

LARAMIE COUNTY COMMUNITY COLLEGE

FINANCIAL AND COMPLIANCE REPORT

JUNE 30, 2022 AND 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Laramie County Community College
Cheyenne, Wyoming

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of Laramie County Community College (the College) as of and for the years ended June 30, 2022 and 2021, and its discretely presented component unit, the Laramie County Community College Foundation (the Foundation), as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College as of June 30, 2022 and 2021, and December 31, 2021 and 2020, respectively, and the respective changes in their financial position and, where applicable, their cash flows thereof for the years then ended, respectively, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for 12 months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 20, the Schedule of the College's Proportionate Share of the Net Pension Liability on page 61, the Schedule of the College's Contributions on page 62, and the Schedule of the College's Proportionate Share of the Total OPEB Liability on page 63 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The combining schedules and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2022 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

McGee, Hearne & Paiz, LLP

Cheyenne, Wyoming
November 28, 2022

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

The Management's Discussion and Analysis (MD&A) section of Laramie County Community College's (the College) annual financial report provides an overview of the College's financial activities for the fiscal year ended June 30, 2022. This discussion has been prepared by management and should be read in conjunction with the financial statements, notes to financial statements, required supplementary information, and supplementary information. The MD&A is designed to focus on current activities, resulting changes, and current known facts. Comparable facts are given for fiscal years 2020, 2021, and 2022.

The College was created by the voters on May 21, 1968 to help fill the need for academic, career, and community service/continuing education in Laramie County. Courses are offered that reflect the skills and knowledge required to function in a world that makes ever-increasing demands upon the individual. The College is dedicated to helping individuals prepare for careers, enjoy community life, and enrich leisure time by providing educational experiences.

To achieve these ends, the College provides programs in the following instructional areas: academic, preparing students for transfer to four-year institutions; career education, training students in programs up to two years in length to enter the world of work; and community education, consisting of non-credit courses and offering courses of general information, cultural opportunities, and professional and personal growth.

The College strives to be an educational institute for all people - whether they want to gain personal enrichment through a program of general education, obtain a certification of high school equivalency, develop skills in a technical program, or begin a college career leading to a bachelor's or higher degree.

The College's main campus is in Cheyenne, nestled along Crow Creek, on the high plains of southeastern Wyoming. Our location puts us at just over 6,000 feet above sea level. Cheyenne is the capital of Wyoming, with a population of about 64,000. Intersected by Interstate 25 and Interstate 80, Cheyenne is a major crossroad for the Rocky Mountain region and the western United States.

The College's Albany County Campus (ACC) is in Laramie, Wyoming, less than 10 minutes from downtown, the University of Wyoming, city offices, and county agencies.

Laramie, with a population of 32,380, is the county seat of Albany County, and is on the Laramie River in southeastern Wyoming, at the junction of Interstate 80 and U.S. Route 287.

Using the Annual Report

The annual report follows the Independent Auditor's Report and the MD&A. The annual report consists of required financial statements, prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, and other supplementary information.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Required Financial Statements

There are three basic financial statements that are required to provide information on the College as a whole: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows. Notes to the financial statements are also part of the required financial statements. A brief description of each statement follows:

The *Statement of Net Position* includes all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. It is prepared using the economic resource measurement and accrual basis of accounting. It presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the College at a point in time. Its purpose is to present a financial snapshot of the College. The difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources is net position, which is one indicator of the current financial condition of the College. The change in net position also indicates whether the College's overall financial condition has improved or worsened during the year.

The *Statement of Revenues, Expenses, and Changes in Net Position* presents the total revenues earned and expenses incurred by the College for operating, nonoperating, and other related activities during a period of time. Its purpose is to assess the College's operating results. The utilization of long-lived assets, referred to as capital assets, is reflected in the financial statements as depreciation allocating the cost of an asset over its expected useful life. The seven community colleges in Wyoming met as a group and agreed upon a uniform useful life policy for each asset type. The original value of the buildings was based on actual cost rather than market value.

The *Statement of Cash Flows* presents cash receipts and payments of the College during a period of time. Its purpose is to assess the College's ability to generate future net cash flows and meet its obligations as they come due.

The *Notes to the Financial Statements* present additional information to support the financial statements and are commonly referred to as note(s). Their purpose is to clarify and expand on the information in the financial statements.

The Statement of Financial Position and the Statement of Activities for the Laramie County Community College Foundation (the Foundation) reflect the audited financial information as of and for the year ended December 31, 2021. Although the inclusion of these figures in our financial report is required by GASB Statement No. 39, they are not included in this MD&A. If there are questions regarding this information, contact the Foundation at 1400 East College Drive, Cheyenne, Wyoming 82007.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

During fiscal year 2006, the Laramie County Community College Building Authority (the Authority) was formed for the financing of the construction of a new residence hall. In subsequent years, the Authority financed a dining facility in 2009, refunded the bonds held by the Foundation for the ACC Building in 2012, refunded the Series 2005 Bonds in 2015, and refunded the Series 2009 Bonds in 2016. The Authority's financial statements are included in this report as a blended component unit of the College. For an itemized detail of each entity, please refer to the Combining Schedule of Net Position and Combining Schedule of Revenues, Expenses, and Changes in Net Position included in the Supplementary Information section of this report.

Supplementary Information

Required supplementary information includes the following: the Schedule of the College's Proportionate Share of the Net Pension Liability, the Schedule of the College's Contributions, the Schedule of the College's Proportionate Share of the Total OPEB Liability, and the Notes to Required Supplementary Information.

Supplementary information includes the following: the Combining Schedule of Net Position; the Combining Schedule of Revenues, Expenses, and Changes in Net Position; the Schedule of Expenditures of Federal Awards; and the Notes to Schedule of Expenditures of Federal Awards.

Assets

Current Assets

	2020	2021	2022
Cash and cash equivalents	\$ 8,310,925	\$ 18,648,931	\$ 25,912,943
Restricted cash	2,456,943	768	-
Restricted cash held by others	-	196,787	-
Investments	5,476,014	5,547,897	5,349,445
Accounts receivable, net	4,741,476	3,443,355	2,926,167
Property taxes receivable	16,411,464	15,492,451	18,999,891
Prepaid expense	98,641	36,064	131,967
Total current assets	\$ 37,495,463	\$ 43,366,253	\$ 53,320,413

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Cash, cash equivalents, investments, and restricted cash held by others

Cash and cash equivalents consist of cash in the College's bank accounts, the Authority's bank accounts, short-term investments, and register cash and petty cash drawers maintained on campus. Investments include secured (Federal Deposit Insurance Corporation or collateralized) certificates of deposit and trust accounts held in local banks. The increase in cash and cash equivalents for 2022 is mainly due to reserves replenishing from the Performing Arts Complex and the timing of the conversion of accounts receivable to cash and the release of restricted cash. Cash also consists of some one-time funds that have not yet been spent but have been obligated. Cash held by others consists of funds deposited with the Wyoming State Construction Management Division in connection with the construction of the Fine Arts renovations.

Accounts receivable

Accounts receivable include credit and non-credit student tuition and fee billings, interfund transactions between the College and the Foundation, accrued interest, student sponsorships, student housing rent and board, state appropriations, grant awards, financial aid and scholarships, summer housing, and other miscellaneous operational transactions. Accounts receivable decreased in 2021 due to using Higher Education Emergency Relief Fund (HEERF) funds for Spring 2021 student accounts due and Spring Foundation Scholarships received before year-end. The decrease in 2022 was partially due to lower enrollment and turning accounts over to collections. Student receivables were also assisted by the continued payments of HEERF funds, which could be applied directly to student accounts during 2022 if the student made that decision.

Property taxes receivable

Property taxes receivable for fiscal year 2021 decreased when compared to fiscal year 2020 due to the reduced oil production during COVID-19. The fiscal year 2022 valuation increased due to increases in oil production and increased county valuations. The total approved mill levy for next year is 6.88 mills (five mills for operations, one mill for the Performing Arts Complex, and 0.88 mills for debt service).

Prepaid expense

Prepaid expense consists of prepaid food service vendor payments.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Noncurrent Assets

	2020	2021	2022
Restricted cash	\$ 249,226	\$ 261,036	\$ 6,342,264
Restricted and designated investments	3,675,059	3,569,851	3,715,992
Capital assets, net of accumulated depreciation	127,764,178	139,658,713	135,750,028
Investments held by others	13,804,307	16,699,584	15,155,403
Total noncurrent assets	145,492,770	160,189,184	160,963,687
 Total assets	 \$ 182,988,233	 \$ 203,555,437	 \$ 214,284,100

Noncurrent restricted cash

Restricted cash consists of funds with the Authority for future bond payments.

Restricted investments

Restricted investments are investments belonging to the Authority. They are classified as noncurrent restricted because the investments are restricted to Series 2005 Bonds (residence halls - refunded by Series 2015 Bonds), Series 2009 BAB (dining facility/residence hall - refunded by Series 2016 Bonds), Series 2012 Bonds (refunded bonds for the ACC Building), Series 2014 Bonds (construction of the Pathfinder Building and the Flex Tech Building - fiscal year 2016), and Series 2021 Bonds (construction of the RAC facilities - fiscal year 2022). Both restricted cash and restricted investments were generated from proceeds of bond issuances.

Capital assets, net

Net capital assets include land, site improvements, infrastructure, buildings, equipment, library resources, and construction in progress. The amount reported is net of accumulated depreciation. The decrease for fiscal year 2022 was the result of very little construction on campus and most items not reaching the capitalization threshold, so the reduction was primarily a result of asset depreciation. The increase for fiscal year 2021 was the result of an increase in construction in progress for the new Eagle Village residence hall. Please see Note 3 to the financial statements for additional information relating to capital assets.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Investments held by others

This category reflects the amounts invested and held by the Foundation, as custodian for the College. The investments were funded by the State of Wyoming Endowment Challenge Grant. Fiscal years 2020, 2021 and 2022 had changes due to changes in market valuations of investments that the Foundation manages. See the State of Wyoming endowment appropriation in the Nonoperating Revenues (Expenses) section below. All endowment funds given by the state must be booked as revenue by the College and shown as an asset on the College's books.

Deferred Outflows

Deferred outflows of resources can be defined as an outlay of resources by the College that is applicable to a future reporting period (for example, advance payments or credits to accounts). The pension-related outflows continue to change, mostly due to the differences in projected and actual investment earnings and changes to assumptions.

Other postemployment benefits (OPEB)-related outflows continue to change due to the expanding difference between the actual and expected experience of the average future working life expectancy. See Note 8 to the financial statements for more detail.

	2020	2021	2022
Deferred outflows:			
Pension-related outflows	\$ 2,631,243	\$ 1,929,962	\$ 2,118,096
OPEB-related outflows	3,572,119	8,757,690	8,106,466
Bond modification	13,020	9,843	6,614
Total deferred outflows	\$ 6,216,382	\$ 10,697,495	\$ 10,231,176

Liabilities

Definition of Current and Noncurrent Liabilities

Current liabilities are those items that will be paid during the 12-month period immediately following the fiscal year-end. Noncurrent liabilities are those items that are due beyond the 12-month period.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Current Liabilities

	2020	2021	2022
Accounts payable	\$ 2,925,434	\$ 1,712,588	\$ 1,364,236
Payroll and related liabilities	1,593,434	1,443,533	1,422,454
Accrued compensated absences	1,109,619	1,087,061	1,066,760
Accrued interest payable	91,410	80,169	705,764
Advance tuition payments	162,708	132,718	144,805
Custodial deposits	812,300	1,097,112	1,319,204
Unearned revenue	-	-	409,241
Capital lease obligation	29,802	-	-
Current maturities of line of credit	1,800,000	-	-
Current maturities of note payable	-	-	968,571
Current maturities of bonds payable	3,120,772	3,186,294	3,138,042
Total current liabilities	\$ 11,645,479	\$ 8,739,475	\$ 10,539,077

Accounts payable

Accounts payable include amounts due at June 30 for goods and services received prior to the end of the fiscal year, funds held for others (Auxiliary Funds), and amounts due to others. Fiscal years 2022 and 2021 saw a decrease due to most construction projects nearing completion at year-end.

Payroll and related liabilities

Payroll and related liabilities include July and August academic contract salaries, benefits, and unemployment that have been earned and are payable for the 2021/2022 academic year. Fiscal year 2022 liabilities are comparable to prior years.

Accrued interest payable

Accrued interest payable is the amount of interest accrued from the date of the last payment to year-end for the below-mentioned capital lease obligations and bonds payable. Fiscal year 2022 saw an increase as the first Eagle Village payment to the State of Wyoming was due in August 2022.

Advanced tuition payments

Advanced payments for tuition and fees represent the portion of the summer term that occurs after the fiscal year-end but was collected prior to June 30.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Custodial deposits

Custodial deposits represent the amounts that the College holds for the Agency Funds, including student fees (income and expense) equity. The increase in 2021 was due to lower-than-expected spending based on the canceled activities due to COVID-19. The increase in 2022 was similar to 2021, and funds are being reserved as they will be utilized to pay for part of the RAC construction.

Unearned revenue

The College recognized unearned revenue in 2022 related to mineral taxes received in advance of the assessment date.

Lease obligation

The Nimble storage lease was paid in full during 2021.

Current maturities of note payable

The College completed the Eagle Village project, and the funds and interest were converted to a long-term note payable with the State Lands and Investments Board in fiscal year 2022.

Current maturities of bonds payable

The current maturities of bonds payable refer to the amount to be repaid in the next 12-month period for bonds associated with the residence hall, dining facility, and ACC Building in the Authority. A bond issue held by the College was issued in the fall of 2014 for the construction of the Pathfinder Building and the Flex Tech Building.

	2020	2021	2022
Liability for voluntary termination	\$ 804,338	\$ 654,545	\$ 635,430
Accrued compensated absences	331,444	324,706	318,643
Note payable	22,226,733	30,995,561	30,081,609
Long-term bonds payable	22,765,737	19,579,443	23,161,401
Line of credit	200,000	-	-
Net pension liability	17,885,594	16,701,283	11,184,247
Total OPEB liability	17,853,033	24,994,575	25,813,859
Total noncurrent liabilities	82,066,879	93,250,113	91,195,189
Total liabilities	\$ 93,712,358	\$ 101,989,588	\$ 101,734,266

Current Maturities of Line of Credit and Noncurrent Liabilities

In fiscal year 2021, the College drew on the line of credit to provide funding for the Fine Arts project, but the line was paid by year-end.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Liability for voluntary termination

The liability for voluntary termination refers to the Transitional Opportunity Plan (TOP) liability. The balance will vary from year to year based on the entrance of new individuals and the reduction of amounts owed to past participants. To be eligible for TOP, an employee must have begun employment with the College prior to April 11, 1991 and must be paid by current funds for a five-year period.

Accrued compensation absences

The liability for accrued compensation is associated with vacation that has been earned but not taken. It is comparable with prior years.

