Community College District of St. Louis

Financial Report

June 30, 2024 and 2023

KPM

CPAS & ADVISORS

Table of Contents

Independent Auditors' Report 3

Management's Discussion and Analysis 7

Financial Statements

Statements of Net Position 28

Statements of Revenues, Expenses, and Changes in Net Position 30

Statements of Cash Flows 31

Statements of Fiduciary Net Position 33

Statements of Changes in Fiduciary Net Position 34

Notes to the Financial Statements 35

Required Supplementary Information

Schedules of Employer's Share of Net Pension Liability and Contributions - PSRS 76

Note to the Schedules of Employer's Share of Net Pension Liability and Contributions - PSRS 78

Schedule of Changes in Net Position Liability and Contributions –
Non-Certificated Employees Retirement Plan 79

Schedule of Changes in the Total OPEB Liability and Related Ratios 81

Other Reporting Requirements

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* 83

Independent Auditors' Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance 85

Schedule of Expenditures of Federal Awards 88

Notes to the Schedule of Expenditures of Federal Awards 90

Schedule of Findings and Questioned Costs 91

Summary Schedule of Prior Audit Findings 93

KPM CPAS & ADVISORS

Independent Auditors' Report

Board of Trustees
Community College District of St. Louis, Missouri
St. Louis, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and remaining fund information of the Community College District of St. Louis (the College), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and remaining fund information of the Community College District of St. Louis, as of June 30, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Community College District of St. Louis and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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 generally accepted auditing standards 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 generally accepted auditing standards 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, Public School Retirement System pension information, the Non-Certificated Employees Retirement Plan pension information, and the other post-employment benefit information be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion on 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 Community College District of St. Louis' basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is 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 November 15, 2024, on our consideration of the Community College District of St. Louis's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to 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 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 Community College District of St. Louis's internal control over financial reporting and compliance.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
November 15, 2024

Management’s Discussion and Analysis

Introduction

The Management's Discussion and Analysis (MD&A) of the Community College District of St. Louis (the College) financial performance provides a comprehensive overview of the College's financial activities and the results of operations for the fiscal year ended June 30, 2024. Readers of the College's statements, including this MD&A are encouraged to review the financial statements presented and the notes to the basic financial statements to enhance their understanding of the College's financial performance.

The College prepared the financial statements in accordance with Government Accounting Standards Board (GASB) principles. During 2002, the College implemented GASB Statement No. 35, Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities. In 2015, the College implemented GASB Statement No. 68 Financial Reporting for Pension Plans – an Amendment of GASB Statements No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68. In 2017, the College implemented GASB Statement 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB). In 2021, the College implemented GASB Statement 84 – Fiduciary Activities. In 2022, the College adopted GASB Statement 87 – Leases, and in 2023, the College adopted GASB Statement 96 – Subscription-Based Information Technology Arrangements.

GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities and requires that financial statements be presented on a consolidated basis to focus on the College as a whole. Previously, financial statements focused on the accountability of individual fund groups rather than on the College as a whole. GASB Statements 68, 71, and 75 require the College to recognize its proportionate share of net pension liabilities or assets of any defined benefit plans in which it is a participant and its OPEB liability in accordance with the guidance provided by the pronouncement. GASB 84 requires the College to present the financial statements of each of the College's fiduciary activities separately from the College's consolidated results. GASB Statement 87 – Leases prescribes the accounting treatment and presentation of all leases regardless of whether the College is the Lessee (leasing equipment or property from third-party Lessors) or the Lessor (where the College leases its owned property or other rights to unrelated third parties). GASB 96 – Subscription-Based Information Technology Arrangements prescribes the accounting treatment of vendor-provided information technology whereby the purchaser obtains access to the vendor's information technology software and associated tangible capital assets through agreements that do not grant a governmental entity a perpetual license or title to the software and associated tangible capital assets.

Using the Financial Statements

There are five financial statements presented: the Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Net Position, the Statements of Cash Flows, the Statements of Fiduciary Net Position, and the Statements of Changes in Fiduciary Net Position. The emphasis of the discussion about the financial statements is on the current year data. However, prior year information is available in the GASB Statement No. 35 and GASB Statement No. 65 formats. Consequently, a comparative format of College-wide information is used.

Significant Matters Affecting College Finances

Stlcc Transformed and Fund Balances

The voters of the College's taxing Districts passed an increase in the College's allowed tax rate in 2021, which raised the College's tax rate on every $100 of assessed value by $0.08. The College had requested the increase to update its career training and other educational programs, which will augment regional job growth in critical industries including healthcare, transportation, information technologies, financial services, biotechnology, and manufacturing. In addition, the passage of the measure will supply resources for the College to provide safe and secure learning environments for students and employees. The College will achieve this by investing in infrastructure, constructing, repurposing, renovating, and eliminating, equipping, and furnishing new and existing facilities. These improvements will enhance the College's regional impact and further its mission. As a result of the proposition's passage, the College receives approximately $29.5 million annually to complete construction projects at the various campuses of the College and fund new programming planned by the College. While funds are not specifically designated for the construction projects, the College's Board of Trustees has designated the annual funds to be received for the stated purpose of Proposition R which the College now calls "Stlcc Transformed". Once the projects are completed and paid for, the annual funds will be used to service any borrowings that will be incurred to complete the Transformed projects and other needs of the College.

Stlcc Transformed encompasses an estimated $450 million of new buildings and improvements across the four main campuses of the College. The construction and improvements are estimated to take three to five years to complete and are currently in various stages including the demolition of older facilities being replaced, construction of new buildings, design of additional planned facilities, and planning stages for the programs and space utilization that will exist in the new facilities. As of June 30, 2024, the College has entered contracts and made commitments of $167.1 million towards the completion of the Stlcc Transformed projects (see Footnote 12- Commitments). This amount will be offset in part by match grants received from the State of Missouri in the approximate amount of $62 million. As funds are expended, the College requests match reimbursements from the State. As of June 30, 2024, the College had expended approximately $155.7 million, cumulatively, towards the completion of the Transformed projects and had received or billed the State of Missouri $37.1 million against the $62 million identified above. Progress of the projects can be seen at https://Stlcc.edu/about/Stlcc-transformed/.

Due to the size and scope of the Stlcc Transformed initiative, the College, subsequent to June 30, 2024, issued additional indebtedness of approximately $225 million (see Footnote 4- Changes in Long Term Debt and Leases). The additional resources provided from the issuance of the debt, other College funds, and future local tax receipts are deemed to be sufficient to pay for the project costs. The sufficiency of the identified funds to pay for future Transformed expenditures is contingent upon the project costs not exceeding the $450 million budget, other exigencies not arising that reduce funds available, and local tax receipts being sufficient to fund the budgeted Transformed expenditures. The Board of Trustees charged College administration to minimize the amount of borrowed funds related to Stlcc Transformed and has therefore designated a substantial portion of the College's unrestricted net position to the completion of the Stlcc Transformed projects (see Footnote 17- Restricted and Unrestricted Net Position).

As more fully outlined in the financial statements and, in particular, the College's Statements of Net Position and Note 17 – Restricted and Unrestricted Net Position, the College has an unrestricted net position of $91.9 million at June 30, 2024. The College annually identifies and authorizes the expenditure of capital funds during its budgeting process. Other capital projects not specifically related to the Stlcc Transformed projects that will be completed over the three-to-five-year horizon total $21.5 million.

In addition to the capital project funds, the Board of Trustees designates a portion of the unrestricted net position (8% to 12% of the ensuing year's annual operating budget) to be held for contingencies related to funding and other annual resources that are dependent upon governments and private entities. This designation allocates another $23.5 million of the unrestricted net position at 12% of the ensuing year's budget. The remaining portion of the unrestricted net position ($46.9 million) is designated for capital and financing exigencies related to potential cost overruns of Stlcc Transformed and other capital projects.

In accordance with generally accepted accounting principles, unexpended funds for capital projects are not reflected in the College's net position for Net Investment in Capital Assets until a capital asset purchase is incurred. Therefore, unspent funds designated for capital assets and construction are reflected in the unrestricted net position until expended. See Note 17 – Restricted and Unrestricted Net Position for additional information.

Implementation of GASB 96 -*Subscription-Based Information Technology Arrangements*

During the year ended June 30, 2023, the College implemented GASB No. 96- *Subscription-Based Information Technology Arrangements.* The objective of this pronouncement is to establish standards for the measurement, recognition, and display of Subscription-Based Information Technology ("SBIT") obligations where the right of use of a third party's software is transferred to the customer for a period in exchange or an exchange type of contract. As of June 30, 2024, and 2023, the College had $2.1 mil and $1.1 mil, net, in such arrangements, respectively.

Change in Bookstore and Cafeteria operations

During the year ended June 30, 2024, the College changed its delivery system to students for course textbook adoptions. For the year ended June 30, 2023 and earlier, the College owned and operated the bookstore operations. For the year ended June 30, 2024, the College outsourced the operation and delivery of books and materials to a third-party vendor. As such, operating results for Auxiliary Enterprises do not include the sale of books and materials to students.

In addition, for the year ended June 30, 2024, the College entered into an agreement with a third-party vendor to operate the cafeterias across all campuses. This change along with the outsourcing of bookstore operations significantly impacted revenue from Auxiliary Enterprises. Total Auxiliary Enterprises revenue declined by $3.9 mil for FY24 as compared with FY23. Remaining revenue in Auxiliary Enterprises is a result of campus store operations and allocation of certain student fees.

Debt Obligations

Subsequent to June 30, 2024, the College issued a net $225 mil in Certificates of Participation. The purpose and use of the net proceeds of the debt issuance will be to fund a portion of the Stlcc Transformed project costs totaling $450 mil – see Footnote 4- Changes in Long Term Debt and Leases for a discussion of the issuance of the $225 mil debt offering.

Financial Highlights

The key financial highlights of the College for the year ended June 30, 2024 are as follows:

- The net position increased to $346.9 million as of June 30, 2024, compared to $267.4 million at June 30, 2023. The overall increase was approximately $79.5 million. The primary sources of the increase for FY24 were the increase in State Aid and Grants related to match grants received from the State of Missouri for the Stlcc Transformed projects ($33.7 mil), increases in local tax revenue ($5.1 mil) from general increases in property valuation assessments, increases related to investment income including the decline in Fair Market Value adjustment of investments ($6.4 mil), increased asset valuation of pension plans ($9.3 mil), and increases in Gifts and Grants for Government Sources ($4.2 mil). Additionally, expenses increased a net $7.9 mil primarily because of increased salary costs.
- At June 30, 2024, $14.5 million of net position is restricted for the Foundation endowment ($4.8 mil) and Student Financial Aid ($9.6 mil).

- The $91.9 million in unrestricted net position on June 30, 2024, may be used to finance day-to-day activities without constraints established by federal or state statute or donor intent. However, the College's Board of Trustees has designated $68.3 million of the unrestricted net position for Stlcc Transformed and other capital projects (see footnote 17). The Board Designated unrestricted net position as outlined in Board Policy increased by $2.1 million during FY24. The total unrestricted fund balance ($91.9 mil) less the Board designated amounts for capital projects ($68.3 mil) is $23.6 mil. This amount represents 12.0% of the FY25 annual operating expense budget.
- Total assets increased by $98.8 million for FY24 as compared to FY23. The primary factors in the total increase in assets were an increase in capital assets, net of associated depreciation and amortization, of $134.8 million offset by a decrease in cash and cash equivalents of $45.6 million.
- Net capital assets increased by approximately $134.8 million in the current year primarily related to construction in process for Stlcc Transformed projects.
- Total liabilities increased by $29.7 million, which is primarily related to a net increase in total current liabilities of $29.6 mil. The increase in current liabilities is a result of an increase in accounts payable ($21.8 mil) of which $18.8 mil is related to Transformed project payments, $4.1 mil in accrued wages payable, $4 mil financing deposit (see footnote 4), and $1.0 mil attributable to current maturities of long-term debt.

Statements of Net Position

The Statements of Net Position present the assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position of the College at the end of the fiscal years, June 30, 2024, and June 30, 2023. The purpose of the Statements of Net Position is to present a snapshot of the financial condition of the College. Total Net Position, which is the difference between total assets combined with deferred outflows of resources and total liabilities combined with deferred inflows of resources, is one of the indicators of the current financial condition of the College. These statements do not include the College's fiduciary net position of the NCERP pension plan; however, the College does include the net liability for unfunded pension costs for the NCERP pension plan as actuarially determined annually.

- The assets and liabilities are categorized between current and noncurrent. Current assets and liabilities mature or become payable within the normal 12-month accounting/operating cycle versus the noncurrent which mature or become payable after 12 months. For example, the College's current assets consist primarily of cash, investments, and trade receivables, while noncurrent assets consist primarily of capital assets. Capital assets represent the property, plant, and equipment owned by the College, net of any related accumulated depreciation.
- Net position is presented in three major categories: Net investment in capital assets net of related debt – the College's equity in its property, plant, and equipment; restricted; and, unrestricted.
- Restricted net position represents funds that are limited in terms of the purpose and time for which the funds can be spent. Restricted net position is further categorized between expendable and nonexpendable. Restricted expendable net position is available to be spent by the College after externally imposed stipulations have been fulfilled or after the passage of time. Restricted nonexpendable net position are endowments for which only the earnings can be spent.
- Unrestricted net position is available to the College for any lawful purpose.

The following chart of the College's Net Position shows the unrestricted portion at $91.9 million, $127.2 million, and $101.8 million at June 30, 2024, 2023, and 2022, respectively:

	(In Millions) Year Ended June 30,		
	2024	**2023**	**2022**
Current Assets	$ 211.2	$ 246.3	$ 224.1
Noncurrent Assets	322.1	188.2	170.4
Total Assets	533.3	434.5	394.5
Deferred Outflows of Resources	80.7	88.7	42.4
Current Liabilities	60.1	30.5	26.5
Noncurrent Liabilities	143.1	143.0	78.0
Total Liabilities	203.2	173.5	104.5
Deferred Inflows of Resources	63.9	82.3	106.9
Net Investment in Capital Assets	240.6	126.8	110.9
Restricted			
Expendable	9.6	8.7	8.2
Non-expendable	4.8	4.7	4.6
Unrestricted	91.9	127.2	101.8
Total Net Position	$ 346.9	$ 267.4	$ 225.5

Statements of Revenues, Expenses, and Changes in Net Position

The Statements of Revenues, Expenses, and Changes in Net Position present the College's financial results for the fiscal year. The statements include the College's revenues and expenses, both operating and non-operating. Operating revenues and expenses are those for which the College directly exchanges goods and services. Non-operating revenues and expenses are those that exclude specific, direct exchanges of goods and services. Local property tax revenue and state aid are two examples of non-operating revenues where the local taxpayers and state legislature, respectively, do not directly receive goods and services for funds remitted to the College.

The following is a summarized version of the College's revenues, expenses, and changes in net position for the years ended June 30, 2024, 2023, and 2022:

	(In Millions) Year Ended June 30,		
	2024	2023	2022
Operating Revenue	$ 29.9	$ 34.1	$ 34.7
Operating Expenses	199.4	191.5	200.7
Operating (Loss)	(169.5)	(157.4)	(166.0)
Non-Operating Revenues, net	249.0	199.3	226.8
Change in Net Position	79.5	41.9	60.8
Net Position, beginning of year	267.4	225.5	164.7
Net Position, end of year	$ 346.9	$ 267.4	$ 225.5

Fiscal Year 2024 Compared to 2023

- During the fiscal year ended June 30, 2024, the College made changes to its operations that impacted the operating results for the year. Effective July 1, 2023, the College has outsourced its bookstore to a third-party online vendor. In addition, starting in fiscal year ended June 30, 2024, the College has outsourced its cafeteria and dining operations to a third-party vendor. These changes resulted in a decrease in Operating Revenues for Auxiliary enterprises of $3.9 mil.
- Total revenues, operating and non-operating, for 2024 increased by $45.5 million, or 19.4% higher than in 2023. The increase is related to an increase in local taxes of $5.1 mil, and State Aid and Grants of $34.0 mil, which is related to match grants received from the State for buildings at our Florissant Valley and Wildwood campuses. In addition, Grants from Government sources increased $4.2 mil and interest income increased by $6.4 mil. Interest income increases are a result of higher investment yields in FY24 than FY23. Increases were offset by a reduction in Auxiliary Enterprise revenue of $3.9 mil as identified above.
- Operating expenses increased by $7.9 million or 4.1% higher than in 2023, primarily related to increased salaries of $7.9 mil, and increased supplies & other services of $2.8 mil, offset by a reduction in benefit costs of $5.6 mil. The decline in benefit expense was primarily related to investment gains in the College's two pension plans and OPEB costs of $9.3 mil (see Footnote 5-Pension Plans and 13-Post-Employment Benefits Other than Pensions (OPEB), to the financial statements).
- During fiscal year 2024, the College served students generating 289,311 credit hours. The year-to-year increase in credit hours over the 281,639 credit hours for FY23 represented a 2.7% increase in total credit hours. The College has increased Fall 2024 (FY25) credit hours by 6%. The increase trend in credit hours is expected to continue for Spring 2025 and Summer 2025 sessions (FY25).

