



FOR STUDENTS OF THE
REAL WORLD

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDING
AUGUST 31, 2024

**CENTRAL TEXAS COLLEGE DISTRICT
ANNUAL FINANCIAL REPORT
August 31, 2024**

**Central Texas College District
Table of Contents
August 31, 2024**

Organizational Data	1
Independent Auditors' Report on the Financial Statements and Supplemental Information	2
Management's Discussion and Analysis	5
Financial Statements	
Exhibits	
1	12
1-A	13
2	14
2-A-1	15
2-A-2	16
3	17
Notes to the Basic Financial Statements	18
Required Supplementary Information (RSI) Schedules	
Schedule of District's Proportionate Share of Net Pension Liability	45
Schedule of District's Contributions for Pensions	45
Notes to the Required Supplementary Information Schedules for Pensions	46
Schedule of District's Proportionate Share of Net OPEB Liability	47
Schedule of District's Contributions for OPEB	47
Notes to the Required Supplementary Information Schedules for OPEB	48
Supplemental Schedules	
Schedules	
A	50
B	51
C	52
D	53
E	54
F	56
Auditors' Reports on Controls and Compliance	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	58
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance and the State of Texas Single Audit Circular	60
Schedule of Findings and Questioned Costs	63
Additional Information (Unaudited)	
Schedules	
G	65
G-1	66
G-2	67

**Central Texas College District
Organizational Data
August 31, 2024**

Board of Trustees

<u>Members</u>	<u>City</u>	<u>Term Expires</u>
Jimmy Towers, Chair	Killeen, TX	May, 2025
SFC (Ret) James A Pierce, Jr, Vice Chair	Copperas Cove, TX	May, 2025
Charles Hollinger, Treasurer	Killeen, TX	May, 2025
Brenda Coley, Secretary	Belton, TX	May, 2027
Ernest Wilkerson, Member	Killeen, TX	May, 2029
BG (Ret) Rex Weaver, Chair	Killeen, TX	May, 2029
Eric Armstrong, Member	Copperas Cove, TX	May, 2025

Key Officers

Michele Carter, Ed.D.	Chancellor
Robin Garrett, Ph.D.	Provost/Vice Chancellor, Academic & Student Success
Tamara Thornton Clunis, Ph.D.	Vice Chancellor, Instruction & Workforce Education
Cliff Gaines	Vice Chancellor, Finance and Administration



LOTT, VERNON & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

20 SOUTH FOURTH STREET 254/778/4783
POST OFFICE BOX 160 800/460/4783
TEMPLE, TEXAS 76503 FAX 254/778/4792

KILLEEN • COPPERAS COVE • TEMPLE

Member of
American Institute & Texas Society of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Central Texas College District
Killeen, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Net Position and the Statements of Cash Flows of Central Texas College District, as of and for the year ended August 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Central Texas College District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Central Texas College District, as of August 31, 2024 and 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.

Basis for Opinions

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

Change in Accounting Principle

As described in Note 2 to the financial statements, in fiscal year ending August 31, 2024, the College adopted new accounting guidance, GASB Statement No. 100, Accounting Changes and Error Corrections. Our opinion is not modified with respect to this matter.

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 Central Texas College District'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 generally accepted auditing standards and *Government Auditing*

Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of District's Proportionate Share of Net Pension Liability, the Schedule of District's Contributions for Pensions, Notes to the Required Supplementary Information Schedules for Pensions, the Schedule of District's Proportionate Share of Net OPEB Liability, the Schedule of District's Contributions for OPEB, and Notes to the Required Supplementary Information Schedules for OPEB as listed in the table of contents 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Central Texas College District's basic financial statements. The Supplemental Schedules (Schedules A-F), which include the Schedule of Expenditures of Federal Awards (Schedule E) and the Schedule of Expenditures of State Awards (Schedule F), as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and The State of Texas Single Audit Circular, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Supplemental Schedules (Schedules A-F), which include the Schedule of Expenditures of

Federal Awards (Schedule E) and the Schedule of Expenditures of State Awards (Schedule F) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Organizational Data and the Additional Information (Unaudited) (Schedules G, G-1, and G-2) 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 December 12, 2024, on our consideration of the Central Texas College District’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 Central Texas College District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Central Texas College District’s internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Jatt, Vernon + Co. P.C." The signature is written in a cursive, flowing style.

Temple, Texas
December 12, 2024

**Central Texas College District
Annual Financial Report
Management’s Discussion and Analysis
For the Year Ended August 31, 2024**

This section of the Central Texas College District (the College) annual financial report presents a discussion and analysis of the financial performance of the College during the fiscal year ended August 31, 2024. This discussion has been prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction with the financial statements and footnotes. This discussion and analysis is designed to focus on current activities, resulting change and current known facts. For management’s discussion and analysis, we have presented the previous year’s financial information in order to provide a comparison. The financial statements, footnotes and this discussion are the responsibility of management.

Basic Financial Statements

The basic financial statements are prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, “Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments” and Statement No. 35, “Basic Financial Statements and Management’s Discussion and Analysis for Public Colleges and Universities”. Three primary statements are required: the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows.

Financial statements for the College’s component unit, the Central Texas College Foundation (the Foundation) are issued independent to those of the College but are presented with the College’s basic financial statements.

One of the most important questions asked about the College’s finances is whether or not the College’s financial position has improved as a result of the year’s activities. The key to understanding this question is the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows. These statements present financial information in a form similar to that used by corporations. The College’s net position is one indicator of its financial health. Over time, increases or decreases in net position are one indicator of the improvement or erosion of the College’s financial health when considered with non-financial facts such as enrollment levels and the condition of the facilities.

The Statement of Net Position includes all assets and liabilities. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

The Statement of Revenues, Expenses and Changes in Net Position presents the revenues earned and the expenses incurred during the year. Activities are reported as either operating or non-operating.

The utilization of long-lived assets, referred to as Capital Assets, is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

Another important factor to consider when evaluating financial viability is the College’s ability to meet financial obligations as they mature. The Statement of Cash Flows presents the information related to cash inflows and outflows summarized by operating, capital and non-capital financing and investing activities.

Required supplementary audited financial information related to pensions and OPEB is presented as well as Schedules A through F. Each of these schedules presents in detail information from the basic financial statements.

Schedules G, G-1 and G-2 are provided to reflect the campus organizational structure of the College. These schedules are not required by GASB and are not audited.

Financial and Enrollment Highlights

The decrease in Cash and Short-Term Investments is offset by the increase in Long-Term Investments.

The change in Deferred Outflows, Inflows and the liabilities related to Pensions and OPEB is related to changes in the actuarial studies of the two funds.

The increase in the Lease Liability is related to updating for additional leases.

The decrease in the Software Liability is a result of the present value of minimum lease payment calculation.

The increase in Federal Revenue was primarily from additional PELL grants.

Investment income gained as a result of higher interest rates.

Statement of Net Position

The Statement of Net Position includes all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector institutions. Net position - the difference between assets and liabilities - is one way to measure the financial health of the college.