Note payable

This liability is the amount owed to the State of Wyoming for the financing of the Eagle Village residence hall.

Long-term bonds payable

The long-term maturities of bonds payable refer to the amount to be repaid in a time period longer than the next 12 months for bonds associated with the residence hall, dining facility, and the ACC Building in the Authority, as well as the new construction of the College. The balance will decrease over time as the bonds are paid off.

Please see Note 4 to the financial statements for additional information relating to the note payable and long-term bonds payable.

Line of credit

The line of credit represents amounts owed to a financial institution for bridge financing received for construction of the Performing Arts Complex. The line was paid in full at year-end.

Net pension liability

This line item is the College's share of the liability of an underfunded pension plan administered by the State of Wyoming. The College cost-shares with other Wyoming participants in a statewide retirement plan to provide a defined benefit retirement plan to its employees. Please see Note 6 to the financial statements for additional information relating to this liability.

Total OPEB liability

This line item is the College's share of the liability of an underfunded OPEB plan administered by the State of Wyoming. The College cost-shares with other Wyoming participants in a statewide health insurance plan to provide a health insurance benefit plan to its retired employees. Please see Note 8 to the financial statements for additional information relating to this liability.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Deferred Inflows

Deferred inflows of resources can be defined as an acquisition of resources by the College that is applicable to a future reporting period (for example, unavailable property tax revenue).

	2020	2021	2022
Deferred inflows:			
Unavailable property taxes	\$ 15,209,377	\$ 13,610,949	\$ 17,065,934
Pension-related inflows	3,025,427	3,806,808	8,101,289
OPEB-related inflows	4,761,981	3,977,556	4,361,699
Total deferred inflows	\$ 22,996,785	\$ 21,395,313	\$ 29,528,922

Unavailable Property Taxes

Unavailable property tax revenue is reflective of the amount that becomes revenue in the subsequent fiscal year on the levy date (second Tuesday in August). See the Property Taxes Receivable section above for a discussion of the fiscal year 2021 decrease and fiscal year 2022 increase.

Pension-Related Inflows

Deferred inflows of resources can be defined as an inflow of resources by the College that is applicable to a future reporting period (for example, advance changes to account share). When a change (increase or decrease) in the proportional share of the net pension liability of the College to the other participants in the pension plan or a difference between expected and actual experience occurs, it must be recorded as a deferred inflow or outflow and amortized over the applicable period. Please see Note 6 to the financial statements for additional information relating to this liability.

OPEB-Related Inflows

Deferred inflows of resources can be defined as an inflow of resources by the College that is applicable to a future reporting period (for example, advance changes to account share). When a change (increase or decrease) in the proportional share of the net OPEB liability of the College to the other participants in the OPEB plan or a difference between expected and actual experience occurs, it must be recorded as a deferred inflow or outflow and amortized over the applicable period. Please see Note 8 to the financial statements for additional information relating to this liability.

Net Position

Net position is equal to the College's assets and deferred outflows less liabilities and deferred inflows. Net position is classified in three types: Net Investment in Capital Assets, Restricted, and Unrestricted.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

	2020	2021	2022
Net investment in capital assets	\$ 75,679,049	\$ 85,574,513	\$ 78,042,065
Restricted for:			
Non-expendable (endowment)	9,961,032	10,011,836	10,022,172
Expendable:			
Scholarships, research, instruction, and other	565,047	929,489	282,384
Capital projects and asset purchases	4,663,292	4,711,786	6,300,104
Unrestricted	(18,372,948)	(10,359,593)	(1,394,637)
Total net position	\$ 72,495,472	\$ 90,868,031	\$ 93,252,088

Analysis of Net Position - Restricted and Unrestricted Type

Restricted non-expendable

These funds are not available. They represent funds that have been received and/or are due from the State of Wyoming for the Endowment Challenge Grant and the Excellence in Higher Education Endowment Grant.

Restricted expendable

Restricted expendable assets are those items restricted in use by parties external to the College such as granting agencies.

Restricted for capital asset

Restricted for capital asset purchases refer to funds that have been restricted specifically for purchases of capital assets, including equipment, building improvements, site improvements, infrastructure improvements, and buildings.

Unrestricted

Unrestricted net position represents those balances received from operational activities that have not been restricted by parties external to the College (such as granting agencies). This includes funds that have been designated by the governing board for specific purposes, as well as amounts that have been contractually committed for goods and services but have not yet been received.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Revenues

Operating Revenues

	2020	2021	2022
Tuition and fees, net of scholarship allowances of \$1,131,401, \$344,812 and \$1,438,984 for 2020, 2021 and 2022, respectively	\$ 11,113,158	\$ 10,536,340	\$ 10,160,951
Federal grants and contracts	2,681,135	901,131	1,863,541
State and local grants and contracts	914,633	1,282,926	663,666
Auxiliary enterprise charges, net of scholarship allowances of \$161,106, \$53,881 and \$318,016 for 2020, 2021 and 2022, respectively	2,878,585	2,655,574	3,969,905
Other operating revenues	252,717	143,136	308,641
Total operating revenues	\$ 17,840,228	\$ 15,519,107	\$ 16,966,704

Tuition and fees

This category includes all tuition and fees assessed for educational purposes. A scholarship allowance is applied to student accounts and is shown as a reduction of student tuition revenue. This discount is calculated using an approved formula designed to reflect other scholarship revenues and institutional scholarship expense used specifically for tuition and fees. For example, the College records funds received from the Pell student grant program as revenue. Those funds are then applied to student accounts in payment of tuition and fees, which are also included as revenue. Without this discount, student tuition revenues would be overstated by the double-counted amount.

Tuition and fee rates from 2020, 2021 and 2022 remained unchanged. The decrease in tuition in 2022 was comparable to 2021 as the College continues COVID-19 recovery. The decrease in tuition in 2021 was due to decreased Spring 2021 enrollments due to COVID-19.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Enrollment

Enrollment has continued to decrease from 2011 due to declining high school graduate classes in Wyoming. Enrollment is stable to slightly decreasing. The College has been working on recruiting and targeting nontraditional students to return to the College.

Enrollment History	Headcount	Credits
Academic Year		
2012-13	7,990.00	99,608.00
2013-14	7,309.00	91,917.00
2014-15	6,739.00	85,462.00
2015-16	6,455.00	83,026.00
2016-17	6,099.00	79,360.00
2017-18	6,148.00	77,620.00
2018-19	6,070.00	76,821.00
2019-20	5,970.00	76,187.00
2020-21	5,307.00	67,840.00
2021-22	5,389.00	66,993.00
1-Year Change	1.5%	-1.2%
5-Year Change	-12.3%	-13.7%
10-Year Change	-32.6%	-32.7%

Grant and contract revenues

Grant and contract revenues include all restricted revenues from governmental agencies and private agencies. Grant revenues are recorded as the reimbursement of expenses associated with the grant. Fiscal year 2022 saw an increase in grants due to the utilization of HEERF funds for lost revenue. See the Schedule of Expenditures of Federal Awards for information regarding nonoperating financial aid Federal grants and contracts (see the Nonoperating Revenues (Expenses) section below as well).

Auxiliary enterprises

Auxiliary enterprises consist of various entities that exist primarily to furnish goods or services to students, faculty, staff, or the general public, and charge a fee directly related to the cost of those goods or services. These enterprises are intended to be self-supporting and include the bookstore and cafeteria commission income, rental of facilities, residence halls, summer housing, child care, and dental hygiene services. A scholarship allowance is applied to student accounts for those various enterprises and is shown as a reduction of these revenues. Fiscal year 2021 saw a large decrease based on the closing/reduced occupancy of the residence halls, cafeteria, and the child development center due to COVID-19. Fiscal year 2022 saw a larger increase as the residence hall, CDC and dining center were re-opened for regular operations.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Other operating revenues

Other operating revenues comprise income from miscellaneous sources, including the collection of prior-year bad debts, gate receipts, exam lab, GED testing, and administration fees. Fiscal year 2022 was comparable to prior years, with a slight increase due to the recovery from COVID-19 conditions.

Expenses

Operating Expenses

	2020	2021	2022
Operating expenses by function:			
Academic support	\$ 6,291,172	\$ 7,488,788	\$ 5,018,148
Auxiliary enterprises	2,971,517	3,176,247	4,472,226
Depreciation	4,891,838	4,864,325	4,895,378
Institutional support	8,833,790	10,961,918	8,013,015
Instruction	22,216,383	20,073,644	19,804,703
Operation and maintenance of plant	6,633,900	6,570,507	8,568,522
Public service	369,738	382,006	418,270
Scholarships	7,872,660	10,650,814	8,179,935
Student services	5,422,654	4,922,385	4,565,967
Total operating expenses	65,503,652	69,090,634	63,936,164
Operating (loss)	\$ (47,663,424)	\$ (53,571,527)	\$ (46,969,460)

Operating expenses include salaries and benefits, goods and services provided to the College, institutional scholarships, and operations and maintenance of the plant. Health insurance benefit costs to the College held steady. Only a minimal number of new staff were added in fiscal years 2020, 2021 and 2022 due to budget constraints.

Pell grants of \$3,800,742 and HEERF grants of \$4,830,068 make up the bulk of scholarships for fiscal year 2022.

The operating loss reflected is prior to the application of state and local revenues. The College is not intended to be self-supporting, and although tuition and fees are an important source of revenue, the College could not operate without funding from the Federal government, the State of Wyoming, and Laramie County. The fiscal year 2022 operating loss decreased by \$6,602,067 over fiscal year 2021. The decrease was mostly due to the College returning to regular operations on the revenue side and continued diligent expense watching to remain in budget as the College moves out of COVID-19. The fiscal year 2021 operating loss increased by \$2,151,234 over fiscal year 2020. The increase was mostly due to reduced tuition and Federal grant revenue as expenses were closely monitored.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Nonoperating Revenues (Expenses)

	2020	2021	2022
Nonoperating revenues (expenses):			
Non-exchange Federal and state grants	\$ 5,975,763	\$ 19,489,993	\$ 9,582,129
State appropriations	26,324,230	25,492,506	25,276,206
Local appropriations	16,595,540	17,612,321	16,392,161
Investment income (loss)	1,480,998	3,324,303	(1,697,627)
Interest expense	(751,871)	(707,337)	(1,278,821)
(Loss) on disposal	(25,642)	-	-
Net nonoperating revenues	49,599,018	65,211,786	48,274,048
Income before other revenue, expenses, gains, or losses	1,935,594	11,640,259	1,304,588
State of Wyoming endowment appropriation	-	50,804	10,336
Capital gifts	450,000	712,130	1,069,133
Capital appropriations	1,030,634	5,969,366	-
Total other revenue, expenses, gains, or losses	1,480,634	6,732,300	1,079,469
Increase in net position	\$ 3,416,228	\$ 18,372,559	\$ 2,384,057

Nonoperating revenues are those revenues that are not directly generated through the operation of the College. Included are funds from the Federal government and the State of Wyoming, Laramie County local property and vehicle taxes, interest income, and other miscellaneous sources.

Non-Exchange Federal and State Grants

Non-exchange funds are not direct payments for services or products. The Federal Pell Grant Program provides need-based grants to low-income undergraduate students to promote access to postsecondary education. Pell grants account for the majority of funds in this category, with \$3,800,742 and \$3,592,604 for fiscal years 2022 and 2021, respectively. This category also includes funds from the State of Wyoming for the Hathaway Scholarship Program of \$652,522 and \$661,365 for fiscal years 2022 and 2021, respectively. The state program provides merit- and need-based awards to eligible Wyoming students. During 2022, the decrease was due to Wyoming Coronavirus Aid, Relief, and Economic Security (CARES) Act grants of \$8,651,320 and Governor's Emergency Education Relief Fund funding of \$43,295 that was received in fiscal year 2021 but not fiscal year 2022.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

State Appropriations

A funding formula is used to determine the College's portion of total community college state appropriations and is based on a comparison to the other six community colleges in Wyoming. There has been a slight decrease in enrollment as compared to other colleges and an increased employee benefit appropriation. State appropriations for fiscal years 2022 and 2021 are consistent with fiscal year 2020. Fiscal year 2022 had a slight decrease due to state reductions of budget.

Local Taxes - Assessed Valuation

A history of the assessed valuations for the Laramie County Community College District (the District), the City of Cheyenne, and the State of Wyoming is set forth in the following table:

Tax Year	District	Local Tax	State Tax
2022	\$ 2,480,513,587	\$ 1,623,686,202	\$ 856,827,385
2021	1,930,631,036	1,428,251,395	502,379,641
2020	2,223,593,159	1,355,555,365	868,037,794
2019	2,071,909,677	1,289,355,327	782,554,350
2018	1,664,944,741	1,175,947,547	488,997,194

Source: *Annual Reports of the Wyoming Department of Revenue; Laramie County Assessor's Office*

Local valuations have had stable growth with an increase in 2022 due to higher oil production. Wyoming has had a large increase in valuation from the downturn of energy-related (coal, oil, and natural gas) industries' production and value.

Investment Income

A large portion of investment income is related to the investments held by the Foundation for the State Challenge Grant monies (\$1,103,150) and the remainder is from loss on the College's investments (\$432,564) as well as the loss on the Authority's investments (\$161,913).

Interest Expense

Interest expense is the interest paid on the College's capital leases and bond issues held by the Authority for the financing of College facilities.

Endowment Appropriation

Funds from a state-managed fund for scholarship endowment is appropriated by the State of Wyoming to the various colleges and universities in Wyoming according to a prescribed formula. The appropriation varies with the performance of the state fund. See the Investments Held by Others section above.

Laramie County Community College Management's Discussion and Analysis

Fiscal Year Ended June 30, 2022

Capital Gifts

Capital gifts consisted of donations from the Foundation for the Performing Arts Complex.

Capital Appropriations

Capital appropriations consisted of additional state appropriations to assist in funding the remodel of the Ludden Library and Fine Arts building.

Factors Relevant to Future Operations

Coronavirus Pandemic

On or around December 31, 2019, a new and significant outbreak of pneumonia with an unknown source was detected in Wuhan City, Hubei Province, China. The cause associated with these cases was linked to a novel coronavirus disease later named COVID-19. Since the initial detection in China, COVID-19 then spread worldwide.

On January 30, 2020, the World Health Organization declared the outbreak a public health emergency of international concern. On January 31, 2020, the United States Department of Health and Human Services declared a national public health emergency. On March 13, 2020, Governor Gordon of Wyoming declared a state of emergency and a public health emergency. On March 18, 2020, the College paused all on-campus operations, except for critical infrastructure needs, and transitioned all classes to online and most all staff operations to remote working conditions.

By August 2021, campus operations normalized somewhat, whereby employees largely ceased remote working conditions and many classes returned to their pre-pandemic delivery methods. COVID-19-related protocols of mask mandates for employees when not socially distanced have continued, and the campus has pushed for higher COVID-19 vaccination percentages.