- Operating revenue from maintenance fees increased by $0.5 million or 2.1% from FY23. As noted earlier, Auxiliary enterprises were down $3.9 mil because of outsourcing of Bookstore and Cafeteria operations. Other operating revenue was up $0.5 million. Finally, FY24 revenue from contracts and grants was down $1.3 million from FY23.
- Exclusive of match grants related to Stlcc Transformed, appropriations by the Governor and State Legislature (State Aid) were flat for FY24 as compared to FY23. Increases in other state appropriations for FY24 are the result of funds made available for repair and maintenance

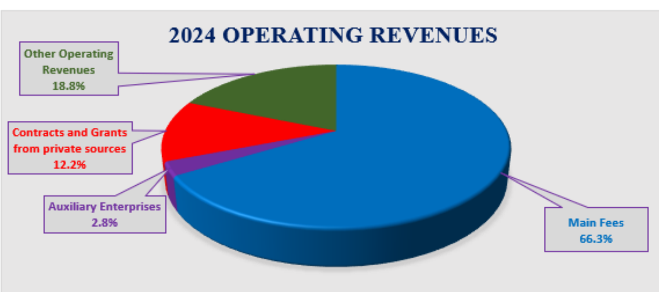
Fiscal Year 2023 Compared to 2022

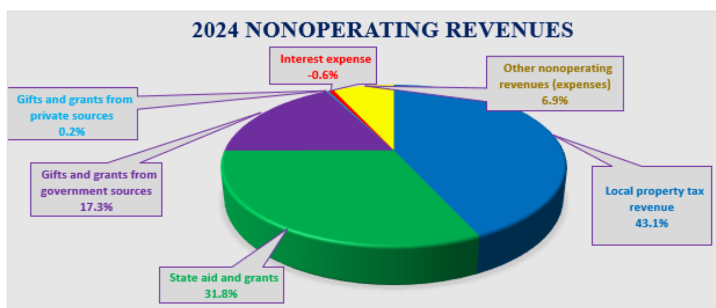
- Total revenues, operating and non-operating, for 2023 decreased by $28.1 million, or 10.7% lower than in 2022. The decrease is primarily related to a decrease in Gifts and Grants from government sources ($43.4 mil) related to COVID funds received from the federal government in FY22 offset by a $9.4 million increase in investment revenue and adjustments for the fair market value of investments, an increase in State Aid and Grants ($2.7 mil) and increases in local property tax revenue of $4.0 mil.
- Operating expenses decreased by $9.2 million or 4.5 % lower than in 2022, primarily related to lower Financial Aid and Scholarships ($19.1 mil) because of the Covid-19 pandemic government funding of financial aid benefits that were discontinued in FY22, and lower benefit expenses of $5.1 mil offset by an increase in other expenses of $7.8 mil and Salaries of $4.9 mil.
- During the fiscal year 2023, the College served students generating 281,639 credit hours. The year-to-year decline in credit hours represented a 4.3% reduction. This decline, which began in 2011, when enrollment peaked at 627,020 credit hours, has been gradually trending downward. Low unemployment in the College's service area is the main contributing factor to the lower level of credit hours.
- Operating revenue from maintenance fees declined by $0.3 million or 1.3% from FY22. In addition, Auxiliary enterprises were down $0.4 mil and other operating revenue was down $0.4 million. Finally, FY23 revenue from contracts and grants was up $0.5 million from FY22.
- Appropriations by the Governor and State Legislature (State Aid) increased $2.7 million for 2023 which was an increase of 6.1% over 2022. The increases in state appropriations for FY23 are the result of increases in core funding and state funds available for repair and maintenance and other designated projects.

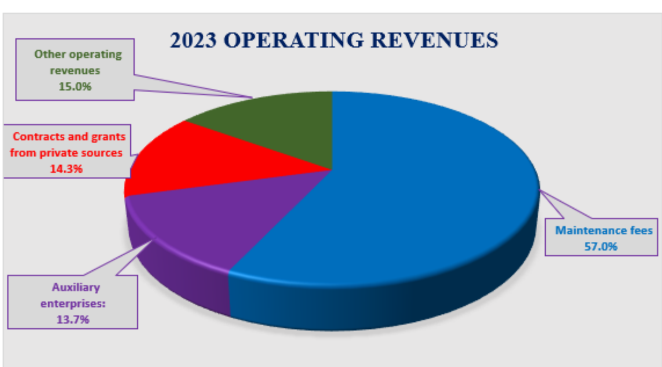
The following is the College's FY 2024, FY 2023, and FY 2022 revenues, both operating and non-operating:

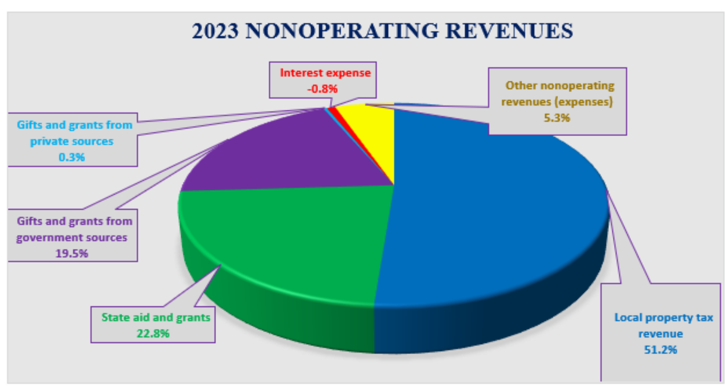
	(In Millions) Year Ended June 30,		
	2024	**2023**	**2022**
Operating Revenues			
Maintenance fees, net	$ 19.9	$ 19.4	$ 19.7
Auxiliary enterprises	0.8	4.7	5.1
Contracts and grants from private sources	3.6	4.9	4.4
Other	5.6	5.1	5.5
Total Operating Revenues	$ 29.9	$ 34.1	$ 34.7
Non-Operating Revenues, net			
Local property taxes	$ 108.8	$ 103.7	$ 99.7
State aid and grants	80.2	46.2	43.5
Investment income (loss)	12.5	6.1	(3.2)
Gifts and grants	44.2	40.1	84.1
Other, net of $1.6, $1.5, and $1.6 million interest expense, respectively	3.3	3.2	2.7
Total Non-Operating Revenues	$ 249.0	$ 199.3	$ 226.8

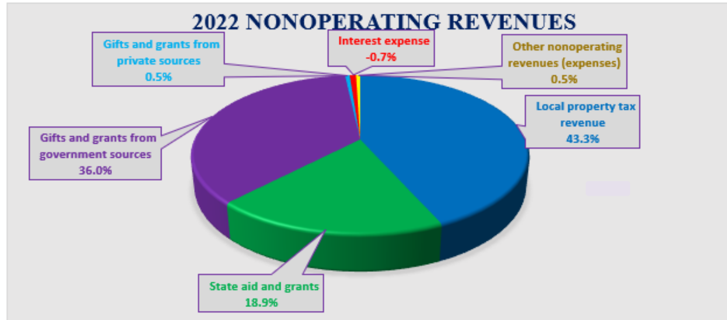
Below is a graphic representation of operating and non-operating revenue by source for the years ended June 30, 2024, 2023, 2022, and 2021:

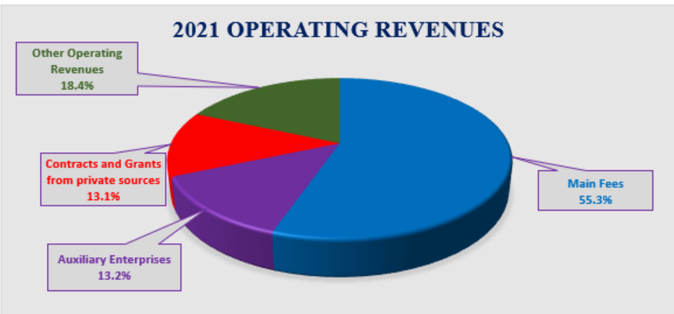


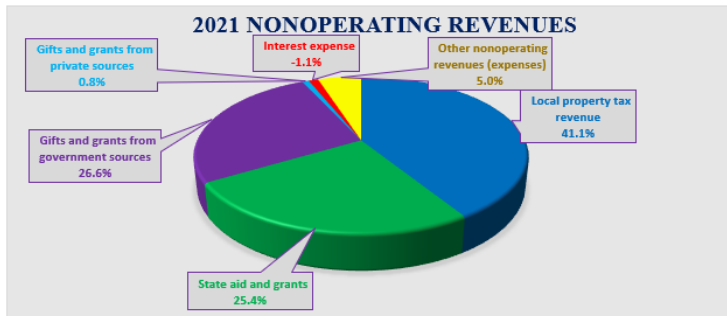












The chart below shows the natural classification components of operating expenses for the College during FY 2024, FY 2023, and FY 2022:

	(In Millions) Year Ended June 30,		
	2024	**2023**	**2022**
Operating Expenses			
Salaries and benefits	$ 119.7	$ 117.4	$ 117.6
Supplies and other services	57.1	54.3	45.3
Depreciation and amortization	12.0	10.6	9.4
Financial aid and scholarships	10.6	9.2	28.4
Total Operating Expenses	$ 199.4	$ 191.5	$ 200.7

- Salaries and benefits total increased $2.3 million (2.0%) in 2024, primarily due to higher salaries ($7.9 mil) offset by annual investment gains in pension and OPEB assets, which lowered benefit expense by $9.3 mil.

- Supplies and other services increased by $2.8 million, primarily related to cost increases due to inflation.

- Financial aid and scholarships increased by $1.4 million.

The following chart shows the total operating expenses by functional category for the years ended June 30, 2024, 2023, and 2022:

	(In Millions) Year Ended June 30,		
	2024	2023	2022
Operating Expenses			
Instruction	$ 76.6	$ 70.4	$ 60.1
Academic support	15.3	15.4	17.2
Student services	19.5	18.9	18.5
Institutional support	41.5	36.5	40.3
Operation & maintenance of plant	20.4	23.0	20.1
Scholarships & fellowships	11.4	9.7	28.7
Depreciation and amortization	12.0	10.6	9.4
Total Educational and General Expenditures	196.7	184.5	194.3
Auxiliary services	2.7	7.0	6.4
Total Operating Expenses	$ 199.4	$ 191.5	$ 200.7

Statements of Cash Flows

The Statements of Cash Flows present information about the cash activity of the College. The statements show the four major sources and uses of cash. "Cash from Operating Activities" contains the source and use of cash from ordinary operating activities, such as cash from maintenance fee revenue and cash used in payment for employee salaries and benefits, utilities, suppliers of goods and services, and the distribution of student financial aid. "Cash from Noncapital Financing Activities" captures cash activity from noncapital financing activities, such as cash received from local property tax, state appropriations, and federal student aid. "Cash from Capital and Related Financing Activities" contains cash activity related to the purchase or sale of capital assets, payment of principal and interest on capital debt, and the receipt of cash from the issuance of capital debt. "Cash from Investing Activities" contains the cash source or use resulting from the purchase, sale proceeds, and interest received from investing activities.

The following is a summary of the statements of cash flows for the years ended June 30, 2024, 2023, and 2022:

	(In Millions) Year Ended June 30,		
	2024	**2023**	**2022**
Cash provided (used) by			
Operating activities	$ (146.5)	$ (150.5)	$ (152.0)
Noncapital financing activities	233.7	190.0	227.3
Capital and related financing activities	(145.3)	(25.8)	(16.3)
Investing activities	43.4	(44.0)	(98.3)
Net (decrease) in cash	(14.7)	(30.3)	(39.3)
Cash, beginning of year	17.6	47.9	87.2
Cash, end of year	$ 2.9	$ 17.6	$ 47.9

For 2024, cash decreased by $14.7 million from 2023 due to the purchase of capital assets. For 2023, cash decreased by $30.3 million because of the increase in investments.

Capital and Debt Activities

- Debt service payments amounted to $1.5, $0.9, and $10.4 million for 2024, 2023, and 2022, respectively. As stated previously, the College retired all bond indebtedness during FY22.
- Capital asset acquisition and renovations amounted to $148.2, $29.7, and $9.9 million during 2024, 2023, and 2022, respectively. The primary reason for the higher capital acquisition costs during 2024, is related to the College’s construction of projects related to Stlcc Transformed and other improvements to the campuses.

The following is a summary of net capital assets for the years ended June 30, 2024, 2023, and 2022:

	(In Millions) Year Ended June 30,		
	2024	**2023**	**2022**
Net Capital Assets			
Land	$ 22.6	$ 22.6	$ 22.6
Construction in progress	164.8	26.9	7.8
Total nondepreciable assets	187.4	49.5	30.4
Land improvements	2.8	3.4	3.7
Buildings	59.5	61.6	63.7
Building improvements	42.0	47.1	45.6
Furniture, fixtures, and equipment	12.6	9.3	8.0
Total depreciable assets, net	116.9	121.4	121.0
Buildings	1.5	0.8	0.8
Furniture, fixtures, and equipment	0.1	0.4	0.7
Subscription assets	2.1	1.1	1.2
Total right to use assets, net	3.7	2.3	2.7
Total Net Capital Assets	$ 308.0	$ 173.2	$ 154.1

Certificates of Participation outstanding (related to the construction of the Forest Park campus Center for Nursing & Health Sciences building) totaled $38.0 million at June 30, 2024. Other changes in Lease purchase agreements and the Certificates of Participation relate to the systematic amortization of premiums and discounts.

	(In Millions) Year Ended June 30,		
	2024	**2023**	**2022**
Outstanding Total Debt and Leases			
Certificates of Participation	$ 38.0	$ 39.0	$ 39.1
Lease Purchase Agreements	1.6	1.2	1.5
	$ 39.6	$ 40.2	$ 39.1

Economic Outlook

Overview

Enrollment is a key driver of an institution's success. The Fall 2024 enrollment is up over the previous year; however, enrollment has yet to return to pre-pandemic levels. While it appears the trend of declines in enrollment may be reversing, the College only budgeted a slight increase in credit hours for FY25 of 0.8% as compared to FY24 levels. The actual increase for the Fall semester of 2024 is 6.0% in credit hours and an increase of 7.0% in headcount. One driver of the increase is a change that has been made to the College's pricing of Out-of-District and Out-of-State online education. For FY25 (beginning fall of 2024), the College lowered its pricing for these students from $171- $232 per credit hour to a flat $125 per credit hour. In-District students still enjoy a $122 per credit hour for any online course. This change only applied to the online modality.

In addition, to the online pricing changes, the College has moved to a guided "Pathways" model whereby students can identify their desired result (degree, transfer, or certificate) and take only classes that achieve their desired education result.

In support of the initiative to gain enrollment, College administration is continuing its evaluation of program offerings compared to current student demand and workforce needs. The national and regional trend of fewer students is concerning; however, credit hours are the driving force of tuition revenue. Predictions of lower enrollment related to a decline in the secondary school pool of college students have not been lost on the College administration and we continue our evaluation of our current course offerings to ensure they are relevant to current student demographics and students' desire to efficiently gain valuable knowledge and skills allowing them to timely enter the workforce. Planned new buildings and programs because of the college's stakeholder's commitment to fund our programs with their resources (see Stlcc Transformed herein and Note 17- Unrestricted and Restricted Fund Balances to the financial statements), will help us navigate the challenging education market conditions that will affect all post-secondary institutions over the next few years.

Disruptions to the nation's supply chain, while still a challenge for all businesses, have been for the most part resolved; however, the concern is that inflation has significantly increased cost estimates to complete capital improvements. The College appears to have mitigated any pricing problems because of our contracted construction having been committed early enough in the inflation cycle. This allowed us to meet our original cost estimates for construction of Transformed projects, and those estimates of cost have not increased significantly from earlier estimates. In addition, previous years' concerns over completion dates and construction schedules have not materialized, which has resulted in cost savings offsetting the inherent inflationary pressures. Inflationary pressure will most assuredly increase the cost of other construction projects for the foreseeable future.

The other significant uncontrollable economic condition facing the College is overall inflation. With the national inflation rate in goods and services (Consumer Price Index – "CPI") running higher than historical averages, the primary budgeted cost of college (wages and benefits) continues to show signs of upward strain. The College and its employee groups will be entering negotiations over the next few years with the reality of significant cost pressures related to the CPI both from past increases and the expectation of future CPI increases. The cost increases related to CPI increases (inflation) and the related financial stress on our employee groups have not gone unnoticed by the Board of Trustees and College administration. The challenge facing administration is that College revenue sources do not track with the national or regional CPI or any specific commodity; therefore, future adjustments in compensation must occur either from the increase of revenues or the reallocation of existing expenditure budgets.

The College revenue sources from local taxes and state aid are subject to increasing pressure from taxpayers and state legislators to reduce tax rates or provide for property tax reforms and relief. For example, St. Louis area counties have either enacted or are considering enacting freezes on property taxes for certain demographic groups which could impact overall tax collections. Specifically, St. Louis County has implemented a freeze on real estate taxes for property owners above the age of 62. This freeze is for property valuations/taxes as of January 1, 2025. These frozen amounts will affect property tax bills and collections as early as December 2025.

An additional item of concern is the current state of the local commercial real estate (CRE)market. Vacancy rates that have been impacted by employer work-from-home initiatives and other economic conditions have decreased occupancy of existing buildings. Decreased occupancy can lower values of existing buildings which can spill over into property tax valuations. Lower valuations, if not offset by new construction being added to the property tax rolls, could reduce local tax collections.

Overall, increasing revenue is challenging. The College's principal sources of unrestricted revenue are local tax revenue, state appropriations, and tuition. Notwithstanding legislative and local initiatives to lower tax burdens, local tax disruptions as a result of falling values can result in less local tax revenue or at best non-increasing revenue from local taxes. Additionally, while increases in property taxes may occur because of assessed valuations, they will be limited by our maximum allowed tax rate and further by the "Hancock Amendment," which was passed by the Missouri Legislature that limits the amount of increase in any given year. Any increase in assessed valuations of property located within the taxing districts may or may not result in an increase in our local tax revenue at a level to keep pace with inflationary pressures.

The allocations of state appropriations are determined through the legislative process with the approval of the Governor. Any increase in state appropriations to the College for future years is reliant upon the overall state tax collection resources, budget requests, needs of a variety of agencies funded through the state appropriation process, and the requests by the various educational institutions such as the College. In addition, it is certain that the state is experiencing the same economic pressures the College is facing (general inflation and employee and benefits costs). Increases in State Aid are not evident for the foreseeable future.

Tuition and maintenance fees may be the most difficult revenue source to adjust. Increasing tuition and maintenance fees per credit hour may exacerbate the lower enrollment trends currently evident in higher education. In addition, higher tuition and maintenance fees increase the potential debt burden to the College's customers (its students). Increasing the student debt burden and tuition, in general, is counterproductive to increasing enrollment, the stated goal of the College and specifically Stlcc Transformed. For these reasons, the College has chosen to hold tuition steady without an increase since FY22. Additionally, as stated before, the College has actually reduced the cost of online education for Out-of-District and Out-of-State students and families. Notwithstanding the decrease in online education tuition described above, maintenance fees for FY25 are the same as for FY24. The intent of maintaining unchanged maintenance fees and course costs is to increase our value proposition and provide relief from tuition increases to our students. Additionally, lower tuition equates to a lower debt burden for Stlcc students once their education goals have been met. Eventually, the College will need to raise its tuition and fees; however, the administration believes the benefits of stable non-rising tuition rates outweigh the marginal revenue increases that may be achieved by raising those rates. The administration believes its resources are better served by focusing on increasing enrollment and reducing expenditures to balance budgets.

