Arkansas Northeastern College

Blytheville, Arkansas

Basic Financial Statements
and Other Reports

June 30, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE

ARKANSAS NORTHEASTERN COLLEGE
TABLE OF CONTENTS
JUNE 30, 2023

BASIC FINANCIAL STATEMENTS

REQUIRED SUPPLEMENTARY INFORMATION

OTHER INFORMATION

LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

INDEPENDENT AUDITOR'S REPORT

Arkansas Northeastern College
Legislative Joint Auditing Committee

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of Arkansas Northeastern College (College), an institution of higher education of the State of Arkansas, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, 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, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Arkansas Northeastern College Foundation, Inc., which represents 100% of the assets and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Arkansas Northeastern College Foundation, Inc., is based solely on the report of the other auditors. The financial statements of the Arkansas Northeastern College Foundation, Inc. were not audited in accordance with *Government Auditing Standards.*

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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.

Report on Comparative Information

We have previously audited the College's 2022 financial statements, and we expressed unmodified opinions on the respective financial statements of the business-type activities and the discretely presented component unit in our report dated May 4, 2023. In our opinion, the comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, certain information pertaining to postemployment benefits other than pensions, and certain information pertaining to pensions on pages 7-10, 38-43, and 44-45 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 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 Information

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Selected Information for the Last Five Years (Schedule 1) but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2024 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.

ARKANSAS LEGISLATIVE AUDIT

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
June 27, 2024
EDHE18023

Arkansas

Sen. David Wallace
Senate Chair
Sen. John Payton
Senate Vice Chair

Rep. Jimmy Gazaway
House Chair
Rep. Richard Womack
House Vice Chair

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

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*

INDEPENDENT AUDITOR'S REPORT

Arkansas Northeastern College
Legislative Joint Auditing Committee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Arkansas Northeastern College (College), an institution of higher education of the State of Arkansas, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated June 27, 2024. Our report includes a reference to other auditors who audited the financial statements of the Arkansas Northeastern College Foundation, Inc., as described in our report on the College's financial statements. The financial statements of the Arkansas Northeastern College Foundation, Inc. were not audited in accordance with *Government Auditing Standards,* and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Arkansas Northeastern College Foundation, Inc. or that are reported on separately by those auditors who audited the financial statements of the Arkansas Northeastern College Foundation, Inc.

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 the state constitution, state laws and 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.*

We noted a certain matter that we reported to management of the College in a separate letter dated June 27, 2024.

500 WOODLANE STREET, SUITE 172 • LITTLE ROCK, ARKANSAS 72201-1099 • PHONE: (501) 683-8600 • FAX: (501) 683-8605
www.arklegaudit.gov

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

ARKANSAS LEGISLATIVE AUDIT

Matt Fink

Matt Fink, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
June 27, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

MANAGEMENT LETTER

Arkansas Northeastern College
Legislative Joint Auditing Committee

STUDENT ENROLLMENT DATA – In accordance with Ark. Code Ann. § 6-60-209, we performed tests of the student enrollment data for the year ended June 30, 2023, as reported to the Arkansas Division of Higher Education, to provide reasonable assurance that the data was properly reported. The enrollment data reported was as follows:

	Fall Term 2022	Spring Term 2023	Summer I Term 2023
Student Headcount	1,502	1,287	411
Student Semester Credit Hours	12,031	9,926	1,825

During our review, nothing came to our attention that would cause us to believe that the student enrollment data was not substantially correct.

This letter is intended solely for the information and use of the Legislative Joint Auditing Committee, the governing board, College management, state executive and oversight management, and other parties as required by Arkansas Code, and is not intended to be and should not be used by anyone other than these specified parties. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

Matt Fink

Matt Fink, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
June 27, 2024

Management’s Discussion and Analysis (Unaudited)

NATURE OF OPERATIONS

Arkansas Northeastern College (ANC) is a community college serving Mississippi County and the surrounding area by providing accessible, quality educational programs, services, and lifelong learning opportunities.

FINANCIAL STATEMENT PRESENTATION

Effective July 1, 2003, Mississippi County Community College and Cotton Boll Technical Institute merged to establish the Arkansas Northeastern College.

The financial statements of Arkansas Northeastern College have been prepared on an accrual basis, including the depreciation of capital assets. The financial statement presentation required by GASB Statements no. 34 and no. 35 provides a comprehensive, entity-wide perspective of the College’s assets, liabilities, net position, revenue, expenses, changes in net position, cash flows, and replaces the fund group perspective previously required.

Published in April 2000, the Governmental Accounting Standards Board (GASB) Statement no. 35, *“Basic Financial Statements – Management’s Discussion and Analysis for Public Colleges and Universities”* is an amendment of GASB Statement no. 34. As originally issued, Statement no. 34, *“Basic Financial Statements – Management’s Discussion and Analysis for State and Local Governments”* was not applicable to public colleges and universities. Rather than issuing separate standards, GASB decided to provide financial reporting guidance for public colleges and universities by amending Statement no. 34 to extend its applicability to include public colleges and universities. GASB Statement no. 35 supersedes GASB Statement no.15. Statement no. 15 allowed public colleges and universities to choose one of two models when preparing financial statements. Public colleges and universities could choose the model contained in the 1973 AICPA Industry Audit Guide, Audits of Colleges and Universities (AICPA College Guide Model) or the Governmental Model. As an institution of higher education of the State of Arkansas, Arkansas Northeastern College implemented GASB requirements on the same timeline as the State of Arkansas on June 30, 2002.

Generally, GASB Statement no. 35 permits colleges and universities to report as a special-purpose government engaged in business-type activities (BTA). BTA reporting requires an institution, in separately issued reports, to include a Management’s Discussion and Analysis (MD and A), basic financial statements, and required supplementary information (RSI). This includes a MD and A, a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, a Statement of Cash Flows, notes to the financial statements, and other applicable supplementary information.

The required basic financial statements are prepared using the economic resources measurement and the accrual basis of accounting. This means essentially full business accounting recording depreciation of capital assets. The straight-line method is being used. Revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recognized in the period in which they are incurred including depreciation.

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 at the end of the fiscal year and includes all assets and liabilities of the College. The purpose of this statement is to present a fiscal snapshot of the College. The difference between total assets and total liabilities 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 Net Position also presents assets available for operations and allows readers to determine how much the College owes vendors and other institutions. The net position is divided into net investment in capital assets, restricted, and unrestricted categories. Net position at June 30, 2023 was $24,478,784.

For review purposes, current assets consist primarily of cash and receivables. Noncurrent assets consist of capital assets, such as land, buildings, infrastructure and improvements, equipment, and restricted cash and cash equivalents. Current assets and noncurrent assets were $10,813,159 and $25,963,018, respectively. Deferred outflows of resources were $2,426,623. Total assets and deferred outflows of resources were $39,202,800 at June 30, 2023.

Current liabilities consist primarily of vendor payments, an amount of accrued compensated absences for employees, unearned revenues, interest payable, bonds payable, leases payable, and the current portion of other post-employment benefits payable. Noncurrent liabilities of the College are accrued compensated absences, other post-employment benefits, net pension liability, bonds payable, and leases payable. Total current and noncurrent liabilities were $1,301,120 and $12,764,252. respectively. Deferred inflows of resources were $658,644. Total liabilities and deferred inflows of resources were $14,724,016 at June 30, 2023.

STATEMENT OF NET POSITION (Continued)

A condensed Comparative Statement of Net Position is presented below:

Assets:	**June 30, 2023**	**June 30, 2022**
Current Assets	$ 10,813,159	$ 11,848,261
Noncurrent Assets - Noncapital Assets	4,121,668	3,692,064
Noncurrent Assets - Capital Assets, Net	21,841,350	22,880,965
Total Assets	**$ 36,776,177**	**$ 38,421,290**
Deferred Outflows of Resources	2,426,623	1,882,959
Total Assets and Deferred Outflows of Resources	**$ 39,202,800**	**$ 40,304,249**
Liabilities:		
Current Liabilities	$ 1,301,120	$ 1,169,055
Noncurrent Liabilities	12,764,252	10,371,406
Total Liabilities	**$ 14,065,372**	**$ 11,540,461**
Deferred Inflows of Resources	658,644	3,096,246
Total Liabilities and Deferred Inflows of Resources	**$ 14,724,016**	**$ 14,636,707**
Net Position:		
Net Investment in capital assets	$ 15,787,441	$ 16,277,982
Restricted for scholarships	202,722	200,320
Restricted for maintenance	800,000	600,000
Restricted for other purposes	1,211,620	506,878
Unrestricted	6,477,001	8,082,362
Total Net Position	**$ 24,478,784**	**$ 25,667,542**
Total Liabilities and Deferred Inflows of Resources and Total Net Position	**$ 39,202,800**	**$ 40,304,249**

A summary of capital assets is presented in Note 4 of the accompanying notes to financial statements. Depreciation expense of $1,138,853 was reported for the year ended June 30, 2023.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

This statement presents the results of operations for the College for year ending June 30, 2023. The total net position presented in the Statement of Net Position is based on information presented in this statement. This statement presents revenues received by the College (operating and non-operating) and expenses paid by the College (operating and non-operating) during the fiscal year.

Generally, operating revenues are received for providing goods and services to students and other constituencies of the College. These revenues include student tuition and fee payments (net of scholarship allowances), federal, state and local grants, auxiliary enterprises, and other operating revenues. Operating revenues were $6,829,416 for the year ended June 30, 2023. Non-operating revenues are revenues received for which goods and services are not provided. These revenues include state appropriations, property taxes, gifts, investment income, and Pell grants, and HEERF (Higher Education Emergency Relief Fund). State appropriations are considered non-operating because the Arkansas State Legislature provides them to the College without the Legislature directly receiving commensurate goods and services for those revenues. Net non-operating revenues and expenses were $14,507,110 for the year ended June 30, 2023.

