COLORADO MOUNTAIN COLLEGE

FINANCIAL STATEMENTS AND
SINGLE AUDIT COMPLIANCE REPORTS

YEAR ENDED JUNE 30, 2022

COLORADO MOUNTAIN COLLEGE
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2022

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	18
COLORADO MOUNTAIN COLLEGE FOUNDATION, INC. STATEMENT OF FINANCIAL POSITION	20
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	21
COLORADO MOUNTAIN COLLEGE FOUNDATION, INC. STATEMENT OF ACTIVITIES	22
STATEMENT OF CASH FLOWS	23
NOTES TO FINANCIAL STATEMENTS	25
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	63
SCHEDULE OF PENSION CONTRIBUTIONS AND RELATED RATIOS	64
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY	65
SCHEDULE OF OPEB CONTRIBUTIONS AND RELATED RATIOS	66
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS	67
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	68
SUPPLEMENTARY INFORMATION	
ACTUAL BUDGET COMPARISON SCHEDULE – COLLEDGEWIDE	72

COLORADO MOUNTAIN COLLEGE
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2022

SINGLE AUDIT

INDEPENDENT AUDITORS' 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*	**73**
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	**75**
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	**78**
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	**80**
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	**81**

INDEPENDENT AUDITORS' REPORT

Board of Directors
Colorado Mountain College
Glenwood Springs, Colorado

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 Colorado Mountain College (the College), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Colorado Mountain College's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the Colorado Mountain College as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Colorado Mountain College Foundation (the Foundation), which represents the discretely presented component unit of Colorado Mountain College. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Colorado Mountain College Foundation, is based solely on the report of other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Colorado Mountain College Foundation were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

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

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 auditors' 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, the Schedule of Proportionate Share of the Net Pension Liability, the Schedule of Pension Contributions and Related Ratios, the Schedule of Proportionate Share of the Net OPEB Liability, the Schedule of OPEB Contributions and Related Ratios, and the Schedule of Changes in Total OPEB Liability and Related Ratios 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 *GAAS*, 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 Actual to Budget Comparison Schedule – Collegewide 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 *GAAS*. In our opinion, the Actual to Budget Comparison Schedule – Collegewide and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 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 result 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.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
February 3, 2023, except for the Schedule of Expenditures of Federal Awards as to which the date is March 17, 2023

Following is a discussion of Colorado Mountain College's (the College or CMC) financial performance for the fiscal year ended June 30, 2022. It should be read in conjunction with the College's financial statements, which begin on page 16.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- As the College concludes the final year of the strategic plan, Reaching Greater Heights (2019-23), it will engage in a new strategic planning process to create a plan that extends through 2030. The College continues to thrive financially, operationally, and culturally, and thus remains prepared to invest in new programs and specific facilities that help support the needs of our mountain communities.

- While overall enrollments did not return to pre-pandemic levels, enrollments were down less than -3% compared to the 20/21 academic year and down about -4% compared to the 19/20 year. These trends were consistent with national patterns among open-access colleges. The enrollment bright spots were in the Residence Halls, which returned to pre-pandemic levels, as well as notable increases among high school concurrent enrollment, nonresident, and ESL students, all of which experienced precipitous declines during the pandemic. Graduations remained strong, with a total of 1,360 graduates receiving certificates or degrees.

- In March 2022, college leadership presented a plan for a "Colorado Mountain Promise" program, which provides free college tuition to students in households with incomes less than $75k (for dependent students) and $50k (for independent students). This investment in students leverages the infusion of federal stimulus funding by establishing long-term financial aid opportunities for low- and moderate-income students.

- During 2022, two new bachelor programs in Human Services and Ecosystems Science degrees were completed and authorized by the Colorado Commission on Higher Education and the Higher Learning Commission. Necessary faculty have been hired and both degree programs will begin in fall 2022. The College also worked to finalize decisions regarding the implementation of a dental hygiene program in repurposed space at the Edwards campus and hired a program chair to evaluate and prepare a study regarding the feasibility of the program and submit the application for accreditation.

- CMC created a new Strategic Initiatives division in part specifically intended to support its designation as a Hispanic Serving Institution (HSI). In addition, the college's marketing division launched a new initiative to reach Latino students and families, including restructuring a professional position to focus exclusively on Latino and Spanish-language populations. Finally, the division of Academic Affairs created a new Assistant Dean position in assessment intended to support and develop equitable learning outcomes in all CMC classes.

- CMC completed the construction phase of the Spring Valley high-fidelity nursing simulation labs, with audio visual equipment installation scheduled prior to a Fall 2022 opening. The College also completed design and mobilization for the Breckenridge high-fidelity nursing simulation labs that will also include new EMS learning spaces. The CMC Foundation raised $5.58 million towards its fundraising goal of $7.5 million for Spring Valley Capital Projects and the three nursing simulation labs (Spring Valley, Steamboat & Breckenridge).

- In August 2021, Moody's released a new methodology for higher education institutions and assigned new "Issuer Ratings" to all institutions that reflect their fundamental credit quality, as well as affirmed existing ratings, or reviewed certain ratings for downgrades or upgrades. CMC received a new "Issuer Rating" of Aa2 with a "Stable" outlook, which is one notch above our COP ratings; such a rating continues to confirm the financial and operational strengths at CMC. CMC is the only higher education institution in the state of Colorado that received an Aa2 rating, with only one large institution rated higher.

- CMC completed design and construction bidding for the multi-site attainable housing project that features four apartment-style buildings spanning across the taxing district. Construction in Breckenridge, Edwards, Steamboat, and Spring Valley campuses commenced in July 2022. During this process, the College also fully considered opportunities to enlarge projects through regional partnerships or appropriate state or federal programs. College leadership explored several partnerships with public and private organizations. At the end of the fiscal year, the Eagle County partnership was in its final negotiation phase.

- The College implemented a $2.9 million RISE grant initiative to provide over 20 local high schools with similar high-fidelity, video-enabled classrooms. Once installed, this investment will create an enormous network of connected classrooms, thus providing high school students access to join CMC Livestream courses and eventually join future cross-district offerings.

- A total of $2.4 million of HEERF stimulus money was distributed directly to qualifying students throughout the fiscal year. CMC used HEERF institutional funds to host 30 vaccine clinics across 9 campus locations that reached over 700 people, and also conducted direct outreach to financial aid applicants regarding how to appeal for special circumstances that could qualify them for additional aid.

- Annually, the College adjusts the net pension liability to reflect the College's share of the overall plan liability (as provided by Colorado's Public Employee Retirement Association (PERA)) in accordance with GASB 68. For the fourth year in a row, the amounts booked are in the opposite direction of normal balances, due to changes in actuarial assumptions that span multiple years. For FY2021-22 the required pension expense adjustment (including both pension expense and other adjustments) recognized was a credit of $10.8 million, and the net pension liability decreased by $18.57 million while the OPEB liabilities decreased by $0.27 million. As a part of this, the deferred inflows of resources decreased $3.5 million and the deferred outflows of resources increased by $4.1 million.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows represent the activities of the College as a whole, with all operating funds combined into one statement.

Financial highlights are presented in this discussion and analysis to help your assessment of the College's financial activities. Since the presentation includes highly summarized data, it should be read in conjunction with the financial statements, which have the following parts:

- Independent Auditors' Report, which presents an unmodified opinion prepared by our auditors, CliftonLarsonAllen LLP, an independent certified public accounting firm, on the fairness, in all material respects, of our financial statements.

- Statement of Net Position, which presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position of the College at June 30, 2022. Its purpose is to present a financial snapshot of the College. It aids readers in determining the assets available to continue College operations; how much the College owes to employees, vendors and creditors; and a picture of net position and their availability for expenditure by the College.

- Statement of Revenues, Expenses and Changes in Net Position, which presents the total revenues, earned and expenses incurred by the College for operating, nonoperating and other related activities during the fiscal year ended June 30, 2022. Its purpose is to assess the College's operating and nonoperating activities.

- Statement of Cash Flows, which presents the cash receipts and disbursements of the College for the fiscal year ended June 30, 2022. Its purpose is to assess the College's ability to generate net cash flows to meet its obligations as they come due.

- Notes to the Financial Statements, which present additional information to support the financial statements and are commonly referred to as "Notes". Their purpose is to clarify and expand on the information in the financial statements.

- Required Supplementary Information, which presents this Management's Discussion and Analysis, and schedules providing additional net pension liability and OPEB information as required by the Governmental Accounting Standards Board.

Reporting the College as a Whole

The analysis shows the financial activity of the College as a whole (all funds and locations combined) and begins on page 17. The Statement of Net Position includes all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting. Increases or decreases in net position are an indicator of the College's financial position. The Statement of Revenues, Expenses, and Changes in Net Position demonstrates the Change in Net Assets. Both reports display amounts regardless of the fund transactions are recorded in.

There are other factors that contribute to the College's financial position. They include, but are not limited to:

- Student enrollment
- State funding
- Property tax base
- Condition of CMC-owned property

Enrollment Highlights

For a second consecutive year, the Board of Trustees raised tuition rates by $5 per credit within the state, but held tuition flat for out-of-state students, in order to continue their plan to increase revenue diversification in FY2021-22.

Associate degree tuition rates from 2017-18 to 2021-22:

Tuition Category	2017-18 Rate/Credit Hr.	2018-19 Rate/Credit Hr.	2019-20 Rate/Credit Hr.	2020-21 Rate/Credit Hr.	2021-22 Rate/Credit Hr.
In-District	$ 65.00	$ 80.00	$ 80.00	$ 85.00	$ 90.00
Service Area	$ 143.00	$ 170.00	$ 170.00	$ 175.00	$ 180.00
In-State	$ 147.00	$ 180.00	$ 180.00	$ 185.00	$ 190.00
Out of State	$ 440.00	$ 453.00	$ 453.00	$ 466.00	$ 466.00
Industry Rate	$ 147.00	$ 180.00	$ 180.00	$ 185.00	$ 190.00

Bachelor degree tuition rates from 2017-18 to 2021-22:

Tuition Category	2017-18 Rate/Credit Hr.	2018-19 Rate/Credit Hr.	2019-20 Rate/Credit Hr.	2020-21 Rate/Credit Hr.	2021-22 Rate/Credit Hr.
In-District	$ 99.00	$ 80.00	$ 80.00	$ 85.00	$ 90.00
Service Area	$ 205.00	$ 170.00	$ 170.00	$ 175.00	$ 180.00
In-State	$ 212.00	$ 180.00	$ 180.00	$ 185.00	$ 190.00
Out of State	$ 440.00	$ 453.00	$ 453.00	$ 466.00	$ 466.00

Enrollments are generally measured in full time equivalents (FTE) where a full-time student is counted as taking 30 credit hours per year. Following is an enrollment comparison with last year:

FTE Category	2020-21 Actual	2021-22 Actual	% Change
Credit FTE	3,214.3	3,028.7	-5.8%
Noncredit FTE	167.8	190.5	13.5%
ESL FTE	95.9	162.5	69.4%
Total	3,478.0	3,381.8	-2.8%

Credit enrollments experienced a -5.8% decline over the prior academic year as the effects of the pandemic continued to be a factor. However, noncredit courses, which are offered as lifelong learning opportunities for the community and do not count towards a student degree or certificate, rebounded by 12.2% over the prior year. And the most notable increase was amount ESL courses, which increased 69% over the prior year. The pandemic impact on enrollment was felt most severely through ESL and noncredit offerings during the prior year, so these improvements were very promising. All combined, the annual enrollment for all FTE types declined -2.8%.

Additionally, gross tuition revenue increased by approximately $0.3 million, but with a downward shift in the scholarship allowance, the total tuition and fees, net of scholarship allowance presentation in the financials actually increased by $1.9 million and can be better understood when considering the following detail:

	2020-21	2021-22
Gross Tuition	$ 12,823,576	$ 13,155,958
Ongoing Discounts	(1,733,368)	(2,125,101)
CMC Responds Discounts	(906,550)	-
Total Tuition and Fees	10,183,658	11,030,857
Less Scholarship Allowance	(3,360,729)	(3,593,286)
Total Tuition and Fees, Net of Scholarship Allowance	$ 6,822,929	$ 7,437,571

Net Position

The College's net position (Table 1) is $166,077,363 at June 30, 2022, reflecting an increase of $20,145,230 from last year, due partly to noncash pension expense entries. Total current assets increased by $5.2 million due mostly to an increase in property tax and other accounts receivable, and a net increase to additional cash, cash equivalents and short-term investments. Total noncurrent assets increased by $4.8 million due to increases in long-term investments and Construction in Progress. All assets combined increased $10.0 million over last year.

A number of minor and major capital projects were started during FY2021-22 but are not complete, and thus are reflected in the Construction in Progress totals. The Construction in Progress projects from the prior year were completed and capitalized into the appropriate capital asset category and annual depreciation recorded, including the residence hall room remodels and the Steamboat nursing simulation lab. The net impact of these transactions along with equipment additions and facility improvements, offset by depreciation, was a $2.6 million increase in net investment in capital assets. Other assets, which include cash, investments and accounts receivable, saw a $7.4 increase overall.