Regarding reducing budgeted expenditures, the College is continuously evaluating expenditures to match our education delivery model. Budgeting techniques such as zero-based budgeting will ensure the proper use of precious resources. However, the largest component of the College's annual expenses is salaries and benefits which in accordance with Board Policy shall not exceed 75% of the general operating budget (which does not include restricted grants and their associated revenue or costs and expenditures). The staggered individual union contracts that the College enjoys may mitigate some of the upward pressure of wages since the College's bargaining unit contracts do not all renew at the same time (every year). However, the cumulative effect of wage increases will require College administration to identify cost savings that can be allocated to compensation increases. Couple direct wage increase pressure with the rising cost of benefits provided to employees, and the College will face significant future challenges. One of the largest components of the benefits offered by the College to its employees is health care insurance. The long-term average of annual increases in health care nationally is 5.12% which is significantly larger than the overall general inflation trends in the past twenty-five years which has averaged approximately 2.5%. While the actual overall CPI has increased significantly since 2021, this has been a recent phenomenon when compared to the rising cost of health care. Health care cost increases have historically been shared by the College as an employer and its employees directly. College administration is committed to minimizing health care cost increases to its employees; however, this commitment is limited by the available resources and the overall economic challenges that face the College.

Coupled with the potential upward pressure of employee wages and benefits, the College competes in the regional market for quality employees. Since all employers in the region are experiencing the same workforce problem (upward cost pressures and an available supply of potential employees), businesses competing for quality employees including the College are forced to raise starting salaries to attract exceptional talent. This may result in the College having a difficult time retaining its existing talented employees. The College is committed to fair compensation for its employees and will continue to evaluate employee wages as compared to other similar local businesses.

Tuition

As stated previously, the administration understands that college affordability is a key student decision component that directly affects student enrollment and retention, which in turn determines the College's success in fulfilling its vision stated above. For FY25, the College chose not to increase its charge for tuition and fees. In addition, for students enrolling in the fall of 2024, the College lowered online modality only tuition and fees for Out-of-District and Out-of-State students to $125 per hour from the in person applicable tuition and fee rate.

Below is the fee structure enjoyed by students since 2021:

Summary of Tuition and Fees

	2025	2024	2023	2022	2021
In-District residents					
Maintenance Fee	$ 99.00	$ 99.00	$ 99.00	$ 99.00	$ 99.00
Activity Fee	7.00	7.00	7.00	7.00	6.50
Technology Fee	11.00	11.00	11.00	11.00	11.00
Student Services Fee*	5.00	5.00	5.00	5.00	-
Total Fees	$ 122.00	$ 122.00	$ 122.00	$ 122.00	$ 116.50
Online out-of-district and out-of-state					
Maintenance Fee	$ 102.00	$ -	$ -	$ -	$ -
Activity Fee	7.00	-	-	-	-
Technology Fee	11.00	-	-	-	-
Student Services Fee*	5.00	-	-	-	-
Total Fees	$ 125.00	$ -	$ -	$ -	$ -
Out-of-district residents					
Maintenance Fee	$ 148.00	$ 148.00	$ 148.00	$ 148.00	$ 148.00
Activity Fee	7.00	7.00	7.00	7.00	6.50
Technology Fee	11.00	11.00	11.00	11.00	11.00
Student Services Fee*	5.00	5.00	5.00	5.00	-
Total Fees	$ 171.00	$ 171.00	$ 171.00	$ 171.00	$ 165.50
Out-of-state residents					
Maintenance Fee	$ 210.00	$ 210.00	$ 210.00	$ 210.00	$ 210.00
Activity Fee	7.00	7.00	7.00	7.00	6.50
Technology Fee	11.00	11.00	11.00	11.00	11.00
Student Services Fee*	5.00	5.00	5.00	5.00	-
Total Fees	$ 233.00	$ 233.00	$ 233.00	$ 233.00	$ 227.50
International students					
Maintenance Fee	$ 220.00	$ 220.00	$ 220.00	$ 220.00	$ 220.00
Activity Fee	7.00	7.00	7.00	7.00	6.50
Technology Fee	11.00	11.00	11.00	11.00	11.00
Student Services Fee*	5.00	5.00	5.00	5.00	-
Total Fees	$ 243.00	$ 243.00	$ 243.00	$ 238.00	$ 237.50

* New fee for 2022

For FY24, maintenance fees, net of scholarship allowances ($19.9 million) represented approximately 7.1% of total operating and non-operating revenues combined. Additional primary sources of operating and non-operating revenues were State Aid ($80.2 million), Local Property Taxes ($108.8 million), Gifts and Grants from Government and Private sources ($44.2 million), Auxiliary Enterprises ($0.8 mil), and other sources ($9.2 million), net. Total FY24 revenue from all sources increased by 19.4% over the FY23 revenues. This is primarily a result of grants from the State of Missouri in support of Stlcc Transformed of $37.1 mil through match grants for buildings at our Florissant Valley and Wildwood campuses. Also, investment income and fair market value adjustments of investments have increased by $6.4 million over FY23 amounts because of higher short-term interest rates and the shortening of investment durations. How long an inverted yield curve exists (short term rates exceed long term rates), is unknown; however, it appears the inverted yield curve will exist through the first calendar quarter of 2025. While the College records an adjustment to its investment portfolio for fair market value, the College does not foresee the need to liquidate investments prior to their maturity date. Without liquidation, fair market value adjustments are unrealized gains or losses as recorded in the financial operating results.

Local Property Taxes

Local property taxes have increased from FY23 to FY24 by $5.1 million primarily because of new construction becoming operational (taxable) on January 1, 2023. This results in additional tax revenue in FY24 for the College. Future increases in local taxes cannot be assured since re-assessment only occurs every two years (odd years) and any calculated tax increase may be limited by State law (the "Hancock Amendment"). Additionally, the construction of new commercial projects in future years that could drive additional tax revenue, especially in the commercial real estate market, is dependent on economic conditions that must be projected years in advance. Those economic conditions include the "cost of funds" that typically are borrowed by the developer to finance their construction prior to the property becoming operational (revenue producing). As interest rates rise, some projects may not be economically viable, which could delay construction, which in turn would then delay the matriculation of a property onto the tax rolls. Obviously, the outright cancellation of a planned project because of higher interest rates or economic conditions might permanently affect future tax collection increases.

While some projects had been started prior to the Federal Reserve raising rates (the Federal Reserve recently lowered the Federal Funds rate by 75 basis points), inflation has not come down to the Federal Reserve target of 2%, which impacts total project costs and future income streams. Interest rates for financing all projects must be viewed through a higher interest rate lens as long as inflation remains above the 2% target. Prevailing interest rates and forecasted economic conditions (including interest costs) may change the viability of a particular planned project. A slowing of construction, along with the limitation of property tax increases because of the State-enacted "Hancock Amendment," could impact future collections.

As previously discussed, on August 3, 2021, a special election was held in the College's area of service (St. Louis County, St. Louis City, Franklin County, and Jefferson County) whereby the voters approved an increase in the College's property tax rate to a maximum of $27.87 cents per $100 of assessed valuation. The increase in the tax rate has increased local property tax revenue to the College by more than $29.5 million annually (since 2021). In accordance with the ballot initiative, the net additional proceeds derived from the approved tax increase are planned to provide funding to the College for:

- Updating career training programs and facilities to enable job growth in critical industries for the St. Louis region including health care, information technology, financial services, biotechnology, and manufacturing.
- Providing real-world learning environments where the technology in the classroom matches the tools students will use in the workplace.

- Expanding up-to-date best practices in job training and retraining that will contribute to career development opportunities for students and employers in the region.
- Continuing to provide safe and secure learning environments for students, employees, and the community.

These goals, projects, and initiatives as identified in the request require significant new capital improvements to its campuses, including possible new buildings, equipment, and programs (Stlcc Transformed). These costs are in addition to anticipated other improvements to existing campus facilities, equipment, and programs. As a result of the planned Stlcc Transformed initiative, the College (subsequent to year end - See Footnote 4 – Changes in Long-Term Debt and Leases) issued a net $225 mil of new Certificates of Participation in July 2024.

State Aid and Grants

Funding from the state for FY24 has increased by approximately $34.0 million over FY23 which is attributable predominantly to match grants ($33.6 mil) allocated by the state to the College for buildings at the Florissant Valley and Wildwood Campuses. In addition to the funds received ($33.6 mil), the State has allocated an additional $28.4 mil in match grants for the identified projects in FY25. The College anticipates that all funds will be matched and received prior to June 30, 2025, in accordance with the grant allocated funds.

In addition to core funding, certain amounts included in the state aid formulas are for expenditures that require an outlay of college resources in advance to qualify for reimbursement. Core funding from the state, which represents money that can be used to offset discretionary spending, is approximately $44.2 million for FY24, as compared to approximately $43.3 million for FY23.

Interest Income

As a result of Federal Reserve interest rate policies, qualified investments available to the College (as defined by state law) and the corresponding yields attributable to the College's actual investments have been volatile. Actual interest rates on investments have risen significantly since June 1, 2022. However, with the Federal Reserve lowering the Federal Funds rate by 75 basis points through October 2024, other anticipated cuts could lower interest income results for College investments. The College has successfully reduced the duration of its portfolio which allows the College to take advantage of higher rates that may be available in the short term.

The timing of any increases or decreases cannot be predicted. So far, in the first quarter of FY25, inflation, as reflected in the CPI has been around 2.4% on an annual basis. This high inflation rate as compared to historical values results in "real" net investment short-term interest rates of approximately 1.5%-2.0% (market investment interest rates minus the inflation rate). Based upon the 10-year treasury yield, the "real" longer-term rate is close to 2%. Increasing interest rates have a positive impact on investment opportunities and corresponding investment yields (the College's investment income). The outlook is that interest rate declines will be moderate in early next year (2025) and then possibly decline further in 2026.

Student Credit Hours

The College is currently projecting a slight increase in credit hours for FY25. Through the fall semester of 2024, the enrollment headcount and credit hours have increased 7.0% and 6.1%, respectively. The College's student credit hours were impacted by COVID-19, which caused significant economic shocks in the College's service area. While credit hours are budgeted to slightly increase in FY25 over FY24, FY24 was significantly under the years prior to COVID-19. The College has been working with local employers to match its course and certificate offerings to local and regional workforce needs and the administration believes the passage of the property tax increase (previously discussed) was a crucial component for making future College physical assets and program improvements align with workforce needs of area businesses. The increase in local tax revenue is expected to indirectly increase student credit hours through new and upgraded facilities, equipment, and programs.

The planned improvements under the Stlcc Transformed additional tax revenue are part of a long-term College enrollment strategy; however, in the near term, pricing structures such as the College's reduction of online education tuition and fees for Out-of-District and Out-of-State students and development of our Pathways model are believed to have a positive impact on enrollment. Additionally, there is a statistical correlation between students, credit hours, and unemployment and when unemployment is high, more students avail themselves of education and job training/re-training programs like what the College offers. Currently, the labor market in the College's service area is tight with a corresponding unemployment rate of 4.3%. While the current unemployment rate is higher than immediate previous years, it is below what has historically been considered full employment (5.0%). Administration is cautiously optimistic about enrollment gains; however, to be conservative we do not forecast large enrollment increases when determining our annual budget.

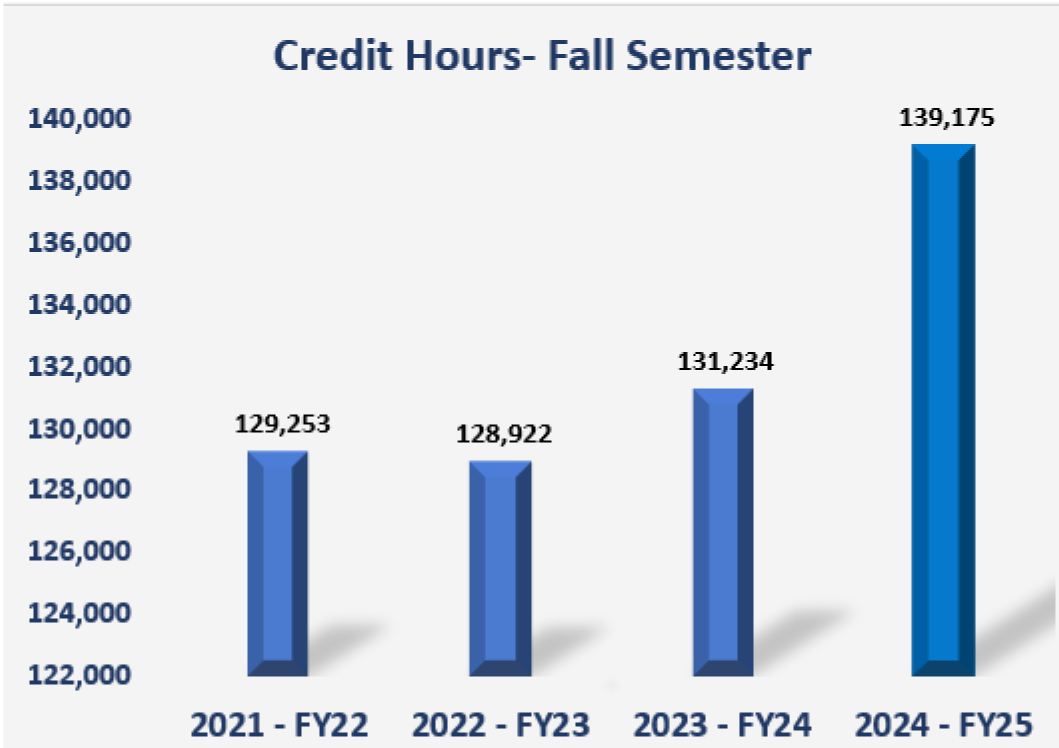
The chart below shows the student credit hours for five years:

Student Credit Hours
Year Ended June 30,

	2025*	**2024**	**2023**	**2022**	**2021**
Student credit hours	290,000	289,311	281,639	294,282	302,145
Percentage change from previous year		2.7%	-4.3%	-2.6%	-9.7%
St. Louis County Unemployment Rate at 6/30		4.3%	3.2%	2.2%	5.1%

***Budgeted for 2025**

The following chart graphically displays Student Credit Hours for the Fall semester for four (4) years.



Requests for Information

This financial report and discussions are designed to provide a general overview of the College's finances and to demonstrate the College's accountability. If you have questions about this report or need additional information, contact the administrative office at:

3221 McKelvey Rd
Bridgeton, Missouri, 63044

Financial Statements

Community College District of St. Louis

Statements of Net Position

June 30, 2024 and 2023

	2024	2023
Assets		
Current assets		
Cash and cash equivalents	$ 2,856,212	$ 17,599,622
Investments	180,965,978	211,861,192
Financing deposit held	4,000,000	-
Accounts receivable, net of allowance of $19,227,634 and $18,600,911	20,502,386	12,456,930
Lease receivable - current	1,347,724	1,288,360
Inventories	194,461	173,536
Prepaid expenses	1,334,072	2,897,331
Total current assets	211,200,833	246,276,971
Noncurrent assets		
Lease receivable - noncurrent	13,715,369	15,063,092
Capital assets		
Non-depreciable	187,381,203	49,495,568
Depreciable, net	116,874,531	121,341,179
Right-to-use assets, net	3,690,798	2,322,285
Total capital assets	307,946,532	173,159,032
Net pension asset - NCERP	409,562	-
Total noncurrent assets	322,071,463	188,222,124
Total Assets	533,272,296	434,499,095
Deferred Outflows of Resources		
Deferred PSRS pension outflows	80,488,134	88,199,321
Deferred OPEB outflows	195,172	349,270
Deferred tenant improvements	104,958	183,249
Total Deferred Outflow of Resources	80,788,264	88,731,840

See accompanying Notes to Financial Statements

Community College District of St. Louis

Statements of Net Position

June 30, 2024 and 2023

	2024	2023
Liabilities		
Current liabilities		
Accounts payable	30,543,066	8,739,523
Accrued liabilities	7,936,921	7,323,349
Accrued wages payable	6,805,723	2,693,825
Deposits held for others	186,621	181,878
Unearned revenue	9,246,382	9,873,606
Unearned financing deposit	4,000,000	-
Current maturities of long-term debt and leases	1,421,984	1,725,358
Total current liabilities	60,140,697	30,537,539
Noncurrent liabilities		
Net pension liabilities:		
PSRS	102,508,372	91,201,748
NCERP	-	7,037,115
Net OPEB liabilities	2,448,004	6,376,297
Lease obligations	1,114,602	419,612
Certificates of participation, net	37,047,648	38,016,144
Total noncurrent liabilities	143,118,626	143,050,916
Total Liabilities	203,259,323	173,588,455
Deferred Inflows of Resources		
Deferred lease inflows	15,063,093	16,351,452
Deferred pension inflows	42,788,793	63,200,535
Deferred OPEB inflows	6,007,467	2,733,290
Total Deferred Inflows of Resources	63,859,353	82,285,277
Net Position		
Net investment in capital assets	240,598,513	126,741,421
Restricted for		
Expendable		
Other	9,599,929	8,726,453
Nonexpendable		
Endowment	4,879,382	4,667,922
Unrestricted	91,864,060	127,221,407
Total Net Position	$ 346,941,884	$ 267,357,203

See accompanying Notes to Financial Statements

Community College District of St. Louis

Statements of Revenues, Expenses, and Changes in Net Position

Years Ended June 30, 2024 and 2023

	2024	2023
Operating Revenues		
Maintenance fees		
net of scholarship allowances of $15,748,789 and $15,428,859	$ 19,844,066	$ 19,429,780
Auxiliary enterprises		
Bookstore and vending	825,607	4,676,832
Contracts and grants from private sources	3,638,207	4,869,403
Other operating revenues	5,610,314	5,114,527
Total Operating Revenues	29,918,194	34,090,542
Operating Expenses		
Salaries	100,021,208	92,099,574
Benefits, net of annual pension and OPEB adjustments - (decrease) of $(9,340,627) and $(3,360,943)	19,643,335	25,263,974
Supplies and other services	48,333,360	45,431,020
Utilities	5,084,061	5,073,919
Travel	874,937	740,877
Repairs and maintenance	2,777,068	3,105,622
Financial aid and scholarships	10,588,864	9,220,739
Depreciation and amortization	12,044,292	10,627,529
Total Operating Expenses	199,367,125	191,563,254
Operating (Loss)	(169,448,931)	(157,472,712)
Non-Operating Revenues (Expenses)		
Local property tax revenue	108,772,443	103,685,722
State aid and grants	80,208,504	46,176,559
Investment income	12,536,291	6,147,451
Vocational funding	483,908	54,805
Gifts and grants from government sources	43,669,538	39,503,278
Gifts and grants from private sources	571,434	645,729
Interest expense	(1,559,790)	(1,546,294)
Other nonoperating revenues	4,351,284	4,656,528
Total Nonoperating Revenues (Expenses)	249,033,612	199,323,778
Change in Net Position	79,584,681	41,851,066
Net Position, Beginning of Year	267,357,203	225,506,137
Net Position, End of Year	$ 346,941,884	$ 267,357,203

