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COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
SAN BERNARDINO COUNTY
JOSHUA TREE, CALIFORNIA

AUDIT REPORT

Fiscal Year Ended June 30, 2023

858-565-2700
www.cwdl.com

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
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JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Copper Mountain Community College District
Joshua Tree, California

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the fiduciary activities of Copper Mountain Community College District (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District'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 financial position of the business-type activities and the fiduciary activities of Copper Mountain Community College District, as of June 30, 2023, and the changes in net position and, where applicable, cash flows for the year 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 financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Copper Mountain Community College District 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 District's ability to continue as a going concern for one year 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 District'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 District'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 and the Required Supplementary Information section, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information listed in the Table of Contents, including the Schedule of Expenditures of Federal Awards, 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* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 accompanying supplementary information, is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CWDL, Certified Public Accountants

San Diego, California
December 31, 2023

This section of Copper Mountain Community College District's (the "District") annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2023. The discussion has been prepared by management and should be read in conjunction with the financial statements and notes thereto which follow this section.

Copper Mountain Community College District was formally established in 1999 and serves the County of San Bernardino. Students in our college may complete the freshman and sophomore years of a baccalaureate degree and transfer to upper division study at a university or complete a certificated vocational program and move directly into the workforce.

The following discussion and analysis provides an overview of the financial position and activities of the District's Financial Report for the fiscal year ended June 30, 2023. The previous year's financial information is provided for comparison. The annual report consists of three basic financial statements that provide information on the District as a whole: the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.

FINANCIAL HIGHLIGHTS OF THE PAST YEAR

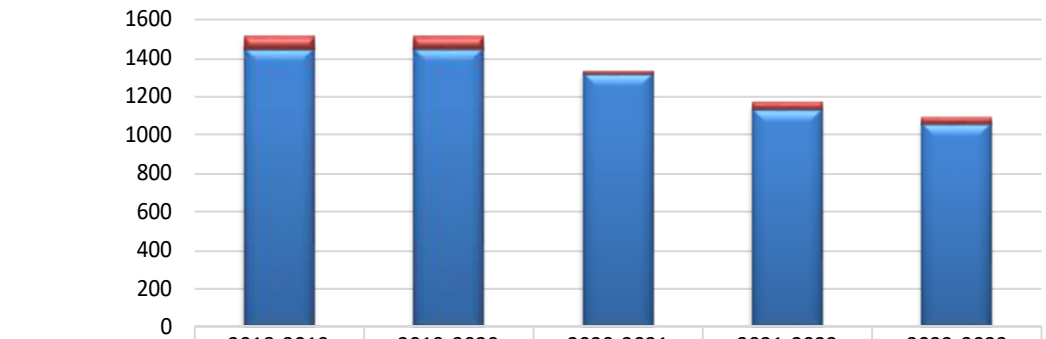
This section provides condensed information for each of the three basic financial statements, as well as illustrative charts and tables.

During 2022-23, the District experienced a decrease in enrollment of 9.36%. It is imperative that the District meet its growth targets because future funding is determined by the District's ability to grow to its target levels. The District's primary funding is based upon an apportionment allocation made by the State of California Community Colleges Chancellor's Office. The primary basis for the Chancellor's apportionment calculation is the District's reporting of Full-Time Equivalent Students (FTES). Below is the District' five-year trend for FTES:

Trend of full-time equivalent students as reported on the annual report:

Fiscal Year	Credit FTES	Non-Credit FTES
2018-2019	1453	63
2019-2020	1453	60
2020-2021	1321	15
2021-2022	1132	33
2022-2023	1063	28

FINANCIAL HIGHLIGHTS OF THE PAST YEAR, continued



	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Non-Credit FTES	63	60	15	33	28
Credit FTES	1453	1453	1321	1132	1063

During fiscal year 2022-23, total full-time equivalents students (FTES) decreased approximately 6.10% for credit courses and decreased 15.15% for non-credit course.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

NET POSITION

The Statement of Net Position presents the assets, liabilities and net position of the District as of the end of the fiscal year and is prepared using the accrual basis of accounting, which is similar to the accounting basis used by most private sector organizations.

The difference between total assets and total liabilities is one indicator of the current financial condition of the District; the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical cost less accumulated depreciation.

The Net Position is divided into three major categories. The first category, net investment in capital assets, provides the equity amount in property, plant and equipment owned by the District. The second category is expendable restricted net assets. These net assets are available for expenditure by the District, but must be spent for purposes as determined by external entities, legislation and/or donors that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted and is available to the District for any lawful purpose of the District.

NET POSITION, continued

	2023	2022	Change
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets	$ 25,209,798	$ 16,219,605	$ 8,990,193
Non-current assets	34,325,838	35,412,996	(1,087,158)
Deferred outflows of resources	5,426,716	4,669,088	757,628
Total Assets and Deferred Outflows of Resources	64,962,352	56,301,689	8,660,663
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities	13,049,650	8,143,408	4,906,242
Non-current liabilities	29,751,376	26,240,782	3,510,594
Deferred inflows of resources	3,250,160	7,758,125	(4,507,965)
Total Liabilities and Deferred Inflows of Resources	46,051,186	42,142,315	3,908,871
NET POSITION			
Invested in capital assets, net of related debt	21,208,950	20,891,415	317,535
Restricted	1,426,144	1,384,113	42,031
Unrestricted	(3,723,928)	(8,116,154)	4,392,226
Total Net Position	$ 18,911,166	$ 14,159,374	$ 4,751,792

- Nearly 100 percent of the cash balance and investments is cash deposited in the San Bernardino County Treasury Pool. All funds are invested in accordance with Board Policy, which emphasizes prudence, safety, liquidity, and the return on investment. The Statement of Cash Flows contained within these financial statements provides greater detail regarding the sources and uses of cash.
- The majority of the accounts receivable balance, in the amount of $270,472, is from State and Local sources for grant/entitlement programs and interest.
- Capital assets had a net balance of $34,325,838. Depreciation expense of $1,986,058 was recognized during 2022-23.
- Accounts payable and accrued expenses of $12,085,977 are amounts due as of the fiscal year-end for goods and services received as of June 30, 2023.
- The District currently has $30,796,277 in outstanding debt. Of this amount, $963,673 is due in the coming year. Additional information regarding long term debt is included in the Debt Administration section of this discussion and analysis.
- The District's current investment in capital assets, net of related debt, is $21,208,950.

CHANGE IN NET POSITION

The change in total net position presented on the Statement of Net Position is based on the activity presented in the Statement of Revenues, Expenses and Changes in Net Position. The purpose of this statement is to present the operating and non-operating revenues earned (whether received or not) by the District, the operating and non-operating expenses incurred (whether paid or not) by the District, and any other revenues, expenses, gains and/or losses earned or incurred by the District.

CHANGE IN NET POSITION, continued

Operating activities are those in which a direct payment or exchange is made for the receipt of specified goods or services. As an example, tuition fees paid by the student are considered an exchange for instructional services. This activity is considered an operating activity. The receipt of State apportionments and property taxes do not include this exchange relationship between payment and receipt of goods or services. These revenues and related expenses are classified as non-operating activities.

Condensed statement of revenues, expenses and changes in net position for the years ended June 30, 2023 and 2022:

	2023	2022	Change
REVENUES			
Tuition and fees	$ 720,798	$ 425,932	$ 294,866
Grants and contracts, noncapital	11,718,743	10,436,535	1,282,208
General revenues - property taxes	3,832,289	3,474,865	357,424
General revenues - state aid	17,137,771	15,721,974	1,415,797
General revenues - other	270,757	90,366	180,391
Total Revenues	33,680,358	30,149,672	3,530,686
EXPENSES			
Operating expenses	24,738,919	22,525,535	2,213,384
Financial aid disbursement to students	4,352,182	4,002,524	349,658
Interest	(163,208)	(41,858)	(121,350)
Total Expenses	28,928,566	26,486,201	2,442,365
Change in Net Position	$ 4,751,792	$ 3,663,471	$ 1,088,321

The schedule above has been prepared from the Statement of Revenues, Expenses, and Changes in Net Position. State general apportionment, while budgeted for operations, is considered non-operating revenues, according to the Governmental Accounting Standards Board's (GASB) prescribed reporting format. Grants and contracts revenue includes student financial aid, as well as specific federal and state grants received for programs serving the students of the District.

Total Operating Revenues reflects an increase in net tuition and fees of $294,866 and an increase in grant revenue of $1,282,208 from the previous year. Grants and contracts increase and decrease when grant periods end or when new grants are obtained by the District.

Generally, operating revenues are earned for providing goods and services to the various customers and constituencies of the District. Operating expenses are those expenses incurred to acquire or produce the goods and services provided in return for operating revenues and to fulfill the mission of the District.

Non-operating revenues are those received or pledged for which goods and services are not provided; for example, state appropriations are non-operating because they are provided by the legislature to the District without the legislature directly receiving commensurate goods and services for those revenues.

CHANGE IN NET POSITION, continued

- Tuition and fees are generated by the resident, non-resident and foreign fees paid by students attending the District, including fees such as parking fees, community services classes and other related fees.
- Non-capital grants and contracts are primarily those received from Federal and State sources and used in instructional programs.
- State apportionment is generated based on the workload measures reported to the State by the District.
- Local property taxes are received through the Auditor-Controller's Office for San Bernardino County. The amount received for property taxes is deducted from the total State general apportionment amount calculated by the State for the District.

Total operating expenses increased by $2,644,270. The increase is comprised of four parts: 1) salaries and benefits decreased by $12,962; 2) supplies, materials, and other operating expense increased by $2,106,340; 3) payments to students increased by $349,658, and 4) depreciation increased by $201,234.

Operating expenses are 54% related to personnel costs. The balance of operating expenses is for supplies, materials, other operating expenses, financial aid, utilities and depreciation expense.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows provides information about cash receipts and cash payments during the fiscal year. The statement also helps user assess the District's ability to generate positive cash flows, meet obligations as they come due, and the need for external financing.