Additional Information

This financial report is designed to give its readers a general overview of the College's finances. Questions regarding information contained in this report, or requests for additional information, should be addressed to the College's Comptroller at 1400 East College Drive, Cheyenne, Wyoming 82007.

LARAMIE COUNTY COMMUNITY COLLEGE

STATEMENTS OF NET POSITION

June 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 2 and 8)	\$ 25,912,943	\$ 18,648,931
Restricted cash (Note 2)	-	768
Restricted cash held by others (Note 2)	-	196,787
Investments (Note 2)	5,349,445	5,547,897
Accounts receivable, net	2,926,167	3,443,355
Property taxes receivable	18,999,891	15,492,451
Prepaid expense	131,967	36,064
Total current assets	53,320,413	43,366,253
Noncurrent Assets		
Restricted cash and cash equivalents (Notes 2 and 9)	6,342,264	261,036
Restricted and designated investments (Notes 2 and 9)	3,715,992	3,569,851
Capital assets, net of accumulated depreciation (Note 3)	135,750,028	139,658,713
Investments held by others	15,155,403	16,699,584
Total noncurrent assets	160,963,687	160,189,184
Total assets	214,284,100	203,555,437
DEFERRED OUTFLOWS OF RESOURCES		
Pension-Related Outflows (Note 5)	2,118,096	1,929,962
OPEB-Related Outflows (Note 7)	8,106,466	8,757,690
Bond Modification	6,614	9,843
Total deferred outflows of resources	10,231,176	10,697,495

Continued

LARAMIE COUNTY COMMUNITY COLLEGE

STATEMENTS OF NET POSITION, *Continued* June 30, 2022 and 2021

	2022	2021
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 1,364,236	\$ 1,712,588
Payroll and related liabilities	1,422,454	1,443,533
Accrued compensated absences (Note 4)	1,066,760	1,087,061
Accrued interest payable	705,764	80,169
Advance tuition payments	144,805	132,718
Custodial deposits (Note 8)	1,319,204	1,097,112
Unearned revenue	409,241	-
Current maturities of note payable (Note 4)	968,571	-
Current maturities of bonds payable (Note 4)	3,138,042	3,186,294
Total current liabilities	10,539,077	8,739,475
Noncurrent Liabilities		
Liability for voluntary termination (Note 4)	635,430	654,545
Accrued compensated absences (Note 4)	318,643	324,706
Note payable (Note 4)	30,081,609	30,995,561
Long-term bonds payable (Note 4)	23,161,401	19,579,443
Net pension liability (Note 5)	11,184,247	16,701,283
Total OPEB liability (Note 7)	25,813,859	24,994,575
Total noncurrent liabilities	91,195,189	93,250,113
Total liabilities	101,734,266	101,989,588
DEFERRED INFLOWS OF RESOURCES		
Unavailable Property Taxes	17,065,934	13,610,949
Pension-Related Inflows (Note 5)	8,101,289	3,806,808
OPEB-Related Inflows (Note 7)	4,361,699	3,977,556
Total deferred inflows of resources	29,528,922	21,395,313
NET POSITION		
Net Investment in Capital Assets	78,042,065	85,574,513
Restricted for:		
Expendable:		
Scholarships	282,384	929,489
Capital projects	6,300,104	4,711,786
Non-expendable	10,022,172	10,011,836
Unrestricted	(1,394,637)	(10,359,593)
Total net position	\$ 93,252,088	\$ 90,868,031

See Notes to Financial Statements.

LARAMIE COUNTY COMMUNITY COLLEGE
COMPONENT UNIT - LARAMIE COUNTY COMMUNITY
COLLEGE FOUNDATION

STATEMENTS OF FINANCIAL POSITION
December 31, 2021 and 2020

	2021	2020
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 3,272,389	\$ 2,980,582
Receivables:		
Pledges receivable, net of allowance of \$11,158 and \$18,306, respectively	174,928	286,799
Other receivable	10,336	23,183
Total current assets	3,457,653	3,290,564
Noncurrent Assets		
Pledges receivable, net of allowance of \$72,542 and \$77,794, and discount of \$96,500 and \$104,200, respectively, less current portion	1,039,782	983,825
Property and equipment, net	66,743	66,743
Investments:		
Marketable securities (Note 2)	49,147,600	43,262,067
Other investments	3,665	3,665
Total noncurrent assets	50,257,790	44,316,300
Total assets	\$ 53,715,443	\$ 47,606,864
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	\$ 46,847	\$ 186,123
Noncurrent Liabilities		
Charitable gift annuity	143,750	167,675
Investments held for others (Note 2)	15,636,994	14,205,235
Total noncurrent liabilities	15,780,744	14,372,910
Total liabilities	15,827,591	14,559,033
Net Assets		
Without donor restrictions:		
Undesignated	2,769,294	2,134,093
With donor restrictions	35,118,558	30,913,738
Total net assets	37,887,852	33,047,831
Total liabilities and net assets	\$ 53,715,443	\$ 47,606,864

See Notes to Financial Statements.

LARAMIE COUNTY COMMUNITY COLLEGE

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Years Ended June 30, 2022 and 2021

	2022	2021
Operating Revenues		
Tuition and fees, net of scholarship allowances of \$1,438,984 and \$344,812, respectively (Note 1)	\$ 10,160,951	\$ 10,536,340
Federal grants and contracts	1,863,541	901,131
State and local grants and contracts	663,666	1,282,926
Auxiliary enterprise charges, net of scholarship allowances of \$318,016 and \$53,881, respectively (Note 1)	3,969,905	2,655,574
Other operating revenues	308,641	143,136
Total operating revenues	16,966,704	15,519,107
Operating Expenses (Note 11)		
Instruction	19,804,703	20,073,644
Public service	418,270	382,006
Academic support	5,018,148	7,488,788
Student services	4,565,967	4,922,385
Institutional support	8,013,015	10,961,918
Operation and maintenance of plant	8,568,522	6,570,507
Scholarships (Note 1)	8,179,935	10,650,814
Auxiliary enterprises	4,472,226	3,176,247
Depreciation	4,895,378	4,864,325
Total operating expenses	63,936,164	69,090,634
Operating (loss)	(46,969,460)	(53,571,527)
Nonoperating Revenues (Expenses)		
Non-exchange Federal and state grants	9,582,129	19,489,993
State appropriations	25,276,206	25,492,506
Local appropriations	16,392,161	17,612,321
Net investment return	(1,697,627)	3,324,303
Interest expense	(1,278,821)	(707,337)
Net nonoperating revenues	48,274,048	65,211,786
Income before other revenue, expenses, gains, or losses	1,304,588	11,640,259
Other Revenue, Expenses, Gains, or Losses		
State endowment appropriation	10,336	50,804
Capital gifts	1,069,133	712,130
Capital appropriations	-	5,969,366
Total other revenue, expenses, gains, or losses	1,079,469	6,732,300
Increase in net position	2,384,057	18,372,559
Net Position		
Beginning of year	90,868,031	72,495,472
End of year	\$ 93,252,088	\$ 90,868,031

See Notes to Financial Statements.

LARAMIE COUNTY COMMUNITY COLLEGE
COMPONENT UNIT - LARAMIE COUNTY COMMUNITY
COLLEGE FOUNDATION

STATEMENTS OF ACTIVITIES
Years Ended December 31, 2021 and 2020

	2021	2020
Changes in Net Assets Without Donor Restrictions		
Revenue, gains, and other support:		
Administrative fees	\$ 722,513	\$ 668,636
Investment income, net	614,621	928,117
Total revenue and gains	1,337,134	1,596,753
Net assets released from restrictions	1,602,114	2,559,617
Total revenues, gains, and other support	2,939,248	4,156,370
Expenses:		
Program services:		
College support	1,818,634	2,765,969
Management	229,479	204,913
Fundraising	255,934	196,154
Total expenses	2,304,047	3,167,036
Increase in net assets without donor restrictions	635,201	989,334
Changes in Net Assets With Donor Restrictions		
Contributions	2,527,632	5,237,580
Investment income, net	3,279,302	2,737,232
Net assets released from restrictions	(1,602,114)	(2,559,617)
Increase in net assets with donor restrictions	4,204,820	5,415,195
Change in net assets	4,840,021	6,404,529
Net Assets, beginning	33,047,831	26,643,302
Net Assets, ending	\$ 37,887,852	\$ 33,047,831

See Notes to Financial Statements.

LARAMIE COUNTY COMMUNITY COLLEGE

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities		
Received from customers	\$ 17,512,547	\$ 16,821,766
Payments to employees and fringe benefits	(34,736,879)	(35,756,249)
Payments to vendors and suppliers	(16,257,875)	(16,309,894)
Payments for scholarships	(8,179,935)	(10,650,814)
Other receipts	222,092	284,812
Net cash (used in) operating activities	(41,440,050)	(45,610,379)
Cash Flows from Noncapital Financing Activities		
Non-exchange Federal and state grants	9,582,129	19,489,993
State appropriations	25,276,206	25,492,506
Local appropriations	16,748,947	16,932,906
State endowment appropriation	10,336	50,804
Net cash provided by noncapital financing activities	51,617,618	61,966,209
Cash Flows from Capital and Related Financing Activities		
Proceeds from sale of capital assets	1,783,717	380,377
Cash paid for capital assets	(2,738,201)	(18,761,597)
Proceeds from note	54,619	8,768,828
Payments on line of credit	-	(2,000,000)
Proceeds from bond issuance	6,770,000	-
Private gifts for capital construction	1,069,133	712,130
State appropriations for capital construction	-	5,969,366
Payment of bond principal	(3,236,294)	(3,120,772)
State endowment invested in Foundation	1,544,181	(2,895,277)
Principal paid on lease	-	(29,801)
Interest paid on lease and bonds	(631,722)	(646,285)
Net cash provided by (used in) capital and related financing activities	4,615,433	(11,623,031)
Cash Flows from Investing Activities		
Sales of investments	-	3,040
Purchases of investments	(148,384)	-
Interest received on investments	(1,496,932)	3,354,589
Net cash (used in) provided by investing activities	(1,645,316)	3,357,629
Net increase in cash and cash equivalents	13,147,685	8,090,428
Cash and Cash Equivalents		
Beginning of year	19,107,522	11,017,094
End of year	\$ 32,255,207	\$ 19,107,522

Continued

LARAMIE COUNTY COMMUNITY COLLEGE

STATEMENTS OF CASH FLOWS, *Continued*
Years Ended June 30, 2022 and 2021

	2022	2021
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities		
Operating (loss)	\$ (46,969,460)	\$ (53,571,527)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:		
Depreciation expense	4,895,378	4,864,325
Other	(69,371)	(69,118)
Changes in assets, liabilities, deferred inflows, and deferred outflows:		
Receivables, net	568,284	1,298,121
Prepaid items	(95,903)	62,577
Accounts payable and accrued liabilities	(164,135)	394,632
Advance tuition payments	(22,441)	(29,990)
Accrued compensated absences	(26,364)	(29,296)
Pension liability	(5,517,036)	(1,184,311)
Deferred outflows - pension	(188,134)	701,281
Deferred inflows - pension	4,294,481	781,381
OPEB liability	819,284	7,141,542
Deferred outflows - OPEB	651,224	(5,185,571)
Deferred inflows - OPEB	384,143	(784,425)
Total adjustments	5,529,410	7,961,148
Net cash (used in) operating activities	\$ (41,440,050)	\$ (45,610,379)
Noncash Capital and Related Financing Activities		
Unrealized (loss) on investments	\$ -	\$ (27,016)
Capital asset additions in accounts payable	364,954	332,745

See Notes to Financial Statements.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: Laramie County Community College (the College) is a public institution of higher education. The College's main campus is located in Cheyenne, Wyoming. It is governed by a Board of Trustees (the Board) comprising seven elected trustees and is subject to the laws of the State of Wyoming. The College was created in 1969 to serve the post-secondary educational needs of the citizens of Laramie County, Wyoming (the County). Since its inception, the College has grown to annually serve approximately 3,200 full-time-equivalent students at four education centers in two counties. The College is a municipal corporation formed under, and subject to the requirements of, Wyoming State Statutes.

Reporting entity: As defined by accounting principles generally accepted in the United States of America established by the Government Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component units, the Laramie County Community College Foundation (the Foundation) and the Laramie County Community College Building Authority (the Authority).

The Foundation was organized to develop and sustain support for the College through the solicitation, management, and recognition of donations. The Foundation is dedicated to providing services and assistance to the students, faculty, staff, and community, thereby enhancing a sense of tradition and pride that will assist in advancing the College. The Foundation's year-end is December 31. The Foundation's Board of Directors comprises 16 members, including three College Board members and the College President.

The Foundation is a private not-for-profit organization that reports its financial results under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*. As such, certain presentation features are different from GASB presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences; however, significant note disclosures to the Foundation's financial statements have been incorporated into the College's notes to the financial statements.

Financial statements for the Foundation can be obtained by calling the Foundation at 307-778-5222.

The Authority was created on May 18, 2005 as a public benefit corporation financing the construction, ownership, and operation of real and personal property to be used by the College. The Authority is a separate legal entity from the College but is considered a blended component unit of the College and is reported in its financial statements.

The Authority has authorized the issuance of bonds as necessary to provide sufficient funds for the construction and purchase of student dormitories, dining facilities, and the Albany County Campus. Those bonds do not constitute a debt of the College or any political subdivision thereof.

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

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

Cash equivalents: For purposes of the Statements of Cash Flows, the College considers all money market funds and highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments: The College accounts for its investments at fair value, as determined by quoted market prices, in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, and GASB Statement No. 79, *Certain Investment Pools and Pool Participants*. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of net investment income in the Statements of Revenues, Expenses, and Changes in Net Position.

Fair value measurements: The College categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

The College and the Authority have the following recurring fair value measurements as of June 30, 2022 and 2021:

- Money market funds of \$966,466 and \$518,636, respectively, are valued using quoted market prices (Level 1 inputs).
- Investments held by the Foundation of \$15,155,403 and \$16,699,584, respectively, and government agency obligations, corporate bonds, treasury bonds and notes, and government bonds of \$8,454,348 and \$8,856,687, respectively, are valued using significant other observable inputs (Level 2 inputs).

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Level 2 valuations are based on quoted market prices for identical assets in less-than-active markets.

Accounts receivable: Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff. Accounts receivable also include amounts due from the Federal government, state and local governments, or private sources in connection with the reimbursement of allowable expenditures made pursuant to the College's grants and contracts. The College considers all accounts receivable, except student receivables, to be fully collectible at June 30, 2022 and 2021; therefore, no allowance for doubtful accounts is deemed necessary.

Property tax receivable: Property tax receivable includes delinquent property tax receivable and property taxes assessed during the year, which will be levied and billed in the subsequent year.

Capital assets: The College records capital assets at cost at the date of acquisition or at fair value at the date of donation. For equipment, the College'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. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year the expense was incurred.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which are generally 40 years for buildings; 20 years for infrastructure and land improvements; and three to 14 years for furniture, fixtures, and equipment.

