ANNUAL FINANCIAL REPORT 2020

SNOW COLLEGE

SNOW COLLEGE

A COMPONENT UNIT OF THE STATE OF UTAH

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2020


SNOW COLLEGE
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OFFICE OF THE
STATE AUDITOR

INDEPENDENT STATE AUDITOR'S REPORT

To the Board of Trustees, Audit Committee
and
Bradley J. Cook, President
Snow College

Report on the Financial Statements

We have audited the accompanying financial statements of Snow College (the College), a component unit of the State of Utah, as of and for the year ended June 30, 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.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the College as of June 30, 2020, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2020 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 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 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.

Office of the State Auditor

Office of the State Auditor
December 9, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended June 30, 2020

INTRODUCTION

This section of Snow College's (College) financial report presents management's discussion and analysis of the College's financial performance during the fiscal year ended June 30, 2020. The discussion has been prepared by management and should be read in conjunction with the accompanying financial statements and notes. The discussion and analysis is designed to provide an easily readable analysis of the College's financial activities based on facts, decisions, and conditions known at the date of the auditor's report. The financial statements, notes, and this discussion are the responsibility of management.

USING THE FINANCIAL REPORT

The financial report consists of three basic financial statements which 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. The notes to the Financial Statements are an integral part of the statements and provide additional details important to understanding the basic financial statements. These financial statements are prepared in accordance with the Governmental Accounting Standards Board (GASB) Statements and related authoritative pronouncements.

Statement of Net Position

The Statement of Net Position presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the College as of the end of the fiscal year. The Statement of Net Position is a point-in-time financial statement. The purpose of the Statement of Net Position is to present to the readers of the financial statements a fiscal snapshot of the College.

From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of the College. They are also able to determine how much the College owes vendors and lending institutions. Finally, the Statement of Net Position provides a picture of the net position and its availability for expenditure by the College.

Net position is divided into three major categories. The first category, "Net Investment in Capital Assets," provides the College's equity in property, plant, and equipment owned by the College. The next category is "restricted net position," which is divided into two categories, "nonexpendable" and "expendable." The corpus of nonexpendable restricted resources is only available for investment purposes. Expendable restricted net position is available for expenditure by the College but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final category is "unrestricted net position." Unrestricted net position is available to the College for any lawful purpose.

CONDENSED STATEMENT OF NET POSITION AT JUNE 30	2020	2019
ASSETS		
Current assets	$14,333,789	$16,378,379
Noncurrent assets		
Capital	112,717,366	113,957,072
Other	15,908,164	16,179,651
Total assets	142,959,319	146,515,102
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows relating to pensions	2,887,156	2,068,181
Deferred Outflows - Bond Refunding	306,071	–
Total Deferred Outflows of resources	3,193,227	2,068,181
LIABILITIES		
Current liabilities	3,392,764	4,982,692
Noncurrent liabilities	15,911,886	19,140,380
Total liabilities	19,304,650	24,123,072
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows relating to pensions	1,472,235	178,593
Deferred Inflows - Split Interest Agreements	1,362,235	–
Total Deferred Inflows of resources	2,834,470	178,593
NET POSITION		
Net Investments In Capital Assets	98,643,043	99,715,957
Restricted – nonexpendable	7,024,179	6,508,994
Restricted – expendable	8,232,470	7,944,964
Unrestricted	10,113,734	10,111,703
Total net position	$124,013,426	$124,281,618

In year ended June 30, 2020, net position decreased slightly by $270,000 due primarily to the $1.0 million decrease in net investment in capital assets offset by an increase of $515,000 to restricted- nonexpendable and $290,000 increase in restricted expendable net assets.

The $1.0 million decrease in Net investment in capital asset is due to a $4.1 million dollar increase in capital assets, mostly from the transfer of the Bergeson Athletic Center from the Division of Facilities and Construction Management to the College, offset with the College's annual depreciation expense of $5.5 million. The increase in restricted – nonexpendable net assets of $515,000 was primarily due to donations to increase permanent endowments. The increase in restricted – expendable net assets is primarily due to donations received for the Graham Science Center and the potential Social Science Building.

Total liabilities decreased by $4.8 million. This is primarily due to a $3.0 million decrease in the College's net pension liability. This is due to Utah Retirement Systems creating a new "Higher Education" division with a net pension liability calculated based on a smaller group of participants. In addition, the College owed $1.2 million less to their primary government at the end of fiscal year 2020 as compared to fiscal year 2019. This is because the College owed $850,000 to the state for appropriations erroneously sent to the College that were owed back and $330,000 owed to the Division of Facilities and Construction management on the Bergeson Athletic Center in fiscal year 2019, but not fiscal year 2020.

In October 2019, the College refunded their 2011 revenue bonds by issuing 2019 revenue bonds. As a result, $12,135,000 of the 2011 Series Bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position. The net liability of the 2019 revenue bonds at June 30, 2020 was $12,790,183.

In addition, in fiscal year 2020, College President, with the help of the Snow College Foundation, was able to secure a donor who named the Snow College Foundation the remaining interest in three irrevocable charitable remainder trusts. These charitable remainder trusts were recorded as a long-term restricted asset and an increase in deferred inflows of resources for approximately $1.4 million.Over time, increases or decreases in net position is one indicator of the improvement or erosion of the College's financial health when considered with non-financial facts such as enrollment levels and the condition of facilities. One must also consider that the consumption of assets follows the institutional philosophy to use available resources to improve all areas of the College to better serve the mission of the College.

Statement of Revenues, Expenses, and Changes in Net Position

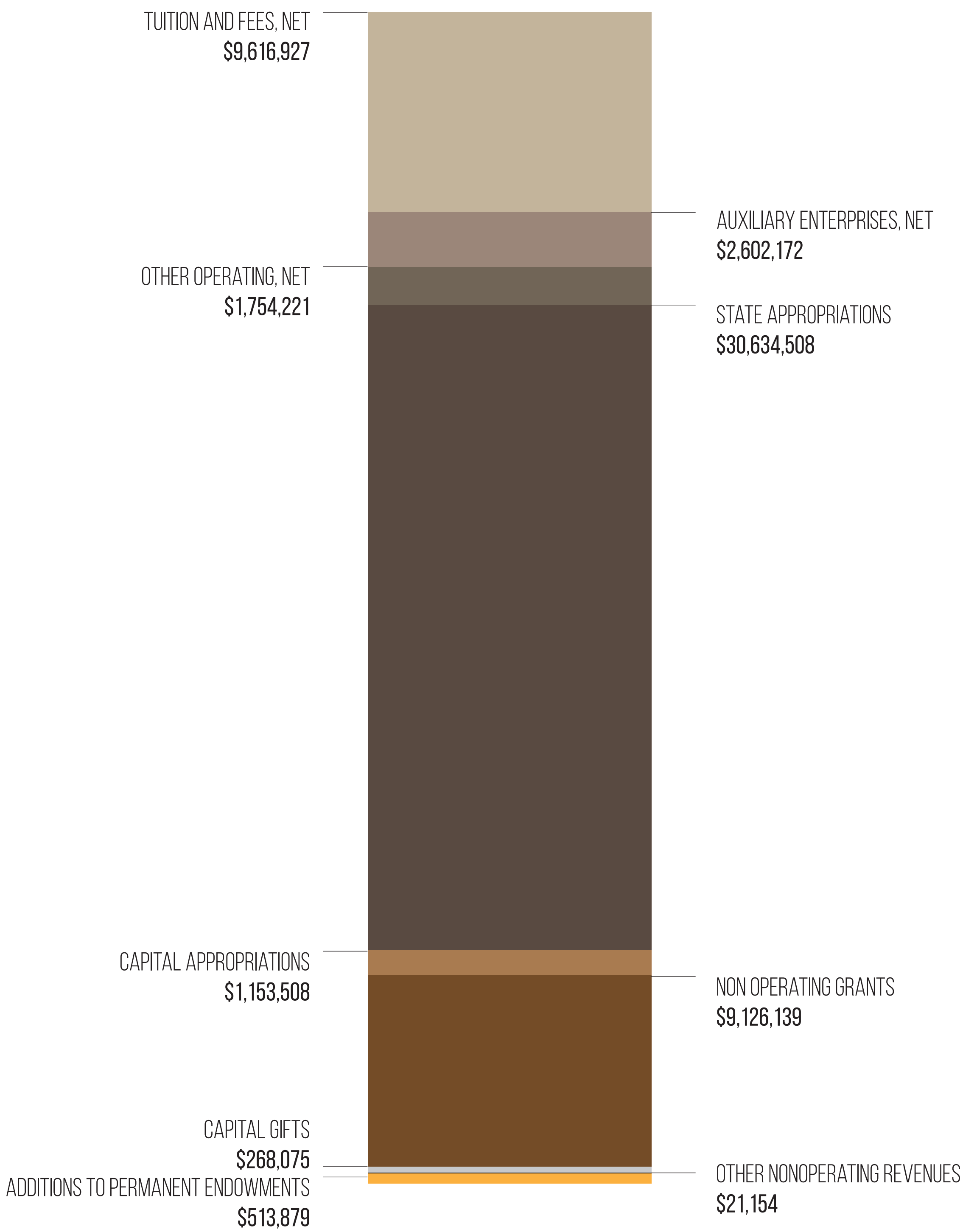
Changes in total net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The purpose of the statement is to present the revenues received by the College, both operating and non-operating, and the expenses paid by the College, operating and nonoperating, and any other revenues, expenses, gains, and losses received or spent by the College.