The Facilities Master Plan (FMP) provides recommendations for how to deliver the right facilities in the right locations at the right time to achieve CMC's strategic goals. While the FMP confirms there is room to accommodate standard enrollment growth in existing facilities, the plan asserts that simulation labs are needed to grow enrollments in nursing, a critical program with unmet demand throughout our local communities, and that classroom technology expansions are needed for better campus interconnectivity. During FY2021-22, through the aid of a large federal grant passed through the state, the College installed major technology upgrades to over twenty local high schools to aid in connecting concurrent enrollment sections to classrooms on college campuses. The cash and investments balances (part of Other Assets category in Table 1) continue to build stronger with consecutive years of operational savings and will help support the long-term capital projects the Board approves as a result of this plan.

GASB 68, *Accounting and Financial Reporting for Pensions* – an amendment of GASB Statement No. 27 implemented during FY2014-15, establishes accounting and financial reporting standards for governments that provide their employees' pension benefits. The College participates in Colorado Public Employee Retirement Association (PERA), a cost-sharing pension plan. GASB 68 requires each employer involved in a cost-sharing pension plan, such as PERA, to report their proportionate share of the total unfunded net pension liability and expense of the plan. Having employers record their share of the unfunded liability provides transparency to financial statement users as to the entire net pension liability and pension expense of the cost-sharing plan. GASB 68 also requires an annual adjustment to the pension liability, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions, based on the change in the College's portion of the total Colorado's PERA liability and the changes in actuarial assumptions used to value the overall PERA plan liability. These changes for FY2021-22 resulted in a decrease to the College's portion of the liability in the amount of $18.6 million or a total liability of $41,713,709 at June 30, 2022.

The pension expense is reflected in the Operating Expenses section of the Statement of Revenues, Expenses and Changes in Net Position, and is allocated proportionately to the functional areas by percentage of salary. The actual cost of operations, without this expense, is displayed in the far right column below:

Operating Expenses	Financial Statement Presentation	Remove Pension Contra Expense	Actual Operating Expenses
Instruction	$ 24,358,964	$ 3,397,623	$ 27,756,587
Community Service	687,396	95,204	782,600
Academic Support	6,250,398	865,673	7,116,071
Student Services	7,840,218	1,085,874	8,926,092
Institutional Support	17,399,215	1,135,059	18,534,274
Operation and Maintenance of Plant	5,317,746	1,393,508	6,711,254
Scholarships	6,227,677	1,831,867	8,059,544
Auxiliary Enterprises	7,003,973	970,042	7,974,015
Depreciation	5,663,364	-	5,663,364
Total Operating Expenses	$ 80,748,951	$ 10,774,850	$ 91,523,801

* Note: the removed amount shown here is the difference between pension expense (or contra expense) and contributions made to PERA related to the defined benefit pension plan during the year.

GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB), is also reflected in the financial statements. Eligible employees of the College are provided with OPEB through the Health Care Trust Fund (HCTF) – a cost-sharing multiple-employer other postemployment benefit (OPEB) plan administered by PERA. The PERA Board has the authority to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. More details concerning GASB 68 and 75 are provided in the notes to these financial statements.

Long-term debt owed by the College in the form of Certificates of Participation issued for $26,775,000, has a balance of $24,190,000 remaining at June 30, 2022. In addition, the Series 2021 issued for $33,530,000 has a balance of $32,985,000 remaining at June 30, 2022.

Overall, current liabilities remained flat compared to the prior year. Noncurrent liabilities, driven primarily by the pension and retirement liabilities, decreased a net of $18.5 million year over year as described above. All liabilities combined decreased $18.4 million this year, again, due to the required pension liability entry.

Restricted net position includes the required legal emergency reserve in compliance with the TABOR amendment, grant funds and loan funds.

The following table breaks the net position down further:

Table 1
Net Position

	2022	2021
Capital Assets, Net	$ 177,877,806	$ 175,995,389
Other Assets	125,176,379	117,025,602
Total Assets	303,054,185	293,020,991
Deferred Outflows of Resources	4,306,079	8,387,799
Long-Term Liabilities	107,638,271	127,680,370
Other Liabilities	12,510,176	10,894,367
Total Liabilities	120,148,447	138,574,737
Deferred Inflows of Resources	21,134,454	16,901,920
Net Investment in Capital Assets	152,606,416	149,960,864
Restricted Net Position	3,130,715	2,883,495
Unrestricted Net Position	10,340,232	(6,912,226)
Total Net Position	$ 166,077,363	$ 145,932,133

The College no longer has a deficit unrestricted net position as of June 30, 2022. This marks the first time that the balance has been restored to a surplus since 2014 and is due to four consecutive years of major improvement in the net pension liability which now totals $41.7 million. College decisions on retirement offerings, PERA investment performance, and legislation that supports PERA are all three to credit for this progress. The College has no legal obligation to fund this shortfall nor does it have any ability to affect funding, benefit, or annual required contribution decisions made by PERA. Unrestricted net position strictly from "University Operations" equals a surplus of approximately $73.0 million as detailed in Note 10. A Board of Trustee initiative requires the College to carry a reserve for the purpose of backfilling revenues if they decline, equal to 15% of the total operating revenue budget. Additional reserves are established to support specific initiatives and contribute to the net position of the College.

Following is a recap of the change in net position:

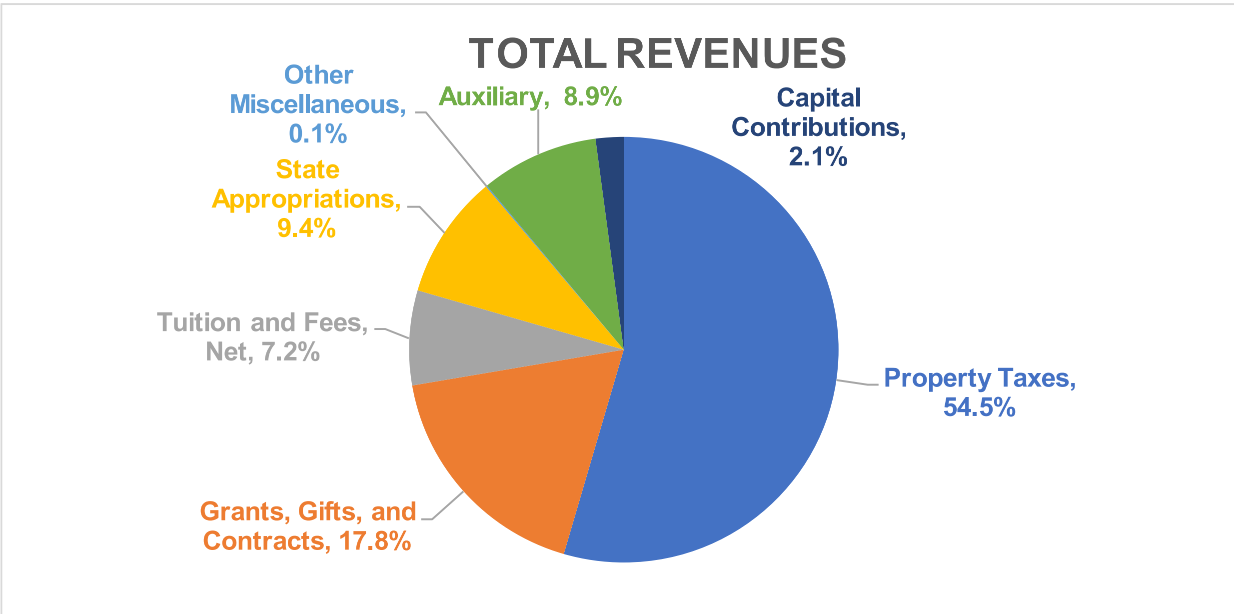
Table 2
Change in Net Position

	2022	2021
Operating Revenues:		
Tuition and Fees, Net	$ 7,437,571	$ 6,822,929
Federal, State, Private Grants, and Contracts	7,708,004	6,782,542
Auxiliary Enterprises	9,164,226	7,122,031
Other	1,004,826	1,552,845
Total Operating Revenues	25,314,627	22,280,347
Nonoperating Revenues:		
State Appropriations	9,673,391	3,791,765
Federal Nonoperating	9,408,338	12,773,247
Property Taxes	56,146,061	53,221,850
Investment Income	957,700	1,120,212
Gifts	1,242,780	1,018,965
Gain on Disposal of Capital Assets	45,464	-
Unrealized Gain (Loss) on Investments	(1,920,674)	(669,217)
Total Nonoperating Revenues	75,553,060	71,256,822
Capital Contributions	2,197,374	188,700
Total Revenues	$ 103,065,061	$ 93,725,869
Operating Expenses:		
Instruction	$ 24,358,964	$ 12,079,702
Community Service	687,396	292,570
Academic Support	6,250,398	3,402,573
Student Services	7,840,218	6,971,759
Institutional Support	17,399,215	9,162,401
Operation and Maintenance of Plant	5,317,746	3,562,074
Scholarships	6,227,677	5,619,670
Auxiliary Enterprises	7,003,973	7,823,688
Depreciation	5,663,364	5,195,153
Total Operating Expenses	80,748,951	54,109,590
Nonoperating Expenses:		
Interest Expense on Capital Debt	2,106,306	1,094,985
Bond Trustee and Other Related Fees	48,923	283,261
Amortization of Prepaid Bond Insurance	15,651	15,651
Total Nonoperating Expenses	2,170,880	1,393,897
Total Expenses	$ 82,919,831	$ 55,503,487
Change in Net Position	$ 20,145,230	$ 38,222,382

Revenues

The College experienced an increase in total revenues over last year in the amount of $10.6 million. This includes the restoration of state funding which was greatly reduced in the prior year due to the pandemic, and represents the average percentage received by all Colorado institutions of higher education. Property Tax valuations for residential and commercial categories also increased by an average of 7.7% across the district, which was only partially offset by a dip in oil and gas. Nonoperating income related to investments was mostly steady due to an improvement in the interest rate environment during the second half of the fiscal year offsetting a decrease in a dividend that fluctuates based on health care utilization. From a budgetary perspective, the FY2021-22 Revenue Budget was relying on $119.0 million and yet the College only received $116.1 million of these funds.

The following graph depicts total revenue of the College:



Revenues from all sources total $103,065,061, with $25,314,627, or 24.6%, generated from operating revenues and $77,750,434, or 75.4%, from nonoperating revenues and capital contributions.

Property taxes, which account for 54.5% of the total revenues, are classified as nonoperating revenue in accordance with accounting principles generally accepted in the United States of America (GAAP).

Expenses

Total operating expenses increased by $28.0 million from the prior year, due primarily to a significantly smaller GASB 68 contra-expense adjustment. This contra expense reflects the College's portion of the PERA pension liability and is a reversal of $11.2 million of expense this year, a fourth straight year of the entry reducing expenses following last year's contra expense of $30.2 million. Actual operating expenses with the pension contra expense removed are displayed on page 9. The remainder of the difference can be attributed to normal inflationary increases, as well as additional scholarship expenditure due to the large distribution of HEERF stimulus funds directly to students. Operationally, management examines the regular operating expenditures in the general fund as compared to the balanced budget, and these were $6.6 million less than budget. Most of these savings were the $5.9 million in salary savings due to both regular vacancies as well as a post-pandemic trend of increased difficulty to fill vacant positions. The general fund also received $3.2 million in lost revenue expense attributed to the past two fiscal years.

Cash Flows

The Statement of Cash Flows provides information concerning the cash receipts and disbursements during the fiscal year.

The main sources of cash received from operations are tuition and fees, grants and contracts, and auxiliary operations. The majority of cash payments are for salaries to employees and payments to suppliers.

Property tax and state revenues are not considered cash from operations; however, in combination, in most years they provide the majority of the cash received for the College. In FY2021-22, these receipts represent 61% of total receipts.

Net cash used by operating activities increased $2,222,567 from FY2020-21 to FY2021-22. Even though cash received exceed the prior year by $2.2 million, the cash payments exceeded the prior year by $4.4 million. The increases in payments to suppliers and payments to employees are a reflection of both a return to more normal post-pandemic operations, as well as the impacts of inflation. Similarly, net cash provided by noncapital financing activities increased $7.1 million due to increases in state appropriations exceeding decreases in federal nonoperating revenue receipts. The change in state appropriation reflects the restoration of state funding which was greatly reduced in the prior year due to the pandemic. Overall cash and cash equivalents, from both operations and nonoperations, increased by $3.3 million over the prior year. More detail can be found in the Statement of Cash Flows.

