22,019	2,303,640	22,019
Changes in assets and liabilities:				
Accounts receivable	1,981,147	20,957	18,837	32,306
Inventory, prepaid expenses, and other assets	(2,292,558)	(428,688)	(2,275,169)	362,627
Accounts payable	(192,442)	-	504,710	-
Payroll liabilities	(104,255)	-	372,434	-
Compensated absences	72,352	-	2,348	-
Deferred revenue	(2,047,383)	-	(70,043)	-
Early retirement liability	864	-	770	-
NET CASH PROVIDED BY (USED IN) RECONCILIATION OF NET OPERATING EXPENSES TO NET CASH FROM OPERATING ACTIVITIES	$ (31,983,466)	$ 22,705	$ (28,267,779)	$ 37,834

The notes to the financial statements are an integral part of this statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies of The Community College District of Jefferson County, Missouri (the "College"), conform to accounting principles generally accepted in the United States of America, which are appropriate to local government units of this type.

***Reporting Entity* -** The financial statements referred to above include the primary government of The Community College District of Jefferson County, Missouri, the blended component unit – Viking Woods, and the College's discretely presented component unit – Jefferson College Foundation, Inc. which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the College's legal entity.

***Discretely Presented Component Unit* -** The discretely presented component unit column in the basic financial statements includes the financial data of the College's other component unit. It is reported in separate columns in the financial statements to emphasize that it is legally separate from the College. The following entity is discretely presented in the basic financial statements as governmental fund types:

***Jefferson College Foundation, Inc.* -** The component unit's governing body is elected by its own board. The purpose of the component unit is to advance, encourage, assist and support the growth and development of the Community College District of Jefferson County. A complete copy of the audit report can be obtained by writing to Jefferson College Foundation, Inc., 1000 Viking Drive, Hillsboro, MO 63050.

Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds account for ongoing organizations and activities, which are similar to those often found in the private sector. The measurement focus is upon the determination of change in Net Position. Internal service funds are established to account for services furnished by a department of the College to other departments on a cost reimbursement basis. The College's self-insurance internal service fund accounts for transactions of the medical plan for the 2019/2020 year and medical and dental plans for the 2019/2020 year and beyond. The self-insurance financial information has been blended within the business-type activities.

Accrual Accounting and Basis for Reporting - The financial statements of the College are prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board ("GASB").

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The College's resources are classified for accounting and reporting purposes into the following net position categories:

Net Investment in Capital Assets - Capital assets are net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

Restricted:
Nonexpendable - Nonexpendable net position is subject to externally imposed stipulations that the College permanently maintains. Such items include the College's permanent endowment funds.

Expendable - Expendable net position is subject to externally imposed stipulations that can be fulfilled by actions of the College pursuant to those stipulations. When the College is able to utilize restricted expendable assets or unrestricted assets, it utilizes the restricted assets first.

Unrestricted - Unrestricted net position is assets that are not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

Classification of Revenues - The College has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating Revenues - Operating revenues include activities that have the characteristics of exchange transactions, such as student tuition and fees, sales and services of auxiliary enterprises, most federal, state, and local grants and contracts and federal appropriations, and interest on student loans. The College recognizes revenues net of discounts and allowances, when they are earned, and accordingly a pro rata portion of summer tuition and fees for June 30, 2020, and 2019, is recognized in operating revenues.

Nonoperating Revenues - Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating revenues by GASB No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities That Use Proprietary Fund Accounting,* and GASB No. 34, such as state appropriations, local property taxes, and investment income.

Scholarship Allowances – The College provides tuition reductions by awarding scholarships from its own funds and certain federal student financial aid programs. These scholarship awards are recognized as reductions of tuition to the extent they offset amounts otherwise billable as tuition or fees. Amounts of awards in excess of tuition and fees are provided to the student and are recognized as scholarship expense.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments - Investments are recorded at cost that approximates market and consist of repurchase agreements, certificates of deposit, a mutual bond fund, and government securities. The mutual fund assets are carried at fair value based on market quotations. Net unrealized gains (losses) are included in investment income in the statement of revenues, expenses, and changes in net position.

Restricted Investments - Restricted investments consist of two components, a reserve requirement on the Series 2004 Leasehold Refunding Revenue Bonds, and $1 in order to keep an account open for the pass-through of principal and interest payments on the Series 2005 Leasehold Revenue Bonds through the Jefferson College Educational Facilities Authority.

Tax Revenues and Receivables - Local tax revenues represent taxes levied within the fiscal year from Jefferson, Ste. Genevieve, and St. Francois Counties. Taxes receivable of $509,009 and $483,061 for fiscal years 2020 and 2019, respectively, represent uncollected delinquent taxes and protested taxes thereon from the 2008 to 2019 property tax levies net of an allowance for uncollectible amounts in the amounts of $22,901 and $21,679 respectively.

Supplies and Materials Inventories - These assets are stated at the lower of cost or market on a first-in, first-out basis.

Capital Assets - Land and improvements to land, buildings, furniture, equipment and software are recorded at cost at the date of acquisition, or if donated, at fair value at the date of gift. Depreciation of capital assets is provided on a straight-line basis over the estimated useful lives (3-40 years) of the respective assets. Net interest expense incurred during the construction of debt-financed facilities is included in the capitalization of the related facilities.

Compensated Absences - Amounts of vested or accumulated vacation leave are reported as accrued liabilities. Classified employees (i.e., professional and administrative staff) earn vacation during the current year, which can be taken in the subsequent years. However, no more than 40 days of earned but unused vacation time may be carried forward and used in subsequent years by an employee.

Amounts of vested or accumulated sick leave are also recorded in accrued liabilities. Sick leave is accumulated beginning with the employee's date of hire at the rate of one day for each complete month of service. All full-time employees hired after January 1, 2013, will accumulate sick leave up to a maximum of 120 days while all full-time employees hired before January 1, 2013, will accumulate leave with no maximum number of days.

Any unused earned sick leave, up to 90 days, accumulated by an employee at the time of their retirement, will be compensated at the rate of $15 per day. Upon termination of employment, employees forfeit any unused earned sick leave with the exception of those employees that are grandfathered under the Sick Leave Buy-Back Program. Those employees grandfathered under the Sick Leave Buy-Back Program will first be compensated for eligible days under the buy-back program then additional days will be compensated at the rate of $15 per day. The combination of buy-back program sick leave days and additional sick leave days at the rate of $15 per day will not exceed 90 days.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Deferred Revenue - Deferred aid and tuition primarily consists of tuition and fees for the 2019-2020 school year billed in advance. The College recognizes tuition revenue for the portion of summer school falling in the fiscal year, the remainder of summer school tuition and fall tuition is deferred.

Use of Estimates - The preparation of general purpose financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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.

Cash and Cash Equivalents - The College considers all liquid investments with original maturities of three months or less to be cash equivalents.

Student Fees Receivable - The College reported total student fees receivable of $3,057,003 and $4,900,997 for June 30, 2020, and 2019, respectively, with unapplied cash payments of $90,073 and $107,398, respectively, and allowances of $347,596 and $289,567, respectively.

Government Receivable - The College reported total student fees receivable of $2,135,859 and $1,546,632 for June 30, 2020, and 2019, respectively, these represent federal and state awards that have yet to be received.

Prepaid Expenses - The College reported total prepaid expenses of $393,380 and $402,506 for June 30, 2020, and 2019, respectively.

Student Security Deposits - The College reported total student security deposits for Viking Woods of $33,000 and $43,000 for June 30, 2020, and 2019, respectively.

Revenues-Exchange and Non-Exchange Transactions

Revenues resulting from exchange transactions, in which each party receives essentially equal value, are recorded on the accrual basis when the College receives the revenue.

Non-exchange transactions, in which the College receives value without directly giving value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are earned. Revenue from grants, entitlements and donations is recognized in the fiscal year in which the funds are earned and eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the College must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

Available means collectible within the current period or soon enough thereafter to pay current liabilities. The College considers revenues to be available if they are collected within 60 days after the end of the current fiscal period. Property taxes, state and federal grants and interest associated with the current fiscal period are all considered to be susceptible to accrual.