See accompanying Notes to Financial Statements

Community College District of St. Louis

Statements of Cash Flows

Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Maintenance fees	$ 18,392,227	$ 20,979,250
Payments to suppliers	(28,639,488)	(43,903,861)
Payments for utilities	(5,084,061)	(5,073,919)
Payments to employees	(95,909,309)	(97,717,608)
Payment for benefits	(23,626,510)	(25,125,910)
Payments for financial aid and scholarships	(10,588,864)	(9,220,739)
Auxiliary enterprise charges		
Bookstore and vending	825,607	4,676,832
Contracts and grants from private sources	5,220,336	3,162,237
Other receipts (disbursements)	(7,140,345)	1,688,756
Net Cash (Used) by Operating Activities	(146,550,407)	(150,534,962)
Cash Flows from Noncapital Financing Activities		
Local property taxes	108,772,443	103,685,722
State aid and grants	80,779,939	46,822,288
Federal direct student loans received	2,999,286	3,148,633
Federal direct student loans disbursed	(2,999,286)	(3,148,633)
Gifts and grants	43,669,538	39,503,277
Vocational funding and other	483,908	54,805
Net Cash Provided by Noncapital Financing Activities	233,705,828	190,066,092
Cash Flows from Capital and Related Financing Activities		
Sale of capital assets	532,482	642,236
Purchase of capital assets	(146,831,793)	(29,335,936)
Other receipts	4,046,478	5,341,998
Principal paid on debt and leases	(1,517,713)	(917,565)
Interest paid on debt and leases	(1,559,790)	(1,546,294)
Net Cash (Used) by Capital and Related Financing Activities	(145,330,336)	(25,815,561)
Cash Flows from Investing Activities		
(Purchase) sale of investments	30,895,214	(50,150,581)
Interest on investments	12,536,291	6,147,451
Net Cash Provided (Used) by Investing Activities	43,431,505	(44,003,130)
Net Change in Cash and Cash Equivalents	(14,743,410)	(30,287,561)
Cash and Cash Equivalents, Beginning of Year	17,599,622	47,887,183
Cash and Cash Equivalents, End of Year	$ 2,856,212	$ 17,599,622

See accompanying Notes to Financial Statements

	2024	2023
Reconciliation of Operating (Loss) to Net Cash (Used) by Operating Activities		
Operating (loss)	$ (169,448,931)	$ (157,472,712)
Adjustments to reconcile operating (loss)		
to net cash (used) in operating activities:		
Depreciation and amortization expense	12,044,292	10,627,529
Changes in assets, deferred outflows, liabilities, and deferred inflows		
Receivables, net	(8,045,456)	(2,684,188)
Inventories	(20,925)	908,983
Prepaid expenses	1,563,259	(492,242)
Deferred tenant improvements	78,291	93,942
Accounts payable	21,803,544	4,956,915
Accrued liabilities	5,438,627	(5,947,318)
Net pension	(8,840,609)	(3,792,858)
Net OPEB	(500,018)	229,484
Unearned revenue	(627,224)	3,026,526
Deposits held for others	4,743	10,977
Net Cash (Used) by Operating Activities	$ (146,550,407)	$ (150,534,962)

Community College District of St. Louis

Statements of Fiduciary Net Position

June 30, 2024 and 2023

	Pension and Other Employee Benefit Trust Fund	
	NCERP Pension Plan	
	2024	**2023**
Assets		
Cash and cash equivalents	$ 49,876	$ 47,938
Investments, at fair value	71,620,722	66,706,705
Total Assets	71,670,598	66,754,643
Liabilities		
Accrued expenses	873,805	896,200
Total Liabilities	873,805	896,200
Net Position		
Restricted for pensions	70,796,793	65,858,443
Total Net Position	$ 70,796,793	$ 65,858,443

See accompanying Notes to Financial Statements

Community College District of St. Louis

Statements of Changes in Fiduciary Net Position

Years Ended June 30, 2024 and 2023

	Pension and Other Employee Benefit Trust Fund	
	NCERP Pension Plan	
	2024	**2023**
Additions		
Investment Income (Loss)		
Net change in fair value of investments	$ 8,332,221	$ 5,378,724
Interest and dividends, net of investment expense	721,833	702,865
Total Investment Income (Loss)	9,054,054	6,081,589
Contributions		
Employer	633,247	616,134
Participants	633,247	616,134
Total Contributions	1,266,494	1,232,268
Total Additions	10,320,548	7,313,857
Deductions		
Benefits Paid Directly to Participants	5,277,061	5,636,811
Transfer of Participant Assets to State Pension Fund	-	794,724
Administrative Expenses	105,137	176,751
Total Deductions	5,382,198	6,608,286
Net Increase (Decrease) in Net Position	4,938,350	705,571
Net Position, Beginning of Year	65,858,443	65,152,872
Net Position, End of Year	$ 70,796,793	$ 65,858,443

See accompanying Notes to Financial Statements

1. Summary of Significant Accounting Policies

The Community College District of St. Louis (the College) (formerly known as the Junior College District of St. Louis) is a public institution of higher education providing services to residents of the City of St. Louis, St. Louis County and portions of Jefferson and Franklin Counties in Missouri (the District). The College is a community college organized by the voters of the District and governed by a seven- member Board of Trustees elected throughout the District. The College maintains four primary campus locations (Forest Park, Meramec, Florissant Valley, and Wildwood) and other education centers (William J. Harrison Education Center, Corporate College and South County Education and University Center). The significant accounting policies followed by the College are described below:

Financial Reporting Entity and Component Units, and Fiduciary Funds

The Community College District of St. Louis, St. Louis County, Missouri's financial reporting entity consists of the College and its component units, the Junior College District of St. Louis, St. Louis County, and the St. Louis Community College Foundation (the Foundation), for which the College is financially accountable. The Foundation is a legally separate entity; however, its purpose is to support and foster the operations, programs, and welfare of the College by furnishing financial, advisory, and other support. The Chancellor, Vice Chair of the College's Board of Trustees and one other member of the College's Board of Trustees serve as ex officio members of the Foundation's Board of Directors in addition to 43 other independently elected directors.

Although the College does not control the Foundation's activities, all the resources and related income are restricted 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 blended component unit of the College. Separate financial statements are prepared and independently audited for the Foundation.

Activities relating to the fiduciary activities of the College include the College's Non-Certificated Employees Retirement Plan (the Plan). While fiduciary activities are controlled by the College through its Board of Trustees, the transactions for these activities are separated from the College's financial statements in accordance with GASB 84. Separate financial statements are prepared and independently audited for the Plan.

Financial Reporting

The College, as a public institution, prepares its financial statements in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB).

GASB Statement No.35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources*, and Net Position and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* establish standards for external financial reporting for public colleges and universities and require that resources be classified for accounting and reporting purposes into the following net position categories:

- Net Investment in Capital Assets: Capital assets, net of accumulated depreciation and net outstanding principal balances of debt (including accrued liabilities) attributable to the acquisition, construction, or improvement of those assets.

- Restricted, Expendable: Net position, which when used by the College, is subject to externally imposed stipulations that can be fulfilled by actions of the College pursuant to those stipulations or that expire with the passage of time.
- Restricted, Nonexpendable: Net position subject to externally imposed stipulations that they be maintained permanently by the College. Such assets include the corpus of the College's permanent endowment funds.
- Unrestricted: Net position which is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management and the Board of Trustees.

The financial statements of the College are intended to present the financial position, changes in financial position, and the cash flows of only that portion of the business-type activities that are attributable to the transactions of the College and its component units. Business-type activities are those financed in whole or in part by fees charged to external parties for goods and services. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred.

The College's policy for defining operating activities as reported on the statements of revenues, expenses, and changes in net position are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Certain significant revenue and expense transactions relied upon for operations are recorded as non-operating revenues and expenses, including local property taxes, state appropriations, gifts and grants, interest income, and interest on capital asset-related debt. The College first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position is available.

Fiduciary Statements

The College accounts for and presents financial statements for fiduciary activities in accordance with GASB 84- *Fiduciary Activities.* In accordance with GASB 84, the College does not include the activity or account balances of fiduciary activities in its primary financial statements. However, separate fiduciary statements are presented for such activities in accordance with the pronouncement.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The College considers all investments with an original maturity of 90 days or less at date of acquisition to be cash equivalents for purposes of the statement of cash flows.

Investments

The College categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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.

Student Accounts Receivable

Student accounts receivable are uncollateralized student obligations which generally require payment by dates established in advance which are prior to the commencement of enrolled classes. Accounts receivable are stated at the billed amount less applied scholarships and loan proceeds.

The carrying amount of accounts receivable is reduced by an allowance for doubtful accounts based on management's assessment of the collectability of specific student accounts and the aging of the accounts receivable. All accounts or portions thereof deemed to be uncollectible or to require an excessive collection cost are written off to the allowance for doubtful accounts.

Inventories

Campus store and bookstore inventories are recorded at the lower of cost or market with cost being determined on a first in, first out basis.

Deferred Outflows of Resources

The College reports increases in net position that relate to future periods as deferred outflows of resources in a separate section of the statements of net position. The College's deferred outflows of $80,788,264 as of June 30, 2024, consists of current year payments of contributions to the pension plan and differences in expected and actual experience of the pension and OPEB plans that will be recognized in future years. In addition, deferred outflows include unamortized tenant improvements and leasing commissions for the Corporate College located in Bridgeton, Missouri. The deferred outflows of $88,731,840 as of June 30, 2023, consisted of the pension and OPEB plans that will be recognized in future years and unamortized tenant improvements and leasing commissions for the Corporate College located in Bridgeton, Missouri.

Deferred Inflows of Resources

The College reports decreases in net position that relate to future periods as deferred inflows of resources in a separate section of the statements of net position. The College's deferred inflows of $63,859,353 as of June 30, 2024, and $82,285,277 as of June 30, 2023, consists of differences between projected and actual earnings on pension plan investments and changes in its proportionate share of employer contributions in the PSRS pension plan and OPEB liabilities and, additionally, deferred inflows of $15,063,093 and $16,351,452 as of June 30, 2024, and 2023, respectively, are related to GASB 87 – *Leases*. The amounts represent the present value of amounts to be received by the College under lease agreements including option periods for leases of facilities and broadband assets.

Capital Assets, Net

Land is stated at acquisition cost. Land improvements, buildings, building improvements, furniture, fixtures, and equipment are recorded at acquisition cost less accumulated depreciation for assets purchased, and at fair market value as of the date of donation for assets acquired by gift. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

The College's capitalization policy for capital assets is $5,000 or greater.

Property and equipment of the College are depreciated using the straight-line method over the following useful lives.

Assets	Years
Land improvements	20
Buildings	45
Building improvements	20
Equipment	5 to 15
Computer technology	3
Furniture	20

Accumulated Unpaid Vacation

College employees earn vacation during the year using a formula based on the employee's classification, hours worked and years of service. Employees generally may accumulate a maximum of two years' vacation, payable to employees upon termination. Accumulated unpaid vacation is classified in the accompanying statements of net position as accrued wages payable.

Unearned Revenue

Unearned revenue consists primarily of maintenance fees for the subsequent school year paid in advance, contract revenue paid in advance, and grant revenue received more than grant expenditures. Maintenance fees consist of per hour fees charged to students attending classes at the College.

Classification of Revenues

The College has classified its revenues as either operating or non-operating revenues according to the following criteria:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as (1) maintenance fees, net of scholarship allowances, (2) sales and services of auxiliary enterprises and (3) grants and contracts meeting certain criteria.

Non-operating revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as grants, gifts, contributions, local property taxes, state appropriations, interest income, and other revenue sources defined as non-operating revenues.

Scholarship Allowances and Student Aid

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

Federal Student Financial Assistance Programs

The College participates in the following federal student financial aid programs: Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Work Study, and Federal Direct Loan Programs. Federal programs are audited in accordance with the Single Audit Act Amendments of 1996, and the *Compliance Supplement* Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance).

Tax Revenues

Local tax revenues represent payments earned during the year from the City of St. Louis, St. Louis County, Franklin County, and Jefferson County Collectors on taxes levied for calendar years 2023 and prior.

Income Tax Status

As a public institution of higher learning, the College is generally exempt from federal and state income taxes as a local governmental unit under Section 115(a) of the Internal Revenue Code and a similar provision of State law. The Foundation has qualified for exemption from income tax under Section 501(c)(3) of the Internal Revenue Code.

Post-Employment Health Care Benefits

Retiree Benefits – by State law, the College offers post-employment health care benefits to all employees who retire from the College. Retirees are eligible if they receive retirement benefits under the Public-School Retirement System (PSRS). Retirees pay 100% of their own premiums; however, such premiums are based upon a blended participant pool of the College's employees and the retirees. Such blending results in an implied subsidy to the retirees since the premiums charged to retirees are generally less than the retiree could purchase from third party insurance carriers.

This implied subsidy is reflected in the Statements of Net Position as net OPEB liabilities including deferred inflows of resources and deferred outflows of resources related to post-employment health care benefits. OPEB liabilities and the related deferred inflows of resources and deferred outflows of resources are discussed more fully in Note 13 – Post-Employment Benefits Other than Pensions (OPEB).

2. Cash & Investments

Cash

Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits may not be returned to it. The College's deposit policy requires that amounts in excess of any insurance limit be collateralized by the financial institution with appropriate pledged securities to protect funds which are held at the institution above the federal insurable level.

At June 30, 2024 and 2023, the unreconciled bank balance of the College's deposits, which includes deposits and repurchase agreements, was $8,605,128 and $21,460,039, respectively. At June 30, 2024 and 2023, none of the bank balance was exposed to custodial credit risk.

Investments

The College categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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.

The College's investments and maturities at June 30, 2024, are illustrated below:

	Less Than 1 Year	1 - 5 Years	Total
U.S. Government Agencies	$ 50,561,908	$ 17,734,555	$ 68,296,463
U.S. Treasury Bonds and Bills	96,458,847	-	96,458,847
Certificates of Deposit	3,464,628	490,000	3,954,628
Commerce Trust			
Fidelity 500 Index Fund- Ai	3,665,040	-	3,665,040
Baird Aggregate Bond	1,928,377	-	1,928,377
Fidelity Int'l Index	1,636,137	-	1,636,137
DWS Rreef Real Est Sec Fund-Inst	834,466	-	834,466
JPMorgan Hedged Equity Fund-R6	591,872	-	591,872
Dodge & Cox Income	559,604	-	559,604
Blackrock Syst Multi-Strat Fund K	550,673	-	550,673
Fidelity Emerging Mkts Index	334,126	-	334,126
Fidelity Mid Cap Value Index Fund	316,617	-	316,617
Fidelity Mid Cap Growth Index Fund	270,296	-	270,296
PGIM Global Real Estate Class Q	259,848	-	259,848
Fidelity Large Cap Growth Index Fund	242,956	-	242,956
Commerce Fin Sq Tr Gov't Fd	216,586	-	216,586
iShares US Treasury Bond ETF	167,695	-	167,695
Vanguard Long-Term Treas Index	107,660	-	107,660
Fidelity Small Cap Value Index	104,923	-	104,923
Fidelity Small Cap Growth Index	79,394	-	79,394
Fidelity New Mkts Inc Fund Z	72,594	-	72,594
Pimco Emg Mkts Bond Fund Ins	72,393	-	72,393
PGIM Jennison Mid-Cap Gr Cl R6	62,858	-	62,858
American Century Small Cap	53,985	-	53,985
DFA US Targeted Value Portfolio	31,376	-	31,376
Artisan Mid Cap Fund-Ins	25,157	-	25,157
Ab Sm Cap Growth Portfolio Adv	23,080	-	23,080
Edward Jones			
Equity - Corporate Stocks	48,327	-	48,327
	$ 162,741,423	$ 18,224,555	$ 180,965,978

The College categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The College has the following recurring fair value measurements as of June 30, 2024:

	Investments Not Subject to Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
U.S. Government Agencies	$ -	$ -	$ 68,296,463	$ -	$ 68,296,463
U.S. Treasury Bonds and Bills	-	96,458,847	-	-	96,458,847
Certificates of Deposit	3,954,628	-	-	-	3,954,628
Commerce Trust - Foundation					
Fidelity 500 Index Fund- Ai	-	3,665,040	-	-	3,665,040
Baird Aggregate Bond	-	1,928,377	-	-	1,928,377
Fidelity Int'l Index	-	1,636,137	-	-	1,636,137
DWS Rreef Real Est Sec Fund-Inst	-	834,466	-	-	834,466
JPMorgan Hedged Equity Fund-R6	-	591,872	-	-	591,872
Dodge & Cox Income	-	559,604	-	-	559,604
Blackrock Syst Multi-Strat Fund K	-	550,673	-	-	550,673
Fidelity Emerging Mkts Index	-	334,126	-	-	334,126
Fidelity Mid Cap Value Index Fund	-	316,617	-	-	316,617
Fidelity Mid Cap Growth Index Fund	-	270,296	-	-	270,296
PGIM Global Real Estate Class Q	-	259,848	-	-	259,848
Fidelity Large Cap Growth Index Fund	-	242,956	-	-	242,956
Commerce Fin Sq Tr Gov't Fd	-	216,586	-	-	216,586
iShares US Treasury Bond ETF	-	167,695	-	-	167,695
Vanguard Long-Term Treas Index	-	107,660	-	-	107,660
Fidelity Small Cap Value Index	-	104,923	-	-	104,923
Fidelity Small Cap Growth Index	-	79,394	-	-	79,394
Fidelity New Mkts Inc Fund Z	-	72,594	-	-	72,594
Pimco Emg Mkts Bond Fund Ins	-	72,393	-	-	72,393
PGIM Jennison Mid-Cap Gr Cl R6	-	62,858	-	-	62,858
American Century Small Cap	-	53,985	-	-	53,985
DFA US Targeted Value Portfolio	-	31,376	-	-	31,376
Artisan Mid Cap Fund-Ins	-	25,157	-	-	25,157
Ab Sm Cap Growth Portfolio Adv	-	23,080	-	-	23,080
Edward Jones - Foundation					
Equity - Corporate Stocks	-	48,327	-	-	48,327
	$ 3,954,628	$108,714,887	$ 68,296,463	$ -	$180,965,978

The College's investments and maturities at June 30, 2023, are illustrated below:

	Less Than 1 Year	1 - 5 Years	Total
U.S. Government Agencies	$ 57,403,753	$ 33,319,531	$ 90,723,284
U.S. Treasury Bonds and Bills	102,956,982	949,492	103,906,474
Certificates of Deposit	3,985,000	2,455,000	6,440,000
Comerica			
Global Equity Fund	2,889,544	-	2,889,544
Vanguard Inflation	492,479	-	492,479
John Hancock Infrastructure Fund	208,978	-	208,978
Vanguard Value Index FD ADM	318,828	-	318,828
Cohen & Steers Global Realty	300,129	-	300,129
Advisors Inner Circle	350,391	-	350,391
Fidelity 500 Index	2,878,717	-	2,878,717
Jackson Square SMID-Cap	161,035	-	161,035
Mercer Core Fixed Income	3,141,076	-	3,141,076
Money Market Treasury Fund	3,432	-	3,432
Receivables Accrued Income Fund	4,911	-	4,911
Edward Jones			
Equity - Corporate Stocks	41,914	-	41,914
	$ 175,137,169	$ 36,724,023	$ 211,861,192

The College had the following recurring fair value measurements as of June 30, 2023:

	Investments Not Subject to Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
U.S. Government Agencies	$ -	$ -	$ 90,723,284	$ -	$ 90,723,284
U.S. Treasury Bonds and Bills	-	103,906,474	-	-	103,906,474
Certificates of Deposit	6,440,000	-	-	-	6,440,000
Comerica - Foundation					
Global Equity Fund	-	-	2,889,544	-	2,889,544
Vanguard Inflation	-	492,479	-	-	492,479
John Hancock Infrastructure Fund	-	208,978	-	-	208,978
Vanguard Value Index FD ADM	-	318,828	-	-	318,828
Cohen & Steers Global Realty	-	300,129	-	-	300,129
Advisors Inner Circle	-	350,391	-	-	350,391
Fidelity 500 Index	-	2,878,717	-	-	2,878,717
Jackson Square SMID-Cap	-	161,035	-	-	161,035
Mercer Core Fixed Income	-	3,141,076	-	-	3,141,076
Money Market Treasury Fund	3,432	-	-	-	3,432
Receivables Accrued Income Fund	4,911	-	-	-	4,911
Edward Jones - Foundation					
Equity - Corporate Stocks	-	41,914	-	-	41,914
	$ 6,448,343	$111,800,021	$ 93,612,828	$ -	$211,861,192

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College structures its investment portfolios so that securities will mature to meet the cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity. The College invests operating funds primarily in short-term securities.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The College pre-qualifies the financial institutions, broker/dealers, intermediaries, and advisors with which it does business. Portfolios are diversified so that potential losses on individual securities are minimized. In accordance with statutory restrictions, the College will consider and authorize investment in the following types of investments:

- United States Treasury securities
- United States Agency securities
- Repurchase agreements: The College may invest in contractual agreements between the College and commercial banks or primary government securities dealers.
- Collateralized public deposits (certificates of deposit): The certificates of deposit are required to be backed by acceptable collateral as dictated by Missouri state statute.
- Bankers' acceptances: The College may invest in bankers' acceptances issued by domestic commercial banks possessing the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation.

