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, 2022 (with summarized comparative financial information for June 30, 2021)

THE COMMUNITY COLLEGE DISTRICT OF
JEFFERSON COUNTY, MISSOURI
TABLE OF CONTENTS

FINANCIAL SECTION

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 Audit of the Financial Statements

Opinions

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 years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the 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 as of June 30, 2022 and 2021, and the respective changes in financial position, and where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements of the College for the year ended June 30, 2021, were audited by us and we expressed an unmodified audit opinion on them in our report dated December 17, 2021. However, we have not performed any auditing procedures with respect to the June 30, 2021 financial statements since that date.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-16 and required supplementary information on pages 55-57 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The Schedule of Expenditures of State Awards, Customized Training Agreed Upon Procedures 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards, Customized Training Agreed Upon Procedures 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 Information

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2023, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Daniel Jones & Associates

Daniel Jones & Associates, P.C.
Certified Public Accountants
Arnold, Missouri

January 28, 2023

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(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, 2022 shows assets and deferred outflows at $82.3 million, liabilities and deferred inflows at $42.2 million, and net position at $40.1 million. Net position represents the balance in the College's assets after liabilities are deducted. Net position increased by $10 million during fiscal year 2022. The most significant changes in net position during fiscal year 2022 were the reduction in the State of Missouri's pension liability of $5.1 million, an increase of $3 million in Covid-19 federal grants, an additional $1.4 million in state aid (House Bill 19 Maintenance & Repair), offset by a $1.4 million loss on the sale of the Highway 30 property in Byrnes Mill.

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, 2022, 2021 and 2020. 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, 2022, 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 the 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 is available to the College for any lawful purpose. The College's Net Position is as follows:

	2022	**2021**	**2020**
Current assets	$30,410,762	$25,761,693	$20,182,996
Non-current assets	44,189,593	42,789,282	41,807,865
Deferred Outflows of Resources	7,704,854	6,888,380	5,943,652
Total Assets and Deferred Outflows of Resources	82,305,209	75,439,355	67,934,513
Current liabilities	$ 7,844,210	$ 8,528,910	$ 7,848,462
Non-current liabilities	7,652,494	28,704,505	24,806,637
Deferred Inflows of Resources	26,659,170	8,058,964	9,045,107
Total Liabilities	42,155,874	45,292,379	41,700,206
Net investment in capital assets	$39,766,179	$37,013,149	$35,428,171
Restricted:			
Expendable	13,207,425	13,932,065	12,026,821
Nonexpendable	709,525	707,071	704,880
Unrestricted	(13,533,794)	(21,505,309)	(21,925,565)
Total Net Position	$40,149,335	$30,146,976	$26,234,307

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, 2022, 2021 and 2020, a summarized version of the College's revenues, expenses and changes in net position are as follows:

	2022	2021	2020
Operating revenue	$6,797,386	$9,493,023	$9,645,416
Operating expenses	(38,422,192)	(42,229,200)	(41,364,594)
Operating Loss	($31,624,806)	($32,736,177)	($31,719,178)
Non-operating revenue, net	$41,627,165	$36,648,846	$31,022,713
Increase (decrease) in net assets	$10,002,359	$3,912,669	($696,465)
Net Position – Beginning of Year	$30,146,976	$26,234,307	$26,930,772
Net Position – End of Year	$40,149,335	$30,146,976	$26,234,307

The College's fiscal year 2022, 2021, 2020 revenues, both operating and non-operating, are as follows:

Operating Revenues:	2022	2021	2020
Tuition & fees – net of scholarship allowances	$4,575,128	$ 7,627,750	$7,338,200
Student housing revenue, net	728,640	538,827	559,620
Other	1,493,618	1,326,446	1,747,596
Total	$6,797,386	$ 9,493,023	$9,645,416

Non-operating revenue (expenses)	2022	2021	2020
Local Taxes	$12,192,389	$11,760,045	$11,412,078
State Aid	9,301,694	7,629,047	6,615,285
Grants & contracts	18,140,650	13,997,537	10,214,444
Interest Income	(67,015)	11,087	274,657
Interest expense on capital asset related debt	(163,037)	(201,022)	(275,108)
Other	2,222,484	3,452,152	2,781,357
Total	$41,627,165	$36,648,846	$31,022,713

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2022 (UNAUDITED)

During fiscal year 2022 tuition and fees net of discounts changed due to an increase in the tuition discounts caused by COVID-19 federal grants. Grants and Contracts revenue increased due to additional COVID-19 federal grants. Tax revenue increased due to a small increase in assessed valuation. State Aid increased by over $1.6 million as compared to last year mainly due to the additional $1.4 million of House Bill 19 funds received.

During fiscal years 2022, 2021 and 2020, the operating expenses for the College are as follows:

Operating expenses:	**2022**	**2021**	**2020**
Salaries & Benefits	$23,949,094	$28,325,691	$28,758,665
Supplies, utilities and other services	8,423,265	8,060,935	6,962,803
Depreciation	2,762,909	2,459,166	2,317,987
Financial aid and scholarships	3,286,924	3,383,408	3,325,139
Total	$38,422,192	$42,229,200	$41,364,594

During fiscal year 2022 salaries and benefits decreased due to the $5.1 million reduction in the Missouri State pension liability. Supplies, utilities and other services increased due to the increase in inflation caused by the current economic conditions.

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, 2022, 2021, and 2020, a summary of the statements of cash flows is as follows:

Cash provided (used) by:	**2022**	**2021**	**2020**
Operating activities	($32,354,512)	($32,046,020)	($31,983,466)
Capital and capital related financing activities	(3,007,286)	(1,792,081)	(2,019,004)
Noncapital financing activities	41,854,842	36,433,528	30,409,210
Investing activities	(1,528,500)	1,712,898	2,195,336
Net increase (decrease) in cash	$4,964,544	$4,308,325	($1,397,924)
Cash - beginning of the year	$17,593,836	$13,285,511	$14,683,435
Cash - end of the year	$22,558,380	$17,593,836	$13,285,511

Capital and Debt Activities

The College refinanced $3.98 million in our Leasehold Revenue Bonds during fiscal year 2014. This refinance has saved the college just over $1 million in interest expenses over the life of the bonds. The College did not issue any new debt in fiscal year 2022.

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 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.

During fiscal year 2021, the College entered into a direct borrowing agreement for fiber optic cabling to replace the old cabling across campus at a cost of $446,120. The term of this lease is five years.

During fiscal year 2021, the College entered into a direct borrowing agreement for wireless network equipment to upgrade our campus network at a cost of $510,490. The term of this lease is four years.

During fiscal year 2022, the College entered into a lease contract with GFI Digital Inc. for use of a copier machine. The lease term is 60 months with payments of $1,570 due each month.

During fiscal year 2022, the College entered into a lease contract with Pitney Bowes for use of a postage meter machine. The lease term is 60 months with payments of $2,156.13 due quarterly.

Significant Budget Variances

For fiscal year 2022, the State of Missouri appropriated an additional $1.4 million in funds to be used for maintenance and repairs under the guidelines of the House Bill 19. The FY23 budget reflected FY22 funding levels which was based on data obtained from the Governor's office at the time the budget was approved.

STATE AID HISTORY

	Actual FY 2020	Actual FY 2021	Actual FY 2022	Budget FY 2023
Unrestricted				
General Revenue	$6,329,934	$7,296,004	$7,528,635	$8,103,632
Budget Stabilization Funds	-	-	-	-
Total Unrestricted	6,329,934	7,296,004	7,528,635	8,103,632
Restricted				
Maintenance & Repair HB3	285,351	333,043	333,043	333,043
Maintenance & Repair HB19	-	-	1,440,016	-
Total Restricted	285,351	333,043	1,773,059	333,043
Total State Aid	$6,615,285	$7,629,047	$9,301,694	$8,436,675

TUITION HISTORY

	Actual FY 2020	Actual FY 2021	Actual FY 2022	Budget FY 2023
Tuition Rates				
In District	$ 112	$ 112	$ 114	$ 118
Out of District	168	168	171	177
Out of State	224	224	228	236
Technology Fee	16	25	25	25
Activity Fee	-	5	5	5
Gross Tuition and Fee Revenue:				
Unrestricted Funds				
Gross Tuition and Fees	$11,348,507	$11,106,638	$11,155,709	$10,977,484
Plant Funds				
Gross Tuition and Fees	699,779	630,564	616,770	598,000
All Funds				
Gross Tuition and Fees	$12,048,286	$11,737,202	$11,772,479	$11,575,484

TAX RATES AND REVENUES HISTORY

Tax Rates

	Actual FY 2020	Actual FY 2021	Actual FY 2022	Budget FY 2023
Current Unrestricted	$.2498	$.2498	$.2312	$.2312
Plant	.0300	.0300	.0300	.0300
Capital Projects	.0500	.0500	.0500	.0500
Total Tax Levy	$.3298	$.3298	$.3112	$.3112

Tax Revenue

	Actual FY 2020	Actual FY 2021	Actual FY 2022	Budget FY 2023
Current Unrestricted	$ 8,650,163	$ 8,907,089	$ 9,055,274	$ 9,109,825
Plant	1,035,936	1,070,164	1,176,320	1,128,500
Capital Projects	1,725,979	1,782,792	1,960,795	1,886,250
Total Tax Revenue	$11,412,078	$11,760,045	$12,192,389	$12,124,575

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(UNAUDITED)

The following is the College's approved budget for fiscal year 2022.