2. CASH AND INVESTMENTS

As of June 30, 2020, the College had deposits and investments as follows:

Type	2020 Maturities	2020 Cost
Unrestricted Deposits:		
Petty Cash and Postage Machines	N/A	$ 27,615
Demand Deposits	N/A	12,097,260
Restricted Deposits:		
Endowment Demand Deposits	N/A	3
Total Deposits		12,124,878
Unrestricted Investments:		
CD	04/20/2021	1,000,000
Restricted Investments:		
Endowment Bonds	07/15/2033	86,799
Endowment Bonds	09/01/2033	115,128
Endowment Bonds	06/15/2035	139,615
Endowment Bonds	06/08/2037	30,152
Endowment Bonds	09/15/2039	180,285
Endowment Bonds	12/15/2042	127,138
Endowment Bonds	07/15/2045	84,177
Total Investments		1,763,294
Total Deposits and Investments -		13,888,172
Deposits –Self Insurance	N/A	1,160,633
Total Deposits and Investments		$ 15,048,805

2. CASH AND INVESTMENTS (concluded)

Note – all of the College's investments in debt securities are issued in U.S. Government and agency securities.

Investments are recorded at cost, which approximates market. Repurchase agreements are recorded at fair value, which approximates market.

The College's repurchase agreements are held for safekeeping at the counter party financial institution's trust department in the College's name.

Interest Rate Risk - The College's investment policy minimizes the risk that the market value of securities mature to meet cash requirements for ongoing operations and investing operating funds primarily in short-term securities. Investments in banker's acceptance and commercial paper shall mature and become payable not more than 180 days from the date of purchase. All other investments shall mature and become payable not more than five years from the date of purchase.

The College's established investment policy has limited the College's investment portfolio to a weighted-average maturity that does not exceed three years.

Credit Risk - State law permits public colleges to invest in obligations of the State of Missouri or U.S. Government and obligations of government agencies that mature or become payable in one year or less from the date of issue. The College also invests some endowment funds, which are not subjected to these regulations, in the mutual bond fund and U.S. agencies. The College does not have a policy for credit risk.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of failure of the counter party, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law requires depository financial institutions to pledge as collateral for public funds on deposit by governmental unit securities which, when combined with Federal Deposit Insurance Corporation ("FDIC") insurance, are at least equal to the amount on deposit at all times. At June 30, 2020, the College's deposits bank balance was insured or collateralized as follows: the College had a total of $15,028,256 in cash and investment (bank balance) with a total of $803,204 in FDIC coverage and the remaining $14,225,052 covered by pledged securities and government securities at various banks. The College does not have a policy for custodial credit risk.

Concentration of Credit Risks - The College places no limit on the amount the College may invest in any one issuer. More than 5% of the College's total unrestricted investments are with U.S. federal agencies.

3. CHANGES IN CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2020, are summarized as follows:

	June 30, 2019	Additions	Retirements	Adjustments See Note 18	Depreciation	June 30, 2020
Capital Assets Not Being Depreciated						
Land	$ 2,789,300	$ -	$ -	$ -	$ -	$ 2,789,300
Construction in Progress	-	-	-	-	-	-
Total Capital Assets Not Being Depreciated	$ 2,789,300	$ -	$ -	$ -	$ -	$ 2,789,300
Capital Assets Being Depreciated						
Land Improvements	$ 14,551,175	$ 115,994	$ (313,982)	$ -	$ (372,955)	$ 14,353,187
Buildings	59,915,480	1,112,623	-	-	(1,370,742)	61,028,103
Furniture and equipment	8,010,431	758,424	(387,691)	(310,942)	(121,206)	8,070,222
Library Books	2,441,426	26,545	-	-	(36,463)	2,467,971
Software	675,297	83,900	(48,513)	(40,917)	(33,761)	669,767
Total Capital Assets Being Depreciated	85,593,809	2,097,486	(750,186)	(351,859)	-	86,589,250
Less - Accumulated Depreciation	(46,750,714)	-	-	351,859	(1,935,127)	(48,333,982)
Total Capital Assets Being Depreciated - Net	38,843,095	2,097,486	(750,186)	351,859	(1,935,127)	38,255,268
Total Capital Assets - Net	$ 41,632,395	$ 2,097,486	$ (750,186)	$ -	$ (1,935,127)	$ 41,044,568

Depreciation expense related to Land Improvements, Buildings, Furniture and Equipment, Library Books and Software was $2,317,987 for June 30, 2020 and $2,303,640 for June 30, 2019.

4. RETIREMENT PLANS

Summary of Significant Accounting Policies

Financial reporting information pertaining to the College's participation in the Public School Retirement System of Missouri and the Public Education Employee Retirement System of Missouri (PSRS and PEERS, also referred to as the Systems) is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended.

The fiduciary net position, as well as additions to and deductions from fiduciary net position, of PSRS and PEERS have been determined on the same basis as they are reported by the Systems. The financial statements were prepared using the accrual basis of accounting. Member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contributions are recognized when due and payable in accordance with the statutes governing the Systems. Expenses are recognized when the liability is incurred, regardless of when payment is made.

4. RETIREMENT PLANS (continued)

Summary of Significant Accounting Policies (concluded)

Investments are reported at fair value. The fiduciary net position is reflected in the measurement of the College's net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense. A Comprehensive Annual Financial Report ("CAFR") can be obtained at www.psrs-peers.org.

General Information about the Pension Plan - PSRS

Plan Description. PSRS is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of the Systems, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the state of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Section 169.070 (9) RSMo, known as the "2/3's statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

Benefits Provided. PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Actuarial age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

A Summary Plan Description detailing the provisions of the plan can be found on PSRS' website at www.psrs-peers.org.

Cost-of-Living Adjustments ("COLA"). The Board of Trustees has established a policy of providing COLAs to PSRS members as follows:
- If the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted.

4. RETIREMENT PLANS (continued)

General Information about the Pension Plan - PSRS (concluded)

- If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted.
- If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted.
- If the CPI decreases, no COLA is provided.

For any member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

Contributions. PSRS members were required to contribute 14.5% of their annual covered salary during fiscal years 2018, 2019 and 2020. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

The College's contributions to PSRS were $1,724,503 for the year ended June 30, 2020.

General Information about the Pension Plan - PEERS

Plan Description. PEERS is a mandatory cost-sharing multiple employer retirement system for all public school district employees (except the school districts of St. Louis and Kansas City), employees of the Missouri Association of School Administrators, and community college employees (except the Community College of St. Louis). Employees of covered districts who work 20 or more hours per week on a regular basis and who are not contributing members of the Public School Retirement System of Missouri (PSRS) must contribute to PEERS. Employees of PSRS who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600 - 169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of the Public School Retirement System of Missouri.

Benefits Provided. PEERS is a defined benefit plan providing service retirement and disability benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the “Rule of 80” (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary .8% benefit multiplier until reaching minimum Social Security age (currently age 62). Actuarially age-reduced retirement benefits are available with five to 24.9 years of service at age 55.

4. RETIREMENT PLANS (continued)

General Information about the Pension Plan - PEERS (concluded)

Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one- time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

A Summary Plan Description detailing the provisions of the plan can be found on PSRS' website at www.psrs-peers.org.

Cost-of-Living Adjustments ("COLA"). The Board of Trustees has established a policy of providing COLAs to PSRS members as follows:

- If the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted.
- If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted.
- If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted.
- If the CPI decreases, no COLA is provided.

For any member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

Contributions. PEERS members were required to contribute 6.86% of their annual covered salary during fiscal years 2018, 2019 and 2020. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The College's contributions to PEERS were $453,781 for the year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the College recorded a liability of $17,645,748 for its proportionate share of PSRS' net pension liability and $2,936,048 for its proportionate share of PEERS' net pension liability. In total, the College recorded net pension liabilities of $20,581,796. The net pension liability for the plans in total was measured as of June 30, 2019, and determined by an actuarial

4. RETIREMENT PLANS (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (concluded)

$442,074, respectively, for the year ended June 30, 2019, relative to the total contributions of $711,760,160 for PSRS and $119,080,046 for PEERS from all participating employers. At June 30, 2019, the College's proportionate share was 0.2391% for PSRS and 0.3712% for PEERS.