Operating expenses are those expenses paid to acquire goods and services provided in return for operating revenues and to carry out the mission of the college. The operating expenses are presented in this statement in what is considered natural classifications such as personal services, supplies and services, scholarships and fellowships, and depreciation. Operating expenses were $22,528,534 for the year ended June 30, 2023, including depreciation expense of $1,138,853.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (Continued)

A condensed Comparative Statement of Revenues, Expenses and Changes in Net Position is presented below:

	June 30, 2023	June 30, 2022
Operating Revenues	$ 6,829,416	$ 6,680,011
Operating Expenses	22,528,534	20,483,331
Operating Income (Loss)	(15,699,118)	(13,803,320)
Net Non-Operating Revenues (Expenses)	14,507,110	15,731,686
Income (Loss) Before Other Revenues, Expenses, Gains or Losses	**$ (1,192,008)**	**$ 1,928,366**
Other Revenues, (Expenses), Gains, or (Losses)	3,250	77,322
Change in Net Position	**$ (1,188,758)**	**$ 2,005,688**
Net Position- Beginning	**25,667,542**	**23,661,854**
Total Net Position - Ending	**$ 24,478,784**	**$ 25,667,542**

Significant operating revenues for the year ended June 30, 2023, included federal grants and contracts of $2,834,850, tuition and fees of $1,837,717 and state and local grants and contracts of $1,518,591. These categories represented 91% of the College's operating revenues. Operating expenses included personal services of $11,272,362, supplies and services of $9,056,318, and scholarships and fellowships of $999,535. These categories represented 95% of total operating expenses.

Significant non-operating revenues included state appropriations of $10,715,697, federal grants and contracts (Pell awarded) of $1,595,232, property taxes of $923,428, gifts of $329,944 and HEERF of $1,114,154. Significant non-operating expenses included interest on capital asset-related debt of $255,185.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows presents a detailed look at the College's cash activity during the fiscal year. The first part of this statement shows cash flows from operating activities and the net cash used by the operating activities. The second part reflects cash flows from noncapital financing activities such as state appropriations. The third part deals with the cash used for capital and related financing activities. The fourth part reflects cash flows from investing activities. The final part is a reconciliation of net cash used by operating activities to the operating income or loss reflected on the Statement of Revenues, Expenses, and Changes in Net Position. The College had an decrease of $814,410 in cash for year ending June 30, 2023.

A condensed Comparative Statement of Cash Flows is presented below:

	June 30, 2023	June 30, 2022
Cash provided (used) by:		
Operating Activities	$ (14,884,042)	$ (12,988,477)
Noncapital Financing Activities	14,837,002	16,141,748
Capital and Related Financing Activities	(827,311)	(756,122)
Investing Activities	59,941	16,750
Net Increase (Decrease in Cash)	**$ (814,410)**	**$ 2,413,899**
Cash -Beginning of Year	12,605,619	10,191,720
Cash -Ending of Year	**$ 11,791,209**	**$ 12,605,619**

ECONOMIC OUTLOOK

Like other state institutions and agencies, there was no significant change in the College's state appropriations for the fiscal year 2023. On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered the Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). The extent of the impact of COVID-19 on our financial statements for future reporting periods will depend on certain developments, including the duration and speed of the breakout and revenue collections-all of which are uncertain and cannot be predicted. The financial impact of COVID-19 is uncertain as of the audit report date.

As a result of the uncertainty surrounding for the COVID-19's threat to future funding, the College is not expecting to see an increase in the amount of state funding for 2023-2025 biennium and is prepared for possible decrease in funding. The College has taken a conservative budgeting approach to estimating future funding and as a result have included reductions in operating expenditures to maintain a balanced budget in future periods.

Careful monitoring of the external economic environment in conjunction with a conservative budgeting process will enable the College to maintain sufficient resources to react to uncertain economic times and avoid interruptions in normal operations. Despite the economic impact caused by efforts to mitigate the spread of COVID-19, the College remains financially sound as a result of operational efficiency in previous years.

CAPITAL ASSETS

Capital Assets are recorded at cost at the date of acquisition or acquisition value at the date of donation. Library holdings are reported at a stated rate per volume. The College follows the State guidelines for capitalization. Renovations to buildings, infrastructure, and improvements that significantly increase the value or extend the useful life of the asset are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense is incurred. Intangible assets will be capitalized when the cost equals or exceeds $100,000.

Depreciation is computed using the straight-line method over the useful lives of the assets; 30-50 years for buildings, 15-30 years for improvements and infrastructure, 10 years for library holdings, and 5 to 20 years for equipment and vehicles.

ARKANSAS NORTHEASTERN COLLEGE
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2023

Exhibit A

	2023	2022
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 8,903,927	$ 10,188,378
Cash held by trustee	668	4
Short-term investments	399,593	399,593
Accounts receivable (less allowances of $177,114 and $134,123)	207,392	98,410
Other receivables	843,787	1,108,649
Inventories	17,674	14,614
Prepaid expenses	437,812	38,044
Accrued interest	2,306	569
Total Current Assets	10,813,159	11,848,261
Noncurrent Assets:		
Restricted cash and cash equivalents	2,886,614	2,417,237
Long-term investments	487,500	487,500
Property tax receivable (net of estimated uncollectable amounts)	537,473	515,824
Accrued interest	72	28
Capital Assets:		
Right to use leased assets (net of amortization of $97,321 and $35,855)	210,009	271,475
Capital assets (net of accumulated depreciation of $27,923,777 and $26,974,599)	21,841,350	22,880,965
Total Noncurrent Assets	25,963,018	26,573,029
TOTAL ASSETS	**36,776,177**	**38,421,290**
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount related to pensions	2,172,014	1,592,358
Deferred amount related to other post employment benefits (OPEB)	188,902	216,229
Deferred amount related to refunding	65,707	74,372
Total Deferred Outflows of Resources	2,426,623	1,882,959
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**$ 39,202,800**	**$ 40,304,249**
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued liabilities	$ 620,483	$ 492,098
Bonds payable	178,675	173,675
Leases payable	60,413	58,484
Unearned revenues	194,188	220,454
Interest payable	97,218	99,031
Compensated absences	57,822	49,595
Other postemployment benefits (OPEB) liability	92,321	75,718
Total Current Liabilities	1,301,120	1,169,055
Noncurrent Liabilities:		
Bonds payable	6,248,858	6,427,532
Leases payable	154,354	214,767
Compensated absences	665,497	686,447
Net pension liability - ATRS/APERS	4,988,318	2,352,360
Other post employment benefits (OPEB) liability	707,225	690,300
Total Noncurrent Liabilities	12,764,252	10,371,406
TOTAL LIABILITIES	**14,065,372**	**11,540,461**
DEFERRED INFLOWS OF RESOURCES		
Deferred amount related to pensions	570,260	2,998,475
Deferred amount related to other post employment benefits (OPEB)	88,384	97,771
Total Deferred Inflows of Resources	658,644	3,096,246
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	**14,724,016**	**14,636,707**

ARKANSAS NORTHEASTERN COLLEGE
COMPARATIVE STATEMENT OF NET POSITION
JUNE 30, 2023

Exhibit A

	2023	2022
NET POSITION		
Net investment in capital assets	$ 15,787,441	$ 16,277,982
Restricted for:		
Expendable:		
Scholarships and fellowships	202,722	200,320
CAT maintenance reserve	800,000	600,000
Other	1,211,620	506,878
Unrestricted	6,477,001	8,082,362
TOTAL NET POSITION	**24,478,784**	**25,667,542**
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND TOTAL NET POSITION	**$ 39,202,800**	**$ 40,304,249**

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

ARKANSAS NORTHEASTERN COLLEGE FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

Exhibit A-1

ASSETS		
Cash and cash equivalents	$	2,141,754
Certificates of deposits		3,207,247
Accrued receivables		60,037
Other current assets		1,144
Investments, at fair value		111,233
Land		1,692,000
Property and equipment, net		1,063,128
TOTAL ASSETS	$	8,276,543
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$	32,337
NET ASSETS		
Without donor restrictions		
Undesignated		2,297,893
Board designated		664,014
Total without donor restrictions		2,961,907
With donor restrictions		
Restricted as to purposes		1,725,764
Restricted in perpetuity		3,556,535
Total with donor restrictions		5,282,299
Total Net Assets		8,244,206
TOTAL LIABILITIES AND NET ASSETS	$	8,276,543

ARKANSAS NORTHEASTERN COLLEGE Exhibit B

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION

FOR THE YEAR ENDING JUNE 30, 2023

	2023	2022
OPERATING REVENUES		
Student tuition and fees (net of scholarships allowances of $2,343,102 and $1,914,486)	$ 1,837,717	$ 1,572,386
Federal grants and contracts	2,834,850	2,720,678
State and local grants and contracts	1,518,591	1,413,934
Auxiliary enterprises	94,203	84,974
Other operating revenues	544,055	888,039
TOTAL OPERATING REVENUES	**6,829,416**	**6,680,011**
OPERATING EXPENSES		
Personal services	11,272,362	10,685,180
Scholarships and fellowships	999,535	2,311,649
Supplies and services	9,056,318	6,223,880
Depreciation	1,138,853	1,226,767
Amortization of leases	61,466	35,855
TOTAL OPERATING EXPENSES	**22,528,534**	**20,483,331**
OPERATING INCOME (LOSS)	**(15,699,118)**	**(13,803,320)**
NON-OPERATING REVENUES (EXPENSES)		
State appropriations	10,715,697	10,617,654
Property taxes	923,428	910,420
Federal grants & contracts	1,595,232	1,585,113
Gifts	329,944	317,125
Investment income	61,721	16,819
Interest on capital asset - related debt	(255,185)	(255,637)
Gain or (loss) on the disposal of assets	(67,582)	-
Other nonoperating revenue	89,701	78,556
HEERF grants - related to COVID-19	1,114,154	2,461,636
NET NON-OPERATING REVENUES (EXPENSES)	**14,507,110**	**15,731,686**
INCOME BEFORE OTHER REVENUES , EXPENSES, GAINS OR LOSSES	**(1,192,008)**	**1,928,366**
OTHER REVENUES (EXPENSES), GAINS, OR (LOSSES)		
Capitalization of library holdings at rate per volume	3,250	3,445
Unidentified variance		73,877
INCREASE (DECREASE) IN NET POSITION	**(1,188,758)**	**2,005,688**
NET POSITION - BEGINNING OF YEAR	25,667,542	23,661,854
NET POSITION - END OF YEAR	**$ 24,478,784**	**$ 25,667,542**