BUDGET SUMMARY

		2020 Actuals	2021 Actuals	2022 Actuals	2023 Budget
Revenues:					
	State Aid	$ 6,615,285	$7,629,047	$ 9,301,694	$8,436,675
	Tuition and fees	12,048,286	11,737,202	11,772,480	11,575,484
	Local Taxes	11,412,078	11,760,045	12,192,389	12,124,575
	Federal Grant Revenue	3,231,095	7,773,857	11,952,863	2,460,034
	State Grant Revenue	3,144,078	3,170,591	3,279,416	3,171,885
	Student Aid	7,711,068	6,679,232	6,809,885	7,053,063
	Sales & Services	1,158,873	644,193	735,545	1,146,000
	Adult Education	199,119	180,832	190,155	248,445
	Student Activities	32,478	13,387	15,276	28,920
	Organized Activities	18,643	21,010	29,430	66,750
	Auxiliary Enterprises	1,116,693	1,116,140	1,316,086	1,324,850
	Interest Income	274,658	11,088	(66,515)	65,310
	Other	3,365,509	3,638,161	3,809,029	3,547,750
Total Revenues		**$50,327,863**	**$54,374,785**	**$61,337,733**	**$51,249,741**
Expenditures:					
	Instructional	$14,602,566	$14,579,912	$15,611,736	$16,867,397
	Administration & General	13,452,071	13,283,660	9,230,601	11,784,223
	Plant Oper and Maint	3,717,758	4,012,678	4,274,590	7,207,742
	Grants & Scholarships	11,011,203	10,301,517	13,736,984	9,265,752
	Auxiliary Enterprises	1,400,750	1,275,096	1,357,473	1,504,193
	Academic Support	1,251,783	1,260,771	978,121	1,210,156
	Student Services	4,226,402	4,509,303	5,054,478	5,754,959
	Scholarships	1,321,363	1,218,341	1,070,275	1,106,000
	Public Service	40,432	20,838	21,116	20,000
Total Expenditures		**$51,024,328**	**$50,462,116**	**$51,335,374**	**$54,720,422**
	Net Revenue Less Expenses	($696,465)	$3,912,669	$10,002,359	($3,470,681)
	Transfers In/Out	-	-	-	-
	Net Increase/Decrease for YTD	($696,465)	$3,912,669	$10,002,359	($3,470,681)
	Beginning Net Position	26,930,772	26,234,307	30,146,976	40,149,335
	Prior Period Adjustment	-	-	-	-
	Ending Net Position	**$26,234,307**	**$30,146,976**	**$40,149,335**	**$36,678,654**

Current Unrestricted Fund

		2020 Actuals	2021 Actuals	2022 Actuals	2023 Budget
Revenues:					
	State Aid	$ 6,329,934	$ 7,296,004	$ 7,528,635	$ 8,103,632
	Tuition and fees	11,348,507	11,106,638	11,155,709	10,977,484
	Local Taxes	8,650,163	8,907,089	9,055,274	9,109,825
	Federal Grant Revenue	19,062	21,073	19,604	18,000
	State Grant Revenue	121,853	151,713	143,640	110,000
	Student Aid	1,846,487	1,486,809	1,642,679	1,800,000
	Sales & Services	1,158,873	644,193	735,545	1,146,000
	Adult Education	-	-	-	-
	Student Activities	-	-	2,340	-
	Organized Activities	13,948	21,010	24,210	23,000
	Auxiliary Enterprises	320,776	461,847	507,135	497,000
	Interest Income	144,182	38,397	32,876	25,000
	Other	306,534	285,409	451,906	254,250
Total Revenues		**$30,260,319**	**$30,420,182**	**$31,299,553**	**$32,064,191**
Expenditures:					
	Instructional	$12,453,085	$12,604,854	$13,031,000	$14,507,827
	Admin & General	7,744,433	7,128,673	2,033,813	6,718,771
	Plant Oper and Maint	3,196,026	3,134,382	3,383,558	3,609,150
	Grants & Scholarships	1,896,967	1,551,062	1,693,452	1,869,500
	Auxiliary Enterprises	542,841	521,600	586,759	704,332
	Academic Support	1,236,542	1,072,572	974,642	1,210,156
	Student Services	3,820,591	3,926,584	3,938,393	5,070,607
	Scholarships	1,321,363	1,218,341	1,070,275	1,106,000
	Public Service	40,432	20,838	21,116	20,000
Total Expenditures		**$32,252,280**	**$31,178,906**	**$26,733,008**	**$34,816,343**
	Net Revenue Less Expenses	($1,991,961)	($758,724)	$4,566,545	($2,752,152)
	Transfers In/Out	562,376	1,970,422	451,420	66,545
	Net Increase/Decrease for YTD	($1,429,585)	$1,211,698	$5,017,965	($2,685,607)
	Beginning Net Position	(17,764,599)	(19,194,184)	(17,982,486)	(12,964,521)
	Prior Period Adjustment	-	-	-	-
	Ending Net Position	**($19,194,184)**	**($17,982,486)**	**($12,964,521)**	**($15,650,128)**

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2022 (UNAUDITED)

Current Restricted Fund

		2020 Actuals	2021 Actuals	2022 Actuals	2023 Budget
Revenues:					
	State Aid	$ 285,351	$ 333,043	$1,773,059	$ 333,043
	Tuition and fees	-	-	-	-
	Local Taxes	-	-	-	-
	Federal Grant Revenue	3,212,034	7,752,784	11,933,259	2,442,034
	State Grant Revenue	3,022,225	3,018,878	3,135,776	3,061,885
	Student Aid	5,864,581	5,192,422	5,167,206	5,253,063
	Sales & Services	-	-	-	-
	Adult Education	199,118	180,832	190,155	248,445
	Student Activities	32,478	13,387	12,936	28,920
	Organized Activities	4,695	-	5,220	43,750
	Auxiliary Enterprises	795,917	654,293	808,951	827,850
	Interest Income	33,795	22,385	20,141	12,410
	Other	2,845,649	3,148,253	3,204,491	3,259,500
Total Revenues		**$16,295,843**	**$20,316,277**	**$26,251,194**	**$15,510,900**
Expenditures:					
	Instructional	$ 1,957,727	$ 1,877,915	$ 2,489,402	$ 2,359,570
	Admin & General	2,701,476	3,421,707	2,800,703	3,211,150
	Plant Oper and Maint	456,543	685,746	710,568	1,700,726
	Grants & Scholarships	9,114,235	8,750,455	12,043,532	7,396,252
	Auxiliary Enterprises	828,687	748,830	723,096	724,861
	Academic Support	14,152	155,220	3,479	-
	Student Services	385,932	556,647	1,092,029	565,722
	Scholarships	-	-	-	-
	Public Service	-	-	-	-
Total Expenditures		**$15,458,752**	**$16,196,520**	**$19,862,809**	**$15,958,281**
	Net Revenue Less Expenses	$837,091	$4,119,757	$6,388,385	($447,381)
	Transfers In/Out	(551,817)	(3,725,022)	(4,651,741)	571,380
	Net Increase/Decrease for YTD	$285,274	$394,735	$1,736,644	$123,999
	Beginning Net Position	2,255,020	2,540,294	2,935,029	4,671,673
	Ending Net Position	**$2,540,294**	**$2,935,029**	**$4,671,673**	**$4,795,672**

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2022 (UNAUDITED)