CAPITAL ASSETS AND DEBT

Capital Assets

At June 30, 2022, the College had $177,877,806 invested in capital assets, net of depreciation, consisting of buildings, right-to-use buildings, land, land improvements, equipment, infrastructure, library materials and construction in progress. Following is a breakdown of those assets:

Table 3
Capital Assets at Year End
Net of Depreciation

	2022	2021
Land	$ 13,524,611	$ 13,524,611
Library Materials	512,029	547,045
Construction in Progress	4,294,634	2,702,785
Land Improvements	1,016,910	1,181,491
Buildings	149,614,940	150,275,627
Right of Use Asset - Buildings	363,521	-
Equipment and Software	4,011,397	3,274,361
Infrastructure	4,136,847	4,083,428
Other Fixed Assets	402,917	406,041
Total Capital Assets	$ 177,877,806	$ 175,995,389

Depreciation and Amortization expense of $5,663,364 was recorded during FY2021-22. Two of the high-fidelity nursing simulation labs and four of the multi-site attainable housing projects, as well as four other smaller projects comprise the construction in progress total. These projects were started in FY2020-21 or prior but will not be complete until FY2022-23. The net change, after additions, deletions, and depreciation is an increase in capital assets of $1.9 million.

Debt

The College has two debt issues outstanding, both of which are certificates of participation (COPs). The first series was issued in 2017 for the purpose of refunding the 2007 COPs and funding improvements on the Spring Valley campus, purchase of housing units in Breckenridge, and other capital facilities of the College designated by the Board. The COPs were issued for $26,775,000, with a premium of $999,118, and the outstanding principal balance at June 30, 2022 is $24,190,000. The bonds are scheduled to be paid off in FY2047.

The second series was issued in June 2021 for the purpose of constructing apartment-style affordable housing for students on four campuses. The COPs were issued for $33,530,000, with a premium of $6,824,899, and the outstanding principal balance at June 30, 2022 is $32,985,000. The bonds are scheduled to be paid off in FY2051.

COLORADO MOUNTAIN COLLEGE FOUNDATION

The Colorado Mountain College Foundation (the Foundation) is a discretely presented component unit of the College. The Foundation's primary purpose is to fundraise to help support College initiatives and student scholarships. The Foundation's financial statements have been audited by Kundinger, Corder & Engle, P.C. an audit firm, different than the College's audit firm. The Foundation's financial statements are included in the basic financial statements in accordance with GAAP.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

As with many public institutions, the 2021-22 fiscal year was characterized by numerous unexpected COVID-related setbacks and eventual, incremental progress toward operational stability. In this seemingly disordered environment, enrollments eventually began to stabilize and grow, most especially among high school concurrent enrollment, nonresident, and ESL students, all of which experienced large declines during the pandemic. Though the college is certainly not immune from trends that impact open-access colleges across the nation, CMC continues to distinguish itself as a leading institution regarding overall administrative operations, investments in state-of-the-art facilities and academic equipment, and innovation and strategic directions.

On a national scale, consumer behavior has normalized and returned to pre-pandemic trends. This coupled with rebounding revenues and eased pressure on expenditures due to the receipt of federal funds puts public entities in a great position to withstand an economic downturn. While labor markets are strong, record persistent inflation remained steadily in the spotlight throughout all of 2022. The inflation outlook remains the key driver of fixed income performance and volatility, and the level of inflation remains unpredictable, with geopolitical events sustaining further uncertainty. As a result, the Federal Reserve has been busy tightening policy and increasing U.S. Treasury rates. And as inflation now starts to settle, the fear of recession continues to loom, though some analysts are still hopeful for a soft landing.

Given these trends, the College quickly shifted from coping with the impacts of the pandemic to planning for such unprecedented inflation levels. For almost a decade, management has committed to ensuring that the college's overall operating budget grows at a rate near inflation while remaining a highly competitive employer. For FY2022-23, the budget includes a 5.0% cost of living adjustment for all full and part-time staff and faculty, and an overall ongoing general fund budget increase of 4%, which is a relatively moderate increase compared to 8%+ inflation. As a result, the College's FY2022-23 budget is balanced in a way that allows the administration to maintain lean, highly effective budgets in the future, and is based on the college's ability to reach students more effectively, more productively, and more efficiently while maintaining the fidelity of our instructional and operational models.

Fortunately, the College's financial forecast is positive and stable, largely due to its heavy base of property tax dollars and a rapid recovery at the state level. The budget includes $5 increases to tuition rates for in-district, service area, and in-state students, and a 3% increase for out-of-state students, helping create greater fiscal resiliency and revenue diversity. The budget maintains the College's commitment to technology upgrades, classroom equipment upgrades, deferred maintenance on buildings, and sustainability initiatives with a total of $2.9 million budgeted for these investments.

General Fund Revenues for FY2022-23 in total are higher than the prior year budget by $2.6 million, and are also estimated to surpass these budgeted amounts due to oil and gas price increases, as well as a boost from state gaming revenues. In December 2022, the Board of Trustees is expected to approve exercising its authority (granted through Ballot Issue 7D in the November 2018 General Election) and adjust the mill levy to maintain revenues lost due to reductions in statewide property tax assessment rates in order to support additional, necessary investments in our district.

Housing remains the largest barrier to student access, and it is only getting more pronounced. In addition to the multi-site attainable housing projects being constructed with 2021 bond proceeds at Breckenridge, Edwards, Spring Valley and Steamboat Springs, the college is also exploring partnerships and purchase opportunities to begin offering employee housing options. After years of studying this issue, the Board of Trustees is now committing CMC resources to this need and will continue to pursue additional solutions in the future.

In summary, CMC is a strong and stable institution and is confident that by leveraging our greatest strengths, which include strong fiscal governance from the Board of Trustees, fiscal discipline from staff and faculty, and a flexible "we're all in this together" approach to problem-solving, we will be well-positioned to nimbly innovate into the future.

ACCREDITATION

AQIP (Academic Quality Improvement Process) was the College's method of accreditation through 2018. Due to changes within the Higher Learning Commission (HLC), the College transitioned to the Standard Pathway. The reaffirmation of accreditation occurs in 2023-24 when the College will submit an assurance argument (self-study). The most recent System Portfolio Report was submitted on June 4, 2018 and the College received feedback from HLC regarding the College's strengths and opportunities for improvement. Specifically, strengths in the mission, vision and values; ethics and integrity; and quality of faculty and staff. Areas of improvement include how we use data, program review, and assessment of student learning outcomes. A focused peer review visit took place in April 2019. The report to the HLC from the peer reviewers was positive and the Institutional Actions Council approved no further action (from the focus visit) was required.

CONTACTING THE COLLEGE

The purpose of this financial report is to provide our students, taxpayers, investors, creditors and the general public with an overview of the College's finances. The financial statements show that the College is accountable for the funds it receives and is committed to being good stewards of these public funds. If you have any questions about this report or need additional information, please contact the office of the Vice President of Fiscal Affairs at 802 Grand Avenue, Glenwood Springs, Colorado 81601.

COLORADO MOUNTAIN COLLEGE
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS

CURRENT ASSETS	
Cash and Cash Equivalents	$ 51,397,207
Restricted Cash and Cash Equivalents	95
Short-Term Investments	2,062,901
Property Tax Receivable, Net of Allowance of $200,410	10,533,693
Student Accounts Receivable, Net of Allowance of $152,000	316,767
Leases Receivable	725,356
Other Accounts Receivable	5,897,625
Inventories	72,280
Prepaid Expenses	709,973
Total Current Assets	71,715,897
NONCURRENT ASSETS	
Restricted Cash and Cash Equivalents	39,876,027
Long-Term Investments	13,443,330
Other Noncurrent Assets	141,125
Nondepreciable Capital Assets:	
Land	13,524,611
Other Fixed Assets	402,917
Construction in Progress	4,294,634
Depreciable Capital Assets (Net):	
Land Improvements	1,016,910
Buildings and Improvements	149,614,940
Right of Use Asset - Buildings	363,521
Infrastructure	4,136,847
Equipment and Software	4,011,397
Library Materials	512,029
Total Noncurrent Assets	231,338,288
Total Assets	303,054,185
DEFERRED OUTFLOWS OF RESOURCES (NOTE 8)	4,306,079

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2022

LIABILITIES

CURRENT LIABILITIES	
Accounts Payable	$ 2,987,914
Deposits Payable	219,262
Accrued Salaries	750,108
Accrued Interest Payable	524,111
Other Accrued Liabilities	1,902,710
Unearned Revenue	2,392,020
Funds Held for Others	96,109
Certificates of Participation and Leases Payable	1,515,917
Compensated Absences	2,122,025
Total Current Liabilities	12,510,176
NONCURRENT LIABILITIES	
Certificates of Participation and Leases Payable	63,498,990
Compensated Absences	235,781
Land Obligation Payable	204,188
OPEB Liabilities (Note 9)	1,985,603
Net Pension Liability (Note 8)	41,713,709
Total Noncurrent Liabilities	107,638,271
Total Liabilities	120,148,447
DEFERRED INFLOWS OF RESOURCES (NOTE 8)	21,134,454

NET POSITION

Net Investment in Capital Assets	152,606,416
Restricted for:	
TABOR Reserve	3,100,000
Loans	1,897
Scholarships and Other - Expendable	28,818
Unrestricted	10,340,232
Total Net Position	$ 166,077,363

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE FOUNDATION, INC.
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS	
Cash and Cash Equivalents	$ 3,601,290
Accounts Receivable	39,092
Contributions Receivable, Net	1,834,936
Investments	19,211,856
Cash Surrender Value of Life Insurance	33,374
Total Assets	$ 24,720,548
LIABILITIES AND NET ASSETS	
Accounts Payable	$ 1,026,247
Accrued Liabilities	14,040
Total Liabilities	1,040,287
Net Assets:	
Without Donor Restrictions	5,389,083
With Donor Restrictions	18,291,178
Total Net Assets	23,680,261
Total Liabilities and Net Assets	$ 24,720,548

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2022

REVENUES	
Operating Revenues	
Tuition and Fees, Net of Scholarship Allowance of $3,593,286	$ 7,437,571
Federal, State, Private Grants, and Contracts	7,708,004
Auxiliary Enterprises	9,164,226
Other Operating Revenues	1,004,826
Total Operating Revenues	25,314,627
EXPENSES	
Operating Expenses:	
Instruction	24,358,964
Community Service	687,396
Academic Support	6,250,398
Student Services	7,840,218
Institutional Support	17,399,215
Operation and Maintenance of Plant	5,317,746
Student Aid	6,227,677
Auxiliary Enterprises	7,003,973
Depreciation and Amortization	5,663,364
Total Operating Expenses	80,748,951
OPERATING LOSS	(55,434,324)
NONOPERATING REVENUES (EXPENSES)	
State Appropriations	9,673,391
Federal Nonoperating Revenue	9,408,338
Property Taxes	56,146,061
Investment Income	957,700
Gifts	1,242,780
Gain on Disposal of Capital Assets	45,464
Unrealized Loss on Investments	(1,920,674)
Bond Trustee and Other Related Fees	(48,923)
Amortization of Prepaid Bond Insurance	(15,651)
Interest Expense on Capital Debt	(2,106,306)
Net Nonoperating Revenues	73,382,180
INCOME BEFORE OTHER REVENUES	17,947,856
Capital Contributions	2,197,374
CHANGE IN NET ASSETS	20,145,230
Net Position - Beginning of Year	145,932,133
NET POSITION - END OF YEAR	$ 166,077,363

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE FOUNDATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND SUPPORT			
Contributions	$ 31,849	$ 3,806,984	$ 3,838,833
In-Kind Contributions:			
Colorado Mountain College	1,105,629	-	1,105,629
Other	49,140	-	49,140
Investment Return, Net of Investment	(805,435)	(1,686,862)	(2,492,297)
Other Income	89,465	-	89,465
Net Assets Released from Restrictions	4,722,461	(4,722,461)	-
Total Revenues, Gains, and Support	5,193,109	(2,602,339)	2,590,770
EXPENSES			
Program Services:			
Scholarships	1,246,762	-	1,246,762
Distributions to or for the Benefit of Colorado Mountain College	3,488,950	-	3,488,950
Scholarship Administration and Other Program Expenses	135,723	-	135,723
Total Program Services	4,871,435	-	4,871,435
Supporting Services:			
Management and General	629,913	-	629,913
Development and Fund Raising	464,501	-	464,501
Total Supporting Services	1,094,414	-	1,094,414
Total Expenses	5,965,849	-	5,965,849
CHANGE IN NET ASSETS	(772,740)	(2,602,339)	(3,375,079)
Net Assets - Beginning of Year	6,161,823	20,893,517	27,055,340
NET ASSETS - END OF YEAR	$ 5,389,083	$ 18,291,178	$ 23,680,261