Generally speaking, operating revenues are received for providing goods and services to the various customers and constituencies of the College. Operating expenses are those expenses paid to acquire or produce the goods and services provided to carry out the mission of the College in return for the operating revenues. Nonoperating revenues are revenues received for which goods and services are not provided. For example, state appropriations are nonoperating because they are provided by the Legislature to the College without the Legislature directly receiving commensurate goods and services for those revenues.

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30	2020	2019
OPERATING REVENUES AND EXPENSES		
Revenues		
Tuition and fees, net	$9,616,927	$10,467,688
Auxiliary enterprises, net	2,602,172	3,213,842
Other operating revenues, net	1,754,221	2,245,930
Total operating revenues	13,973,320	15,927,460
Expenses		
Compensation and benefits	35,811,448	34,434,806
Actuarial Calculated Pension Expense	(1,448,141)	1,283,753
Scholarships	4,861,987	4,825,247
Depreciation	5,503,154	5,346,790
Other operating expenses	11,230,327	11,325,985
Total operating expenses	55,958,775	57,216,581
Net operating loss	(41,985,455)	(41,289,121)
NONOPERATING REVENUES (EXPENSES)		
State appropriations	30,634,508	28,337,435
Nonoperating grants	9,126,139	9,354,725
Other nonoperating revenues (expenses)	21,154	1,039,030
Net nonoperating revenues	39,781,801	38,731,190
Income (loss) before capital and permanent endowment revenue	(2,203,654)	(2,557,931)
Capital appropriations	1,153,508	8,884,373
Capital gifts	268,075	814,465
Additions to permanent endowments	513,879	493,866
Total capital and permanent endowment revenue	1,935,462	10,192,704
Increase (decrease) in net position	(268,192)	7,634,773
NET POSITION		
Net position - beginning of year as previously reported	124,281,618	116,646,845
Prior period adjustments	-	-
Net position - beginning of year as adjusted	124,281,618	116,646,845
Net position - end of year	$124,013,426	$124,281,618

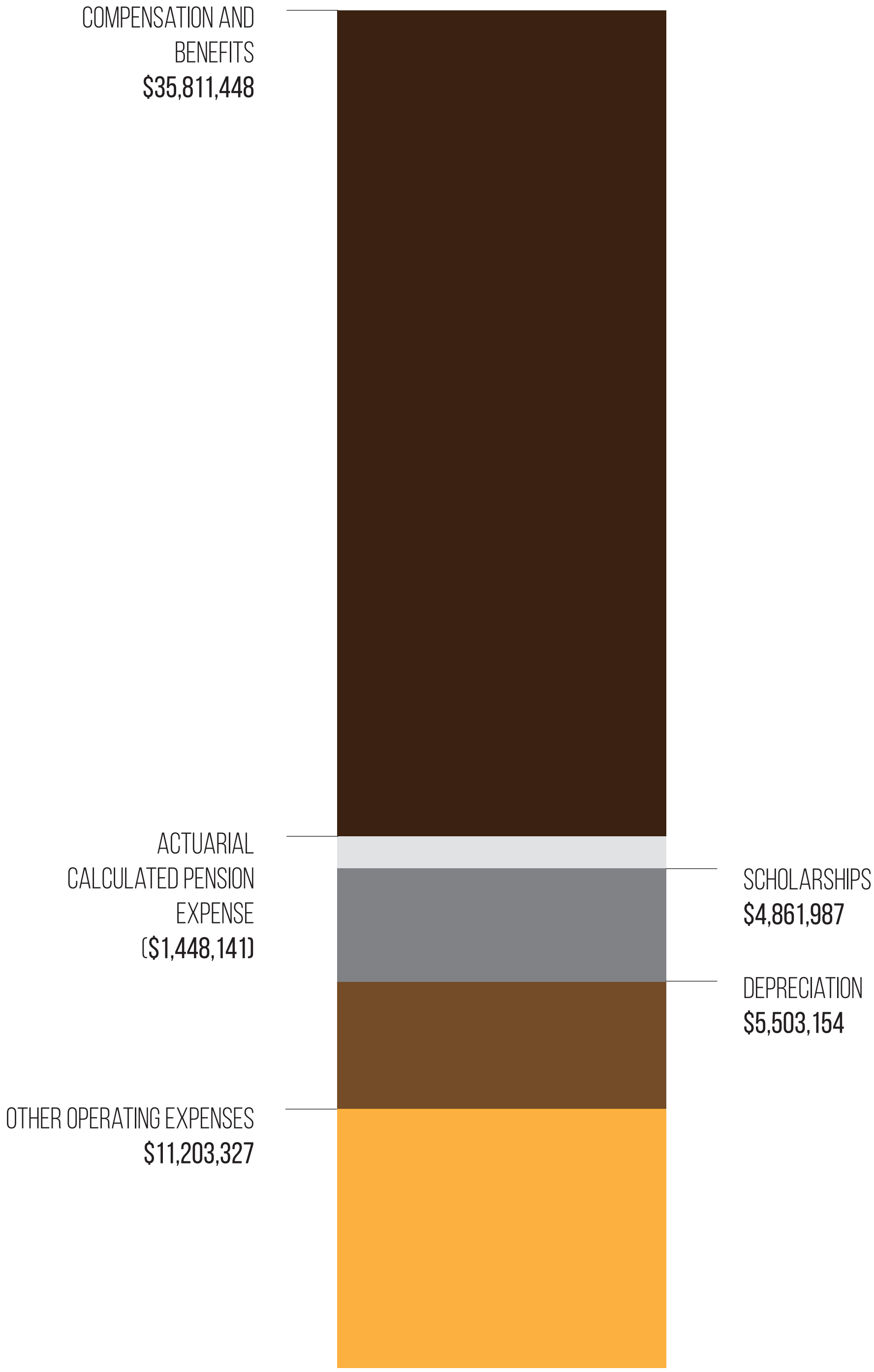
The most significant sources of operating revenues for the College are tuition and fees. Tuition and fees, net of scholarship discounts and allowances, totaled $9.6 million for 2020. Auxiliary enterprise revenue, net of cost of sales, totaled $2.6 million for 2020. State appropriations were the most significant non-operating revenue, totaling $30.6 million for fiscal year 2020. Non-operating grants revenue totaled $9.1 million.

SOURCES OF REVENUE-FOR THE YEAR ENDED JUNE 30, 2020



Operating expenses for fiscal year 2020, including depreciation of $5.5 million, totaled $56 million. The most significant operating expenses for the year were compensation and benefits totaling $35.8 million.

OPERATING EXPENSES-FOR THE YEAR ENDED JUNE 30, 2020



The major differences between fiscal years 2019 and 2020 in the Statement of Revenues, Expenses, and Changes in Net Position are reflected in a $7.7 million decrease in Capital Appropriations. This decrease is primarily due $5.7 million in legislative funds received to help with the cost of the construction of the Bergeson Athletic Center in fiscal year 2019. In addition, $1.5 million in 2019 was transferred to the College from the Division of Construction and Facilities Management to finish the construction of the Graham Science building.

Operating revenues decreased by $2.0 million. This is mostly due to the effects of the novel coronavirus. The College could not hold its summer programs due to coronavirus restrictions. This resulted in a $490,000 decrease in other operating revenues. In addition, auxiliary enterprises revenue decreased by $610,000. This was due to the Sevier Valley Center and the Athletics department having to cancel multiple events. Finally, tuition revenue was down by approximately $850,000. The College had multiple international students leave due to the coronavirus which resulted in refunding approximately $50,000 in tuition and fee revenue. In addition, the College's enrollment was lower in fiscal year 2020 than in fiscal year 2019.

Operating expenses decreased by $1.3 million due to a decrease of $2.7 million in the actuarial calculated pension expense as a result of the new "Higher Education" division, offset by a $1.4 million increase in compensation and benefits expense. Employees of the College received a 2.5% cost of living increase in fiscal year 2020 which accounts for approximately $850,000 of the increase. The remaining $550,000 increase is due to the increase in benefits costs.