Plant Funds

		2020 Actuals	2021 Actuals	2022 Actuals	2023 Budget
Revenues:					
	State Aid	$ -	$ -	$ -	$ -
	Tuition and fees	699,779	630,564	616,771	598,000
	Local Taxes	2,761,915	2,852,956	3,137,115	3,014,750
	Federal Grant Revenue	-	-	-	-
	State Grant Revenue	-	-	-	-
	Student Aid	-	-	-	-
	Sales & Services	-	-	-	-
	Adult Education	-	-	-	-
	Student Activities	-	-	-	-
	Organized Activities	-	-	-	-
	Auxiliary Enterprises	-	-	-	-
	Interest Income	2,007	302	641	300
	Other	213,326	204,500	152,632	34,000
Total Revenues		**$3,677,027**	**$3,688,322**	**$3,907,159**	**$3,647,050**
Expenditures:					
	Instructional	$ 191,754	$ 97,143	$ 91,334	$ -
	Admin & General	811,565	452,467	399,172	1,854,302
	Plant Oper and Maint	65,188	192,550	180,464	1,897,866
	Grants & Scholarships	-	-	-	-
	Auxiliary Enterprises	29,224	4,665	47,618	75,000
	Academic Support	1,088	32,980	-	-
	Student Services	19,879	26,072	24,056	118,630
	Scholarships	-	-	-	-
	Public Service	-	-	-	-
Total Expenditures		**$1,118,698**	**$805,877**	**$742,644**	**$3,945,798**
	Net Revenue Less Expenses	$2,558,329	$2,882,445	$3,164,515	($298,748)
	Transfers In/Out	(2,920,631)	(2,828,918)	(2,468,826)	(637,925)
	Net Increase/Decrease for YTD	($362,302)	$ 53,527	$ 695,689	($936,673)
	Beginning Net Position	9,095,198	8,732,896	8,786,423	9,482,112
	Ending Net Position	**$8,732,896**	**$8,786,423**	**$9,482,112**	**$8,545,439**

Other Funds

		2020 Actuals	2021 Actuals	2022 Actuals	2023 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	94,674	(49,996)	(120,173)	27,600
	Other	-	-	-	-
Total Revenues		**$94,674**	**($49,996)**	**($120,173)**	**$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	$94,674	($49,996)	($120,173)	$ 27,600
	Transfers In/Out	(92,007)	52,187	122,627	-
	Net Increase/Decrease for YTD	$2,667	$2,191	$ 2,454	$ 27,600
	Beginning Net Position	702,213	704,880	707,071	709,525
	Ending Net Position	**$704,880**	**$707,071**	**$709,525**	**$737,125**

Economic Outlook

State Aid for FY23 was difficult to estimate as there were multiple scenarios being discussed for performance funding last spring. In the end, the final model will provide the College an additional $168,000 over the budgeted amount. There is no significant reduction in state funding anticipated for FY24.

Property tax revenue has steadily increased annually. The College's administration believes that this will continue through FY23 and into FY24.

The College projected an enrollment decline of about 4% in fiscal year 2023. However, the fall semester enrollment has been running even with last fall's enrollment and early projections for the spring semester indicate similar favorable results.

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
JUNE 30, 2022
(With Summarized Comparative Financial Information as of June 30, 2021)

	Primary Government 2022	Component Unit Foundation 2022	Primary Government 2021	Component Unit Foundation 2021
ASSETS				
Current assets:				
Cash	$ 20,344,694	$ 104,463	$ 16,115,980	$ 21,409
Cash - Self Insurance	2,213,686	-	1,477,849	-
Investments	-	2,994,398	1,000,000	3,500,061
Receivables:				
Student fees, net of allowance of $248,727 and $339,261 respectively	4,307,839	-	3,736,434	-
Government Program	2,565,022	-	2,617,582	-
Taxes, net of allowance of $21,606 and $19,190 respectively	464,574	-	409,639	-
Other	48,813	39,145	21,238	62,119
Supplies & material inventories	37,582	-	33,013	-
Prepaid expenses	428,552	14,560	349,958	14,560
Total Current assets	30,410,762	3,152,566	25,761,693	3,598,149
Noncurrent assets:				
Restricted deposits	13	-	7	-
Restricted investments	688,801	-	627,089	-
Long-term Pledges Receivable	-	48,000	-	58,460
Capital assets, net	43,500,779	456,376	42,162,186	479,078
Total Noncurrent assets	44,189,593	504,376	42,789,282	537,538
TOTAL ASSETS	$ 74,600,355	$ 3,656,942	$ 68,550,975	$ 4,135,687
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts related to state pension system	$ 7,232,060	$ -	$ 6,318,792	$ -
Deferred amounts related to OPEB	472,794	-	569,588	
TOTAL DEFFERRED OUTFLOWS OF RESOURCES	$ 7,704,854	$ -	$ 6,888,380	$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 82,305,209	$ 3,656,942	$ 75,439,355	$ 4,135,687
LIABILITIES				
Current liabilities:				
Accounts Payable	$ 938,686	$ 11,939	$ 734,913	$ 6,376
Credit Card Payable	-	58	-	286
Payroll Liabilities Payable	4,494,044	-	5,352,455	-
Accrued Payroll Expenses	132,536	-	137,351	-
Accured Interest Payable	14,886	-	21,404	-
Current Portion of Bonds Payable	1,003,364	-	978,497	-
Current Portion of COPS	260,000	-	250,000	-
Current Portion of Direct Borrowings	207,076	-	271,085	-
Compensated Absences	793,618	-	783,205	-
Total Current liabilities	7,844,210	11,997	8,528,910	6,662
Noncurrent liabilities:				
Bonds Payable	1,110,677	-	2,113,598	-
COPS	550,000	-	810,000	-
Direct Borrowings	518,782	-	725,857	-
Early Retirement Liability	15,609	-	16,869	-
Share of Missouri State Pension Liability	5,372,725	-	25,038,181	-
Capital Leases	84,701			
Total Noncurrent liabilities	7,652,494	-	28,704,505	-
TOTAL LIABILITIES	$ 15,496,704	$ 11,997	$ 37,233,415	$ 6,662
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts related to state pension system	$ 20,248,078	$ -	$ 3,775,110	$ -
Deferred amounts related to OPEB	1,656,249	-	131,748	-
Deferred Aid and Tuition	4,754,843	-	4,152,106	-
TOTAL DEFERRED INFLOWS OF RESOURCES	$ 26,659,170	$ -	$ 8,058,964	$ -
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	$ 42,155,874	$ 11,997	$ 45,292,379	$ 6,662
NET POSITION				
Net Position:				
Net investment in capital assets	$ 39,766,179	$ -	$ 37,013,149	$ -
Restricted:				
With Donor Restriction	-	2,015,491	-	1,957,131
Expendable	13,207,425	-	13,932,065	-
Nonexpendable	709,525	-	707,071	-
Unrestricted/Without Donor Restriction	(13,533,794)	1,629,454	(21,505,309)	2,171,894
TOTAL NET POSITION	$ 40,149,335	$ 3,644,945	$ 30,146,976	$ 4,129,025
TOTAL LIABILITIES AND NET POSITION	$ 82,305,209	$ 3,656,942	$ 75,439,355	$ 4,135,687

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, 2022
(With Summarized Comparative Financial Information as of June 30, 2021)

	Primary Government 2022	Component Unit Foundation 2022	Primary Government 2021	Component Unit Foundation 2021
OPERATING REVENUES				
Operating Revenues:				
Tuition and Fees (net of scholarships)	$ 4,575,128	$ -	$ 7,627,750	$ -
Student Housing Revenues (net of scholarships)	728,640	-	538,827	-
Other Operating Revenues	1,493,618	-	1,326,446	-
Total Operating Revenues	6,797,386	-	9,493,023	-
OPERATING EXPENSES				
Operating expenses:				
Salaries	$ 18,879,175	$ 122,567	$ 18,140,689	$ 91,781
Benefits	5,069,919	43,025	10,185,002	34,009
Financial Aid and Scholarships	3,286,924	-	3,383,408	-
Utilities	1,096,941	-	976,638	-
Supplies and Other Services	7,326,324	-	7,084,297	-
Depreciation	2,762,909	22,702	2,459,166	22,132
Total Operating Expenses	38,422,192	188,294	42,229,200	147,922
OPERATING INCOME / (LOSS)	$ (31,624,806)	$ (188,294)	$ (32,736,177)	$ (147,922)
NON-OPERATING REVENUES (EXPENSES):				
Regular State Aid	$ 9,301,694	$ -	$ 7,629,047	$ -
Local Taxes	12,192,389	-	11,760,045	-
Grants and Contracts	18,140,650	104,391	13,997,537	24,750
Investment Income	(67,015)	38,320	11,087	170,059
Interest Expense	(163,037)	-	(201,022)	-
Gain (Loss) on sale of assets	(1,380,813)	-	30,959	-
Gain (Loss) on marketable securities	-	177,895	-	382,146
Other Income	-	-	-	-
Library Renovation Income	-	800	-	1,050
Membership Fees	-	-	-	-
Events Revenue	-	260,484	-	100,359
Contributions - Net	-	489,212	-	349,170
Programs - scholarships	-	(172,448)	-	(174,042)
Administration	-	(12,732)	-	(15,421)
Advertising	-	(16,551)	-	(14,626)
Ault House	-	(4,438)	-	(5,559)
Awards & Recognition	-	(11,385)	-	(5,139)
Capital Improvements	-	(153,263)	-	(148,069)
Events Expense	-	(94,374)	-	(59,030)
Financing & Investing	-	(775,737)	-	(142,226)
Instructional Programs	-	(110,937)	-	(17,364)
Professional Fees	-	(15,023)	-	(16,911)
Other Non-operating Revenues	3,603,297	-	3,421,193	-
Net Non-Operating Revenues (expenses)	41,627,165	(295,786)	36,648,846	429,147
Change in Net Position	$ 10,002,359	$ (484,080)	$ 3,912,669	$ 281,225
Net Position - Beginning of Year	30,146,976	4,129,025	26,234,307	3,847,800
Net Position - End of Year	$ 40,149,335	$ 3,644,945	$ 30,146,976	$ 4,129,025