The College does not capitalize works of art or historical treasures that are held for exhibition, education, research, and public service. These collections are neither disposed of for financial gain nor encumbered by any means. Accordingly, such collections are not recognized or capitalized for financial statement purposes.

Deferred outflows of resources: Deferred outflows are the consumption of net position by the College and the Authority that are applicable to a future reporting period and so will not be recognized as an outflow of resources (expense) until that time.

Compensated absences: Employee vacation pay is accrued at year-end for financial statement purposes. The liability and expense incurred are recorded at year-end as accrued compensated absences in the Statements of Net Position, and as a component of compensation and benefit expense in the Statements of Revenues, Expenses, and Changes in Net Position. Compensated absences other than vacation are nonvesting benefits and, accordingly, are reflected as expenses in the accompanying financial statements only when used.

Defined benefit 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 Wyoming Retirement System (WRS), and additions to/deductions from the WRS's fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment benefits other than pensions (OPEB): The total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense associated with the State of Wyoming Employee Group Insurance Retiree Health Plan have been determined on the same basis as they are reported by the State of Wyoming. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Noncurrent liabilities: Noncurrent liabilities include estimated amounts for accrued compensated absences, bonds payable, notes payable, the net pension liability, the total OPEB liability, and the liability for voluntary termination that will not be paid within the next fiscal year.

Deferred inflows of resources: Deferred inflows are the acquisition of net position by the College that are applicable to a future reporting period and so will not be recognized as an inflow of resources (revenue) until that time.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

Net position: The College's net position is classified as follows:

Net investment in capital assets: This represents the College's total investment in capital assets, net accumulated depreciation, outstanding principal of capital-related borrowings, and capital-related liabilities (including accounts payable and retainage payable) related to those capital assets.

Restricted net position - expendable: Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Restricted net position - non-expendable: Restricted non-expendable net position consists of endowment and similar-type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Unrestricted net position: Unrestricted net position represents resources derived from student tuition and fees, state and local appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the governing board to meet current expenses for any purpose.

When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first and then unrestricted resources as needed.

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

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as: (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, and (3) Federal, state, and local grants and contracts, and Federal appropriations.

Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting*, and GASB Statement No. 34, *Basic Financial Statements - and Management's Discussions and Analysis - for State and Local Governments*, such as state and local appropriations and investment income.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

Scholarship discounts and allowances: Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the Statements of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for the goods and services provided by the College and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state, or nongovernmental programs are recorded as either operating or nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Property taxes: Property taxes are assessed and attach as an enforceable lien on property as of January 1 of the preceding levy year. Taxes are levied on or about September 1. Real property taxes are payable in two installments on November 1 and May 1, or the tax may be paid in full by December 31. The County bills and collects its own real property taxes as well as those for all municipalities and political subdivisions within the County, including the College. Effective January 1, 2022, mineral ad valorem property taxes are billed and collected monthly by the State of Wyoming Department of Revenue, with a true-up following the annual assessment on January 1. The College's property tax revenues are recognized when assessed. Property tax receivable includes property taxes assessed for the year that will be levied and billed in the subsequent year and delinquent property taxes.

Accounting estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Federal direct loans: The College makes loans to students under the William D. Ford Federal Direct Loan Program. Under this program, the U.S. Department of Education makes interest subsidized and nonsubsidized loans directly to students through institutions like the College. Direct student loan receivables are not included in the College's Statements of Net Position, as the loans are repayable directly to the U.S. Department of Education. In 2022 and 2021, the College received and disbursed \$4,256,676 and \$3,897,155, respectively, under the William D. Ford Federal Direct Loan Program on behalf of the U.S. Department of Education, which is not included as revenue or expense on the Statements of Revenues, Expenses, and Changes in Net Position due to the nature of the transaction.

Bond issuance costs: Bond issuance costs include underwriter discounts. Bond issuance costs are expensed in the period incurred.

Reclassifications: To be consistent with the year ended June 30, 2022, certain components of revenue and expenses for the year ended June 30, 2021 have been reclassified. There was no effect on the change in net position.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

Component unit - Foundation: A summary of the Foundation's significant accounting policies is as follows:

Basis of presentation: The Foundation has adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*, as the basis of presentation of its financial statements. This Topic establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into two net asset categories:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the Board of Directors. These also include board-designated or -appropriated amounts.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; these restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds must be maintained in perpetuity.

It also requires the Foundation to distinguish between contributions received for each net asset category, in accordance with donor-imposed conditions.

Donor restrictions: Donors can change their designations from the different net asset classifications.

Cash and cash equivalents: For purposes of reporting cash flows, the Foundation considers all demand deposits, money market funds, and highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

The Foundation maintains its cash in bank deposit accounts that, at times, may exceed Federally insured limits. The Foundation believes it is not exposed to any significant credit risk on cash and cash equivalents.

Investments: The Foundation carries investments in marketable securities with readily determinable fair value and all investments in debt securities at their fair values in the Statements of Financial Position. Unrealized gains and losses are included in change in net assets in the accompanying Statements of Activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period the income and gains are recognized.

Fair value measurements: The Fair Value Measurements and Disclosures Topic of the FASB ASC establishes a framework for fair value measurement and disclosure. It requires that assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

Level 3: Unobservable inputs that are not corroborated by market data.

The Foundation has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the type of payor and service provided.

The Foundation has valued its investments utilizing the Level 1 approach, except for fixed-income investments, which were valued utilizing the Level 2 approach. Level 2 valuations are based on quoted market prices for identical assets in less-than-active markets.

	2021	2020
Level 1 investments	\$ 39,359,349	\$ 34,195,056
Level 2 investments	9,788,251	9,067,011
	<u>\$ 49,147,600</u>	<u>\$ 43,262,067</u>

Investment pool: The Foundation maintains master investment accounts for its donor-restricted endowments. Realized and unrealized gains and losses from securities in the master investment accounts are allocated to the individual endowments based on the relationship of the value of each endowment to the total value of the master investment accounts, as adjusted for additions to, or deductions from, those accounts. These gains and losses are accounted for in the net assets with donor restrictions category that corresponds to each endowment unless the net assets with donor restrictions category corresponding to endowments is reduced to zero, at which time any remaining losses are allocated to net assets without donor restrictions.

Property and equipment: Property and equipment are stated at cost or, if donated, at the approximate fair value on the date of donation. Such donations are reported as without donor-restricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as with donor-restricted support. Depreciation is recorded using the straight-line method over the estimated useful life. Software amortization is recorded over 36 months. Repairs are expensed as incurred. New equipment with an original cost of \$1,000 or more is capitalized.

Compensated absences: The Foundation's employees' vacation pay is accrued at year-end for financial statement purposes. The liability and expense incurred are recorded at year-end as accrued expenses on the Statements of Financial Position and as a component of management and fundraising on the Statements of Activities.

Revenue recognition: The Foundation recognizes revenue in accordance with ASC Topic 958 and ASC Topic 606, *Revenue from Contracts with Customers*. Accordingly, the Foundation evaluates whether a transfer of assets is (1) an exchange transaction, in which a resource provider is receiving commensurate value in return for the resources transferred, or (2) a contribution.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

If the transfer of assets is determined to be an exchange transaction, the Foundation applies guidance under ASC Topic 606, which provides a five-step model for recognizing revenue from contracts with customers, as follows:

1. Identify the contract with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognize revenue when or as performance obligations are satisfied

If the transfer of assets is determined to be a contribution, ASC Topic 958 applies. Under ASC Topic 958, the Foundation evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before the Foundation is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

Administrative fees: Administrative fee revenues are primarily from fees derived from the management of the Foundation's various endowments as well as development services, as follows:

Management fees: The Foundation charges an annual fee (transaction price) to each qualifying endowment, which is equal to 1% of the balance of the endowment at the end of each fiscal year. Satisfaction of this implicit contract between the endowment, the endowment donor and the Foundation occurs on an annual basis as the Foundation provides the various administrative tasks to maintain the endowment (performance obligation). Revenue is recognized at this time. The fee is deducted from the endowment balance.

Development services: Under a formal operating agreement between the Foundation and the College, the Foundation must provide the following services (performance obligation): the solicitation of funds to support the College and the management of solicited funds, which includes asset investment. The annual fee (transaction price) is fixed as explicitly stated in the operating agreement. The satisfaction of the performance obligation occurs on a monthly basis as the Foundation provides the various administrative tasks outlined in the operating agreement. Revenue is recognized at this time.

Contributions: The Foundation recognizes contribution income in accordance with ASC Topic 958. Unconditional promises to give are recognized as revenue or a gain in the period received and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Depending on the existence or nature of any donor restrictions, unconditional contributions received are recorded as increases in net assets with donor restrictions or net assets without donor restrictions. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and promises become unconditional. There were no conditional promises to give received by the Foundation during the years ended December 31, 2021 or 2020. The Foundation has estimated an allowance for the uncollectibility of unconditional contributions receivable.

Donated services and materials: To the extent that contributions of materials made to the Foundation are objectively measurable and represent program or support expenditures, they are reflected in the financial statements at their fair value. No amounts have been reflected in the financial statements for donated services since the services do not require specialized skills.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies, *Continued*

Donated assets: Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation.

Allocation of expenses: The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions. The expenses include salaries, benefits, professional fees, and certain other expenses. Expenses are allocated based on management's estimate of the relative attention and effort exerted toward specific functional areas.

Income taxes: The Foundation is an exempt organization for income tax purposes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Management evaluated the Foundation's tax positions and concluded that the Foundation had taken no uncertain tax positions that require adjustment to the financial statements. With few exceptions, the Foundation is no longer subject to income tax examinations by U.S. Federal, state, or local tax authorities except for the last three years filed.

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

Note 2. Deposits with Financial Institutions and Investments

Laramie County Community College: Wyoming State Statute §9-4-817 authorizes agencies of the State of Wyoming to deposit public funds in financial institutions authorized to do business in the State of Wyoming. These deposits must be fully insured by the Federal Deposit Insurance Corporation or secured by a pledge of assets, including any bonds, debentures, and other securities in which the Wyoming State Treasurer may, by law, invest, or a depository may pledge conventional real estate mortgages and notes connected with mortgages at a ratio of 1.5:1 of the value of public funds secured by the securities. The Authority is not an agency of the State of Wyoming and maintains its cash deposits at a financial institution in a money market fund invested in U.S. government securities.

The College's investment policy specifies that internally invested funds may be invested in a combination of U.S. Treasury bills, notes, bonds, U.S. government securities, bankers' acceptances, local government investment pools, time certificates of deposit (both commercial banks and savings and loan institutions), commercial paper, and corporate bonds. Investment goals for internally invested funds are designed to achieve a return that attains a market-average rate of return throughout budgetary and economic cycles, preserve the principal balance in the overall portfolio, and maintain liquidity to meet spending requirements. Custodial services are utilized to safeguard the assets and provide monthly reports.

It is the policy of the College to invest endowment funds under a memorandum of agreement with the Foundation.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits with Financial Institutions and Investments, *Continued*

Restricted cash and investments: As a requirement of the 2014 Bond Issuance, the College was required to establish a mandatory maintenance and repair fund of not less than 7% of bond proceeds, for the specific purpose of maintenance, repair, and facility obsolescence for the buildings funded by the bond. As of June 30, 2022 and 2021, \$2,133,046 and \$2,372,806, respectively, remained in the maintenance and repair account, of which \$270,666 and \$225,889, respectively, is cash held at a financial institution in a money market fund invested in U.S. government securities. The remainder amount is included in investments.

As of June 30, 2022 and 2021, \$58,845 and \$35,147, respectively, was held in bond reserve money market funds for the Authority, and \$6,012,753 and \$0, respectively was restricted for the Recreation and Athletic Complex facilities. As of June 30, 2022 and 2021, \$1,853,612 and \$1,422,934, respectively, was held in U.S. government securities for the Authority. These investments are restricted for the revenue bonds.

As of June 30, 2022 and 2021, the College had \$0 and \$196,787, respectively, held by the State of Wyoming for the purposes of construction of the Fine Arts Center.

Custodial credit risk: Custodial credit risk for deposits of the College and the Authority is the risk that, in the event of a bank failure, deposits may not be returned to them. At June 30, 2022 and 2021, the carrying amount of the College's demand deposits, including certificates of deposit treated as investments, was \$25,601,330 and \$18,376,405, respectively, and bank balances were \$26,556,480 and \$19,628,388, respectively, with Federal insurance and pledged securities totaling \$26,836,472 and \$27,199,009, respectively. At June 30, 2022 and 2021, the Authority held \$285,338 and \$257,575, respectively, in unrestricted money market mutual fund accounts secured by U.S. government securities.

Investments:

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Neither the College nor the Authority has a formal policy addressing interest rate risk.

As of June 30, the College had unrestricted investments with weighted-average maturities, as shown in the following tables:

	2022		Weighted-Average Maturity (in Years)
	Cost	Fair Value	
Investment type:			
U.S. Treasury notes and bonds	\$ 200,625	\$ 192,967	2.58
Government agencies	2,062,760	1,929,804	2.55
Money market funds	611,089	611,089	-
Corporate bonds	2,773,328	2,615,585	1.68
	<u>\$ 5,647,802</u>	<u>\$ 5,349,445</u>	

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits with Financial Institutions and Investments, *Continued*

	2021		Weighted-Average Maturity (in Years)
	Cost	Fair Value	
Investment type:			
U.S. Treasury notes and bonds	\$ 500,473	\$ 506,730	2.05
Government agencies	2,140,766	2,135,547	1.87
Money market funds	261,061	261,061	-
Corporate bonds	2,612,614	2,644,559	1.72
	\$ 5,514,914	\$ 5,547,897	

As of June 30, the College and the Authority had restricted and designated investments with weighted-average maturities, as shown in the following tables:

		2022		Weighted-Average Maturity (in Years)
		Cost	Fair Value	
Investment type:				
Government agencies	\$	3,843,370	\$ 3,715,992	6.22

		2021		Weighted-Average Maturity (in Years)
		Cost	Fair Value	
Investment type:				
Government agencies	\$	3,205,478	\$ 3,569,851	6.1

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits with Financial Institutions and Investments, *Continued*

Credit risk: Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. Neither the College nor the Authority has a formal policy addressing credit risk. The College's investments in U.S. agencies all carry the explicit guarantee of the U.S. government. These instruments all have a AAA rating. The College's investments in corporate bonds have the following ratings as of June 30:

	Fair Value	
	2022	2021
Credit rating:		
A+	\$ 209,199	\$ 270,314
A	190,966	230,280
A-	590,844	460,648
BBB+	1,370,489	1,367,489
BBB	254,087	265,646
NR	-	50,182
	<u>\$ 2,615,585</u>	<u>\$ 2,644,559</u>

Custodial credit risk: Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the College or the Authority will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The College and the Authority do not have a formal investment policy for custodial credit risk. Investments are held in safekeeping by external custodians in the College's and the Authority's names.