Statement of Cash Flows

The final statement presented by the College is the Statement of Cash Flows, which presents detailed information about the cash activity of the College during the year. The statement is divided into five sections. The first section deals with operating cash flows and shows the net cash used by the operating activities of the College. The second section reflects cash flows from noncapital financing activities. This section reflects the cash received and spent for nonoperating, noninvesting, and noncapital financing purposes. The third section reflects the cash flows from capital and related financing activities. This section deals with the cash used for the acquisition and construction of capital and related items. The fourth section deals with cash flows from investing activities and shows the purchases, proceeds, and interest received from investing activities. The fifth section reconciles the net cash used by operating activities to the operating income or loss reflected on the Statement of Revenues, Expenses, and Changes in Net Position.

CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30	2020	2019
Cash provided (used) by:		
Operating activities	$(41,269,048)	$(35,077,868)
Noncapital financing activities	40,337,856	38,979,915
Capital financing activities	(3,823,202)	377,146
Investing activities	2,838,771	3,499,379
Net change in cash	(1,915,623)	7,778,572
Cash and cash equivalents - beginning of year	14,397,620	6,619,048
Cash and cash equivalents - end of year	$12,481,997	$14,397,620

Cash outflow for operating activities increased by $6.2 million. This increase in outflows is a result of a $1.4 million increase in cash outflows for compensation and benefits. This increase is due to a 2.5% cost of living increase and a 4.53% increase in benefit costs. In addition, the College had $1.5 million less cash receipts from tuition and fees in fiscal year 2020 than in fiscal year 2019. This is due to a decrease in enrollment, the refunding of tuition and fees in relation to international students' return to their home country due to coronavirus restrictions and a larger accounts receivable balance at the end of fiscal year 2020 as compared to fiscal year 2019. Finally, the College's cash flows from other receipts decreased by $3.3 million. This decrease is a result of the paying the State of Utah $850,000 in relation to an overpayment of appropriations given to the College in fiscal year 2019, a decrease in other operating and sales and services revenues of $700,000 due to closures and cancellations related to the coronavirus, and $1.5 million pay down of accounts payable.

Cash received from non-capital financing activities increased by $1.4 million. This is mainly due to an increase in state appropriations of $2.0 million offset by a year over year decrease of $500,000 in receipts from grants and contracts due to an increase in grants and contracts receivable related to the student and institutional portion of CARES funding.

Cashflows for capital financing activities decreased by $4.2 million. This is mainly due to a decrease in cash inflows from capital appropriations of $5.5 million that was received in fiscal year 2019 for the Bergeson Athletic Center. This is offset by a decrease in cash outflows for capital assets of $1.7 million mainly due to construction of the Bergeson Athletic center winding down in fiscal year 2020.

Cash provided from investing activities decreased by $660,000. The College's endowment and money management pool investments did not perform as well in fiscal year 2020 as compared to fiscal year 2019. This is due to the down turn in the economy caused by the novel coronavirus.

ECONOMIC OUTLOOK

For the Fall 2020 semester, the College saw an increase in applications and an increase in enrolled students. Applications increased by 13% and overall enrollment by 7.7%. The College has worked to produce results based on aggressive recruitment activities both in and out of state and both in person and online. Enrollment Management continues to implement strategies outlined in the Strategic Enrollment Plan and the institution's Strategic Plan.

The impact of COVID-19 changed the way the enrollment teams had to interact with students. All events were moved to a virtual format as schools were closed, and gatherings were restricted. Despite these challenges, the fact that Snow College was able to commit to face-to-face classes for Fall 2020 encouraged students to attend.

The Snow College Foundation began a scholarship fundraising campaign during 2019 in an effort to raise more funding for scholarships. Additional scholarship funding is greatly needed to help attract and retain students, and to remain one of the most affordable colleges in the nation. This funding will help the College grow its enrollment numbers by financially assisting prospective students who might not otherwise be able to afford to come to college. Endowment donations are especially helpful to the College as they provide sustainable funding from the endowment interest earnings to help future students. The Foundation's goal is to raise $5 million in order to grow the endowment base beyond $10 million.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview for all those with an interest in the College's finances and to show the College's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Snow College, Controller's Office, 150 East College Avenue, Ephraim, Utah 84627.

FINANCIAL STATEMENTS

SNOW COLLEGE STATEMENT OF NET POSITION AT JUNE 30, 2020

ASSETS	
Current assets	
Cash and cash equivalents	$11,948,598
Short-term investments	452,351
Accounts, interest, and pledges receivable, net	1,102,174
Accounts due from primary government	384,256
Inventories	246,687
Prepaid expenses and other assets	199,723
Total current assets	14,333,789
Noncurrent assets	
Restricted cash and cash equivalents	533,399
Restricted Short-term Investments	79,762
Restricted investments	11,611,886
Investments	3,606,804
Accounts, interest, and pledges receivable, net	37,000
Net Pension Asset	39,313
Capital assets, net	112,717,366
Total noncurrent assets	128,625,530
Total assets	142,959,319
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows relating to Pensions	2,887,156
Deferred Outflows - Bond Refunding	306,071
Total Deferred Outflows of Resources	3,193,227

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SNOW COLLEGE STATEMENT OF NET POSITION AT JUNE 30, 2020

LIABILITIES	
Current liabilities	
Accounts payable and accrued liabilities	1,038,506
Accounts due to primary government	335,473
Unearned revenues	18,205
Deposits	492,899
Compensated absences and termination benefits	707,237
Notes Payable	81,380
Notes Payable to Primary Government	22,617
Bonds payable	696,447
Total current liabilities	3,392,764
Noncurrent liabilities	
Compensated absences and termination benefits	262,994
Notes Payable	610,697
Bonds payable	12,685,797
Net Pension Liability	2,352,398
Total noncurrent liabilities	15,911,886
Total liabilities	19,304,650
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows relating to Pensions	1,472,235
Deferred Inflows - Split Interest Agreements	1,362,235
Total deferred inflows of resources	2,834,470
NET POSITION	
Net investment in capital assets	98,643,043
Restricted for:	
Nonexpendable items	
Scholarships	7,024,179
Expendable items	
Scholarships	2,303,013
Loans	22,400
Debt	1,781,554
Other	4,125,503
Unrestricted	10,113,734
Total net position	124,013,426

The accompanying notes are an integral part of these financial statements.

SNOW COLLEGE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2020

OPERATING REVENUES AND EXPENSES	
Revenues	
Student tuition and fees (net of allowances of $6,796,561)	$9,616,927
Operating contracts	454,120
Sales and services of ed depts (net of cost of sales of $55,778)	95,363
Auxiliary enterprises (net of allowances and cost of sales of $827,156)	2,602,172
Other operating revenues	1,204,738
Total operating revenues	13,973,320
Expenses	
Compensation and benefits	35,811,448
Actuarial Calculated Pension Expense	(1,448,141)
Scholarships	4,861,987
Supplies and other services	8,695,351
Utilities	1,572,389
Depreciation	5,503,154
Other operating expenses	962,587
Total operating expenses	55,958,775
Operating loss	(41,985,455)
NONOPERATING REVENUES (EXPENSES)	
State Appropriations	30,634,508
Gifts	294,272
Nonoperating grants	9,126,139
Investment and interest income	304,422
Other nonoperating revenues (expenses)	(577,540)
Net nonoperating revenues	39,781,801
Income/(loss) before capital and permanent endowment revenue	(2,203,654)
Capital Appropriations	1,153,508
Capital Gifts	268,075
Additions to permanent endowments	513,879
Total capital and permanent endowment revenue	1,935,462
Increase (decrease) in net position	(268,192)
NET POSITION	
Net position - beginning of year	124,281,618
Net position - end of year	$124,013,426

The accompanying notes are an integral part of these financial statements.