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, 2022
(With Summarized Comparative Financial Information as of June 30, 2021)

	Primary Government 2022	**Component Unit Foundation 2022**	**Primary Government 2021**	**Component Unit Foundation 2021**
CASH FLOWS FROM OPERATING ACTIVITIES:				
Tuition and fees	$ 4,606,460	$ -	$ 7,650,704	$ -
Student Housing Revenue	728,640	-	538,827	-
Payments to Suppliers	(8,302,655)	-	(7,968,499)	-
Payments to Employees	(24,803,167)	-	(27,770,680)	-
Cash Payments for Insurance Claims and Fees	-	-	-	-
Financial aid and scholarships	(3,286,924)	-	(3,383,408)	-
Change in Net Assets	-	(484,080)	-	281,225
Gain (Loss) on marketable securities - Unrealized	-	593,021	-	(243,994)
Contributions restricted to endowment funds	-	(37,391)	-	53,513
Investment income restricted to endowment funds	-	(20,969)	-	(77,341)
Changes in assets and liabilites - (increase) or decrease in pledges receivable	-	31,355	-	86,857
Other receipts or expenses - net	(1,296,866)	30,117	(1,112,964)	19,233
Net cash provided by (used in) operating activities	$ (32,354,512)	$ 112,053	$ (32,046,020)	$ 119,493
CASH FLOWS FROM CAPITAL AND CAPITAL-RELATED FINANCING ACTIVITIES:				
Net purchased of capital assets & intagibles activities	(1,338,593)	-	(1,117,618)	-
Principal paid on capital debt	(1,499,138)	-	(467,359)	-
Interest paid on capital debt	(169,555)	-	(207,104)	-
Net cash provided by (used in) capital and capital-related financing activities	(3,007,286)	-	(1,792,081)	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Local taxes	12,137,454	-	11,836,515	-
State aid	9,301,694	-	7,629,047	-
Grants and Contracts	18,193,210	-	13,515,814	-
Proceeds from contributions restricted to endowment funds	13	37,391	-	(53,513)
Investment income restricted to endowment funds	-	20,969	-	77,341
Gifts received for other than capital purposes	2,222,484	-	3,452,152	-
Title IV Settlement	-	-	-	-
Net cash provided by (used in) noncapital financing activities	$ 41,854,855	$ 58,360	$ 36,433,528	$ 23,828
CASH FLOWS FROM INVESTING ACTIVITES:				
Proceeds from sale and maturities of investments	938,275	(260,000)	136,205	(220,000)
(Increase) or decrease in marketable securities	-	172,641	-	(169,308)
Purchase of fixed assets	-	-	-	(10,247)
Interest on investments	(67,015)	-	11,087	-
Net impact of GASB 68	(4,105,756)	-	2,253,818	-
Net impact of GASB 75	1,621,295	-	(688,212)	-
Net impact of GASB 87	84,701	-	-	-
Net cash provided by (used in) investing activities	$ (1,528,500)	$ (87,359)	$ 1,712,898	$ (399,555)
INCREASE (DECREASE) IN CASH	4,964,557	83,054	4,308,325	(256,234)
CASH - Beginning of year	17,593,836	21,409	13,285,511	277,643
CASH - End of year	$ 22,558,393	$ 104,463	$ 17,593,836	$ 21,409
	-			
RECONCILIATION OF NET OPERATING REVENUE (EXPENSES) TO THE NET CASH FROM OPERATING ACTIVITIES:				
Operating Income (loss)	$ (31,624,806)	$ (484,080)	$ (32,736,177)	$ 281,225
Adjustments to reconcile operating loss to cash flows from operating activities:				
Depreciation	2,762,909	22,702	2,459,166	22,132
Changes in assets and liabilities:				
Accounts receivable	(653,915)	31,355	(840,728)	86,857
Inventory, prepaid expenses, and other assets	(2,791,137)	542,076	(2,483,561)	(270,721)
Accounts payable	203,773	-	40,361	-
Payroll liabilities	(863,226)	-	525,664	-
Compensated absences	10,413	-	28,519	-
Deferred revenue	602,737	-	959,908	-
Early retirement liability	(1,260)	-	828	-
NET CASH PROVIDED BY (USED IN OPERATING ACTIVITIES	$ (32,354,512)	$ 112,053	$ (32,046,020)	$ 119,493

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 2021/2022 year and medical and dental plans for the 2021/2022 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, 2022, and 2021, 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 $486,180 and $428,829 for fiscal years 2022 and 2021, respectively, represent uncollected delinquent taxes and protested taxes thereon from the 2008 to 2021 property tax levies net of an allowance for uncollectible amounts in the amounts of $21,606 and $19,190 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 $22.50 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 $22.50 per day. The combination of buy-back program sick leave days and additional sick leave days at the rate of $22.50 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 2021-2022 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 $4,495,917 and $3,943,034 for June 30, 2022, and 2021, respectively, with unapplied cash payments of $60,649 and $132,661, respectively, and allowances of $248,726 and $339,261, respectively.

Government Receivable - The College reported total student fees receivable of $2,565,022 and $2,617,582 for June 30, 2022, and 2021, respectively, these represent federal and state awards that have yet to be received.

Prepaid Expenses - The College reported total prepaid expenses of $428,552 and $349,958 for June 30, 2022, and 2021, respectively.

Student Security Deposits - The College reported total student security deposits for Viking Woods of $46,000 and $43,250 for June 30, 2022, and 2021, 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, 2022, the College had deposits and investments as follows:

Type	2022 Maturities	2022 Cost
Unrestricted Deposits:		
Petty Cash and Postage Machines	N/A	$ 18,081
Demand Deposits	N/A	20,326,613
Restricted Deposits:		
Endowment Demand Deposits	N/A	13
Total Deposits		20,344,707
Restricted Investments:		
Money Market	N/A	184,393
Endowment Bonds	07/15/2033	66,218
Endowment Bonds	09/01/2033	90,586
Endowment Bonds	06/15/2035	105,809
Endowment Bonds	06/08/2037	22,673
Endowment Bonds	09/15/2039	129,760
Endowment Bonds	12/15/2042	89,362
Total Investments		688,801
Total Deposits and Investments -		21,033,508
Deposits –Self Insurance	N/A	2,213,686
Total Deposits and Investments		$ 23,247,194

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, 2022, the College's deposits bank balance was insured or collateralized as follows: The College had a total of $23,949,900 in cash and investment (bank balance) with a total of $1,035,902 in FDIC coverage and the remaining $22,913,998 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, 2022, are summarized as follows:

	June 30, 2021	Additions	Retirements	Depreciation	June 30, 2022
Capital Assets Not Being Depreciated					
Land	$ 2,789,300	$ -	$ (2,005,813)	$ -	$ 783,487
Construction in Progress	-	-	-	-	-
Total Capital Assets Not Being Depreciated	$ 2,789,300	$ -	$ (2,005,813)	$ -	$ 783,487
Capital Assets Being Depreciated					
Land Improvements	$ 15,573,163	$ 1,258,313	$ -	$ (519,408)	$ 16,831,476
Buildings	62,974,935	4,073,580	-	(1,680,754)	67,048,515
Furniture and equipment	8,214,537	613,572	(107,347)	(354,094)	8,720,762
Library Books	2,493,307	30,347	-	(34,187)	2,523,654
Software	756,889	-	-	(45,331)	756,889
Capital Leases	-	131,503	-	(21,788)	131,503
Total Capital Assets Being Depreciated	90,012,831	6,107,315	(107,347)	-	96,012,799
Less - Accumulated Depreciation	(50,639,945)	-	-	(2,655 562)	(53,295,507)
Total Capital Assets Being Depreciated - Net	39,372,886	6,107,315	(107,347)	(2,655,562)	42,717,292
Total Capital Assets - Net	$ 42,162,186	$ 6,107,315	$ (2,113,160)	$ (2,655,562)	$ 43,500,779

Depreciation expense related to Land Improvements, Buildings, Furniture and Equipment, Library Books and Software was $2,762,909 for June 30, 2022 and $2,459,166 for June 30, 2021.