Concentration of credit risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the College's and the Authority's investment in a single issuer. Concentration of risk is not formally addressed in the College's and the Authority's investment policy. As of June 30, 2022 and 2021, more than 5% of the College's and the Authority's investments are in U.S. Treasury notes and bonds and government-sponsored enterprises (Federal Housing Finance Agency, Federal Farm Credit, Fannie Mae, Freddie Mac). As of June 30, 2022, these U.S. Treasury notes and bonds are 2.13% and the government-sponsored enterprises are 62.28% of total investments. As of June 30, 2021, these U.S. Treasury notes and bonds are 5.56% and the government-sponsored enterprises are 62.57% of total investments.

Foundation: The carrying values and fair values of certificates of deposit and marketable securities for the Foundation are as follows at December 31:

	2021		2020	
	Cost	Fair Value	Cost	Fair Value
Marketable securities:				
Alternatives	\$ 2,469,055	\$ 3,196,274	\$ 2,670,638	\$ 2,752,544
Equity, including mutual funds	21,482,991	30,667,800	20,491,275	27,897,090
Fixed income, including mutual funds	15,323,057	15,283,526	12,372,520	12,612,433
Total marketable securities	<u>\$ 39,275,103</u>	<u>\$ 49,147,600</u>	<u>\$ 35,534,433</u>	<u>\$ 43,262,067</u>

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits with Financial Institutions and Investments, *Continued*

Concentration of credit risk: The Foundation's investment policy is as follows:

The investment portfolio should be adequately diversified to provide maximum earnings and safety of the corpus of the portfolio, and allow for expenditure needs. A mix of investments, both within managed mutual funds and for the entire portfolio, will be recommended by the investment manager at least annually.

The target allocation is as follows:

Target Allocation	Minimum	Target	Maximum
Fixed income:			
U.S. investment grade	20%	30%	40%
Equity	55%	65%	75%
Alternatives	0%	5%	10%

The equities total shall be the sum of all equities owned either as individual stocks or within mutual funds. At least one-half of the equity portfolio shall be invested in large capitalization stocks of the United States, with the remainder to be invested in small-medium capitalization stocks of the United States and large capitalization stocks of companies located outside the United States.

Interest rate risk: The Foundation is also exposed to investment fair value loss arising from increased interest rates. The Foundation's policy for fixed-income portfolios is as follows:

U.S. fixed income - investment grade: The Foundation's Board of Directors will be managing the U.S. fixed-income portfolio (i.e., debt issued by the U.S. government and its agencies, marketable corporate bonds, debentures, preferred stock, commercial paper, certificates of deposit). The investment manager will not be authorized to purchase securities classified as U.S. fixed income.

Prohibited investments: The Foundation's Board of Directors will normally not authorize investments in the following asset categories:

- Venture capital
- Hedge funds
- Direct placement of mortgages
- Commodities
- Private placement or other securities not publicly traded
- Junk bonds
- Bonds used in leveraged buyouts
- Strips
- Residuals

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits with Financial Institutions and Investments, *Continued*

At December 31, the following tables show the fixed-income investments by type, amount, and maturity:

Investment Type	2021			
	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 5	More than 5
Government agencies	\$ 1,549,354	\$ 766,094	\$ 783,260	\$ -
Corporate bonds	8,039,868	4,042,096	3,997,772	-
Municipal bonds	199,029	-	-	199,029
	<u>\$ 9,788,251</u>	<u>\$ 4,808,190</u>	<u>\$ 4,781,032</u>	<u>\$ 199,029</u>

Investment Type	2020			
	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 5	More than 5
Government agencies	\$ 1,888,538	\$ 304,771	\$ 1,080,968	\$ 502,799
U.S. Treasury	765,593	765,593	-	-
Corporate bonds	6,190,599	2,465,942	3,724,657	-
Municipal bonds	222,281	-	-	222,281
	<u>\$ 9,067,011</u>	<u>\$ 3,536,306</u>	<u>\$ 4,805,625</u>	<u>\$ 725,080</u>

The distribution of quality rating of debt securities in the Foundation's investment portfolio at fair value as of December 31 is as follows:

	2021	2020
Quality rating:		
AA	\$ 1,819,001	\$ 1,898,719
A	1,936,083	1,793,187
BBB	2,392,092	2,200,790
NR	3,641,075	3,174,315
Total credit risk debt securities	<u>\$ 9,788,251</u>	<u>\$ 9,067,011</u>

Investments held for others: The Foundation received funds from the College to invest on its behalf pursuant to the requirements of the Wyoming Community College Endowment Challenge Program under Wyoming Session Laws, Chapter 117. Under the terms of this program, the Foundation has solicited contributions for its endowment funds. These contributions were reported to the State of Wyoming, which made a matching contribution to the College. The College invested these funds with the Foundation as required by Wyoming State Statutes. The Foundation is required to invest the money and use the investment earnings to fund endowments consistent with the original donor's intent.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits with Financial Institutions and Investments, *Continued*

As of December 31, 2021 and 2020, the Foundation held \$15,636,994 and \$14,205,235, respectively, of investments for the College.

Note 3. Capital Assets

Following are the changes in capital assets for the College for the years ended June 30:

	Balance June 30, 2021	Additions	Transfers	Retirements	Balance June 30, 2022
Capital assets not being depreciated:					
Land	\$ 870,564	\$ -	\$ -	\$ -	\$ 870,564
Construction in progress	51,223,469	1,907,366	(34,592,109)	(1,458,094)	17,080,632
Total capital assets not being depreciated	\$ 52,094,033	\$ 1,907,366	\$ (34,592,109)	\$ (1,458,094)	\$ 17,951,196
Other capital assets:					
Infrastructure	\$ 3,078,139	\$ -	\$ -	\$ -	\$ 3,078,139
Land improvements	7,543,646	-	-	-	7,543,646
Buildings	139,656,979	-	34,592,109	(1,268,392)	172,980,696
Furniture, fixtures and equipment	11,668,409	863,044	-	(163,870)	12,367,583
Total other capital assets	161,947,173	863,044	34,592,109	(1,432,262)	195,970,064
Less accumulated depreciation for:					
Infrastructure	(2,061,717)	(89,267)	-	-	(2,150,984)
Land improvements	(4,012,854)	(305,688)	-	-	(4,318,542)
Buildings	(58,019,060)	(3,918,795)	-	942,926	(60,994,929)
Furniture, fixtures and equipment	(10,288,862)	(581,628)	-	163,713	(10,706,777)
Total accumulated depreciation	(74,382,493)	(4,895,378)	-	1,106,639	(78,171,232)
Other capital assets, net	\$ 87,564,680	\$ (4,032,334)	\$ 34,592,109	\$ (325,623)	\$ 117,798,832
Capital asset summary:					
Capital assets not being depreciated	\$ 52,094,033	\$ 1,907,366	\$ (34,592,109)	\$ (1,458,094)	\$ 17,951,196
Other capital assets, at cost	161,947,173	863,044	34,592,109	(1,432,262)	195,970,064
Total cost of capital assets	214,041,206	2,770,410	-	(2,890,356)	213,921,260
Less accumulated depreciation	(74,382,493)	(4,895,378)	-	1,106,639	(78,171,232)
Capital assets, net	\$ 139,658,713	\$ (2,124,968)	\$ -	\$ (1,783,717)	\$ 135,750,028

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 3. Capital Assets, *Continued*

	Balance June 30, 2020	Additions	Transfers	Retirements	Balance June 30, 2021
Capital assets not being depreciated:					
Land	\$ 870,564	\$ -	\$ -	\$ -	\$ 870,564
Construction in progress	41,269,079	16,655,312	(6,546,397)	(154,525)	51,223,469
Total capital assets not being depreciated	\$ 42,139,643	\$ 16,655,312	\$ (6,546,397)	\$ (154,525)	\$ 52,094,033
Other capital assets:					
Infrastructure	\$ 3,695,313	\$ -	\$ -	\$ (617,174)	\$ 3,078,139
Land improvements	7,543,646	-	-	-	7,543,646
Buildings	137,459,343	-	6,546,397	(4,348,761)	139,656,979
Furniture, fixtures and equipment	11,198,273	483,925	-	(13,789)	11,668,409
Total other capital assets	159,896,575	483,925	6,546,397	(4,979,724)	161,947,173
Less accumulated depreciation for:					
Infrastructure	(2,583,778)	(95,113)	-	617,174	(2,061,717)
Land improvements	(3,707,166)	(305,688)	-	-	(4,012,854)
Buildings	(58,322,486)	(3,833,272)	-	4,136,698	(58,019,060)
Furniture, fixtures and equipment	(9,658,610)	(630,252)	-	-	(10,288,862)
Total accumulated depreciation	(74,272,040)	(4,864,325)	-	4,753,872	(74,382,493)
Other capital assets, net	\$ 85,624,535	\$ (4,380,400)	\$ 6,546,397	\$ (225,852)	\$ 87,564,680
Capital asset summary:					
Capital assets not being depreciated	\$ 42,139,643	\$ 16,655,312	\$ (6,546,397)	\$ (154,525)	\$ 52,094,033
Other capital assets, at cost	159,896,575	483,925	6,546,397	(4,979,724)	161,947,173
Total cost of capital assets	202,036,218	17,139,237	-	(5,134,249)	214,041,206
Less accumulated depreciation	(74,272,040)	(4,864,325)	-	4,753,872	(74,382,493)
Capital assets, net	\$ 127,764,178	\$ 12,274,912	\$ -	\$ (380,377)	\$ 139,658,713

Note 4. Long-Term Liabilities

Bonds: The College issued \$25,000,000 of general obligation bonds on July 8, 2014 for the purpose of paying the costs of planning, designing, engineering, constructing, furnishing, and equipping a new Flex Tech Building and a new Student Center on the Laramie County Campus. The bonds are limited obligations of the College and do not constitute an obligation or guarantee of the County, the State of Wyoming, or any political subdivision other than the College. The bond is secured by an ad valorem tax levied against all taxable property within the Laramie County Community College District (the District) without limitation of rate or amount. Should the tax for the payment of principal and interest on the bond at any time not be levied or collected in time to meet such payment, the principal or interest so maturing shall be paid out of the general fund of the College or from any other funds available for that purpose.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 4. Long-Term Liabilities, *Continued*

	Authorized and Issued	Interest Rates	Bonds Outstanding at June 30, 2022
Series 2014 General Obligation Bonds	\$ 25,000,000	1.75%-4.00%	\$ 13,800,000

Aggregate maturities, including interest of \$2,129,814, required on the bonds at June 30, 2022 are as follows:

Years ending June 30:	Principal	Interest
2023	\$ 1,700,000	\$ 487,188
2024	1,800,000	436,188
2025	1,850,000	377,688
2026	1,950,000	315,250
2027	2,000,000	247,000
2028-2029	4,500,000	266,500
	13,800,000	\$ 2,129,814
Original issue premium	489,443	
	\$ 14,289,443	

The Authority issued \$9,360,000 of revenue bonds on September 1, 2005, \$8,110,000 of revenue bonds on July 15, 2009, \$2,815,000 of revenue bonds on November 6, 2012, \$6,510,000 of revenue bonds on September 1, 2015, \$4,675,000 of revenue bonds on October 14, 2016, and \$6,770,000 of revenue bonds on December 15, 2021. The bonds are limited obligations of the Authority and do not constitute an obligation or guarantee of the College or its agencies or political subdivisions. The bonds are secured by the leased assets, and repayments will be made through lease payments by the College for the use of the assets.

On September 1, 2015, proceeds from the Series 2015 Revenue Bonds were used to refinance the Series 2005 Revenue Bonds. The refinance resulted in an economic gain of \$1,471,238 and a net cash flow savings of \$1,742,314.

On October 14, 2016, proceeds from the Series 2016 Revenue Bonds were used to refinance the Series 2009 Revenue Bonds. The refinance resulted in an economic gain of \$963,036 and a net cash flow savings of \$943,210. The deferred inflows of resources will be recognized as an adjustment to interest expense through June 1, 2024.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 4. Long-Term Liabilities, *Continued*

	Authorized and Issued	Interest Rates	Bonds Outstanding at June 30, 2022	Maturity
Series 2012 Revenue Bonds - Albany Campus	\$ 2,815,000	1.30%-3.10%	\$ 950,000	2025
Series 2015 Revenue Bonds - Residence Hall	6,510,000	0.75%-2.70%	2,765,000	2025
Series 2016 Revenue Bonds - Dining Facility	4,675,000	0.75%-1.95%	1,575,000	2024
Series 2021 Revenue Bonds - Recreation and Athletic Complex	6,770,000	0.35%-1.85%	6,720,000	2036

Aggregate maturities, including interest of \$1,211,422, required on the bonds at June 30, 2022 are as follows:

Years ending June 30:	Principal	Interest
2023	\$ 1,550,000	\$ 215,018
2024	2,150,000	180,201
2025	2,215,000	124,902
2026	425,000	93,320
2027	450,000	89,495
2028-2032	2,400,000	361,488
2033-2036	2,820,000	147,018
	<u>\$ 12,010,000</u>	<u>\$ 1,211,442</u>

Note payable: The College issued a \$30,000,000 promissory note payable to the State of Wyoming on October 4, 2018 for the design and construction of the Eagle Village residence hall. The loan is secured by the assignment of all fee revenues generated from student dormitory room and board, as well as the accumulated fund balance reserves for fiscal years 2020-2025. Interest on the note is 2.5% annually. The note requires annual payments of principal and interest starting within one year of the final draw of funds, at which point accrued interest will be rolled into the balance and an amended note will be executed, inclusive of an amortization schedule detailing the required annual payment amount based on a 25-year maturity. The College has not started making payments as of June 30, 2022. The outstanding balance of the note at June 30, 2022 was \$31,050,180, including interest of \$1,015,683, which was recognized as an increase to the cost of the Residence Hall. The State of Wyoming authorized the College's total principal and interest balance to exceed the predetermined \$30,000,000.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 4. Long-Term Liabilities, *Continued*

Aggregate maturities based on the total draw amount, including interest of \$10,769,725, required on the promissory note at June 30, 2022 are as follows:

Years ending June 30:	Principal	Interest
2023	\$ 968,571	\$ 716,706
2024	943,539	741,738
2025	966,804	718,473
2026	990,643	694,634
2027	1,015,070	670,207
2028-2032	5,463,360	2,963,025
2033-2037	6,170,971	2,255,414
2038-2042	6,970,232	1,456,154
2043-2047	7,560,990	553,374
	<u>\$ 31,050,180</u>	<u>\$ 10,769,725</u>

Legal debt margin: Wyoming State Statutes provide that the District shall not create any general obligation indebtedness exceeding 4% of the assessed value of the property therein. As of June 30, 2022, the District's assessed valuation was \$2,480,513,587. The College has general obligation debt of \$14,289,443 as of June 30, 2022.