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

ARKANSAS NORTHEASTERN COLLEGE FOUNDATION, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2023

Exhibit B-1

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT, REVENUES AND RECLASSIFICATION			
Contributions	$ 779	$ 224,501	$ 225,280
Interest and dividends	18,058	14,428	32,486
Fund-raising	35,568	71,890	107,458
Building rent	604,990		604,990
Farmland rent		166,430	166,430
Net assets released from restrictions			
Scholarships	318,139	(318,139)	
Total Support, Revenues and Reclassification	977,534	159,110	1,136,644
EXPENSES			
Program Services			
Scholarships	318,139		318,139
Supporting Services			
General and administrative	323,620	1,117	324,737
Fund-raising expenses	7,523	25,000	32,523
Farmland expense		6,674	6,674
Total Expenses	649,282	32,791	682,073
INCREASE (DECREASE) IN NET ASSETS	328,252	126,319	454,571
NET ASSETS, BEGINNING OF YEAR	2,471,481	5,318,154	7,789,635
NET ASSETS, END OF YEAR	$ 2,799,733	$ 5,444,473	$ 8,244,206

ARKANSAS NORTHEASTERN COLLEGE
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING JUNE 30, 2023

Exhibit C

	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES		
Student tuition and fees	$ 1,822,514	$ 1,651,379
Federal grants and contracts	3,036,336	2,724,663
State and local grants and contracts	1,567,487	1,532,536
Auxiliary enterprises revenue	94,757	88,911
Other receipts	347,441	840,795
Payments to employees	(8,990,735)	(8,125,278)
Payments for employee benefits	(2,611,892)	(3,043,383)
Payments to suppliers	(9,150,415)	(6,346,451)
Scholarships and fellowships	(999,535)	(2,311,649)
Net cash provided (used) by operating activities	**(14,884,042)**	**(12,988,477)**
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	10,715,697	10,617,654
Gifts	328,229	388,980
Federal grants and contracts	1,687,333	1,577,669
HEERF grants-related to COVID-19	1,114,154	2,469,455
Direct lending loan receipts		18,500
Direct lending loan payments		(18,500)
Property taxes	901,779	930,409
Other agency funds - net	109	5,148
Revenue in lieu of taxes	89,701	78,556
Unidentified variance		73,877
Net cash provided (used)by noncapital financing activities	**14,837,002**	**16,141,748**
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments to trustee for bond principal and interest	(413,994)	(412,309)
Payments to debt holders for principal and interest (other than bonds)	(66,499)	(38,791)
Purchases of capital assets	(346,818)	(305,022)
Net cash provided (used) by capital and related financing activities	**(827,311)**	**(756,122)**
CASH FLOW FROM INVESTING ACTIVITIES		
Interest on investments	59,941	16,750
Net cash provided (used) by investing activities	**59,941**	**16,750**
Net increase (decrease) in cash and cash equivalents	**(814,410)**	**2,413,899**
Cash and cash equivalents - beginning of year	**12,605,619**	**10,191,720**
Cash and cash equivalents - end of year	**$ 11,791,209**	**$ 12,605,619**

ARKANSAS NORTHEASTERN COLLEGE
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING JUNE 30, 2023

Exhibit C

	2023	2022
Reconciliation of net operating revenues (expenses) to net cash provided (used) by operating activities:		
Operating income (loss)	**$ (15,699,118)**	**$ (13,803,320)**
Adjustments to reconcile net income (loss to net cash provided (used) by operating activities:		
Depreciation and amortization expense	1,200,319	1,262,622
Change in assets and liabilities:		
Receivables, net	65,385	214,024
Inventories	(3,060)	(1,017)
Prepaid expenses	(216,519)	(5,945)
Accounts payable and accrued liabilities, net	128,385	(202,654)
Compensated absences	(12,723)	(33,355)
Pension - GASB 68	(371,913)	(397,487)
Other postemployment benefits (OPEB)	51,468	34,406
Unearned revenue	(26,266)	(55,751)
Net cash provided (used) by operating activities	**$ (14,884,042)**	**$ (12,988,477)**
Noncash Transactions		
Adjustment of library holdings - rate per volume	$ 3,250	$ 3,445

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

NOTE 1: Summary of Significant Accounting Policies

Reporting Entity

Arkansas Northeastern College, an institution of higher education was established under the provisions of Act 103 of 1973. On December 14, 1974, the establishment of a community college district and the levying of a three mill tax were approved by the voters. The governing body is the Board of Trustees composed of nine members appointed by the Governor of Arkansas. Effective July 1, 2003, Cotton Boll Technical Institute was merged with Mississippi County Community College to establish Arkansas Northeastern College.

The College's financial statements reflect all funds and accounts directly under the control of the College. The Arkansas Northeastern College Foundation, Inc. (the Foundation) is a legally separate, tax-exempt component unit of Arkansas Northeastern College (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 17 member board of the Foundation is self-perpetuating and consists of residents of the area. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources or income thereon, which the Foundation holds and invests are restricted to the activities of the College by donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements.

During the year ended June 30, 2023, the Foundation distributed $318,139 to the College for scholarships. Complete financial statements for the Foundation can be obtained from the Business Office, Arkansas Northeastern College, P.O. Drawer 1109, Blytheville, Arkansas, 72316.

Financial Statement Presentation

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement no. 34, *Basic Financial Statements - and Management Discussion and Analysis - for State and Local Governments.* GASB Statement no. 35*, Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities,* followed this in November 1999.

In June 2011, the GASB issued Statement no. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The use of net position as the residual of all other elements presented in a statement of financial position has also been identified. This statement amends the net asset reporting requirement in Statement no. 34 and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

The financial statement presentation required by GASB no. 34 and no. 35, as amended, provides a comprehensive, entity-wide perspective of the College's assets, liabilities, net position, revenues, expenses, changes in net position, cash flows, and replaces the fund-group perspective previously required.

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 focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation is incurred. All significant intra-agency transactions have been eliminated.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Capital Assets and Depreciation

Land, buildings, improvements and infrastructure, equipment, and construction in progress are reported at cost or estimated historical cost if actual data is not available. Donated capital assets as defined by GASB Statement no. 72, *Fair Value Measurement and Application,* are reported at acquisition value when received. Library holdings are reflected at a stated rate per volume and consist of books only. The College follows the State guidelines for capitalization. Intangible assets will be capitalized when the cost equals or exceeds $100,000.

Depreciation is computed using the straight-line method over the estimated lives of the assets, generally 30 to 50 years for buildings, 15 to 30 years for infrastructure and improvements, 10 years for library holdings, and 5 to 20 years for equipment and vehicles.

Operating and Nonoperating Revenues

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

Operating revenues result from activities that have characteristics of exchange transactions; that is, the College receives payment in exchange for providing services or products to students or other constituencies. Student tuition and fees, net of scholarship allowances, and most federal, state, and local grants are the primary categories of operating revenues for the College.

Nonoperating revenues are those revenues that result from nonexchange transactions or from activities specifically defined as nonoperating by the GASB. State appropriations are considered nonoperating under the definitions set forth by the GASB because the College does not provide a direct and commensurate benefit to the legislature in exchange for such funding. Other items categorized as nonoperating revenues included property taxes, gifts, investment income, and some federal grants.

Cash Equivalents

For purposes of financial statement presentation, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable consists of tuition and fee charges to students. Accounts receivable also includes amounts due from federal, state, and local entities in connection with reimbursement of allowable expenditures made pursuant to the College's grant and contracts.

Investments

Investments are stated at cost under the provisions of Statement no. 31 of the Governmental Accounting Standards Board. Investments consist of certificates of deposit classified as nonparticipating contracts.

Inventories

Inventories are valued at cost with cost being generally determined on a first-in, first-out basis.

Right to Use Assets

The College has accounted for the authority to use these assets on the Statement of Net Position and amortizes them over the term of the contract.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Leases Payable

The College has leases for copiers. The leased asset is recorded on the Statement of Net Position and amortized over the term of the contract. The amount payable over the contract is recorded as a lease payable on the Statement of Net Position.

Detailed information on leases payable can be found in Note 10.

Noncurrent Cash and Investments

Cash and investments that are restricted to purchase or to construct capital assets are classified as noncurrent assets in the Statement of Net Position. Additionally, this classification includes other long-term investments with original maturity dates greater than one year.

Restricted/Unrestricted Resources

The College has no formal policy addressing which resource to use when both restricted and unrestricted net position are available for the same purpose. College personnel decide which resources to use at the time the expense are incurred.

Unearned Revenues

Unearned revenues include, but are not limited to amounts received for tuition and fees prior to the end of the fiscal year but related to the subsequent accounting period. These are considered liabilities of the College until earned.

Compensated Absences Payable

Compensated absences payable represents the College's liability for unused annual and sick leave and related matching costs at June 30, 2023.

Noncurrent Liabilities

Noncurrent liabilities include (1) principal amounts of bonds payable with contractual maturities greater than one year; (2) estimated amounts for accrued compensated absences and related matching costs that will not be paid within the next fiscal year; (3) other postemployment benefits (Note 12); (4) net pension liability (Note 7); and principal amounts of leases payable with contractual maturities greater than one year (Note 5).

Property Taxes

Property taxes are levied in November based on property assessment made between January 1 and May 31 and are an enforceable lien on January 1 for real property and June 1 for personal property. The tax records are opened on the first business day in March of the year following the levy date and are considered delinquent after October 15 of the same calendar year.

Scholarship Discounts and Allowances

Student tuition and fees, 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 College's stated rates and changes for goods and services and the amount actually paid by students and/or third parties making payments on behalf of the students. Under this approach, scholarships awarded by the College are considered as reductions in tuition and fee revenues rather than expenses. Additionally, certain government grants, such as Pell grants, payments from other federal, state or nongovernmental programs, are required to be recorded as either operating or nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are applied to tuition, fees, and other student charges, the College has recorded a corresponding scholarship discount or allowance.