	(In Millions)			
	2024	2023	% Change	2022
Current assets:				
Cash and cash equivalents	\$56.6	\$63.2	(10.4%)	\$76.9
Short-term investments	29.7	39.2	(24.2%)	23.0
Receivables	15.7	14.9	5.4%	14.4
Inventory, prepaid expenses and other	2.4	2.4	0.0%	2.0
Total current assets	104.4	119.7	(12.8%)	116.3
Non-current assets:				
Restricted Cash	0.6	0.6	0.0%	0.6
Right-to-use Assets	4.3	4.1	4.9%	0.7
Lease Receivable	0.3	0.3	0.0%	0.5
Long-term investments	28.9	11.8	144.9%	24.7
Notes Receivable	0.1	0.1	0.0%	0.1
Capital assets, net of depreciation	138.2	136.2	1.5%	135.4
Total non-current assets	172.4	153.1	12.6%	162.0
Total assets	276.8	272.8	1.5%	278.3
Deferred Outflows of Resources				
Deferred Outflows Related to Pensions	8.8	11.1	(20.7%)	4.0
Deferred Outflows Related to OPEB	2.0	3.3	(39.4%)	4.5
Total Deferred Outflows of Resources	10.8	14.4	(25.0%)	8.5
Current liabilities:				
Accounts payable and accrued liabilities	22.3	20.5	8.8%	18.9
Accrued absences	0.3	0.4	(25.0%)	0.4
Unearned Revenues	9.2	9.1	1.1%	9.1
Lease Liability	0.3	0.1	200.0%	0.3
Software Liability	1.6	1.4	14.3%	0.0
Net OPEB Liability	1.1	1.1	0.0%	1.1
Total current liabilities	34.8	32.6	6.7%	29.8

Non-current liabilities:				
Accrued absences	1.2	1.4	(14.3%)	1.4
Lease Liability	2.2	0.7	214.3%	0.4
Software Liability	0.3	1.8	(83.3%)	0.0
Net Pension liability	18.9	18.0	5.0%	8.3
Net OPEB liability	37.5	41.9	(10.5%)	54.6
Total non-current liabilities	60.1	63.8	(5.8%)	64.7
Total liabilities	94.9	96.4	(1.6%)	94.5
Deferred Inflows of Resources				
Deferred Inflows Related to Leases	0.3	0.3	0.0%	0.5
Deferred Inflows Related to Pensions	8.0	11.3	(29.2%)	15.2
Deferred Inflows Related to OPEB	20.5	24.2	(15.3%)	20.7
Total Deferred Inflows of Resources	28.8	35.8	(19.6%)	36.4
Net position				
Invested in capital assets, net of related debt	138.2	136.2	1.5%	135.4
Restricted	1.3	1.7	(23.5%)	1.8
Unrestricted	24.5	17.0	44.1%	18.6
Total net position	\$164.0	\$154.9	5.9%	\$155.8

Federal, state and local statutes require certain net positions be restricted for future use. Other net positions are unrestricted; however, a majority of these net positions have been designated or reserved for specific purposes such as working capital for instructional programs, future construction projects and reserves for insurance and post retirement benefits.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position present the operating results of the college, as well as the non-operating revenues and expenses. Annual ad valorem tax revenues, while budgeted for operations, are considered non-operating revenues in GASB 34-35. Additionally, State appropriations, which previously have been classified as operating revenues, were reclassified as non-operating revenues in accordance with directives from the Texas Higher Education Coordinating Board (THECB). This reclassification is designed to align Texas community colleges' financial presentation with that of other states.

	(In Millions)			
	2024	2023	% Change	2022
Operating revenue:				
Net tuition and fees	\$28.9	\$22.1	30.8%	\$26.7
Federal Funds	3.3	4.3	(23.3%)	4.4
Grants and Contracts	2.8	2.4	16.7%	1.7
Auxiliary Funds	2.4	2.9	(17.2%)	2.3
Other	0.8	1.0	(20.0%)	2.3
Total	38.2	32.7	16.8%	37.4
Operating expenses	87.5	83.2	5.2%	91.2
Net operating loss	(49.3)	(50.5)	(2.4%)	(53.8)

Non-operating revenues (expenses)				
State Appropriations	20.9	18.4	13.6%	17.8
Local ad valorem taxes	14.1	14.1	0.0%	13.8
Federal Revenue, Non-Operating	17.9	14.0	27.9%	24.4
Investment income	5.2	3.1	67.7%	(0.4)
Other Non-Operating	0.3	0.0		0.0
Total	58.4	49.6	17.7%	55.6
Increase in net position	9.1	(0.9)	(1111.1%)	1.8
Net position - Beginning of year	154.9	155.8	(0.6%)	154.0
Net position - End of year	\$164.0	\$154.9	5.9%	\$155.8

Operating Expenses (by functional classification)

	(In Millions)			
	2024	2023	% Change	2022
Instruction	\$25.9	\$28.4	(8.8%)	\$28.3
Public service	0.4	0.4	0.0%	0.4
Academic support	4.2	5.5	(23.6%)	5.5
Student services	7.2	7.8	(7.7%)	7.9
Institutional support	11.3	9.9	14.1%	9.1
Operation and maintenance of plant	8.7	7.7	13.0%	8.0
Scholarships and related expenses	22.1	17.1	29.2%	26.0
Auxiliary activities	2.6	2.7	(3.7%)	2.4
Depreciation	5.1	3.7	37.8%	3.6
Total	\$87.5	\$83.2	5.2%	\$91.2

Operating Expenses (by natural classification)

	(In Millions)			
	2024	2023	% Change	2022
Salaries and wages	\$36.7	\$42.5	(13.6%)	\$40.7
State Benefits	4.8	3.7	29.7%	3.3
Local Benefits	8.2	9.9	(17.2%)	10.7
Scholarships and related expenses	22.0	17.1	28.7%	26.1
Supplies and related expenses	10.7	6.3	69.8%	6.8
Depreciation	5.1	3.7	37.8%	3.6
Total	\$87.5	\$83.2	5.2%	\$91.2

Statement of Cash Flows

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

	(In Millions)			2022
	2024	2023	% Change	
Cash provided by (used in):				
Operating activities	(\$46.8)	(\$53.9)	(13.2%)	(\$44.8)
Non-capital financing activities	\$49.7	45.0	10.4%	55.2
Capital and related financing activities	(\$7.1)	(4.6)	54.3%	(1.9)
Investing activities	(\$2.3)	(0.3)	666.7%	(24.7)
Net increase (decrease) in cash	(\$6.5)	(13.8)	(52.9%)	(16.2)
Cash - beginning of year	\$63.7	77.5	(17.8%)	93.7
Cash - end of year	\$57.2	\$63.7	(10.2%)	\$77.5

Cash flows from operating activities represents the difference in the incoming and outgoing cash for all educational operations while cash flows from non-capital financing activities represents the collection from local ad valorem taxes, State appropriations and federal, non-operating revenue. Cash flows from capital and related financing activities represents the cash paid to contractors during the year for construction projects and for the purchase of other capital assets. The decrease in cash was primarily due to the cash used from Investing Activities.

The Way Ahead

Central Texas College's financial position remains healthy. In the Fall 2024 semester, CTC experienced a slight increase in enrollments, marking a positive shift from the downward trend observed in previous years. For the 2024-25 fiscal year, the college raised in-district tuition rates by 19% and out-of-district tuition rates by 25%. This adjustment ensures that CTC continues to offer competitive yet affordable rates to our students while generating additional revenue to address rising costs. Additionally, the college adopted the voter-approved tax rate for the first time in years. Cost-cutting measures remain a top priority for the administration, with budget preparations being closely monitored by Directors, Deans, and Executive leadership.

Recruiting and retaining a talented workforce continues to be a challenge for the college. Recognizing the value of our employees, CTC recently implemented a 12% salary increase for hourly staff and a 4% increase for all other employees.

To fulfill the college's mission and commitment to student success in a fiscally responsible manner, the administration will continue to make critical financial decisions to preserve the resources needed to meet our students' evolving needs. The administration is continuously reviewing every aspect of the college, from academic programs to operations, searching for cost-effective ways to innovate and improve our students' experience.

In 2023, the 88th Legislative Session passed House Bill 8, creating a new funding model for community colleges in Texas. This outcomes-based approach rewards colleges for awarding degrees, certificates, credentials of value, and transfers to four-year institutions. House Bill 8 also established the Financial Aid for Swift Transfer (FAST) scholarship program for low-income dual credit students. CTC receives additional funding under HB8 when dual credit students reach certain semester-credit-hour benchmarks (15 hrs, 30 hrs, etc.).

Central Texas College has a long history of success with the kinds of measured outcomes established by HB8. The college has revisited many of its programs and educational offerings to better position itself under this new model. CTC's ongoing priority will be to align program offerings with industry needs in order to deliver outcomes that result in successful careers for our students.