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

4. RETIREMENT PLANS (continued)

General Information about the Pension Plan - PSRS (concluded)

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. PSRS members were required to contribute 14.5% of their annual covered salary during fiscal years 2020, 2021 and 2022. 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 $1,783,601 for the year ended June 30, 2022.

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

4. RETIREMENT PLANS (continued)

General Information about the Pension Plan - PEERS (concluded)

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.

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 2020, 2021 and 2022. 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.

4. RETIREMENT PLANS (continued)

The College's contributions to PEERS were $500,575 for the year ended June 30, 2022.

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

At June 30, 2022, the College recorded a liability of $4,978,786 for its proportionate share of PSRS' net pension liability and $393,939 for its proportionate share of PEERS' net pension liability. In total, the College recorded net pension liabilities of $5,372,725. The net pension liability for the plans in total was measured as of June 30, 2021, and determined by an actuarial valuation as of that date. The College's proportionate share of the total net pension liability was based on the ratio of its actual contributions paid to PSRS and PEERS of $1,674,836 and $459,838, respectively, for the year ended June 30, 2021, relative to the total contributions of $744,694,744 for PSRS and $125,712,392 for PEERS from all participating employers. At June 30, 2021, the College's proportionate share was 0.2404% for PSRS and 0.3677% for PEERS.

For the year ended June 30, 2022, the College recognized a pension expense (income) of ($1,247,400) for PSRS and ($94,762) for PEERS, its proportionate share of the total pension expense (income).

At June 30, 2022, 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	$ 1,859,865	$ 445,627	$ 227,903	$ 20,447	$ 2,087,768	$ 466,074
- Changes of assumptions	2,042,714	-	211,866	-	2,254,580	-
- Net Difference between projected and actual earnings of pension plan investments	2,347,599	15,086,403	473,062	3,107,157	2,820,661	18,193,560
- Changes in proportion and differences between Employer contributions and proportionate share of contributions	67,874	1,566,247	1,177	22,197	69,051	1,588,444
- Employer contributions subsequent to the measurement date	-	-	-	-	-	-
Total	$ 6,318,052	$ 17,098,277	$ 914,008	$ 3,149,801	$ 7,232,060	$ 20,248,078

4. RETIREMENT PLANS (continued)

Amounts reported as deferred outflows of resources resulting from contribution subsequent to the measurement date of June 30, 2021, will be recognized as a reduction to the net pension liability in the year ended June 30, 2022. 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
2023	$ (2,361,104)	$ (464,605)	$ (2,825,709)
2024	(2,538,452)	(413,533)	(2,951,985)
2025	(2,846,713)	(589,188)	(3,435,901)
2026	(3,309,513)	(768,467)	(4,077,980)
2027	275,557	-	275,557
Thereafter	-	-	-
Total	$ (10,780,225)	$ (2,235,793)	$ (13,016,018)

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 May 2021. All economic and demographic assumptions were reviewed and updated, where appropriate, based on the results of the study and effective with the June 30, 2021, valuation. 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 2026.

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

- Measurement Date June 30, 2021
- Valuation Date June 30, 2021
- Expected Return on Investments 7.30%, net of investment expenses and including 2.0% inflation
- Inflation 2.0% per annum

4. RETIREMENT PLANS (continued)

Actuarial Assumptions - PSRS and PEERS (continued)

- Total Payroll Growth

PSRS:	2.25% per annum, consisting of 2.0% inflation, 0.125% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.125% of real wage growth due to productivity.
PEERS:	2.5% per annum, consisting of 2.0% 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

PSRS:	2.625% - 8.875%, depending on service and including 2.0% inflation, 0.125% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.125% of real wage growth due to productivity, and real wage growth for merit.
PEERS:	3.25% - 9.75%, depending on service and including 2.0% 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, and real wage growth for merit.

- Cost-of-Living Increases - Both: Given the actual increase in the CIP-U index from June 2020 to June 2021 was 5.39%, the Board approved an actual cost-of-Living adjustment (COLA) as of January 1, 2022 of 5.0%, in accordance with the Board's funding policy and Missouri statues, compared to an assumed COLA of 2.0%. Future COLAs assumed in the valuation are 2.0% as of January 1, 2023 and January 1, 2024, and 1.35%each January thereafter. This COLA assumption is based on the 20-year stochastic analysis of inflation performed in the 2021experience study, the application of the Board's COLA policy, and the short-term expectations of COLA due to recent CPI activity. It is also based on the current policy of the Board to grant a COLA on each January 1 as follows:

4. RETIREMENT PLANS (continued)

Actuarial Assumptions - PSRS and PEERS (continued)

- 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.

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	Experience-adjusted Pub-2010 Teachers Mortality Table for Employees projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the healthy retiree experience-based adjustment factors at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

4. RETIREMENT PLANS (continued)

Actuarial Assumptions - PSRS and PEERS (continued)

Actives - PEERS

Experience-adjusted Pub-2010 General (Below-Median Income) Mortality Table for Employees projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the healthy retiree experience-based adjustment factors at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

Non-Disabled Retirees

-PSRS

Mortality rates for non-disabled retirees and beneficiaries are based on the Pub-2010 Teachers Mortality Table for Healthy Retirees and the Pub-2010 Teachers Mortality Table for Contingent Survivors, respectively. The tables are projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the experience-based adjustment factors shown in the tables below at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

	Males	Females
Non-Disabled	1.10	1.04
Contingent Survivor	1.18	1.07

-PEERS

Mortality rates for non-disabled retirees and beneficiaries are based on the Pub-2010 General (Below-Median Income) Mortality Table for Healthy Retirees and the Pub-2010 General (Below-Median Income) Mortality Table for Contingent Survivors, respectively. The tables are projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the experience-based adjustment factors shown in the tables below at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

	Males	Females
Non-Disabled	1.13	0.94
Contingent Survivor	1.01	1.07

4. RETIREMENT PLANS (continued)

Actuarial Assumptions - PSRS and PEERS (concluded)

Disabled Retirees	
-PSRS	Experienced based Pub-2010 Teacher Disability Mortality Table, projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the healthy retiree experience-based adjustment factors at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.
-PEERS	Experienced based Pub-2010 General Disability Mortality Table, projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the healthy retiree experience-based adjustment factors at all ages for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

Changes in Actuarial Assumptions and Methods

An experience study was completed in May 2021 resulting in an update to the following assumptions:

BOTH	The long-term inflation assumption was decreased from 2.25% to 2.00%. The expected return on assets assumption was decreased from 7.50% to 7.30%. The cost-of-living increase assumption was changed to be 2.00% on January 1, 2022, 2023, and 2024, and 1.35% on each January 1 thereafter.
PSRS	The total payroll growth assumption was decreased from 2.75% to 2.25%. The future payroll growth assumption was decreased from 3.00% - 9.50%, depending on service, to 2.625% - 8.875%, depending on service. The mortality assumptions were changed to reflect the PubT-2010 (Teacher) mortality tables, with adjustments based on actual member mortality experience from 2015-2020, and to incorporate future mortality improvement on a generational basis in accordance with the MP-2020 improvement scale.

4. RETIREMENT PLANS (continued)

Change in Actuarial Assumptions and Methods (concluded)

	Other demographic assumptions were also changed based on actual member demographic experience from 2015-2020.
PEERS	The total payroll growth assumption was decreased from 3.25% to 2.50%. The future payroll growth assumption was decreased from 4.00% - 11.00%, depending on service, to 3.25% - 9.75%, depending on service. The mortality assumptions were changed to reflect the PubG-2010(B) (General Employee, Below-Median Income) mortality tables, with adjustments based on actual member mortality experience from 2015-2020, and to incorporate future mortality improvement on a generational basis in accordance with the MP-2020 improvement scale. Other demographic assumptions were also changed based on actual member demographic experience from 2015-2020.

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, 2021, is summarized below.

4. RETIREMENT PLANS (continued)

Fiduciary Net Position (continued)

	Target Asset Allocation	Long-term Expected Real Return Arithmetic Basis
U.S. Public Equity	23.0%	4.81%
Public Credit	0.0%	0.80%
Hedged Assets	6.0%	2.39%
Non-U.S. Public Equity	16.0%	6.88%
U.S. Treasuries	20.0%	(0.02)%
U.S. TIPS	0.0%	0.29%
Private Credit	8.0%	5.61%
Private Equity	16.0%	10.90%
Private Real Estate	11.0%	7.47%
Total	100.0%	

- Discount Rate

The long-term expected rate used to measure the total pension liability was 7.3% as of June, 30, 2021, and is consistent with the long-term expected geometric return on plan investments. The Board of Trustees adopted a new actuarial assumed rate of return of 7.3% effective with June 30, 2021 valuations based on the actuarial experience studies conducted during the current fiscal year. 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 7.30% is presented as well as the net pension liability (assets) using a discount rate that is 1.0% lower (6.30%) or 1.0% higher (8.30%) than the current rate.