For the year ended June 30, 2020, the College recognized a pension expense of $3,057,811 for PSRS and $692,030 for PEERS, its proportionate share of the total pension expense.

At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources from the following sources related to PSRS and PEERS pension benefits:

Balance of Deferred Outflows and Inflows due to:	PSRS		PEERS		College Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
- Differences between expected and actual experience	$ 571,561	$ 1,277,128	$ -	$ 62,231	$ 571,561	$ 1,339,359
- Changes of assumptions	2,500,926	-	185,530	-	2,686,456	-
- Net Difference between projected and actual earnings of pension plan investments	1,636,724	1,974,878	296,716	362,641	1,933,440	2,337,519
- Changes in proportion and differences between Employer contributions and proportionate share of contributions	104,492	1,161,679	6,782	123,060	111,274	1,284,739
- Employer contributions subsequent to the measurement date	-	-	-	-	-	-
Total	$ 4,813,703	$ 4,413,685	$ 489,028	$ 547,932	$ 5,302,731	$ 4,961,617

Amounts reported as deferred outflows of resources resulting from contribution subsequent to the measurement date of June 30, 2019, will be recognized as a reduction to the net pension liability in the year ended June 30, 2020. Other amounts reported as collective deferred (inflows)/outflows of resources are to be recognized in pension expense as follows:

Year ending June 30,	PSRS	PEERS	College Total
2021	$ 725,752	$ 81,746	$ 807,498
2022	(459,765)	(152,505)	(612,270)
2023	282,453	(14,586)	267,867
2024	93,110	26,442	119,552
2025	(241,532)	-	(241,532)
Thereafter	-	-	-
Total	$ 400,018	$ (58,903)	$ 341,115

4. RETIREMENT PLANS (continued)

Actuarial Assumptions - PSRS and PEERS

Actuarial valuations of the Systems involve assumptions about the probability of occurrence of events far into the future in order to estimate the reported amounts. Examples include assumptions about future employment, salary increases, and mortality. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Board of Trustees adopts actuarial assumptions, each of which individually represents a reasonable long-term estimate of anticipated experience for the Systems, derived from experience studies conducted every fifth year and from Board policies concerning investments and COLAs. The most recent comprehensive studies were completed in June 2016. All economic and demographic assumptions were reviewed and updated, where appropriate, based on the results of the study and effective with the June 30, 2016, valuation. For the June 30, 2017 valuations, the investment rate of return was reduced from 7.75% to 7.60%and the assumption for the annual cost-of-living adjustments was updated in accordance with the funding policies amended by the Board of Trustees at their November 2017 meeting. For the June 30, 2018 valuation, the investment rate of return assumption was further reduced from 7.60% to 7.50%. No additional assumption changes have occurred. Significant actuarial assumption and method changes are detailed below. For additional information please refer to the Systems' CAFR. The next experience studies are scheduled for 2021.

Significant actuarial assumptions and other inputs used to measure the total pension liability:

- Measurement Date	June 30, 2019
- Valuation Date	June 30, 2019
- Expected Return on Investments	7.50%, net of investment expenses and including 2.25% inflation
- Inflation	2.25%
- Total Payroll Growth - PSRS	2.75% per annum, consisting of 2.25% inflation, 0.25% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.25% of real wage growth due to productivity.
- Total Payroll Growth - PEERS	3.25% per annum, consisting of 2.25% inflation, 0.50% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.50% of real wage growth due to productivity.

4. RETIREMENT PLANS (continued)

Actuarial Assumptions - PSRS and PEERS (continued)

- Future Salary Increases - PSRS	3.00% - 9.50%, depending on service and including 2.25% inflation, 0.25% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.25% of real wage growth due to productivity.
- Future Salary Increases - PEERS	4.00% - 11.00%, depending on service and including 2.25% inflation, 0.50% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.50% of real wage growth due to productivity.
- Cost-of-Living Increases - Both	The long-term cost-of-living adjustment (COLA) assumed in the valuation is 1.30% to 1.65% over eight years beginning January 1, 2021. The COLA reflected for January 1, 2020, is 0.00%, in accordance with the actual COLA approved by the Board. This COLA assumption reflects an assumption that general inflation will increase from 1.90% to a normative inflation assumption of 2.25% over seven years. It is also based on the current policy of the Board to grant a COLA on each January 1 as follows: - If the June to June change in the CPI-U is less than 2% for consecutive one year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% cost-of-living increase is granted. - If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted. - If the June to June change in the CPI-U is greater than or equal to 5%, a cost-of-living increase of 5% will be granted. - If the CPI decreases, no COLA is provided.

4. RETIREMENT PLANS (continued)

Actuarial Assumptions - PSRS and PEERS (continued)

	The COLA applies to service retirements and beneficiary annuities. The COLA does not apply to the benefits for in-service death payable to spouses (where the spouse is over age 60), and does not apply to the spouse with children pre-retirement death benefit, the dependent children pre-retirement death benefit, or the dependent parent death benefit. The total lifetime COLA cannot exceed 80% of the original benefit. PSRS members receive a COLA on the second January after retirement, while PEERS members receive a COLA on the fourth January after retirement.
- Mortality Assumption	
Actives - PSRS:	RP 2006 White Collar Employee Mortality Table, multiplied by an adjustment factor of 0.75 at all ages for both males and females, with static projection using the 2014 SSA Improvement Scale to 2028.
Actives - PEERS:	RP 2006 Total Dataset Employee Mortality Table, multiplied by an adjustment factor of 0.75 at all ages for both males and females, with static projection using the 2014 SSA Improvement Scale to 2028.
Non-Disabled Retirees, Beneficiaries and Survivors - PSRS:	RP 2006 White Collar Mortality Tables with plan-specific experience adjustments and static projection to 2028 using the 2014 SSA Improvement Scale.
Non-Disabled Retirees, Beneficiaries and Survivors - PEERS:	RP 2006 Total Dataset Mortality Tables with plan-specific experience adjustments and static projection to 2028 using the 2014 SSA Improvement Scale.
Disabled Retirees - Both:	RP 2006 Disabled Retiree Mortality Tables with static projection to 2028 using the 2014 SSA Improvement Scale.

Changes in Actuarial Assumptions and Methods

PSRS & PEERS:

There have been no assumption changes since the June 30, 2018 valuations.

4. RETIREMENT PLANS (continued)

Actuarial Assumptions - PSRS and PEERS (concluded)

Fiduciary Net Position

The Systems issues a publicly available financial report (CAFR) that can be obtained at www.psrs-peers.org.

Expected Rate of Return

The long-term expected rate of return on investments was determined in accordance with Actuarial Standard Practice (ASOP) No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed rate of return. The long-term expected rate of return on the Systems' investments was determined using a building-block method in which best-estimate ranges of expected future real rates of returns (expected returns, net of 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 for each major asset class included in the Systems' target allocation as of June 30, 2019, is summarized below along with the long term geometric return. Geometric return (also referred to as the time weighted return) is considered standard practice within the investment management industry. Geometric returns represent the compounded rate of growth of a portfolio. The method eliminates the effects created by cash flows.

Asset Class	Target Asset Allocation	Long-term Expected Real Return Arithmetic Basis	Weighted Long-term Expected Real Return Arithmetic Basis
U.S. Public Equity	27.0%	5.16%	1.39%
Public Credit	7.0%	2.17%	0.15%
Hedged Assets	6.0%	4.42%	0.27%
Non-U.S. Public Equity	15.0%	6.01%	0.90%
U.S. Treasuries	16.0%	0.96%	0.15%
U.S. TIPS	4.0%	0.80%	0.03%
Private Credit	4.0%	5.60%	0.22%
Private Equity	12.0%	9.86%	1.18%
Private Real Estate	9.0%	3.56%	0.32%
Total	100.0%		4.61%
Inflation			2.25%
Long-term arithmetical nominal return			6.86%
Effect of coverage matrix			0.64%
Long-term expected geometric return			7.50%

- Discount Rate

The discount rate used to measure the total pension liability was 7.50% as of June, 30, 2019, and is consistent with the long-term expected geometric return on plan investments. The actuarial assumed rate of return was 8.0% from 1980 through fiscal year 2016. The Board of Trustees adopted a new actuarial assumed rate of return of 7.75% effective with June 30, 2016, valuation based on the actuarial experience studies and asset-liability study conducted during the 2016 fiscal year.