Financial Statements

Central Texas College District
Exhibit 1
Statements of Net Position
August 31, 2024 And August 31, 2023

	Fiscal Year	
	2024	2023
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 56,555,788	\$ 63,154,027
Short-Term Investments	29,698,490	39,234,285
Accounts Receivable (net)	15,685,302	14,939,729
Lease Receivable-Current Portion	22,576	21,170
Inventories	1,453,316	1,560,203
Prepaid Expenses	968,428	807,942
Total Current Assets	104,383,900	119,717,356
Non-Current Assets		
Restricted Cash and Cash Equivalents	601,595	577,256
Right-to-Use Assets	4,295,894	4,090,743
Lease Receivable	288,555	301,313
Other Long-Term Investments	28,915,083	11,788,660
Notes Receivable	73,895	83,905
Capital Assets (net) (See Note 7)	138,230,837	136,248,880
Total Non-Current Assets	172,405,859	153,090,757
Total Assets	276,789,759	272,808,113
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	8,818,701	11,084,852
Deferred Outflows Related to OPEB	2,029,052	3,282,936
Total Deferred Outflows of Resources	10,847,753	14,367,788
Liabilities		
Current Liabilities		
Accounts Payable	5,192,423	3,513,464
Accrued Liabilities	16,746,416	16,662,315
Accrued Compensable Absences-Current Portion	309,562	352,976
Funds Held for Others	382,211	366,178
Lease Liability-Current Portion	289,924	113,566
Software Liability-Current Portion	1,554,042	1,407,143
Unearned Revenues	9,209,524	9,101,520
Net OPEB Liability-Current Portion	1,078,578	1,118,008
Total Current Liabilities	34,762,680	32,635,170
Non-Current Liabilities		
Accrued Compensable Absences	1,238,249	1,411,903
Lease Liability	2,184,100	726,354
Software Liability	267,829	1,843,680
Net Pension Liability	18,939,718	17,949,882
Net OPEB Liability	37,481,455	41,885,838
Total Non-Current Liabilities	60,111,351	63,817,657
Total Liabilities	94,874,031	96,452,827
Deferred Inflows of Resources		
Deferred Inflows Related to Leases	311,131	322,483
Deferred Inflows Related to Pensions	8,034,861	11,292,356
Deferred Inflows Related to OPEB	20,458,328	24,177,857
Total Deferred Inflows of Resources	28,804,320	35,792,696
Net Position		
Net Investment in Capital Assets	138,230,837	136,248,880
Restricted for:		
Scholarships and Grants	1,309,377	1,707,564
Unrestricted	24,418,947	16,973,934
Total Net Position (Schedule D)	\$ 163,959,161	\$ 154,930,378

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

Central Texas College Foundation
Exhibit 1-A
Statement of Financial Position
August 31, 2024 And August 31, 2023

	Fiscal Year	
	2024	2023
Assets		
Current Assets		
Cash	\$ 96,839	\$ 231,392
Total Current Assets	96,839	231,392
Restricted Assets		
Cash	21,958	181,323
Contribution Receivable		550
Inventory	2,923	2,556
Investments	14,595,532	11,773,594
Csv - Life Insurance	95,830	92,131
Total Restricted Assets	14,716,243	12,050,154
Total Assets	14,813,082	12,281,546
Liabilities		
Unfunded Scholarships	564,262	498,308
Total Liabilities	564,262	498,308
Net Assets		
Without Donor Restrictions	94,477	71,209
With Donor Restrictions	14,154,343	11,712,029
Total Net Assets	14,248,820	11,783,238
Total Liabilities And Net Assets	\$ 14,813,082	\$ 12,281,546

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

Central Texas College District
Exhibit 2
Statements of Revenues, Expenses and Changes in Net Position
August 31, 2024 And August 31, 2023

	Fiscal Year	
	2024	2023
Operating Revenues		
Tuition and Fees (Net)	\$ 28,949,082	\$ 22,131,485
Federal Grants and Contracts	3,230,466	4,319,259
State Grants and Contracts	1,355,853	978,455
Non-Governmental Grants and Contracts	1,487,993	1,289,970
Auxiliary Enterprises (net of discounts)	2,381,491	2,917,670
General Operating Revenues	760,467	1,034,386
Total Operating Revenues (Schedule A)	38,165,352	32,671,225
Operating Expenses		
Instruction	25,924,166	28,392,526
Public Service	445,447	401,185
Academic Support	4,214,841	5,506,769
Student Services	7,082,171	7,803,628
Institutional Support	11,339,970	9,874,245
Operation and Maintenance of Plant	8,733,209	7,726,867
Scholarships and Fellowships	22,051,220	17,063,400
Auxiliary Enterprises	2,589,300	2,677,974
Depreciation	5,093,149	3,714,892
Total Operating Expenses (Schedule B)	87,473,473	83,161,486
Operating Loss	(49,308,121)	(50,490,261)
Non-Operating Revenues (Expenses)		
State Appropriations	20,852,569	18,293,604
Ad Valorem Taxes (Net)	14,062,314	14,135,655
Federal Revenue, Non-Operating	17,868,213	14,036,450
Investment Income	5,234,432	3,108,509
Gain (Loss) on Disposal of Capital Assets	17,392	0
Other Non-Operating	301,984	0
Net Non-Operating Revenues (Schedule C)	58,336,904	49,574,218
Increase/(Decrease) in Net Position	9,028,783	(916,043)
Net Position		
Net Position, Beginning of Year	154,930,378	155,846,421
Net Position - End of Year (as Restated - See Note 2)	\$ 163,959,161	\$ 154,930,378

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

Central Texas College Foundation
Exhibit 2-A-1
Statement of Activities
For the Year Ended August 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Gains & Other Support			
Contributions	\$ 32,644	\$ 225,665	\$ 258,309
Donated Administrative Support	235,123		235,123
Food Pantry Contributions		3,049	3,049
Interest Income		27,820	27,820
Unrealized/Realized Gain (Loss) on Investment		2,536,140	2,536,140
Other Income		4,013	4,013
Net Assets Released	354,373	(354,373)	0
Total Revenues, Gains and Other Support	622,140	2,442,314	3,064,454
Expenses and Losses			
Program			
Scholarships Awarded	329,347		329,347
Support			
Fund Raising	28,461		28,461
Donated Administrative Support	235,123		235,123
Food Pantry Distributions	4,025		4,025
Other	1,916		1,916
Total Expenses and Losses	598,872	0	598,872
Change in Net Assets	23,268	2,442,314	2,465,582
Net Assets at Beginning of Period	71,209	11,712,029	11,783,238
Net Assets at End of Period	\$ 94,477	\$ 14,154,343	\$ 14,248,820

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

Central Texas College Foundation
Exhibit 2-A-2
Statement of Activities
For the Year Ended August 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Gains & Other Support			
Contributions	\$ 55,084	\$ 282,067	\$ 337,151
Donated Administrative Support	237,916		237,916
Food Pantry Contributions	2,707		2,707
Interest Income		32,490	32,490
Unrealized/Realized Gain (Loss) on Investment		1,336,900	1,336,900
Net Assets Released	1,915,316	(1,915,316)	0
Total Revenues, Gains and Other Support	2,211,023	(263,859)	1,947,164
Expenses And Losses			
Program			
Scholarships Awarded	507,186		507,186
College Support	1,408,209		1,408,209
Support			
Fund Raising	13,842		13,842
Donated Administrative Support	237,916		237,916
Food Pantry Distributions	3,053		3,053
Other	(3,132)		(3,132)
Total Expenses and Losses	2,167,074	0	2,167,074
Change in Net Assets	43,949	(263,859)	(219,910)
Net Assets at Beginning of Period	27,260	11,975,888	12,003,148
Net Assets At End Of Period	\$ 71,209	\$ 11,712,029	\$ 11,783,238

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

Central Texas College District
Exhibit 3
Statements of Cash Flows
August 31, 2024 And August 31, 2023