The Statement of Cash Flows is divided into five parts. The first part reflects operating cash flows and shows the net cash used by the operating activities of the District. The second part details cash received for non-operating, non-investing, and non-capital financing purposes. The third part shows cash flows from capital and related financing activities. This part deals with the cash used for the acquisition and construction of capital and related items. The fourth part provides information from investing activities and the amount of interest received. The last section reconciles the net cash used by operating activities to the operating loss reflected on the Statement of Revenues, Expenses and Changes in Net Position.

A summary of the Statement of Cash Flows for the years ended June 30, 2023 and 2022 is shown below.

	2023	2022	Change
Net cash provided (used) by:			
Operating activities	$ (10,366,693)	$ (9,690,490)	$ (676,203)
Non-capital financing activities	20,970,060	19,196,839	1,773,221
Capital financing activities	(1,858,333)	(2,520,199)	661,866
Investing activities	270,757	90,366	180,391
Net increase in cash and cash equivalents	$ 9,015,791	$ 7,076,516	$ 1,939,275

The primary operating activities contributing to cash flow are student tuition and fees and Federal, State, and Local grants and contracts, while the primary operating activity using cash flow throughout the year is the payment of salaries and benefits.

STATEMENT OF CASH FLOWS, continued

The primary cash receipts from operating activities are from student enrollment fees and tuition, Federal, State and Local grants and contracts. The primary cash outlays are payments of wages, benefits, vendors, and students related to the instruction program.

Even though State apportionment and property taxes are the primary source of non-capital related revenue (and cash flow), GASB accounting standards require that these sources of revenue be shown as non-operating revenue, since they come from general resources of the State and not from the primary users of the college's programs and services (students). The District depends upon this funding as the primary source of funds to continue the current level of operations.

The net cash used by the District for operating activities was $(10,366,693); cash flow from non-capital financing activities equaled $20,970,060; and net cash used by capital financing, consisting primarily of the purchase of capital assets (buildings, building improvements, and equipment) and interest paid on capital debt totaled ($1,858,333) Cash provided by investment activities equaled $270,757.

THE DISTRICT'S FIDUCIARY RESPONSIBILITY

The District is the trustee, or fiduciary, for certain amounts held on behalf of students, clubs and donors for student loans and scholarships. The District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. These activities are excluded from the District's other financial statements because these assets cannot be used to finance operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

CAPITAL ASSETS

At June 30, 2023 the District had total capital assets of $54.5 million consisting of land, buildings and building improvements, construction in progress, vehicles, data processing equipment and other office equipment. The related accumulated depreciation was $20.2 million.

Capital additions consist primarily of replacement, renovation and new construction of facilities, as well as significant investments in equipment, including information technology. Current year additions were funded with a combination of special categorical, unrestricted general fund dollars, and capital outlay appropriations.
A comparison of capital assets, net of depreciation, is summarized below:

	2023	2022	Change
Capital Assets not being depreciated	$ 398,453	$ 1,364,257	$ (965,804)
Capital Assets being depreciated	54,080,963	52,224,084	1,856,879
Accumulated depreciation	(20,153,578)	(18,175,345)	(1,978,233)
Total Capital Assets	$ 34,325,838	$ 35,412,996	$ (1,087,158)

LONG-TERM LIABILITIES

At June 30, 2023, the District had $13.1 million in bonded debt related to the following bond issues: 2004 Series C Bonds and 2012 Refunding Bonds. The bonds were issued in prior years to fund various projects related to the construction, purchase and renovation of instructional and student facilities. The District also had approximately $1.7 million in post-employment benefits costs and accrued vacation pay. Finally, the District has approximately $15.7 million in pension liabilities. See the notes to the financial statements for additional information.

	2023	2022	Change
Bonds payable	$ 13,116,888	$ 14,521,581	$ (1,404,693)
Net pension liability	15,741,428	10,823,326	4,918,102
Net OPEB liability	1,701,923	1,574,570	127,353
Compensated absences	154,810	236,038	(81,228)
Total Long-Term Liabilities	$ 30,715,049	$ 27,155,515	$ 3,559,534

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

The future of the California Community College system is closely tied to the economic landscape and budget decisions within the state. The state's budget choices significantly impact the ability of community colleges to provide accessible and high-quality education to a diverse student population.

Currently, economic challenges suggest limited growth in General Fund revenues for 2023-24 and slow growth in 2024-25. Despite these concerns, projections indicate improvement in the following years, with normal growth levels expected in 2025-26 and 2026-27. The Legislative Analyst Office (LAO) forecasts a minimum guarantee of $108.2 billion for 2023-24. Compared to our revised Proposition 98 funding estimate for 2022-23, this represents a $1.5 billion increase (1.4 percent). However, the 2023-24 guarantee is still $2.2 billion below the enacted budget level for 2022-23.

The growth in property tax revenue is closely linked to housing market trends, albeit with a lag of a few years. The LAO predicts substantial increases in property tax revenue—7 percent in 2023-24 and 5.2 percent in 2024-25—reflecting the housing boom from the summer of 2020 to early 2022. However, a slowdown is expected with growth rates of 3 percent in 2025-26 and 4.2 percent in 2026-27, aligning with cooling trends in the housing market since the spring of 2022. Despite expectations of moderated price inflation, there is a lingering risk that inflation could exceed historical averages for an extended period. Cost-of-Living Adjustment (COLA) estimates stand at 5.3 percent in 2024-25, 4.5 percent in 2025-26, and 4.2 percent in 2026-27, contrasting with the 20-year average statutory COLA of 2.8 percent.

The 2021 Budget Act extended the Hold Harmless provision through 2024-25, establishing a new floor for minimum funding guarantees. The revised hold harmless provision during those years will no longer include adjustments from COLA.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the District's Office of Fiscal Services, Copper Mountain College, P.O. Box 1398, Joshua Tree, California 92252-0879.

FINANCIAL STATEMENTS

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS	
Current Assets:	
Cash and cash equivalents	$ 24,803,471
Accounts receivable, net	319,046
Prepaid expenditures and other assets	87,281
Total Current Assets	25,209,798
Noncurrent Assets:	
Capital assets, net	34,325,838
Total Noncurrent Assets	34,325,838
TOTAL ASSETS	59,535,636
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	267,555
Deferred outflows - OPEB	78,551
Deferred outflows - pensions	5,080,610
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 64,962,352
LIABILITIES	
Current Liabilities:	
Accounts payable and accrued expenses	$ 1,890,502
Unearned revenue	10,195,475
Long-term debt, current portion	963,673
Total Current Liabilities	13,049,650
Noncurrent Liabilities:	
Compensated absences	154,810
Net OPEB liability	1,701,923
Net pension liability	15,741,428
Long-term debt, noncurrent portion	12,153,215
Total Noncurrent Liabilities	29,751,376
TOTAL LIABILITIES	42,801,026
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows - OPEB	272,491
Deferred inflows - pensions	2,977,669
NET POSITION	
Net investment in capital assets	21,208,950
Restricted	1,426,144
Unrestricted	(3,723,928)
TOTAL NET POSITION	18,911,166
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 64,962,352

See the accompanying notes to the financial statements.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

OPERATING REVENUES	
Tuition and fees	$ 1,616,050
Less: Scholarship discounts and allowances	(895,252)
Net tuition and fees	720,798
Grants and contracts, noncapital:	
Federal	5,557,363
State	5,443,085
Local	718,295
TOTAL OPERATING REVENUES	12,439,541
OPERATING EXPENSES	
Salaries	11,169,727
Employee benefits	4,456,995
Supplies, materials, and other operating expenses and services	7,126,139
Student aid	4,352,182
Depreciation	1,986,058
TOTAL OPERATING EXPENSES	29,091,101
OPERATING LOSS	(16,651,560)
NON-OPERATING REVENUES (EXPENSES)	
State apportionments, noncapital	15,174,964
Local property taxes	3,832,289
State taxes and other revenues	1,962,807
Investment income - noncapital	270,757
Interest expense on capital asset-related debt	163,208
Gain (loss) on disposal of fixed assets	(673)
TOTAL NON-OPERATING REVENUES (EXPENSES)	21,403,352
INCREASE (DECREASE) IN NET POSITION	4,751,792
NET POSITION -- BEGINNING OF YEAR	14,159,374
NET POSITION -- END OF YEAR	$ 18,911,166

See the accompanying notes to the financial statements.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and fees	$ 720,798
Grants and contracts	18,165,266
Payments to or on behalf of employees	(16,061,860)
Payments to vendors for supplies and services	(8,838,715)
Payments to students	(4,352,182)
Net Cash Used by Operating Activities	(10,366,693)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
State apportionments	15,174,964
Property taxes	3,832,289
State taxes and other revenues	1,962,807
Net Cash Provided by Non-capital Financing Activities	20,970,060
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(898,900)
Loss on disposal of capital assets	(673)
Principal paid on capital debt	(1,705,338)
Interest paid on capital debt	746,578
Net Cash Used by Capital Financing Activities	(1,858,333)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	270,757
Net Cash Provided by Investing Activities	270,757
NET INCREASE IN CASH & CASH EQUIVALENTS	9,015,791
CASH & CASH EQUIVALENTS, BEGINNING OF YEAR	15,787,680
CASH & CASH EQUIVALENTS, END OF YEAR	$ 24,803,471

See the accompanying notes to the financial statements.

RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating loss	$ (16,651,560)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation expense	1,986,058
Changes in Assets and Liabilities:	
Receivables, net	40,598
Prepaid items	(15,000)
Deferred outflows of resources	(891,400)
Accounts payable and accrued liabilities	(1,697,576)
Deferred revenue	6,405,925
Net pension liability	4,918,102
Net OPEB liability	127,353
Compensated absences	(81,228)
Deferred inflows of resources	(4,507,965)
Total Adjustments	6,284,867
Net Cash Flows From Operating Activities	$ (10,366,693)

See the accompanying notes to the financial statements.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
STATEMENT OF NET POSITION – FIDUCIARY FUNDS
JUNE 30, 2023

	Scholarship and Loan Fund
ASSETS	
Cash and cash equivalents	$ 31,246
Total Assets	31,246
NET POSITION	
Restricted	31,246
Total Net Position	$ 31,246

See the accompanying notes to the financial statements.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
STATEMENT OF CHANGES IN NET POSITION – FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Scholarship and Loan Fund
OPERATING REVENUES	
Local revenue	$ 23,773
Total Operating Revenues	23,773
OPERATING EXPENSES	
Supplies, materials, and other outgo	23,773
Total Operating Expenses	23,773
Net Change in Net Position	-
NET POSITION	
Beginning of Year	31,246
End of Year	$ 31,246

See the accompanying notes to the financial statements.

NOTE 1 – ORGANIZATION

Copper Mountain Community College District (the "District") is a political subdivision of the State of California and provides educational services to the local residents in the County of San Bernardino, State of California. The District consists of one community college located in Joshua Tree, California.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

While the District is a political subdivision of the State, it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board ("GASB") Codification Section (Cod. Sec.) 2100.101. The District is classified as a state instrumentality under Internal Revenue Code Section 115.

The decision to include potential component units in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles (GAAP) and GASB Cod. Sec. 2100.101 as amended by GASB Cod.Sec. 2100.138. The three criteria for requiring a legally separate, tax-exempt organization to be presented as a component unit are the "direct benefit" criterion, the "entitlement/ability to access" criterion, and the "significance" criterion. As defined by accounting principles generally accepted in the United States of America and established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, the District.

Basis of Presentation and Accounting

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB. Under this model, the District's financial statements provide a comprehensive entity-wide perspective of the District's financial position and activities. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when the obligation has been incurred. All significant intra-agency transactions have been eliminated.

Fiduciary funds for which the District acts only as an agent or trust are not included in the business-type activities of the District. These funds are reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position at the fund financial statement level.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include unrestricted cash with county treasury balances for purposes of the Statement of Cash Flows. Restricted cash and cash equivalents represent balances restricted by external sources such as grants and contracts or specifically restricted for the repayment of capital debt.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Investments

The District records its investment in San Bernardino County Treasury at fair value. Changes in fair value are reported as revenue in the Statement of Revenues, Expenses and Changes in Net Position. The fair value of investments, at June 30, 2023, approximated their carrying value.

Restricted Assets

Restricted assets arise when restrictions on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets are classified on the Statement of Net Position because their use is limited by enabling legislation, applicable bond covenants, and other laws of other governments. Also, resources have been set aside to satisfy certain requirements of the bonded debt issuance and to fund certain capital asset projects.

Accounts Receivable

Accounts receivable consists primarily of amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts. The District recognized for budgetary and financial reporting purposes any amount of State appropriations deferred from the current fiscal year and appropriated from the subsequent fiscal year for payment of current year costs as a receivable in the current year.

Inventories and Prepaid Expenditures

Prepaid expenses represent payments made to vendors and others for services that will benefit periods beyond June 30.

Inventories consist primarily of supplies held for resale to the students and faculty of the college. Inventories are stated at cost, utilizing the weighted average method. The cost is recorded as an expense as the inventory is consumed..

Capital Assets and Depreciation

Capital assets are recorded at cost at the date of acquisition. Donated capital assets are recorded at their estimated fair value at the date of donation. For equipment, the District's capitalization policy includes all items with a unit cost of $5,000 or more and an estimated useful life of greater than one year. Buildings, as well as renovations to buildings, infrastructures, and land improvements, that significantly increase the value or extend the useful life of the structure are capitalized.

Depreciation of capital assets is computed and recorded by the straight-line method over the following estimated useful life:

Asset Class	Estimated Useful Life
Buildings	50 years
Land improvements	10 years
Equipment and vehicles	8 years
Technology equipment	3 years

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Deferred Outflows / Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element – deferred outflows of resources – represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditures) until then. The District has three items that qualify for reporting in this category.

- Deferred Charge on Refunding: A deferred charge on refunding results from the difference in carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded date or refunding debt.

- Deferred Outflows-Pensions and OPEB: Deferred outflows of resources represent a consumption of net position by the District that is applicable to a future reporting period. The deferred outflows of resources related to pensions and OPEB resulted from District contributions to employee plans subsequent to the measurement date of the actuarial valuations for the plans. Deferred outflows are also recorded for the effects of actuarially-determined changes to the pension plan. These amounts are deferred and/or amortized as detailed in Notes 8 and 9 to the financial statements.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element – deferred inflows of resources – represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualifies for reporting in this category.

- Deferred Inflows-Pensions and OPEB: The deferred inflows or resources related to pensions and OPEB resulted from the effects of actuarially-determined changes to the pension and OPEB plans. These amounts are deferred and amortized as detailed in Notes 8 and 9 to the financial statements.

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the entity-wide financial statements.

Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as a liability of the District as compensated absences in the Statement of Net Position. The District has accrued a liability for the amounts attributable to load banking hours within accrued liabilities. Load banking hours consist of hours worked by instructors in excess of full-time load which they may carryover for future paid time off.

Sick leave benefits are accumulated without limit for each employee. Accumulated employee sick leave benefits are not recognized as a liability of the District. The District's policy is to record sick leave as an operating expense in the period taken since such benefits do not vest nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires and within the constraints of the appropriate retirement systems.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Unearned Revenue

Tuition and fees received prior to June 30 for classes and programs offered in the subsequent fiscal year are reported as unearned revenue. Cash received for Federal and State special projects and programs is recognized as revenue to the extent that qualified expenditures have been incurred. Unearned revenue is recorded to the extent that cash received on specific projects and programs exceeds qualified expenditures.

Noncurrent Liabilities

Noncurrent liabilities include bonds and notes payable, compensated absences, and OPEB obligations with maturities greater than one year.

Pensions

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

Net Position

GASB Statements No. 34 and No. 35 report equity as "Net Position" and represents the difference between assets and liabilities. The net position is classified according to imposed restrictions or availability of assets for satisfaction of District obligations according to the following categories:

> ***Invested in capital assets, net of related debt*** – This represents the District's total investment in capital assets, net of associated outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.
>
> ***Restricted*** – Net position is reported as restricted when there are limitations imposed on their use, either through enabling legislation adopted by the District, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.
>
> ***Unrestricted*** – Net position that is not subject to externally imposed constraints. Unrestricted net position may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

When both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first and the unrestricted resources when they are needed.

State Apportionments

Certain current year apportionments from the State are based on various financial and statistical information of the previous year. Any prior year corrections due to a recalculation will be recorded in the year computed by the State.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1. Unsecured property taxes are payable in one installment on or before August 31. The County of San Bernardino bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when the County notifies the District of the availability of the revenues. A receivable has been accrued to reflect the amount of property taxes receivable at June 30, 2023.

Scholarships, Discounts and Allowances

Student tuition and fee revenues and certain other revenues are reported, net of allowances and fee waivers approved by the Board of Governors through BOGG fee waivers in the statement of revenues, expenses and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods, and the goods and services provided by the District and the amount that is paid by students and/or third parties making payments on the students' behalf. To the extent that fee waivers have been used to satisfy tuition and fee charges, the District has recorded a scholarship discount and allowance.

Federal Financial Assistance Program

The District participates in federally funded Pell Grants, SEOG grants, and Federal Work-Study programs, as well as other programs funded by the Federal government. Financial aid to students is reported as other revenue. The amount reported as other revenue represents the portion of aid that was provided to the student in the form of cash. These programs are audited in accordance with Title 2 *U.S. Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.*

On-Behalf Payments

GASB Cod. Sec N50 requires that direct on-behalf payments for benefits and salaries made by one entity to a third party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of California makes direct on-behalf payments for retirement benefits to the State Teachers Retirement System on behalf of all Community Colleges in California.

Classification of Revenues

The District has classified its revenues as either operating or non-operating. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues as defined by GASB Cod. Sec. C05.101, including state appropriations, local property taxes, and investment income. Nearly all of the District's expenses are from exchange transactions.

Revenues are classified according to the following criteria:

> ***Operating revenues and expenses –*** Operating revenues and expenses include activities that have the characteristics of exchange transactions, such as: (1) student tuition and fees, net of fee waivers and allowances, (2) sales and services of auxiliary enterprises, and (3) most Federal, State and local grants and contracts and Federal appropriations. All expenses are considered operating expenses except for interest expense on capital asset related debt.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Classification of Revenues, continued

Non-operating revenues and expenses – Non-operating revenues include activities that have the characteristics of nonexchange transactions, such as Pell grants, gifts and contributions, and other revenue sources described in GASB Cod. Sec. C05.101, such as State appropriations and investment income. Interest expense on capital related debt is the only non-operating expense.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Interfund Activity

Interfund transfers and interfund receivables and payables are eliminated within the primary government funds during the consolidation process in the entity-wide financial statements.

Change in Accounting Principle

Statement No. 96 – Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription based information technology arrangements (SBITAs) for government end users (governments). Under this Statement, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, which is when the subscription asset is placed into service. The statement is effective for fiscal year 2022-23. The District has implemented GASB Statement No. 96 as of June 30, 2023.

New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that may impact future financial presentations.

Statement No. 91 – In May 2019, GASB issued Statement No. 91, Conduit Debt Obligations. This standard's primary objectives are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The statement was postponed by GASB Statement No. 95 and is effective for periods beginning after December 15, 2021. The District has not yet determined the impact on the financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Statement No. 99 – In April 2022, GASB issued Statement No. 99, Omnibus 2022. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The statement addresses various practice issues, including: (a) clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives, (b) disclosures related to nonmonetary transactions; clarification of provisions in Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, as amended, related to the focus of the government-wide financial statements, (c) terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, and (d) terminology used in Statement 53 to refer to resource flows statements. A portion of this statement was effective upon issuance, while the remaining portions of this statement were effective for periods beginning after June 15, 2022 and for periods beginning after June 15, 2023. The District has implemented the requirements that were effective upon issuance but has not yet determined the impact on the financial statements for the requirements of this statement that are not yet effective.