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received:	
Tuition and Fees	$ 9,253,075
Contracts and Grants (Operating Revenue)	3,748,172
Sales and Services of Auxiliary Enterprises	9,081,957
Other Operating Receipts	1,644,916
Direct Loan Receipts	3,280,331
Cash Payments:	
Payments to Suppliers	(16,873,491)
Payments to Employees	(55,917,096)
Payments for Auxiliary Enterprises	(6,846,417)
Scholarships Disbursed	(6,227,677)
Direct Loan Disbursements	(3,280,331)
Net Cash Used by Operating Activities	(62,136,561)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Appropriations	9,673,391
Deposits Held in Custody for Others	(69,932)
Property Taxes	55,234,695
Federal Nonoperating Revenue	9,408,338
Gifts	1,242,780
Net Cash Provided by Noncapital Financing Activities	75,489,272
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Gifts and Grants for Capital Purposes	2,197,374
Acquisition or Construction of Capital Assets	(7,054,245)
Bond Trustee and Other Related Fees	(48,923)
Proceeds from Sale of Capital Assets	77,398
Principal Paid on Capital Debt	(1,221,296)
Interest Payments on Capital Debt and Leases	(2,374,694)
Net Cash Used by Capital and Related Financing Activities	(8,424,386)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales and Maturities of Investments	(2,587,419)
Investment Income	957,700
Net Cash Used by Investing Activities	(1,629,719)
INCREASE IN CASH AND CASH EQUIVALENTS	3,298,606
Cash and Cash Equivalents - Beginning of Year	87,974,723
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 91,273,329

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2022

RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION	
Cash and Cash Equivalents	$ 51,397,207
Restricted Cash and Cash Equivalents - Current	95
Restricted Cash and Cash Equivalents - Noncurrent	39,876,027
Total	$ 91,273,329
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	$ (55,434,324)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used by Operating Activities:	
Depreciation	5,663,364
Amortization of Land Obligation Payable	(65,811)
Changes in Operating Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:	
Receivables, Net	(3,163,199)
Inventories	(4,180)
Prepaid Expenses	(122,332)
Pension Liability and Related Items	(10,065,511)
OPEB Liability and Related Items	(461,029)
Accounts Payable and Accrued Liabilities	660,945
Deposits Payable	34,720
Unearned Revenue	820,796
Net Cash Used by Operating Activities	$ (62,136,561)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES	
Accounts Payable Incurred for Purchase of Capital Assets	$ 94,748
Amortization of Prepaid Bond Insurance	15,651
Unrealized Loss on Investments	(1,920,674)
Amortization of Bond Premium	260,801
Tuition Provided Under Land Obligation Agreement	65,811

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Colorado Mountain College (the College or CMC) is a self-governing local college district with taxing authority. The College was formed in 1965 to serve post-high school education needs, including vocation and adult education.

The financial statements of the College include all of the integral parts of the College's operations. The College applied various criteria to determine if it is financially accountable for any organization that would require that organization to be included in the College's reporting entity. These criteria include fiscal dependency, financial benefit/burden relationship, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

As required by GAAP, these financial statements present the College (primary government) and its component unit. The component unit discussed below is included in the College's reporting entity because of the significance of its operational or financial relationships with the College.

Discretely Presented Component Unit

The College's financial statements include one supporting organization as a discretely presented component unit.

Colorado Mountain College Foundation, Inc. (the Foundation) is a separate nonprofit 501(c)(3) corporation formed to promote the welfare, development and being of the College. The Foundation is a separate legal entity with its own Board of Trustees. Although the College does not control the timing or amount of receipts from the Foundation, the majority of the Foundation's resources and related income are restricted by donors for the benefit of the College. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements. Separately issued financial statements are available by contacting the Foundation at 802 Grand Avenue, Glenwood Springs, Colorado 81601.

Basis of Accounting and Presentation

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when an obligation is incurred.

The Foundation reports under FASB Standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences. Because the Foundation uses a GAAP reporting model that is different from the College's reporting model, the College has chosen to report the Foundation financial statements on separate pages as permitted by GASB Statement No. 39.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred outflows and inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position 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. At June 30, 2022, cash and cash equivalents consisted primarily of cash on hand, demand deposits and money market funds with brokers.

Investments and Investment Income

Investments in equity and debt securities are carried at fair value. Fair value is determined using quoted market prices.

Investment income consists of interest and dividend income. The unrealized gain (loss) on investments represents the net change for the year in the fair value of investments carried at fair value.

Accounts Receivable

Accounts receivable consists of tuition and fees charged to students and charges for auxiliary enterprise services provided to students, faculty and staff. Accounts receivable also includes amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College’s grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Inventories

Inventories are stated at cost, determined using the first-in, first-out (FIFO) method, except for bookstore inventories, which are determined utilizing the retail method.

Property Taxes

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable in two installments on February 28 and June 15, or in full on April 30. An allowance for uncollectible taxes of $200,410 has been recorded based on an analysis of historical trends. The original January 1, 2022 levy for the College was 4.013 mills.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or acquisition value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful life of each asset with a full-month convention for assets additions. The following estimated useful lives are being used by the College:

Land Improvements	15 Years
Buildings and Improvements	20 to 50 Years
Infrastructure	20 to 50 Years
Equipment and Software	3 to 10 Years
Library Materials	20 Years

The College follows the State of Colorado’s guidelines on capitalization criteria, as stated in the State of Colorado Higher Education Accounting Standard #5, Capital Asset Reporting. The policy applies to all forms of capital assets including land, land improvements, building, building improvements, leasehold improvements, equipment, computer software, library materials, and artwork. A physical inventory of all plant assets is updated annually with appropriate adjustments made to the financial records. Annual revisions of statement of values for insurance purposes are performed. Routine repairs and maintenance are charged to operating expense in the year in which the expense is incurred.

Due to requirements in GASB Statement No. 87, when operating as a lessee, the College is required to recognize a lease liability and an intangible right-to-use lease asset, and when operating as a lessor, the College is required to recognize a lease receivable and a deferred inflow of resources.

Compensated Absences

College policies permit most employees to accumulate annual and sick leave benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as annual leave benefits are earned whether the employee is expected to realize the benefit as time off or in cash. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as Medicare taxes computed using rates in effect at that date. The current portion represents estimated amounts that will be paid out within one year. Sick leave accumulates but does not vest and thus is not accrued for at year-end.

Deferred Inflows and Outflows of Resources

A deferred inflow of resources is an acquisition of net assets by the College that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net assets by the College that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned Revenue

Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues for summer tuition and fees are calculated based on the number of days falling within each respective fiscal year. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned as the eligibility requirements associated with the grants have not been met.

Budget

The Board of Trustees adopts an annual budget to authorize and control spending from the various accounting funds of the College. The 2021-22 budget was amended in June 2022. The College's expenditures for a fund may not exceed the amount budgeted. Budgets are adopted on a basis consistent with GAAP.

Original Budget*	Supplemental Appropriation*	Revised Budget*
$ 117,698,019	$ 2,231,163	$ 119,929,182

* Excludes agency funds, which are held by the College on behalf of others but not available to the College.

Cost-Sharing Defined Benefit Pension and Other Postemployment Benefits Plans

The College participates in the State Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA) and the Health Care Trust Fund (HCTF), a cost-sharing multiple employer other postemployment benefit (OPEB) plan administered by PERA. The net pension liability, net OPEB liability, deferred outflows of resources and deferred inflows of resources, pension expense, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SDTF and HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized by the plans when earned by the employees in accordance with the benefit terms. The plans' investments are reported at fair value.

Net Position

Net position of the College is classified in three components. Net investment in capital assets, consist of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted net position is comprised of noncapital assets that must be used for a particular purpose as specified by creditors, grantors or donors external to the College or imposed by law through constitutional provisions or enabling legislation, including amounts deposited with trustees as required by bond indentures, reduced by the outstanding balances of any related borrowings. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Classification of Revenues and Expenses

The College has classified its revenues and expenses as either operating or nonoperating revenues according to the following criteria:

Operating – Revenues or expenses generally resulting from providing goods and services for instruction, community service or related support services to an individual or entity separate from the College.

Nonoperating – Revenues or expenses that do not meet the definition of operating. Nonoperating revenues include property taxes, state appropriations, gifts, federal nonoperating grants, investment income, and insurance reimbursements.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances in the statement of revenues, expenses and changes in net position.

Scholarship allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, are recorded as nonoperating revenues and other governmental grants are recorded as operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship allowance. The scholarship allowances on tuition and fees for the year ended June 30, 2022 was $3,593,286.

Application of Restricted and Unrestricted Resources

The College's policy is to first apply an expense against restricted resources then toward unrestricted resources when both restricted and unrestricted resources are available to pay an expense.

Related Party

In 2012, the College and Garfield County Public Library District (the Library) entered into an agreement to jointly participate in the construction of a building at the corner of 8th Street and Cooper Avenue in downtown Glenwood Springs, Colorado.

A related condominium association was established in November 2013, with a Board of Directors comprised of an equal number of representatives from the College and the Library. Title of the building has been conveyed to the College and the Library based on ownership detailed in the Project Development Agreement. The College owns all parking spots and approximately 8,300 square feet on the second floor, while the Library owns approximately 12,800 square feet on the ground floor, 3,200 square feet on the second floor and the plaza unit. Other project components are considered as common elements. The College has ongoing financial responsibility related to maintenance over common areas and College-owned portions of the building.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Newly Implemented Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The College adopted the requirements of the guidance effective July 1, 2021, and has elected to apply the provisions of this standard to the beginning of the period of adoption.

HEERF and Coronavirus Relief Funding

Through the following three different Acts, Congress has provided budgetary relief to higher education institutions through numerous provisions. Under each of these acts, funds were allocated to the Higher Education Emergency Relief Fund (HEERF).

- The Coronavirus Aid, Relief, and Economic Security Act (CARES or HEERF I)
- Coronavirus Response and Relief Supplement Appropriations Act (CRRSAA or HEERF II)
- The American Rescue Plan Act (ARPA or HEERF III)

The following amounts were awarded to the College under HEERF (assistance listing number 84.425E and 84.425F) since March 2020, and disbursed during the fiscal year:

	Awarded Since March 2020	Spent as of 6/30/2021	Disbursed During Fiscal Year 2022	Remaining for Fiscal Year 2023
CARES/HEERF I - Student	$ 847,334	$ 847,334	$ -	$ -
CRRSAA/HEERF II - Student	847,334	847,334	-	-
ARPA/HEERF III - Student	3,353,712	15,150	2,355,600	982,962
Student Subtotal	5,048,380	1,709,818	2,355,600	982,962
CARES/HEERF I - Institutional	847,333	847,333	-	-
CRRSAA/HEERF II - Institutional	2,887,886	2,887,886	-	-
ARPA/HEERF III - Institutional	3,284,082	1,992,286	1,274,586	17,210
Institutional Subtotal	7,019,301	5,727,505	1,274,586	17,210
Combined Total	$ 12,067,681	$ 7,437,323	$ 3,630,186	$ 1,000,172

In accordance with GAAP, during the year ended June 30, 2022, the College recognized $4,677,128 in revenues from HEERF III student and institutional awards, $1,992,286 of which was spent as of June 30, 2021. This revenue is included in federal nonoperating revenue on the Statement of Activities. The remaining HEERF III student and institutional portions will be disbursed/recognized during the 2023 fiscal year.

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents as of June 30, 2022 is comprised of the following:

Deposits	$ 11,470,706
ColoTrust PLUS+	18,508,537
ColoTrust EDGE	16,510,581
Money Market Funds	4,899,831
Cash on Hand	7,552
Total Unrestricted Cash and Cash Equivalents	51,397,207
Restricted Cash and Cash Equivalents:	
Government Money Market Funds	95
ColoTrust EDGE - Unspent Bond Proceeds	39,838,265
Restricted Cash and Cash Equivalents - Deposit	37,762
Total	$ 91,273,329

The restricted cash and cash equivalents consist of 1) funds held for payment to bondholders with the outstanding 2017 and 2021 COPs, 2) a deposit account restricted for tenant security deposits at Denison Commons in Breckenridge, and 3) unspent bond proceeds.

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The College's deposit policy for custodial credit risk requires compliance with the provisions of state law.

The Colorado Public Deposit Protection Act (PDPA) requires eligible depositories with public deposits in excess of the federal insurance levels to create a single institution collateral pool of defined eligible assets having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the state.

At June 30, 2022, the amount of the College's deposits totaled $11,508,468, of which $1,500,000 was insured by federal deposit insurance and the remainder was collateralized in accordance with PDPA. The College also had cash on hand of $7,552 at June 30, 2022.

Investments

It is the policy of the College to invest public funds in a manner that will provide preservation of capital, meet the daily liquidity needs of the College, diversify the College's investments, conform to all local and state statutes governing the investment of public funds, and generate reasonable rates of return. This policy shall apply to all forms of investments including U.S. Treasury Obligations, Federal Instrumentality Securities, Commercial Paper, Corporate Debt, Certificates of Deposit, Local Government Investment Pools, and Municipal Bonds.

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

At June 30, 2022, the College has invested a total of $74,857,383 in the Colorado Government Liquid Asset Trust (ColoTrust), an investment vehicle established by state statute for local government entities in Colorado to pool surplus funds for investment purposes. The State Securities Commission administers and enforces all state statutes governing ColoTrust.