	Fiscal Year	
	2024	2023
Cash Flows from Operating Activities		
Receipts from students and other customers	\$ 24,634,291	\$ 21,272,060
Receipts from grants and contracts	6,789,478	7,274,625
Payments to suppliers for goods and services	(13,758,087)	(13,735,018)
Payments to or on behalf of employees	(49,809,219)	(55,522,726)
Payments for scholarships and fellowships	(21,954,675)	(16,916,295)
Payments for loans issued to students	(65,970)	(74,923)
Receipts from collection of loans to students	65,231	71,174
Other receipts (payments)	7,288,084	3,776,882
Net cash provided (used) by operating activities	(46,810,867)	(53,854,221)
Cash Flows from Non-Capital Financing Activities		
Receipts from state appropriations	18,860,723	17,350,050
Receipts from Ad valorem taxes	14,282,876	14,333,214
Receipts from non-operating federal revenue	16,409,825	13,454,173
Payments for collection of taxes	(220,562)	(197,559)
Receipts from student organizations and other agency transactions	13,171,170	10,910,671
Payments to student organizations and other agency transactions	(13,155,138)	(10,901,942)
Other Payments	301,984	
Net cash provided (used) by non-capital financing activities	49,650,878	44,948,607
Cash Flows from Capital and Related Financing Activities		
Proceeds from the sale of capital assets	17,392	0
Purchases of capital assets	(7,075,106)	(4,564,547)
Net cash provided (used) by capital and related financing activities	(7,057,714)	(4,564,547)
Cash Flows from Investing Activities		
Proceeds from sales and maturities of investments	(28,681,257)	41,500,610
Receipts from interest on investments	5,234,432	3,108,509
Purchases of investments	21,090,628	(44,901,998)
Net cash provided (used) by investing activities	(2,356,197)	(292,879)
Increase (decrease) in cash and cash equivalents	(6,573,900)	(13,763,040)
Cash and cash equivalents-September 1	63,731,283	77,494,323
Cash and cash equivalents-August 31	\$ 57,157,383	\$ 63,731,283
Reconciliation of Net Operating Loss to Net Cash Provided (Used) by Operating Activities:		
Operating Loss	\$ (49,308,121)	\$ (50,490,261)
Adjustments to reconcile operating income to net cash used by operating activities:		
Depreciation expense	5,093,149	3,714,892
Payments made directly by state for benefits	940,614	909,737
Changes in assets and liabilities		
Receivables (net)	712,815	88,323
Inventories	106,888	152,101
Prepaid expenses	(160,486)	(517,841)
Accounts payable	1,678,959	1,388,063
Interest Payable Leases	0	(15,575)
Accrued liabilities	84,102	270,578
Compensated absences	(217,068)	(19,956)
Unearned revenues	108,005	(11,371)
Other Assets	10,010	(9,973)
Deferred Inflows and Outflows	(5,859,734)	(9,312,938)
Net cash provided (used) by operating activities	\$ (46,810,867)	\$ (53,854,221)

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

Central Texas College District
Notes to the Financial Statements
August 31, 2024

1. Reporting Entity

The Central Texas College District (CTCD) was established in July 1965, in accordance with the laws of the State of Texas, to serve the educational needs of the public and the surrounding communities. CTCD is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement 14. While CTCD receives funding from local, state and federal sources, and must comply with the spending, reporting and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

2. Summary of Significant Accounting Policies

Reporting Guidelines

The significant accounting policies followed by CTCD in preparing these financial statements are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*. CTCD applies all applicable GASB pronouncements. CTCD is reported as a special purpose government engaged in business-type activities.

Tuition Discounting

Texas Public Education Grants

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set-aside, called the Texas Public Education Grant (TPEG), is shown with tuition and fee revenue amounts as a separate set aside amount (Texas Education Code §56.033). When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Title IV, Higher Education Act Program Funds

Certain Title IV HEA Program Funds are received by CTCD to pass through to the student. These funds are initially received by CTCD and recorded as revenue. When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Other Tuition Discounts

CTCD awards tuition and fee scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Basis of Accounting

The financial statements of CTCD have been prepared on the accrual basis whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

Budgetary Data

Each community college district in Texas is required by law to prepare an annual operating budget of anticipated revenues and expenditures for the fiscal year beginning September 1. The District's Board of Trustees adopts the budget, which is prepared on the accrual basis of accounting. A copy of the approved budget and subsequent amendments must be filed with the Texas Higher Education Coordinating Board, Legislative Budget Board, Legislative Reference Library and Governor's Office of Budget and Planning by December 1.

Cash and Cash Equivalents

CTCD’s cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition.

Deferred Outflows

In addition to assets, CTCD is aware that the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. Governments are permitted only to report deferred outflows in circumstances specifically authorized by the GASB. A typical deferred outflow for community colleges is a deferred charge or refunding debt.

Investments

In accordance with GASB Statement No 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase.

Inventories

Inventories consist of consumable office supplies, physical plant supplies and bookstore stock. Inventories are valued by the first in, first out method and are charged to expense as consumed.

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation. For equipment, CTCD’s capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life in excess of one year. Renovations of \$100,000 to buildings, infrastructure and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. CTCD charges costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset’s lives to operating expense in the year in which the expense is incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The following lives are used:

Buildings	50 years
Facilities and Other Improvements	20 years
Library Books	15 years
Furniture, Machinery, Vehicles and Other Equipment	10 years
Telecommunications and Peripheral Equipment	5 years

Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Employees Retirement System of Texas (ERS) State Retiree Health Plan (SRHP) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits; OPEB expense; and information about assets, liabilities and additions to/deductions from SRHP’s fiduciary net position. Benefit payments are recognized when due and are payable in accordance with the benefit terms.

Pensions

CTCD participates in the Teacher Retirement System of Texas (TRS) pension plan, a multiple-employer cost sharing defined benefit pension plan with a special funding situation. The fiduciary net position of TRS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Unearned Revenue

Tuition and fees of \$9,209,524 and \$8,263,221 have been reported as unearned revenues at August 31, 2024 and August 31, 2023 respectively. Other unearned revenues of \$838,299 has been reported at August 31, 2023.

Deferred Inflows

In addition to liabilities, CTCD is aware that the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so is not recognized as an inflow of resources (revenue) until that time. Governments are permitted only to report deferred inflows in circumstances specifically authorized by the GASB.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Operating and Non-Operating Revenue and Expense Policy

CTCD distinguishes operating revenues and expenses from non-operating items. CTCD reports as a BTA and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with CTCD's principal ongoing operations. The principal operating revenues are tuition and related fees. The major non-operating revenues are state appropriations and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The operation of food service is not performed by CTCD.

GASB Statement 100 - Accounting Changes and Error Corrections

The District has adopted GASB Statement 100, 'Accounting Changes and Error Corrections' in FY 23-24. The District had no changes in accounting principal, accounting estimates, or changes to/within the District that require a correction of previously issued financial statements.

Prior Year Restatement

During 2024, the District discovered that its previously issued 2023 financial statements understated Accounts Receivable and Tuition Revenue. The error resulted from an incorrect application of Accounts Receivable entries. The adjustment has been made retroactively by restating the comparative financial statements for the prior period (fiscal year 2023). The effect of the restatement was to increase Accounts Receivable and Tuition Revenue by \$3,427,850.

Net Position at August 31, 2023 - Prior to Restatement	\$ 151,502,528
Adjustments to Net Position	3,427,850
Adjusted Net Position at August 31, 2023	<u>\$ 154,930,378</u>

3. Authorized Investments

CTCD is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute. The Board of Trustees of CTCD has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). The investments of CTCD are in compliance with the trustees' investment policies. In addition, there were no instances of non-compliance with regard to the Public Funds Investment Act.