4. RETIREMENT PLANS (concluded)

Expected Rate of Return (concluded)

As previously discussed, the Board of Trustees further reduced the assumed rate of return to 7.6% effective with the June 30, 2017, valuation and to 7.5% effective with the June 30, 2018 valuation. The projection of cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with assumptions and methods stated in the funding policy adopted by the Board of Trustees, which requires payment of the normal cost and amortization of the unfunded actuarially accrued liability in level percent of employee payroll installments over 30 years utilizing a closed period, layered approach. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

- Discount Rate Sensitivity

The sensitivity of the College's net pension liability to changes in the discount rate is presented below. The College's net pension liability calculated using the discount rate of 7.50% is presented as well as the net pension liability using a discount rate that is 1.0% lower (6.50%) or 1.0% higher (8.50%) than the current rate.

Discount Rate	1% Decrease (6.50%)	Current Rate (7.50%)	1% Increase (8.50%)
PSRS Proportionate share of the Net Pension			
Liability / (Asset)	$32,100,703	$17,645,748	$5,630,730
PEERS Proportionate share of the Net Pension			
Liability / (Asset)	$5,575,459	$2,936,048	$722,236

The College has offered an early retirement plan that results in the payout of benefits based upon salary and years of service over four years. The activity in the long-term liability account for the year ended June 30, 2020, was as follows:

		2020
Beginning of year	$	22,765
New participant liability		8,884
Payments		(7,588)
End of year		24,061
Less current portion (reported in accounts payable)		(8,020)
Early retirement liability	$	16,041

5. BONDS PAYABLE

Bonds payable by series of issuance for the year ended June 30, 2020, consisted of the following:

	Beginning Balance July 1, 2019	Issued	Payment	Ending Balance June 30, 2020	Amounts Due within one year
Series 2005 Leasehold Bonds	$ 3,185,255	$ -	$ (489,663)	$ 2,695,592	$ 508,497
Series 2014 Leasehold Bonds	1,800,000	-	(440,000)	1,360,000	455,000
Total	$ 4,985,255	$ -	$ (929,663)	$ 4,055,592	$ 963,497

Leasehold Revenue Bonds - On May 19, 2005, the College issued $8,400,000 of Series 2005 Leasehold Revenue Bonds through the Jefferson College Educational Facilities Lease Authority. The bonds mature with a fixed rate of 3.78% ending in 2025. The proceeds went to expand the campus in the northern portion of the College's service area.

A schedule of funds required for bond redemption and payment of future years' interest applicable to the College's Series 2005 Leasehold Revenue Bonds for capital expenditures is as follows:

Years Ending June 30	Principal	Interest	Total
2021	$ 508,497	$ 93,143	$ 601,640
2022	528,054	73,586	601,640
2023	548,364	53,276	601,640
2024	569,455	32,185	601,640
2025	541,222	10,283	551,505
Total	$ 2,695,592	$ 262,473	$ 2,958,065

Leasehold Refunding Revenue Bonds - On April 14, 2014, the College refinanced its Series 2004 Student Housing Revenue Bonds with $3,980,000 Series 2014 Leasehold Refunding Revenue Bonds through the Jefferson College Educational Facilities Lease Authority. The bonds mature with variable rates ranging from .40% in 2020 to 2.85% ending in 2023.

The schedule of funds required for bond redemption and payment of future years' interest applicable to the College's student housing revenue bonds debt is as follows:

Years Ending June 30	Principal	Interest	Total
2021	$ 455,000	$ 34,905	$ 489,905
2022	450,000	24,668	474,668
2023	455,000	12,967	467,967
Total	$ 1,360,000	$ 72,540	$ 1,432,540

6. CERTIFICATES OF PARTICIPATION

Certificates of Participation by series of issuance for the year ended June 30, 2020, consisted of the following:

	Beginning Balance July 1, 2019	Issued	Payment	Ending Balance June 30, 2020	Amounts Due within one year
Certificates of Participation:					
Series 2010 COPS	$ 1,925,000	$ -	$ (620,000)	$ 1,305,000	$ 245,000
Total	$ 1,925,000	$ -	$ (620,000)	$ 1,305,000	$ 245,000

Certificates of Participation – On June 2, 2010, the College entered into a lease with the Jefferson College Educational Facilities Lease Authority for $6,943,000 in certificates of participation. The COPS mature with variable rates ranging from 1.50% in 2011 to 5.75% ending 2025. The Federal government will reimburse the College for 35% of the interest paid on every interest payment. For the year ended June 30, 2020, the College was reimbursed for $53,781 in interest.

The schedule of funds required for payment of future years' principal and interest components applicable to the College's COPS rent payments are as follows:

Years Ending June 30	Principal	Interest	Total
2021	$ 245,000	$ 75,038	$ 320,038
2022	250,000	60,950	310,950
2023	260,000	46,575	306,575
2024	270,000	31,625	301,625
2025	280,000	16,100	296,100
Total	$ 1,305,000	$ 230,288	$ 1,535,288

7. DIRECT BORROWINGS

Direct borrowing by issuance for the year ended June 30, 2020, consisted of the following:

	Beginning Balance July 1, 2019	Issued	Payments	Ending Balance June 30, 2020	Amounts Due within one year
FS Leasing LLC Video Display	$ 49,934	$ -	$ (9,400)	$ 40,534	$ 9,682
Enterprise Bank and Trust Library	958,710	-	(757,660)	201,050	184,677
Axon Enterprise, Inc. Tasers	18,960	-	(4,740)	14,220	4,740
Total	$ 1,027,604	$ -	$ (771,800)	$ 255,804	$ 199,099

All outstanding leases from direct borrowings contain an event of default that changes the timing of the repayments of outstanding amounts to become immediately due if the College is unable to make payments.

7. DIRECT BORROWINGS (concluded)

Direct Borrowing - On January 12, 2017, the College entered into a direct borrowing with FS Leasing LLC for $83,350 for the purchase of a video display. The lease has a rate of 2.99% and is for a term of 96 months with the first payment of $15,445 followed by monthly payments of $10,914.

The schedule of funds required for payment of future years' principal and interest components applicable to the College's direct borrowing payments are as follows:

Years Ending June 30	Principal	Interest	Total
2021	$ 9,682	$ 1,232	$ 10,914
2022	9,978	936	10,914
2023	10,281	633	10,914
2024	10,593	321	10,914
Total	$ 40,534	$ 3,122	$ 43,656

Direct Borrowing - On December 1, 2017, the College entered into a direct borrowing with Enterprise Bank and Trust for $1,200,000 for funds to renovate the Library. The lease has a rate of 2.52% and is for a term of 72 months with monthly payments of $15,630. On April 17, 2020 the College paid $591,000 extra principal from the transfer of funds from the Foundation. The payments remained the same but now the direct borrowing will mature on August 1, 2021.

The schedule of funds required for payment of future years' principal and interest components applicable to the College's direct borrowing payments are as follows:

Years Ending June 30	Principal	Interest	Total
2021	$ 184,677	$ 2,878	$ 187,555
2022	16,373	36	16,409
Total	$ 201,050	$ 2,914	$ 203,964

Direct Borrowing - On December 20, 2018, the College entered into a direct borrowing with Axon Enterprise, Inc. for $23,700 for the purchase of tasers for the campus police. The lease has a rate of 0% and is for a term of 5 years with annual payments of $4,740.

The schedule of funds required for payment of future years' principal and interest components applicable to the College's direct borrowing payments are as follows:

Years Ending June 30	Principal	Interest	Total
2021	$ 4,740	$ -	$ 4,740
2022	4,740	-	4,740
2023	4,740	-	4,740
Total	$ 14,220	$ -	$ 14,220

8. OPERATING LEASES

Operating Lease - On May 16, 2016, the College entered into an operating lease with Pitney Bowes for postage machines. The lease is for 60 months and has payments of $1,935 due quarterly.