ColoTrust PLUS+ operates similarly to a money market fund and each share is equal in value to $1. As of June 30, 2022, the College's $18,508,537 investment in ColoTrust PLUS+ was rated AAAm by Standard's and Poor's. The Trust records its investments at fair value and the College records its investment using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

ColoTrust EDGE is an external investment pool established for local government entities in Colorado to pool surplus funds. The external investment pool is measured at net asset value per share and is managed to an approximately $10 transactional share price. As of June 30, 2022, the College's $56,348,846 investment in ColoTrust EDGE was rated AAAf/S1 by Fitch Ratings. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments. There are no unfunded commitments and the redemption frequency is daily with a five business day notice period.

In addition, the College has invested in the following other types of money market funds, as follows:

Dreyfus General Government Securities Money Market Fund – This is a U.S. Government money market fund, which maintains a net asset value per share of $1. Total balance in this fund as of June 30, 2022 was $4,201,479. The weighted average maturity for the fund was less than 30 days. This fund is rated by Standard and Poor's at AAAm and by Moody's at Aaa-mf.

US Bank Money Market Fund – This is a FLIXX money market fund, which maintains a net asset value per share of $1. Total balance in this fund as of June 30, 2022 was $586. The maturity for the fund was less than 30 days.

First Bank Money Market Fund – This is a Denison Commons money market fund, which maintains a net asset value per share of $1. Total balance in this fund as of June 30, 2022 was $697,671. The maturity for the fund was less than 30 days.

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

In addition, the College had the following investments as of June 30, 2022:

	Current Market Value	Cost Basis	Current Yield	Maturity	Fair Value Level	Credit Rating Moody's	Credit Rating S&P
Treasury Bills							
U.S. Bank	$ 2,062,901	$ 2,059,352	0.64%	8/11/2022	1	Govt	A-1+
Total	2,062,901	2,059,352					
Government Issued or Guaranteed Bonds							
Federal Home Loan Bank	847,629	884,312	2.92%	6/14/2024	2	AAA	AA+
Federal Home Loan Bank	398,696	417,729	2.92%	9/13/2024	2	AAA	AA+
Federal Home Loan Bank	2,981,490	3,133,658	2.85%	12/13/2024	2	AAA	AA+
Federal Home Loan Bank	9,215,515	8,568,078	4.82%	6/12/2026	2	AAA	AA+
Total	13,443,330	13,003,777					
Total Investments	$ 15,506,231	$ 15,063,129					
Statement of Net Position Classification							
Long-Term Investments	$ 13,443,330						
Short-Term Investments	2,062,901						
Total	$ 15,506,231						

Fair Value Measurement – The College categorizes its fair value measurements within the fair value hierarchy established by GAAP. Certain investments, such as ColoTrust and money market funds, are exempt from being measured at fair value and thus are excluded from the fair value hierarchy. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. See table above for levels associated with applicable investments.

Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. State law limits investments in commercial paper and corporate bonds to at least two credit ratings from any of the nationally recognized credit rating agencies and must not be rated below “AA- or AA3” by any credit rating agency. See table above for ratings associated with the government issued or guaranteed bonds.

None of the College’s money market funds are deemed to be exposed to custodial credit risk as they are considered open-ended money market mutual funds (i.e. a fund that does not have restrictions on the number of shares it can issue).

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Concentration of Credit Risk – is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government are excluded from this requirement. The College aims to diversify its investments to avoid incurring unreasonable risks inherent in overinvesting in specific instruments, individual financial institutions or maturities while remaining flexible in order to respond to the outlook for the economy, the securities markets and the College's anticipated cash flow needs.

A summary of the College's concentration limits is as follows:

Security Type	Maximum Portfolio %	Maximum Issuer %	Maturity Restrictions
U.S Treasuries	100%	100%	5 Years
Federal Agencies and Instrumentalities	100%	100%	5 Years
Commercial Paper	25%	5%	270 Days
Corporate Bonds	25%	5%	3 Years
Time Deposit/CD	75%	5%	5 Years
Local Government Investment Pools	100%	100%	N/A
Municipal Bonds	20%	10%	5 Years

Interest Rate Risk – is the risk that changes in interest rates will adversely affect the fair value of an investment. State law allows the investment of public funds in any security issued by, guaranteed by, or the credit of which is pledged for payment by the United States, a federal farm credit bank, the federal land bank, a federal home loan bank, the federal home loan mortgage corporation, the federal national mortgage association, or the government national mortgage association.

NOTE 3 RECEIVABLES

Other accounts receivable balance is made up of the following as of June 30, 2022:

Type of Receivable	Amount
Federal Government Grant Receivable	$ 3,801,264
Private Foundations and Other Receivable	239,685
Local Government Accounts Receivable	3,000
State Government Grant Receivable	256,458
Other Miscellaneous Receivable	1,597,218
Total	$ 5,897,625

NOTE 4 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2022 is:

	Balance July 1 ,2021	GASB 87 Implementation July 1, 2021	Additions	Retirements	Transfers In (Out)	Balance June 30 ,2022
Nondepreciable Capital Assets:						
Artwork	$ 327,750	$ -	$ -	$ -	$ -	$ 327,750
Land	13,524,611	-	-	-	-	13,524,611
Other Fixed Assets	78,291	-	-	(3,124)	-	75,167
Construction in Progress	2,702,785	-	4,277,620	-	(2,685,771)	4,294,634
Total Nondepreciable Capital Assets	16,633,437	-	4,277,620	(3,124)	(2,685,771)	18,222,162
Depreciable Capital Assets:						
Land Improvements	3,360,007	-	-	-	-	3,360,007
Buildings and Improvements	196,391,460	-	1,097,244	-	2,261,176	199,749,880
ROU - Buildings	-	523,470	-	-	-	523,470
Equipment	11,732,674	-	1,541,894	(1,000,320)	278,125	12,552,373
Library Materials	3,146,613	-	24,821	(44,944)	-	3,126,490
Software	741,770	-	-	(14,500)	-	727,270
Infrastructure	5,638,339	-	112,666	-	146,470	5,897,475
Total Depreciable Capital Assets	221,010,863	523,470	2,776,625	(1,059,764)	2,685,771	225,936,965
Less: Accumulated Depreciation:						
Land Improvements	2,178,516	-	164,581	-	-	2,343,097
Buildings and Improvements	46,115,833	-	4,019,107	-	-	50,134,940
ROU - Buildings	-	-	159,949	-	-	159,949
Equipment	8,458,313	-	1,054,173	(971,510)	-	8,540,976
Library Materials	2,599,568	-	59,837	(44,944)	-	2,614,461
Software	741,770	-	-	(14,500)	-	727,270
Infrastructure	1,554,911	-	205,717	-	-	1,760,628
Total Accumulated Depreciation	61,648,911	-	5,663,364	(1,030,954)	-	66,281,321
Net Depreciable Capital Assets	159,361,952	523,470	(2,886,739)	(28,810)	2,685,771	159,655,644
Net Carrying Amount	$ 175,995,389	$ 523,470	$ 1,390,881	$ (31,934)	$ -	$ 177,877,806

NOTE 5 LONG-TERM LIABILITIES

The following is a summary of long-term obligation transactions for the College for the year ended June 30, 2022:

	Balance July 1 ,2021	GASB 87 Implementation July 1, 2021	Additions	Retirements	Balance June 30 ,2022	Amounts Due Within One Year
Certificates of Participation (COPs)	$ 58,215,000	$ -	$ -	$ 1,040,000	$ 57,175,000	$ 1,055,000
COPs Premiums	7,690,801	-	-	260,801	7,430,000	260,801
Leases	67,733	523,470	-	181,296	409,907	200,116
Compensated Absences	2,257,982	-	2,000,751	1,900,927	2,357,806	2,122,025
Total	$ 68,231,516	$ 523,470	$ 2,000,751	$ 3,383,024	$ 67,372,713	$ 3,637,942

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

On January 1, 2008, the College issued $19,580,000 in COPs, Series 2007, at a premium of $7,353, with interest rates varying from 3.75% to 4.375%. The COP Series 2007 were refinanced during fiscal year 2017 as part of the 2017 COPs issued for $26,775,000, at a premium of $999,118, and with interest rates ranging from 2.00% to 5.00%.

On June 8, 2021, the College issued $33,530,000 in COPs, Series 2021, at a premium of $6,824,899, with interest rates varying from 4.00% to 5.00%.

The premiums on the COPs of $999,118 and $6,824,899, and the prepaid bond insurance costs of $291,825, are being amortized over the life of the COPs. The balance of the premiums at June 30, 2022 is $7,430,000 and the unamortized balance of the prepaid bond insurance cost is $86,925 included in other noncurrent assets. The amount of the premium credited as a reduction of interest expense for the year was $-0- and the amount of the prepaid bond insurance costs amortized for the year was $15,651.

The following is a schedule of the future COPs payments as of June 30, 2022:

Year Ending June 30,	Principal	Interest	Total
2023	$ 1,055,000	$ 2,350,056	$ 3,405,056
2024	1,100,000	2,312,206	3,412,206
2025	1,145,000	2,264,256	3,409,256
2026	1,205,000	2,205,506	3,410,506
2027	1,265,000	2,143,756	3,408,756
2028 - 2032	7,370,000	9,676,157	17,046,157
2031 - 2037	9,165,000	7,871,891	17,036,891
2038 - 2042	11,150,000	5,893,363	17,043,363
2043 - 2047	13,610,000	3,426,600	17,036,600
2048 - 2052	10,110,000	921,000	11,031,000
Total	$ 57,175,000	$ 39,064,791	$ 96,239,791

Lease Obligations

The College has an outstanding liability for leases of $42,743 relating to copiers. In addition, the College is committed long-term under one building space lease. Under this lease the College will pay $181,400 annually to Salida School District R32J until the lease expires on July 31, 2024. The following is a schedule of the remaining principal and interest lease payments as of June 30, 2022:

Year Ending June 30,	Principal	Interest	Total
2023	$ 200,116	$ 9,757	$ 209,873
2024	192,465	3,860	196,325
2025	17,326	94	17,420
Total	$ 409,907	$ 13,711	$ 423,618

NOTE 6 LESSOR RECEIVABLES

The College, as lessor, rents classrooms as real estate, as well as office and parking lot spaces, generally for periods of one year or less. In accordance with GASB 87, the college also has larger leases for cell towers, a solar field, and a piece of land as summarized in the following chart:

Beginning Asset Balance	Principal Payments	Ending Asset Balance	Amounts Due Within One Year	Interest Payments
$ 801,154	$ (75,798)	$ 725,356	$ 79,438	$ (20,782)

NOTE 7 ACCRUED SALARIES AND COMPENSATED ABSENCES

Salaries of certain contractually employed personnel are paid over a 12-month period but are earned during an academic year of approximately nine months. The salaries and benefits earned but unpaid as of June 30, 2022 are estimated to be $750,108.

Most employees receive annual leave, which may accumulate to 240 hours. Unused leave is paid upon termination. The liability for unused annual leave at June 30, 2022 is $2,357,806.

NOTE 8 DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

At June 30, 2022, the College had deferred outflows and inflows of resources comprised the following:

Deferred Outflows of Resources	
Pension	
Difference Between Expected and Actual Experience	$ 283,833
Changes of Assumptions or Other Inputs	1,487,251
Changes in Proportion	241,869
Contributions Subsequent to the Measurement Date	2,122,540
OPEB	
Difference Between Expected and Actual Experience	2,781
Changes of Assumptions or Other Inputs	37,786
Contributions Subsequent to the Measurement Date	104,095
CEBT OPEB	
Difference Between Expected and Actual Experience	8,680
Changes of Assumptions or Other Inputs	16,330
Contributions Subsequent to the Measurement Date	914
	$ 4,306,079
Deferred Inflows of Resources	
Pension	
Changes of Assumptions or Other Inputs	$ 58,031
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	14,354,801
Changes in Proportion	4,593,379
OPEB	
Difference Between Expected and Actual Experience	432,748
Changes of Assumptions or Other Inputs	99,000
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	112,973
Changes in Proportion	749,273
CEBT OPEB	
Changes of Assumptions or Other Inputs	22,899
Leases	711,350
	$ 21,134,454

NOTE 9 PENSION PLAN

The College contributes to PERA, a cost-sharing, multiple-employer public employee retirement system. The secondary retirement program for full-time faculty and some administrators is a Defined Contribution Plan (DCP) which was established October 1, 1994 and is administered by two fund sponsors, VALIC and TIAA-CREF. Effective on and after September 1, 2017 the majority of new employees are able to elect a new Defined Contribution Plan (DCP2), which is also administered by VALIC and TIAA-CREF. No new employees are eligible to select the legacy DCP plan.