- Commercial paper: The College may invest in commercial paper issued by domestic corporations possessing the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation. Investments are further limited to issuing corporations that have total commercial paper program size in excess of five hundred million dollars.

Concentration of Credit Risk: The College's investments must be diversified to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer, or specific class of securities. As a result, minimum diversification standards are:

- U.S. Government agencies and government sponsored enterprises shall make up no more than 60 percent of the investment portfolio, unless the principal and/or interest is guaranteed by the U.S. government.
- Collateralized repurchase agreements shall make up no more than 50 percent of the investment portfolio.
- U.S. Government agency callable securities shall make up no more than 30 percent of the investment portfolio.
- Commercial paper shall make up no more than 30 percent of the investment portfolio.
- Bankers' acceptance shall make up no more than 30 percent of the investment portfolio.

The Foundation as a 501(c)(3) corporation is authorized to receive donated marketable equity securities to be invested or liquidated as the Foundation deems appropriate. The Retirement Plan is authorized to invest up to 60 percent, and no less than 30 percent, of the Fund's assets in equity securities with the balance being invested in fixed income securities, less cash reserves invested in money market instruments that will not exceed 10 percent of the portfolio.

In accordance with State of Missouri specifications for a self-insured worker's compensation plan, the College had a U.S. Treasury Note pledged in the market amount of $780,260 and $796,781 as security against possible claims at June 30, 2024 and 2023, respectively.

3. Changes in Capital Assets

Changes in capital assets for the year ended June 30, 2024, are summarized below:

	Balance June 30, 2023	Additions	Retirements	Allocation of Construction in Progress	Balance June 30, 2024
Land	$ 22,611,741	$ -	$ -	$ -	$ 22,611,741
Construction in progress	26,883,827	138,410,693	-	(525,058)	164,769,462
Total nondepreciable capital assets	49,495,568	$ 138,410,693	$ -	$ (525,058)	187,381,203
Land improvements	12,347,028	$ -	$ -	$ -	12,347,028
Buildings	147,977,181	-	(4,674,600)	-	143,302,581
Building improvements	88,462,559	80,431	(3,184,616)	361,186	85,719,560
Furniture, fixtures, and equipment	57,398,320	4,749,157	(692,738)	163,872	61,618,611
Total depreciable capital assets	306,185,088	$ 4,829,588	$ (8,551,954)	$ 525,058	302,987,780
Less accumulated depreciation					
Land improvements	9,053,724	$ 542,522	$ -	$ -	9,596,246
Buildings	86,353,736	2,086,480	(4,674,600)	-	83,765,616
Building improvements	41,326,902	4,249,580	(1,888,168)	-	43,688,314
Furniture, fixtures, and equipment	48,109,547	1,612,972	(659,446)	-	49,063,073
Total accumulated depreciation	184,843,909	$ 8,491,554	$ (7,222,214)	$ -	186,113,249
Depreciable capital assets, net	121,341,179				116,874,531
Buildings leased assets	1,589,392	$ 1,494,938	$ (1,589,392)	$ -	1,494,938
Furniture, fixtures, and equipment leased assets	1,219,665	-	-	-	1,219,665
Subscription assets	1,950,967	3,426,313	(569,911)		4,807,369
Total right-to-use assets	4,760,024	$ 4,921,251	$ (2,159,303)	$ -	7,521,972
Less accumulated amortization					
Buildings leased assets	758,139	$ 831,253	$ (1,589,392)	$ -	-
Furniture, fixtures, and equipment leased assets	844,444	302,069	-	-	1,146,513
Subscription assets	835,156	2,419,416	(569,911)	-	2,684,661
Total accumulated amortization	2,437,739	$ 3,552,738	$ (2,159,303)	$ -	3,831,174
Total right-to-use assets, net	2,322,285				3,690,798
Capital assets, net	$ 173,159,032				$ 307,946,532

Changes in capital assets for the year ended June 30, 2023, are summarized below:

	Balance June 30, 2022	Additions	Retirements	Allocation of Construction in Progress	Balance June 30, 2023
Land	$ 22,611,741	$ -	$ -	$ -	$ 22,611,741
Construction in progress	7,821,090	24,053,378	-	(4,990,641)	26,883,827
Total nondepreciable capital assets	30,432,831	$ 24,053,378	$ -	$ (4,990,641)	49,495,568
Land improvements	12,000,330	$ -	$ -	$ 346,698	12,347,028
Buildings	147,977,181	-	-	-	147,977,181
Building improvements	82,807,413	1,691,088	-	3,964,058	88,462,559
Furniture, fixtures, and equipment	55,345,114	2,123,046	(749,725)	679,885	57,398,320
Total depreciable capital assets	298,130,038	$ 3,814,134	$ (749,725)	$ 4,990,641	306,185,088
Less accumulated depreciation					
Land improvements	8,426,125	$ 627,599	$ -	$ -	9,053,724
Buildings	84,267,256	2,086,480	-	-	86,353,736
Building improvements	37,190,991	4,135,911	-	-	41,326,902
Furniture, fixtures, and equipment	47,314,226	1,519,758	(724,437)	-	48,109,547
Total accumulated depreciation	177,198,598	$ 8,369,748	$ (724,437)	$ -	184,843,909
Depreciable capital assets, net	120,931,440				121,341,179
Buildings leased assets	1,647,161	$ 481,419	$ (539,188)	$ -	1,589,392
Furniture, fixtures, and equipment leased assets	1,219,665	-	-	-	1,219,665
Subscription assets	1,586,673	1,383,959	(1,019,665)	-	1,950,967
Total right-to-use assets	4,453,499	$ 1,865,378	$ (1,558,853)	$ -	4,760,024
Less accumulated amortization					
Buildings leased assets	826,823	$ 470,504	$ (539,188)	$ -	758,139
Furniture, fixtures, and equipment leased assets	550,878	293,566	-	-	844,444
Subscription assets	361,110	1,493,711	(1,019,665)	-	835,156
Total accumulated amortization	1,738,811	$ 2,257,781	$ (1,558,853)	$ -	2,437,739
Total right-to-use assets, net	2,714,688				2,322,285
Total capital assets, net	$ 154,078,959				$ 173,159,032

4. Changes in Long-Term Debt and Leases

Long-term debt and lease activity for the year ended June 30, 2024, is summarized as follows:

	Balance June 30, 2023	New Debt	Principal Repayment	Balance June 30, 2024	Due Within One Year
College					
Certificates of Participation - Series 2017	$ 36,775,000	$ -	$ 785,000	$ 35,990,000	$ 815,000
Premiums and discounts, net	2,179,640	-	153,496	2,026,144	153,496
	38,954,640	-	938,496	38,016,144	968,496
Lease obligations	1,206,474	940,833	579,217	1,568,090	453,488
	$ 40,161,114	$ 940,833	$ 1,517,713	$ 39,584,234	$ 1,421,984

Long-term debt activity for the year ended June 30, 2023, is summarized as follows:

	Balance June 30, 2022	New Debt	Principal Repayment	Balance June 30, 2023	Due Within One Year
College					
Certificates of Participation - Series 2017	$ 36,775,000	$ -	$ -	$ 36,775,000	$ 785,000
Premiums and discounts, net	2,333,136	-	153,496	2,179,640	153,496
	39,108,136	-	153,496	38,954,640	938,496
Lease obligations	1,489,125	481,419	764,070	1,206,474	786,862
	$ 40,597,261	$ 481,419	$ 917,566	$ 40,161,114	$ 1,725,358

A summary of long-term debt and lease maturities at June 30, 2024, follows:

	Certificates of Participation - Series 2017		
	Principal	Interest	Total
2025	$ 815,000	$ 1,424,925	$ 2,239,925
2026	1,850,000	1,392,325	3,242,325
2027	1,920,000	1,318,325	3,238,325
2028	1,995,000	1,241,525	3,236,525
2029	2,775,000	1,141,775	3,916,775
2030 - 2034	15,760,000	3,834,325	19,594,325
2035 - 2037	10,875,000	881,200	11,756,200
	$ 35,990,000	$ 11,234,400	$ 47,224,400

	Leases		
	Principal	Interest	Total
2025	$ 453,488	$ 44,966	$ 498,454
2026	400,990	32,230	433,220
2027	427,626	20,669	448,295
2028	285,986	8,283	294,269
	$ 1,568,090	$ 106,148	$ 1,674,238

On September 12, 2017, $36,775,000 in Certificates of Participation were issued by the College for the purpose of acquiring, constructing, furnishing and equipping the new Center for Nursing and Health Sciences Building and the demolition of Towers A & B all located on the College's Forest Park Campus (the "Project"). The Certificates of Participation have the net effect of creating a sale and leaseback of certain College property located at the Forest Park Campus, including the Center for Nursing and Health Sciences building. The Certificates of Participation may be redeemed by the College on or after April 1, 2027.

The College, as lessee, has entered into lease agreements involving facility space and equipment. The total costs of the College's lease assets are recorded as $2,714,603, less accumulated amortization of $1,146,513 at June 30, 2024. The total costs of the College's lease assets are recorded as $2,809,057, less accumulated amortization of $1,602,583 at June 30, 2023.

All outstanding debt contains an event of default clause that changes the timing of repayments of outstanding amounts to become due immediately if the College is unable to make a payment.

Financing Deposit and Certificates of Participation

Subsequent to June 30, 2024, on July 11, 2024, the College issued a net $225 million in Certificates of Participation (COPs) to supplement College resources to complete its Transformed initiative projects. The total cost of the Transformed initiative which includes construction, renovation, and new equipment is estimated to be approximately $450 million. As a requirement of the debt issuance, the successful bidder was required to make a $4,000,000 non-refundable deposit on June 24, 2024. The advance financing funds of $4,000,000 are shown as an unearned financing deposit as of June 30, 2024 and will be part of the net $225 million proceeds of the debt offering upon delivery of the COPs.

A summary of the 2024 COPs transaction is as follows:

	2024 COPs
Par amount	$ 206,610,000
Net premium	19,568,376
	$ 226,178,376
Project fund deposit	$ 225,005,799
Cost of issuance including underwriter's discount	1,172,577
	$ 226,178,376

The actual interest rate to be charged is 3.75% with interest payments calculated at 5% annually – resulting in the net premium above. Interest only payments on the indebtedness will be due through October 1, 2027, with principal and interest payments commencing April 1, 2028. Principal payments escalate during the term of the agreement from an initial $8,000,000 in 2028 up to $17,000,000 in 2044. The payments fully amortize the entire indebtedness in 20 years. Once principal payments begin in 2028, the annual debt service will be approximately $18,000,000 before premium amortization. Additional local tax revenue generated for the Transformed initiative will be used to amortize the debt and make interest payments.

The financing is structured as a lease agreement between the Fiduciary Trustee and the College. Under this agreement, the College transferred certain buildings being constructed or renovated to the Trustee. The College is required to insure the property transferred and all costs of ownership is borne by the College. Upon successful repayment of all principal and interest, all property reverts to the College.

5. Pension Plans

The College participates in two retirement plans covering substantially all full-time employees and eligible part-time employees.

Public School Retirement System (PSRS)

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

Benefits Provided: PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the “Rule of 80” (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Due to the passage of Senate Bill 75 (HCS/SS/SB 75), effective August 28, 2023, members who retire with 32 or more years of service will have their benefit calculated using a 2.55% benefit factor. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the “Rule of 80” but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount. Since the prior valuation date, the benefit provisions were amended to make permanent an early retirement benefit allowing members to retire at any age after 25 years of service. A Summary Plan Description detailing the provisions of the plan can be found on PSRS' website at www.psrs-peers.org.

Cost-of-Living Adjustments (COLA): The PSRS Board has established a policy of providing a 0.00% COLA for years in which the CPI increases between 0.00% and 2.00%, and a 2.00% COLA for years in which CPI increases between 2.00% and 5.00%. If the CPI increase is greater than 5.00%, the Board will provide a COLA of 5.00%. If the CPI decreases, no COLA is provided. For any member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

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

The College's contributions to PSRS were $10,736,320 for the year ended June 30, 2024. In the year ended June 30, 2023, total College contributions to PSRS were $9,686,694.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, the College recorded a liability of $102,508,372 for PSRS for its proportionate share of the net pension liability. The net pension liability for the plan in total was measured as of June 30, 2023, and determined by an actuarial valuation as of that date. The College's proportionate share of the total net pension liability was based on the ratio of its actual contributions of $9,686,694 paid to PSRS for the year ended June 30, 2023, relative to the actual contributions of $790,025,521 for PSRS from all participating employers. At June 30, 2023, the College’s proportionate share was 1.2261% for PSRS.

For the years ended June 30, 2024 and 2023, the College recognized a pension expense of $9,343,941 and $5,251,494, respectively, for PSRS, its proportionate share of the total pension expense. Pension expense is the change in net pension liability from the previous reporting period to the current period, less adjustments. This may result in negative expense (pension income).

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources from the following sources related to PSRS pension benefits:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance of deferred outflows and inflows due to		
Differences between expected and actual experience	$ 16,821,781	$ 668,862
Changes in assumptions	3,483,777	-
Net difference between projected and actual earnings on pension plan investment	46,906,898	40,652,178
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,539,358	1,467,753
Employer contributions subsequent to the measurement date	10,736,320	-
Total	$ 80,488,134	$ 42,788,793

Amounts reported as deferred outflows of resources to pensions resulting from contribution subsequent to the measurement date of June 30, 2023 will be recognized as a reduction to the net pension liability in the year ended June 30, 2025. Other amounts reported as collective deferred (inflows)/outflows of resources to be recognized in pension expense (credit) are as follows:

Year Ending June 30,	
2025	$ 2,622,503
2026	77,681
2027	19,457,256
2028	4,018,603
2029	786,978
	$ 26,963,021

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2023, the College reported deferred outflows of resources and deferred inflows of resources from the following sources related to PSRS pension benefits:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance of Deferred Outflows and Inflows due to		
Differences between expected and actual experience	$ 16,338,251	$ 1,342,490
Changes in assumptions	5,951,743	-
Net difference between projected and actual earnings on pension plan investment	56,015,902	58,645,765
Changes in proportion and differences between employer contributions and proportionate share of contributions	208,284	3,212,280
Employer contributions subsequent to the measurement date	9,685,141	-
Total	$ 88,199,321	$ 63,200,535

Payable to PSRS. The College had an outstanding amount of $4,339,742 and $1,332,961 for contributions to PSRS for the years ended June 30, 2024 and 2023, respectively.

Actuarial Assumptions. Actuarial valuations of PSRS involves estimates of the reported amount and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. All economic and demographic assumptions were reviewed and updated, where appropriate, based on the results of the study and effective to June 30, 2021 valuation. The retirement rates assumption was updated for the June 30, 2023 valuation due to the passage of Senate Bill 75 (HCS/SS/SB 75), which added the 2.55% formula factor benefit for members that retire with 32 or more years of service. The next experience studies are scheduled for 2026.

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

Measurement Date: June 30, 2023 and June 30, 2022.

Valuation Date: June 30, 2023 and June 30, 2022.

Expected Return on Investments: 7.30% for 2023 and 2022, net of investment expenses and including 2.00%.

Inflation: 2.00% for 2023 and 2022.

Total Payroll Growth: PSRS: 2.25% per annum, consisting of 2.00% inflation, 0.125% real wage growth due to the inclusion of active health care costs in pensionable earnings, and 0.125% of real wage growth due to productivity for 2023 and 2022.

Future Salary Increases: PSRS: 2.625%-8.875% depending on service and including 2.00% inflation, 0.25% real wage growth due to inclusion of health care costs in pensionable earnings, and 0.25% of real wage growth due to productivity for 2023. For 2022, inflation was assumed to be 2.25% plus the 0.25% real wage growth similar to the 2023 valuation.

Cost-of-Living Increases: For 2023 and 2022, the actual COLA increase approved was 2.00% and 5.00% as of the beginning of the respective year; however, the assumed future COLA is 2.00% in subsequent calendar years and 1.35% each calendar year thereafter.