Total long-term liabilities: Long-term liability activity for the years ended June 30 is as follows:

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Amounts Due within One Year
Bonds, notes, and capital lease obligations:					
General obligation bonds	\$ 16,035,737	\$ -	\$ (1,746,294)	\$ 14,289,443	\$ 1,588,042
Facility revenue bonds	6,730,000	6,770,000	(1,490,000)	12,010,000	1,550,000
Note payable	30,995,561	54,619	-	31,050,180	968,571
Total bonds, notes, and capital lease obligations	53,761,298	6,824,619	(3,236,294)	57,349,623	4,106,613
Other liabilities:					
Liability for voluntary termination	654,545	277,448	(296,563)	635,430	-
Accrued compensated absences	1,411,767	842,275	(868,639)	1,385,403	1,066,760
Total other liabilities	2,066,312	1,119,723	(1,165,202)	2,020,833	1,066,760
Total long-term liabilities	\$ 55,827,610	\$ 7,944,342	\$ (4,401,496)	\$ 59,370,456	\$ 5,173,373

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 4. Long-Term Liabilities, *Continued*

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due within One Year
Bonds, notes, and lease obligations:					
General obligation bonds	\$ 17,746,509	\$ -	\$ (1,710,772)	\$ 16,035,737	\$ 1,746,294
Facility revenue bonds	8,140,000	-	(1,410,000)	6,730,000	1,440,000
Line of credit	2,000,000	-	(2,000,000)	-	-
Note payable	22,226,733	8,768,828	-	30,995,561	-
Lease liability	29,802	-	(29,802)	-	-
Total bonds, notes, and lease obligations	50,143,044	8,768,828	(5,150,574)	53,761,298	3,186,294
Other liabilities:					
Liability for voluntary termination	804,338	664,720	(814,513)	654,545	-
Accrued compensated absences	1,441,063	702,884	(732,180)	1,411,767	1,087,061
Total other liabilities	2,245,401	1,367,604	(1,546,693)	2,066,312	1,087,061
Total long-term liabilities	\$ 52,388,445	\$ 10,136,432	\$ (6,697,267)	\$ 55,827,610	\$ 4,273,355

Note 5. Retirement Commitment - WRS

Plan description: Substantially all employees of the College, excluding part-time employees, unless previously grandfathered, and those participating in the Teachers Insurance and Annuity Association (TIAA) defined contribution plan, are provided with pensions through the Public Employee Pension Plan, a statewide cost-sharing multiple-employer defined benefit contributory retirement plan administered by the WRS. The authority to establish and amend benefits and contribution rates rests with the Wyoming State Legislature. The WRS is granted the authority to administer the plan by Wyoming State Statutes 9-3-401 through 432. The WRS issues a publicly available financial report that may be requested from the WRS or accessed through its website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

Benefits provided: The determination of retirement benefits is dependent upon the employee's initial employment date.

Service Retirement Tier 1: Full retirement at age 60 or qualifies for the Rule of 85. Early retirement is permitted at age 50 or 25 years of service. The formula for retirement equals 2.125% times the number of years of service times the three-year highest average salary for the first 15 years and 2.25% times the number of years of service times the three-year highest average salary after 15 years.

Service Retirement Tier 2: Full retirement at age 65 or qualifies for the Rule of 85. Early retirement is permitted at age 55 or 25 years of service. The formula for retirement equals 2% times the number of years of service times the five-year highest average salary.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 5. Retirement Commitment - WRS, *Continued*

Disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his/her duties. To qualify, the member must have at least 10 years of service and must be “in service” at the time of application for disability retirement. Upon retirement for a partial disability, the member receives a monthly disability retirement benefit for the period of his/her disability equal to 50% of the normal benefit payable to the member, as if the member was eligible for normal retirement benefits. Upon retirement for a total disability, the member receives a monthly disability benefit equal to 100% of his service retirement benefit as if the member was eligible for normal retirement benefits. Disability benefits are payable for the life of the member or until death.

Survivor's benefits: Certain surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased, as well as the benefit option selected by the member at the date of retirement.

Contributions: Per Titles 9-3-412 and 413 of Wyoming State Statutes, effective July 1, 2021, member and employer contributions were required to be 9.25% and 9.37% of compensation, respectively. Effective July 1, 2020, member and employer contributions were required to be 9.00% and 9.12% of compensation, respectively. In accordance with Title 9-3-412(c)(ii) of Wyoming State Statutes, the College has elected to pay 5.17% of each member's contribution in addition to the employer's contribution. Total contributions to the pension plan from the College were \$2,004,943 and \$2,104,598 for the years ended June 30, 2022 and 2021, respectively.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions: At June 30, 2022 and 2021, the College reported a liability of \$11,184,247 and \$16,701,283, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2021 and 2020, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021 and 2020, respectively. The 2021 actuarial valuation incorporated assumption changes adopted by the WRS Board, effective at its November 17, 2021 and February 17, 2022 meetings. Further, the 2020 actuarial valuation incorporated assumption changes adopted by the WRS Board, effective August 23, 2017. The College's proportion of the net pension liability was based on the relationship of the College's total contributions to the plan for the years ended December 31, 2021 and 2020 to the contributions of all participating employers for the same periods. At December 31, 2021, the College's proportion was 0.7335272%, which was a decrease from its December 31, 2020 proportion of 0.7684546%.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 5. Retirement Commitment - WRS, *Continued*

For the years ended June 30, 2022 and 2021, the College recognized pension (offset) expense of (\$109,522) and \$1,549,249, respectively. At June 30, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 209,758	\$ 17,184	\$ 317,376	\$ 145,226
Net difference between projected and actual earnings on pension plan investments	-	7,434,556	-	3,661,582
Changes in proportionate share of contributions	350,031	649,549	904,794	-
Contributions subsequent to the measurement date	653,274	-	604,068	-
Changes in assumptions	905,033	-	103,724	-
	<u>\$ 2,118,096</u>	<u>\$ 8,101,289</u>	<u>\$ 1,929,962</u>	<u>\$ 3,806,808</u>

The amounts of \$653,274 and \$604,068 at June 30, 2022 and 2021, respectively, reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement dates, are recognized as a reduction of the net pension liability in the years ending June 30, 2023 and 2022, respectively. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2022 will be recognized in pension expense, as follows:

Years ending June 30:	
2023	\$ (1,197,679)
2024	(2,563,757)
2025	(1,611,062)
2026	<u>(1,263,969)</u>
	<u>\$ (6,636,467)</u>

Actuarial assumptions: The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions adopted by the WRS Board, effective at its November 17, 2021 and February 17, 2022 meetings, and applied to the December 31, 2021 measurement date:

Inflation	2.25%
Salary Increases	2.50%-6.50%, including inflation
Payroll Growth Rate	2.50%
Cost of Living Increase	0.00%
Investment Rate of Return	6.80%, net of pension plan investment expense, including inflation

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 5. Retirement Commitment - WRS, *Continued*

Pre-Retirement Mortality	Mortality rates were based on the PUB-2010 General Active Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males had no setback, with a multiplier of 100%, and females had no setback, with a multiplier of 100%.
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Post-Retirement Mortality	Mortality rates were based on the PUB-2010 General Healthy Annuitant Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males had no setback, with a multiplier of 100%, and females had no setback, with a multiplier of 103%.
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The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions adopted by the WRS Board, effective August 23, 2017, and applied to the December 31, 2020 measurement date:

Inflation	2.25%
Salary Increases	2.50%-6.50%, including inflation
Payroll Growth Rate	2.50%
Cost of Living Increase	0.00%
Investment Rate of Return	7.00%, net of pension plan investment expense, including inflation
Pre-Retirement Mortality	Mortality rates were based on the RP-2014 Employee Mortality Tables for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale MP-2017.
Post-Retirement Mortality	Mortality rates were based on the RP-2014 Mortality Tables for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale MP-2017.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 5. Retirement Commitment - WRS, *Continued*

Long-term expected rate of return: The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected arithmetic returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Each major asset class is included in the pension plan's target asset allocation as of January 1, 2021 and 2020. These best estimates are summarized in the following tables:

Asset Class	Target Allocation	2021	
		Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	2.00%	-0.50%	-0.50%
Fixed income	21.00%	1.32%	1.63%
Equity	48.50%	5.63%	7.54%
Marketable alternatives	19.00%	3.74%	4.63%
Private real assets	9.50%	4.84%	5.99%
	<u>100.00%</u>		
Asset Class	Target Allocation	2020	
		Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	2.00%	-1.00%	-1.00%
Fixed income	21.00%	1.00%	1.34%
Equity	48.50%	5.23%	7.34%
Marketable alternatives	19.00%	3.47%	4.50%
Private real assets	9.50%	4.53%	5.82%
	<u>100.00%</u>		

Experience analysis: An experience study was conducted on behalf of all WRS plans covering the five-year period ended December 31, 2020. That study provided a detailed analysis concerning the development of the long-term inflation rate, real rate of return and discount rate. The study also analyzed each major actuarial assumption (e.g., mortality, salary increases, retirement, termination and disability) and proposed assumptions consistent with the findings.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 5. Retirement Commitment - WRS, *Continued*

Discount rate: The discount rate used to measure the total pension liability as of December 31, 2021 was 6.80%. At December 31, 2020, the discount rate was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the current contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the College's proportionate share of the net pension liability to changes in the discount rate: The following presents the College's proportionate share of the net pension liability as of June 30, 2022 and 2021, calculated using the discount rate of 6.80% and 7.00%, respectively, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	2022		
	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Proportionate share of the net pension liability	\$ 20,634,798	\$ 11,184,247	\$ 3,350,277
	2021		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability	\$ 26,169,009	\$ 16,701,283	\$ 8,800,382

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued WRS financial report, which may be accessed through the WRS's website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

Note 6. Retirement Commitment - TIAA

Eligible College employees may elect to participate in TIAA instead of the WRS. TIAA is a private defined contribution pension plan, which is portable to other institutions and states. For the years ended June 30, 2022 and 2021, the College's contributions to TIAA were \$1,436,909 and \$1,514,883, respectively.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 7. OPEB Commitment

General information about the OPEB plan:

Plan description: Eligible employees of the College are provided with OPEB through the State of Wyoming Employee Group Insurance Retiree Health Plan (the Plan), a multiple-employer defined benefit OPEB plan administered by the State of Wyoming Employee Group Insurance (EGI). Any employee of a participating employer is eligible for retiree coverage under the Plan at premium rates established by EGI, provided that:

1. The employee had coverage in effect under the Plan for at least one year prior to retirement; and
2. The employee is eligible to receive a retirement benefit under the WRS or TIAA and either:
 - a. Has reached age 50 with at least four years of service credit as an employee of one of the employing entities participating in the Plan; or
 - b. Has at least 20 years of service credit as an employee of one of the employing entities participating in the Plan. Retirement eligibility varies under the WRS. The Public Employee Pension Plan, which is the plan applicable to the College, requires 25 years of service credit.

The Wyoming State Legislature has the authority to establish and amend the benefit terms of the Plan. The Plan does not issue a separate report; however, additional Plan information can be obtained from the State of Wyoming's Annual Comprehensive Financial Report, which may be obtained from its website at <http://sao.wyo.gov/publications>.

Benefits provided: The Plan provides medical and prescription drug benefits for retirees and their dependents through the payment of insurance premiums for life. Surviving spouses are allowed to continue coverage after the retiree's death provided they were covered at the time of death.

Funding policy: The State of Wyoming finances this program on a pay-as-you-go basis, and there are no assets held in trust for pre-funding the obligations of the Plan. The Wyoming State Legislature has the authority for establishing and amending the funding policy.

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB: At June 30, 2022 and 2021, the College reported a liability of \$25,813,859 and \$24,994,575, respectively, for its proportionate share of the collective total OPEB liability. The collective total OPEB liability was measured as of June 30, 2021 and 2020, respectively, and the total OPEB liability used to calculate the collective total OPEB liability was determined by an actuarial valuation as of June 30, 2022 and 2021, respectively. The College's proportion of the collective total OPEB liability was based on a projection of the College's expected payments during the measurement period attributable to all retirees of the Plan, actuarially determined. The projection of the sharing of benefit-related costs is based on an established pattern of practice. At June 30, 2022, the College's proportion was 1.95748%, which was an increase from its June 30, 2021 proportion of 1.91289%.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 7. OPEB Commitment, *Continued*

For the years ended June 30, 2022 and 2021, the College recognized OPEB expense of \$1,854,650 and \$1,171,546, respectively. At June 30, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,533,413	\$ 2,461,634	\$ 2,978,202	\$ 2,186,846
Changes in assumptions	4,798,229	1,900,065	5,351,776	1,790,710
Change in proportionate share of expected payments	466,425	-	53,336	-
Expected benefit payments subsequent to the measurement date	308,399	-	374,376	-
	<u>\$ 8,106,466</u>	<u>\$ 4,361,699</u>	<u>\$ 8,757,690</u>	<u>\$ 3,977,556</u>

An amount of \$308,399, reported as deferred outflows of resources related to OPEB resulting from expected benefit payments subsequent to the measurement date, will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2023.

The other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the College's OPEB expense, as follows:

Years ending June 30:	
2023	\$ 457,719
2024	457,719
2025	457,719
2026	457,719
2027	664,858
Thereafter	940,634
	<u>\$ 3,436,368</u>

Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	June 30, 2021 and 2020 (based on July 1, 2020 and 2019 census data, respectively).
Inflation	2.25%
Salary Increases	2.50%-6.50%

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 7. OPEB Commitment, *Continued*

Mortality Rates (2021)

Pre-Retirement:

General: Headcount-Weighted Pub-2010 General Employee, projected generationally with the two-dimensional Scale MP-2020.

Safety: Headcount-weighted Pub-2010 Safety Employee, projected generationally with the two-dimensional Scale MP-2020.

Post-Retirement:

General: Headcount-Weighted Pub 2010 Non-Safety Healthy Retiree, projected generationally with the two-dimensional Scale MP-2020.

Safety: Headcount-Weighted Pub-2010 Safety Healthy Retiree, projected generationally with the two-dimensional Scale MP-2020.

Disabled:

General: Headcount-Weighted Pub-2010 General Disabled, projected generationally with the two-dimensional Scale MP-2020.

Safety: Headcount-Weighted Pub-2010 Safety Disabled, projected generationally with the two-dimensional Scale MP-2020.

Mortality Rates (2020)

Pre-Retirement:

RP-2014 Combined, 100% male, 88% female, generational projection using Scale MP-2017.

Post-Retirement:

RP-2014 Combined, 100% male, 88% female, generational projection using Scale MP-2017.

Disabled:

RP-2014 Combined, 100% male, 100% female, generational projection using Scale MP-2017.

Healthcare Cost Trend Rates

Pre-Medicare:

7.50% and 7.20%, decreasing annually until reaching the ultimate trend rate of 4.50%.