NOTE 9 PENSION PLAN (CONTINUED)

Plan Description (PERA)

Eligible employees of the College are provided with pensions through State Division Trust Fund SDTF – a defined benefit cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code (IRC). Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

PERA provides retirement, disability and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and also cannot exceed the maximum benefit allowed by federal IRC.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether five years of service credit has been obtained and the benefit structure under which contributions were made.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive postretirement cost-of-living adjustments (COLAs), referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 receive an annual increase of 2%, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2% or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2% or the average CPI-W for the prior calendar year, not to exceed 10% of PERA's Annual Increase Reserve (AIR) for the SDTF.

NOTE 9 PENSION PLAN (CONTINUED)

Plan Description (PERA) (Continued)

Benefits Provided (Continued)

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained and the qualified survivor(s) who will receive the benefits.

Contributions

Eligible employees and the College are required to contribute to the SDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. Eligible employees are required to contribute 10% of their PERA-includable salary. The employer contribution requirements for all employees are summarized in the table below:

	July 1, 2021 Through December 31, 2021	January 1, 2022 Through June 30, 2022
Employer Contribution Rate[1]	10.90%	10.90%
Amount of Employer Contribution Apportioned to the Health Care Trust Fund as Specified in C.R.S. 24-51-208(1)(f)[1]	(1.02)%	(1.02)%
Amount Apportioned to the SDTF[1]	9.88%	9.88%
Amortization Equalization Disbursement (AED) as Specified in C.R.S. 24-51-411[1]	5.00%	5.00%
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. 24-51-208(1)(f)[1]	5.00%	5.00%
Total Employer Contribution Rate to the SDTF[1]	19.88%	19.88%

[1] Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42)

Employer contributions are recognized by the SDTF in the period in which the compensation becomes payable to the member and the College is statutorily committed to pay the contributions to the SDTF. Employer contributions recognized by the SDTF from the College were $4,050,323 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 reported a liability for its proportionate share of the net pension liability. The total portion of the net pension liability that was associated with the College were as follows:

College's Proportionate Share of the Net Pension Liability	41,713,709

NOTE 9 PENSION PLAN (CONTINUED)

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

The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll forward the total pension liability to December 31, 2021. The College proportion of the net pension liability was based on College contributions to the SDTF for the calendar year 2021 relative to the total contributions of participating employers to the SDTF.

At December 31, 2021, the measurement date of the net pension liability, the College proportion was 0.566%, which was an increase of 0.07% from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, the College recognized a negative pension expense of ($6,539,434). At June 30, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 283,833	$ -
Changes of Assumptions or Other Inputs	1,487,251	58,031
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	14,354,801
Changes in Proportion	241,869	4,593,379
Contributions Subsequent to the Measurement Date	2,122,540	-
Total	$ 4,135,493	$ 19,006,211

$2,122,540 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2023	$ (5,105,887)
2024	(4,696,568)
2025	(3,588,700)
2026	(3,602,103)
Total	$ (16,993,258)

NOTE 9 PENSION PLAN (CONTINUED)

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

Actuarial Assumptions

The December 31, 2020 actuarial valuation used the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.30 %
Real Wage Growth	0.70 %
Wage Inflation	3.00 %
Salary Increases; Including Wage Inflation	3.30 – 10.90 %
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Inflation	7.25 %
Discount rate[1]	7.25 %
Future Postretirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007 (Automatic) through 2019	0.00 %
Thereafter, compounded annually	1.00 %
PERA Benefit Structure Hired After December 31, 2006 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

[1] The discount rate reflected in the roll-forward calculation of the collective total pension liability to the measurement date was 7.25% as described below.

The total pension liability as of December 31, 2021, includes the anticipated adjustments to contribution rates and the annual increase cap, resulting from the 2020 automatic adjustment provision (AAP) assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

The actuarial assumptions used in the December 31, 2020, valuations were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for members other than State Troopers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Pre-retirement mortality assumptions for State Troopers were based upon the PubS-2010 Employee Table with generational projection using scale MP-2019.

NOTE 9 PENSION PLAN (CONTINUED)

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

Actuarial Assumptions (Continued)

Postretirement nondisabled mortality assumptions for members other than State Troopers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Postretirement nondisabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Postretirement nondisabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions for members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

Disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

NOTE 9 PENSION PLAN (CONTINUED)

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

Actuarial Assumptions (Continued)

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00 %	5.60 %
Fixed Income	23.00	1.30
Private Equity	8.50	7.10
Real Estate	8.50	4.40
Alternatives	6.00	4.70
Total	100.00 %	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the member contribution rate as of the measurement date, including the scheduled increases in SB 18-200 and the additional 0.50% resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

NOTE 9 PENSION PLAN (CONTINUED)

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

Discount Rate (Continued)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law, including the scheduled increase in SB 18-200 and the additional 0.50%, resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial FNP, as per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.

- The projected benefit payments reflect the lowered AI cap, from 1.50% to 1.25% resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020.

- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the Trust Fund’s fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

NOTE 9 PENSION PLAN (CONTINUED)

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	$ 58,835,690	$ 41,713,709	$ 27,319,659

Pension Plan Fiduciary Net Position

Detailed information about the SDTF's fiduciary net position is available in PERA's comprehensive annual financial report, which can be obtained at www.copera.org/investments/pera-financial-reports.

Plan Description (DCP and DCP2)

Employees of the College that are also members of the SDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy (DCP and DCP2)

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Covered payrolls for the DCP2 for the fiscal year ended June 30, 2022 were $10,128,188. For the current fiscal year, the employer's contribution to the DCP2, recognized as pension expense, was $1,215,384, which is 12% of covered payrolls. Contributions by employees were $810,255, which is 8% of covered payrolls.

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS

PERA Health Care Trust OPEB Plan

General Information about the OPEB Plan

Plan Description

Eligible employees of the College are provided with OPEB through the Health Care Trust Fund (HCTF) – a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the Public Employees' Retirement Association of Colorado (PERA). The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. PERA issues a publicly available Annual Comprehensive Financial Report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans; however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four divisions (State Division, School Division, Local Government Division and Judicial Division Trust Funds), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Eligibility to enroll in PERACare is voluntary and includes, among others, benefit recipients and their eligible dependents, as well as certain surviving spouses, divorced spouses and guardians. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

General Information about the OPEB Plan (Continued)

PERA Benefit Structure

The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

Contributions

Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the College is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from College were $216,118 for the year ended June 30, 2022.

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

At June 30, 2022, the College reported a liability of $1,825,078 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2021. The College’s proportion of the net OPEB liability was based on the College’s contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF. At December 31, 2021, the College’s proportion was 0.211%, which was a decrease of 0.007% from its proportion measured as of December 31, 2020.

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

For the year ended June 30, 2022, the College recognized negative OPEB expense of $226,234. At June 30, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 2,781	$ 432,748
Changes of Assumptions or Other Inputs	37,786	99,000
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	112,973
Changes in Proportion	-	749,273
Contributions Subsequent to the Measurement Date	104,095	-
Total	$ 144,662	$ 1,393,994

$105,009 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2023	$ (349,770)
2024	(277,481)
2025	(275,142)
2026	(275,142)
2027	(150,645)
Thereafter	(25,247)
Total	$ (1,353,427)

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Actuarial Assumptions

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.4-11.0%
Long-Term Investment Rate of Return, Net of OPEB Plan Investment Expenses, Including Price Inflation	7.25%
Discount Rate	7.25%
Health Care Cost Trend Rates:	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	4.5% for 2021, 6.0% in 2022 Gradually Decreasing to 4.5% in 2029
Medicare Part A Premiums	3.75% for 2021, Gradually Increasing to 4.5% in 2029

- Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.
- The actuarial assumptions used in the December 31, 2020, valuations were based on the results of the 2020 experience analysis for the periods January 1, 2016 through December 31, 2019, as well as, the October 28, 2020, actuarial assumptions workshop and were adopted by the PERA Board during the November 20, 2020, Board meeting. In addition, certain actuarial assumptions pertaining to per capita health care costs and their related trends are analyzed and reviewed by PERA's actuary, as discussed below.
- In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-fee Medicare Part A, the following monthly costs/premiums are assumed for 2021 for the PERA Benefit Structure:

Medicare Plan	Cost for Members Without Medicare Part A	Premiums for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	$ 633	$ 230
Kaiser Permanente Medicare Advantage HMO	596	199

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Actuarial Assumptions (Continued)

- The 2021 Medicare Part A premium is $471 per month.

  In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost for Members Without Medicare Part A
Self-Funded Medicare Supplement Plans	$ 591
Kaiser Permanente Medicare Advantage HMO	562

- All costs are subject to the health care cost trend rates, as discussed below.
- Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2020, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Actuarial Assumptions (Continued)

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Postretirement nondisabled mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Postretirement nondisabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older, with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the measurement of the obligations for the Trust Fund.

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2021 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Actuarial Assumptions (Continued)

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four of five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2020.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were 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 then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00 %	5.60 %
Fixed Income	23.00	1.30
Private Equity	8.50	7.10
Real Estate	8.50	4.40
Alternatives	6.00	4.70
Total	100.00 %	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Sensitivity of the College's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the College's proportionate share of the net OPEB liability, as well as what the College's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	$ 1,772,667	$ 1,825,078	$ 1,885,792

Discount Rate

The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Benefit payments and contributions were assumed to be made at the end of the month.

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Discount Rate (Continued)

Based on the above assumptions and methods, the HCTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate. There was no change in the discount rate from the prior measurement date.

Sensitivity of the College's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the College's proportionate share of the net OPEB liability, as well as what the College's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current discount rate:

	1% Decrease (6.25%)	Current Discount Rate	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	$ 2,119,637	$ 1,825,078	$ 1,573,473

OPEB Plan Fiduciary Net Position

Detailed information about the HCTF plan's fiduciary net position is available in the separately issued comprehensive annual financial report issued by PERA. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Colorado Educators Benefit Trust OPEB Plan

General Information about the OPEB Plan

Plan Description

The College participates in a defined benefit postemployment healthcare plan administered by the Colorado Educators Benefit Trust (CEBT). Beginning in fiscal year 2021, the plan was closed to all active members. This plan offers healthcare assistance to eligible retired employees and their beneficiaries. The CEBT plan is considered a single-employer agent plan for financial reporting purposes and has no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB No. 75. CEBT does not issue a separate publicly available financial report for the plan.

The CEBT plan allows qualifying retired employees to continue their "active" health insurance coverage on a self-pay basis until they are eligible for Medicare. Participating retirees pay their own monthly premiums. However, the premium amount is based on a blended rate that is determined by pooling the qualifying retirees with active employees, thus, creating an "implicit rate subsidy."

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Summary of Significant Accounting Policies

The College is required to report OPEB information in its financial statements, in accordance with GASBS No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

The requirements of this Statement incorporate provisions intended to reflect the effects of transactions and events related to OPEB in the measurement of employer liabilities and recognition of OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB.

Summary of Membership Information

The following table provides a summary of the number of participants in the plan as of June 30, 2021:

Retirees and Beneficiaries	6
Inactive Plan Members	-
Active Plan Members (Nonretired Members)	-
Total Plan Members	6

Total OPEB Liability

At June 30, 2022, the College reported a liability of $160,525. The total OPEB liability as of June 30, 2022 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2020.

For the year ended June 30, 2022, the College recorded total OPEB contra-expense of ($5,942) due to the change in the total OPEB liability, changes to deferred outflows and inflows of resources, and amortization of deferred amounts.

Deferred Items

Deferred inflows of resources and deferred outflows of resources are calculated based on various factors in the actuarial process. For the measurement period ended June 30, 2021 there were:

- Difference between expected and actual experience
- Changes in assumptions

Deferred items are amortized over the closed period equal to the average expected remaining service life of all covered active and inactive participants. Employers are required to recognize OPEB expense based on the balance of the closed period “layers” attributable to each measurement period. The weighted average expected remaining service lives, assuming zero years for all retirees, determined as of the beginning of the measurement period ended June 30, 2021 is 7.2777 years.

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

General Information about the OPEB Plan (Continued)

Deferred Items (Continued)

One year of amortization is recognized in the College's total OPEB expense for the fiscal year ended June 30, 2022.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 8,680	$ -
Changes of Assumptions or Other Inputs	16,330	22,899
Contributions Subsequent to the Measurement Date	914	-
Total	$ 25,924	$ 22,899

$27,477 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability in the year ended June 30, 2022. As of June 30, 2022, the remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2023	$ (1,098)
2024	(1,098)
2025	(1,098)
2026	1,606
2027	2,939
Thereafter	860
Total	$ 2,111

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

General Information about the OPEB Plan (Continued)

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.40%
Salary Increase	3.50% plus age-based increases
Demographic Assumptions	Same as used for PERA HCTF plan December 31, 2019 valuation
Mortality	For healthy retirees, the RP-2014 Healthy Annuitant Mortality Table with adjustments for credibility and projected to 2018 for males and 2020 for females using scale MP-2015. For males, multiplied by 73% for ages below 80 and 108% for ages 80 and above. For females, multiplied by 78% for ages below 80 and 109% for ages 80 and above.
Discount rate	1.92%
Health Care Cost Trend Rates	Initial rate of 7.00% declining to an ultimate rate of 4.15% after 15 years
Participation Rates	As of July 1, 2019, the college no longer allows retirees to maintain their coverage until age 65

Discount Rate

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 1.92% (based on the daily rate closest to but not later than the measurement date of the Fidelity “20-Year Municipal GO AA Index”). The discount rate was 2.45% as of the prior measurement date.