SNOW COLLEGE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from tuition and fees	$8,357,843
Receipts from operating contracts	454,120
Receipts from auxiliary enterprises	3,429,328
Other payments	(53,973)
Payments to suppliers	(11,749,489)
Payments for student financial aid	(4,861,987)
Payments for employee services and benefits	(36,844,890)
Net cash used by operating activities	$(41,269,048)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State appropriations	$30,111,103
Receipts from grants and contracts	9,511,371
Receipts from gifts	201,503
Receipts from permanent endowments	513,879
Net cash provided by noncapital financing activities	$40,337,856
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Capital Appropriations	$196,680
Receipts from Capital Gifts	268,075
Purchases of capital assets	(3,214,220)
Issuance of Debt	12,402,428
Interest paid on capital debt and leases	(270,945)
Principal paid on capital debt and leases	(13,205,220)
Net cash used by capital financing activities	$(3,823,202)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sale/maturity of investments	$8,323,908
Receipt of interest/dividends from investments	469,352
Purchase of investments	(5,954,489)
Net cash provided by investing activities	$2,838,771
Net decrease in cash	$(1,915,623)
Cash and cash equivalents - beginning of year	14,397,620
Cash and cash equivalents - end of year	$12,481,997

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SNOW COLLEGE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2020

RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES

Operating loss	$(41,985,455)
Adjustments to reconcile net loss to net cash used by operating activities:	
Depreciation expense	5,503,154
Repair and maintenance expense paid by State	523,405
Other operating expenses not requiring cash	(137,390)
Other operating cashflows not reported in operating income	3,369
Changes in assets and liabilities:	
Receivables, net	(823,615)
Inventories	(58,255)
Prepaid expenses	(101,319)
Accounts payable and accrued liabilities	(1,489,034)
Unearned revenue	(275,190)
Deposits	52,865
Compensated absences and termination benefits	74,166
Net Pension Asset	(39,313)
Deferred outflows of resources	(818,975)
Net pension liability	(2,991,103)
Deferred inflows of resources	1,293,642
Net cash used by operating activities	$(41,269,048)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES	
Adjustments in fair value of investments	$(379,616)
In kind donations	1,458,004
Capital Assets transferred from DFCM	956,828
Total noncash activities	$2,035,216

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The preceding financial statements present the financial position, the changes in financial position, and cash flows of the Snow College reporting entity (College). The College is considered a component unit of the State of Utah because it receives appropriations from, and is financially accountable to the State. The financial activity of the College is included in the State's Comprehensive Annual Financial Report.

The financial statements include the accounts of the College, all auxiliary enterprises, and other restricted and unrestricted funds of the College. The College has considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the College are such that exclusion would cause the College's financial statements to be misleading or incomplete.

The Snow College Foundation (Foundation) is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The majority of the resources or income the Foundation holds is restricted to the activities of the College by the donors. These restricted resources held by the Foundation can only be used by, or for the benefit of, the College. For these reasons the Foundation is considered a component unit of the College and is presented in the College's financial statements as a blended component unit. (For condensed financial statements of the Foundation, refer to Note 11.)

B. BASIS OF ACCOUNTING

Under the provisions of the Governmental Accounting Standards Board (GASB), the College is permitted to report as a special-purpose government engaged in business-type activities (BTA). BTA reporting requires the College to present only the proprietary type financial statements and other required supplementary information schedules. This includes Management's Discussion and Analysis; a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; a Statement of Cash Flows; and notes to the financial statements and required supplementary information regarding the College's participation in defined benefit pension plans. The required financial statements described above are prepared using the economic resources measurement focus and the accrual basis of accounting. Fund financial statements are not required for BTA reporting.

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by GASB.

C. Cash Equivalents

The College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the Utah Public Treasurers' Investment Fund (PTIF) are also considered cash equivalents.

D. Investments

Investments are recorded at fair value in accordance with GASB Statement No. 72, Fair Value Measurement and Application. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. The College distributes earnings from pooled investments and endowments based on the average daily investment of each participating account.

E. Accounts Receivable

Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff, the majority of each residing in the State of Utah. Accounts receivable also include amounts due from the Federal Government, local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

F. Inventories

Inventories are stated at the lower of cost or market or on a basis which approximates cost determined on the first-in, first-out method.

G. Restricted Cash and Cash Equivalents

Cash and cash equivalents that are externally restricted to maintain sinking or reserve funds, or to purchase or construct capital or other restricted assets, are classified as restricted assets in the Statement of Net Position.

H. Capital Assets

Capital assets are recorded at cost at the date of acquisition, or acquisition value at the date of donation in the case of gifts. For equipment, the College's capitalization policy includes all items with a unit cost of $5,000 or more, and an estimated useful life greater than one year. Renovations to buildings, infrastructure, and land improvements that increase capacity or extend the useful life of the asset, with a cost of $100,000 or more are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. All land is capitalized and not depreciated.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets: 30-40 years for buildings; 20 years for infrastructure, land improvements, and library collections; and 5 years for equipment.

I. Unearned Revenues

Unearned revenues include amounts received for building, rentals and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period.

J. Compensated Absences and Termination Benefits

Compensated Absences

Non-academic, full-time College employees earn vacation leave for each month worked at a rate between 12 and 22 days per year. Vacation time may be used as it is earned. A maximum of 240 hours is allowed to be carried over into the next vacation year, which begins January 1. Upon termination, no more than 240 hours is payable to the employee.

Full-time professional and classified staff earn family/medical leave at the rate of one day earned for each month worked to a maximum of 130 days of unused family/medical leave. No payment will be made for unused family/medical leave in the event of termination. After an employee has accumulated 65 days of unused family/medical leave, that employee can convert a maximum of 4 days per year of accrued family/medical leave to vacation leave.

A liability is recognized in the Statement of Net Position for vacation payable to the employees at the statement date.

Termination Benefits

The College may provide termination benefits, by means of an early retirement program to qualified full-time, salaried employees, which are approved by the College President and Board of Trustees in accordance with College policy as approved by the State Board of Regents, and where the early retirement is in the mutual best interest of the employee and the College. Qualified employees are at least 75% full-time employees, whose age combined with total years of service to the College total to at least 75. Termination benefits will include that the retiree stay on payroll and benefits after the employee's retirement date for a period equaling one week for each year of service accumulated by the employee, with a minimum of 10 weeks and a maximum of 30 weeks. Alternatively, termination benefits may include a monthly stipend of up to 20% of the retiree's base salary at the time of the early retirement request. The length of the monthly stipend is determined on a case by case basis. This stipend may be adjusted annually by cost of living adjustments (COLA). Termination benefits may also include continuation of health and dental insurance benefits with the employer portion being payable by the College for up to three years or until the retiree reaches the Medicare eligibility age of 65. The employee portion of health and dental benefit costs is covered by the retiree. Any increases in health and dental insurance premiums are split between the retiree and the College.

There were no new retirees who received termination benefits under the College's early retirement program during fiscal year 2020. Two Snow College employees entered into early retirement agreements in fiscal year 2020. Benefits related to those agreements will start in fiscal year 2021.

The College has recorded a liability for the cost of these termination benefits including an annual inflation adjustment of 5% for insurance in fiscal year 2020 and for each additional year thereafter. The liability was calculated using a discount rate of 2.217%, which is based on the 3 year average return of the PTIF. The cost of termination benefits is funded on a pay-as-you-go basis. Termination benefits expense for the year ended June 30, 2020 was $0.

K. PENSION, RELATED ASSETS, LIABILITIES, DEFERRED OUTFLOWS AND DEFERRED INFLOWS

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

L. NONCURRENT LIABILITIES

Noncurrent liabilities include (1) principal amounts of bonds and notes payable with maturities greater than one year, (2) estimated amounts for accrued compensated absences and termination benefits, and (3) other liabilities that will not be paid within the next fiscal year.

M. DEFERRED INFLOWS

As of June 30, 2020, the College has recognized $1,362,235 as a restricted investment along with deferred inflow of resources in the amount of $1,362,235 for certain irrevocable split-interest agreements. The College has a beneficial interest or right to a portion of the benefits donated, pursuant to an irrevocable split-interest agreement, in which the donor enters into a trust and transfers resources to an intermediary. Investment recognition criteria include: (1) the government is specified by name as beneficiary in the legal document underlying the donation; (2) the donation agreement is irrevocable; (3) the donor has not granted variance power to the intermediary with respect to the donated resources; (4) the donor does not control the intermediary, such that the actions of the intermediary are not influenced by the donor beyond the specified stipulations of the agreement; and (5) the irrevocable split-interest agreement established a legally enforceable right for the government's benefit (an unconditional beneficial interest.)

N. 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 of accumulated depreciation and outstanding debt obligations 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 in accordance with restrictions imposed by external third parties.

Restricted net position – nonexpendable: Nonexpendable restricted 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 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 legal purpose. Auxiliary enterprises, are substantially self-supporting activities that provide services for students, faculty, and staff.

When an expense is incurred for purposes for which both restricted and unrestricted net positions are available for use, it is the College's policy to use restricted resources first, then unrestricted resources as they are needed.

O. CLASSIFICATION OF REVENUES AND EXPENSES

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

Operating revenues and expenses: Operating revenues and expenses include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, net of allowances and cost of sales. (Note: when auxiliary enterprises revenue results from other activities, e.g., student fees, gifts, contracts, etc., the revenue is shown with those activities), (3) interest on institutional student loans, (4) the cost of providing services, (5) administration expenses, and (6) depreciation of capital assets.

Nonoperating revenues and expenses: Nonoperating revenues and expenses include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, expenses not meeting the definition of operating expenses, and other revenue sources that are defined as nonoperating sources 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 Discussion and Analysis – for State and Local Governments, such as state appropriations, grants, and investment income.

P. 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 Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, 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.