Mortality Assumption Actives: For 2023 and 2022, Experience Adjusted Pub-2010 Teachers Mortality Table for Employees projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the healthy retiree experienced-based adjustment factors at all ages for both male and females, with generational improvement after 2018 using the MP-2020 improvement scale.

Non-Disabled Retirees, Beneficiaries and Survivors: For 2023 and 2022- Pub-2010 Teachers Mortality Table for Healthy Retirees and the Bub-2010 Teachers Mortality Table for Contingent Survivors, respectively. The tables are projected from 2010 to 2018 using the MP-2020 improvement scale and multiplied by the experience-based adjustment factors.

Disabled Retirees: For 2023 and 2022 – Experienced-adjusted Pub-2010 Teacher Disability Mortality Table, projected from 2010 to 2018, using the MP-2020 improvement scale and multiplied by the healthy retiree experience-based adjustment factors for both males and females, with generational improvement after 2018 using the MP-2020 improvement scale.

Fiduciary Net Position: PSRS issues a publicly available financial report (ACFR) that can be obtained at www.psrs-peers.org.

Expected Rate of Return: The long-term expected rate of return on investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed rate of return. The long-term expected rate of return on the Systems' investments was determined using a building-block method in which best-estimate ranges of expected future real rates of returns (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in Systems' target allocation as of June 30, 2023 and 2022, are summarized below along with the long term geometric return. Geometric return (also referred to as the time weighted return) is considered standard practice within the investment management industry. Geometric returns represent the compounded rate of growth of a portfolio. The method eliminates the effects created by cash flows.

Asset Class	Target Asset Allocation	Long-Term Expected Real Return Arithmetic Basis	Weighted Long-Term Expected Real Return Arithmetic Basis
U.S. Public Equity	23.0%	4.81%	1.39%
Public Credit	0.0%	0.80%	0.15%
Hedged Assets	6.0%	2.39%	0.27%
Non-U.S. Public Equity	16.0%	6.88%	0.90%
U.S. Treasuries	20.0%	-0.02%	0.15%
U.S. TIPS	0.0%	0.29%	0.03%
Private Credit	8.0%	5.61%	0.22%
Private Equity	16.0%	10.90%	1.18%
Private Real Estate	11.0%	7.47%	0.32%
Total	100.0%		4.61%
Inflation			2.00%
Long-term arithmetical nominal return			6.61%
Effect of covariance matrix			0.69%
Long-term expected geometric return			7.30%

Discount Rate: The long-term expected rate of return used to measure the total pension liability was 7.30% as of June 30, 2023 and 2022, and is consistent with the long-term expected geometric return on plan investments. The actuarial assumed rate of return was 8.00% from 1980 through fiscal year 2016. The projection of cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with assumptions and methods stated in the funding policy adopted by the Board of Trustees, which requires payment of the normal cost and amortization of the unfunded actuarially accrued liability in level percent of employee payroll installments over 30 years using a closed period, layered approach. Based on this assumption, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Discount Rate Sensitivity: The sensitivity of the College's net pension liability to changes in the discount rate is presented below. The College's net pension liability (asset) calculated using the discount rate of 7.30% for 2024 and 2023 is presented as well as the net pension liability (asset) using a discount rate that is 1.0% lower or 1.0% higher than the current rate.

	1% Decrease (6.30%)	Current Rate (7.30%)	1% Increase (8.30%)
Proportionate share of the Net Pension Liability (Asset) at June 30, 2024	$ 190,770,184	$ 102,508,372	$ 29,422,837
Proportionate share of the Net Pension Liability (Asset) at June 30, 2023	$ 173,288,592	$ 91,201,748	$ 23,206,570

Non-Certificated Employees Retirement Plan

Plan Description. The College's Non-Certificated Employees Retirement Plan (the "Plan") is a single-employer defined benefit pension plan. The Plan is administered by the Retirement Committee comprised of six appointed members. The Plan issues a stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing the Coordinator of the Non-Certificated Employees Retirement Plan, Human Resources Department, St. Louis Community College, 3221 McKelvey Road, Bridgeton, MO 63044.

Benefits Provided. The Plan is a defined benefit pension plan covering all non-certificated employees employed by the College on a regular basis (at least 32 hours weekly and at least nine months yearly). The Plan allows benefit service for permanent non-certificated employees to begin following 13 complete biweekly payroll periods of employment.

The Plan provides a monthly retirement benefit with full benefits for employees who attain the age of 60 with five years of credited services and actuarially reduced benefits for those employees who attain age 55 with 10 years of credited service or completion of at least 25 years of credited service at any age prior to attainment of age 60. Participants are 100 percent vested at all times in their contributions and earned interest. Additionally, the participants are vested in their accrued benefits earned after 5 years of credited service and would be eligible for such benefits at either their early or normal retirement date. The Plan also provides termination benefits and death benefits prior to normal retirement where employee contributions are repaid. Benefits may be increased at certain times to reflect cost-of-living changes. Retirement benefits are based on length of service and average annual compensation for the highest four calendar years of the last ten years of service.

Contributions. The funding policy of the Plan requires that each participant contribute 4 percent of his/her annual covered compensation, as defined by the Plan. The College, in accordance with the provisions of the Plan, is required to make annual contributions equal to the employee contributions. The College's contributions for the years ended June 30, 2024 and 2023 were $633,247 and $616,134, respectively.

The aggregate actuarial cost method is used to determine plan contributions. Because this method does not identify or separately amortize unfunded actuarial liabilities information about the Plan's funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and the information presented is intended to serve as a surrogate for the funded status and funding progress of the Plan. The schedule of funding progress and of employer contributions is presented herewith as required supplementary information. For the years ended June 30, 2024, and June 30, 2023, the College recognized a pension expense of $1,706,905 and $868,191, respectively.

*Actuarial Assumptions***.** Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to retired participants or their beneficiaries, beneficiaries of participants who have died, and present participants or their beneficiaries. The actuarial present value of accumulated plan benefits is determined by the Plan's actuary, Willis Towers Watson (WTW), using end of the Plan year benefit information, and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. Selected significant actuarial assumptions used in the valuations are as follows:

For 2024:

Mortality	Separate rates for non-annuitants (based on Pre 2012 "Employees" table without collar or amount adjustments and then projected forward with generaltionl projection using adjusted Scale MP-2021) and annuitants (based upon pri-2012 "Healthy Annuitants: table (participants and beneficiaries combined) without collar or amount adjustments, projected forward with generational projection using adjusted Scale MP-2021. The rate of future mortality improvement at any age for any year beginning on or after the valuation is capped at 0.78%
Termination of Employment	Graded rates
Disablement	Graded rates
Retirement	Graded rates
Benefit Commencement Date for Vested Terminations	Age 60, or current age if greater
Marital Status	
(a) Percent Married	100 percent
(b) Age Difference	Males are assumed to be three years older than their spouses
Investment Return	
(a) Contribution Requirement Calculations	7.25 percent per year, compounded annually
(b) Actuarial Present Value of Accrued Benefit Calculation	7.25 percent per year, compounded annually
Pay Increases	4.00 percent per year, compounded annually
Expenses	$175,000
Lump Sum Elections	65 percent at retirement
Lump Sum Interest Rate	4.5 percent
Annual Increase in CPI	3.25 percent

For 2023:

Mortality	RP-2014 Table projected per the Pension Protection Act of 2006
Termination of Employment	Graded rates
Disablement	Graded rates
Retirement	Graded rates
Benefit Commencement Date for Vested Terminations	Age 60, or current age if greater
Marital Status	
(a) Percent Married	100 percent
(b) Age Difference	Males are assumed to be three years older than their spouses
Investment Return	
(a) Contribution Requirement Calculations	7.25 percent per year, compounded annually
(b) Actuarial Present Value of Accrued Benefit Calculation	7.25 percent per year, compounded annually
Pay Increases	4.00 percent per year, compounded annually
Expenses	$240,000
Lump Sum Elections	65 percent at retirement
Lump Sum Interest Rate	4.5 percent
Annual Increase in CPI	3.25 percent

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Plan investments. Investments of the Plan are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments traded on a national exchange are valued at reported sales prices. Investments that do not have an established market are reported at estimated fair value. Cash equivalents, which are comprised of money market funds, are reported at cost, which approximates fair value.

The investment policy of the Plan states that up to 70 percent and no less than 30 percent of the Plan's assets may be invested in equity securities and up to 60 percent and no less than 30 percent of the Plan's net assets may be invested in fixed income securities. The policy limits the amount of investments in foreign equities to 15% of total Plan assets. Cash reserves are invested in money market instruments that will not exceed 10 percent of the portfolio.

Purchases and sales of securities are recorded on a trade-date basis. Investment income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

The following table presents the fair value of investments at June 30, 2024 and 2023:

	2024	2023
Money Market Funds	$ 1,064,026	$ 828,605
Columbia Trust Bond Fund-Mutual Fund	25,440,139	24,646,067
Columbia Acorn International Fund - Equity	3,332,768	3,157,700
Columbia Overseas Value Fund - Equity	3,238,122	3,207,812
Columbia Trust Focused Large Cap Core Fund - Mutual Fund	31,711,736	27,224,874
Columbia Small Cap Index Fund	6,833,931	7,641,647
Total Investments	$ 71,620,722	$ 66,706,705

For the year ended June 30, 2024 and 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan expense, was 15.4% and 9.7%, respectively. The money-weighted rate of return expenses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability (Asset)

The components of the net pension liability (asset) of the College at June 30, 2024 and 2023, were as follows:

	2024	2023
Total pension liability, beginning of the year	$ 72,895,558	$ 71,545,623
Service cost	1,364,362	1,257,113
Interest	4,496,601	4,411,781
Differences between expected and actual experience	1,395,189	1,336,103
Changes in assumptions	(5,901,596)	311,998
Changes in benefits	1,414,178	-
Transfers out	-	(794,724)
Benefits payments	(5,277,061)	(5,172,336)
Net change in total pension liability	(2,508,327)	1,349,935
Total pension liability, end of year (a)	$ 70,387,231	$ 72,895,558
Plan fiduciary net position, beginning of year	$ 65,858,443	$ 65,152,872
Contributions - employer	633,247	616,134
Contributions - employee	633,247	616,134
Investment income (loss)	9,054,054	6,081,589
Benefit payments	(5,277,061)	(5,636,811)
Transfers out	-	(794,724)
Administrative expenses	(105,137)	(176,751)
	4,938,350	705,571
Plan fiduciary net position, end of year (b)	$ 70,796,793	$ 65,858,443
College's net pension (asset) liability, end of year (a) - (b)	$ (409,562)	$ 7,037,115
Plan fiduciary net position as a percentage of total pension liability	100.58%	90.35%

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study completed in May 2024 for the period July 1, 2018 through June 30, 2023. For the year ended June 30, 2023, valuations were based on the results of an actuarial experience study dated May 2018, for the period July 1, 2012, through June 30, 2017.

The long-term expected return on pension plan investments was determined using an expected return based on actuary's internally developed Capital Market Assumptions Model as of April 1, 2024, which was incorporated into the May 2024, Experience and Assumption Analysis and Review. The analysis indicated that the 50th percentile was 6.95% and the 75th percentile is 8.15%. The Plan's expected return on assets assumption is 7.25%, which is within the range of expected return outcomes. The WTW model uses targeted asset allocations as follow:

Asset	Allocation
Cash equivalents	2%
International stocks	9%
Small cap stocks	10%
BarCap aggregate bonds	39%
Large cap stocks	40%
	100%

The discount rate used to measure the total pension liability was 7.25 percent at June 30, 2024, and 6.27 percent at June 30, 2023. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that College contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension (asset) liability of the College at June 30, 2024, calculated using the discount rate of 7.25%, as well as what the College's net pension (asset) 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 Rate (7.25%)	1% Increase (8.25%)
College's Net Pension (Asset) Liability	$ 5,549,327	$ (409,562)	$ (5,685,251)

The following presents the net pension liability of the College at June 30, 2023, calculated using the discount rate of 6.27%, as well as what the College's net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.27%) or one percentage-point higher (7.27%) than the current rate:

	1% Decrease (5.27%)	Current Rate (6.27%)	1% Increase (7.27%)
College's Net Pension Liability	$ 13,722,020	$ 7,037,115	$ 1,094,475

Net pension liabilities of the College at June 30, 2024, totals $102,508,372. As of June 30, 2024, the NCERP pension plan had a net pension asset of $409,562. Net pension liabilities of the College at June 30, 2023 totals $98,238,863. The total consists of PSRS net pension liability of $91,201,748 and NCERP net pension liability of $7,037,115.

6. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied in the fall of the year (the actual month is dependent on the county) and are due and payable by December 31 of the same year. All unpaid taxes become delinquent January 1 of the following year. Property taxes are collected by the City of St. Louis (the City), St. Louis County, Franklin County, and Jefferson County (the Counties) collectors who remit them to the College.

The total assessed valuation of the tangible taxable property located in the City and the Counties as of January 1, 2023 and 2022, upon which 2023 and 2022 tax rate of $0.2619 and $0.2787, respectively per $100 of the assessed valuation was levied for purposes of local taxation, was approximately $40.4 billion and $35.6 billion, respectively.

Annually the College records delinquent taxes (those taxes due but not received as of year-end) net of an allowance for uncollectible taxes as a receivable. At June 30, 2024 and 2023, the receivable for delinquent taxes was $4,367,377 and $3,986,053, respectively.

The receipt of current and delinquent property taxes during the fiscal years ended June 30, 2024 and 2023 aggregated approximately 99% and 98%, respectively, of the assessment computed for each year on the basis of the levies as shown above. Differences primarily relate to the amount of new construction placed in service during the year and changes in the amount of delinquent taxes.

7. Leases

The College, as a lessee, has entered into various lease agreements. See Note 4 – Changes in Long-term Debt and Leases for more information on the College as a lessee.

The College, as a lessor, has entered into lease agreements involving broadband services and facility space. The total of all lease agreements entered into as lessor as of June 30, 2024 and 2023 was $15,063,093 and $16,351,452, respectively. The balances of the agreements are receivable through 2060. During the years ended June 30, 2024 and 2023, the College recognized revenue of $1,728,824, of which $433,094 was interest, and $1,678,142, of which $467,558 was interest, respectively.

8. Risk Management

The College is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; and natural disasters.

The College participates in the Missouri Public Entity Risk Management Fund (MOPERM) for all general liability, auto, errors and omissions, law enforcements, and medical malpractice claims. The purpose of MOPERM is to distribute the cost of risk management over similar entities. The College does not retain the risk of loss for these claims above the deductible. The College's deductible for general liability, law enforcements, and medical malpractice claims is $10,000, $500 for auto claims, and $10,000 for errors and omissions claims.

The College purchases commercial insurance for all other property, casualty, and fidelity coverage. Settled claims have not exceeded this commercial coverage in the past three years.

The College has established a risk management program and retains the risk related to workers' compensation and unemployment claims. The estimated liabilities for payment of incurred (both reported and unreported) but unpaid claims relating to these matters are included as a component of accrued expenses in the accompanying statements of net position.

The claims liabilities reported are based on the requirements for Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the balance of claims liabilities during fiscal years ended June 30, 2024 and 2023, were as follows:

Fiscal Year	Claim Liability Beginning of Year	Incurred Claims and Changes in Estimates	Claim Payments	Claim Liability End of Year
Worker's compensation claims				
June 30, 2024	$ 203,659	$ (66,206)	$ (64,137)	$ 73,316
June 30, 2023	509,317	117,059	(422,717)	203,659
Unemployment claims				
June 30, 2024	$ 82,728	$ 44,147	$ (34,886)	$ 91,989
June 30, 2023	271,714	(164,186)	(24,800)	82,728

The College obtains periodic funding valuations from the third-party administrators managing these claims and adjusts the charges as required to maintain the appropriate level of estimated claims liability. The College also maintains excess liability coverage for worker's compensation claims.

9. Self-Insured Medical Benefits

The College has a self-insured plan for employees and their families. The participating employees contribute to the self-insurance fund through payroll deductions based on their coverage election. The College's maximum liability for each employee and in the aggregate for a one-year period is limited by insurance coverage. Liabilities are recorded when it is probable that a loss has occurred, and the amount of loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated based upon recent claim settlement trends. The College considers the liability to all be payable in the current year due to the potential significant claims to occur at any time that would deplete the insurance reserves. As of June 30, 2024 and 2023, $1,028,000 and $1,017,000, respectively, of IBNR has been recorded in accrued liabilities by the College.

10. Risks & Uncertainties

The College invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect account balances and the amounts reported in the financial statements. The College invests its funds to match its cash needs for expenditures. The College records fair market value adjustments, however, the College did not sell any investments prior to maturity for the years ended June 30, 2024 and 2023.

11. Contingencies

As of June 30, 2024, the College is party to a number of lawsuits arising in the normal course of operations. While the results of litigation cannot be predicted with certainty, management believes that the final outcome of such litigation will not have a materially adverse effect on the financial statements of the College.

12. Commitments

The College has entered into numerous contracts for construction, repairs, and remodeling. At June 30, 2024, the remaining amounts due under these contracts totaled $172,614,373. Of this amount, $167,130,510 relates to the Stlcc Transformed initiative and $5,483,863 to other projects. The Stlcc Transformed initiative is a multi-year project to construct new buildings on each of the four main campuses. Commitments for Stlcc Transformed are reduced by external funding related to the projects. As of June 30, 2024, the College has been awarded approximately $62 million in match grants from the State of Missouri of which the College has received or requested reimbursement in the amount of approximately $37.1 million. The remaining $24.9 million that remains to be requested will lower the above commitment exposure. For the amounts not subject to the match grants, the College has designated an equal amount of its net position to pay for the projects (see Footnote 18) or expects to fund the commitments from additional indebtedness and annual funds to be received from the taxpayer approved Transformed projects initiative (additional tax receipts of approximately $29.5 million annually) approved August 3, 2021. As noted in Footnote 4 – Changes in Long-Term Debt and Leases, subsequent to June 30, 2024, the College will incur additional indebtedness of $225 million that will be used to complete the projects identified as Stlcc Transformed.

13. Post-Employment Benefits Other than Pensions (OPEB)

General Information about the OPEB Plan

Plan Description: The College's postemployment health care plan is a single-employer defined benefit healthcare plan. To be eligible for participation in the plan, retirees must meet the retirement eligibility requirements as set by the Public-School Retirement System of Missouri (PSRS) or the Non-Certificated Employees Retirement Plan (NCERP). Eligible participants receive benefits in the form of an implicit rate subsidy where participants receive health insurance coverage by paying a blended retiree/active rate.