Sensitivity Analysis

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan’s total OPEB liability, calculated using a discount rate of 1.92%, as well as what the plan’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher:

	1% Decrease 0.92%	Current Rate 1.92%	1% Increase 2.92%
Total OPEB Liability	$ 166,243	$ 160,525	$ 155,137

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

General Information about the OPEB Plan (Continued)

Sensitivity Analysis (Continued)

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the plan's total OPEB liability, calculated using the assumed trend rates as well as what the plan's total OPEB liability would be if it were calculated using a trend rate that is 1% lower or 1% higher:

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	$ 154,589	$ 160,525	$ 166,707

NOTE 11 UNRESTRICTED NET POSITION

Unrestricted net position is comprised of the following as of June 30, 2022:

College Operations	$ 72,514,375
Net Pension Liability	(41,713,709)
Pension Related Deferred Outflows	4,135,493
Pension Related Deferred Inflows	(19,006,211)
Net OPEB Liability	(1,985,603)
OPEB Related Deferred Outflows	170,586
OPEB Related Deferred Inflows	(1,416,893)
Compensated Absences Liability	(2,357,806)
Total Unrestricted Net Position	$ 10,340,232

NOTE 12 COMMITMENTS AND CONTINGENCIES

Tax, Spending and Debt Limitations

In 1992 the Colorado voters approved the "Taxpayer's Bill of Rights" (TABOR). TABOR requires voter approval for any new tax, tax rate increase, mill levy increase or new debt. Voter approval is also required to increase annual property taxes, revenue, or spending by more than inflation plus a local growth factor. Spending not subject to TABOR includes that from enterprise activities, gifts, federal funds, reserve expenditures, damage awards or property sales. Also required by TABOR are emergency reserves of at least 3% of fiscal year spending. During 2000, the voters in the district passed an initiative allowing the College to retain all revenues from whatever source without increasing the mill levy. The College believes it is in compliance with the requirements of TABOR.

NOTE 12 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Federally Assisted Grant Program

The College is currently participating in numerous grants from various departments and agencies of the federal and state governments. The expenditures of grant proceeds must be for allowable and eligible purposes. Single audits and audits by the granting department or agency may result in requests for reimbursement of unused grant proceeds or disallowed expenditures. Upon notification of final approval by the granting department or agency, the grants are considered closed.

Contracts

The College has negotiated an intergovernmental agreement related to the purchase of property in Edwards, Colorado. The College has paid $800,000 in cash and $800,000 in exchange for providing Eagle County and Eagle school district employees to receive credit towards classes taken at the College for up to $400,000 for each entity. Through June 30, 2022, $595,812 has been used. The remaining obligation of $204,188 is reflected as land obligation payable on the Statement of Net Position.

Construction Commitments

As of June 30, 2022, the College had various contracts for the acquisition and construction of projects, which totaled $48,287,313.

NOTE 13 RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses and natural disasters. The College maintains a broad commercial insurance program for claims that may arise from such matters, which includes property, liability, workers compensation/employers liability, errors & omissions, crime cyber and foreign liability insurance. Claims have not exceeded the policy limits in any of the three preceding years. There have been no significant decreases in insurance coverage or limits.

NOTE 14 COMPONENT UNIT – FOUNDATION

The following details the investments held by the Foundation at June 30, 2022:

Publicly Traded Mutual Funds Invested in:	
Fixed Income	$ 7,257,983
U.S. Large Cap Equities	4,517,969
Other Equities	5,027,853
Foreign Large Cap Equities	275,871
Other Foreign Equities	579,431
Real Estate	353,862
U.S. Corporate Bonds	831,956
International Bonds	82,336
Cash and Cash Equivalents	284,595
Total Investments	$ 19,211,856

NOTE 14 COMPONENT UNIT – FOUNDATION (CONTINUED)

Investments are recorded in the following net asset balance at June 30, 2022:

Net Assets Without Donor Restrictions	$ 4,879,280
Net Assets With Donor Restrictions	14,332,576
Total	$ 19,211,856

The following table summarizes the valuation of the Foundation's investments by the fair value hierarchy levels as of June 30, 2022:

Description	Fair Value	Level 1	Level 2	Level 3
Cash and Cash Equivalents	$ 284,595	$ 284,595	$ -	$ -
Equity Mutual Funds	10,401,124	10,401,124	-	-
Fixed Income Mutual Funds	7,257,983	7,257,983	-	-
Real Estate Mutual Funds	353,862	353,862	-	-
Fixed Income Securities	914,292	-	914,292	-
Total	$ 19,211,856	$ 18,297,564	$ 914,292	$ -

All assets have been valued using a market approach, except for Level 2 assets. The fair value of Level 2 assets has been estimated using models and other valuation methodologies. There were no changes in valuation techniques during the current year.

Net assets with donor-imposed restrictions are available for the Foundation to provide scholarships to students of the College, support the faculty and leaders of the College, fund College facilities' construction and maintenance, and support various academic and community programs.

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30:

Contributions Received or Receivable, Restricted for Specific Purposes or by Time	$ 3,958,602
Endowments:	
Facility Maintenance	58,197
Scholarships	9,048,925
Unspent Earnings	5,225,454
Total Endowment Funds	14,332,576
Total Net Assets with Donor Restrictions	$ 18,291,178

Net assets totaling $4,722,461 were released from restriction in 2022 as donor-imposed restrictions were met.

NOTE 14 COMPONENT UNIT – FOUNDATION (CONTINUED)

Unconditional contributions receivable consists of the following at June 30:

Receivable in Less than One Year	$ 310,310
Receivable in One to Five Years	1,556,104
Receivable in More than Five Years	-
Total Unconditional Contributions Receivable	1,866,414
Less: Discount to Net Present Value	(31,478)
Contributions Receivable, Net	$ 1,834,936

Pledges due in more than one year are reflected at the present value of estimated future cash flows using a discount rate of 1.285%.

Contributions receivable are recorded in the following net asset classes at June 30:

Net Assets Without Donor Restrictions	$ 78,793
Net Assets With Donor Restrictions	1,756,143
Total Contributions Receivable	$ 1,834,936

Conditional contributions receivable, which have not been recognized in the accompanying financial statements because the conditions have not been met, consist of the following at June 30, 2022:

Conditional Opportunity Scholarships Initiative Grants, Conditioned upon Matching Requirements	$ 1,486,513
Total Conditional Contributions Receivable	$ 1,486,513

REQUIRED SUPPLEMENTARY INFORMATION

COLORADO MOUNTAIN COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS*

	2021	2020	2019	2018	2017	2016	2015	2014	2013
College's Proportion of the Net Pension Liability (Asset)	0.566%	0.636%	0.628%	0.698%	0.886%	0.920%	0.964%	0.958%	0.972%
College's Proportionate Share of the Net Pension Liability (Asset)	$ 41,713,709	$ 60,280,480	$ 60,977,633	$ 79,382,434	$ 177,361,268	$ 168,999,576	$ 101,536,835	$ 90,114,058	$ 86,616,427
College's Covered Payroll	$ 21,656,313	$ 21,525,828	$ 22,974,055	$ 24,578,790	$ 26,406,021	$ 26,646,762	$ 26,962,425	$ 25,933,643	$ 25,188,488
College's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	192.6%	280.0%	265.4%	323.0%	671.7%	634.2%	376.6%	347.5%	343.9%
Plan Fiduciary Net Position as a Position as a Percentage of the Total Pension Liability	73.05%	65.34%	62.24%	55.11%	43.20%	43.80%	56.10%	59.80%	61.08%

Information above is presented as of the measurement date December 31.

Information is required to be displayed for 10 years; information prior to 2013 is not available; additional years will be displayed as they become available.

See accompanying Notes to Required Supplementary Information.

COLORADO MOUNTAIN COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS AND RELATED RATIOS
LAST TEN FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Pension Contribution	$ 4,050,323	$ 4,040,886	$ 4,194,339	$ 4,468,863	$ 4,842,192	$ 4,778,605	$ 4,705,020	$ 4,458,106	$ 4,036,599
Contributions in Relation to the Contractually Required Pension Contribution	4,050,323	4,040,886	4,194,339	4,468,863	4,842,192	4,778,605	4,705,020	4,458,106	4,036,599
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
College's Covered Payroll	$ 21,933,773	$ 21,220,148	$ 22,257,781	$ 22,257,781	$ 25,707,008	$ 26,406,021	$ 26,646,762	$ 26,708,154	$ 25,495,463
Pension Contributions as a Percentage of Covered Payroll	18.47%	19.04%	18.84%	20.08%	18.84%	18.10%	17.66%	16.69%	15.83%

Information above is presented as of the College's fiscal year.

Information is required to be displayed for 10 years; information prior to 2014 is not available; additional years will be displayed as they become available.

See accompanying Notes to Required Supplementary Information.

COLORADO MOUNTAIN COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
LAST TEN FISCAL YEARS*

	2021	2020	2019	2018	2017
College's Proportion of the Net OPEB Liability (Asset)	0.211%	0.218%	0.242%	0.277%	0.317%
College's Proportionate Share of the Net OPEB Liability (Asset)	$ 1,825,078	$ 2,074,816	$ 2,723,000	$ 3,768,356	$ 4,122,435
College's Covered Payroll	$ 21,656,313	$ 21,525,828	$ 22,974,055	$ 24,578,790	$ 26,406,021
College's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	8.4%	9.6%	11.9%	15.3%	15.6%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	39.40%	32.78%	24.49%	17.03%	17.53%

Information above is presented as of the measurement date December 31.

Information is not currently available for prior years; additional years will be displayed as they become available.

See accompanying Notes to Required Supplementary Information.

COLORADO MOUNTAIN COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB CONTRIBUTIONS AND RELATED RATIOS
LAST TEN FISCAL YEARS*

	2022	2021	2020	2019	2018	2017
Contractually Required OPEB Contribution	$ 216,118	$ 208,279	$ 214,801	$ 229,570	$ 253,770	$ 265,939
Contributions in Relation to the Contractually Required OPEB Contribution	216,118	208,279	214,801	229,570	253,770	265,939
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -
College's Covered Payroll	$ 21,933,773	$ 21,220,148	$ 22,257,781	$ 23,649,339	$ 25,707,008	$ 26,406,021
OPEB Contributions as a Percentage of Covered Payroll	0.99%	0.98%	0.97%	0.97%	0.99%	1.01%

Information above is presented as of the College's fiscal year.

Information is not currently available for prior years; additional years will be displayed as they become available.

See accompanying Notes to Required Supplementary Information.

COLORADO MOUNTAIN COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS*

	2021	2020		2019	2018	2017
Total OPEB Liability						
Service Cost	$ -	$ -		$ 42,960	$ 43,950	$ 44,390
Interest on the Total OPEB Liability	4,145	6,311		21,663	19,736	15,499
Changes of Benefit Terms	-	(445,720)		-	-	-
Difference Between Expected and Actual Experience of the Total OPEB Liability	-	(18,760)		-	16,880	-
Changes in Assumptions	2,895	6,329		25,612	(22,323)	(29,075)
Benefit Payments	(31,325)	(21,405)		(18,243)	(9,174)	(4,816)
Net Change in Total OPEB Liability	(24,285)	(473,245)		71,992	49,069	25,998
Total OPEB Liability - Beginning	184,810	658,055		586,063	536,994	510,996
Total OPEB Liability - Ending	$ 160,525	$ 184,810		$ 658,055	$ 586,063	$ 536,994
Covered Payroll	$ -	$ -	*	$ 28,629,858	$ 27,661,699	$ 27,999,468
Total OPEB Liability as a Percentage of Covered Payroll	N/A	N/A		2.30%	2.12%	1.92%

Information above is presented as of the measurement date June 30.

Information is not currently available for prior years; additional years will be displayed as they become available.

Changes in assumptions related to other post employment benefit liability can be found in Notes 9

* Beginning in measurement year 2020, no active employees participate in the plan, so no covered payroll.

See accompanying Notes to Required Supplementary Information.

Notes to Required Supplementary Information (Net Pension Liability) – Fiscal Year 2022

Changes in Benefit Terms and Actuarial Assumptions

Changes in assumptions or other input effective for the December 31, 2021 measurement period are as follows:

- The projected benefit payments reflect the lowered annual increase cap from 1.25% to 1.00%, resulting from the 2020 AAP assessment, effective July 1, 2022.
- Assumptions on employer and employee contributions were updated to include the additional 0.50% resulting from the 2020 AAP assessment, effective July 1, 2022.