Operating Lease **-** On August 9, 2016, the College entered into an operating lease with U.S Bank for copier machines. The lease is for 60 months and has payments of $1,961 due monthly.

The schedule of funds required for payment of future years' payments applicable to the College's Operating Lease payments are as follows:

Years Ending June 30	Postage Machine	Copier Equipment	Total
2021	$ 7,940	$ 23,532	$ 31,472
2022	-	1,961	1,961
Total	$ 7,940	$ 25,493	$ 33,433

9. NONEXPENDABLE NET POSITION

Nonexpendable net position originally represents a gift of the estate proceeds of Walter L. Mahler of approximately $510,000, less estate settlement fees of approximately $46,000. According to restrictions set by the College's Board of Trustees, the principal is maintained in the Endowment Fund with 10% of the investment income to be returned to principal and 90% to be used for scholarships. The allocation percentages are evaluated annually by the Board of Trustees and revised as necessary. The value at June 30, 2020, is $549,595. The remaining $155,285 is in other endowments.

10. TAXES

Property taxes are attached as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable by December 31. Jefferson, Ste. Genevieve, and St. Francois Counties collect the property taxes and remit them to the College.

The assessed valuation of the tangible taxable property, for purposes of local taxation within the College's District (which includes areas of three counties), as of January 1, 2020, and 2019, was $3,443,907,616 and $3,377,033,411 for Jefferson County, $7,641,809 and $7,387,869 for St. Francois County and $53,320 and $52,660 for Ste. Genevieve County, respectively, on which taxes were levied during fiscal years 2020 and 2019, respectively.

General	$ 0.3298
Total	$ 0.3298

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2020, aggregated approximately 99.50% of the current assessment computed on the basis of the levy as shown above.

11. CONTINGENCIES

Most grants and cost-reimbursable contracts specify the types of expenditures for which the grant or contract funds may be used. The expenditures made by the College under some of these grants and contracts are subject to audit. To date, the College has not been notified on any significant unallowable costs relating to its grants or contracts. In the opinion of management, adjustments for unallowable costs, if any, resulting from such audits will not be significant.

The College was not involved in any pending lawsuits as of the audit report date.

12. GENERAL LIABILITY INSURANCE

The College participates in a public entity risk pool to insure against its general liability risks. The risk of loss is transferred to this risk pool, with the pool retaining the right to raise insurance premiums in the subsequent calendar year if claims experience is unfavorable. The insurance premium for the 2020 calendar year was $415,621. Management is aware of no events or circumstances that would generate a significant increase in future insurance premiums.

13. RELATED-PARTY TRANSACTIONS AND IN-KIND CONTRIBUTIONS

The College is affiliated with Jefferson College Foundation, Inc. (the “Foundation”). The purpose of the Foundation is to advance, encourage, assist, and support the growth and development of the College. During the year ended June 30, 2020, the College received support from the Foundation and paid in-kind contributions as follows: Scholarship and Instruction $93,799, Capital Improvements $72,721, Fundraisers $12,247, and Grants $14,190, for a total of $192,957. For the year ended June 30, 2020 the College contributed in-kind contributions to the Foundation as follows: Administrative $15,369, Salaries, $147,738, and Fringe Benefits, $44,802, for a total of $207,909.

As of June 30, 2020, the Foundation had a liability to the College for $1,993, however, the College did not have a liability to the Foundation.

14. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

In addition to providing the pension benefits described above, the College provides continuation of medical, dental and vision insurance coverage to employees who are eligible for retirement under a single employer plan. Retirees who elect to participate must pay the premium in effect for the current plan year or any subsequent year at the premium rates in effect at that time. Since the retirees pay the premium for each year, the College’s share of any premium cost is determined on the basis of a blended rate or implicit rate subsidy calculation. A stand-alone financial report is not available for the plan.

14. OTHER POST-EMPLOYMENT BENEFITS (continued)

Funding Policy

The College currently pays for the implicit rate subsidy associated with these post-employment health care benefits on a pay-as-you-go basis. The College determines contribution requirements and may be amended by the College. As of June 30, 2020, no trust fund has been established for the funding of the plan's post-employment benefit obligation, resulting in the classification of the entire liability as unfunded.

Relationship Between Valuation Date, Measurement Date, and Reporting Date

The Valuation Date is June 30, 2020. This is the date as of which the actuarial valuation is performed. The Measurement Date is June 30, 2020. This is the date as of which the total OPEB liability is determined. The Reporting Date is June 30, 2020. This is the plan's and/or employer's fiscal year ending date.

Significant Changes

Given the substantial uncertainty regarding the impact of COVID-19 on the plan costs, including whether the pandemic will increase or decrease costs during the term of our projections, we have chosen not to make an adjustment in the expected plan costs. It is possible that the COVID-19 pandemic could have a material impact on the projected costs.

Covered Employees

The College has the following employees covered by the Plan as of June 30, 2020.

Actives	250
Retirees *	67
Spouses of Retirees	20
Total	337

* Includes 31, 58 and 15 retirees with medical, dental, and subsidized life insurance coverage respectively.

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

As of June 30, 2020, the College reported a liability of $4,288,067 for its net OPEB liability. The net OPEB liability was measured as of June 30, 2020. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2020.

For the year ended June 30, 2020, the College recognized OPEB expense of $302,298, which consisted of $179,924 in service costs, $159,351 in interest on total OPEB liability,

14. OTHER POST-EMPLOYMENT BENEFITS (continued)

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

($113,294) in Recognition of economic/demographic gains or losses and $76,317 in recognition of assumption changes or inputs.

At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Changes in Total OPEB Liability	Increase (Decrease) Total OPEB Liability	Deferred Inflows	Deferred Outflows	Total OPEB Liability Plus Net Deferrals
Balance as of June 30, 2019	$ (4,452,342)	$ (105,366)	$ 161,449	$ (4,396,259)
Changes for the year:				
Service cost	(179,924)	-	-	(179,924)
Interest on total OPEB liability	(159,351)	-	-	(159,351)
Effect of plan changes	-	-	-	-
Effect of liability gains or losses	916,550	(916,550)	-	-
Effect of assumptions changes or inputs	(573,118)	-	573,118	-
Benefit payments	160,118	-	-	160,118
Recognition of liability gains or losses	-	113,294	-	113,294
Recognition of assumption changes or inputs	-	17,330	(93,647)	(76,317)
Annual expense	-	-	-	-
Balance as of June 30, 2020	$ (4,288,067)	$ (891,292)	$ 640,920	(4,538,439)

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

Year ended June 30:		
2021	$	(36,977)
2022		(36,977)
2023		(36,977)
2024		(36,977)
2025		(36,977)
Thereafter *		(65,487)

* Note that additional future deferred inflows and outflows of resources may impact these numbers.

14. OTHER POST-EMPLOYMENT BENEFITS (continued)

Actuarial Methods and Assumptions

The College does not pre-fund benefits. The current funding policy is to pay benefits directly from general assets on a pay-as-you-go basis and there is not a trust for accumulating plan assets. The following actuarial methods and assumptions were used in the June 30, 2020 accounting valuation.

Significant actuarial assumptions and other inputs used to measure the total pension liability:

Valuation Timing	Actuarial valuations are performed biennially as of June 30 for accounting purposes only. The most recent valuation was performed as of June 30, 2020.
Actuarial Cost Method	Entry Age Normal
Inflation	2.30%
Salary Increases	3.00%
Discount Rate	2.21% per annum based on the 20 year bond GO index at the fiscal year end. The rate for the prior fiscal year was 3.50%
Healthcare Cost Trend Rates	Medical cost trend rate of 4.8% for 2020, gradually decreasing to an ultimate rate of 3.7% for 2073 and beyond.
Mortality	Pub-2010 Teachers' Mortality for Employees and Healthy Annuitants, with generational projection per Scale MP-2019.