NOTE 2: Public Fund Deposits and Investments

Cash deposits are carried at cost. The College's cash deposits at year-end are shown below:

	Carrying Amount	Bank Balance
Insured (FDIC)	$ 4,173,174	$ 4,172,150
Uninsured, Collateralized	8,503,878	7,832,759
Total Deposits	$ 12,677,052	$ 12,004,909

The above deposits do not include cash on hand in the amount of $1,250 at June 30, 2023. The above total deposits include certificates of deposits of $887,093 reported as investments and classified as nonparticipating contracts.

NOTE 3: Income Taxes

The College is tax exempt under Internal Revenue Service code. It is also exempt from state income taxes under Arkansas law. Accordingly, no provision for income taxes is made in the financial statements.

NOTE 4: Capital Assets

Following are the changes in capital assets for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Retirements	Adjustments	Balance June 30, 2023
Capital assets non-depreciable:					
Land and improvements	$ 1,246,356				$ 1,246,356
Total capital assets not being depreciated	**$ 1,246,356**				**$ 1,246,356**
Other capital assets:					
Improvements and infrastructure	$ 3,356,534	$ 70,117	$ (150,355)		$ 3,276,296
Buildings	35,751,231				35,751,231
Vehicles and equipment	9,013,162	276,702	(106,902)		9,182,962
Library holdings	305,032	3,250			308,282
Intangibles- software	183,249	358,558		$ (541,807)	
Total other capital assets	**$ 48,609,208**	**$ 708,627**	**$ (257,257)**	**$ (541,807)**	**$ 48,518,771**
Less accumulated depreciation for:					
Improvements and infrastructure	$ 2,050,299	$ 171,703	$ (84,713)		$ 2,137,289
Buildings	16,348,160	776,244			17,124,404
Vehicles and equipment	8,300,163	185,025	(104,962)		8,380,226
Library holdings	275,977	5,881			281,858
Total accumulated depreciation	26,974,599	1,138,853	(189,675)		27,923,777
Other capital assets, net	**$ 21,634,609**	**$ (430,226)**	**$ (67,582)**	**$ (541,807)**	**$ 20,594,994**
Capital Asset Summary:					
Non-depreciable capital assets	$ 1,246,356				$ 1,246,356
Other capital assets, at cost	48,609,208	$ 708,627	$ (257,257)	$ 541,807)	48,518,771
Total cost of capital assets	**$ 49,855,564**	**$ 708,627**	**$ (257,257)**	**$ (541,807)**	**$ 49,765,127**
Less accumulated depreciation	26,974,599	1,138,853	(189,675)		27,923,777
Capital Assets, net	**$ 22,880,965**	**$ (430,226)**	**$ (67,582)**	**$ (541,807)**	**$ 21,841,350**

The Adjustments column is comprised of correcting Intangibles-software balance due to GASB Statement no. 96.

NOTE 5: Long-Term Liabilities

A summary of long-term debt is as follows:

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding June 30, 2023	Maturities to June 30, 2023
December 28, 2017	February 1, 2047	1.95 to 4.00%	$ 7,280,000	$ 6,460,000	$ 820,000
December 7, 2021	December 7, 2026	3.25%	307,330	214,767	92,563
Unamortized discount			(39,756)	(32,467)	(7,289)
Totals			**$ 7,547,574**	**$ 6,642,300**	**$ 905,274**

The changes in long-term liabilities are as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Amounts due within one year
Bond payable	$ 6,601,207		$ 173,674	$ 6,427,533	$ 178,675
Lease payable	273,251		58,484	214,767	60,413
Compensated absences payable	736,042	$ 640,892	653,615	723,319	57,822
Totals	**$ 7,610,500**	**$ 640,892**	**$ 885,773**	**$ 7,365,619**	**$ 296,910**

Total long-term debt principal and interest payments are as follows:

	Bond payable		Lease payable*	
Year ended June 30	Principal	Interest	Principal	Interest
2024**	$ 180,000	$ 234,619	$ 60,413	$ 6,085
2025	185,000	230,119	62,406	4,092
2026	190,000	225,494	64,464	2,034
2027	195,000	219,556	27,484	224
2028	200,000	213,462		
2029-2033	1,105,000	966,056		
2034-2038	1,310,000	760,263		
2039-2043	1,585,000	492,838		
2044-2047	1,510,000	154,000		
Totals	**$ 6,460,000**	**$ 3,496,407**	**$ 214,767**	**$ 12,435**

*Additional information on leases payable can be found in Note 10.
**Includes interest payable of $97,218 recorded as a current liability at June 30, 2023.

NOTE 6: Pledged Revenues

The College has pledged future property tax revenue to repay $7,280,000 in revenue bonds issued December 28, 2017. Proceeds from the bonds provided financing for construction. The bonds are payable solely from property tax revenues and are payable through February 1, 2047. Annual principal and interest remaining to be paid on the bonds is $9,956,407. Principal and Interest paid for the current year and total property tax revenues were $413,994 and $923,428, respectively. The percentage of property tax pledged for the year ended June 30, 2023, was 45%.

NOTE 7: Retirement Plans

Arkansas Teacher Retirement System

Summary of Significant Accounting Policies

Pensions: For purposes of measuring 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 Arkansas Teacher Retirement System (ATRS) and additions to and deductions from ATRS fiduciary net position have been determined on the same basis as reported by ATRS. 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.

(a) General Information about the Pension Plan

Plan Description. The College contributes to the Arkansas Teacher Retirement System (ATRS), a cost-sharing multiple-employer defined benefit pension plan for employees who do not elect a qualified alternative retirement plan. ATRS is administered by the ATRS Board of Trustees. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly.

The Arkansas Teacher Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for ATRS. The report may be obtained by writing to Arkansas Teacher Retirement System, 1400 West Third Street, Little Rock, Arkansas 72201, by calling 1-501-682-1517 or from the website, www.artrs.gov/publications.

ATRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries as follows:

Members are eligible for full retirement benefits at age 60 with five or more years of actual or reciprocal service or at any age with 28 or more years of credited service. Members with 25 years of actual or reciprocal services who have not attained age 60 may receive an annuity reduced by 10/12 of 1% multiplied by the number of months by which the early retirement precedes the earlier of (1) completion of 28 years of credited service or (2) attainment of age 60. The normal retirement benefit, paid monthly, is determined based on (1) the member’s final average salary and (2) the number of years of service. Disability retirement benefits are payable to members who are vested and demonstrate total and permanent incapacity to perform the duties of their position while in active employment. The disability annuity is computed in the same manner as the age and service annuity. Survivor benefits are payable to qualified survivors upon the death of an active, vested member.

Eligible spouse survivors receive a survivor annuity that is based on the member’s years of service credit prior to their death, and minor child survivors receive a percentage of the member’s highest salary earned. A lump sum death benefit is provided for active and retired members with 10 years of actual service. A cost of living adjustment (COLA) is payable on July 1 of each year to retirees, certain survivors, and annuity beneficiaries who received monthly benefits for the previous 12 months. The COLA is determined by multiplying 100% of the member’s base retirement annuity by 3%.

Contributions. Arkansas Code Title 24 establishes the contribution requirements of active members and participating employers. Contribution rates for the plan are as follows:

Funding Policy. ATRS provides for periodic employer contributions at statutorily established rates based on annual actuarial valuations. The current employer rate is 15% of covered salaries, the maximum allowed by state law. The College’s contributions to ATRS for the years ended June 30, 2023, 2022, and 2021, were $345,627, $307,222 and $320,050, respectively, equal to the required contributions for each year.

ATRS has contributory and non-contributory plans. The contributory plan has been in effect since the beginning of the plan. Contributory members are required by law to contribute 7% of their gross wages. The noncontributory plan began July 1, 1986. Effective July 1, 1999, all new members were automatically enrolled as contributory members. Active members as of July 1, 1999, were allowed to make an irrevocable choice between the contributory or noncontributory plan. Employee contributions are refundable if covered employment terminates before a monthly benefit is payable.

NOTE 7: Retirement Plans (Continued)

Arkansas Teacher Retirement System (Continued)

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

On June 30, 2023, the College reported a liability of $3,285,231 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability for the plan was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on current contributions of all participating employers. At June 30, 2022, the College's proportion was .0622% for ATRS.

For the fiscal year ending June 30, 2023, the College recognized a pension expense of $16,397. In addition, the College reported deferred outflows of resources and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual expense	$ 63,322	$ 7,071
Net differences between projected and actual earnings on pension plan investments	480,836	
Changes of Assumptions	340,875	
Changes in proportion and differences between employers and proportionate share of contributions	126,185	497,967
College contributions subsequent to the measurement date	345,627	
Total	**$ 1,356,845**	**$ 505,038**

Deferred outflows of resources, $345,627, were reported relating to pensions resulting from the College's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. 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 June 30:	
2024	$ 144,628
2025	115,676
2026	(108,737)
2027	354,613

Actuarial assumptions. The total pension liability in the actuarial valuation (as of the date noted below) was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	ATRS
Date of actuarial valuation	June 30, 2022
Inflation rate	2.75%
Salary increases	2.75% to 7.75%
Investment rate of return	7.25%
Mortality table	Pub-2010 Healthy Retired, General Disabled Retiree, and General Employee Mortality weighted tables were used for males and females. Mortality rates were adjusted for future mortality improvements using projection scale MP-2020 from 2010.
Actuarial experience study dates	July 1, 2015 through June 30, 2020

NOTE 7: Retirement Plans (Continued)

Arkansas Teacher Retirement System (Continued)

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

Investment Rate of Return. The long-term expected rate of return on pension plan investments of the ATRS plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant and actuary.