Changes in assumptions or other input effective for the December 31, 2020 measurement period are as follows:

- The price inflation assumption was lowered from 2.40% to 2.30%, and the wage inflation assumption was lowered from 3.50% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Salary scale assumptions were revised to align with the revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State Division (members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The pre-retirement mortality assumption for the Judicial Division was changed to the PubG-2010(A) Above Median Employee Table with generational projection using scale MP-2019.
- The postretirement nondisabled mortality assumption for the State Division (Members other than State Troopers) was changed to the PubG-2010 Health Retiree Table, adjusted as follows:
- Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The postretirement nondisabled mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.
- The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubNS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
- The disability mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

Changes in assumptions or other input effective for the December 31, 2019 measurement period are as follows:

- The assumption used to value the annual increase (AI) cap benefit provision was changed from 1.50% to 1.25%.

Changes in assumptions or other inputs effective for the December 31, 2018 measurement period are as follows:

- The assumed investment rate of return of 7.25% was used as the discount rate, rather than using the blended rate of 4.72%.

Changes in assumptions or other inputs effective for the December 31, 2017 measurement period are as follows:

- The discount rate was lowered from 5.26% to 4.72%.

Changes in assumptions or other inputs effective for the December 31, 2016 measurement period are as follows:

- The investment return assumption was lowered from 7.50% to 7.25%.
- The price inflation assumption was lowered from 2.80% to 2.40%.
- The real rate of investment return assumption increased from 4.70% per year, net of investment expenses, to 4.85% per year, net of investment expenses.
- The wage inflation assumption was lowered from 3.90% to 3.50%.
- The mortality tables were changed from RP-2000 Combined Mortality Table for Males and Females, as appropriate, with adjustments for mortality improvements based on a projection scale of Scale AA to 2020 to RP-2014 White Collar Employee Mortality for active employees, RP2014 Healthy Annuitant Mortality tables projected to 2020 using the MP-2015 projection scale for retirees, or RP-2014 Disabled Retiree Mortality Table for disabled retirees.
- The discount rate was lowered from 7.50% to 5.26%.

There were no changes in terms or assumptions for the December 31, 2015 measurement period for pension compared to the prior year.

There were no changes in terms or assumptions for the December 31, 2014 measurement period for pension compared to the prior year.

Changes in assumptions or other input effective for the December 31, 2013 measurement period are as follows:

- The investment return assumption was lowered from 8.00% to 7.50%.
- The price inflation assumption was lowered from 3.50% to 2.80%.
- The wage inflation assumption was lowered from 4.25% to 3.90%.

Notes to Required Supplementary Information (Other Postemployment Benefits) – Fiscal Year 2022
Changes in benefit terms and actuarial assumptions

Changes in assumptions or other input effective for the December 31, 2020 measurement period are as follows:

- The price inflation assumption was lowered from 2.40% to 2.30%, and the wage inflation assumption was lowered from 3.50% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Salary scale assumptions were revised to align with the revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State Division (members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The pre-retirement mortality assumption for the Judicial Division was changed to the PubG-2010(A) Above Median Employee Table with generational projection using scale MP-2019.
- The postretirement nondisabled mortality assumption for the State Division (Members other than State Troopers) was changed to the PubG-2010 Health Retiree Table, adjusted as follows:
- Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The postretirement nondisabled mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.
- The postretirement nondisabled mortality assumption for the Judicial Division was changed to the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019. The postretirement nondisability beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:
  - Males: 97% of the rates for all ages, with generational projection using scale MP-2019.
  - Females: 105% of the rates for all ages, with generational projection using scale MP-2019.
  - The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubNS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
  - The disability mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

There were no changes in assumptions or other inputs effective for the December 31, 2019 measurement period for OPEB.

There were no changes in assumptions or other inputs effective for the December 31, 2018 measurement period for OPEB compared to the prior year.

There were no changes in assumptions or other inputs effective for the December 31, 2017 measurement period for OPEB.

SUPPLEMENTARY INFORMATION

COLORADO MOUNTAIN COLLEGE
SUPPLEMENTARY INFORMATION
ACTUAL TO BUDGET COMPARISON SCHEDULE – COLLEGEWIDE
YEAR ENDED JUNE 30, 2022

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Operating Revenues:			
Tuition and Fees	$ 11,385,879	$ 11,030,857	$ (355,022)
Federal, State, Private Grants, and Contracts	6,547,595	7,708,004	1,160,409
Auxiliary Enterprises	10,106,466	9,164,226	(942,240)
Other Operating Revenue	1,068,919	1,004,826	(64,093)
Total Operating Revenues	29,108,859	28,907,913	(200,946)
EXPENSES			
Operating Expenses:			
Instruction	31,003,483	24,358,964	6,644,519
Community Service	640,061	687,396	(47,335)
Academic Support	9,361,880	6,250,398	3,111,482
Student Services	13,414,129	7,840,218	5,573,911
Institutional Support	21,971,698	17,399,215	4,572,483
Operation and Maintenance of Plant	14,298,403	5,317,746	8,980,657
Student Aid	16,290,061	9,820,963	6,469,098
Auxiliary Enterprises	10,059,452	7,003,973	3,055,479
Depreciation	5,200,000	5,663,364	(463,364)
Reserve Expenditures	-	-	-
Capital Asset Offset	(5,950,000)	-	(5,950,000)
Total Operating Expenses	116,289,167	84,342,237	31,946,930
NONOPERATING REVENUES (EXPENSES)			
State Appropriations	9,668,009	9,673,391	5,382
Federal Nonoperating Revenue	13,684,042	9,408,338	(4,275,704)
Property Taxes	54,135,379	56,146,061	2,010,682
Investment Income	1,149,784	957,700	(192,084)
Gifts	1,300,000	1,242,780	(57,220)
Gain on Disposal of Capital Assets	-	45,464	45,464
Unrealized Gain on Investments	-	(1,920,674)	(1,920,674)
Bond Issuance Costs	(7,482)	(48,923)	(41,441)
Amortization of Prepaid Bond Insurance	(39,033)	(15,651)	23,382
Interest Expense on Capital Debt	(3,593,500)	(2,106,306)	1,487,194
Net Nonoperating Revenues (Expenses)	76,297,199	73,382,180	(2,915,019)
Capital Contributions	100,000	2,197,374	2,097,374
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(10,783,109)	20,145,230	30,928,339
Fund Balance - Beginning of Year	145,932,133	145,932,133	-
FUND BALANCE - END OF YEAR	$ 135,149,024	$ 166,077,363	$ 30,928,339

SINGLE AUDIT

INDEPENDENT AUDITORS' 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*

Board of Trustees
Colorado Mountain College
Glenwood Springs, Colorado

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 governmental activities, the business-type activities, and the discretely presented component unit of Colorado Mountain College (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 March 17, 2023. The financial statements of Colorado Mountain College Foundation, a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with Colorado Mountain College Foundation or that are reported on separately by those auditors who audited the financial statements of Colorado Mountain College Foundation.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Greenwood Village, Colorado
February 3, 2023

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

Board of Trustees
Colorado Mountain College
Glenwood Springs, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Colorado Mountain College's (the College) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on 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 auditors' results section of the accompanying schedule of findings and questioned costs.

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

Auditors' 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

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

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

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding 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.

Board of Trustees
Colorado Mountain College

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 *Auditors' 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Greenwood Village, Colorado
March 17, 2023

COLORADO MOUNTAIN COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Department of the Treasury					
(COVID-19) Coronavirus State and Local Fiscal Recovery Funds	21.027	Colorado Community College System	N/A	$ -	$ 793,000
(COVID-19) Coronavirus State and Local Fiscal Recovery Funds	21.027	Colorado Mountain College Foundation	N/A	-	419,202
Total Department of the Treasury				-	1,212,202
Environmental Protection Agency					
Environmental Education Grants	66.951	N/A	N/A	-	21,481
Total Environmental Protection Agency				-	21,481
Department of Agriculture					
U.S. Forest Service CMC Partnership-Winter Internship Pilot	10.699	N/A	N/A	-	115,737
Rural Business Development Grant	10.351	N/A	N/A	-	3,740
Total Department of Agriculture				-	119,477
Department of Education					
Student Financial Assistance Cluster:					
Federal Supplemental Educational Opportunity Grants	84.007	N/A	N/A	-	101,810
Federal Work-Study Program	84.033	N/A	N/A	-	31,068
Federal Pell Grant Program	84.063	N/A	N/A	-	3,149,183
Federal Direct Student Loans	84.268	N/A	N/A	-	3,021,693
Total Student Financial Assistance Cluster				-	6,303,754
Trio Cluster:					
Trio Student Support Services	84.042	N/A	N/A	-	307,636
Trio Student Support Services	84.042A	N/A	N/A	-	287,826
Trio Upward Bound	84.047	N/A	N/A	-	586,087
Total Trio Cluster				-	1,181,549
Education Stabilization Fund:					
(COVID-19) Colorado Governor's Emergency Education Relief Funds	84.425C	Colorado Office of the Governor	6425	378,007	1,155,855
(COVID-19) IREPO Rural Support Initiative	84.425P	N/A	N/A	225,000	245,825
(COVID-19) Higher Educational Emergency Relief Fund-HEERF III - MSI	84.425L	N/A	N/A	-	47,470
(COVID-19) Higher Educational Emergency Relief Fund-HEERF II-Student Aid	84.425E	N/A	N/A	-	-
(COVID-19) Higher Educational Emergency Relief Fund-HEERF II-Institutional	84.425F	N/A	N/A	-	-
(COVID-19) Higher Educational Emergency Relief Fund-HEERF III-Student Aid	84.425E	N/A	N/A	-	2,355,600
(COVID-19) Higher Educational Emergency Relief Fund-HEERF III-Institutional	84.425F	N/A	N/A	-	1,274,586
Total Educational Stabilization Fund				603,007	5,079,336
Office of Post Secondary Education					
Title III-Higher Education Institutional Aid	84.031A	N/A	N/A	-	717,368
Total Post Secondary Education				-	717,368

COLORADO MOUNTAIN COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Department of Education (Continued)					
Career and Technical Education - Basic Grants to States (Perkins)	84.048A	Colorado Community College System	1622	$ -	$ 207,159
Career and Technical Education - Basic Grants to States (Perkins E-sports)	84.048A	Colorado Community College System	1622	-	6,846
Total Department of Education				603,007	13,496,012
Department of Health and Human Services					
Child Care Operations Stabilization	93.575	Colorado Mountain College Foundation	N/A	-	17,573
Temporary Assistance for Needy Families (TANF)	93.558	Colorado Department of Human Services and Garfield County DHS	2015-00000248	-	12,838
Centers for Medicare and Medicaid Services (CMS) Research, Demonstration and Evaluation	93.779	Colorado Department of Regulatory Agencies, Division of Insurance (SHIP)	OESFA 13SHIP000007	-	5,720
Total Department of Health and Human Services				-	36,131
Corporation for National and Community Service					
Senior Demonstration Program	94.002	N/A	N/A	-	133,438
Retired and Senior Volunteer Program	94.017	N/A	N/A	-	6,375
Total Corporation for National and Community Service				-	139,813
LSTA ARPA State Grants	45.310	Colorado Dept of Education/State Library	N/A	-	2,572
Total Expenditures of Federal Awards				$ 603,007	$ 15,027,688

NOTE 1 GENERAL

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Colorado Mountain College (the College). The Schedule includes federally funded projects received directly from federal agencies and the federal amounts of pass-through awards received by the College through the state of Colorado or other nonfederal entities. The College's reporting entity is defined in Note 1 in the College's basic financial statements 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 this Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position, or cash flows of the College.

NOTE 2 BASIS OF ACCOUNTING

Expenditures reported on the Schedule are reported on the accrual basis of accounting. 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. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements or reports to federal agencies and pass-through grantors. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years, if any. The College has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 PASS-THROUGH GRANTOR'S NUMBER

For federal awards expended by the College as a subrecipient, the Schedule includes identification of the pass-through grantor and the identifying number assigned to the grant by the pass-through grantor where the pass-through grantor has supplied such number to the College.

NOTE 4 SUBRECIPIENTS

Of the federal expenditures presented in this Schedule, the College included $603,007 of funds passed through to subrecipients.

COLORADO MOUNTAIN COLLEGE
FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified

2. Internal control over financial reporting:

   - Material weakness(es) identified? ______ yes __X__ no

   - Significant deficiency(ies) identified? ______ yes __X__ none reported

3. Noncompliance material to financial statements noted? ______ yes __X__ no

Federal Awards

1. Internal control over major federal programs:

   - Material weakness(es) identified? ______ yes __X__ no

   - Significant deficiency(ies) identified? ______ yes __X__ none reported

2. Type of auditors' 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

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
84.425C/ E/ F/ L/ P	Higher Education Emergency Relief Fund
21.027	Coronavirus State and Local Fiscal Recovery Fund

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

Auditee qualified as low-risk auditee? __X__ yes ______ no

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).