14. OTHER POST-EMPLOYMENT BENEFITS (continued)

Actuarial Methods and Assumptions (continued)

Medical Premium Inflation Rate

Year	Medical	Year	Medical
2020	4.80%	2040	4.70%
2021	5.30%	2045	4.70%
2022	4.90%	2050	4.60%
2023	4.90%	2055	4.50%
2024	4.80%	2060	4.40%
2025	4.80%	2065	4.30%
2030	4.70%	2070	3.90%
2035	4.70%	2073+	3.70%

Dental Premium Inflation Rate

Inflation rate	4.00%

The healthcare trends used in this valuation are based on long term healthcare trends generated by the Getzen Model. The Getzen Model is the result of research sponsored by the Society of Actuaries and completed by a committee of economists and actuaries. This model is the current industry standard for projecting long term medical trends. Inputs to the model are consistent with the assumptions used in deriving the discount rate used in the valuation.

Turnover Rates based on length of service:

Service	Rate
0	23.4%
1	15.1%
2	11.1%
3	9.2%
4	7.7%
5	6.4%
10	3.3%
15	2.0%
20	1.0%

14. OTHER POST-EMPLOYMENT BENEFITS (continued)

Actuarial Methods and Assumptions (continued)

Retirement

	Rate	
Age	Eligible For Early Retirement	Eligible For Normal/ Unreduced
50-54	0.00%	20.0%
55-59	4.00%	20.0%
60-64	N/A	25.0%
65-69	N/A	35.0%
70&up	N/A	100.0%

Future Retiree Coverage

65% of employees who retire prior to age 65 are assumed to elect medical coverage under the plan.

Medicare eligible retirees:
All participants are assumed to be eligible for Medicare. Medicare eligible retirees are assumed to discontinue coverage under the plan when they reach age 65.

Non Medicare eligible retirees:
50% of teachers hired prior to 1986 are assumed to never be eligible for Medicare. These employees are assumed to continue coverage under the plan after age 65. 50% of retired teachers, hired prior to 1986 and currently under age 65 are assumed to not be eligible for Medicare. These retirees are assumed to continue coverage under the plan after age 65.

Dental Coverage:
Dental coverage is assumed to be elected at a rate of 65%.

Life Coverage:
Life Insurance for future retirees is assumed to not be subsidized. Grandfathered retirees are assumed to continue coverage at their current face amount and premium. These assumptions are based on statistics provided by the College and Milliman guidelines.

Future Dependent Coverage:
Current active members are assumed to elect spouse coverage at retirement as follows. All female spouses are assumed to be 3 years younger than males.

	Male	Female
Medical	25%	25%

No dependent children are assumed to be covered in retirement.

14. OTHER POST-EMPLOYMENT BENEFITS (concluded)

Actuarial Methods and Assumptions (concluded)

Certain actuarial demographic assumptions are based on the assumptions used in the valuation of the Public School and Public Educational Employees Retirement Systems of Missouri.

Sensitivity Analysis

The following presents the total OPEB liability of the College, calculated using the discount rate of 2.21%, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21%) or 1 percentage point higher (3.21%) than the current rate.

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	$4,830,258	$4,288,067	$3,833,189

The following presents the total OPEB liability of the College, calculated using the current healthcare cost trend rates as well as what the College's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$3,763,128	$4,288,067	$4,934,767

15. SELF-INSURANCE

The College has a self-insurance plan which covers substantially all employees' (and their dependents) medical and dental expenses. The College has purchased excess loss insurance coverage to protect it from any excessive liabilities. The College has a $125,000 per insured specific deductible and a total of $2,803,996 in aggregate.

16. SUBSEQUENT EVENTS

On September 10, 2020 the board approved and awarded the financing of the Fiber Optic Backbone Cabling project to First State Community Bank for $446,120, payable over five years at 1.7% interest with annual payments of $93,891.88 due beginning September 24, 2021.

17. TAX ABATEMENT

The College is involved, through Jefferson County, in a tax abatement agreement with local businesses under a Tax Increment Finance District or (TIF). Missouri Revised Statute 99.845 gives municipalities the right to create TIFs for a defined area of land that is deemed blighted by the municipality. In short, after a TIF is established by ordinance, bonds are issued to cover the costs of demolition/environmental cleanup/utilities/roadways, and the assessed values of the parcels within the TIF are statutorily frozen by the Assessor's office, using the certified values for the year the ordinance was passed to form a base value for the TIF.

For the year ended June 30, 2020, the College abated property taxes totaling $55,575 under this program, including the following tax abatements.

- A TIF property tax abatement to SMO Hillsboro Rental, LLC under the program described above. The abatement amounted to $1,342.

- A TIF property tax abatement to SMO Hillsboro LLC under the program described above. The abatement amounted to $1,317.

- A TIF property tax abatement to SMO Hillsboro Lot 9B LLC under the program described above. The abatement amounted to $4.

- A TIF property tax abatement to CDF & CNF Holdings LLC under the program described above. The abatement amounted to $43.

- A TIF property tax abatement to CDF Herculaneum Holdings LLC under the program described above. The abatement amounted to $124.

- A TIF property tax abatement to Herky Hilltop Plaza LLC under the program described above. The abatement amounted to $46.

- A TIF property tax abatement to Moss Enterprise Inc. under the program described above. The abatement amounted to $1,332.

- A TIF property tax abatement to Gloss under the program described above. The abatement amounted to $841.

- A TIF property tax abatement to THF Arnold Triangle Dev LLC under the program described above. The abatement amounted to $28,363.

- A TIF property tax abatement to Caddel Harold and Rosemarie under the program described above. The abatement amounted to $489.

- A TIF property tax abatement to Dierbergs Arnold under the program described above. The abatement amounted to $6,647.

17. TAX ABATEMENT (continued)

- A TIF property tax abatement to Value Place, Arnold, LLC under the program described above. The abatement amounted to $3,263.

- A TIF property tax abatement to Outfront Media under the program described above. The abatement amounted to $59.

- A TIF property tax abatement to Jennemann Lane LLC under the program described above. The abatement amounted to $21.

- A TIF property tax abatement to JSZ Estate Corp under the program described above. The abatement amounted to $985.

- A TIF property tax abatement to Zelch Arnold LLC under the program described above. The abatement amounted to $174.

- A TIF property tax abatement to Atomic Fireworks under the program described above. The abatement amounted to $95.

- A TIF property tax abatement to Arnold Crossroads LLC under the program described above. The abatement amounted to $4,928.

- A TIF property tax abatement to Banyan Jeffco LLC under the program described above. The abatement amounted to $281.

- A TIF property tax abatement to McDonald’s USA LLC under the program described above. The abatement amounted to $502.

- A TIF property tax abatement to Steak N Shake Operations, Inc. under the program described above. The abatement amounted to $435.

- A TIF property tax abatement to BL&Z Investments LLC under the program described above. The abatement amounted to $63.

- A TIF property tax abatement to DDC Hotels, Inc. under the program described above. The abatement amounted to $668.

- A TIF property tax abatement to Drury Development Corp. under the program described above. The abatement amounted to $3,553.

17. TAX ABATEMENT (concluded)

The City of Arnold authorized the following tax abatement through Chapter 100 bonds during December 2012 and December 2015, in the amounts of $88,000,000 and $150,000,000 for the purpose of supporting the local industry which is Metal Container Corporation, a subsidiary of A-B InBev. The abatement was to provide financing to support two expansions of the can plant operated by Metal Container Corporation. As the assessment of value of this abatement is not within the scope of Jefferson County Assessor's office, it is undetermined the amount which is abated through this issuance.

18. ADJUSTMENTS TO CAPITAL ASSETS

For the year ended June 30, 2020 there were adjustments made between categories of capital assets and accumulated depreciation because of prior year recommendation of auditors which were deemed to be incorrect. They recommended netting the accumulated depreciation of retired assets against the disposal of the assets instead of accumulated depreciation in the current year:

Adjustment	Furniture and Equipment	Software	Accumulated Depreciation
Prior year Assets removed incorrectly	$ (310,942)	$ (40,917)	$ 351,859
Total	$ (310,942)	$ (40,917)	$ 351,859

19. COMMITMENTS

Due to COVID-19 the College had not entered into many contracts for various construction projects, there were however, several contracts entered into after the fiscal year. As of June 30, 2020, the College had minimal if any remaining costs related to these sort of commitments.