NOTE 2. DEPOSITS AND INVESTMENTS

A. DEPOSITS

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits may not be returned to it. The College does not have a formal deposit policy for custodial credit risk. As of June 30, 2020, $2,876,350 of the College's bank balances of $3,021,297 was uninsured and uncollateralized.

B. INVESTMENTS

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state, and review the rules adopted under the authority of the State of Utah Money Management Act (Utah Code, Title 51, Chapter 7) that relate to the deposit and investment of public funds.

Except for endowment funds, the College follows the requirements of the Utah Money Management Act in handling its depository and investment transactions. The Act requires the depositing of College funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

For endowment funds, the College follows the requirements of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and the College's Endowment Fund Investment Policy.

The Money Management Act defines the types of securities authorized as appropriate investments for the College's non-endowment funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

Statutes authorize the College to invest in negotiable or nonnegotiable deposits of qualified or permitted depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Money Management Act; and the Utah State Public Treasurers' Investment Fund.

The Utah State Treasurer's Office operates the Public Treasurers' Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the Securities and Exchange Commission (SEC) as an investment company. The PTIF is authorized and regulated by the Money Management Act. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The UPMIFA and the College's Endowment Investment Policy allow the College to invest endowment funds (including gifts, devises, or bequests of property of any kind from any source) in any of the above investments authorized by the Money Management Act or any of the following subject to satisfying certain criteria: mutual funds registered with the SEC, investments sponsored by the Common Fund; any investment made in accordance with the donor's directions in a written instrument; investments in corporate stock listed on a major exchange (direct ownership); and any alternative investment funds that derive returns primarily from high yield and distressed debt (hedged or non-hedged), private capital (including venture capital and private equity), natural resources, and private real estate assets or absolute return and long/short hedge funds.

The amount of net appreciation of donor-restricted endowments that were available for expenditure at June 30, 2020 was approximately $48,000. The net appreciation is a component of restricted expendable net assets.

Fair Value of Investments

The College measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- ***Level 1: Quoted prices for identical investments in active markets;***
- ***Level 2: Observable inputs other than quoted market prices; and,***
- ***Level 3: Unobservable inputs.***

At June 30, 2020, the College had the following recurring fair value measurements.

FAIR VALUE MEASUREMENTS	6/30/2020	LEVEL 1	LEVEL 2	LEVEL 3
Investments by fair value level				
Debt Securities				
Corporate Bonds	$2,882,637	$ -	$2,882,637	$-
U.S. Agency	491,837	491,837	-	-
Municipal/Public Bonds	202,222	-	202,222	-
Bond Mutual Funds	1,057,107	–	1,057,107	-
Marketable CD	482,459	-	482,459	-
Utah Public Treasurers' Investment Fund	9,654,578	-	9,654,578	-
Total debt securities	$14,770,840	$491,837	$14,279,003	$-
Equity Securities				
Common and preferred stock	$92,009	$92,009	$ -	$-
Equity Mutual Funds	9,180,297	-	9,180,297	-
Total equity securities	$9,272,306	$92,009	$9,180,297	$-
Other				
Donated Assets	$1,362,235	$ -	$ -	$1,362,235
Total Other	$1,362,235	$ -	$ -	1,362,235
Total investments by fair value level	$25,405,381	$583,846	$23,459,300	$1,362,235

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for identical securities. Debt and equity securities classified in Level 2 are valued using the following approaches:

- Corporate and Municipal Bonds: quoted prices for similar securities in active markets;
- Utah Public Treasurers' Investment Fund: application of the June 30, 2020 fair value factor, as calculated by the Utah State Treasurer, to the College's ending balance in the Fund;
- Mutual Fund: published fair value for each fund; and
- Marketable CD: quoted prices for similar securities in active markets.

Other Investments classified in Level 3 are valued using the following approaches:

- Donated Assets, namely charitable remainder trusts, are valued at present value using the actuarial valuation calculation techniques as described in IRS Publication 1458.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the State's Money Management Act or the UPMIFA and Endowment Investment Policy, as applicable. For non-endowment funds, Section 51-7-11 of the Money Management Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days - 15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to 10 years for institutions of higher education. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 3 years. For endowment funds, the College's Endowment Investment Policy is more general, requiring only that investments be made as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the endowments and by exercising reasonable care, skill, and caution.

As of June 30, 2020, the College had the following investments and maturities:

INVESTMENTS AND MATURITIES

		Investment Maturities (in Years)	
Investment Type	Fair Value	<1	1-5
U.S. Agencies	$491,837	$-	$491,837
Municipal/Public Bonds	202,222	202,222	-
Bond Mutual Funds	1,057,107	64,509	992,598
Corporate Bonds	2,882,637	250,129	2,632,508
Utah Public Treasurers' Investment Fund	9,654,578	9,654,578	–
Marketable CD	482,459	-	482,459
	$14,770,840	$10,171,438	$4,599,402

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The College's policy for reducing its exposure to credit risk is to comply with the State's Money Management Act, the UPMIFA, and the Endowment Investment Policy, as previously discussed.

At June 30, 2020, the College had the following investments and quality ratings:

INVESTMENTS AND QUALITY RATINGS

		Quality Ratings				
Investment Type	Fair Value	AAA	AA	A	BBB	Unrated
U.S. Agencies	$491,837	$250,229	$-	$241,608	$-	$-
Municipal/Public Bonds	202,222	-	202,222	-	-	-
Bond Mutual Funds	1,057,107	-	-	-	-	1,057,107
Corporate Bonds	2,882,637	-	248,092	1,637,365	997,180	-
Utah Public Treasurers' Investment Fund	9,654,578	-	-	-	-	9,654,578
Marketable CD	482,459	-	-	-	-	482,459
	$14,770,840	$250,229	$450,314	$1,878,973	$997,180	$11,194,144

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Entity's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council or the UPMIFA and the Endowment Investment Policy, as applicable. Rule 17 of the Money Management Council limits non-endowment fund investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio at the time of purchase. For endowment funds, the Endowment Investment Policy references the State Board of Regents Rule 541, Management Reporting of Institutional Investments (Rule 541), which requires that a minimum of 25% of the overall endowment portfolio be invested in fixed income or cash equivalents. Also, the overall endowment portfolio cannot consist of more than 75% equity investments with a maximum of 3% in corporate stock listed on a major exchange (direct ownership). Rule 541 also limits investments in alternative investment funds, as allowed by Rule 541, to between 0% and 30% based on the size of the College's endowment fund.

At June 30, 2020, the College did not hold more than 5% of total investments in any single security.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The College does not have a formal policy for custodial credit risk. As of June 30, 2020, the College had $2,882,637 in Corporate Bonds, $202,222 in Municipal/Public Bonds, and $491,837 in U.S. Agency bonds which were held by the investment counterparty.

NOTE 3. RECEIVABLES

ACCOUNTS, INTEREST, AND PLEDGES RECEIVABLE AT JUNE 30, 2020 CONSIST OF THE FOLLOWING:

	Balance	Current Portion
Student tuition and fees receivable	$329,782	$329,782
Grants and contracts receivable	891,422	891,422
Auxiliary enterprises and other receivables	19,930	19,930
Pledges receivable	55,030	18,030
Allowance for doubtful accounts	(156,990)	(156,990)
Net accounts, interest, and pledges receivable	$1,139,174	$1,102,174

NOTE 4. CAPITAL ASSETS

CAPITAL ASSETS AT JUNE 30, 2020 CONSIST OF THE FOLLOWING:

	June 30, 2019	Additions	Deletions	June 30, 2020
Capital Assets not being depreciated				
Land	$3,686,498	$-	$-	$3,686,498
Works of Art	369,100	-	-	369,100
Construction in Progress	3,605,484	2,281,852	5,855,940	31,396
Capital Assets being depreciated				
Buildings	167,342,243	7,000,609	-	174,342,852
Infastructure	10,553,424	14,107	-	10,567,531
Equipment	9,212,999	802,519	90,291	9,925,227
Library materials	1,335,015	20,301	89,676	1,265,640
Total capital assets	196,104,763	10,119,388	6,035,907	200,188,244
Less accumulated depreciation:				
Buildings	67,608,691	4,265,999	-	71,874,690
Infrastructure	6,344,245	350,856	-	6,695,101
Equipment	7,220,110	840,604	90,291	7,970,423
Library materials	974,645	45,695	89,676	930,664
Total accumulated depreciation	82,147,691	5,503,154	179,967	87,470,878
Total capital assets, net of depreciation	$113,957,072	$4,616,234	$5,855,940	$112,717,366

NOTE 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES AT JUNE 30, 2020 CONSIST OF THE FOLLOWING:

	June 30, 2020
Vendors payable	$742,643
Wages payable	225,907
Federal payroll tax payable	49,413
Interest payable	19,972
Other payroll accruals	571
Total accounts payable and accrued liabilities	$1,038,506

NOTE 6. RELATED PARTY TRANSACTIONS

The College receives and provides services, supplies, repairs and maintenance, and capital projects through departments, agencies, and other component units of the State of Utah. The following tables summarize the amounts due from and to these entities for services and supplies as of the year ended June 30, 2020.