4. RETIREMENT PLANS (concluded)

Fiduciary Net Position (concluded)

Discount Rate	1% Decrease (6.30%)	Current Rate (7.30%)	1% Increase (8.30%)
PSRS Proportionate share of the Net Pension			
Liability / (Asset)	$20,044,220	$4,978,786	($7,494,626)
PEERS Proportionate share of the Net Pension			
Liability / (Asset)	$3,335,872	$393,939	($2,061,170)

The College has offered an early retirement plan that results in the payout of benefits based upon salary and years of service over three years. The activity in the long-term liability account for the year ended June 30, 2022, was as follows:

		2022
Beginning of year	$	16,869
New participant liability		15,293
Payments		(8,434)
End of year		23,728
Less current portion (reported in accounts payable)		(8,119)
Early retirement liability	$	15,609

5. BONDS PAYABLE

Bonds payable by series of issuance for the year ended June 30, 2022, consisted of the following:

		Beginning Balance July 1, 2021		Issued		Payment		Ending Balance June 30, 2022		Amounts Due within one year
Series 2005 Leasehold Bonds	$	2,187,095	$	-	$	(528,054)	$	1,659,041	$	548,364
Series 2014 Leasehold Bonds		905,000		-		(450,000)		455,000		455,000
Total	$	3,092,095	$	-	$	(978,054)	$	2,114,041	$	1,003,364

5. BONDS PAYABLE (concluded)

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
2023	$ 548,364	$ 53,276	$ 601,640
2024	569,455	32,185	601,640
2025	541,222	10,283	551,505
Total	$ 1,659,041	$ 95,744	$ 1,754,785

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
2023	$ 455,000	$ 12,967	$ 467,967
Total	$ 455,000	$ 12,967	$ 467,967

6. CERTIFICATES OF PARTICIPATION

Certificates of Participation by series of issuance for the year ended June 30, 2022, consisted of the following:

	Beginning Balance July 1, 2021	Issued	Payment	Ending Balance June 30, 2022	Amounts Due within one year
Certificates of Participation:					
Series 2010 COPS	$ 1,060,000	$ -	$ (250,000)	$ 810,000	$ 260,000
Total	$ 1,060,000	$ -	$ (250,000)	$ 810,000	$ 260,000

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 for various maintenance projects throughout the District. 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, 2022, the College was reimbursed for $25,864 in interest.

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

Years Ending June 30	Principal	Interest	Total
2023	$ 260,000	$ 46,575	$ 306,575
2024	270,000	31,625	301,625
2025	280,000	16,100	296,100
Total	$ 810,000	$ 94,300	$ 904,300

7. DIRECT BORROWINGS

Direct borrowing by issuance for the year ended June 30, 2022, consisted of the following:

	Beginning Balance July 1, 2021	Issued	Payments	Ending Balance June 30, 2022	Amounts Due within one year
FS Leasing LLC Video Display	$ 30,852	$ -	$ (9,978)	$ 20,874	$ 10,281
Axon Enterprise, Inc. Tasers	9,480	-	(4,740)	4,740	4,740
First State Community Bank Fiber	446,120	-	(86,203)	359,917	89,224
Extreme Networks, Inc. Equipment	510,490	-	(170,163)	340,327	113,442
Total	$ 996,942	$ -	$ (271,084)	$ 725,858	$ 217,687

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 (continued)

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
2023	$ 10,281	$ 633	$ 10,914
2024	10,593	321	10,914
Total	$ 20,874	$ 954	$ 21,828

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 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
2023	$ 4,740	$ -	$ 4,740
Total	$ 4,740	$ -	$ 4,740

Direct Borrowing - On September 10, 2020, the College entered into a direct borrowing with First State Community Bank for $446,120 for the purchase of the fiber optic network backbone upgrade for fire alarm and the data network. The lease has a rate of 1.7% and a term of 5 years with annual payments of $93,892.

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
2023	$ 87,688	$ 6,204	$ 93,892
2024	89,200	4,692	93,892
2025	90,729	3,163	93,892
2026	92,300	1,592	93,892
Total	$ 359,917	$ 15,651	$ 375,568

7. DIRECT BORROWINGS (concluded)

Direct Borrowing - On May 19, 2021, the College entered into a direct borrowing with Extreme Networks, Inc. for $510,490 for the purchase of equipment to expand and improve the wireless networks across campus. The lease has a rate of 0.0% and is for a term of 4 years with the first annual payment of $170,164 and three subsequent annual payments of $113,442.

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
2023	$ 113,442	$ -	$ 113,442
2024	113,442	-	113,442
2025	113,443	-	113,443
Total	$ 340,327	$ -	$ 340,327

8. LEASES

Financial reporting information pertaining to the College's leases is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB 87 requires recognition of certain lease assets and liabilities for all leases including, those that previously were classified as operating leases and recognized as expenditures by the lessees. This GASB ruling establishes a single model for lease accounting based on the foundational principle that leases are a financing of the right to use an underlying asset.

GASB 87 defines a lease as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The following are required accounting treatments for the lessee's financial statements:

1) A lease liability and an intangible asset representing the lessee's right to use the leased asset at the commencement of the lease is required to be recorded.
2) The lease liability is measured as the present value of all payments expected to be made during the lease term.
3) Variable payments based on future performance of the lessee or usage of the underlying asset should be expensed as incurred, and not included in the measurement of the lease liability.
4) The lease asset should be measured as the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term.
5) The lessee should assess each lease liability annually for changes in the terms of the

8. LEASES (concluded)

lease, interest rate, impairment of the underlying leased asset, or other factors that may impact the expected lease payment. Lease amendments and other modifications could necessitate remeasuring the lease liability.

6) The lessee will generally report amortization expenses for the lease asset over the shorter of the term of the lease or the useful life of the underlying asset. This amortization expense may be reported with depreciation expense for capital assets.

7) The lessee will calculate the amortization of the discount on each lease liability in subsequent financial reporting periods, and report that amount as interest expense.

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

a) A contract with GFI Digital Inc. for use of a copier machine was signed on September 10, 2021. The lease term is 60 months with payments of $1,570 due each month. The discount rate of 1.7% was used to determine the present value of the lease.

	Principal	Interest	Amortization	Asset Value June 30
2023	$ 17,665	$ 1,175	$ 18,049	58,660
2024	17,967	872	18,049	40,611
2025	18,275	565	18,049	22,562
2026	18,589	251	18,049	4,513
2027	4,697	13	4,513	-
Total	$ 77,193	$ 2,876	$ 76,709	

b) A contract with Pitney Bowes for use of a postage meter machine was signed on May 19, 2021. The lease term is 60 months with payments of $2,156.13 due quarterly. The discount rate of 1.7% was used to determine the present value of the lease.

	Principal	Interest	Amortization	Asset Value June 30
2023	$ 8,110	$ 514	$ 8,251	25,173
2024	8,249	376	8,251	16,924
2025	8,390	234	8,251	8,534
2026	8,534	91	8,253	-
Total	$ 33,283	$ 1,215	$ 33,006	

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, 2022, is $553,174. The remaining $156,351 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, 2022, and 2021, was $3,817,315,734 and $3,443,907,616 for Jefferson County, $8,020,649 and $7,641,809 for St. Francois County and $51,530 and $53,320 for Ste. Genevieve County, respectively, on which taxes were levied during fiscal years 2022 and 2021, respectively.

General	$ 0.3112
Total	$ 0.3112

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2022, aggregated approximately 93.46% 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 2022 calendar year was $431,279. 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, 2022, the College received support from the Foundation and paid in-kind contributions as follows: Scholarship and Instruction \$273,198, Capital Improvements \$48,063, Fundraisers \$31,740, and Grants \$24,429, for a total of \$377,430. For the year ended June 30, 2022 the College contributed in-kind contributions to the Foundation as follows: Administrative \$13,604, Salaries, \$122,567, and Fringe Benefits, \$43,025, for a total of \$179,196.

As of June 30, 2022, the Foundation had a liability to the College for \$5,489, and the College had a liability to the Foundation for \$145.

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.

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, 2022, 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, 2022. This is the date as of which the actuarial valuation is performed. The Measurement Date is June 30, 2022. This is the date as of which the total OPEB liability is determined. The Reporting Date is June 30, 2022. 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.

14. OTHER POST-EMPLOYMENT BENEFITS (continued)

Significant Changes (concluded)

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, 2022.