For each major asset class that is included in each pension plan's target asset allocation as June 30, 2022, these best estimates are summarized in the following table:

ATRS		
Asset Class	**Target Allocation**	**Long-Term Expected Real Rate of Return**
Total equity	53%	5.3%
Fixed income	15%	1.3%
Alternatives	5%	4.8%
Real assets	15%	4.0%
Private equity	12%	7.6%
Cash equivalents	0%	0.5%

Discount rate. The discount rate for the ATRS plan was determined as follows:

A single discount rate of 7.25% was used to measure the total pension liability based on the expected rate of return on pension plan investments. The current member and employer contribution rates are 7% and 15% of active member payroll, respectively. Although not all members contribute, the member and employer rates were scheduled to increase by 0.25% increments ending FY23. The ultimate member and employer rates will be 7% and 15%, respectively. The projection of cash flows used to determine this single discount rate assumes that member and employer contributions will be made in accordance with this schedule. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

***Sensitivity of 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 for the ATRS plan calculated using the discount rate stated above, as well as what the College's proportionate share of net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 6.25%	**Current discount rate 7.25%**	**1% Increase 8.25%**
ATRS – Current discount rate 7.25%	$ 5,222,456	$ 3,285,231	$ 1,678,038

Pension plan fiduciary net position. Detailed information about the ATRS pension plan's fiduciary net position is available in the separately issued financial report of the plan.

NOTE 7: Retirement Plans (Continued)

Arkansas Public Employees Retirement System

Summary of Significant Accounting Policies

Pensions: For purposes of measuring 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 Arkansas Public Employees Retirement System (APERS) and additions to and deductions from APERS fiduciary net position have been determined on the same basis as they are reported by APERS. 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.

(a) General Information about the Pension Plan

Plan Description. The College contributes to the Arkansas Public Employees Retirement System (APERS), a cost sharing multiple-employer defined benefit pension plan. Employees may elect coverage under APERS as a qualified retirement system. APERS is administered by the APERS Board of Trustees. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly.

The Arkansas Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for APERS. That report may be obtained by either in writing to Arkansas Public Employees Retirement System, 124 W. Capitol, Suite 400, Little Rock, Arkansas, 72201, by calling 1-501-682-7800 or from the website, www.apers.org/annualreports/index.php.

APERS provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries, as follows:

The normal retirement benefit, paid on a monthly basis, is determined based on (1) the member’s final average compensation (an average of the highest 36 months’ earnings) and (2) the number of years of credited service. Retiree benefit increases are calculated each year on July 1 for the following 12 months. The predetermined amount is the amount of the benefit payable as of the immediately preceding July 1, increased by 3%. Members are eligible for full retirement benefits (1) at any age with 28 years of credited service; (2) at age 65 with five years of actual service, except for members of the General Assembly who must have 10 years of actual service if the member only has service as a member of the General Assembly; or (3) at age 55 with 35 years of credited service as an elected official or public safety member. Members are eligible for reduced benefits (1) at any age with at least 25 years but less than 28 years of actual service; or (2) at age 55 with five years of actual service. Members who are defined as a public safety member are eligible for a reduced benefit with five years of actual service if the member is within 10 years of normal retirement age.

Contributions. Arkansas Code Title 24 establishes the contribution requirements of active members and participating employers. Contribution rates for the plan are as follows:

Contribution provisions applicable to the participating employers are established by the APERS Board of Trustees and should be based on an independent actuary’s determination of the rate required to fund the plan. The General Assembly, certain municipal and county elected officials, and certain agencies employing individuals in public safety positions must also remit additional amounts.

For the fiscal year ended June 30, 2022, the employer contribution rates, as a percentage of active member payroll, ranged from 4.00% to 26.50%. The current statutory employer rate is 15.32% of annual covered salaries, the maximum allowed by state law. The College’s contributions to APERS for the years ended June 30, 2023, 2022, and 2021 were $250,790, $201,476, and $192,558 respectively, equal to the required contributions for each year.

APERS has both contributory and non-contributory plans. The contributory plan has been in effect since the beginning of the plan and is available to all persons who became members prior to January 1, 1978. The noncontributory plan was created by Act 793 of 1977 and was effective January 1, 1978. It automatically applied to all members hired from January 1, 1978 to June 30, 2005. Act 2084 of 2005 requires that, beginning July 1, 2005, all new hires become contributory members and are required to contribute 5% of their earnings to APERS. Act 365 of 2021 which took effect July 1, 2022, raises the contribution rate from 5% to 5.25% for contributory members for fiscal year 2023. This rate will continue to increase by 0.25% each July 1 until it reaches 7%. All other noncontributory members are given the opportunity to become contributory. During a member's participation in the APERS deferred retirement option plan (DROP), the employer continues to make contributions and the employee ceases to make contributions.

NOTE 7: Retirement Plans (Continued)

Arkansas Public Employees Retirement System (Continued)

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

On June 30, 2023, the College reported a liability of $1,703,087 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability for the plan was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on current contributions of all participating employers. As of June 30, 2022, the College's proportion was .0632% for APERS.

For the fiscal year ending June 30, 2023, the College recognized a pension expense of $208,107. In addition, the College reported deferred outflows of resources and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual expense	$ 40,880	$ 20,562
Changes in assumptions		
Net differences between projected and actual earnings on pension plan investments	359,269	
Changes in proportion and differences between employers and proportionate share of contributions	164,230	44,660
College contributions subsequent to the measurement date	250,790	
Total	$ 815,169	$ 65,222

Deferred outflows of resources, $250,790 were reported relating to pensions resulting from the College's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. 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 June 30:	
2024	$ 111,978
2025	128,562
2026	8,066
2027	250,551

Actuarial assumptions. The total pension liability in the actuarial valuation (as of the date noted below) was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	APERS
Date of actuarial valuation	June 30, 2022
Inflation Rate	3.25%
Salary increases	3.25% to 9.85% including inflation
Investment rate of return	7.15%, net of investment and admin. expenses
Mortality table	Based on the RP-2006 Healthy Annuitant benefit weighted generational mortality tables for males and females. Mortality rates are multiplied by 135% for males and 125% for females and are adjusted for fully generational mortality improvements using Scale MP-2017
Actuarial experience study dates	July 1, 2012 through June 30, 2017

NOTE 7: Retirement Plans (Continued)

Arkansas Public Employees Retirement System (Continued)

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

Investment Rate of Return. The long-term expected rate of return on pension plan investments of the APERS plan was determined using a building-block method, in which best-estimate ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for the 10-year period from 2021-2030 were provided by the plan investment consultant.

For each major asset class that is included in each pension plan's target asset allocation as June 30, 2022, these best estimates are summarized in the following table:

APERS		
Asset Class	**Target Allocation**	**Long-term Expected Real Rate of Return**
Broad domestic equity	37%	6.22%
International equity	24%	6.69%
Real assets	16%	4.81%
Absolute return	5%	3.05%
Domestic fixed	18%	0.57%

Discount rate. The discount rate for the APERS plan was determined as follows:

The single discount rate was based on the expected rate of return on pension plan investments of 7.15%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of 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 for the APERS plan calculated using the discount rate stated above, as well as what the College's proportionate share of net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 6.15%	**Current discount rate 7.15%**	**1% Increase 8.15%**
APERS – Current discount rate 7.15%	$ 2,707,597	$ 1,703,087	$ 873,774

Pension plan fiduciary net position**.** Detailed information about the APERS pension plan's fiduciary net position is available in the separately issued financial report of the plan.

Teachers Insurance and Annuity Association Fund (TIAA)

Plan Description. The College participates in TIAA, a defined contribution plan. The plan is a 403 (b) program as defined by Internal Revenue Service Code of 1986 as amended, and is administered by TIAA. TIAA is an insurance company offering participants a traditional and variable annuity with guaranteed principal and a specific interest rate plus the opportunity for additional growth through dividends. Arkansas law authorizes participation in the plan.

Funding Policy. TIAA has contributory and non-contributory plans. The College participates in the contributory plan only. Members contribute a minimum of 6% of earnings to the plan. The College contributes 12% of earnings. The College's and participants' contributions for the year ended June 30, 2023, were $474,149 and $349,415, respectively.

NOTE 7: Retirement Plans (Continued)

Variable Annuity Life Insurance Company (VALIC)

Plan Description. The College participates in VALIC, a defined contribution plan. The plan is a 403(b) program as defined by IRS Code of 1986 as amended, and is administered by VALIC. VALIC provides insurance policies and annuity contracts and when they are issued, they become the property of the participant. Act 480 of 1983 provides alternative retirement plans as approved by the Arkansas State Board of Workforce Education and career opportunities for the staff members of the Vocational-Technical schools. Employees were allowed to continue participation in this plan when Cotton Boll Technical Institute merged with the College.

Funding Policy. The participant's contributions are tax-sheltered and amount to a minimum of 6% of compensation. The College's contribution rate is 12%. Participants become vested after one year. The College's and participants' contributions for the year ended June 30, 2023, were $19,689 and $22,330, respectively.

NOTE 8: Natural Classifications with Function

The College's operating expenses by function for the year ended June 30, 2023 were as follows:

	Personal Services	Scholarships and Fellowships	Supplies and Services	Depreciation and Amortization	Total
Instruction	$ 5,055,600		$ 2,089,799		$ 7,145,399
Public service	805,757		353,393		1,159,150
Academic support	2,503,369		3,014,303		5,517,672
Student services	798,774		122,253		921,027
Institutional support	1,105,517		644,725		1,750,242
Scholarships and fellowships		$ 999,535			999,535
Operations and maintenance of plant	915,965		2,756,534		3,672,499
Auxiliary enterprise	87,380		75,311		162,691
Depreciation and Amortization				$ 1,200,319	1,200,319
Totals	**$ 11,272,362**	**$ 999,535**	**$ 9,056,318**	**$ 1,200,319**	**$ 22,528,534**

NOTE 9: Disaggregation of Receivable and Payable Balances

Accounts receivable from students were $384,506 at June 30, 2023. This was reduced by an allowance for doubtful accounts of $177,114, resulting in net student accounts receivable of $207,392.

Other receivables of $1,381,260 at June 30, 2023, consisted of reimbursements of expenditures of $307,001 from federal, state, and local agencies pertaining to grants and contracts, $253,954 from student tuition and fees, property tax of $537,473, and miscellaneous items of $282,832.

The accounts payable and accrued liabilities of $620,483 at June 30, 2023, consisted of $462,884 due to vendors and $157,599 for salaries and benefits payable.