4. Deposits and Investments

Cash and Deposits included and reported on Exhibit 1, Statement of Net Position; consist of the items reported below:

	Cash and Deposits	
	Fiscal Year	
	2024	2023
Bank Deposits		
Demand Deposits	\$16,171,375	\$13,605,187
Cash and Cash Equivalents		
Petty Cash on Hand	10,800	10,801
Certificates of Deposit	1,051,895	23,022,841
Tex Pool	10,545,449	9,982,204
Tex Star	830,029	787,060
Texas Term	21,417,432	9,571,016
Lone Star	7,130,403	6,752,174
	<u>40,986,008</u>	<u>50,126,096</u>
Total Cash and Deposits	<u>\$57,157,383</u>	<u>\$63,731,283</u>

Reconciliation of Deposits and Investments to Exhibit 1

	Market Value	
	08/31/24	08/31/23
U.S. Government Securities	\$34,608,338	\$19,666,528
U.S. Treasuries	13,005,235	6,856,417
U.S. State Securities		
Texas Term	11,000,000	24,500,000
Totals	<u>58,613,573</u>	<u>51,022,945</u>
Total Cash and Deposits	57,157,383	63,731,283
Total Investments	<u>58,613,573</u>	<u>51,022,945</u>
Total Deposits and Investments	<u>115,770,956</u>	<u>114,754,228</u>
Cash and Cash Equivalents (Exhibit 1)	56,555,788	63,154,027
Restricted Cash (Exhibit 1)	601,595	577,256
Short-Term Investments (Exhibit 1)	29,698,490	39,234,285
Long-Term Investments (Exhibit 1)	28,915,083	11,788,660
Total Deposits and Investments	<u>\$115,770,956</u>	<u>\$114,754,228</u>

Reconciliation of Deposits and Investments to Exhibit 1-A

	Market Value	
	08/31/24	08/31/23
Common Fund - Bond Fund	\$1,661,882	\$1,530,526
Common Fund - Equity Fund	12,200,674	9,710,592
Common Fund - Fixed Income	681,057	532,476
Common Fund - Alternative Investment	51,919	
Totals	14,595,532	11,773,594
Total Cash and Deposits	118,797	412,715
Total Investments	14,595,532	11,773,594
Total Deposits and Investments	14,714,329	12,186,309
Cash and Cash Equivalents (Exhibit 1-A)	118,797	412,715
Investments (Exhibit 1- A)	14,595,532	11,773,594
Total Deposits and Investments	\$14,714,329	\$12,186,309

As of August 31, 2024 CTCD had the following investments and maturities:

	Investment Maturities (in Years)			
	Fair Value	Less Than 1	1 to 2	2 to 5
U.S. Government Securities	\$34,608,338	15,243,881	17,330,636	2,033,821
U.S. Treasuries	13,005,235	3,454,609	6,000,313	3,550,313
U.S. State Securities				
Texas Term	11,000,000	11,000,000		
Total Fair Value	\$58,613,573	29,698,490	23,330,949	5,584,134

As of August 31, 2023 CTCD had the following investments and maturities:

	Investment Maturities (in Years)			
	Fair Value	Less Than 1	1 to 2	2 to 5
U.S. Government Securities	\$19,666,528	7,877,868	9,977,088	1,811,572
U.S. Treasuries	6,856,417	6,856,417		
U.S. State Securities				
Texas Term	24,500,000	24,500,000		
Total Fair Value	\$51,022,945	39,234,285	9,977,088	1,811,572

Interest Rate Risk

In accordance with state law and CTCD policy, CTCD does not purchase any investments with maturities greater than 10 years.

Credit Risk

In accordance with state law and CTCD's investment policy, investments in mutual funds and investment pools must be rated at least AAA, commercial papers must be rated at least A-1 or P-1, and investments in obligations from other states, municipalities, counties, etc. must be rated at least A.

Concentration of Credit Risk

CTCD does not place a limit on the amount that may be invested in any one issuer. 51% of investments are in Governments Pools, 1% are in Certificates of Deposit and 48% in individual government securities (bills, bonds etc.).

5. Fair Value of Financial Instruments

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level that is significant to the fair value measurement of the instrument.

The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the government can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the assets or liability.

The fair value hierarchy of investments at August 31, 2024 follows:

	Level			Total
	1	2	3	
U.S. Government Securities	\$34,608,338			34,608,338
U.S. Treasuries	13,005,235			13,005,235
U.S. State Securities	0			0
Texas Term		11,000,000		11,000,000
Total Fair Value	\$47,613,573	11,000,000	0	58,613,573

The fair value hierarchy of investments at August 31, 2023, follows:

	Level			Total
	1	2	3	
U.S. Government Securities	\$19,666,528			19,666,528
U.S. Treasuries	6,856,417			6,856,417
U.S. State Securities				0
Texas Term		24,500,000		24,500,000
Total Fair Value	\$26,522,945	24,500,000	0	51,022,945

6. Derivatives

None

7. Capital Assets

Capital assets activity for the year ended August 31, 2024 was as follows:

	Balance as of 08/31/23	Increase	Decrease	Balance as of 08/31/24
<u>Not Depreciated:</u>				
Land	\$896,168			\$896,168
Construction in Progress	2,773,991	4,597,381		7,371,372
Subtotal	3,670,159	4,597,381	0	8,267,540
<u>Buildings and Other Capital Assets</u>				
Buildings	146,585,445			146,585,445
Land Improvements	48,530,320	654,683		49,185,003
Total Buildings and Other Real Estate Improvements	195,115,765	654,683	0	195,770,448
Library Books	2,033,203	31,073	(84)	2,064,192
Furniture, Machinery, Vehicles & Other Equipment	13,635,297	1,537,484	(499,074)	14,673,707
Telecommunications & Peripheral Equipment	10,343,257	268,874	(39,769)	10,572,362
Total Buildings and Other Capital Assets	221,127,522	2,492,114	(538,927)	223,080,709
<u>Accumulated Depreciation:</u>				
Buildings	(57,456,507)	(2,304,501)		(59,761,008)
Land Improvements	(8,599,634)	(1,987,732)		(10,587,366)
Total Buildings and Other Real Estate Improvements	(66,056,141)	(4,292,233)	0	(70,348,374)
Library Books	(1,881,227)	(13,880)	84	(1,895,023)
Furniture, Machinery, Vehicles & Other Equipment	(10,753,426)	(602,533)	484,686	(10,871,273)
Telecommunications & Peripheral Equipment	(9,858,007)	(184,503)	39,768	(10,002,742)
Total Accumulated Depr	(88,548,801)	(5,093,149)	524,538	(93,117,412)
Net Capital Assets	\$136,248,880	1,996,346	(14,389)	\$138,230,837

Capital assets activity for the year ended August 31, 2023 was as follows:

	Balance as of 08/31/22	Increase	Decrease	Balance as of 08/31/23
Not Depreciated:				
Land	\$896,168			\$896,168
Construction in Progress	35,559,989	2,054,671	34,840,669	2,773,991
Subtotal	36,456,157	2,054,671	34,840,669	3,670,159
Buildings and Other Capital				
Buildings	145,437,747	1,147,698		146,585,445
Land Improvements	13,362,651	35,167,669		48,530,320
Total Buildings and Other Real Estate Improvements	158,800,398	36,315,367	0	195,115,765
Library Books	2,031,774	31,289	29,860	2,033,203
Furniture, Machinery, Vehicles & Other Equipment	13,088,702	881,692	335,097	13,635,297
Telecommunications & Peripheral Equipment	10,469,697	122,197	248,637	10,343,257
Total Buildings and Other Capital Assets	184,390,571	37,350,545	613,594	221,127,522
Accumulated Depreciation:				
Buildings	(55,168,334)	(2,288,173)		(57,456,507)
Land Improvements	(8,028,997)	(570,637)		(8,599,634)
Total Buildings and Other Real Estate Improvements	(63,197,331)	(2,858,810)	0	(66,056,141)
Library Books	(1,896,768)	(14,319)	29,860	(1,881,227)
Furniture, Machinery, Vehicles & Other Equipment	(10,514,216)	(574,307)	335,097	(10,753,426)
Telecommunications & Peripheral Equipment	(9,839,187)	(267,456)	248,636	(9,858,007)
Total Accumulated Depr	(85,447,502)	(3,714,892)	613,593	(88,548,801)
Net Capital Assets	\$135,399,226	35,690,324	(34,840,670)	\$136,248,880