RELATED PARTY RECEIVABLES CONSISTED OF THE FOLLOWING AT JUNE 30, 2020:

	Balance
Utah State Office of Education	$209,113
Utah Division of Facilities Construction and Management	56,122
Utah State University	39,806
Utah Department of Corrections	33,593
Utah Department of Agriculture and Food	17,792
Utah State Tax Commission	9,040
University of Utah	7,564
Utah Governer's Office of Economic Development	7,061
Utah Comission on Criminal and Juvenile Justice	4,165
Total	$384,256

RELATED PARTY PAYABLES CONSISTED OF THE FOLLOWING AT JUNE 30, 2020:

Utah State Tax Commission	$90,310
Utah Retirement Systems	220
Utah Division of Facilities Construction and Management	240,308
State of Utah Fleet Operations	4,635
Total	$335,473

NOTE 7. LONG-TERM LIABILITIES

CHANGES IN LONG-TERM LIABILITIES FOR THE YEAR ENDED JUNE 30, 2020 WAS AS FOLLOWS:

	June 30, 2019 Balance	Additions	Reductions	June 30, 2020 Balance	Current Portion
Net Pension Liability	$5,343,501	$-	$2,991,103	$2,352,398	$-
Compensated absences	852,566	802,241	696,009	958,798	695,804
Termination benefits	43,499	-	32,066	11,433	11,433
Notes Payable	771,446	-	79,369	692,077	81,380
Note Payable to primary government	111,118	-	88,501	22,617	22,617
Bonds payable	13,285,000	13,110,000	12,930,000	13,465,000	695,000
Unamortized bond (premium)/discount	120,024	(95,430)	107,350	(82,756)	1,447
Total long-term liabilities	$20,527,154	$13,816,811	$16,924,398	$17,419,567	$1,507,681

A. Notes Payable

The College obtained South Sanpete School District's old Ephraim Elementary School property in fiscal year 2010 for $1,500,000 to be paid in 20 equal annual installments of $75,000. The agreement contains no interest rate; therefore, the College used an effective interest rate of 2.0% to discount the contracts payable and record the cost of the property at the discounted amount. The final principal and interest payment is in fiscal year 2029.

In fiscal year 2012, the Foundation obtained the home and property located at 24 South 100 East, Ephraim for $60,000 to be paid in 120 monthly installments of $636. This note has an interest rate of 5.0% with the final principal and interest payment in fiscal year 2022. The home and property was valued at $120,000 when obtained. The remaining $60,000, after the contract consideration, was donated to the Foundation.

In January 2018, the College entered in to a note payable with Caterpillar Financial Services Corporation to obtain a backhoe loader. The note has a four year term with annual payments of $11,848 and includes a bargain purchase option of $59,800 at the end of the note term in fiscal year 2021. The payable does not contain an interest rate and therefore the College used an effective interest rate of 3.9% to discount the note payable and record the equipment at the discounted amount. At inception of the note, the College recognized a capital asset in the value of $101,690. At June 30, 2020, depreciation expense and accumulated depreciation related to this asset are $20,338 and $61,014, respectively.

Interest expense recognized for this note payable was $660 at June 30, 2020.

The backhoe loader is held as collateral on this note and will be forfeited if the College defaults on this note.

FUTURE COMMITMENTS FOR THE NOTES PAYABLE AS OF JUNE 30, 2020 ARE AS FOLLOWS:

Fiscal Year	Principal	Interest	Total
2021	$138,284	$13,105	$151,389
2022	68,394	11,059	79,453
2023	65,292	9,708	75,000
2024	66,598	8,402	75,000
2025	67,930	7,070	75,000
2026-2029	285,579	14,420	299,999
Total	$692,077	$63,764	$755,841

B. Note payable to Primary Government

In January 2018, the College entered in to an Energy Loan with the State of Utah's Division of Facilities Construction and Management to perform HVAC work on the College's Humanities building. The loan has a four year term ending June 30, 2021 with quarterly payments of $5,953. The agreement does not contain an interest rate. The College's final payments will be made in fiscal year 2021. The final payments will total $22,617.

C. Bonds Payable

In June 2011, the State Board of Regents issued revenue bonds (Series 2011, $16,810,000 2.00% - 4.5% maturing June 2013 through June 2036) on behalf of the College to provide funds for the construction of a student housing facility on the College's Ephraim campus.

These bonds are not an indebtedness of the State of Utah, the College, or the Board of Regents, but are special limited obligations of the Board of Regents, payable from and secured solely by the Pledged Revenues which consist of 1) the Net Operating Revenues of the College's Student Housing System, 2) Student Building Fees, 3) any Pledged Discretionary Investment Income, and 4) earnings on certain funds and accounts created under the Bond Indenture. In addition, the bonds are insured by Assured Guaranty Municipal Corporation and Build America Mutual for the timely payment of principal and interest. Interest is payable June 15 and December 15 of each year. Principal payments are due June 15. For fiscal year 2020, interest incurred on the bonds was $257,911.

In October 2019, the State Board of Regents issued revenue bonds (Series 2019, $13,110,000 1.87% - 3.0% maturing June 2020 through June 2036) on behalf of the College to defease a portion of the 2011 series bonds. The net proceeds of $12,853,045 (after payment of $256,955 of underwriting fees, insurance and other issuance costs) were used to purchase State and Local Government Series (SLGS) securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on a portion the 2011 Series Bonds. As a result, $12,135,000 of the 2011 Series Bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $612,142. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to interest expense through fiscal year 2021 using the straight line method. The College completed the advance refunding to reduce its total debt service payments over the next 16 years by $2,177,371 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of $1,794,983.

FOR THE YEAR ENDED JUNE 30, 2020, THE RECEIPTS AND DISBURSEMENTS OF PLEDGED REVENUES WERE AS FOLLOWS:

	June 30, 2020
Receipts	
Housing system revenue	$1,492,893
Student building fees	485,646
Discretionary Investment Income	375,835
Bond account earnings	16,223
Total receipts	2,370,597
Disbursements	
Housing system expenses	1,027,143
Excess of Pledged Receipts over Expenses	1,343,454
Debt Service Principal and Interest Payments	$1,049,553

THE SCHEDULED MATURITIES OF THE REVENUE BONDS ARE AS FOLLOWS:

Fiscal Year	Principal	Interest	Total
2021	$695,000	$352,922	$1,047,922
2022	720,000	327,465	1,047,465
2023	735,000	314,001	1,049,001
2024	750,000	299,668	1,049,668
2025	765,000	284,312	1,049,312
2026-2030	4,105,000	1,138,159	5,243,159
2031-2035	4,675,000	567,950	5,242,950
2036	1,020,000	30,600	1,050,600
Total bonds outstanding	$13,465,000	$3,315,077	$16,780,077
Net Unamortized bond (preimum)/Discount	(82,756)	-	(82,756)
Total bonds payable	$13,382,244	$3,315,077	$16,697,321

NOTE 8. PENSION PLANS AND RETIREMENT BENEFITS

Eligible employees of the College are covered by the Utah Retirement Systems (Systems) and the Teachers Insurance and Annuity Association (TIAA). Employees may also participate in defined contributions plans consisting of 401(k) and 457 plans managed by the Systems and TIAA.

A. Defined Benefit Plans

Eligible plan participants are provided with pensions through the Utah Retirement Systems (URS). The college participates in the following multiple employer cost sharing trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System) and Public Employees Contributory Retirement System (Contributory System)
- Public Safety Retirement System (Public Safety System)
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employee System)

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

The Systems are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S., Salt Lake City, Utah 84102 or visiting the website: www.urs.org

RETIREMENT BENEFITS ARE AS FOLLOWS:

System	Final Average Salary	Years of Service Required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years, any age 25 years, any age* 20 years, age 60* 10 years, age 62* 4 years, age 65	2.0% per year all years	Up to 4%
Contributory System	Highest 5 years	30 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4%
Public Safety System	Highest 3 years	20 years, any age 10 years, age 60 4 years, age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	up to 2.5% or 4% depending on the employer
Tier 2 Public Employees System	Highest 5 years	35 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.5% per year all years	Up to 2.5%

* Actuarial reductions are applied.