NOTE 10: Leases Payable

The net value of assets held under leases totaled $210,009 at June 30, 2023. Leases are amortized using the straight-line method. The details of the leases are as follows:

Type of Asset	Issue Date	Maturity Date	Rate of Interest	Asset Amount	Amortization	Net Amount
Copiers	12/7/21	12/7/26	3.25%	$ 307,330	$ 97,321	$ 210,009

NOTE 11: 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.

The College carries commercial insurance for directors and officers, covering legal judgments and settlements. The College also carries commercial insurance for students enrolled in health-related programs covering student professional liabilities. Additionally, the College carries commercial insurance for general liability and crime coverage for selected properties. The College pays an annual premium for commercial insurance. Settled claims have not exceeded the commercial insurance coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage from prior years in the major categories of risk.

The College participates in the Arkansas Public Employees Claims Division – Workers' Compensation Program under the Arkansas Department of Insurance. The program is responsible for obtaining and administering workers' compensation insurance coverage for its members, as well as obtaining reinsurance coverage for those claims that exceed the standard policy limits. In its administrative capacity, the Division is responsible for monitoring, negotiating and settling claims that have been filed on behalf of and against the College. The College contributes quarterly to this program through the General Revenue Fund.

The College participates in the Arkansas Multi-Agency Insurance Trust (AMAIT) for insurance coverage for property and vehicles. In its administrative capacity, AMAIT is responsible for monitoring, negotiating and settling claims that have been filed against its members. The College pays annual premiums for buildings, contents, and vehicles.

The College participates in the Arkansas Fidelity Bond Trust Fund administered by the Governmental Bonding Board. Coverage is provided for losses incurred by the State as a result of fraudulent or dishonest acts committed by State employees or officials. Each loss is limited to $300,000 with a $2,500 deductible. The Department of Finance and Administration withholds the premium from the College's State Treasury Funds.

NOTE 12: Other Postemployment Benefits (OPEB)

The College replaced GASB Statement no. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* and adopted GASB Statement no. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* during the fiscal year 2018. This statement establishes standards for accounting and financial reporting for the College's financial statements.

The authority under which the Plan's benefit provisions are established or amended is the College President.

On April 15, 2015, the College Board of Trustees approved the transfer of employees (24 employees and 6 retirees) on the EBD plan to the Arkansas Higher Education Consortium (AHEC) plan. The EBD employees were switched over to the AHEC plan on June 1, 2015. All employees are now in the AHEC plan. This report covers the plan fiscal year ending June 30, 2023, and the sponsor's fiscal year ending June 30, 2023. The measurement date is June 30, 2023. The report, calculated under GASB no. 75 was completed by actuarial firm, Osborn, Carreiro & Associates, Inc.

(a) General Information about the OPEB Plan

Plan Description. The plan is a single-employer defined benefit OPEB program. The College offered postemployment health care benefits to all employees who officially retire from the College and meet certain age and service-related requirements. Health care benefits are offered through the College's participation in AHEC, an agent multiple-employer defined benefit plan. Early retirement eligibility for employees age 60 with a completion of a minimum of 15 years of service, are eligible for early retirement benefits. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement no. 75.

Benefits for retired employees who participate in the AHEC group plan consists of medical coverage with the same rates as for current full-time employees. While the College allows the spouse of the retired employee to purchase insurance through the plan, the College does not pay any of the cost associated with the spousal coverage. A retiree age 60 is eligible to continue to participate at no cost to the College in the dental, vision, Life and Medical insurance that they participated in while employed full time.

NOTE 12: Other Postemployment Benefits (OPEB) (Continued)

(a) General Information about the OPEB Plan (continued)

Participants included in the actuarial valuation include retirees, eligible dependents, and active employees, who may be eligible to participate in the Plan upon retirement. Expenditures for postretirement health care benefits are recognized monthly and financed on a pay as you go basis. The College funds approximately 81% of the postretirement health care premiums. The retirees are responsible for funding approximately 19% of the health care premiums.

The Plan does not issue a stand-alone financial report. For inquiries relating to the Plan, please contact the Office of the Coordinator of Human Resources and ADA, Arkansas Northeastern College, P.O. Box 1109, Blytheville, Arkansas, 72316-1109.

Principal Provisions of the Plan

Authority: Health Insurance Rule 7.12.
Early Retirement Incentive Plan, Rule 7.14, last amended August 17, 2011. Act 296 of 1995. Some subsidies extended, at April 15, 2015 Board of Trustees meeting, to those previously in the EBD program. All in AHEC program effective June 1, 2015.

Participation: Covers employees who retire directly from active employment. Employees must have at least 15 years of full-time service and be at least age 60.

Benefit Provided: If an employee retires before age 65, they can continue medical, dental, and life insurance until they are eligible for Medicare. They must pay the same premium as an active employee and the entire cost of dental and life.

Other Benefits: The Early Retirement Incentive Plan also provides lump sum payments. Any liability or cost for these other benefits is NOT included in this report.

Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees at beneficiaries currently receiving benefit payments	.....	8
Active employees	.....	114
	.....	122

MEDICAL PLAN: Arkansas Higher Education Consortium Benefits Trust

Deductible:	Basic - $3,000 individual/$6,000 family Core - $2,000 individual/$4,000 family Enhanced - $1,000 individual/$2,000 family Twice the above amounts for out-of-network
Out of Pocket Limit:	Basic - $6,000 individual/$12,000 family Core - $6,000 individual/$12,000 family Enhanced - $4,500 individual/$9,000 family No limit for out-of-network claims
Copayment:	Basic - $30 primary care physician, $60 specialist Core - $30 primary care physician, $60 specialist Enhanced - $25 primary care physician, $50 specialist
Coinsurance:	Generally 20% in-network, 40% out-of-network

For the year ended June 30, 2023, the College reported a liability of $799,546 for its total OPEB liability. The total OPEB liability measurement date was June 30, 2023, and the total OPEB liability used to calculate the total OPEB liability for the plan was determined by an actuarial valuation as of that date.

NOTE 12: Other Postemployment Benefits (OPEB) (Continued)

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

OPEB Expense/(Income) under GASB 75

		2022-23
1.	Total OPEB Liability at the beginning of year	$766,018
2.	Total OPEB Liability at the end of the year	799,546
3.	Increase in Total OPEB Liability in year = (2) – (1)	33,528
4.	Decrease in Total OPEB Liability due to Employer Contributions during the measurement period	33,548
5.	Change to reflect OPEB Expense = (3) + (4)	67,076
6.	Adjust for Actual vs Exp. Experience or Assump. Change	
	a) Remove gain/ (loss)	1,641
	b) Add amortization	16,299
7.	Adjust for Actual vs Projected investment income	
	a) Remove gain/ (loss)	0
	b) Add amortization	0
8.	OPEB Expense= (5) +(6) +(7)	$ 85,016

For the fiscal year ending June 30, 2023, the College recognized OPEB expenses of $85,016. In addition, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 139,979	$ 0
Changes in assumptions	48,923	88,384
Net differences between projected and actual earnings on OPEB plan investments	0	0
Total	$ 188,902	$ 88,384

Amounts reported as net deferred outflows of resources, $100,518 related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	**Net Deferred Outflows of Resources**
2024	$ 16,299
2025	16,299
2026	16,299
2027	16,299
2028	16,299
Thereafter	19,023
Total	$ 100,518

NOTE 12: Other Postemployment Benefits (OPEB) (Continued)

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

Cost of Living Adjustment (COLA). The OPEB program does not provide for automatic COLA. OPEB benefits are subject to medical inflation, which is reflected in the actuarial assumptions.

Actuarial assumptions. The total OPEB liability in the actuarial valuation as of June 30, 2023, was determined using the following actuarial assumptions, applied to the periods included in the measurement:

Actuarial Cost Methods and Assumptions

COST METHOD: The entry age normal method was used.

DISCOUNT RATE: A single discount rate of
3.13% at 6/30/2017
2.98% at 6/30/2018
2.79% at 6/30/2019
2.66% at 6/30/2020
2.18% at 6/30/2021
4.09% at 6/30/2022
4.13% at 6/30/2023

HEALTH CARE COST TREND RATE: The health care cost trend was assumed to be 8.0% next year, 7.5% the following year, 7.00% the third year, 6.50% the fourth year, with the rate decreasing by 0.5% each year, to an ultimate rate of 5.0%.

INFLATION RATE: The discount rate, and the health care cost trend rate incorporate an assumed annual inflation rate of 3.00%.

BASE CLAIM COSTS: The following monthly claim costs were assumed:

	Member
Premium	$495.00
Implicit Subsidy	$604.50
Total retiree cost	$1,099.50

Using the selected monthly claim cost above, costs were determined by age band using Chart 5 and Table 5 from “Health Care Cost – From Birth to Death”, published by the Society of Actuaries and prepared by Dale H. Yamamato in June 2013:

Age Band	
50-54	$659.31
55-59	856.75
60-64	1,099.50

NOTE 12: Other Postemployment Benefits (OPEB) (Continued)

Actuarial Cost Methods and Assumptions (Continued)

SOURCE OF CLAIM COSTS: We reviewed active and retiree claim costs from other public entities in Arkansas. The difference between active and retiree costs was used as one basis for the implicit subsidy.

Another basis for the implicit subsidy was calculated using “Health Care Cost – From Birth to Death”, published by the Society of Actuaries and prepared by Dale H. Yamamato in June 2013. From Chart 5 of this publication (the Unisex Cost Curve by Age for 2010), we estimated the implicit subsidy.

The table below shows the estimates and the cost selected:

Cost per other Arkansas public entities	$1,099.50
Cost from “unbundling” using” Health Care Cost-From Birth to Death”	$796.95
Selected Cost	$1,099.50

ADMINISTRATIVE COSTS: None assumed.

FAMILY COVERAGE: We assumed that the sponsor would provide single coverage only.

SELECTION OF COVERAGE: We assumed that 80% of eligible retirees would select the coverage when they initially retired, and that 0% of them would continue it past age 65.

DATA USED: We received a census listing from Arkansas Northeastern College, which is summarized below:

Participant Data	July 1, 2018	July 1, 2020	July 1, 2022
Active Members:			
Number of Employees	154	148	133
Number Covered	124	121	116
Average Age	48.8	49.9	50.7
Average Service	9.8	9.8	10.6
Retirees and Beneficiaries:			
Number under 65	11	9	7
Number 65 & over	1	1	0

PRE-RETIREMENT MORTALITY: Deaths have been projected using the Pub-T 2010 Mortality Table (headcount basis), projected generationally with Scale MP 2019.