REQUIRED SUPPLEMENTARY INFORMATION

THE COMMUNITY COLLEGE DISTRICT OF
JEFFERSON COUNTY, MISSOURI
SCHEDULES OF PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY AND RELATED RATIOS – PSRS AND PEERS
FOR THE YEAR ENDED JUNE 30, 2020

Schedule of Proportionate Share of the Net Pension Liability and Related Ratios - PSRS

Year Ended	Proportion of the Net Pension Liability (Asset)	Proportionate Share Of the Net Pension Liability (Asset)	Actual Covered Member Payroll	Net Pension Liability (Asset) As a Percentage Of Covered Payroll	Fiduciary Net Position as A Percentage of Total Pension Liability
6/30/14	0.2622%	$10,756,953	$11,807,138	91.11%	89.34%
6/30/15	0.2596%	$14,986,345	$11,919,649	125.73%	85.78%
6/30/16	0.2646%	$19,687,957	$12,361,572	159.27%	82.18%
6/30/17	0.2618%	$18,905,953	$12,490,959	151.36%	83.77%
6/30/18	0.2516%	$18,725,220	$12,226,742	153.15%	84.06%
6/30/19	0.2391%	$17,645,748	$11,842,022	149.01%	84.62%

Schedule of Proportionate Share of the Net Pension Liability and Related Ratios - PEERS

Year Ended	Proportion of the Net Pension Liability (Asset)	Proportionate Share Of the Net Pension Liability (Asset)	Actual Covered Member Payroll	Net Pension Liability (Asset) As a Percentage Of Covered Payroll	Fiduciary Net Position as A Percentage of Total Pension Liability
6/30/14	0.4269%	$1,558,893	$ 6,225,586	25.04%	91.33%
6/30/15	0.4225%	$2,234,629	$ 6,335,539	35.27%	88.28%
6/30/16	0.4414%	$3,541,508	$ 6,816,773	51.96%	83.32%
6/30/17	0.3994%	$3,047,226	$ 6,417,940	47.48%	85.35%
6/30/18	0.3698%	$2,857,490	$ 6,152,508	46.44%	86.06%
6/30/19	0.3712%	$2,936,048	$ 6,237,442	47.07%	86.38%

Note: These schedules are intended to show information for ten year. Additional years will be displayed as they become available.

*The data provided in the schedules is based as of the measurement date of the System's net pension liability, which is as of the beginning of the district's fiscal year.

THE COMMUNITY COLLEGE DISTRICT OF
JEFFERSON COUNTY, MISSOURI
SCHEDULE OF EMPLOYER CONTRIBUTIONS – PSRS AND PEERS
FOR THE YEAR ENDED JUNE 30, 2020

Schedule of Employer Contributions - PSRS

Year Ended	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/13	$1,639,729	$1,639,729	$ -	$11,457,614	14.31%
6/30/14	1,688,596	1,688,596	-	11,807,138	14.30%
6/30/15	1,704,191	1,704,191	-	11,919,649	14.30%
6/30/16	1,772,351	1,772,351	-	12,361,572	14.34%
6/30/17	1,791,021	1,791,021	-	12,490,959	14.34%
6/30/18	1,754,249	1,754,249	-	12,226,742	14.35%
6/30/19	1,701,859	1,701,859	-	11,842,022	14.37%

Schedule of Employer Contributions - PEERS

Year Ended	Statutorily Required Contribution	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/13	$392,291	$392,291	$ -	$5,718,535	6.86%
6/30/14	427,075	427,075	-	6,225,586	6.86%
6/30/15	434,618	434,618	-	6,335,539	6.86%
6/30/16	467,630	467,630	-	6,816,773	6.86%
6/30/17	440,271	440,271	-	6,417,940	6.86%
6/30/18	422,062	422,062	-	6,152,508	6.86%
6/30/19	442,074	442,074	-	6,237,442	7.09%

These schedules are intended to show information for ten years. Additional years will be displayed as they become available.

THE COMMUNITY COLLEGE DISTRICT OF
JEFFERSON COUNTY, MISSOURI
SCHEDULE OF FUNDING PROGRESS AND SCHEDULE OF
EMPLOYER CONTRIBUTIONS – OTHER POST EMPLOYMENT BENEFITS
FOR THE YEAR ENDED JUNE 30, 2020

Schedule of Funding Progress – Other Post Employment Benefits

Actuarial Valuation Date	Actuarial Value of Assets	Total OPEB Liability	Net OPEB Liability	Funded Ratio	Annual Covered Payroll	Net OPEB Liability as a Percentage of Covered Payroll
6/30/13	$ -	$5,798,600	$5,798,600	- %	$14,770,806	39.25%
6/30/15	$ -	$5,967,300	$5,967,300	- %	$15,347,638	38.88%
6/30/17	$ -	$4,046,091	$4,046,091	- %	$15,859,515	25.51%
6/30/18	$ -	$4,096,414	$4,096,414	- %	$15,407,521	26.59%
6/30/19	$ -	$4,452,342	$4,452,342	- %	$14,955,563	29.77%
6/30/20	$ -	$4,288,067	$4,288,067	- %	$15,437,394	27.78%

Schedule of Employer Contributions – Other Post Employment Benefits

Year Ended June 30	Actuarially Determined Contribution	Effect of economic/ demographic gains or losses	Actual Contribution	Contribution Deficiency/ (Excess)	Covered Payroll	Contribution as A Percentage Of Covered Payroll
6/30/20	$912,393	$916,550	$160,118	($164,275)	$15,437,394	1.03%
6/30/19	$549,169	-	$193,241	$ 355,928	$14,955,563	1.29%
6/30/18	$215,527	-	$165,204	$ 50,323	$15,407,521	1.07%
6/30/17	$332,700	-	$165,200	$ 167,500	$15,859,515	1.04%
6/30/16	$443,300	-	$242,000	$ 201,300	$16,358,434	1.48%
6/30/15	$444,700	-	$212,500	$ 232,200	$15,347,638	1.38%
6/30/14	$356,300	-	$210,500	$ 145,800	$15,099,568	1.39%
6/30/13	$356,500	-	$173,400	$ 183,100	$14,770,806	1.17%

Beginning fiscal year ending 2019, the ADC is calculated in accordance with the Employer's funding policy, if one exists. Prior to fiscal year ending 2019, the ADC is equal to the Annual OPEB Expense as calculated under GASB No. 45. Under GASB 45 valuations were performed biannually.

SUPPLEMENTARY INFORMATION

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Grantor	Project Period		Expenditures
Passes through the Missouri Department of Elementary and Secondary Education:			
CTE Base Funding	7/1/19-6/30/20	$	374,099
CTE Performance Funding	7/1/19-6/30/20		179,093
Homemaker Fee Waivers	7/1/19-6/30/20		3,743
Enhancement Grant	7/1/19-6/30/20		503,696
Total Department of Elementary and Secondary Education			1,060,631
Passes through the Missouri Department of Social Services:			
SkillUP	7/1/19-6/30/20		70,554
Total Department of Social Services			70,554
Passes through the Missouri Department of Higher Education:			
A+ Program	7/1/19-6/30/20		1,876,822
Total Department of Higher Education			1,876,822
Passes through the Missouri Department of Vocational Rehabilitation:			
Missouri Vocational Rehabilitation	7/1/19-6/30/20		31,184
Total Department of Vocational Rehabilitation			31,184
Passes through the Missouri Department of Economic Development:			
Trade Act	7/1/19-6/30/20		30,820
Customized Training	7/1/19-6/30/20		121,853
Total Department of Economic Development			152,673
Total State Awards		$	3,191,864