Statement No. 100 – In June 2022, GASB issued Statement No. 100, Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement is effective for periods beginning after June 15, 2023. The District has not yet determined the impact on the financial statements.

Statement No. 101 – In June 2022, GASB issued Statement No. 101, Compensated Absences. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for periods beginning after December 15, 2023. The District has not yet determined the impact on the financial statements

Early implementation is encouraged. The District is in the process of determining the effect on the financial reporting.

NOTE 3 – DEPOSITS AND INVESTMENTS

Summary of Deposits and Investments

As provided for by the Education Code, Section 41001, a significant portion of the District's cash balances of most funds is deposited with the San Bernardino County Treasurer for the purpose of increasing interest earnings through County investment activities. The California Government Code requires California banks and savings and loan associations to secure the District's deposits by pledging government securities as collateral. The market value of pledged securities must equal 110 percent of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150 percent of an agency's total deposits and collateral is considered to be held in the name of the District. Substantially all cash held by financial institutions is entirely insured or collateralized.

Cash and equivalents, as of June 30, 2023, consist of the following:

Governmental Funds:	Governmental Funds	Fiduciary Funds
Cash in County Treasury	$ 24,546,219	$ -
Cash on hand and in banks	207,252	31,246
Cash in revolving	50,000	-
Total cash and cash equivalents	$ 24,803,471	$ 31,246

Policies and Practices

Under provision of the District's investment policy, and in accordance with Section 53601 and 53602 of the California Government Code, the District may invest in the following types of investments: The District is authorized under California Government Code to make direct investments in local agency bonds, notes or warrants with the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium-term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized obligations.

Investment in County Treasury

In accordance with the Budget and Accounting Manual, the District maintains a significant portion of its cash in the San Bernardino County Treasury as part of the common investment pool. These pooled funds are carried at cost which approximates fair value. The fair market value of the District's deposits in this pool, as of June 30, 2023, as provided by the pool sponsor, was $24,046,163 with an average maturity of 539 days. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

NOTE 3 – DEPOSITS AND INVESTMENTS, continued

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedule below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Government Code Sections 16430 and 53601 allow governmental entities to invest surplus moneys in certain eligible securities. The District has no investment policy that would further limit its investment choices.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk, but all public funds are invested in bonds or governmental backed (collateralized) securities at 110% on the amount of deposit.

NOTE 3 – DEPOSITS AND INVESTMENTS, continued

Concentration of Credit Risk

Concentration of credit risk is the risk of a loss attributed to the magnitude of a government's investment in a single issuer. The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. District investments that are greater than 5 percent of total investments are in either an external investment pool or mutual funds and are therefore exempt.

NOTE 4 – RECEIVABLES

Receivables, at June 30, 2023, consist of the following and are considered collectible in full:

	Governmental Funds
Federal	$ 48,574
State	139,390
Local	131,082
	$ 319,046

NOTE 5 – CAPITAL ASSETS

The following provides a summary of changes in capital assets for the year ended June 30, 2023:

	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023
Capital Assets not being Depreciated				
Land	$ 264,667	$ -	$ -	$ 264,667
Construction in progress	1,099,590	14,242	980,046	133,786
Total Capital Assets not being Depreciated	1,364,257	14,242	980,046	398,453
Capital Assets being Depreciated				
Land improvements	15,231,181	1,030,835	-	16,262,016
Buildings and improvements	31,275,632	309,929	8,498	31,577,063
Furniture and equipment	5,717,271	524,613	-	6,241,884
Total Capital Assets being Depreciated	52,224,084	1,865,377	8,498	54,080,963
Total Capital Assets	53,588,341	1,879,619	988,544	54,479,416
Less Accumulated Depreciation				
Land improvements	5,245,779	792,430	-	6,038,209
Buildings and improvements	9,879,435	709,858	7,825	10,581,468
Furniture and equipment	3,050,131	483,770	-	3,533,901
Total Accumulated Depreciation	18,175,345	1,986,058	7,825	20,153,578
Net Capital Assets	$ 35,412,996	$ (106,439)	$ 980,719	$ 34,325,838

NOTE 6 – INTERFUND TRANSACTIONS

Interfund Receivables and Payables (Due To/Due From)

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund activity, within the governmental funds and fiduciary funds, have been eliminated respectively in the consolidation process of the basic financial statements. Balances owing between the primary government and the fiduciary funds are not eliminated in the consolidation process.

Interfund Operating Transfers

Operating transfers between funds of the District are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use restricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Operating transfers within the funds of the District have been eliminated in the consolidation process. Transfers between the primary government and the fiduciary funds are not eliminated in the consolidation process.

NOTE 7 – LONG-TERM OBLIGATIONS

Long-term obligations, for the fiscal year ended June 30, 2023, are summarized as follows:

	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023	Due within One Year
Governmental Activities					
General Obligation Bonds					
Series C	$ 3,712,693	$ -	$ 145,338	$ 3,567,355	$ 139,278
Refunding	9,335,000	-	735,000	8,600,000	790,000
Accreted interest	1,149,654	335,040	825,000	659,694	-
Premiums	324,234	-	34,395	289,839	34,395
Net pension liability	10,823,326	4,918,102	-	15,741,428	-
Net OPEB liability	1,574,570	127,353	-	1,701,923	-
Compensated absences	236,038	-	81,228	154,810	-
Total Long-Term Debt	$ 27,155,515	$ 5,380,495	$ 1,820,961	$ 30,715,049	$ 963,673

The outstanding bonded debt of the District, at June 30, 2023, is:

Final Maturity Date	Original Issue	Balance July 1, 2022	Issued	Redeemed	Balance June 30, 2023
8/1/2033	$ 4,999,587	$ 3,712,693	$ -	$ 145,338	$ 3,567,355
8/1/2031	$ 13,510,000	9,335,000	-	735,000	8,600,000
		$ 13,047,693	$ -	$ 880,338	$ 12,167,355

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NOTE 7 – LONG-TERM OBLIGATIONS, continued

2004 General Obligation Bonds
On November 2, 2004, $19.7 million in general obligation bonds were authorized by an election held within the District under Proposition 39/Measure C. These bonds were issued in multiple series as general obligations of the District.

2004 Series C Bonds
In April 2008, the District issued General Obligation Bonds, Series 2004 C, in the amount of $4,999,587 which were sold at a premium. The proceeds from the sale of the bonds were generally used to finance the construction, acquisition, furnishing and equipping of District facilities. Bond issuance costs of $183,457 were incurred in connection with the issuance of the Series 2004 Series C general obligation bonds.

The bond proceeds may not be used for District employees' salaries or other administration costs. In November, 2004 the Attorney General of California issued an opinion stating that districts may use Proposition 39 bond proceeds to pay the salaries of district employees to the extent they perform administrative oversight work on construction projects authorized by a voter approved bond measure.

2012 Refunding Bonds
In December 2012, the District issued $13,510,000 in general obligation bonds to partially refund $12,955,000 of outstanding 2004 Series A and B general obligation bonds originally issued in the aggregate principal of $15,000,000. The new bonds bear interest from 2.00% to 5.00% and are due in annual installments ranging from $265,000 to 1,355,000 through August, 2030. The new issue will reduce debt service payments for the District by $1,429,692, with an economic gain of $1,085,484.

The annual requirements to amortize the bonds payable are as follows:

Fiscal Year	Principal	Interest	Total
2024	$ 139,278	$ 221,407	$ 360,685
2025	136,877	231,623	368,500
2026	133,608	244,892	378,500
2027	129,595	258,883	388,478
2028	123,792	265,033	388,825
2029-2033	1,904,205	2,157,295	4,061,500
2034	1,000,000	20,750	1,020,750
Total	$ 3,567,355	$ 3,399,883	$ 6,967,238

Compensated Absences
Accumulated unpaid employee vacation benefits, as of June 30, 2023, are $154,810.

NOTE 8 – POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATION

For the fiscal year ended June 30, 2023, the District reported net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

OPEB Plan	Net OPEB Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense (Benefit)
District Plan	$ 1,701,923	$ 78,551	$ 272,491	$ 122,092

Plan Description

The District offers post-employment medical insurance to its eligible retirees. Integrated medical/prescription drug coverage is provided through CalPERS under the Public Employees Medical and Hospital Care Act (PEMHCA). Eligible retirees can choose from the PERSCare and PERSChoice PPOs.

The District's governing board administers the Postemployment Benefits Plan (the Plan). The Plan is a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees and their spouses.

The District pays the full cost for the employee and/or dependent coverage under the above plans for eligible retirees.

The District offers the same medical plans to its retirees as to its active employees, with the general exception that once a retiree become eligible for Medicare (that is, reaches age 65), he or she must join a Medicare Supplement PPO, with Medicare becoming the primary payor. The District does not contribute to dental and vision insurance for retirees.

Employees become eligible to receive District-paid healthcare benefits upon attainment of age 50 and 5 years of covered PERS service or upon disability before age 50. Benefits are paid for the lifetime of the retiree. Employees are eligible for full retirement benefits at age 55. Employees hired on or after January 1, 2013, and who are not defined as "classic employees" by CalPERS, are eligible for full retirement benefits at age 62.

Employees covered by benefit terms

As of the June 30, 2023 actuarial valuation, the following current and former employees were covered by the benefit terms under the OPEB plan:

	Number of Participants
Active Employees	94
Inactive Employees Receiving Benefits	6
	100

NOTE 8 – POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATION, continued

Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date, based on the following actuarial methods and assumptions:

Valuation date	June 30, 2022
Measurement date	June 30, 2023
Fiscal year	July 1st to June 30th
Actuarial cost methods	Entry age normal cost method
Inflation rate	2.50%
Investment rate of return	3.65%
Salary Increase	2.75%
Healthcare cost trend rate	4.00%
Pre-retirement mortality rate	
Certificated	2020 CalSTRS Mortality
Classified	2017 CalPERS Active Mortality for Miscellaneous Employees

Discount Rate

The discount rate used to measure the total OPEB liability was 3.65% which was based on historic 20-year real rates of return for each asset class along with assumed long-term inflation assumptions.