Medicare:

7.50% and 7.60%, decreasing annually until reaching the ultimate trend rate of 4.50%.

Participation Rate

65% will elect coverage and 30% will cover a spouse.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 7. OPEB Commitment, *Continued*

Spouse Age Differential 2021: Males are assumed to be two years older than females.
2020: Males are assumed to be three years older than females.

Cost Method Entry age normal. Under this method, the actuarial accrued liability is based on a prorated portion of the present value of all benefits earned to date over the expected future working lifetime as defined by the GASB. The proration is determined so that the cost, with respect to service accrued from the date of hire, is recognized as a level percentage of pay over the year. The normal cost is equal to the prorated cost for the year of the valuation.

Benefits Excluded Benefits related to retiree dental and life insurance have been excluded from this valuation.

The healthcare cost trend rate assumptions were developed using Segal's internal guidelines, which are established each year using data sources such as the Segal Health Trend Survey, internal client results, trends from other published surveys prepared by the Standard & Poor's Dow Jones Indices, consulting firms and brokers, and Consumer Price Index statistics published by the Bureau of Labor Statistics.

Significant assumptions are based on an experience study that covered a five-year period ended December 31, 2020. Significant assumptions varied within the various retirement plans within the WRS.

Discount rate: The discount rate used to measure the total OPEB liability was 2.16%, which represents a decrease from the discount rate of 2.21% utilized for the June 30, 2020 measurement date. As the Plan is unfunded, the Plan has no fiduciary net position from which to make future benefit payments. Therefore, the discount rate is based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index.

Sensitivity of the College's proportionate share of the collective total OPEB liability to changes in the discount rate: The table below presents the College's proportionate share of the collective total OPEB liability calculated using the discount rate of 2.16%, as well as what the College's proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Proportionate share of the collective total OPEB liability	\$ 32,086,166	\$ 25,813,859	\$ 21,074,665

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 7. OPEB Commitment, *Continued*

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

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Pre-Medicare	6.50%	7.50%	8.50%
Medicare	6.50%	7.50%	8.50%
Proportionate share of the collective total OPEB liability	\$ 21,303,545	\$ 25,813,859	\$ 31,938,306

Note 8. Custodial Deposits

The College holds in trust funds collected by various student groups. A liability for these funds is included in the accompanying financial statements. The following summarizes activity within the student activity funds during the years ended June 30:

	2022	2021
Student activity funds:		
Beginning	\$ 1,097,112	\$ 812,300
Additions:		
Student fees	579,434	576,460
Allocated interest and other	74	16
Total additions	579,508	576,476
Total available funds	1,676,620	1,388,776
Deductions:		
Administrative expenditures	139,900	205,754
Other noncapital expenditures	217,516	85,910
Total deductions	357,416	291,664
Ending	\$ 1,319,204	\$ 1,097,112

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 9. Commitments and Contingencies and Subsequent Event

Voluntary termination: The College offers voluntary termination to employees of the College who meet certain employment, age, and service requirements. As of June 30, 2022, approximately 11 employees have met the eligibility requirements of the plan.

No liability for the payment of incentive benefits to these employees has been recorded in the accompanying financial statements inasmuch as formal application to receive benefits has not been made by the employees and because, even if such application had been made, ultimate payment is subject to required Board approval. The estimated benefit payment requirement for the employees who meet eligibility requirements as of June 30, 2022 was approximately \$824,603.

Other: Amounts expended under the terms of certain grants are subject to audit and possible adjustment by governmental agencies. In the opinion of management, any adjustments will not have a material effect on the accompanying financial statements.

As of June 30, 2022, the remaining commitment to complete construction projects totaled approximately \$822,332. These completion costs will be paid primarily from a state appropriation for major maintenance, contingency reserve, and contributions from the Foundation.

On October 3, 2022, the College signed the contract change order with the construction manager at risk to complete the renovation of the Recreation and Athletic Complex. The total contract to complete the renovations is \$21,990,163.

Bond reserve fund: For the Series 2012 Bond, there was no agreement that required a reserve requirement. However, the Authority created a reserve account where the funds may only be used to fund deficiencies in meeting bond debt service payments. No withdrawals have been made as of June 30, 2022. As of June 30, 2022, the reserve fund consists of investments with a fair value of \$272,729 and cash of \$2,640.

For the Series 2015 Bond, the Indenture of Trust agreement with the bond trustee required the Authority to deposit \$651,000 into a separate account with the trustee. These funds may only be used to fund deficiencies in meeting bond debt service payments. Funds withdrawn from the reserve account are to be repaid in equal monthly payments over the next 12 months. No withdrawals have been made as of June 30, 2022. As of June 30, 2022, the reserve fund consists of investments with a fair value of \$637,648 and cash of \$7,007.

For the Series 2016 Bond, the Indenture of Trust agreement with the bond trustee required the Authority to deposit \$467,500 into a separate account with the trustee. These funds may only be used to fund deficiencies in meeting bond debt service payments. Funds withdrawn from the reserve account are to be repaid in equal monthly payments over the next 12 months. No withdrawals have been made as of June 30, 2022. As of June 30, 2022, the reserve fund consists of investments with a fair value of \$427,485 and cash of \$33,441.

For the Series 2021 Bond, the Indenture of Trust agreement with the bond trustee required the Authority to deposit \$649,500 into a separate account with the trustee. These funds may only be used to fund deficiencies in meeting bond debt service payments. Funds withdrawn from the reserve account are to be repaid in equal monthly payments over the next 12 months. No withdrawals have been made as of June 30, 2022. As of June 30, 2022, the reserve fund consists of investments with a fair value of \$515,750 and cash of \$15,760.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 10. Risk Management

The College 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. During the year ended June 30, 2022, the College contracted with various insurance companies for property insurance (including boiler and machinery), general liability insurance, professional insurance, vehicle insurance, natural disaster insurance, and insurance on the dental hygiene clinic. The coverage under each type of insurance policy varies in amounts and deductibles. The College has not had significant settlements exceeding insurance coverage in any of the past three fiscal years. The College has had no significant reductions in insurance coverage from coverage in the prior year.

The College pays into the State Workers' Compensation System (the Act). All employers within the State of Wyoming are participants in this Act unless the employer elects not to be covered under the Act. This Act requires the College to obtain liability coverage for the payment of benefits to employees for job-related injuries and diseases through the Workers' Compensation Fund. This Act provides general protection from suits filed by employees against the College. The College makes quarterly payments to the State of Wyoming Department of Employment. These payments are based on salaries and a split rate between hazardous and nonhazardous positions.

Note 11. Natural Classifications with Functional Classifications

The College's operating expenses by natural classification were as follows:

	2022				
	Natural Classification				
	Compensation and Benefits	Supplies and Services	Depreciation	Scholarships	Total
Functional classification:					
Instruction	\$ 16,265,913	\$ 3,538,790	\$ -	\$ -	\$ 19,804,703
Public service	333,085	85,185	-	-	418,270
Academic support	4,160,108	858,040	-	-	5,018,148
Student services	3,812,801	753,166	-	-	4,565,967
Institutional support	5,169,202	2,843,813	-	-	8,013,015
Operation and maintenance of plant	2,935,480	5,633,042	-	-	8,568,522
Scholarships	-	-	-	8,179,935	8,179,935
Auxiliary enterprises	2,437,694	2,034,532	-	-	4,472,226
Depreciation	-	-	4,895,378	-	4,895,378
Total expenses	\$ 35,114,283	\$ 15,746,568	\$ 4,895,378	\$ 8,179,935	\$ 63,936,164

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS

Note 11. Natural Classifications with Functional Classifications, *Continued*

	2021				
	Natural Classification				
	Compensation and Benefits	Supplies and Services	Depreciation	Scholarships	Total
Functional classification:					
Instruction	\$ 16,895,788	\$ 3,177,856	\$ -	\$ -	\$ 20,073,644
Public service	257,386	124,620	-	-	382,006
Academic support	4,996,456	2,492,332	-	-	7,488,788
Student services	4,277,791	644,594	-	-	4,922,385
Institutional support	5,957,692	5,004,226	-	-	10,961,918
Operation and maintenance of plant	3,065,125	3,505,382	-	-	6,570,507
Scholarships	-	-	-	10,650,814	10,650,814
Auxiliary enterprises	1,446,918	1,729,329	-	-	3,176,247
Depreciation	-	-	4,864,325	-	4,864,325
Total expenses	\$ 36,897,156	\$ 16,678,339	\$ 4,864,325	\$ 10,650,814	\$ 69,090,634

REQUIRED SUPPLEMENTARY INFORMATION

LARAMIE COUNTY COMMUNITY COLLEGE

**SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

Public Employee Pension Plan

Last Nine Fiscal Years*

	College's Proportion of the Net Pension Liability	College's Proportionate Share of the Net Pension Liability	College's Covered Payroll	College's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.636015822%	\$ 9,669,987	\$ 10,708,680	90.30%	81.10%
2015	0.658887967%	11,627,344	11,486,710	101.22%	79.08%
2016	0.655423218%	15,267,086	11,703,063	130.45%	73.40%
2017	0.675006900%	16,318,293	12,078,728	135.10%	73.42%
2018	0.675434000%	15,395,441	11,883,898	129.55%	76.35%
2019	0.721330000%	21,966,597	12,551,865	175.01%	69.17%
2020	0.761113000%	17,885,594	13,557,658	131.92%	76.83%
2021	0.768454600%	16,701,283	13,984,558	119.43%	79.24%
2022	0.733527200%	11,184,247	13,378,491	83.60%	86.03%

** The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

LARAMIE COUNTY COMMUNITY COLLEGE

SCHEDULE OF THE COLLEGE'S CONTRIBUTIONS

Public Employee Pension Plan

Last Nine Fiscal Years*

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll Pension Liability
2014	\$ 850,104	\$ 850,104	\$ -	\$ 11,449,247	7.42%
2015	952,847	952,847	-	11,551,797	8.25%
2016	1,000,801	1,000,801	-	11,957,001	8.37%
2017	1,008,361	1,008,361	-	12,047,328	8.37%
2018	1,013,646	1,013,646	-	12,110,460	8.37%
2019	1,111,354	1,111,354	-	12,922,485	8.58%
2020	1,238,355	1,238,355	-	13,961,167	8.87%
2021	1,233,824	1,233,824	-	13,528,774	9.12%
2022	1,285,419	1,285,419	-	13,718,448	9.37%

** This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

LARAMIE COUNTY COMMUNITY COLLEGE

**SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE
OF THE TOTAL OPEB LIABILITY**

**State of Wyoming Employee Group Insurance Retiree Health Plan
Last Five Fiscal Years***

	College's Proportion of the Total OPEB Liability	College's Proportionate Share of the Total OPEB Liability	College's Covered Payroll	College's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2018	1.90933%	\$ 15,102,639	N/A	N/A	0.00%
2019	1.91520%	19,524,422	N/A	N/A	0.00%
2020	1.88720%	17,853,033	N/A	N/A	0.00%
2021	1.91289%	24,994,575	N/A	N/A	0.00%
2022	1.95748%	25,813,859	N/A	N/A	0.00%

** This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION Year Ended June 30, 2022

Note 1. Retirement Commitment - Wyoming Retirement System (WRS)

Changes in benefit terms: There were no changes in benefit terms between the initial measurement date reflected below and the December 31, 2021 measurement date.

Changes in assumptions: Healthcare trend rates were updated, along with the assumptions relating to mortality rates, retirement rates, withdrawal rates, disability rates, and salary increase rates, based on the WRS's December 31, 2020 actuarial experience study. Further, there have been various assumption changes from the initial measurement date reflected below through the December 31, 2021 measurement date, as indicated in the table below:

Measurement Date (WRS Year-End)	Discount Rate	Investment Rate of Return	Inflation Rate	Salary Increase Rate	Payroll Growth Rate	Cost of Living Increases
2014	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2015	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2016	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2017	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2018	7.00%	7.00%	2.25%	2.50%-6.50%	4.75%	0.00%
2019	7.00%	7.00%	2.25%	2.50%-6.50%	2.50%	0.00%
2020	7.00%	7.00%	2.25%	2.50%-6.50%	2.50%	0.00%
2021	6.80%	6.80%	2.25%	2.50%-6.50%	2.50%	0.00%

Note 2. Postemployment Benefits Other Than Pensions Commitment - State of Wyoming

Changes in benefit terms: There were no changes in benefit terms between the June 30, 2016 and June 30, 2021 measurement dates.

Changes in assumptions: The plan has experienced the following changes in assumptions:

Measurement Date (Year Ended)	Discount Rate	Inflation Rate	Salary Increase Rate	Pre-Medicare HTC*	Medicare HTC*
2016	2.85%	2.50%	2.50%-6.50%	6.50%	7.50%
2017	3.58%	2.50%	2.50%-6.50%	6.50%	7.50%
2018	3.87%	2.25%	2.50%-6.50%	7.60%	8.10%
2019	3.51%	2.50%	2.50%-6.50%	7.20%	7.60%
2020	2.21%	2.25%	2.50%-6.50%	7.20%	7.60%
2021	2.16%	2.25%	2.50%-6.50%	7.50%	7.50%

* Healthcare trend rate.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2022

Note 2. Postemployment Benefits Other Than Pensions Commitment - State of Wyoming,
Continued

In addition, the following assumptions are updated annually as necessary:

- Healthcare claims costs based on recent experience.
- Retiree contributions.
- Healthcare trend rates.
- Spouse age differential.
- Mortality rates, retirement rates, withdrawal rates and disability rates based on the WRS's December 31, 2016 and December 31, 2020 actuarial experience studies.