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Project Period	Provided to Sub recipients	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION:					
Student Financial Aid Cluster:					
Pell Grant Program	84.063	P063P181738	07/01/19-06/30/20	$ -	$ 5,299,170
Pell Grant Administrative Allowance	84.063	P063Q191738	07/01/19-06/30/20	-	7,695
College Work Study (CWS)	84.033	P033A182325	07/01/19-06/30/20	-	109,584
Federal Direct Student Loans	84.268	P268K201738	07/01/19-06/30/20	-	2,649,923
Supplemental Educational Opportunity Grant (SEOG)	84.007	P007A182325	07/01/19-06/30/20	-	114,715
Total Student Financial Aid Cluster				-	8,181,087
Other Student Financial Aid:					
TRIO	84.042	P042A150106-19	07/01/19-06/30/20	-	252,935
Education Stabilization Funds:					
COVID-19 - CARES Act - Grants to Students	84.425E	P425E200893	07/01/19-06/30/20	-	1,305,078
COVID-19 - CARES Act - Institutional Portion	84.425F	P425F201485	07/01/19-06/30/20	-	167,547
COVID-19 - CARES Act - Strengthening Institution Program	84.425M	P425M200182	07/01/19-06/30/20	-	127,880
Passes through the Missouri Department of higher Education and Workforce Development					
COVID-19 - Governor's Emergency Relief (GEER) Fund	84.425C	N/A	07/01/19-06/30/20	-	299,158
Total Education Stabilization Funds				-	1,899,663
Passes through the Missouri Department of Elementary and Secondary Education:					
Vocational Education - Carl Perkins	84.048	145-145	07/01/19-06/30/20	406	736,897
Adult Basic Education	84.002	145-145	07/01/19-06/30/20	-	199,119
Total DESE Expenditures				406	936,016
TOTAL U.S. DEPARTMENT OF EDUCATION				406	11,269,701
U.S. DEPARTMENT OF JUSTICE:					
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525	N/A	07/01/19-06/30/20	-	66,309
TOTAL U.S. DEPARTMENT OF JUSTICE				-	66,309
U.S. DEPARTMENT OF LABOR:					
WIOA Cluster:					
Direct:					
MoRAP WIOA Discretionary	17.258	AA-30771-17-60-A-29	07/01/19-06/30/20	-	33,647
MoRAP WIOA Discretionary (CAMO)	17.258	AA-30771-17-60-A-29	07/01/19-06/30/20	-	36,502
Total MoRAP WIAO Discretionary				-	70,149
Passes Through the Missouri Office of Job Training					
WIA Adult	17.258	AA-32239-19-55-A-29	07/01/19-06/30/20	-	37,335
WIA Youth	17.259	AA-32239-19-55-A-29	07/01/19-06/30/20	-	61,843
WIA Dislocated Worker	17.278	AA-32239-19-55-A-29	07/01/19-06/30/20	-	7,524
Total WIA Programs passed through the Missouri Office of Job Training				-	106,702
Total WIOA Cluster				-	176,851
Passes Through St. Louis Community College					
H-1B Job Training (MoAMP) Grant	17.268	HG-33040-19-60-A-29	07/01/19-06/30/20	-	19,386
Total H-1B Job Training Grant				-	19,386
TOTAL U.S. DEPARTMENT OF LABOR				-	196,237
U.S. DEPARTMENT OF TREASURY:					
Passes through the Missouri Department of Higher Education and Workforce Development					
COVID-19 - Coronavirus Relief Fund General COVID-19 Response/Reopen Costs	21.019	N/A	07/01/19-06/30/20	-	76,270
Total COVID-19 - Coronavirus Relief Fund General COVID-19 Response/Reopen Costs				-	76,270
TOTAL U.S. DEPARTMENT OF TREASURY				-	76,270

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Project Period	Provided to Sub recipients	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE:					
Passes through the Missouri Department of Health					
Child and Adult Care Food Program	10.558	ERS46111072	07/01/19-06/30/20	-	11,367
				-	11,367
SNAP Cluster:					
Passes Through Ozarks Technical Community College					
State Administrative Matching Grants for the					
Supplemental Nutrition Assistance Program (SkillUP)	10.561	CS200911001	07/01/19-06/30/20	-	70,573
				-	70,573
TOTAL U.S. DEPARTMENT OF AGRICULTURE				-	81,940
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:					
CCDF Cluster:					
Passes through the Missouri Department					
of Elementary and Secondary Education -					
Early Childhood Child Care (ECCC)	93.575	145-145	07/01/19-06/30/20	-	20,000
				-	20,000
Passes through the Missouri Department of Social					
Services to Jeff/Franklin Community Action Corp					
Temporary Assistance for Needy Families	93.558	CS190278001	07/01/19-06/30/20	-	8,398
Passes through the Missouri Department of Economic					
Development to Office of Job Training and Central Ozarks					
Private Industry Council					
Temporary Assistance for Needy Families	93.558	M00592	07/01/19-06/30/20	-	5,820
Total TANF Cluster				-	14,218
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				-	34,218
U.S. DEPARTMENT OF HOMELAND SECURITY:					
Passes through the Missouri Police Cheifs Charitable Foundation					
Homeland Security Grant Program (HSGP) (Non-Cash Award)	97.067	EMW-2018-SS-00044	07/01/19-06/30/20	-	8,653
				-	8,653
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY				-	8,653
Total Expenditures of Federal Awards				$ 406	$ 11,733,328

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this statements.

THE COMMUNITY COLLEGE DISTRICT OF
JEFFERSON COUNTY, MISSOURI
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of The Community College District of Jefferson County, Missouri under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of The Community College District of Jefferson County, Missouri, it is not intended to and does not present the financial position, changes in net assets, or cash flows of The Community College District of Jefferson County, Missouri.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported in accordance with U.S. generally accepted accounting principles. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – INDIRECT COST RATE

The District has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with U.S. generally accepted accounting principles.

NOTE 5 –MATCHING REVENUES

For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 – NON-CASH PROGRAMS

The Homeland Security Grant Program through the U.S. Department of Homeland Security is presented at the federally assigned value of product disbursed by the state.

NOTE 7 – SUBRECIPIENTS

The College provided federal awards to subrecipients during the year ended June 30, 2020, as presented below:

Entity	Grant	CFDA#	Amount
Festus School District	Vocational Education - Carl Perkins	84.048	$ 148
Grandview R-II School District	Vocational Education - Carl Perkins	84.048	58
Dunklin R-V School District	Vocational Education - Carl Perkins	84.048	200
Total			**$ 406**

INTERNAL CONTROL AND COMPLIANCE

Daniel Jones & Associates
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of the
Community College District of
Jefferson County, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of The Community College District of Jefferson County, Missouri (the "College") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 15, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Daniel Jones & Associates

Arnold, Missouri
December 15, 2020

Daniel Jones & Associates
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Trustees of the
Community College District of
Jefferson County, Missouri

Report on Compliance for Each Major Federal Program

We have audited the Community College District of Jefferson County, Missouri's ("College") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2020. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the College's compliance.

Opinion on Each Major Federal Program

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Daniel Jones & Associates

Arnold, Missouri
December 15, 2020

THE COMMUNITY COLLEGE DISTRICT OF
JEFFERSON COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

I – SUMMARY OF AUDITOR'S RESULTS:

A. Financial Statements

1. Type of auditor's report issued: Unmodified
2. Internal control over financial reporting:
   a. Material weakness(es) identified? ____ Yes _X_ No
   b. Significant deficiency(ies) identified? ____ Yes _X_ None Reported
3. Noncompliance material to financial statements noted? ____ Yes _X_ No

B. Federal Awards

1. Internal control over major federal programs:
   a. Material weakness(es) identified? ____ Yes _X_ No
   b. Significant deficiency(ies) identified? ____ Yes _X_ None Reported
2. Type of auditor's report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ____ Yes _X_ No
4. Identification of major federal programs:

CFDA Number(s):	Name of Federal Program or Cluster
84.063, 84.033, 84.268, 84.007	Student Financial Aid Cluster
84.425C,84.425E, 84.425F, 84.425M	Education Stabilization Funds

5. Dollar threshold used to distinguish between type A and type B programs: $ 750,000
6. Auditee qualified as low-risk auditee? _X_ Yes ____ No

II – FINANCIAL STATEMENT FINDINGS

None

III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

None