Changes in the Net OPEB Liability

The changes in the net OPEB liability for the OPEB plan are as follows:

	Increase/(Decrease)		
	Total OPEB Liability (a)	Total Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance July 1, 2022	$ 1,574,570	$ -	$ 1,574,570
Changes for the year:			
Service cost	152,693	-	152,693
Interest	57,258	-	57,258
Employee contributions	-	66,918	(66,918)
Changes in assumptions	(15,680)	-	(15,680)
Expected benefit payments	(66,918)	(66,918)	-
Net change	127,353	-	127,353
Balance June 30, 2023	$ 1,701,923	$ -	$ 1,701,923

NOTE 8 – POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATION, continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the Total OPEB liability, as well as what the Total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	Discount Rate 1% Lower (2.65%)	Current Discount Rate (3.65%)	Discount Rate 1% Higher (4.65%)
Net OPEB liability	$ 1,838,384	$ 1,701,923	$ 1,576,959

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the Total OPEB liability, as well as what the Total OPEB liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower or 1 percentage point higher than the current healthcare trend rate:

	Trend Rate 1% Lower (3.00%)	Current Trend Rate (4.00%)	Trend Rate 1% Higher (5.00%)
Net OPEB liability	$ 1,488,776	$ 1,701,923	$ 1,953,207

At June 30, 2023, the District's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources are:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 34,400	$ 112,725
Change in assumptions	44,151	159,766
	$ 78,551	$ 272,491

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

Year Ended June 30,	Deferred Outflows (Inflows) of Resources
2024	$ (20,941)
2025	(20,941)
2026	(20,941)
2027	(20,941)
2028	(20,941)
Thereafter	(89,235)
	$ (193,940)

NOTE 8 – POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATION, continued

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

OPEB Expense
For the year ended June 30, 2023, the District recognized OPEB expense of $122,092.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the State Teachers' Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS). The District reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow of resources for each of the above plans as follows:

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
CalSTRS	$ 6,838,221	$ 2,200,177	$ 2,332,041	$ 611,328
CalPERS	8,903,207	2,880,433	645,628	1,050,089
Total	$ 15,741,428	$ 5,080,610	$ 2,977,669	$ 1,661,417

California State Teachers' Retirement System (CalSTRS)

Plan Description
Copper Mountain Community College District contributes to the State Teachers Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2021, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided
The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

Benefits Provided, continued

This STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the state is the sponsor of the STRP and obligor of the trust. In addition, the state is both an employer and non-employer contributing entity to the STRP.

The District contributes exclusively to the STRP Defined Benefit Program, thus disclosures are not included for the other plans.

The STRP provisions and benefits in effect at June 30, 2023, are summarized as follows:

	STRP Defined Benefit Plan	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	19.10%	19.10%
Required state contribution rate	10.828%	10.828%

Contributions

Required member District and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven year period. The contribution rates for each plan for the year ended June 30, 2023, are presented above and the District's total contributions were $1,098,559.

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

At June 30, 2023, Copper Mountain Community College District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to Copper Mountain Community College District. The amount recognized by Copper Mountain Community College District as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with Copper Mountain Community College District were as follows:

District's proportionate share of the net pension liability	$ 6,838,221
State's proportionate share of the net pension liability associated with the District	3,424,601
Total	$ 10,262,822

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions, continued

The net pension liability was measured as of June 30, 2022. Copper Mountain Community College District's proportion of the net pension liability was based on a projection of Copper Mountain Community College District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2022, the District's proportion was 0.0098% which is an increase of 0.0012% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Copper Mountain Community College District recognized pension expense of $611,328. At June 30, 2023, the Copper Mountain Community College District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	$ -	$ 334,621
Differences between expected and actual experience	5,609	512,639
Changes in assumptions	338,871	-
Net changes in proportionate share of net pension liability	757,138	1,484,781
District contributions subsequent to the measurement date	1,098,559	-
Total	$ 2,200,177	$ 2,332,041

Amounts other than contributions subsequent to the measurement date reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	$ (24,255)
2025	(575,275)
2026	(769,674)
2027	233,185
2028	(70,884)
Thereafter	(23,520)
	$ (1,230,423)

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

Actuarial Assumptions

Total pension liability for STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2021, and rolling forward the total pension liability to June 30, 2022. The financial reporting actuarial valuation as of June 30, 2021, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2021
Measurement date	June 30, 2022
Experience study	July 1, 2015, through June 30, 2018
Actuarial cost method	Entry Age Normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table, issued by the Society of Actuaries.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant and adopted by the CalSTRS Board in January 2020 in conjunction with the most recent experience study. Best estimates of 20-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized herein.

Asset Class	Assumed Asset Allocation	Long-term Expected Real Rate of Return*
Public Equity	42%	4.8%
Real Estate	15%	3.6%
Private Equity	13%	6.3%
Fixed Income	12%	1.3%
Risk Mitigating Strategies	10%	1.8%
Inflation Sensitive	6%	3.3%
Cash/Liquidity	2%	-0.4%
	100%	

*20-year average

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10%) and assuming that contributions, benefit payments, and administrative expense occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Copper Mountain Community College District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Copper Mountain Community College District's proportionate share of the net pension liability of the each risk pool as of the measurement date, calculated using the discount rate, as well as what the Copper Mountain Community College District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Plan's net pension liability	$ 11,613,835	$ 6,838,221	$ 2,873,025

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees Retirement System (CalPERS)

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan), administered by the California Public Employees' Retirement System (CalPERS). The Plan's benefit provisions are established by statute. The Plan is included as a pension trust fund in the CalPERS Comprehensive Annual Financial Report, which is available online at www.calpers.ca.gov.

The Plan consists of a school pool (referred to as "risk pool"), which is comprised of individual employer rate plans, including those of the Copper Mountain Community College District.

Benefits Provided

The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Classic members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRA members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. The Plans' provisions and benefits in effect at June 30, 2023, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.000%	7.000%
Required employer contribution rate	25.370%	25.370%

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the CalPERS actuary and shall be effective on the July 1 following notice of a change in the rate. Contribution rates for the employer rate plans are determined through the CalPERS' annual actuarial valuation process. Each employer rate plan's actuarially determined rate is based on the estimated amount necessary to pay the employer rate plan's allocated share of the cost of benefits earned by employees during the year, and any unfunded accrued liability. The Copper Mountain Community College District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2023 are as presented above and the total District contributions were $1,038,860.

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

As of June 30, 2023, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $8,903,207. The net pension liability was measured as of June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating districts, actuarially determined. At June 30, 2023, the District's proportion was 0.026% which is a decrease 0.002% from its proportion measured as of June 30, 2022. For the year ended June 30, 2023, the Copper Mountain Community College District recognized pension expense of $1,050,089. At June 30, 2023, the Copper Mountain Community College District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	$ 1,051,227	$ -
Differences between expected and actual experience	40,237	221,522
Changes in assumptions	658,608	-
Net changes in proportionate share of net pension liability	91,501	424,106
District contributions subsequent to the measurement date	1,038,860	-
Total	$ 2,880,433	$ 645,628

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions, continued

Amounts other than contributions subsequent to the measurement date reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	$ 264,992
2025	254,758
2026	126,417
2027	549,778
	$ 1,195,945

Actuarial Assumptions

The total pension liabilities in the June 30, 2021 actuarial valuation were determined using the following actuarial assumptions:

Valuation date	June 30, 2021
Measurement date	June 30, 2022
Experience study	July 1, 1997, through June 30, 2015
Actuarial cost method	Entry Age Normal
Discount rate	6.90%
Investment rate of return	6.90%
Consumer price inflation	2.50%
Wage growth	Varies by entry age and service

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 15 years of mortality improvements using 90% of scale MP 2016 published by the Society of Actuaries.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

Actuarial Assumptions, continued

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized herein.

Asset Class*	Assumed Asset Allocation	Real Return Years 1 - 10**
Global Equity - cap-weighted	30%	4.45%
Global Equity non-cap-weighted	12%	3.84%
Private Equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporates	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	-5%	-0.59%
	100%	

*An expected inflation of 2.30% used for this period.

**Figures are based on the 2021-22 Asset Liability Management study.

Discount Rate

The discount rate used to measure the total pension liability was 6.90% and reflects the long-term expected rate of return for the Schools Pool Plan net of investment expenses and without reduction for administrative expenses. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the Schools Pool Plan fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

NOTE 9 – EMPLOYEE RETIREMENT SYSTEMS, continued

Discount Rate, continued

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Plan's net pension liability	$ 12,861,133	$ 8,903,207	$ 5,632,126

Social Security

As established by Federal law, all public sector employees who are not members of their employer's existing retirement systems (CalSTRS or CalPERS) must be covered by social security or an alternative plan. The District has elected to use Social Security as its alternative plan.

On Behalf Payments

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for community college education. These payments consist of state general fund contributions of approximately $549,370 to CalSTRS.