Funding Policy: The contribution requirements of plan members and the College are established and may be amended by the Board of Trustees. Current contribution requirements require participants to pay the full blended premium. The College funds the plan on a pay-as-you-go basis.

Employees Covered by Benefit Terms: At June 30, 2024 and 2023, the following employees were covered by the benefit terms:

	2024	2023
Retired employees	54	105
Fully eligible active employees	192	179
Not fully eligible active employees	938	868
	1,184	1,152

Total OPEB Liability

The College's total OPEB liability of $2,448,004 and $6,376,297 as of June 30, 2024, and June 30, 2023, was measured as of June 30, 2024, and June 30, 2023, respectively, and was determined by an actuarial valuation as of that date.

Actuarial Methods and Assumptions – The total OPEB liability in the June 30, 2024, and June 30, 2023, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate:	3.93% per annum for June 30, 2024 3.65% per annum for June 30, 2023
Salary Increase Rate:	3.5% per annum
Health Care Inflation Rate:	6.5% per annum for June 30, 2024 7.0% per annum for June 30, 2023
Marriage Rate:	The assumed number of eligible dependents is based on the current proportions of single and family contracts in the census provided.
Spouse Age:	Spouse dates of birth were provided by the College. Where this information is missing, male spouses are assumed to be three years older than female spouses.
Medicare Eligibility:	All current and future retirees are assumed to be eligible for Medicare at age 65.
Plan Participation %:	The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 40% of all employees who are eligible for early retiree benefits will participate in the retiree medical plan. It is also assumed that 55% of retirees remain on the College's medical plan once attaining Medicare eligibility.
Mortality Rate:	RPH-2014 total dataset table projected fully generationally U.R. project in scale MP-2021.

Changes in the Total OPEB Liability

	2024 Total OPEB Liability	2023 Total OPEB Liability
Balance, beginning of year	$ 6,376,297	$ 5,944,383
Changes for the year		
Service cost	282,658	510,016
Interest cost	90,135	225,626
Difference between expected and actual experience	(4,208,292)	-
Benefit payments	(59,459)	(162,966)
Changes in assumptions	(33,335)	(140,762)
Net changes	(3,928,293)	431,914
Balance, end of year	$ 2,448,004	$ 6,376,297

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or higher than the current discount rate:

	At June 30, 2024		
	1% Decrease (2.93%)	Current Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	$ 2,766,207	$ 2,448,004	$ 2,194,706

	At June 30, 2023		
	1% Decrease (2.65%)	Current Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	$ 7,837,694	$ 6,376,294	$ 5,878,382

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

	At June 30, 2024		
	1% Decrease (5.5%)	Current Rate (6.5%)	1% Increase (7.5%)
Total OPEB Liability	$ 2,122,841	$ 2,448,004	$ 2,867,653

	At June 30, 2023		
	1% Decrease (6.0%)	Current Rate (7.0%)	1% Increase (8.0%)
Total OPEB Liability	$ 5,108,829	$ 6,376,297	$ 8,101,058

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

For the year ended June 30, 2024, and June 30, 2023, the College recognized OPEB expense of $481,275 and $392,450, respectively. At June 30, 2024, and June 30, 2023, the College reported deferred inflows of resources related to OPEB from changes of assumptions/inputs in the amount of $6,007,467 and $2,733,290, respectively.

At June 30, 2024, and June 30, 2023, the College reported deferred outflows of resources related to OPEB from changes in the assumptions and differences between expected and actuarial experience of $195,172 and $349,270, respectively.

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

Year Ending June 30,	
2025	$ (860,441)
2026	(903,139)
2027	(901,666)
2028	(891,647)
2029	(900,932)
Thereafter	(1,354,470)
	$ (5,812,295)

14. Other Matters – NCERP Employee Transfers to PSRS

Employees of the College participate in either the NCERP pension plan (Footnote 5) or the Missouri Public Schools Retirement System (PSRS) (Footnote 5). Generally, eligible employees' participation in either plan is determined by each employee's employment position within the College. Currently, all salaried positions at the College participate in the PSRS and non-salaried employees participate in the NCERP plan. Participation in either plan (NCERP or PSRS) is mandatory based on that employee's employment position. Occasionally, an employee may initially be in a position that qualifies for a specific plan but change their job classification resulting in the employee being now covered by the other plan. Once the job change is finalized, the employee is no longer eligible to stay in the previous plan; however, the change does not impact an employee's eligibility for retirement benefits under either plan provided the employee has reached appropriate vesting status.

During the year ended June 30, 2023, the College identified approximately ten current employees who had not been transferred from NCERP to PSRS commensurate with their PSRS position status. The employees were under the impression that they could continue in the NCERP plan after their job change; however, mandatory participation in the PSRS system does not allow this choice. Because of the confusion, the College arranged for the transfer of the employees to PSRS to occur while holding the employees harmless for any contributions not made and in arrears. This allowed each employee to align their pension status within the PSRS system. The total cost of approximately $3 million was borne by the College less the assets held by NCERP ($794,724) that related to the employees' service in question would be remitted to PSRS directly from NCERP for the benefit of the College.

The Plan received formal IRS approval March 28, 2023, and the College paid all sums to PSRS prior to June 30, 2023. Each affected employee enjoys a status in the PSRS plan for the years reported on. The transfer of $794,724 to PSRS is not required to correct the error in PSRS and payment to PSRS by the Plan will reduce future contributions to PSRS by the College. The College expects the payment from NCERP to PSRS to be made in calendar year 2024.

The transfers have been reflected in the June 30, 2023, financial statements as a transfer deduction for the NCERP plan in the Statement of Changes in Fiduciary Net Position and included in the Plan's accrued liabilities in the Statement of Fiduciary Net Position.

15. Tax Abatements

As of June 30, 2024 and 2023, the College did not provide tax abatements to any businesses. However, the College's taxes were reduced by agreements entered into by other governments through the following programs – the Urban Redevelopment Corporation Law (Chapter 353), Enhanced Enterprise Zones Program, Chapter 100 Industrial Development Act, Land Clearance Redevelopment Authority, and Tax Increment Financing.

- The Urban Redevelopment Corporation Law, or Chapter 353, is an economic development tool to encourage redevelopment of blighted areas. Under Sections 353.010-353.190, RSMo., the Urban Redevelopment Corporation has a tax abatement available for 25 years. During the first 10 years, the property is not subject to real property taxes except in the amount of real property taxes assessed on the land during the calendar year during with the Urban Redevelopment Corporation acquired title to the real property. For the remaining 15 years, the property may be assessed up to 50% of its true value. Payments in lieu of taxes (PILOTs) may be imposed on the Urban Redevelopment Corporation by the city in order to replace all or part of the real estate taxes abated. The PILOTs must be allocated based on a proportionate share to each taxing district.

- The Enhanced Enterprise Zones Program is designed to attract new or expanding businesses to the area. Under Sections 135.950-135.970, RSMo., in order for a manufacturer, distributor, or certain service industries to qualify for the 50% tax abatement for 10 years, the business must meet certain minimum criteria depending on the type of business facility. New or expanded business facilities must have two new employees and $100,000 in new investment. Replacement business facilities must have two new employees and $1,000,000 in new investment. Both types of business facilities must also offer health insurance to full time employees in Missouri, of which at least 50% is paid by the employer.

- The Chapter 100 Industrial Development Act allow cities or counties to purchase or construct certain types of projects with bond proceeds and lease the project to a company under Sections 100.010-100.200, RSMo. Eligible projects include the purchase, construction, extension and improvement of warehouses, distributions facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce, and industrial plants. Since the city or county owns the property and leases it to the company, an amount of the property taxes can be abated for a term agreed on by the city or county issuer and the company. Cities and counties are allowed to require the company to make payments in lieu of taxes (PILOTs) for a portion of the taxes it would have otherwise been required to pay.

- The Tax Increment Financing (TIF) is a public mechanism to assist private development of areas within a city. TIF may be used: 1) when there is evidence the development would not occur without public assistance and 2) when the project area qualifies as a blighted, conservation, or economic development area. TIF provides for redirection of the incremental increase in property tax revenue resulting from a redevelopment project to be used for approved project-related costs, infrastructure, and capital improvements. The development pays all taxes owed and a portion, or all of the incremental increase in taxes. Taxes resulting from development are captured and redirected to pay redevelopment project costs. Taxing jurisdictions continue to receive the taxes based on the pre-development value. The TIF may also capture new taxes imposed after the TIF is approved. A developer's agreement may also be crafted to provide some aspects of this and other programs and forgo undesirable elements contained in other programs.

- The Land Clearance Redevelopment Authority allows any person within a constitutional charter city to apply to the authority for a certificate allowing tax abatement under Sections 99.700 – 99.715, RSMo. The certificate may be applied for if the person owns, rents, or leases in a blighted area as defined in Section 99.320 RSMo, declared to be a blighted area as provided in Section 99.430, RSMo and are engaged in new construction or rehabilitation of the designated real property with an approved redevelopment plan. The certificate for tax abatement is to remain on file for ten years and prevents an increase in assessed valuation relating to the new construction approved by the certification.

Information relevant to disclosure of these programs for the years ended June 30, 2024 and 2023, is as follows:

Tax Abatement Program	Government Entering into Agreement	Taxes Abated During June 30, 2024	Taxes Abated During June 30, 2023
Chapter 100 Ad-valorem Taxes	City of Bellerive	$ 5,011	$ 5,542
	City of Bridgeton	564	649
	City of Clayton	91,869	117,580
	City of Eureka	7,140	5,444
	City of Ferguson	1,973	8,917
	City of Hazelwood	293,887	154,256
	City of Jennings	433	428
	City of Maryland Heights	132,189	15,123
	City of St. Louis	14,675	15,418
	St. Louis County	254,112	286,133
	St. Louis County Port Authority	31,063	33,892
Chapter 353 Ad-valorem Taxes	City of Brentwood	19,824	18,618
	City of Bridgeton	42,168	38,658
	City of Clayton	8,360	6,649
	City of Edmundson	-	20,517
	City of Hazelwood	270,546	217,447
	City of Kinloch	94,233	85,486
	City of Maplewood	30,952	22,245
	City of Maryland Heights	18,404	13,760
	City of Normandy	2,936	3,597
	City of Overland	10,109	7,019
	City of Richmond Heights	44,376	37,606
	City of Rock Hill	4,179	3,788
	City of Sunset Hills	2,072	2,260
	City of Wellston	6,275	-
	City of St. Louis	649,510	640,623
	St. Louis County	17,794	18,099
Land Clearance for Redevelopment Authority Ad-valorem Taxes	City of University City	17,123	18,523
	City of St. Louis	385,550	344,034
Enhanced Enterprise Zones Ad-valorem Taxes	City of Hazelwood	10,768	15,631
	City of Berkeley	2,761	1,706
	City of St. Louis	46,856	45,047
Tax Increment Financing	City of St. Louis	763,909	755,126
		$ 3,281,621	$ 2,959,821

16. Related Party Disclosures Required by the U.S. Department of Education

The following information regarding related party transactions is provided solely to comply with the Financial Responsibility, Administrative Capability, Certification Procedures, Ability To Benefit regulation promulgated by the U.S. Department of Education and only includes related party transactions that the College is aware of.

The College operates the NCERP pension plan (the "Plan") for the benefit of hourly personnel as Plan Administrator. The Trustees and administration of the College provide oversight of the Plan operations; however, Plan assets are invested through an engaged fiduciary Trustee and the plan makes investment decisions based upon advice of an engaged investment advisor. Neither the College Trustees nor College administration participate in the specific investment decisions of the Plan. The Plan is reported separately in the College financial statements, which includes separate Statements of Fiduciary Net Position and Statements of Changes in Fiduciary Net Position.

The College periodically transfers funds deducted from employee salaries and wages and matching contributions from the College to the Plan. Below is a summary of the transfers for the years ended June 30, 2024 and 2023:

Name of Related Party	Location of the Related Party	Description of the Related Party	Nature of Transaction	Amount June 30, 2024	Amount June 30, 2023
NCERP Pension Plan	3221 McKelvey Rd, Bridgeton MO 63044	Hourly employee Pension Plan	Transfer of employee withholding amounts	$ 633,247	$ 616,134
NCERP Pension Plan	3221 McKelvey Rd, Bridgeton MO 63044	Hourly employee Pension Plan	Transfer of employer matching contributions withholding amounts	$ 633,247	$ 616,134

In addition, as more fully described in Footnote 14, certain employees of the College were allowed to remain in the Plan in error. They were required to be enrolled in the State of Missouri Public School Retirement System (PSRS) for the periods employed in a salary position. For the year ended June 30, 2023, the College expended approximately $3 million to hold the employees harmless and provide catch-up contributions to PSRS. As of June 30, 2024, the Plan has $794,724 on deposit that will be transferred to PSRS for the benefit of the College. These funds relate to the service periods of the affected employees' contributions (employee and employer) made to the Plan in error.

The College has not identified any additional related party transactions to disclose for the years ended June 30, 2024 and 2023.

17. Restricted and Unrestricted Net Position

Net position is reported as restricted when there are limitations on the use, either through enabling action adopted by the College or through external restrictions imposed by creditors, grantors, or laws or regulations of other entities. At June 30, 2024 and 2023, the College had a total restricted net position of $14,479,311 and $13,394,375, respectively. Of this amount $4,879,382 and $4,667,922, in 2024 and 2023, respectively, was restricted for endowments through the Foundation. Additionally, at June 30, 2024 and 2023, $8,698,633 and $7,780,026, respectively, consisted of restricted gifts and donations to the Foundation. The remaining $901,296 and $946,427 in 2024 and 2023, respectively, was restricted by the College due to various external restrictions.

At June 30, 2024 and 2023, the College had an unrestricted net position of $91,864,060 and $127,221,407, respectively. As noted in Note 6 – Property Taxes, in 2021, the local property owners approved an $0.08 increase in the local tax levy to assist the College in constructing new buildings, demolition of certain existing buildings, and the purchase of educational programing equipment related to the College's master plan. The College identifies these district-wide projects as "Stlcc Transformed". The total STLCC Transformed costs estimated as presented to the voters was approximately $400 million with construction and improvements projected to be completed over the next three to five years depending on contractor availability, cost, and design specifications. The College anticipates that the completed dollar amount of improvements will exceed the $400 million estimate because of potential cost overruns as a result of higher current market labor costs, supply chain, constraints, and general inflation the regional area is experiencing.

Given the size and scope of Stlcc Transformed, the annual approved increase in taxes related to Stlcc Transformed is not anticipated to be sufficient to complete the projects and any other Board policy reserves without the College issuing additional indebtedness. See Footnote 4 for the subsequent event occurring in July 2024, where the College borrowed $225 million to complete the Transformed projects.

The College Board of Trustees has designated additional tax receipts related to Stlcc Transformed and any remaining unrestricted net position after other planned capital projects and any other Board policy reserves to offset the costs of the Stlcc Transformed planned improvements (including any additional debt service – principal and interest costs) that are required. The unrestricted net position and Board of Trustee designations are as follows:

Board Designations	**June 30, 2024**	**June 30, 2023**
Balance of STLCC Transformed tax receipts after current year expenses	$ -	$ 40,076,208
Other planned capital projects	21,458,302	24,323,164
Reserve funds for capital and financing exigencies	46,872,783	40,917,835
Total Designated for Capital Projects	68,331,085	105,317,207
Unrestricted net position allocated as outlined in Board Policy and Procedures	23,532,975	21,904,200
Total Unrestricted Net Position	$ 91,864,060	$ 127,221,407

18. Condensed Combining Information

Condensed combining information for the College and the Foundation as of and for the fiscal years ended June 30 is as follows:

Condensed Statement of Net Position

	2024			
	College	**Foundation**	**Eliminations**	**Total**
Assets				
Current assets	$ 196,463,435	$ 14,737,398	$ -	$ 211,200,833
Noncurrent assets	322,071,463	-	-	322,071,463
Total Assets	518,534,898	14,737,398	-	533,272,296
Deferred Outflows of Resources	80,788,264	-	-	80,788,264
Liabilities				
Current liabilities	60,065,697	75,000	-	60,140,697
Noncurrent liabilities	143,118,626	-	-	143,118,626
Total Liabilities	203,184,323	75,000	-	203,259,323
Deferred Inflows of Resources	63,859,353	-	-	63,859,353
Net Position				
Net investment in capital assets	240,598,513	-	-	240,598,513
Restricted				
Expendable - other	901,296	8,698,633	-	9,599,929
Nonexpendable - endowment	-	4,879,382	-	4,879,382
Unrestricted	90,779,677	1,084,383	-	91,864,060
Total Net Position	$ 332,279,486	$ 14,662,398	$ -	$ 346,941,884

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2024			
	College	Foundation	Eliminations	Total
Operating Revenues (Expenses)				
Operating revenues	$ 29,918,194	$ -	$ -	$ 29,918,194
Depreciation and amort. expense	(12,044,292)	-	-	(12,044,292)
Other operating expenses	(187,056,937)	(2,040,427)	1,774,531	(187,322,833)
Operating Income (Loss)	(169,183,035)	(2,040,427)	1,774,531	(169,448,931)
Nonoperating Revenues (Expenses)				
Nonoperating revenues, net	248,952,510	3,415,423	(1,774,531)	250,593,402
Interest on debt related to capital assets	(1,559,790)	-	-	(1,559,790)
Total Nonoperating Revenues (Expenses)	247,392,720	3,415,423	(1,774,531)	249,033,612
Changes in Net Position	78,209,685	1,374,996	-	79,584,681
Net Position, beginning of year	254,069,801	13,287,402	-	267,357,203
Net Position, end of year	$ 332,279,486	$ 14,662,398	$ -	$ 346,941,884

Condensed Statement of Cash Flows

	2024			
	College	Foundation	Eliminations	Total
Net cash provided by (used by) operating activities	$ (146,651,435)	$ 101,028	$ -	$ (146,550,407)
Net cash provided by (used by) noncapital financing activities	233,705,828	-	-	233,705,828
Net cash provided by (used by) capital financing activities	(145,541,411)	211,075	-	(145,330,336)
Net cash provided by (used by) Investing activities	43,798,913	(367,408)	-	43,431,505
	(14,688,105)	(55,305)	-	(14,743,410)
Cash and cash equivalents, beginning of year	16,911,433	688,189	-	17,599,622
Cash and cash equivalents, end of year	$ 2,223,328	$ 632,884	$ -	$ 2,856,212