POST-RETIREMENT MORTALITY: The Pub-T 2010 Mortality Table (headcount basis), projected generationally with Scale MP 2019 was used. The life expectancy, according to this table is as follows:

Age	Males 2030	Males 2040	Females 2030	Females 2040
55	33.39	34.21	35.91	36.67
65	23.38	24.15	25.69	26.42
75	14.55	15.20	16.41	17.05

NOTE 12: Other Postemployment Benefits (OPEB) (Continued)

Actuarial Cost Methods and Assumptions (Continued)

VOLUNTARY TERMINATIONS: We generally used the voluntary termination assumption used by the Arkansas Teachers Retirement System. Termination at some sample ages are:

AGE	TERMINATION RATE PER 100 MEMBERS
20	4.60
25	4.84
30	4.40
35	3.10
40	2.20
45	2.00
50	2.00
55	5.00

For those with less than five years of service, we used a multiple of the above rates. The multiples used were:

1st year of service 4.0
2nd year of service 2.5
3rd year of service 2.0
4th year of service 1.5

EXPECTED RETIREMENT PATTERN: We assumed retirements at the following rates:

AGE	RETIREMENT RATE PER 100 MEMBERS
55 - 59	5.0
60	15.0
61	14.0
62	25.0
63	15.0
64	15.0
65	35.0
66	30.0
67	30.0
68	30.0
69	100.0

DISABILITIES: We assumed the disability rates assumed by the Arkansas Teachers Retirement System. Rates at some sample ages are:

AGE	DISABILITY RATE PER 100 MEMBERS
20	.10
25	.10
30	.08
35	.08
40	.14
45	.24
50	.53
55	.88
60	1.00

NOTE 12: Other Postemployment Benefits (OPEB) (Continued)

CONSIDERATION OF FUTURE MORTALITY IMPROVEMENTS: Future mortality improvements were considered in developing the results in this report.

Investment Rate of Return. The program has no invested assets at this time, so no long-term expected return on plan assets was used.

Discount rate*.* The discount rate for the OPEB plan was determined as follows:

The single discount rate was based on the expected rate of return on the OPEB plan investments of 4.13%. This rate considers the ability of the plan to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in the future years can then be projected and compared to the obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a 'risk-free' rate is required. The single discount rate is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods.

***Sensitivity of College's Total OPEB liability to changes in the single discount rate, and changes in the assumed health care cost trend rate*.**

The following presents the College's total OPEB liability calculated using a single discount rate of 4.13%, as well as what the total OPEB liability would be if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage point higher, or using a health care cost trend rate that is 1-percentage point lower or 1-percentage point higher:

	1% Decrease 3.13%	Current Single Discount Rate 4.13%	1% Increase 5.13%
Total OPEB Liability	$ 832,131	$ 799,546	$ 745,940

	1% Decrease in HCCTR	Assumed HCCTR	1% Increase in HCCTR
Total OPEB Liability	$ 732,837	$ 799,546	$ 877,814

OPEB plan fiduciary net position. Following are the changes in the net OPEB liability.

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at 6/30/22	**$ 766,018**	**$ 0**	**$ 766,018**
Changes for the year:			
a) Service cost	37,310	0	37,310
b) Interest	31,407	0	31,407
c) Differences between expected and actual experience	0	0	0
d) Employer contributions	0	33,548	(33,548)
e) Employee contributions	0	0	0
f) Net investment income	0	0	0
g) Benefits and refunds	(33,548)	(33,548)	0
h) Admin expenses	0	0	0
i) Assumption change	(1,641)	0	(1,641)
j) Other	0	0	0
Net changes	33,528	0	33,528
Balances at 6/30/23	**$ 799,546**	**$ 0**	**$ 799,546**

GASB 74 and 75 requires a 10-fiscal year history of information about the OPEB liability. Those schedules are included as an attachment under Required Supplementary Information.

NOTE 13: Commitment

The College was contractually obligated for the following at June 30, 2023:

Project Title	Completion Date	Contract Balance
Energy Performance Contract	April 30, 2024	$ 224,105

NOTE 14: Mandatory Transfers

A transfer of $200,000 was made at June 30, 2023 as mandated by the terms of the College's 2017 Bond issue. This transfer is held in unexpended plant funds for the maintenance of the Center for Allied Technologies.

POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

The College replaced GASB Statement no. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* and adopted GASB Statement no. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* during the fiscal year 2018. This statement establishes standards for accounting and financial reporting for the College's financial statements.

The authority under which the Plan's benefit provisions are established or amended is the College President.

On April 15, 2015, the College Board of Trustees approved the transfer of employees (24 employees and 6 retirees) on the EBD plan to the Arkansas Higher Education Consortium (AHEC) plan. The EBD employees were switched over to the AHEC plan on June 1, 2015. All employees are now in the AHEC plan. This report covers the plan fiscal year ended June 30, 2023, and the sponsor's fiscal year ended June 30, 2023. The measurement date is June 30, 2023. The report, calculated under GASB no. 75 was completed by actuarial firm, Osborn, Carreiro & Associates, Inc.

(a) General Information about the OPEB Plan

Plan Description. The plan is a single-employer defined benefit OPEB program. The College offered postemployment health care benefits to all employees who officially retire from the College and meet certain age and service-related requirements. Health care benefits are offered through the College's participation in AHEC, an agent multiple-employer defined benefit plan. Early retirement eligibility for employees age 60 with a completion of a minimum of 15 years of service, are eligible for early retirement benefits. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement no. 75.

Benefits for retired employees who participates in the AHEC group plan consists of medical coverage with the same rates as current full-time employees. While the College allows the spouse of the retired employee to purchase insurance through the plan, the College does not pay any of the cost associated with the spousal coverage. A retiree age 60 is eligible to continue to participate at no cost to the College in the dental, vision, Life and Medical insurance that they participated in while employed full time.

Participants included in the actuarial valuation include retirees, eligible dependents, and active employees, who may be eligible to participate in the Plan upon retirement. Expenditures for postretirement health care benefits are recognized monthly and financed on a pay as you go basis. The College funds approximately 81% of the postretirement health care premiums. The retirees are responsible for funding approximately 19% of the health care premiums.

The Plan does not issue a stand-alone financial report. For inquires relating to the Plan, please contact the Office of the Coordinator of Human Resources and ADA, Arkansas Northeastern College, P.O. Box 1109, Blytheville, Arkansas, 72316- 1109.

Principal Provisions of the Plan

Authority:	Health Insurance Rule 7.12. Early Retirement Incentive Plan, Rule 7.14, last amended August 17, 2011. Act 296 of 1995. Some subsidies extended, at April 15, 2015 Board of Trustees meeting, to those previously in EBD program. All in AHEC program effective June 1, 2015.
Participation:	Covers employees who retire directly from active employment. Employee must have at least 15 years of full-time service, and be at least age 60.
Benefit Provided:	If an employee retires before age 65, they can continue medical, dental, and life insurance company, until they are eligible for Medicare. They must pay the same premium as an active employee, and the entire cost of dental and life.
Other Benefits:	The Early Retirement Incentive Plan also provides lump sum payments. Any liability or cost for these other benefits is NOT included in this report.

POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

(a) General Information about the OPEB

Plan (Continued) Employees Covered

by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payment	8
Active employees	114
	122

MEDICAL PLAN:	Arkansas Higher Education Consortium Benefits Trust
Deductible:	Basic - $3,000 individual/$6,000 family Core - $2,000 individual/$4,000 family Enhanced - $1,000 individual/$2,000 family Twice the above amounts for out-of-network
Out of Pocket Limit:	Basic - $6,000 individual/$12,000 family Core - $6,000 individual/$12,000 family Enhanced - $4,500 individual/$9,000 family No limit for out-of-network claims
Copayment:	Basic - $30 primary care physician, $60 specialist Core - $30 primary care physician, $60 specialist Enhanced - $25 primary care physician, $50 specialist
Coinsurance:	Generally 20% in-network, 40% out-of-network

Actuarial Cost Methods and Assumptions

COST METHOD: The entry age normal method was used.

DISCOUNT RATE: A single discount rate of:
3.13% at 6/30/2017
2.98% at 6/30/2018
2.79% at 6/30/2019
2.66% at 6/30/2020
2.18% at 6/30/2021
4.09% at 6/30/2022
4.13% at 6/30/2023

HEALTH CARE COST TREND RATE: The health care cost trend was assumed to be 8.0% next year, 7.50% the following year, 7.00% the third year, 6.50% the fourth year, with the rate decreasing by 0.5% each year, to an ultimate rate of 5.0%.

INFLATION RATE: The discount rate, and the health care cost trend rate incorporate an assumed annual inflation rate of 3.00%.

BASE CLAIM COSTS: The following monthly claim costs were assumed:

	Member
Premium	$495.00
Implicit Subsidy	$604.50
Total retiree cost	$1,099.50

POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

(a) General Information about the OPEB Plan (Continued)

SOURCE OF CLAIM COSTS: We reviewed active and retiree claim cost from other public entities in Arkansas. The difference between active and retiree cost was used as one basis for the implicit subsidy.

Another basis for the implicit subsidy was calculated using "Health Care Cost –From Birth to Death", published by the Society of Actuaries and prepared by Dale H. Yamamato in June 2013. From Chart 5 of this publication (the Unisex Cost Curve by Age for 2010) we estimated the implicit subsidy.

The table below shows the estimates and the cost selected:

Cost per other Arkansas public entities	....	$1,099.50
Cost from "unbundling" using "Health Care Cost – From Birth to Death"	....	$796.95
Selected Cost	....	$1,099.50

ADMINISTRATIVE COSTS: None assumed.

FAMILY COVERAGE: We assumed that the sponsor would provide single coverage only.

SELECTION OF COVERAGE: We assumed that 80% of eligible retirees would select the coverage when they initially retired, and that 0% of them would continue it past age 65.