NOTE 10 – FUNCTIONAL EXPENSES

	Salaries and Benefits	Supplies, Materials and Other Operating Expenses	Student Financial Aid	Depreciation	Total
Instructional Activities	$ 6,279,040	$ 572,480	$ -	$ -	$ 6,851,520
Instructional Admin & Governance	949,105	45,550	-	-	994,655
Instructional Support Services	710,615	252,525	-	-	963,140
Admissions and Records	807,428	66,253	-	-	873,681
Students Counseling and Guidance	776,810	116,044	-	-	892,854
Student Services	1,393,595	215,653	-	-	1,609,248
Operation and Maintenance of Plant	296,520	652,847	-	-	949,367
Planning, Policy Making and Coordination	467,602	105,183	-	-	572,785
Institutional Support Services	1,338,126	1,445,083	-	-	2,783,209
Community Service	570,708	8,883	-	-	579,591
Ancillary Services and Auxiliary Operations	195,828	170,670	-	-	366,498
Auxiliary Operations	-	-	-	-	-
Physical Property and Related Acquisitions	1,841,345	758,696	-	-	2,600,041
Transfers, Student Aid and Other Outgo	-	2,716,272	4,352,182	-	7,068,454
Depreciation Expense	-	-	-	1,986,058	1,986,058
Total	$ 15,626,722	$ 7,126,139	$ 4,352,182	$ 1,986,058	$ 29,091,101

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Grants

The District has received State and Federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditures disallowances under terms of the grants, it is believed that any required reimbursement will not be material.

NOTE 11 – COMMITMENTS AND CONTINGENCIES, continued

Litigation

The District may be involved in various litigations arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2023.

Construction Commitments

As of June 30, 2023, the District had no construction commitments with respect to unfinished capital projects.

NOTE 12 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District's risk management activities are recorded in the General Fund. The District participates in various public entity risk pools (JPAs) for its health and welfare benefits, workers' compensations benefits, and property/liability insurance. Refer to Note 13 for additional information regarding the JPAs.

NOTE 13 – PARTICIPATION IN PUBLIC ENTITY RISK POOLS AND JOINT POWERS AUTHORITIES

The District is a member of the Southern California Schools Employee Benefit Association (SCEBA) for health benefit coverage; the Southern California Schools Risk Management (SCSRM) for general liability, workers compensation and property insurance; and the Schools' Excess Liability Fund (SELF) for excess liability. The District pays an annual premium to each entity for its health, workers' compensation, and property liability coverage. The relationships between the District and the pools are such that they are not component units of the District for financial reporting purposes.

These entities have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, fund transactions between the entities and the District are included in these statements. The District's share of year-end assets, liabilities or fund equity has not been calculated. Audited financial statements are available from the respective entities.

NOTE 14 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 31, 2023, which is the date these financial statements were issued. All subsequent events requiring recognition, as of June 30, 2023, have been incorporated into these financial statements herein.

REQUIRED SUPPLEMENTARY INFORMATION

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	$ 152,693	$ 175,915	$ 170,283	$ 161,074	$ 150,374	$ 146,349
Interest	57,258	35,157	32,833	52,756	46,818	45,639
Changes of assumptions	(15,680)	(176,412)	5,050	28,498	39,958	-
Differences between expected and actual experience	-	26,491	-	(169,805)	-	-
Benefit payments	(66,918)	(52,509)	(98,992)	(85,113)	(60,543)	(58,214)
Net change in total OPEB liability	127,353	8,642	109,174	(12,590)	176,607	133,774
Total OPEB liability, beginning of year	1,574,570	1,565,928	1,456,754	1,469,344	1,292,737	1,158,963
Total OPEB liability, end of year (a)	$ 1,701,923	$ 1,574,570	$ 1,565,928	$ 1,456,754	$ 1,469,344	$ 1,292,737
Plan fiduciary net position						
Employer contributions	66,918	67,737	$ 98,992	$ 85,113	$ 60,543	$ 58,214
Expected benefit payments	(66,918)	(67,737)	(98,992)	(85,113)	(60,543)	(58,214)
Change in plan fiduciary net position	-	-	-	-	-	-
Fiduciary trust net position, beginning of year	-	-	-	-	-	-
Fiduciary trust net position, end of year (b)	$ -	$ -	$ -	$ -	$ -	$ -
Net OPEB liability (asset), ending (a) - (b)	$ 1,701,923	$ 1,574,570	$ 1,565,928	$ 1,456,754	$ 1,469,344	$ 1,292,737
Covered payroll	$ 7,307,713	$ 10,057,358	$ 8,770,986	$ 8,770,986	$ 9,733,310	$ 8,600,726
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net OPEB liability (asset) as a percentage of covered payroll	23.29%	15.66%	17.85%	16.61%	15.10%	15.03%

Note: In the future, as data becomes available, ten years of information will be presented.

See accompanying note to required supplementary information.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRUBITIONS – OPEB
FOR THE YEAR ENDED JUNE 30, 2023

	2022	2022	2021	2020	2019	2018
Actuarially determined contribution	$ 66,918	$ 67,737	$ 98,992	$ 85,113	$ 60,543	$ 58,214
Contributions in relations to the actuarially determined contribution	66,918	67,737	98,992	85,113	60,543	58,214
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 7,307,713	$ 10,057,358	$ 8,770,986	$ 8,770,986	$ 9,733,310	$ 8,600,726
Contribution as a percentage of covered-employee payroll	0.92%	0.67%	1.13%	0.97%	0.62%	0.68%

Note: In the future, as data becomes available, ten years of information will be presented.

See accompanying note to required supplementary information.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2023

	Reporting Fiscal Year (Measurement Date)				
CalSTRS	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)
District's proportion of the net pension liability	0.0098%	0.0110%	0.0100%	0.0110%	0.0100%
District's proportionate share of the net pension liability	$ 6,838,221	$ 5,225,632	$ 9,602,750	$ 9,641,964	$ 9,635,389
State's proportionate share of the net pension liability associated with the District	3,424,601	2,629,391	5,765,393	6,119,673	6,088,949
Total	$ 10,262,822	$ 7,855,023	$ 15,368,143	$ 52,570,777	$ 52,572,000
District's covered - employee payroll	$ 5,751,618	$ 6,091,980	$ 5,765,393	$ 6,119,673	$ 6,088,949
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	119%	86%	167%	158%	158%
Plan fiduciary net position as a percentage of the total pension liability	81%	87%	72%	73%	71%

	Reporting Fiscal Year (Measurement Date)				
CalPERS	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)
District's proportion of the net pension liability	0.0259%	0.0280%	0.0270%	0.0270%	0.0260%
District's proportionate share of the net pension liability	$ 8,903,207	$ 5,597,694	$ 8,323,355	$ 7,688,545	$ 6,956,415
District's covered - employee payroll	$ 4,094,836	$ 3,965,378	$ 3,948,208	$ 3,651,887	$ 3,644,361
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	217%	141%	211%	211%	191%
Plan fiduciary net position as a percentage of the total pension liability	70%	81%	70%	70%	71%

Note: In the future, as data becomes available, ten years of information will be presented.

See accompanying note to required supplementary information.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2023

	Reporting Fiscal Year (Measurement Date)			
CalSTRS	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
District's proportion of the net pension liability	0.010%	0.011%	0.011%	0.011%
District's proportionate share of the net pension liability	$ 9,503,868	$ 8,499,415	$ 7,300,743	$ 6,316,669
State's proportionate share of the net pension liability associated with the District	5,364,503	5,478,879	5,221,007	5,011,306
Total	$ 52,561,000	$ 52,493,000	$ 39,831,000	$ 33,139,000
District's covered - employee payroll	$ 5,364,503	$ 5,478,879	$ 5,221,007	$ 5,011,306
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	177%	155%	140%	126%
Plan fiduciary net position as a percentage of the total pension liability	69%	70%	74%	77%

	Reporting Fiscal Year (Measurement Date)			
CalPERS	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
District's proportion of the net pension liability	0.027%	0.028%	0.029%	0.030%
District's proportionate share of the net pension liability	$ 6,359,671	$ 5,454,796	$ 4,263,294	$ 3,400,123
District's covered - employee payroll	$ 3,236,223	$ 3,396,184	$ 3,344,585	$ 3,216,439
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	197%	161%	127%	106%
Plan fiduciary net position as a percentage of the total pension liability	72%	74%	79%	83%

Note: In the future, as data becomes available, ten years of information will be presented.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS – PENSIONS
FOR THE YEAR ENDED JUNE 30, 2023

	Reporting Fiscal Year				
CalSTRS	2023	2022	2021	2020	2019
Statutorily required contribution	$ 1,098,559	$ 1,030,763	$ 931,111	$ 841,985	$ 990,869
District's contributions in relation to the statutorily required contribution	1,098,559	1,030,763	931,111	841,985	990,869
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 5,751,618	$ 6,091,980	$ 5,765,393	$ 6,119,673	$ 6,088,949
District's contributions as a percentage of covered-employee payroll	19.10%	16.92%	16.15%	13.76%	16.27%

	Reporting Fiscal Year				
CalPERS	2023	2022	2021	2020	2019
Statutorily required contribution	$ 1,038,860	$ 908,468	$ 817,279	$ 688,551	$ 658,248
District's contributions in relation to the statutorily required contribution	1,038,860	908,468	817,279	688,551	658,248
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 4,094,836	$ 3,965,378	$ 3,948,208	$ 3,651,887	$ 3,644,361
District's contributions as a percentage of covered-employee payroll	25.37%	22.91%	20.70%	18.86%	18.06%

Note: In the future, as data becomes available, ten years of information will be presented.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS – PENSIONS
FOR THE YEAR ENDED JUNE 30, 2023

	Reporting Fiscal Year			
CalSTRS	2018	2017	2016	2015
Statutorily required contribution	$ 823,614	$ 689,243	$ 560,214	$ 445,004
District's contributions in relation to the statutorily required contribution	823,614	689,243	560,214	445,004
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 5,364,503	$ 5,478,879	$ 5,221,007	$ 5,011,306
District's contributions as a percentage of covered-employee payroll	15.35%	12.58%	10.73%	8.88%

	Reporting Fiscal Year			
CalPERS	2018	2017	2016	2015
Statutorily required contribution	$ 534,590	$ 471,662	$ 396,233	$ 378,607
District's contributions in relation to the statutorily required contribution	534,590	471,662	396,233	378,607
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 3,236,223	$ 3,396,184	$ 3,344,585	$ 3,216,439
District's contributions as a percentage of covered-employee payroll	16.52%	13.89%	11.85%	11.77%

Note: In the future, as data becomes available, ten years of information will be presented.