8. Non-Current Liabilities

Non-current liability activity for the year ended August 31, 2024 was as follows:

	Balance 08/31/23	Additions	Reductions	Balance 08/31/24	Current
Accrued Compensable Absences	\$1,764,879	29,581	(246,649)	1,547,811	309,562
Lease Liability	839,920	2,474,024	(839,920)	2,474,024	289,924
Software Liability	3,250,823	1,821,871	(3,250,823)	1,821,871	1,554,042
Net Pension Liability	17,949,882	2,407,134	(1,417,298)	18,939,718	
Net OPEB Liability	43,003,846	5,020,892	(9,464,705)	38,560,033	1,078,578
Total Non-Current Liabilities	\$66,809,350	11,753,501	(15,219,394)	63,343,457	3,232,106

Non-current liability activity for the year ended August 31, 2023 was as follows:

	Balance 08/31/22	Additions	Reductions	Balance 08/31/23	Current
Accrued Compensable Absences	\$1,784,835	173,006	(192,962)	1,764,879	352,976
Lease Liability	728,896	839,920	(728,896)	839,920	113,566
Software Liability		3,250,823		3,250,823	1,407,143
Net Pension Liability	8,277,945	11,082,803	(1,410,866)	17,949,882	
Net OPEB Liability	55,759,546	5,918,429	(18,674,129)	43,003,846	1,118,008
Total Non-Current Liabilities	\$66,551,222	21,264,981	(21,006,853)	66,809,350	2,991,693

9. Debt and Lease Obligations

CTCD changed accounting policies related to Leases by adopting Statement of Governmental Accounting Standards/GASB Statement) No. 87, Leases, in fiscal year ending August 31, 2022.

Obligations under lease on August 31, 2024, were as follows (amounts in 000's)

Year Ending Aug. 31	Principal Payments	Interest Payments	Total
2025	\$289,924	\$200,174	\$490,098
2026	309,888	175,084	484,972
2027	333,662	147,979	481,641
2028	350,282	119,021	469,303
2029	367,084	88,835	455,919
2030 - 2033	654,390	124,207	778,597
2034 - 2038	107,692	56,008	163,700
2039 - 2043	61,102	7,897	68,999
Total	\$2,474,024	\$919,205	\$3,393,229

Obligations by major asset class

	Asset	Accumulated Amortization	Lease Obligation
Technology equipment	\$2,347,101	\$343,032	\$2,004,069
Land, buildings	482,431	12,477	469,955
Total	\$2,829,532	\$355,509	\$2,474,024

Central Texas College District changed accounting policies related to Software Subscriptions by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 96, Subscription-Based Information Technology Arrangements in fiscal year ending August 31, 2023.

Obligations under software subscriptions on August 31, 2024, were as follows (amounts in 000's):

Year Ending Aug. 31	Principal Payments	Interest Payments	Total
2025	\$ 1,554,042	\$ 154,859	\$ 1,708,901
2026	125,729	22,765	148,494
2027	142,100	12,079	154,179
Total	\$1,821,871	\$189,703	\$2,011,574

Obligations by major asset class

	Asset	Accumulated Amortization	Lease Obligation
Software Licenses	\$ 7,436,849	\$ 5,614,978	\$ 1,821,871

10. Bonds Payable

None

11. Advance Refunding Bonds

None

12. Defeased Bonds Outstanding

None

13. Short-Term Debt

None

14. Employees' Retirement Plan

The State of Texas has joint contributory retirement plans for almost all its employees.

Defined Benefit Pension Plans

Plan Description

The CTCD participates in a cost-sharing multiple-employer defined benefit pension plan that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). The TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67, and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard workload and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System’s fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report is available online or write to TRS at 1000 Red River Street, Austin, Texas, 78701-2698.

Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using a 2.3% (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, whose formulas use the three highest annual salaries. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member’s age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member’s age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic cost of living adjustments (COLA). Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan Description above.

Texas Government Code Section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS’ unfunded actuarial liabilities would be increased to a period that exceeds 31 years or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Contributions

Contribution requirements are established or amended pursuant to Article 16, Section 67 of the Texas Constitution, which requires the Texas Legislature to establish a member contribution rate of not less than 6% of the member’s annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 through 2025.

	Contribution Rates	
	2024	2023
Member	8.25%	8.00%
Non-Employer Contributing Entity (State)	8.25%	8.00%
Employers	8.25%	8.00%
FY 2023 Member Contributions	2,324,506	
FY 2023 State of Texas On-Behalf Contributions	883,276	
FY 2023 District Contributions	1,417,298	

The CTCD’s contributions to the TRS pension plan in 2024 were \$434,455 as reported in the Schedule of CTCD’s contributions for pensions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for 2024 were \$883,276.

* As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers.

Public junior colleges or junior college districts are required to pay the employer contribution rate in the following instances:

- * On the portion of the member’s salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- * During a new member’s first 90 days of employment.
- * When any part or all of an employee’s salary is paid by federal funding sources, a privately sponsored source, or from non-educational and general or local funds.
- * When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees and 100% of the state contribution rate for all other employees.
- * In addition to the employer contributions listed above, when employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions

The total pension liability in the August 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

* Valuation Date	08/31/22 rolled forward to 08/31/23
* Actuarial Cost Method	Individual entry age normal
* Asset Valuation Method	Fair value
* Single Discount Rate	7.00%
* Long-Term Expected Investment Rate Of Return*	7.00%
* Municipal Bond Rate As Of August 2023*	4.13%
* Last Year Ending August 31 In Projection Period (100 Years)	2122
* Inflation	2.30%
* Salary Increases Including Inflation	2.95% to 8.95%
* Ad Hoc Post-Employment Benefit Changes	None

*Source for the rate is the Fixed Income Marked Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported Fidelity Index’s “20-Year Municipal GO AA Index.”

The actuarial methods and assumptions were selected by the TRS Board of Trustees of the Teacher Retirement System of Texas based upon analysis and recommendations by the system’s actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the plan. The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2022.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Discount Rate

A single discount rate of 7% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the Legislature during the 2019 legislative session. It is assumed that future employer and state contributions will be 9.5% of payroll in fiscal year 2024 increasing to 9.56% in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

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.

The long-term expected rate of return on pension plan investments is 7%. The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. 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 geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2023 are summarized below.

	Target Allocation ²	Long-Term Expected Geometric Real Rate of Return ³	Expected Contribution to Long-Term Portfolio Returns
Asset Class¹			
Global Equity			
U.S.	18.0%	4.0%	1.0%
Non-U.S. Developed	13.0%	4.5%	0.9%
Emerging Markets	9.0%	4.8%	0.7%
Private Equity	14.0%	7.0%	1.5%
Stable Value			
Government Bonds	16.0%	2.5%	0.5%
Absolute Return		3.6%	
Stable Value Hedge Funds	5.0%	4.1%	0.2%
Real Return			
Real Estate	15.0%	4.9%	1.1%
Energy and Natural Resources	6.0%	4.8%	0.4%
Commodities		4.4%	
Risk Parity	8.0%	4.5%	0.4%

Asset Allocation Leverage

Cash	2.0%	3.7%	0.0%
Asset Allocation Leverage	-6.0%	4.4%	-0.1%
Inflation Expectation			2.3%
Volatility Drag ⁴			-0.9%
Expected Return	<u>100.00%</u>		<u>8.00%</u>

¹ Absolute return includes credit sensitive investments.

² Target allocations are based on the FY2023 policy model.

³ Capital market assumptions come from Aon Hewitt (as of 6/30/2023).

⁴ The volatility drag results from the conversion between arithmetic and geometric mean returns.

Source: TRS 2023 ACFR

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7%) in measuring the Net Pension Liability.

	1% Decrease in Discount Rate 6%	Discount Rate 7%	1% Increase in Discount Rate 8%
CTCD's proportionate share of the net pension liability	28,315,931	18,939,718	11,143,396

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

At August 31, 2024, the CTCD reported a liability of \$18,939,718 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for state pension support provided to the CTCD. The amount recognized by the CTCD as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the CTCD were as follows:

CTCD's Proportionate share of the collective net pension liability	\$18,939,718
State's proportionate share that is associated with CTCD	<u>11,803,446</u>
Total	\$30,743,164

The net pension liability was measured as of August 31, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2022 through August 31, 2023.