** All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

Contributions

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2020 are as follows:

EMPLOYER CONTRIBUTION RATES

	Paid for by Employer for Employee	Employer
Contributory System		
17 - Higher Education Tier 1	6.00%	17.70%
117 - Higher Education Tier 2	N/A	18.99%
Noncontributory System		
18 - Higher Education Tier 1	N/A	22.19%
Public Safety Retirement Systems		
Contributory		
122 - Tier 2 DB Hybrid Public Safety	N/A	29.84%
Noncontributory		
42 - State with 4% COLA	N/A	41.35%

For fiscal year ended June 30, 2020, the employer and employee contributions to the Systems were as follows:

EMPLOYER AND EMPLOYEE CONTRIBUTIONS TO THE SYSTEMS

	Employer Contributions	Employee Contributions
Noncontributory System	$967,261	N/A
Contributory System	2,173	737
Public Safety System	20,741	-
Tier 2 Public Employees System	86,461	-
Total Contributions	$1,076,636	$737

Contributions reported are the URS Board approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

Combined Pension Assets, Liabilities, Expense and Deferred Outflows and Inflows of Resources Relating to Pensions

At June 30, 2020, the College reported a net pension asset of $39,313 and a net pension liability of $2,352,398

NET PENSION ASSETS AND NET PENSION LIABILITIES DECEMBER 31, 2019

	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2018	Change (Decrease)
Noncontributory System	$-	$2,275,729	1.9400430%	0.1353267%	1.8047163%
Contributory System	39,313	-	0.6972509%	0.2438650%	0.4533859%
Public Safety System	-	69,525	0.0470806%	0.0444741%	0.0026065%
Tier 2 Public Employees System	-	7,144	0.0317615%	0.0417512%	-0.0099897%
Total Net Pension Asset/Liability	$39,313	$2,352,398			

The net pension asset and liability was measured as of December 31, 2019 and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2019 and rolled forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the Systems during the plan year.

For the year ended June 30, 2020, the College recognized a pension expense of ($1,448,141).

At June 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

DEFFERED OUTFLOWS AND INFLOWS OF RESOURCES

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$1,885,269	$25,448
Changes in Assumptions	210,534	206
Net difference between projected and actual earnings on pension plan investments	-	1,397,250
Changes in proportion and differences between contributions and proportionate share of contributions	227,863	49,331
Contributions subsequent to the measurement date	563,490	-
Total	$2,887,156	$1,472,235

$563,490 reported as deferred outflows of resources related to pensions results from contributions made by the College prior to its fiscal year end, but subsequent to the measurement date of December 31, 2019.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2020	$1,072,952
2021	318,562
2022	(37,818)
2023	(505,628)
2024	658
Thereafter	2,704

Actuarial Assumptions

The total pension liability in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.50 percent

Salary Increases: 3.25 - 9.75 percent, average, including inflation

Investment Rate of Return: 6.95 percent, net of pension plan investment expense, including inflation

Mortality rates were developed from actual experience and mortality tables, based on gender, occupation and age as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumption used in the January 1, 2019, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block method, in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

As a result of the passage of SB 129, the retirement rates for members in the Tier 2 Public Safety and Firefighter Hybrid System have been modified to be the same as the assumption used to model the retirement pattern in the Tier I Public Safety and Firefighter Systems, except for a 10% load at first eligibility for unreduced retirement prior to age 65.

EXPECTED RETURN ARITHMETIC BASIS

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity Securities	40%	6.15%	2.46%
Debt Securities	20%	0.40%	0.08%
Real Assets	15%	5.75%	0.86%
Private Equity	9%	9.95%	0.89%
Absolute Return	16%	2.85%	0.46%
Cash & Cash Equivalents	0%	0.00%	0.00%
Totals	100%		4.75%
	Inflation		2.50%
	Expected Arithmetic Nominal Return		7.25%

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.45% that is net of investment expense.

Discount Rate

The discount rate used to measure the total pension liability was 6.95 percent. The projection of cash flows used to determine the discount rate, assumed that employee contributions will be made at the current contribution rate, and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net positon 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. The discount rate does not use the Municipal Bond Index Rate.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate:
The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.95%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.95%) or 1 percentage point higher (7.95%) than the current rate:

PROPORTIONATE SHARE OF NET PENSION (ASSET)/LIABILITY

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontibutory System	$7,490,873	$2,275,729	$(2,063,758)
Contibutory System	62,486	(39,313)	(125,949)
Public Safety System	162,662	69,525	(7,114)
Tier 2 Public Employee System	61,601	7,143	(34,942)
Total	$7,777,622	$2,313,084	$(2,231,763)

***Pension plan fiduciary net position: Detailed information about the fiduciary net position of the pension plans is available in the separately issued URS financial report.

B. Defined Contribution Savings Plans
Employees who participate in the Higher Education Noncontributory and Tier 2 State pension plans are also participants in qualified contributory 401(k) and 457 savings plans administered by the System. The College is required to contribute 1.03% and 1.50%, respectively of the employee's annual salary to a 401(k) plan administered by the Systems. For employees participating in the Tier 2 Public Employee or Public Safety defined contribution plans, the Colleges is required to contribute 20.02% or 30.54% of the employee's annual salary, of which 10.00% or 12.00% is paid into a 401(k) plan while the remainder is contributed to the Tier 1 Systems, as required by law.

Snow College participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

- 401(k) Plan
- 457(b) Plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended June 30 were as follows:

EMPLOYEE AND EMPLOYER CONTRIBUTIONS TO THE UTAH RETIREMENT DEFINED CONTRIBUTION SAVINGS PLANS

	2020
401(k) Plan	
Employer Contributions	$97,746
Employee Contributions	$94,512
457 Plan	
Employer Contributions	$-
Employee Contributions	$8,796

TIAA provides individual retirement fund contracts with each participating employee. Benefits provided to retired employees are generally based on the value of the individual contracts and the estimated life expectancy of the employee at retirement, and are fully vested from the date of employment. Employees are eligible to participate from the date of employment and are not required to contribute to the fund. For the year ended June 30, 2020, the College's contribution to this defined contribution plan was 14.2% of the employee's annual salary or $2,033,302, Employee contributions totaled $130,933 for the same year. The College has no further liability once annual contributions are made.

NOTE 9. CONTRACTED AUXILIARY SERVICES

In April 2018, the College entered into a contract with Akademos of Norwalk, Connecticut, to provide online bookstore services for the College. The terms of the initial contract run from April 18, 2018, to June 30, 2021. This contract allows for two – one year renewal options which must be agreed upon by both parties in writing. The contract requires Akademos to pay the College, on a quarterly basis, 7% of all gross product sales. The contract also requires Akademos to provide annually $5,000 in textbook scholarships. In addition, Akademos is to provide internship positions for two College students and commits $2,000 annually to support marketing and promotional initiatives for the online bookstore service.

In November 2017, the College entered into a contract with Big Daddy's Deli, LLC of Richfield, Utah to provide lunch and meal catering services to the Richfield campus. The initial terms of the contract ran from November 1, 2017 to April 30, 2018 with four – one year renewal options which renewal periods run May 1st through April 30th. The current renewal option of May 1, 2020 to April 30, 2021 has been exercised. Big Daddy's Deli pays a monthly rental sum of $350 to use the College's Richfield campus kitchen facilities in order to provide daily lunch services and meal catering services for the Richfield campus.

The above contract revenues have been recorded as auxiliary enterprises revenues.

NOTE 10. RISK MANAGEMENT

The College maintains insurance coverage for commercial general liability, automobile, errors and omissions, and property (buildings and equipment) through policies administered by the Utah State Risk Management Fund. The College also participates in the Public Employees Health Plan administered by the State of Utah. The College qualifies as a "governmental body" under the Utah Governmental Immunity Act which limits applicable claim settlements to the amounts specified in that Act. Employees of the College and authorized volunteers are covered by workers' compensation and employees' liability through the Workers Compensation Fund of Utah.

NOTE 11. BLENDED COMPONENT UNIT

The Foundation is a component unit of the College and has been consolidated in these financial statements as a blended component unit. The Foundation is a dependent foundation of the College and is reported as part of the College as its primary purpose is to support the mission of the College.

Condensed information for the College's blended component unit for the year ended June 30, 2020 is presented on the following pages.