Actives	267
Retirees *	59
Spouses of Retirees	19
Total	345

* Includes 20 retirees with medical coverage and 54 with dental coverage

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

As of June 30, 2022, the College reported a liability of $3,576,154 for its net OPEB liability. The net OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2022.

For the year ended June 30, 2022, the College recognized OPEB expense of $244,143, which consisted of $324,811 in service costs, $102,103 in interest on total OPEB liability, ($201,976) in Recognition of economic/demographic gains or losses and $19,205 in recognition of assumption changes or inputs.

At June 30, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

14. OTHER POST-EMPLOYMENT BENEFITS (continued)

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

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, 2021	$ (4,479,107)	$ (760,668)	$ 569,588	$ (4,670,187)
Changes for the year:				
Service cost	(324,811)	-	-	(324,811)
Interest on total OPEB liability	(102,103)	-	-	(102,103)
Effect of plan changes	-	-	-	-
Effect of liability gains or losses	699,700	(699,700)	-	-
Effect of assumptions changes or inputs	475,446	(475,446)	-	-
Benefit payments	154,721	-	-	154,721
Recognition of liability gains or losses	-	201,976	-	201,976
Recognition of assumption changes or inputs	-	77,589	(96,794)	(19,205)
Annual expense	-	-	-	-
Balance as of June 30, 2022	$ (3,576,154)	$ (1,656,249)	$ 472,794	(4,759,609)

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:	
2023	$ (182,771)
2024	(182,771)
2025	(182,771)
2026	(166,827)
2027	(186,424)
Thereafter *	$ (281,891)

* 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, 2022.
Actuarial Cost Method	Entry Age Normal
Inflation	2.40%
Salary Increases	3.00%
Discount Rate	3.54% per annum based on the 20 year bond GO index at the fiscal year end. The rate for the prior fiscal year was 2.16%
Healthcare Cost Trend Rates	Medical cost trend rate of 5.3% for 2022, gradually decreasing to an ultimate rate of 3.8% for 2073 and beyond.
Mortality	Pub-2010 Teachers' Mortality for Employees and Healthy Annuitants, with generational projection per Scale MP-2021.

14. OTHER POST-EMPLOYMENT BENEFITS (continued)

Actuarial Methods and Assumptions (continued)

Medical Premium Inflation Rate

Year	Medical	Year	Medical
2022	5.30%	2035	4.50%
2023	5.10%	2040	4.30%
2024	4.90%	2045	4.30%
2025	4.80%	2050	4.30%
2026	4.70%	2055	4.30%
2027	4.60%	2060	4.30%
2028	4.60%	2065	4.20%
2029	4.50%	2070	4.00%
2030	4.40%	2073+	3.80%

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.

Service	Rate
0	28.4%
1	16.1%
2	13.2%
3	10.8%
4	9.2%
5	7.6%
10	3.9%
15	2.2%
20	1.3%

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	5.00%	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%

14. OTHER POST-EMPLOYMENT BENEFITS (concluded)

Actuarial Methods and Assumptions (concluded)

No dependent children are assumed to be covered in retirement.

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 3.54%, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.54%) or 1 percentage point higher (4.54%) than the current rate.

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability	\$3,961,115	\$3,576,154	\$3,243,159

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	\$3,161,089	\$3,576,154	\$4,081,169

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 \$3,046,168 in aggregate.

16. SUBSEQUENT EVENTS

On December 8, 2022, the board approved the lease purchase transaction of \$15,185,000 to provide funds for acquiring, constructing, improving, furnishing, and equipping facilities for the College through various capital projects.

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, 2022, the College abated property taxes totaling $52,456 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 $1,266.

- A TIF property tax abatement to SMO Hillsboro LLC under the program described above. The abatement amounted to $1,418.

- A TIF property tax abatement to SMO Hillsboro Lot 9B LLC under the program described above. The abatement amounted to $3.

- A TIF property tax abatement to CDF & CNF Holdings LLC under the program described above. The abatement amounted to $54.

- A TIF property tax abatement to CDF Herculaneum Holdings LLC under the program described above. The abatement amounted to $117.

- A TIF property tax abatement to Herky Hilltop Plaza LLC under the program described above. The abatement amounted to $43.

- A TIF property tax abatement to Moss Enterprise Inc. under the program described above. The abatement amounted to $1,257.

- A TIF property tax abatement to Gloss under the program described above. The abatement amounted to $794.

- A TIF property tax abatement to THF Arnold Triangle Dev LLC under the program described above. The abatement amounted to $26,614.

- A TIF property tax abatement to Caddel Harold and Rosemarie under the program described above. The abatement amounted to $462.

- A TIF property tax abatement to Dierbergs Arnold under the program described above. The abatement amounted to $6,272.

17. TAX ABATEMENT (continued)

- A TIF property tax abatement to Value Place, Arnold, LLC under the program described above. The abatement amounted to $3,079.

- A TIF property tax abatement to Outfront Media under the program described above. The abatement amounted to $56.

- A TIF property tax abatement to Jennemann Lane LLC under the program described above. The abatement amounted to $20.

- A TIF property tax abatement to JSZ Estate Corp under the program described above. The abatement amounted to $930.

- A TIF property tax abatement to Zelch Arnold LLC under the program described above. The abatement amounted to $164.

- A TIF property tax abatement to Atomic Fireworks under the program described above. The abatement amounted to $89.

- A TIF property tax abatement to Arnold Crossroads LLC under the program described above. The abatement amounted to $4,640.

- A TIF property tax abatement to Banyan Jeffco LLC under the program described above. The abatement amounted to $265.

- A TIF property tax abatement to McDonald’s USA LLC under the program described above. The abatement amounted to $474.

- A TIF property tax abatement to Steak N Shake Operations, Inc. under the program described above. The abatement amounted to $410.

- A TIF property tax abatement to DDC Hotels, Inc. under the program described above. The abatement amounted to $630.

- A TIF property tax abatement to A Highway 21, LLC under the program described above. The abatement amounted to $4.

- A TIF property tax abatement to BL&Z Investments, LLC under the program described above. The abatement amounted to $42.

- A TIF property tax abatement to Drury Development Corp. under the program described above. The abatement amounted to $3,353.

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. COMMITMENTS

The College has entered into contracts for various projects around the College including the Arts & Sciences auditorium and Field House gym flooring. As of June 30, 2022, the College was committed to $442,992 of remaining costs.

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, 2022

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%
6/30/20	0.2404%	$21,469,442	$12,105,665	177.35%	82.01%
6/30/21	0.2249%	$ 4,978,786	$11,649,296	42.74%	95.81%

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	51.95%	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%
6/30/20	0.3677%	$3,568,739	$ 6,616,547	53.94%	84.06%
6/30/21	0.3658%	$ 393,939	$ 6,703,168	5.88%	98.36%

Note: These schedules are intended to show information for ten years. 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 college's fiscal year.

THE COMMUNITY COLLEGE DISTRICT OF
JEFFERSON COUNTY, MISSOURI
SCHEDULE OF EMPLOYER CONTRIBUTIONS – PSRS AND PEERS
FOR THE YEAR ENDED JUNE 30, 2022

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%
6/30/20	1,740,132	1,740,132	-	12,105,665	14.37%
6/30/21	1,674,836	1,674,836	-	11,649,296	14.38%

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%
6/30/20	453,895	453,895	-	6,616,547	6.86%
6/30/21	459,838	459,838	-	6,703,168	6.86%

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, 2022

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%
6/30/21	$ -	$4,479,107	$4,479,107	- %	$15,002,402	29.86%
6/30/22	$ -	$3,576,154	$3,576,154	- %	$15,744,777	22.71%

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
6/30/13	$356,500	-	$173,400	$ 183,100	$14,770,806	1.17%
6/30/14	$356,300	-	$210,500	$ 145,800	$15,099,568	1.39%
6/30/15	$444,700	-	$212,500	$ 232,200	$15,347,638	1.38%
6/30/16	$443,300	-	$242,000	$ 201,300	$16,358,434	1.48%
6/30/17	$332,700	-	$165,200	$ 167,500	$15,859,515	1.04%
6/30/18	$215,527	-	$165,204	$ 50,323	$15,407,521	1.07%
6/30/19	$549,169	-	$193,241	$ 355,928	$14,955,563	1.29%
6/30/20	$912,393	($916,550)	$160,118	($164,275)	$15,437,394	1.03%
6/30/21	$365,798	-	$174,758	$ 191,040	$15,002,402	1.16%
6/30/22	($748,232)	-	$154,721	($902,953)	$15,744,777	.98%