At the measurement date of August 31, 2023, the employer's proportion of the collective net pension liability was 0.000275726069%, which was an increase (decrease) of (0.00002662633)% from its proportion measured as of August 31, 2022.

For the year ended August 31, 2024, the CTCD recognized pension expense of \$1,782,218 and revenue of \$1,782,218 for support provided by the state.

At August 31, 2024, the CTCD reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$674,829	229,339
Changes in actuarial assumptions	1,791,327	438,378
Difference between projected and actual investment earnings	5,918,090	3,161,901
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions		4,205,243
Contributions paid to TRS after the measurement date	434,455	
Total	\$8,818,701	\$8,034,861

The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended August 31:	Pension Expense Amount
2025	(\$567,565)
2026	(604,426)
2027	1,383,895
2028	211,067
2029	(73,586)
Thereafter	

Optional Retirement Plan-Defined Contribution Plan

Plan Description. Participation in the ORP is in lieu of participation in the TRS. The ORP provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The percentage of participant salaries currently contributed by the state and each participant are 6.6% and 6.65%, respectively. CTCD contributes 1.9% for employees who were participating in the optional retirement program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program. Senate Bill (SB) 1812 83rd Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

The retirement expense to the State for the CTCD was \$2,137,402 and \$1,108,154 for the fiscal years ended August 31, 2024 and August 31, 2023 respectively. This amount represents the portion of expended appropriations made by the State Legislature on behalf of CTCD.

The total payroll for all CTCD employees was \$36,662,738 and \$42,507,906 for fiscal years 2024 and 2023, respectively. The total payroll of employees covered by the Teacher Retirement System was \$28,077,657 and \$29,081,071 and the total payroll of employees covered by the Optional Retirement System was \$4,471,242 and \$5,126,255 for fiscal years 2024 and 2023, respectively.

Additionally, substantially all employees of CTCD participate in a defined contribution pension program which is subject to the provisions of the Employment Retirement Income Security Act of 1974, as amended. Participating employees are required to contribute 6% of covered compensation, while CTCD contributes 7%. Total employer contributions made by CTCD during the years ending August 31, 2024 and 2023 were \$1,963,731 and \$2,222,091 respectively.

In July 1991, CTCD implemented a supplemental retirement program to comply with the Omnibus Budget Reconciliation Act of 1990. All part-time employees are required to contribute 3.75% of covered compensation while CTCD contributes 3.75%. Total employer contributions made by CTCD during the year ending August 31, 2024 and 2023, were \$133,973 and \$153,873 respectively.

15. Deferred Compensation Program

College employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government code 609.001. As of August 31, 2024, the CTCD had no employees participating in the program and no payroll deductions had been invested in approved plans.

16. Compensable Absences

Full-time employees earn annual leave from 0.83 to 2.08 days per month depending on the number of years employed with the CTCD. CTCD's policy is that an employee may carry their accrued leave forward from one fiscal year to another fiscal year with a maximum number of days up to 50 for those employees with 20 or more years of service. Employees with at least six months of service who terminate their employment are entitled to payment for all accumulated annual leave up to the maximum allowed. CTCD recognized the accrued liability for the unpaid annual leave in the amounts of \$1,547,811 (\$309,562 current portion) and \$1,764,879 (\$352,976 current portion) for fiscal year 2024 and fiscal year 2023. Sick leave, which can be accumulated up to 480 hours, is earned at the rate of 8 hours per month. It is paid to an employee who misses work from illness. Employees are not entitled to payment for accumulated sick leave upon termination. CTCD's policy is to recognize the cost of sick leave when paid. The liability is not shown in the financial statements since experience indicates the expenditure for sick leave is minimal.

17. Health Care and Life Insurance Benefits

Certain health care and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing these benefits by expending the annual insurance premiums. S.B. 1812, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

	2024	2023
State Contribution Per Full-time Active Employee	624.82	624.82
Total State Contributions For Full-time Active Employees	2,673,746	2,646,108
State Contributions For Retirees:		
# Of Retirees	241	232
State Cost	981,357	988,735
State Contributions For Active Employees:		
# Of Active Employees	488	466
State Cost	1,692,389	1,657,373

18. Other Post-Employment Benefits (OPEB)

(In accordance with GASB Statement 75)

Plan Description. The College participates in a cost-sharing, multiple-employer defined-benefit other post-employment benefit (OPEB) plan with a special funding situation. The Texas Employees Group Benefits Program (GBP) is administered by the Employees Retirement System of Texas (ERS). The GBP provides certain postemployment health care, life and dental insurance benefits to retired employees of participating universities, community colleges, and State agencies in accordance with Chapter 1551, Texas Insurance Code. Almost all employees may become eligible for those benefits if they reach normal retirement age while working for the State and retire with at least 10 years of service to eligible entities. Surviving spouses and dependents of these retirees are also covered. Benefit and contribution provisions of the GBP are authorized by State law and may be amended by the Texas Legislature.

OPEB Plan Fiduciary Net Position. Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Annual Comprehensive Financial Report that includes financial statements, notes to the financial statements and required supplementary information. That report may be obtained on the Internet <https://ers.texas.gov/about-ers/reports-and-studies/reports-on-overall-ers-operations-and-financial-management>; or by writing to ERS at: 200 East 18th Street, Austin, TX 78701; or by calling (877) 275-4377.

Benefits Provided. Retiree health benefits offered through the GBP are available to most State of Texas retirees and their eligible dependents. Participants need at least ten years of service credit with an agency or institution that participates in the GBP to be eligible for GBP retiree insurance. The GBP provides self-funded group health (medical and prescription drug) benefits for eligible retirees under HealthSelect. The GBP also provides a fully insured medical benefit option for Medicare-primary participants under the Health Select Medicare Advantage Plan and life insurance benefits to eligible retirees via a minimum premium funding arrangement. The authority under which obligations of the plan members and employers are established and/or may be amended is Chapter 1551, Texas Insurance Code.

Contributions. Section 1551.055 of Chapter 1551, Texas Insurance Code, provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS Board of Trustees. The employer and member contribution rates are determined annually by the ERS Board of Trustees based on the recommendations of ERS staff and its consulting actuary. The contribution rates are determined based on (i) the benefit and administrative costs expected to be incurred, (ii) the funds appropriated and (iii) the funding policy established by the Texas Legislature in connection with benefits provided through the GBP. The Trustees revise benefits when necessary to match expected benefit and administrative costs when the revenue expected to be generated by the appropriate funds. There are no long-term contracts for contributions to the plan.

The following table summarizes the maximum monthly employer contribution toward eligible retiree's health and basic life premium, which is based on a blended rate. Retirees pay any premium over and above the employer contribution. The employer does not contribute toward dental or optional life insurance. Surviving spouses and their dependents do not receive any employer contribution. As the non-employer contributing entity (NECE), the State of Texas pays part of the premiums for the junior and community colleges.

**Maximum Monthly Employer Contribution
Retiree Health and Basic Life Premium
Fiscal Year 2023**

Retiree only	\$624.82
Retiree & Spouse	1,340.82
Retiree & Children	1,104.22
Retiree & Family	1,820.22

Contributions of premiums to the GBP plan for the current and prior fiscal year by source is summarized in the following table.