CONDENSED STATEMENT OF NET POSITION FOR THE YEAR ENDED JUNE 30, 2020

	Total
ASSETS	
Current Assets	$ 151,566
Current Investments	88,078
Restricted Investments	1,362,235
Noncurrent Assets	37,000
Capital Assets, net	312,955
Total Assets	1,951,834
LIABILITIES	
Current Liabilities	7,438
Noncurrent Liabilities	4,382
Total Liabilities	11,820
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows - Split Interest Agreements	1,362,235
Total Deferred Inflows of Resources	1,362,235
NET POSITION	
Net Investment in Capital Assets	301,352
Unrestricted	276,427
Total Net Position	$577,779

FOUNDATION CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2020

	Foundation	Eliminations	Total
OPERATING REVENUES			
Operating Revenues	$-	$-	$-
Total Operating Revenues	-	-	-
OPERATING EXPENSES			
Depreciation	3,076	-	3,076
Operating Expenses	1,116,097	(1,106,098)	9,999
Total Operating Expenses	1,119,173	(1,106,098)	13,075
Operating Income (Loss)	(1,119,173)	1,106,098	13,075

continued

continued

FOUNDATION CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2020

NONOPERATING REVENUES (EXPENSES)			
Donations	$ 1,063,951	(1,106,098)	$(42,147)
Other Nonoperating revenues (expenses)	(619)	-	(619)
Net Nonoperating Revenues (Expenses)	1,063,332	(1,106,098)	(42,766)
Increase (Decrease) in Net Position	(55,841)	-	(55,841)
NET POSITION			
Net Position, Beginning of year	633,620	-	633,620
Prior Period Adjustments	-	-	-
Net Position, End of year	$ 577,779	-	$577,779

FOUNDATION CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2020

Net Cash Provided (Used) by Operating Activities	$(4,678)
Net Cash Provided (Used) by Noncapital Financing Activities	(44,088)
Net Cash Provided (Used) by Capital Financing Activities	(31,502)
Net Cash Provided (Used) by Noncapital Investing Activities	(543)
Net Increase (Decrease) in Cash and Cash Equivalents	(80,811)
Cash and Cash Equivalents, beginning of year	213,597
Cash and Cash Equivalents, end of year	$ 132,786

Noncash Investing Activities	
In kind Donations	1,941
Total Noncash Investing Activities	$1,941

REQUIRED SUPPLEMENTARY INFORMATION

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

Last 10 fiscal years*

Noncontributory, Contributory, Public Safety & Tier 2 Public Employees Systems of the Utah Retirement Systems

	December 31, 2019	December 31, 2018	December 31, 2017
NONCONTRIBUTORY SYSTEM			
Proportion of Net Pension Liability (Asset)	1.9400430%	0.13562670%	0.13444290%
Proportionate Share of Net Pension Liability (Asset)	$2,275,729	$5,046,015	$3,287,616
Covered Payroll	$4,367,189	$3,890,106	$3,779,024
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Payroll	52.11%	129.71%	87.00%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	94.2%	84.1%	89.2%
CONTRIBUTORY SYSTEM			
Proportion of Net Pension Liability (Asset)	0.6972509%	0.2438650%	0.1958899%
Proportionate Share of Net Pension Liability (Asset)	$(39,313)	$173,145	$12,890
Covered Payroll	$36,234	$ 47,328	$44,570
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Payroll	-108.50%	365.84%	28.92%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.6%	91.4%	99.2%
PUBLIC SAFETY EMPLOYEE SYSTEM			
Proportion of Net Pension Liability (Asset)	0.0470806%	0.0444741%	0.0576864%
Proportionate Share of Net Pension Liability (Asset)	$69,525	$106,460	$100,309
Covered Payroll	$111,565	$95,132	$97,703
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Payroll	62.32%	111.91%	102.67%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	90.0%	83.2%	87.4%
TIER 2 PUBLIC EMPLOYEES SYSTEM			
Proportion of Net Pension Liability (Asset)	0.0317615%	0.0417512%	0.0469069%
Proportionate Share of Net Pension Liability (Asset)	$7,143	$17,881	$4,136
Covered Payroll	$-	$488,452	$459,108
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Payroll	0.00%	3.66%	0.90%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	96.5%	90.8%	97.4%

*Note: The College implemented GASB Statement No. 68 in fiscal year 2015. Information on the College's portion of the plans' net pension liabilities (assets) is not available for periods prior to fiscal year 2015.

	December 31, 2016	December 31, 2015	December 31, 2014
	0.14007400%	0.1367422%	0.13337391%
	$4,539,675	$4,295,464	$3,360,233
	$3,892,532	$3,700,352	$3,703,384
	116.63%	116.08%	90.73%
	84.9%	84.5%	87.2%
	0.1566075%	0.1293011%	0.2022073%
	$85,814	$81,027	$22,172
	$41,981	$40,959	$74,630
	204.41%	197.82%	29.71%
	93.4%	92.4%	98.7%
	0.0551717%	0.0338498%	0.0163291%
	$117,962	$72,874	$30,343
	$94,461	$64,819	$43,483
	124.88%	112.43%	69.78%
	83.5%	82.3%	84.3%
	0.0587211%	0.0785855%	0.03828340%
	$6,550	$(172)	$(1,160)
	$481,557	$507,818	$188,347
	1.36%	-0.03%	-0.62%
	95.1%	100.2%	103.5%

SCHEDULE OF SNOW COLLEGE'S CONTRIBUTIONS TO THE NONCONTRIBUTORY, CONTRIBUTORY, PUBLIC SAFETY EMPLOYEE, AND TIER 2 PUBLIC EMPLOYEES SYSTEMS

Last 10 fiscal years as of June 30

NONCONTRIBUTORY SYSTEM	2020	2019
Contractually Required Contribution	$967,261	$906,440
Contributions in Relation to the Contractually Required Contribution	(967,261)	(906,440)
Contribution Deficiency (Excess)	$-	$-
Covered Payroll	$4,460,791	$4,247,699
Contributions as a Percentage of Covered Payroll	21.68%	21.34%

CONTRIBUTORY SYSTEM ***	2020	2019
Contractually Required Contribution	$2,173	$7,774
Contributions in Relation to the Contractually Required Contribution	(2,173)	(7,774)
Contribution Deficiency (Excess)	$-	$-
Covered Payroll	$12,278	$43,919
Contributions as a Percentage of Employee Payroll	17.70%	17.70%

PUBLIC SAFETY EMPLOYEE SYSTEM	2020	2019
Contractually Required Contribution	$20,741	$18,962
Contributions in Relation to the Contractually Required Contribution	(20,741)	(18,962)
Contribution Deficiency (Excess)	$-	$-
Covered Payroll	$112,357	$102,720
Contributions as a Percentage of Covered Payroll	18.46%	18.46%

TIER 2 PUBLIC EMPLOYEES SYSTEM**	2020	2019
Contractually Required Contribution	$86,461	$85,625
Contributions in Relation to the Contractually Required Contribution	(86,461)	(85,625)
Contribution Deficiency (Excess)	$-	$-
Covered Payroll	$455,296	$453,761
Contributions as a Percentage of Covered Payroll	18.99%	18.87%

*The College began participating in the Public Safety Employee System in 2014. ** Contributions in Tier 2 include an amortization rate to help fund the unfunded liability in the Tier 1 systems. The Tier 2 Public Employees System was created in 2011.

2018	2017	2016	2015	2014	2013	2012	2011
$809,931	$857,936	$836,423	$805,884	$775,865	$721,092	$665,236	$691,667
(809,931)	(857,936)	(836,423)	(805,884)	(775,865)	(721,092)	(665,236)	(691,667)
$-	$-	$-	$-	$-	$-	$-	$-
$3,704,977	$3,914,819	$3,796,112	$3,638,231	$3,728,658	$3,867,489	$3,994,469	$4,238,154
21.86%	21.92%	22.03%	22.15%	20.81%	18.64%	16.65%	16.32%

2018	2017	2016	2015	2014	2013	2012	2011
$8,274	$7,504	$7,357	$7,143	$17,395	$21,989	$18,201	$38,003
(8,274)	(7,504)	(7,357)	(7,143)	(17,395)	(21,989)	(18,201)	(38,003)
$-	$-	$-	$-	$-	$-	$-	$-
$46,744	$42,397	$41,565	$40,354	$108,920	$154,093	$147,136	$213,141
17.70%	17.70%	17.70%	17.70%	15.97%	14.27%	12.37%	17.83%

2018	2017	2016	2015	2014	2013*	2012*	2011*
$28,363	$28,416	$22,979	$8,146	$6,062	N/A	N/A	N/A
(28,363)	(28,416)	(22,979)	(8,146)	(6,062)			
$-	$-	$-	$-	$-			
$96,903	$96,004	$81,885	$44,126	$37,011			
29.27%	29.60%	28.06%	18.46%	16.38%			

2018	2017	2016	2015	2014	2013	2012	2011***
$91,227	$80,703	$103,260	$61,888	$10,752	$8,040	$2,673	N/A
(91,227)	(80,703)	(103,260)	(61,888)	(10,752)	(8,040)	(2,673)	
$-	$-	$-	$-	$-	$-	$-	
$494,722	$442,452	$566,120	$338,740	$173,902	$107,256	$35,211	
18.44%	18.24%	18.24%	18.27%	6.18%	7.50%	7.59%	

***Contractually Required Contributions, Contributions, and Covered Payroll include information for Tier II Employees. The Tier 2 Public Employees System was created in fiscal year 2011. Prior to the implementation of GASB Statement No. 68, Tier 2 information was not separately available.