See accompanying note to required supplementary information.

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Changes in Net OPEB Liability and Related Ratios

The Schedule of Changes in Net OPEB liability is presented to illustrate the elements of the District's Net OPEB liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of Contributions – OPEB

This schedule presents information on the District's actuarially determined contribution, contributions in relation to the actuarially determined contribution, and any excess or deficiency related to the actuarially determined contribution. In the future, as data becomes available, 10 years of information will be presented.

Changes of Benefit Terms

There are no changes in benefit terms reported in the Required Supplementary Information.

Changes of Assumptions

The discount rate changed from 3.54% as of June 30, 2022 to 3.65% as of June 30, 2023.

Schedule of Proportionate Share of the Net Pension Liability

The Schedule of the District's Proportionate Share of the Net Pension Liability is presented to illustrate the elements of the District's Net Pension Liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of Contributions – Pensions

The Schedule of the District's Contributions is presented to illustrate the District's required contributions relating to the pensions. There is a requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available.

Changes of Benefit Terms

There are no changes in benefit terms reported in the Required Supplementary Information.

Changes of Assumptions

There are no changes in assumptions reported in the Required Supplementary Information for CalSTRS. The discount rate changed from 7.15% as of June 30, 2022 to 6.90% as of June 30, 2023 for CalPERS.

SUPPLEMENTARY INFORMATION

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
HISTORY AND ORGANIZATION
JUNE 30, 2023

Copper Mountain Community College District is a public community college operated under the Education Code of the State of California. The College began classes in 1983 as an extension of Desert Community College District. In 1999 the College became a separate District.

The College is a part of a State-wide system of community colleges jointly supported by the State and Local districts and functioning under the advisory supervision of the State Board of Governors. The Board of Trustees is the governing body of Copper Mountain Community College District, acting through the Superintendent/ President of the District.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Mary Lombardo	President	December 2024
Greg Gilbert	Vice-President	December 2024
Richard Rogers	Clerk	December 2024
Elizabeth Meyer	Trustee	December 2026
Jerold Garber	Trustee	December 2024
Ethan Fredenburg	Student Trustee	2023-2024

DISTRICT ADMINISTRATION

Daren Otten, Ed.D.
Superintendent/President

Alma Correa, Ph.D.
Dean of Planning, Research and Institutional Effectiveness

Meredith Plummer
Chief Business Officer

Melynie Schiel
Vice President of Academic Affairs/CIO/ALO

Jane Kwon
Vice President of Student Services/CSSO

Jenn Baker
Chief Human Resources Officer

AUXILIARY ORGANIZATIONS IN GOOD STANDING

AUXILIARY NAME	DIRECTOR'S NAME/TITLE	ESTABLISHMENT AND MASTER AGREEMENT DATE
Copper Mountain College Foundation	Sandy Smith *Executive Director*	Organized as an auxiliary organization in 1982 and has a signed master agreement dated May 14, 2015

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Program Expenditures
U.S. Department of Education			
Direct Programs			
Student Financial Assistance Cluster			
Federal Pell Grant Program	84.063	*	$ 2,630,628
Federal Pell Administrative	84.063	*	4,170
Federal Direct Student Loans	84.268	*	230,369
Federal Supplemental Education Opportunity Grants (FSEOG)	84.007	*	28,790
Federal Work Study Program	84.033	*	158,288
Total Student Financial Assistance Cluster			3,052,245
COVID-19 HEERF II Institutional Portion	84.425F	*	161,211
COVID-19 HEERF III Institutional Portion	84.425F	*	1,302,393
Total Higher Education Emergency Relief Fund			1,463,604
Perkins Grant	84.048	12-C01-072	39,035
Total U.S. Department of Education			4,554,884
U.S. Department of Veterans Affairs			
Veteran's Education	64.117	*	4,349
Total U.S. Department of Veterans Affairs			4,349
U.S. Department of Health and Human Services			
Passed Through California Community Colleges Chancellor's Office			
Temporary Assistance for Needy Families	93.558	*	39,751
Total U.S. Department of Health and Human Services			39,751
Total Federal Programs			$ 4,598,984

See accompanying note to supplementary information.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

	Program Revenues				Total
Program Title	Cash Received	Accounts Receivable	Unearned Revenue	Total Revenue	Program Expenditures
Lottery (Restricted)	$ 365,515	$ -	$ 273,150	$ 92,365	$ 92,365
CalWorks	251,468	-	30,822	220,646	220,646
Zero Textbook Cost (ZTC) Program	200,000	-	82,881	117,119	117,119
Veterans Resource Center (VRC)	84,920	-	49,478	35,442	35,442
Innovation & Effectiveness Grant	199,863	-	174,045	25,818	25,818
Financial Aid Technology	128,333	-	71,947	56,386	56,386
Financial Aid	131,118	-	-	131,118	131,118
Undocumented Resource Liaison	110,839	-	59,321	51,518	51,518
California College Promise Program	105,501	-	45,307	60,194	60,194
Student Success Completion Grant (SSCG)	836,980	-	354,517	482,463	482,463
SB 85 Immediate Action Grant	347,499	-	247,499	100,000	100,000
Student Programs - LGBTQ+ (6205)	32,264	-	32,017	247	247
Student Programs - Mental Health Support (6311)	207,370	-	142,720	64,650	64,650
Student Programs - Retention & Enrollment (6321)	446,910	-	331,924	114,986	114,986
Student Programs - Basic Needs (6440)	330,964	-	301,844	29,120	29,120
Student Programs - Student Food & Housing (6441)	345,012	-	290,327	54,685	54,685
Student Programs - NextUP (6493)	122,436	-	122,436	-	-
Student Equity & Achievement (SEA) Program	1,009,394	-	118,117	891,277	891,277
Guided Pathways	344,293	-	235,663	108,630	108,630
EOPS	494,525	-	-	494,525	494,525
CARE	269,185	137	12,194	257,128	256,991
DSPS	478,320	-	126,936	351,384	351,384
Strong Workforce Program Local 1-4	10,496	-	10,496	-	-
Strong Workforce Program Local Round 6	197,172	-	120,809	76,363	76,363
Strong Workforce Program Regional Round 6	69,442	-	-	69,442	69,442
Strong Workforce Program Local Round 7	273,070	-	273,070	-	-
Strong Workforce Program Local Round 5	130,670	-	-	130,670	130,670
Strong Workforce Program Regional Round 5	23,705	-	-	23,705	23,705
California Adult Education Program (CAEP/AEBG)	1,451,511	-	364,269	1,087,242	1,087,242
Culturally Competent Faculty ProfDev	50,435	-	50,435	-	-
Classified Professional Development	3,158	-	3,158	-	-
Campus Safety	11,639	-	11,639	-	-
Equal Employment Opportunity (EEO)	168,705	-	85,068	83,637	83,637
EEO Best Practices	208,333	-	208,333	-	-
Technology and Data Security	250,000	-	219,544	30,456	30,456
Rural Technology Program Grant	19,536	-	19,536	-	-
Nursing Education Grant	120,440	-	39,927	80,513	80,513
Physical Plant & Instructional Support Grant	5,657,107	102,299	5,509,913	249,493	147,193
Student Housing Feasibility Study Grant	70,000	805	3,336	67,469	66,664
California Early Childhood Mentor Grant	697	-	697	-	-
COVID-19 Recovery Block Grant	766,502	-	172,100	594,402	594,402
Total	$ 16,325,327	$ 103,241	$ 10,195,475	$ 6,233,093	$ 6,129,851

See accompanying note to supplementary information.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT – ANNUAL/ACTUAL ATTENDANCE
FOR THE YEAR ENDED JUNE 30, 2023

CATEGORIES	Reported Data	Audit Adjustments	Audited Data
A. Summer Intersession (Summer 2022 only)			
1. Noncredit	6.39	-	6.39
2. Credit	7.58	-	7.58
B. Summer Intersession (Summer 2023 - Prior to July 1, 2023)			
1. Noncredit	3.32	-	3.32
2. Credit	62.75	-	62.75
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	200.19	-	200.19
(b) Daily Census Contact Hours	66.94	-	66.94
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	24.86	-	24.86
(b) Credit	88.30	-	88.30
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	538.52	-	538.52
(b) Daily Census Contact Hours	51.47	-	51.47
(c) Noncredit Independent Study/Distance Education Courses	13.13	-	13.13
D. Total FTES	1,063.45	-	1,063.45
Supplemental Information (subset of above information)			
E. In-service Training Courses	-	-	-
F. Basic Skills Courses and Immigrant Education			
1. Credit	1.77	-	1.77
2. Noncredit	34.72	-	34.72
Total Basic Skills FTES	36.49	-	36.49

See accompanying note to supplementary information.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION
FOR THE YEAR ENDED JUNE 30, 2023