SUPPLEMENTARY INFORMATION

LARAMIE COUNTY COMMUNITY COLLEGE

COMBINING SCHEDULE OF NET POSITION

June 30, 2022

	Laramie County Community College	Laramie County Community College Building Authority	Eliminations	Total
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 25,616,411	\$ 296,532	\$ -	\$ 25,912,943
Investments	5,349,445	-	-	5,349,445
Accounts receivable, net	2,926,167	-	-	2,926,167
Current maturities of lease	-	1,608,094	(1,608,094)	-
Interest receivable	-	44,421	(44,421)	-
Property tax receivable	18,999,891	-	-	18,999,891
Prepaid expense	131,967	-	-	131,967
Total current assets	53,023,881	1,949,047	(1,652,515)	53,320,413
Noncurrent Assets				
Restricted cash	270,666	6,071,598	-	6,342,264
Restricted and designated investments	1,862,380	1,853,612	-	3,715,992
Authority receivable	6,937,686	-	(6,937,686)	-
Long-term lease	-	8,258,050	(8,258,050)	-
Capital assets, net of accumulated depreciation	135,750,028	-	-	135,750,028
Investments held by others	15,155,403	-	-	15,155,403
Total noncurrent assets	159,976,163	16,183,260	(15,195,736)	160,963,687
Total assets	213,000,044	18,132,307	(16,848,251)	214,284,100
DEFERRED OUTFLOWS OF RESOURCES				
Pension-Related Outflows	2,118,096	-	-	2,118,096
OPEB-Related Outflows	8,106,466	-	-	8,106,466
Lease and Bond Modification	35,181	174,138	(202,705)	6,614
Total deferred outflows of resources	10,259,743	174,138	(202,705)	10,231,176

Continued

LARAMIE COUNTY COMMUNITY COLLEGE

COMBINING SCHEDULE OF NET POSITION, *Continued* June 30, 2022

	Laramie County Community College	Laramie County Community College Building Authority	Eliminations	Total
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 1,364,236	\$ -	\$ -	\$ 1,364,236
Payroll and related liabilities	1,422,454	-	-	1,422,454
Accrued compensated absences	1,066,760	-	-	1,066,760
Accrued interest payable	712,138	38,047	(44,421)	705,764
Advance tuition payments	144,805	-	-	144,805
Custodial deposits	1,319,204	-	-	1,319,204
Unearned revenue	409,241	-	-	409,241
Lease obligation	1,608,094	-	(1,608,094)	-
Current maturities of note payable	968,571	-	-	968,571
Current maturities of bonds payable	1,588,042	1,550,000	-	3,138,042
Total current liabilities	10,603,545	1,588,047	(1,652,515)	10,539,077
Noncurrent Liabilities				
Liability for voluntary termination	635,430	-	-	635,430
Accrued compensated absences	318,643	-	-	318,643
Due to College	-	6,937,686	(6,937,686)	-
Lease obligation	8,258,050	-	(8,258,050)	-
Note payable	30,081,609	-	-	30,081,609
Long-term bonds payable	12,701,401	10,460,000	-	23,161,401
Net pension liability	11,184,247	-	-	11,184,247
Total OPEB liability	25,813,859	-	-	25,813,859
Total noncurrent liabilities	88,993,239	17,397,686	(15,195,736)	91,195,189
Total liabilities	99,596,784	18,985,733	(16,848,251)	101,734,266
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	17,065,934	-	-	17,065,934
Pension-Related Inflows	8,101,289	-	-	8,101,289
OPEB-Related Inflows	4,361,699	-	-	4,361,699
Lease Modification	167,524	35,181	(202,705)	-
Total deferred inflows of resources	29,696,446	35,181	(202,705)	29,528,922
NET POSITION				
Net Investment in Capital Assets	80,046,964	(2,004,899)	-	78,042,065
Restricted for:				
Expendable:				
Scholarships	282,384	-	-	282,384
Capital projects	6,300,104	-	-	6,300,104
Non-expendable	10,022,172	-	-	10,022,172
Unrestricted	(2,685,067)	1,290,430	-	(1,394,637)
Total net position	\$ 93,966,557	\$ (714,469)	\$ -	\$ 93,252,088

LARAMIE COUNTY COMMUNITY COLLEGE

COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Year Ended June 30, 2022

	Laramie County Community College	Laramie County Community College Building Authority	Eliminations	Total
Operating Revenues				
Tuition and fees	\$ 10,160,951	\$ -	\$ -	\$ 10,160,951
Federal grants and contracts	1,863,541	-	-	1,863,541
State and local grants and contracts	663,666	-	-	663,666
Auxiliary enterprise charges	3,969,905	-	-	3,969,905
Other operating revenues	308,641	-	-	308,641
Total operating revenues	16,966,704	-	-	16,966,704
Operating Expenses				
Instruction	19,804,703	-	-	19,804,703
Public service	418,270	-	-	418,270
Academic support	5,018,148	-	-	5,018,148
Student services	4,565,967	-	-	4,565,967
Institutional support	8,013,015	-	-	8,013,015
Operation and maintenance of plant	8,446,417	122,105	-	8,568,522
Scholarships	8,179,935	-	-	8,179,935
Auxiliary enterprises	4,472,226	-	-	4,472,226
Depreciation	4,895,378	-	-	4,895,378
Total operating expenses	63,814,059	122,105	-	63,936,164
Operating (loss)	(46,847,355)	(122,105)	-	(46,969,460)
Nonoperating Revenues (Expenses)				
Non-exchange Federal and state grants	9,582,129	-	-	9,582,129
State appropriations	25,276,206	-	-	25,276,206
Local appropriations	16,392,161	-	-	16,392,161
Net investment return	(1,535,714)	(161,913)	-	(1,697,627)
Direct financing income	-	115,600	(115,600)	-
Interest expense	(1,197,664)	(196,757)	115,600	(1,278,821)
Net nonoperating revenues (expenses)	48,517,118	(243,070)	-	48,274,048
Income (loss) before other revenue, expenses, gains, or losses	1,669,763	(365,175)	-	1,304,588
Other Revenue, Expenses, Gains, or Losses				
State endowment appropriation	10,336	-	-	10,336
Capital gifts	1,069,133	-	-	1,069,133
Total other revenue, expenses, gains, or losses	1,079,469	-	-	1,079,469
Increase (decrease) in net position	2,749,232	(365,175)	-	2,384,057
Net Position				
Beginning of year	91,217,325	(349,294)	-	90,868,031
End of year	\$ 93,966,557	\$ (714,469)	\$ -	\$ 93,252,088

LARAMIE COUNTY COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Federal AL Number	Total Federal Expenditures
U.S. Department of Education:			
Student Financial Assistance Cluster:			
Federal Direct Student Loans	N/A	84.268	\$ 4,256,676
Federal Pell Grant Program	N/A	84.063	3,800,742
Federal Work-Study Program	N/A	84.033	20,300
Federal Supplemental Educational Opportunity Grants	N/A	84.007	114,103
Total Student Financial Assistance Cluster			8,191,821
Education Stabilization Fund:			
COVID-19 Education Stabilization Fund - Higher Education Emergency Relief Fund Institutional Portion	P425F200352-20A	84.425F	2,226,114
COVID-19 Education Stabilization Fund - Higher Education Emergency Relief Fund Student Portion	P425E200030-20A	84.425E	2,603,954
			4,830,068
Passed through Wyoming Community College Commission:			
COVID-19 Education Stabilization Fund - Governor's Emergency Education Relief Fund	N/A	84.425C	458,069
Total Education Stabilization Fund			5,288,137
Passed through Wyoming Department of Education:			
Career and Technical Education - Basic Grants to States	V048A210050	84.048A	243,821
Passed through University of Wyoming:			
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP)	P334S170010	84.334	376,886
Passed through Wyoming Community College Commission:			
Adult Education Basic Grants to States:			
Adult Education State Grant Program	AE21R04	84.002A	96,511
El Civics State Grant Program	IELCE21R04	84.002A	59,920
Corrections Grant	AE21CO4	84.002A	14,745
			171,176
Total U.S. Department of Education			14,271,841
U.S. Department of Health and Human Services:			
Research and Development Cluster:			
Passed through University of Wyoming:			
Biomedical Research and Research Training:			
IDeA Networks of Biomedical Research Excellence (InBre)	P20GM103432	93.859	67,730
Total Research and Development Cluster			67,730
Total U.S. Department of Health and Human Services			67,730

Continued

LARAMIE COUNTY COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS,

Continued

Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Federal AL Number	Total Federal Expenditures
U.S. Department of Labor:			
WIOA Cluster:			
Passed through Wyoming Department of Workforce Services:			
WIOA Youth Activities	204067	17.259	\$ 43,513
WIOA Youth Activities	215396	17.259	32,889
Total WIOA Cluster			<u>76,402</u>
Passed through American Association of Community Colleges:			
Expanding Community College Apprenticeships	AP-33025 19-75-A-11	17.001	53,481
Total U.S. Department of Labor			<u>129,883</u>
AmeriCorps:			
Passed through ServeWyoming:			
AmeriCorps Volunteer Generation Fund	20VGFWY001LCCC	94.021	21,489
Total AmeriCorps			<u>21,489</u>
U.S. Department of Commerce:			
Passed through University of Wyoming:			
Impact 307	1005034CARES-LCCC	11.307	11,528
Total U.S. Department of Commerce			<u>11,528</u>
Total expenditures of Federal awards			<u>\$ 14,502,471</u>

See Notes to Schedule of Expenditures of Federal Awards.

LARAMIE COUNTY COMMUNITY COLLEGE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Summary of Significant Accounting Policies

Expenditures reported on the accompanying Laramie County Community College (the College) Schedule of Expenditures of Federal Awards (the Schedule) are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. The College provided no Federal funds to subrecipients.

Note 2. De Minimis Cost Rate

The College did not elect to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Basis of Presentation

The Schedule includes the Federal award activity of the College under programs of the Federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the College, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the College.



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

To the Board of Trustees
Laramie County Community College
Cheyenne, Wyoming

We have audited, 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 (*Government Auditing Standards*), the financial statements of the business-type activities of Laramie County Community College (the College) as of and for the year ended June 30, 2022, and its discretely presented component unit, the Laramie County Community College Foundation (the Foundation), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon, dated November 28, 2022. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "McGee, Hearne & Paiz, LLP".

Cheyenne, Wyoming

November 28, 2022



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

To the Board of Trustees
Laramie County Community College
Cheyenne, Wyoming

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Laramie County Community College's (the College) compliance with the types of compliance requirements identified as subject to audit in the *Office of Management and Budget Compliance Supplement* that could have a direct and material effect on the College's major Federal program for the year ended June 30, 2022. The College's major Federal program is identified in the Summary of Independent Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and is described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001. Our opinion on the major Federal program is not modified with respect to this matter.

Government Auditing Standards require the auditor to perform limited procedures on the College's response to the noncompliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The College's response was not subjected to the other auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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; therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001 to be a significant deficiency.

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.

Government Auditing Standards require the auditor to perform limited procedures on the College's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The College's response was not subjected to the other auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

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.

McGee, Hearne & Paig, LLP

Cheyenne, Wyoming
November 28, 2022

LARAMIE COUNTY COMMUNITY COLLEGE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None Reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major Federal program:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☒ Yes ☐ None Reported

Type of auditor's report issued on compliance for major Federal program: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? ☒ Yes ☐ No

Identification of major Federal program:

AL Number	Name of Federal Program or Cluster
84.425	COVID-19 Education Stabilization Fund

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

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

II. FINANCIAL STATEMENT FINDINGS

None.

LARAMIE COUNTY COMMUNITY COLLEGE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2022

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2022-001: Reporting (Significant Deficiency)

<i>Assistance Listing Number and Title:</i> #84.425 - Education Stabilization Fund
<i>Federal Agency Name:</i> U.S. Department of Education
<i>Pass-Through Entity Name (if applicable):</i> N/A
<i>Award Numbers/Names:</i> 1. P425F200352 2. P425F200352 - 20A 3. P425F200352 - 20B
<i>Award Years:</i> 1. May 4, 2020 - May 3, 2021 2. May 4, 2020 - January 16, 2022 3. May 4, 2020 - May 14, 2022

Criteria: 2 CFR 200.327, *Financial Reporting*, and the laws, regulations, and provisions of contract or grant agreements pertaining to the specific programs, require that reports be complete, accurate, and supported by accounting records (if applicable) and be submitted in compliance with the appropriate deadlines.

Condition/context: A total of five reports were selected for testing, including one annual report, two quarterly reports related to the Student Portion and two quarterly reports related to the Institutional Portion. Of these five reports:

- The Quarterly Institutional Portion Report for the period ended September 30, 2021 improperly categorized \$165,000 of expenditures as software as opposed to the proper category, revenue replacement.
- The Annual Report for the period ended December 31, 2021 improperly categorized \$165,000 of expenditures as software as opposed to the proper category, revenue replacement. Additionally, revenue replacement expenditures were improperly reported by \$37,910.

Questioned costs: \$0

Cause: The College's internal control system did not have a sufficient control process in place to ensure that all reports were accurate or a sufficient control process to review the reports for propriety to identify errors.

LARAMIE COUNTY COMMUNITY COLLEGE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2022

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS, *Continued*

Effect: If a non-Federal entity fails to comply with Federal statutes, regulations, or the terms and conditions of a Federal award, the Federal awarding agency may impose additional conditions, which include requiring payments as reimbursements rather than advance payments; withholding the authority to proceed to the next phase until the receipt of evidence of acceptable performance within a given period of performance; requiring additional, more detailed financial reports; requiring additional project monitoring; requiring the non-Federal entity to obtain technical or management assistance; and establishing additional prior approvals. If the Federal awarding agency determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency.
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- (c) Wholly or partly suspend or terminate the Federal award.
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR Part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- (e) Withhold further Federal awards for the project or program.
- (f) Take other remedies that may be legally available.

Identification as a repeat finding: Yes.

Recommendation: We recommend that the College revise its control procedures to ensure that reporting is completed accurately and include an independent review before submission

Views of responsible officials: Management concurs with the finding. See Exhibit I.

LARAMIE COUNTY COMMUNITY COLLEGE

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2022

I. FEDERAL AWARD PRIOR AUDIT FINDINGS

2021-001: Reporting

<i>Assistance Listing Number and Title:</i> #84.425 - Education Stabilization Fund
<i>Federal Agency Name:</i> U.S. Department of Education
<i>Pass-Through Entity Name (if applicable):</i> N/A
<i>Award Numbers/Names:</i> <ol style="list-style-type: none">1. P425E2000302. P425E200030-20A3. P425E200030-20B4. P425F2003525. P425F200352-20A6. P425F200352-20B
<i>Award Years:</i> <ol style="list-style-type: none">1. April 20, 2020 - May 14, 20222. April 20, 2020 - April 19, 20213. April 20, 2020 - January 16, 20224. May 4, 2020 - January 16, 20225. May 4, 2020 - May 3, 20216. May 4, 2020 - January 16, 2022

Condition/context: A total of three reports were selected for testing, including one annual report, one quarterly report related to the Student Portion and one quarterly report related to the Institutional Portion. Of these three reports:

- The Quarterly Student Portion number for the period ended March 31, 2021 did not properly include the number of students eligible to receive emergency financial aid.
- The Quarterly Institutional Portion for the period ended December 31, 2020 was not properly posted to the College's webpage.

Status: While all required reports were properly submitted and/or posted, the College continued to struggle with accurate reporting.

Auditor's comments: The College continues to work on fully implementing its corrective action plan at June 30, 2022. This finding remains open; see current-year finding 2022-001.

EXHIBIT I

CORRECTIVE ACTION PLAN



CORRECTIVE ACTION PLAN
Year Ended June 30, 2022

The following is the corrective action plan for the Schedule of Findings and Questions Costs:

2022-001: Reporting

Corrective Action: Due to ever-evolving processes, Laramie County Community College did not fully comprehend all reporting nuances for the Higher Education Emergency Relief Fund program. The Comptroller and Director of Sponsored Awards will continue to perform in-depth reviews of all reporting guidance and requirements to ensure accurate reporting.

Anticipated Completion Date: June 30, 2023

Contacts: Nola Rocha, Comptroller, and Jennifer McCartney, Director of Sponsored Awards and Compliance