PRE-RETIREMENT MORTALITY: Deaths have been projected using the Pub-T 2010 Mortality Table (headcount basis), projected generationally with Scale MP 2019.

POST-RETIREMENT MORTALITY: The Pub-T 2010 Mortality Table (headcount basis), projected generationally with Scale MP-2019 was used. The life expectancy, according to this table is as follows:

Age	Males 2030	Males 2040	Females 2030	Females 2040
55	33.39	34.21	35.91	36.67
65	23.38	24.15	25.69	26.42
75	14.55	15.20	16.41	17.05

POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

(a) General Information about the OPEB Plan (Continued)

VOLUNTARY TERMINATIONS: We generally used the voluntary termination assumption used by the Arkansas Teachers Retirement System. Termination at some sample ages are:

AGE	TERMINATION RATE PER 100 MEMBERS
20	4.60
25	4.84
30	4.40
35	3.10
40	2.20
45	2.00
50	2.00
55	5.00

For those with less than five years of service, we used a multiple of the above rates. The multiples used were:

1st year of service 4.0
2nd year of service 2.5
3rd year of service 2.0
4th year of service 1.5

EXPECTED RETIREMENT PATTERN: We assumed retirements at the following rates:

AGE	RETIREMENT RATE PER 100 MEMBERS
55 - 59	5.0
60	15.0
61	14.0
62	25.0
63	15.0
64	15.0
65	35.0
66	30.0
67	30.0
68	30.0
69	100.0

DISABILITIES: We assumed the disability rates assumed by Arkansas Teachers Retirement System. Rates at some sample ages are:

AGE	RETIREMENT RATE PER 100 MEMBERS
20	.10
25	.10
30	.08
35	.08
40	.14
45	.24
50	.53
55	.88
60	1.00

POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

(a) General Information about the OPEB Plan (Continued)

CONSIDERATION OF FUTURE MORTALITY IMPROVEMENTS: Future mortality improvements were not considered in developing the results in this report.

Schedule of Changes in the Employers' Total OPEB Liability and Related Ratios

Fiscal Year ending June 30,	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Total OPEB Liability						
Service Cost	$ 37,310	$ 41,719	$ 38,894	$ 30,638	$ 29,787	$ 29,130
Interest	31,407	16,097	18,556	15,563	16,197	17,135
Benefit Changes	0	0	0	0	0	0
Differences between Actual & Expected experience	0	117,001	0	77,294	0	0
Assumption changes	(1,641)	(108,635)	20,115	48,266	6,551	5,093
Benefit Payments	(33,548)	(35,385)	(41,045)	(31,314)	(46,002)	(65,242)
Net Change in Total OPEB Liability	33,528	30,797	36,610	140,447	6,533	(13,884)
Total OPEB Liability – Beginning	766,018	735,221	698,611	558,164	551,631	565,515
Total OPEB Liability – Ending	$ 799,546	$ 766,018	$ 735,221	$ 698,611	$ 558,164	$ 551,631
Plan Fiduciary Net Position						
Contributions- Employee						
Contributions- Employer	$ 33,548	$ 35,385	$ 41,045	$ 31,314	$ 46,002	$ 65,242
Net Investment Income						
Benefit Payments	(33,548)	(35,385)	(41,045)	(31,314)	(46,002)	(65,242)
Administrative Expense						
Other						
Net Change in Plan Net Position	0	0	0	0	0	0
Plan Fiduciary Net Position – Beginning	0	0	0	0	0	0
Plan Fiduciary Net Position - Ending	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Total OPEB Liability - Ending	**$ 799,546**	**$ 766,018**	**$ 735,221**	**$ 698,611**	**$ 558,164**	**$ 551,631**
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	$ 8,050,522	$ 7,741,109	$ 7,840,849	$ 8,188,048	$ 7,858,817	$ 7,865,227
Total OPEB Liability as a Percentage of Covered Employee Payroll	9.93%	9.90%	9.38%	8.53%	7.10%	7.01%

POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Notes to Schedule:

Changes in assumptions: The assumed single discount rate was changed from 4.09% to 4.13% at 6/30/2023.

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Sensitivity of College's Total OPEB liability to changes in the single discount rate, and changes in the assumed health care cost trend rate. The following presents the College's total OPEB liability calculated using a single discount rate of 4.13%, as well as what the total OPEB liability would be if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage point higher, or using a health care cost trend rate that is 1-percentage point lower or 1-percentage point higher:

	1% Decrease 3.13%	Current Single Discount Rate 4.13%	1% increase 5.13%
Total OPEB Liability	$ 832,131	$ 799,546	$ 745,940

	1% Decrease in HCCTR	Assumed HCCTR	1% increase in HCCTR
Total OPEB Liability	$ 732,837	$ 799,546	$ 877,814

Schedule of Sponsor Contributions

Plan Year ending June 30,	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Actuarially determined contribution	$ 85,840	$ 78,644	$ 75,107	$ 59,232	$ 58,048	$ 58,024
Contributions in relation to the actuarially determined contribution	33,548	35,385	41,045	31,314	46,002	65,242
Contribution deficiency (excess)	52,292	43,279	34,062	27,918	12,046	(7,218)
Covered employee payroll	$ 8,050,522	$ 7,741,109	$ 7,840,849	$ 8,188,048	$ 7,858,817	$ 7,865,227
Contributions as a percentage of covered employee payroll	0.42%	0.46%	0.52%	0.38%	0.59%	0.83%

ARKANSAS NORTHEASTERN COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
JUNE 30, 2023

Schedule of the College's Proportionate Share of the Net Pension Liability - APERS

	2023*	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*
ANC's proportion of net pension liability	.63%	.062%	.050%	.058%	.057%	.052%	.052%	.0370%	.0358%
ANC's proportion of share of the net pension liability	$ 1,703,087	$ 477,140	$ 1,444,300	$ 1,395,299	$ 1,262,338	$ 1,336,174	$ 1,245,884	$ 681,651	$ 508,176
ANC's covered employee payroll	$ 1,315,116	$ 1,256,906	$ 1,032,781	$ 1,112,128	$ 1,071,785	$ 931,883	$ 943,957	$ 656,673	$ 633,199
ANC's proportionate share of the net pension liability as a percentage of its covered employee payroll	129.50%	37.96%	139.85%	125.46%	117.78%	143.38%	131.98%	103.80%	80.26%
Plan fiduciary net position as a percentage of the total pension liability	78.31%	93.57%	75.38%	78.55%	79.59%	75.65%	75.50%	80.39%	84.15%

*The amounts presented were determined as of June 30th of the previous year.

Schedule of the College's Contributions – APERS

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	$ 250,790	$ 201,476	$ 192,558	$ 158,223	$ 170,378	$ 158,064	$ 135,123	$ 136,874	$ 96,925
Contributions in relation to the contractually required contributions	250,790	201,476	192,558	158,223	170,378	158,064	135,123	136,874	96,925
Contribution deficiency (excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
ANC's covered payroll	$ 1,637,008	$ 1,315,116	$ 1,256,906	$ 1,032,781	$ 1,112,128	$ 1,071,785	$ 931,883	$ 943,957	$ 656,673
Contributions as a percentage of covered payroll	15.32%	15.32%	15.32%	15.32%	15.32%	14.75%	14.5%	14.5%	14.76%

Note: Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

ARKANSAS NORTHEASTERN COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
JUNE 30, 2023

Schedule of the College's Proportionate Share of the Net Pension Liability - ATRS

	2023*	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*
ANC's proportion of net pension liability	.0622%	.0677%	.0785%	.0708%	.0712%	.0807%	.0796%	.0762%	.0719%
ANC's proportion of share of the net pension liability	$ 3,285,231	$ 1,875,220	$ 4,444,639	$ 2,953,366	$ 2,589,716	$ 3,393,526	$ 3,513,185	$ 2,481,689	$ 1,888,040
ANC's covered payroll	$ 2,082,858	$ 2,207,241	$ 2,388,987	$ 2,185,764	$ 2,157,805	$ 2,392,628	$ 2,333,288	$ 2,220,435	$ 2,079,813
ANC's proportionate share of the net pension liability as a percentage of its covered payroll	157.73%	84.96%	186.05%	135.11%	120.02%	141.83%	150.57%	111.77%	90.78%
Plan fiduciary net position as a percentage of the total pension liability	78.85%	88.58%	74.91%	80.96%	82.78%	79.48%	76.75%	82.20%	84.98%

*The amounts presented were determined as of June 30th of the previous year.

Schedule of the College's Contributions – ATRS

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	$ 345,627	$ 307,222	$ 320,050	$ 340,435	$ 306,007	$ 302,093	$ 334,968	$ 326,660	$ 310,861
Contributions in relation to the contractually required contributions	345,627	307,222	320,050	340,435	306,007	302,093	334,968	326,660	310,861
Contribution deficiency excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
ANC's covered payroll	$2,304,181	$ 2,082,858	$ 2,207,241	$ 2,388,987	$ 2,185,764	$ 2,157,805	$ 2,392,628	$2,333,288	$2,220,435
Contributions as a percentage of covered payroll	15.00%	14.75%	14.50%	14.25%	14.00%	14.00%	14.00%	14.00%	14.00%

Note: Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

ARKANSAS NORTHEASTERN COLLEGE
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS
FOR THE YEAR ENDED JUNE 30, 2023
(Unaudited)

	Year Ended June 30,				
	2023	2022	2021	2020	2019
Total Assets and Deferred Outflows	$ 39,202,800	$ 40,304,249	$ 39,243,272	$ 36,894,328	$ 36,758,871
Total Liabilities and Deferred Inflows	14,724,016	14,636,707	15,581,418	14,215,322	13,848,958
Total Net Position	24,478,784	25,667,542	23,661,854	22,679,006	22,909,913
Total Operating Revenues	6,829,416	6,680,011	6,352,915	5,485,320	5,391,398
Total Operating Expenses	22,528,534	20,483,331	19,556,957	19,149,205	18,620,805
Total Net Non-Operating Revenues	14,507,110	15,731,686	14,183,055	13,416,975	13,806,093
Total Other Revenues, Expenses, Gains or Losses	3,250	77,322	3,835	16,003	4,056