		Activity (ESCA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6100			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
	Object/ TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Academic Salaries							
Instructional Salaries							
Contract or Regular	1100	2,903,603	-	2,903,603	2,848,296	-	2,848,296
Other	1300	1,294,097	-	1,294,097	1,294,097	-	1,294,097
Total Instructional Salaries		4,197,700	-	4,197,700	4,142,393	-	4,142,393
Non-Instructional Salaries							
Contract or Regular	1200	-	-	-	1,106,149	-	1,106,149
Other	1400	-	-	-	59,315	-	59,315
Total Non-Instructional Salaries		-	-	-	1,165,464	-	1,165,464
Total Academic Salaries		4,197,700	-	4,197,700	5,307,857	-	5,307,857
Classified Salaries							
Non-Instructional Salaries							
Regular Status	2100	-	-	-	1,552,489	-	1,552,489
Other	2300	-	-	-	481,560	-	481,560
Total Non-Instructional Salaries		-	-	-	2,034,049	-	2,034,049
Instructional Aides							
Regular Status	2200	62,973	-	62,973	62,973	-	62,973
Other	2400	20,917	-	20,917	20,917	-	20,917
Total Instructional Aides		83,890	-	83,890	83,890	-	83,890
Total Classsified Salaries		83,890	-	83,890	2,117,939	-	2,117,939
Employee Benefits	3000	1,763,609	-	1,763,609	3,402,079	-	3,402,079
Supplies and Materials	4000	-	-	-	80,793	-	80,793
Other Operating Expenses	5000	35,929	-	35,929	1,608,836	-	1,608,836
Equipment Replacement	6420	-	-	-	14,563	-	14,563
Total Expenditures Prior to Exclusions		6,081,128	-	6,081,128	12,532,067	-	12,532,067
Exclusions							
Activities to Exclude							
Inst. Staff-Retirees' Benefits and Incentives	5900	-	-	-	-	-	-
Std. Health Srvcs. Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	-	-	-
Non-inst.Staff-Retirees' Benefits and Incentives	6740	-	-	-	-	-	-
Object to Exclude							
Rents and Leases	5060	-	-	-	79,450	-	79,450
Lottery Expenditures		-	-	-	-	-	-
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000						
Software	4100	-	-	-	-	-	-
Books, Magazines & Periodicals	4200	-	-	-	-	-	-
Instructional Supplies & Materials	4300	-	-	-	-	-	-
Non-inst. Supplies & Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-
Other Operating Expenses and Services	5000	-	-	-	296,397	-	296,397
Capital Outlay	6000						
Library Books	6300	-	-	-	-	-	-
Equipment	6400						
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay		-	-	-	-	-	-
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		$ -	$ -	$ -	$ 375,847	$ -	$ 375,847
Total for ECS 84362, 50% Law		$ 6,081,128	$ -	$ 6,081,128	$ 12,156,220	$ -	$ 12,156,220
Percent of CEE (Instructional Salary Cost/Total CEE)		50.02%	0.00%	50.02%	100.00%	0.00%	100.00%
50% of Current Expense of Education		$ -	$ -	$ -	$ 6,078,110	$ -	$ 6,078,110

See accompanying note to supplementary information.

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
EDUCATION PROTECTION ACCOUNT (EPA) EXPENDITURE REPORT
FOR THE YEAR ENDED JUNE 30, 2023

EPA Revenue	$ 1,700,708

Activity Classification	Activity Code	Salaries and Benefits (Obj 1000-3000)	Operating Expenses (Obj 4000-5000)	Capital Outlay (Obj 6000)	Total
Instructional Activities	0100-5900	$ 1,700,708	$ -	$ -	$ 1,700,708
Total		$ 1,700,708	$ -	$ -	$ 1,700,708

COPPER MOUNTAIN COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF FUND EQUITY TO NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

Total Fund Equity - District Funds Included in the Reporting Entity:		
General Fund	$ 11,440,508	
Debt Servuce Funds	1,581,137	
Capital Outlay Project Funds	29,166	
Student Financial Aid Fund	157,491	
Other Funds	64,472	$ 13,272,774
Assets recorded within the statements of net position not included in the District fund financial statements:		
Nondepreciable capital assets	$ 398,453	
Depreciable capital assets	54,080,963	
Accumulated depreciation	(20,153,578)	34,325,838
Deferred outflows recorded within the statement of net position not included in the District fund financial statements:		
Deferred loss on refunding	267,555	
Deferred outflows related to pensions	5,080,610	5,426,716
In governmental funds, unmatured interest on long-term obligations is recognized in the period when it is due. On the government-wide financial statements, unmatured interest on long-term obligations is recognized when it is incurred.		(148,953)
Liabilities recorded within the statements of net position not recorded in the District fund financial statements:		
Bonds payable	12,167,355	
Accreted interest	659,694	
Premiums	289,839	
Net pension liability	15,741,428	
Net OPEB liability	1,701,923	
Compensated absences	154,810	(30,715,049)
Deferred inflows recorded within the statement of net position not included in the District fund financial statements:		
Deferred inflows related to OPEB	(272,491)	
Deferred inflows related to pensions	(2,977,669)	(3,250,160)
Net Position Reported Within the Statement of Net Position		$ 18,911,166

See accompanying note to supplementary information.

NOTE 1 – PURPOSE OF SCHEDULES

History and Organization

This schedule provides information about the District's organization, members of the governing board, and administration members.

Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements* for *Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The District has not elected to use the ten percent de minimis cost rate as allowed under Uniform Guidance.

The District does not provide Federal awards to subrecipients during the year ended June 30, 2023.

Schedule of Expenditures of State Awards

The accompanying Schedule of Expenditures of State Awards includes the State grant activity of the District and is presented on the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The information in this schedule is presented to comply with reporting requirements of the California State Chancellor's Office.

Schedule of Workload Measures for State General Apportionment – Annual/Actual Attendance

FTES is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds, including restricted categorical funding, are made to community college districts. This schedule provides information regarding the annual attendance measurements of students throughout the District.

Reconciliation of *Education Code* Section 84362 (50 percent Law) Calculation

ECS 84362 requires the District to expend a minimum of 50 percent of the unrestricted General Fund monies on salaries of classroom instructors. This is reported annually to the State Chancellor's Office. This schedule provides a reconciliation of the amount reported to the State Chancellor's Office and the impact of any audit adjustments and/or corrections noted during the audit.

Education Protection Account (EPA) Expenditure Report

This schedule provides the District's summary ofreceipts and uses of the monies received through the EPA.

Reconciliation of Fund Equity to Net Position

This schedule provides a reconciliation of the adjustments necessary to bring the District's internal fund financial statements, prepared on a modified accrual basis, to the entity-wide full accrual basis financial statements required under GASB Statements No. 34 and No. 35 business-type activities reporting model.

OTHER INDEPENDENT AUDITORS' REPORTS

CWDL

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*

The Board of Trustees
Copper Mountain Community College District
Joshua Tree, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the fiduciary activities of Copper Mountain Community College District (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 31, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
December 31, 2023

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

The Board of Trustees
Copper Mountain Community College District
Joshua Tree, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Copper Mountain Community College District's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2023. The District's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District 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, 2023.

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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Copper Mountain Community College District 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 Copper Mountain Community College District'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 Copper Mountain Community College District's federal programs.

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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 Copper Mountain Community College District's compliance based on our audit.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Copper Mountain Community College District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Copper Mountain Community College District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Copper Mountain Community College District'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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

CWDL, Certified Public Accountants

San Diego, California
December 31, 2023

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INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

The Board of Trustees
Copper Mountain Community College District
Joshua Tree, California

Report on State Compliance

Opinion on State Compliance

We have audited Copper Mountain Community College District's (the District) compliance with the types of compliance requirements as identified in the 2022-23 California Community Colleges Chancellor's Office *Contracted District Audit Manual* for the year ended June 30, 2023. The applicable state compliance requirements are identified in the table below.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the programs noted below that were audited for the year ended June 30, 2023.

Basis for Opinion

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 compliance requirements described in the 2022-23 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our responsibilities under those standards and the compliance requirements are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District 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 state compliance with the compliance requirements subject to audit in the 2022-2023 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our audit does not provide a legal determination of the District'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 District's compliance with the requirements listed in the table below.

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Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements listed in the table below has occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the 2022-2023 California Community Colleges Chancellor's Office *Contracted District Audit Manual* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements listed in the table below.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the 2022-2023 California Community Colleges Chancellor's Office *Contracted District Audit Manual*, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance 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 District'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 material noncompliance with the requirements listed in the table below that we identified during the audit.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any material noncompliance with the requirements listed in the table below that we identified during the audit.

Compliance Requirements Tested
In connection with the audit referred to above, we selected and tested transactions and records to determine the District's compliance with State laws and regulations applicable to the following:

Section 411 – SCFF Data Management Control Environment
Section 412 – SCFF Supplemental Allocation Metrics
Section 413 – SCFF Success Allocation Metrics
Section 421 – Salaries of Classroom Instructors (50 Percent Law)
Section 423 – Apportionment for Activities Funded From Other Sources
Section 424 – Student Centered Funding Formula Base Allocation: FTES
Section 425 – Residency Determination for Credit Courses
Section 426 – Students Actively Enrolled
Section 427 – Dual Enrollment (CCAP)
Section 430 – Scheduled Maintenance Program
Section 431 – Gann Limit Calculation
Section 444 – Apprenticeship Related and Supplemental Instruction (RSI) Funds
Section 475 – Disabled Student Programs and Services (DSPS)
Section 490 – Propositions 1D and 51 State Bond Funded Projects
Section 491 – Education Protection Account Funds
Section 492 – Student Representation Fee
Section 494 – State Fiscal Recovery Fund
Section 499 – COVID-19 Response Block Grant Expenditures

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing over state laws and regulations based on the requirements described in 2022-23 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Accordingly, this report is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
December 31, 2023

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FINDINGS AND RECOMMENDATIONS

SECTION I – SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Is a going concern emphasis-of-matter paragraph included in the auditors' report?	No
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Non-compliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards	No
Identification of major programs:	

CFDA Numbers	Name of Federal Program of Cluster
84.007, 84.268, 84.033 84.063	Student Financial Aid Cluster
84.425F	COVID-19 HEERF Funds

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	Yes

STATE AWARDS

Internal control over State programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None Noted
Type of auditors' report issued on compliance for State programs:	Unmodified

SECTION II – FINANCIAL STATEMENT FINDINGS

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

There were no financial statement findings or recommendations identified during 2022-23.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

This section identifies the audit findings required to be reported by the Uniform Guidance (e.g., deficiencies, significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs).

There were no federal award findings or questioned costs identified during 2022-23.

SECTION IV – STATE AWARD FINDINGS AND QUESTIONED COSTS

This section identifies the audit findings pertaining to noncompliance with state program rules and regulations.

There were no state award findings or questioned costs identified during 2022-23.

There were no findings or questioned costs identified during 2021-22.