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, 2022**

Grantor	Project Period		Expenditures
Passes through the Missouri Department of Elementary and Secondary Education:			
CTE Base Funding	7/1/21-6/30/22	$	364,302
CTE Performance Funding	7/1/21-6/30/22		225,355
Homemaker Fee Waivers	7/1/21-6/30/22		2,495
Adult Basic Education	7/1/21-6/30/22		59,009
Enhancement Grant	7/1/21-6/30/22		268,962
Total Department of Elementary and Secondary Education			920,123
Passes through the Missouri Department of Social Services:			
SkillUP	7/1/21-6/30/22		19,149
Total Department of Social Services			19,149
Passes through the Missouri Department of Higher Education:			
A+ Program	7/1/21-6/30/22		2,248,488
Dual Credit/Dual Enrollment	7/1/21-6/30/22		13,987
MoExcels	7/1/21-6/30/22		110,000
Total Department of Higher Education			2,372,475
Passes through the Missouri Department of Vocational Rehabilitation:			
Missouri Vocational Rehabilitation	7/1/21-6/30/22		18,658
Total Department of Vocational Rehabilitation			18,658
Passes through the Missouri Department of Economic Development:			
Trade Act	7/1/21-6/30/22		85
Customized Training	7/1/21-6/30/22		143,641
Total Department of Economic Development			143,726
Total State Awards		$	3,474,131

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI CUSTOMIZED TRAINING AGREED UPON PROCEDURES FOR THE YEAR ENDED JUNE 30, 2022

Jefferson College has been evaluated for the Customized Training Program, New Jobs Training, and Job Retention Training Programs, by the following criteria:

CRITERIA 1

A detail of Missouri One Start related administrative fees received from the Quarterly Training Activity Report was obtained and the total administrative revenue was agreed to the Jefferson College general ledger detail for the reserve funds in Jefferson College's program without exception.

CRITERIA 2

A detail of Missouri One Start program administration expenses for the fiscal year was obtained. A comparison of the Jefferson College's administrative revenue to the Missouri One Start's program administrative expenses and no excess funds were noted.

CRITERIA 3

30% of the total Customized Training Program projects payment requests from the quarterly training activity report were selected and tested that the reimbursement request document included a signature from the Jefferson College's agent and company representative.

CRITERIA 4

30% of the total Customized Training Program projects requested training fund reimbursements from Jefferson College to Missouri One Start and Trustee (if applicable) were tested that the Jefferson College project file concurs with the expenditure documents provided by the company, or Jefferson College as applicable.

CRITERIA 5

30% of the total Customized Training Program projects as selected from the quarterly training activity report were verified that the reimbursement from Missouri One Start to Jefferson College agrees with the disbursement back to the company.

CRITERIA 6

Quarter 4 was selected from within the quarterly training activity report for the Customized Training Program and the total reimbursements made to Jefferson College from Missouri One Start and Trustee (if applicable) agreed to Jefferson College's general ledger.

THE COMMUNITY COLLEGE DISTRICT OF JEFFERSON COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Project Period	Passed Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF EDUCATION:					
Student Financial Aid Cluster:					
Pell Grant Program	84.063	P063P211738	07/01/21-06/30/22	$ -	$ 4,674,572
Pell Grant Administrative Allowance	84.063	P063Q211738	07/01/21-06/30/22	-	6,180
College Work Study (CWS)	84.033	P033A212325	07/01/21-06/30/22	-	95,336
Federal Direct Student Loans	84.268	P268K221738	07/01/21-06/30/22	-	1,802,045
Supplemental Educational Opportunity Grant (SEOG)	84.007	P007A212325	07/01/21-06/30/22	-	104,541
Total Student Financial Aid Cluster				-	6,682,674
Other Student Financial Aid:					
TRIO	84.042	P042A150106-19	07/01/21-06/30/22	-	285,317
Child Care Access Means Parents in School (CCAMPIS)	84.335A	P335A210040	07/01/21-06/30/22	-	31,991
Total Other Student Financial Aid					317,308
Education Stabilization Funds:					
COVID-19 - Higher Education Emergency Relief Fund-Student Aid Portion	84.425E	P425E200893	07/01/21-06/30/22	-	4,635,422
COVID-19 - Higher Education Emergency Relief Fund-Institutional Portion	84.425F	P425F201485	07/01/21-06/30/22	-	4,418,990
COVID-19 - Higher Education Emergency Relief Fund-Strengthening Institutions Program	84.425M	P425M200182	07/01/21-06/30/22	-	396,846
Total Education Stabilization Funds					9,451,258
Passes through the Missouri Department of Higher Education and Workforce Development					
COVID-19 - Governor's Emergency Education Relief (GEER) Fund	84.425C	S425C210016	07/01/21-06/30/22	-	281,966
Total MDHEWD Expenditures				-	281,966
Passes through the Missouri Department of Elementary and Secondary Education:					
Vocational Education - Carl Perkins	84.048A	V048A210025	07/01/21-06/30/22	-	759,139
Adult Basic Education	84.002A	V002A210026	07/01/21-06/30/22	-	131,147
Total DESE Expenditures				-	890,286
TOTAL U.S. DEPARTMENT OF EDUCATION				-	17,623,492
U.S. DEPARTMENT OF JUSTICE:					
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525	N/A	07/01/21-06/30/22	-	89,193
TOTAL U.S. DEPARTMENT OF JUSTICE				-	89,193
U.S. DEPARTMENT OF LABOR:					
Passes Through the Missouri Office of Job Training					
WIA Adult	17.258	AA-36329-21-55-A-29	07/01/21-06/30/22	-	24,484
WIA Youth	17.259	AA-36329-21-55-A-29	07/01/21-06/30/22	-	18,044
WIA Dislocated Worker	17.278	AA-36329-21-55-A-29	07/01/21-06/30/22	-	58,038
WIA COVID-19 National Dislocated Worker	17.277	DW-34827-20-60-A-29	07/01/21-06/30/22	-	4,635
Total WIA Programs passed through the Missouri Office of Job Training				-	105,201
Passes Through St. Louis Community College					
H-1B Job Training (MoAMP) Grant	17.268	HG-33040-19-60-A-29	07/01/21-06/30/22	-	91,548
Total H-1B Job Training Grant				-	91,548
TOTAL U.S. DEPARTMENT OF LABOR				-	196,749
U.S. DEPARTMENT OF AGRICULTURE:					
Passes through the Missouri Department of Health					
Child and Adult Care Food Program	10.558	ERS46111072	07/01/21-06/30/22	-	11,892
COVID-19 - Child and Adult Care Food Program	10.558	ERS46111072	07/01/21-06/30/22	-	1,531
Total Child and Adult Care Food Program				-	13,423
SNAP Cluster:					
Passes Through Ozarks Technical Community College					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SkillUP)	10.561	CS160897001	07/01/21-06/30/22	-	17,300
Total SNAP Cluster				-	17,300
TOTAL U.S. DEPARTMENT OF AGRICULTURE				-	30,723
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)	93.596	2202MOCCDF	07/01/21-06/30/22	-	20,000
Child Care Relief	93.575	N/A	07/01/21-06/30/22	-	5,000
Total CCDF Cluster				-	25,000
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	07/01/21-06/30/22	-	7,024
Total Temporary Assisstane for Needy Families (TANF)				-	7,024
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				-	32,024
Total Expenditures of Federal Awards				$ -	$ 17,972,181

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 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2022

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 (College) under programs of the federal government for the year ended June 30, 2022. 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 College has 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 – INSURANCE

The College did not have any federal insurance in effect during the year ended June 30, 2022.

NOTE 7 – LOANS (LOAN GUARANTEES)

Federal Direct Loan Program:

The College is responsible only for the performance of certain administrative duties with respect to the Federal Direct Loan Program. During the year ended June 30, 2022, the College processed $1,802,045 under the Federal Loan Program.

NOTE 8 - SUBRECIPIENTS

The College had no subrecipients for federal awards for the year ending June 30, 2022.

NOTE 9 – DONATED PERSONAL PROTECTOVE EQUIPMENT (UNAUDITED)

The College did not receive any donated personal protective equipment during the year ended June 30, 2022.

INTERNAL CONTROL AND COMPLIANCE

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, 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated January 28, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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

Daniel Jones & Associates, P.C.
Certified Public Accountants
Arnold, Missouri

January 28, 2023

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

Opinion on Each Major Federal Program

We have audited the Community College District of Jefferson County, Missouri's ("College") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2022. 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.

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards,* and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Daniel Jones & Associates

Daniel Jones & Associates, P.C.
Certified Public Accountants
Arnold, Missouri

January 28, 2023

THE COMMUNITY COLLEGE DISTRICT OF
JEFFERSON COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

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:

Federal Assistance Listing Number(s):	Name of Federal Program or Cluster
84.063, 84.033, 84.268, 84.007	Student Financial Assistance Cluster
84.425	COVID-19 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