Condensed Statement of Net Position

	2023			
	College	**Foundation**	**Eliminations**	**Total**
Assets				
Current assets	$ 232,914,535	$ 13,426,350	$ (63,914)	$ 246,276,971
Noncurrent assets	188,222,124	-	-	188,222,124
Total Assets	421,136,659	13,426,350	(63,914)	434,499,095
Deferred Outflows of Resources	88,731,840	-	-	88,731,840
Liabilities				
Current liabilities	30,462,505	138,948	(63,914)	30,537,539
Noncurrent liabilities	143,050,916	-	-	143,050,916
Total Liabilities	173,513,421	138,948	(63,914)	173,588,455
Deferred Inflows of Resources	82,285,277	-	-	82,285,277
Net Position				
Net investment in capital assets	126,741,421	-	-	126,741,421
Restricted				
Expendable - other	946,427	7,780,026	-	8,726,453
Nonexpendable - endowment	-	4,667,922	-	4,667,922
Unrestricted	126,381,953	839,454	-	127,221,407
Total Net Position	$ 254,069,801	$ 13,287,402	$ -	$ 267,357,203

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2023			
	College	Foundation	Eliminations	Total
Operating Revenues (Expenses)				
Operating revenues	$ 34,090,542	$ -	$ -	$ 34,090,542
Depreciation and amort. expense	(10,627,529)	-	-	(10,627,529)
Other operating expenses	(180,655,258)	(2,299,421)	2,018,954	(180,935,725)
Operating Income (Loss)	(157,192,245)	(2,299,421)	2,018,954	(157,472,712)
Nonoperating Revenues (Expenses)				
Nonoperating revenues, net	199,650,541	3,238,485	(2,018,954)	200,870,072
Interest on debt related to capital assets	(1,546,294)	-	-	(1,546,294)
Total Nonoperating Revenues (Expenses)	198,104,247	3,238,485	(2,018,954)	199,323,778
Changes in Net Position	40,912,002	939,064	-	41,851,066
Net Position, beginning of year	213,157,799	12,348,338	-	225,506,137
Net Position, end of year	$ 254,069,801	$ 13,287,402	$ -	$ 267,357,203

Condensed Statement of Cash Flows

	2023			
	College	Foundation	Eliminations	Total
Net cash provided by (used by) operating activities	$ (150,987,827)	$ 452,865	$ -	$ (150,534,962)
Net cash provided by (used by) noncapital financing activities	190,066,092	-	-	190,066,092
Net cash provided by (used by) capital financing activities	(25,876,448)	60,887	-	(25,815,561)
Net cash provided by (used by) Investing activities	(43,521,829)	(481,301)	-	(44,003,130)
	(30,320,012)	32,451	-	(30,287,561)
Cash and cash equivalents, beginning of year	47,231,445	655,738	-	47,887,183
Cash and cash equivalents, end of year	$ 16,911,433	$ 688,189	$ -	$ 17,599,622

Required Supplementary Information

Community College District of St. Louis

Schedule of Employer's Share of Net Pension Liability and Contributions - PSRS

Year Ended June 30, 2024

Public School Retirement System

Schedule of Employer's Share of Net Pension Liability

Year Ended*	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Member Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
6/30/2015	1.3719%	$ 56,283,232	$ 60,978,997	92.30%	89.34%
6/30/2016	1.3607%	78,551,308	61,673,864	127.37%	85.78%
6/30/2017	1.3589%	101,110,977	62,820,489	160.95%	82.18%
6/30/2018	1.3388%	96,681,780	63,218,035	152.93%	83.77%
6/30/2019	1.2621%	93,931,243	60,739,898	154.65%	84.06%
6/30/2020	1.1991%	88,494,424	58,894,516	150.26%	84.62%
6/30/2021	1.1982%	107,007,842	59,846,977	178.80%	82.01%
6/30/2022	1.1752%	26,016,316	60,373,531	43.09%	95.81%
6/30/2023	1.1792%	91,201,748	62,144,232	146.76%	86.04%
6/30/2024	1.2261%	102,508,372	66,882,279	153.27%	85.38%

**The data provided in the schedule is based as of the measurement date of PSRS' net pension liability, which is as of the beginning of the College's fiscal year.*

Schedule of Employer's Contributions

Year Ended	Contractually Required Contribution	Actual Employer Contributions	Contribution Excess /(Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2015	$ 8,934,195	$ 8,934,195	$ -	$ 61,673,864	14.5%
6/30/2016	9,102,507	9,102,507	-	62,820,489	14.5%
6/30/2017	9,158,614	9,158,614	-	63,218,035	14.5%
6/30/2018	8,799,817	8,799,817	-	60,739,898	14.5%
6/30/2019	8,534,660	8,534,660	-	58,789,990	14.5%
6/30/2020	8,674,138	8,674,138	-	59,774,463	14.5%
6/30/2021	8,751,374	8,751,374	-	60,395,956	14.5%
6/30/2022	9,006,549	9,006,549	-	62,144,232	14.5%
6/30/2023	9,686,694	9,686,694	-	66,882,279	14.5%
6/30/2024	10,736,320	10,736,320	-	74,062,953	14.5%

See accompanying Note to the Schedule of Employer's Share of Net Pension Liability and Contributions

See Note 5 for factors that affect trends in the amounts reported, such as change in benefit terms of assumptions. Contribution rates for PSRS remained the same for the College for all years shown.

Community College District of St. Louis

Schedule of Changes in Net Position Liability and Contributions - Non-Certified Employees Retirement Plan

Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability, beginning of year	$ 72,895,558	$ 71,545,622	$ 68,965,351	$ 80,871,133	$ 76,378,908	$ 71,032,800	$ 74,988,999	$ 75,670,940	$ 70,922,817	$ 69,851,645
Service cost	1,364,362	1,257,114	1,200,715	1,765,973	1,596,449	1,323,835	1,638,368	1,751,268	1,592,145	1,724,163
Interest	4,496,601	4,411,781	4,762,020	4,456,921	4,750,777	4,779,434	4,393,574	4,726,414	5,048,608	5,026,719
Differences between expected and actual experience	1,395,189	1,336,103	83,813	(2,467,665)	(1,564,645)	512,459	2,142,903	1,143,405	(1,774,064)	(1,679,471)
Changes in assumptions	(5,901,596)	311,998	5,659,462	(11,291,836)	5,497,832	2,829,838	2,307,727	(2,946,610)	5,741,948	563,101
Transfers out/benefit changes	1,414,178	(794,724)	-	-	-	-	-	-	-	-
Benefits payments	(5,277,061)	(5,172,336)	(9,125,739)	(4,369,175)	(5,788,188)	(4,099,458)	(14,438,771)	(5,356,418)	(5,860,514)	(4,563,340)
Net change in total pension liability	(2,508,327)	1,349,936	2,580,271	(11,905,782)	4,492,225	5,346,108	(3,956,199)	(681,941)	4,748,123	1,071,172
Total pension Liability , end of year (a)	$ 70,387,231	$ 72,895,558	$ 71,545,622	$ 68,965,351	$ 80,871,133	$ 76,378,908	$ 71,032,800	$ 74,988,999	$ 75,670,940	$ 70,922,817
Plan fiduciary net position, beginning of year	$ 65,858,443	$ 65,152,872	$ 82,743,800	$ 68,527,869	$ 70,022,503	$ 69,611,803	$ 75,649,416	$ 71,721,623	$ 75,042,947	$ 75,516,537
Contributions-employer	633,247	616,134	610,341	681,917	687,910	714,622	733,951	786,586	796,694	842,283
Contribution- employee	633,247	616,134	610,341	681,917	687,910	714,622	733,951	786,586	796,694	842,283
Investment income (loss)	9,054,054	6,081,589	(9,512,014)	17,193,710	3,367,708	3,477,969	6,736,868	8,169,021	1,000,216	2,757,667
Benefit payments	(5,277,061)	(5,636,811)	(9,123,428)	(4,169,666)	(6,095,394)	(4,303,512)	(13,959,669)	(5,556,159)	(5,648,996)	(4,671,611)
Transfers out	-	(794,724)	-	-	-	-	-	-	-	-
Administrative expenses	(105,137)	(176,751)	(176,168)	(171,947)	(142,768)	(193,001)	(282,714)	(258,241)	(265,932)	(244,212)
	4,938,350	705,571	(17,590,928)	14,215,931	(1,494,634)	410,700	(6,037,613)	3,927,793	(3,321,324)	(473,590)
Plan fiduciary Net Position, end of year (b)	$ 70,796,793	$ 65,858,443	$ 65,152,872	$ 82,743,800	$ 68,527,869	$ 70,022,503	$ 69,611,803	$ 75,649,416	$ 71,721,623	$ 75,042,947
College's net pension liability (asset), end of year (a)-(b)	$ (409,562)	$ 7,037,115	$ 6,392,750	$ (13,778,449)	$ 12,343,264	$ 6,356,405	$ 1,420,997	$ (660,417)	$ 3,949,317	$ (4,120,130)
Plan fiduciary Net position as a percentage of the total pension liability	100.58%	90.35%	91.06%	119.98%	84.74%	91.68%	98.00%	100.88%	94.78%	105.81%
Covered payroll	$ 17,435,182	$ 14,552,334	$ 13,730,542	$ 15,068,005	$ 16,832,353	$ 17,403,996	$ 16,083,608	$ 18,876,189	$ 18,546,824	$ 19,458,784
College's net pension liability (asset) as a percentage of covered payroll	(2.35%)	48.36%	46.56%	(91.44%)	73.33%	35.52%	8.84%	(3.50%)	21.29%	(21.17%)

Community College District of St. Louis

Schedule of Changes in Net Position Liability and Contributions - Non-Certified Employees Retirement Plan

Year Ended June 30, 2024

Year Ended	Actuarially Determined Contribution	Actual Contributions	Contribution Excess (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	$ 1,045,234	$ 842,284	$ (202,959)	$ 19,458,784	4.33%
2016	589,114	796,694	207,580	18,546,824	4.30%
2017	351,478	786,586	435,108	18,876,189	4.17%
2018	495,687	733,951	238,264	16,083,608	4.56%
2019	805,098	714,622	(90,476)	17,403,996	4.11%
2020	1,019,038	687,910	(331,128)	16,832,353	4.09%
2021	912,941	681,917	(231,024)	15,068,005	4.53%
2022	108,758	610,341	501,583	13,730,542	4.45%
2023	(40,474)	616,134	656,608	14,552,334	4.23%
2024	397,645	633,247	235,602	17,435,182	3.63%

Community College District of St. Louis

Schedule of Changes in the Total OPEB Liability and Related Ratios

Year Ended June 30, 2024

Postemployment Health Care Plan

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	$ 282,658	$ 510,016	$ 744,385	$ 604,970	$ 400,559	$ 287,299	$ 276,595
Interest cost	90,135	225,626	169,259	179,820	195,783	253,386	262,837
Difference between expected and actual experience	(4,208,292)	-	(727,402)	-	(404,097)	297,573	-
Changes in assumptions	(33,335)	(140,762)	(2,449,303)	97,177	287,466	376,185	(242,442)
Benefit payments	(59,459)	(162,966)	(125,807)	(159,927)	(119,952)	(445,991)	(657,990)
Net changes in total OPEB	(3,928,293)	431,914	(2,388,868)	722,040	359,759	768,452	(361,000)
Total OPEB Liability - beginning	6,376,297	5,944,383	8,333,251	7,611,211	7,251,452	6,483,000	6,844,000
Total OPEB Liability - ending	$ 2,448,004	$ 6,376,297	$ 5,944,383	$ 8,333,251	$ 7,611,211	$ 7,251,452	$ 6,483,000
Covered Employee Payroll	$ 75,711,088	$ 63,646,520	$ 62,094,166	$ 53,975,692	$ 52,150,427	$ 64,179,000	$ 62,008,455
Total OPEB Liability as a % of Covered Employee Payroll	3%	10%	10%	15%	15%	11%	10%
Discount Rate	3.93%	3.65%	3.54%	2.16%	2.21%	3.50%	3.87%

This schedule is presented to show information for 10 years. However, until a full 10-year trend is completed, the College will present information for those years for which information is available.

Other Reporting Requirements

KPM CPAS & ADVISORS

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
Community College District of St. Louis
St. Louis, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the business-type activities and remaining fund information of Community College District of St. Louis as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Community College District of St. Louis's basic financial statements and have issued our report thereon dated November 15, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Community College District of St. Louis'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 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 have not been identified.

www.kpmcpa.com
1445 E. Republic Road, Springfield, MO 65804 | 417-882-4300 | fax 417-882-4343
500 W. Main Street, Suite 200 Branson, MO 65616 | 417-334-2987 | fax 417-336-3403

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Community College District of St. Louis'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.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
November 15, 2024

KPM CPAS & ADVISORS

Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Board of Trustees
Community College District of St. Louis
St. Louis, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community College District of St. Louis' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Community College District of St. Louis' major federal programs for the year ended June 30, 2024. Community College District of St. Louis' major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Community College District of St. Louis 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, 2024.

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; 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 Community College District of St. Louis, 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.

www.kpmcpa.com
1445 E. Republic Road, Springfield, MO 65804 | 417-882-4300 | fax 417-882-4343
500 W. Main Street, Suite 200 Branson, MO 65616 | 417-334-2987 | fax 417-336-3403

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Community College District of St. Louis' 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 Community College District of St. Louis' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the 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.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
November 15, 2024

Community College District of St. Louis

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor Pass Through Grantor/ Program Title	Assistance Listing Number	Pass-through Grantor's Number	Passed-through to Subrecipient	Federal Expenditures
U.S Department of Health and Human Services				
Passed Through Missouri Department of Elementary and Secondary Education				
CCDF Cluster				
Childcare and Development Block Grant	93.575D	2202MOCCDF	$ -	$ 87,450
Passed Through Missouri Department of Health and Senior Services				
The National Cardiovascular Health Program	93.426	NU58DP007453	-	32,000
State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes	93.366	NU58DP006476	-	58,517
Direct				
Public Health Training Centers Program	93.516	N/A	-	798,662
Mental and Behavioral Health Education and Training Grants	93.732	N/A	-	326,731
Total U.S Department of Health and Human Services			-	1,303,360
U.S. Department of Education				
Direct				
Student Financial Assistance Cluster				
Federal Pell Grant Program	84.063	N/A	-	20,495,850
Federal Supplemental Educational Opportunity Grants	84.007	N/A	-	747,243
Federal Work-Study Program	84.033	N/A	-	687,427
Federal Direct Student Loans	84.268	N/A	-	2,999,286
Total Student Financial Assistance Cluster			-	24,929,806
TRIO Cluster				
TRIO-Upward Bound	84.047A	N/A	-	301,828
TRIO-Talent Search	84.044A	N/A	-	210,227
TRIO-Student Support Services	84.042A	N/A	-	940,228
Total Trio Cluster			-	1,452,283
Child Care Access Means Parents in School Program	84.335A	N/A	-	192,616
Passed Through Missouri Department of Elementary and Secondary Education				
COVID-19 - Education Stabilization Fund	84.425U	-	-	2,344
Passed Through Missouri Department of Elementary and Secondary Education				
Adult Education (AEL) - Basic Grants to State	84.002A	V002A230026	-	155,347
Career and Technical Education - Basic Grants to States	84.048A	V048A220025	-	117,709
		V048A230025	-	1,363,203
			-	1,480,912
Total U.S. Department of Education			-	28,213,308

See accompanying Notes to the Schedule of Expenditures of Federal Awards

Community College District of St. Louis

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor Pass Through Grantor/ Program Title	Assistance Listing Number	Pass-through Grantor's Number	Passed-through to Subrecipient	Federal Expenditures
Environmental Protection Agency				
Direct				
Brownsfields Job Training Cooperative Agreements	66.815	N/A	-	129,523
Total Environmental Protection Agency			-	129,523
National Science Foundation				
R&D Cluster				
Direct				
STEM Education	47.076	N/A	-	21,357
Passed Through Wabash College				
STEM Education	47.076	20200514-3	-	17,324
Passed Through AMATYC				
STEM Education	47.076	2013493	-	44,948
Passed Through Harris-Stowe State University				
STEM Education	47.076	1619639	-	2,442
Total National Science Foundation/ R&D Cluster			-	86,071
U.S. Department of Treasury				
Passed Through Missouri Department of Higher Education and Workforce Development				
COVID-19-Coronavirus State and Local Fiscal Recovery Funds	21.027	PA2SL	-	16,215,596
Passed Through Missouri Department of Economic Development				
COVID-19-Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP4542	-	367,603
			-	16,583,199
Total U.S. Department of Treasury			-	16,583,199
U.S. Department of Labor				
Direct				
H-1B Job Training Grant	17.268	N/A	1,295,134	1,899,365
Community Project Funding/Congressionally Directed Spending	17.289	N/A	-	204,577
Job Corps Experimental Projects and Technical Assistance	17.287	N/A	-	73,165
Total U.S. Department of Labor			1,295,134	2,177,107
U.S. Department of Agriculture				
Passed Through Missouri Department of Health and Senior Services				
Child and Adult Care Food Program	10.558	24MO305N1199	-	58,348
		24MO305N2020	-	4,637
Total U.S. Department of Agriculture			-	62,985
Total Expenditures of Federal Awards			$ 1,295,134	$ 48,555,553

See accompanying Notes to the Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Community College District of St. Louis under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Community College District of St. Louis, it is not intended to and does not present the financial position, changes in net position, or cash flows of Community College District of St. Louis.

2. Summary of Significant Accounting Policies

1. Expenditures reported in the Schedule are reported on the accrual basis of accounting, which is described in Note 1 to the College's basic financial statements.

2. Pass-through entity identifying numbers are presented where available.

3. The College elected not to use the 10% *de minimis* indirect cost rate as allowed under the Uniform Guidance.

3. Loan Programs

The College participates in the Federal Direct Student Loan Program, which provides federal loans directly to the students rather than through private lending institutions. The College is responsible only for the origination of the loan (e.g., determining student eligibility and disbursing loan proceeds to the borrower). The Direct Loan Servicer is then responsible for the overall servicing and collection of the loan. The amount reported on the schedule of expenditures of federal awards for the loan program represents the total value of the loans awarded and paid to the College's students during the year ended June 30, 2024.

Section I: Summary of Auditors' Results

Financial Statements	
Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal Control over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Noncompliance material to financial statements noted?	No
Federal Awards	
Internal control over major federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Type of auditors' report issued on compliance for major federal program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	No
Identification of major federal programs:	

Assistance Listing Numbers	**Name of Federal Programs or Clusters**
84.063, 84.007, 84.033, and 84.268	Student Financial Assistance Cluster
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:	$1,456,667
Auditee qualified as low-risk auditee?	Yes

Section II: Financial Statement Findings

None

Section III: Federal Award Findings and Questioned Costs

None

Community College District of St. Louis

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

There were no prior year audit findings.