**Premium Contributions by Source
Group Benefits Program Plan
For the Years Ended August 31, 2023 and August 31, 2022**

	Fiscal Year	
	2023	2022
Employers	801,018,586	699,999,453
Members (Employees)	181,951,869	190,659,955
Non-Employer Contribution Entity (State of Texas)	42,250,455	36,750,724

Source: ERS FY 2023 Comprehensive Annual Financial Report

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of August 31, 2023 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

**Actuarial Assumptions
ERS Group Benefits Program Plan**

Valuation Date	August 31, 2023
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll, Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Not applicable because the plan operates on a pay-as-you-go basis
Discount Rate	3.81%
Projected Annual Salary Increase (includes inflation)	2.3% to 8.95%

Annual Healthcare Trend Rate	<p><u>HealthSelect</u> 5.60% for FY2025, 5.30% for FY2026, 5.00% for FY2027, 4.75% for FY2028, 4.60% for FY2029, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2032 and later years</p> <p><u>HealthSelect Medicare Advantage</u> 16.40% for FY2025, 8.40% for FY2026, 5.00% for FY2027, 4.75% for FY2028, 4.60% for FY2029, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2032 and later years</p> <p><u>Pharmacy</u> 10.0% for FY2025 and FY2026, decreasing 100 basis points per year to 5.0% for FY2031 and 4.3% for FY2032 and later years</p>
Inflation Assumption Rate	2.30%
Ad hoc Postemployment Benefit changes	None
Mortality Rate	<p><u>State Agency Members</u></p> <p>a. Service Retirees, Survivors and other Inactive Members (Regular, Elected, CPO/CO and JRS I and II Employee Classes): 2020 State Retirees of Texas Mortality table with a 1 year set forward for male CPO/CO members and Ultimate MP Projection Scale projected from the year 2020.</p> <p>b. Disability Retirees (Regular, Elected, CPO/CO and JRS I and II Employee Classes): 2020 State Retirees of Texas Mortality table set forward three years for males and females. Generational mortality improvements in accordance with the Ultimate MP-2019 Projection Scale are projected from the year 2020. Minimum rates of 3.0% and 2.5% apply at all ages for males and females, respectively.</p> <p>c. Active Members: Pub-2010 General Employees Active Member Mortality table for non-CPO/CO members and Pub-2010 Public Safety Active Member Mortality table for CPO/CO members with Ultimate MP-2019 Projection Scale from the year 2010.</p> <p><u>Higher Education Members</u></p> <p>a. Service Retirees, Survivors and Other Inactive Members: Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021.</p> <p>b. Disability Retirees: Tables based on TRS experience with Ultimate MP Projection Scale from the year 2021 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members.</p> <p>c. Active Members: Sex Distinct Pub-2010 Amount-Weighted Below-Median Income Teacher Mortality with a 2-year set forward for males with Ultimate MP-Projection Scale from the year 2010.</p>

Source: 2023 ERS CAFR and ERS Actuarial Valuation of OPEB Under the TX Employees Group Benefits Program GASB 75 for the Measurement Year Ended August 31, 2023 and Employer Reporting for Fiscal Years Ending August 31, 2024.

Many of the actuarial assumptions used in this valuation were based on the results of actuarial experience studies performed by the ERS retirement plan actuaries for the period September 1, 2010 to August 31, 2017.

Investment Policy. The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System’s Board of Trustees amended the investment policy statement in August 2022 to require that all funds in the plan be invested in cash and equivalent securities.

Discount Rate. Because the State Retiree Health Plan does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bonds rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement year was 3.59%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 3.81%, which amounted to an increase of .22%. The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds average credit quality is roughly equivalent to Moody’s Investors Service’s Aa2 rating and Standard & Poor’s Corp’s AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable is zero years.

Discount Rate Sensitivity Analysis. The following schedule shows the impact on CTCD’s proportionate share of the collective net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that as used (3.81%) in measuring the net OPEB Liability.

	1% Decrease in Discount Rate 2.81%	Discount Rate 3.81%	1% Increase in Discount Rate 4.81%
CTCD’s proportionate share of the net OPEB liability	44,743,384	38,560,033	33,586,613

Healthcare Trend Rate Sensitivity Analysis. The initial healthcare trend rate is 5.6% for HealthSelect, 16.4% for HealthSelect Medicare Advantage and 10% for Pharmacy. The following schedule shows impact on the CTCD’s proportionate share of the collective net OPEB liability if the healthcare cost trend rate was 1% less than and 1% greater than the healthcare cost trend rate that was used (HealthSelect 5.6%, HealthSelect Medicare Advantage 16.4%, and Pharmacy 10%) in measuring the net OPEB liability.

	1% Decrease in Healthcare Cost Trend Rates (HealthSelect: 4.60% decreasing to 3.3%; HealthSelect Medicare Advantage: 15.40% to 3.3%; Pharmacy: 9.0% decreasing to 3.3%)	Current Healthcare Cost Trend Rates (HealthSelect: 5.60% decreasing to 4.3%; HealthSelect Medicare Advantage: 16.40% to 4.3%; Pharmacy: 10.0% decreasing to 4.3%)	1% Increase in Healthcare Cost Trend Rates (HealthSelect: 6.60% decreasing to 5.3%; HealthSelect Medicare Advantage: 17.40% to 5.3%; Pharmacy: 11.0% decreasing to 5.3%)
CTCD’s proportionate Share of the net OPEB Liability:	33,166,991	38,560,033	45,409,232

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At August 31, 2024, the College reported a liability of \$38,560,033 for its proportionate share of the ERS's net OPEB liability. This liability reflects a reduction for State support provided to the College for OPEB. The amount recognized by the College as it's proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the College were as follows:

CTCD's Proportionate share of the collective net OPEB liability	\$38,560,033
State's proportionate share that is associated with CTCD	<u>24,631,495</u>
Total	\$63,191,528

The net OPEB liability was measured as of August 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2022 through August 31, 2023.

At the measurement date of August 31, 2023, the employer's proportion of the collective net OPEB liability was .14432486% which was less than the proportion measured as of August 31, 2022 of .15095973%, a decrease of .00663487%.

For the year ended August 31, 2024 the College recognized a reduction to OPEB expense of \$730,986 and revenue of \$730,986 for support provided by the State.

Changes Since the Prior Actuarial Valuation – Changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period were as follows:

Changes to Benefit Terms:

Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2024, are provided for in the FY2024 Assumed Per Capita Health Benefit Costs.

Changes of Assumptions:

Demographic Assumptions:

Since the last valuation was prepared for this plan, the following assumptions have been updated since the previous valuation to reflect recent plan experience and expected returns:

- * Percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- * Proportion of future retirees assumed to cover dependent children.
- * Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees to receive the Opt-Out Credit at retirement.

Economic Assumptions:

- * Assumed Per Capita Health Benefit Costs and Health Benefit Costs and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.
- * The Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act has been updated to reflect the most recent available information.

Other Inputs:

The discount rate was changed from 3.59% as of August 31, 2022 to 3.81% as of August 31, 2023 as a result of requirements by GASB No. 75 to reflect the yield or index rate for 20-year, tax exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Changes of Benefit Terms Since Prior Measurement Date

Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2024, are provided for in the FY2024 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is Primary.

At August 31, 2024 the College reported its proportionate share of the ERS plan’s collective 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 economic experience		1,019,934
Changes in actuarial assumptions	1,286,321	12,042,813
Difference between projected and actual investment earnings	3,115	
Changes in proportion and difference between the employer’s contributions and the proportionate share of contributions		7,395,581
Contributions paid to TRS after the measurement date	739,616	
Total	\$2,029,052	\$20,458,328

The net amounts of the employer’s balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year ended August 31:	OPEB Expense Amount
2025	(\$6,168,002)
2026	(5,334,028)
2027	(4,330,930)
2028	(2,753,932)
2029	(582,000)
Thereafter	0

19. Certain Asset Retirement Obligations (AROs)

None

20. Pending Lawsuits and Claims

On August 31, 2024, various claims involving CTCD were pending. While the ultimate liability with respect to litigation and other claims asserted against the CTCD cannot be reasonably estimated at this time, this liability, to the extent not provided by insurance or otherwise, is not likely to have a material effect on the CTCD.

CTCD's contracts with the U.S. Government are subject to examination by the Defense Contract Auditing Agency. Management believes that adjustments, if any, resulting from such examination will have no significant impact on the financial condition or results of operations.

21. Disaggregation of Receivables, Payables and Other Operating Revenues Balances

Receivables

Receivables at August 31, 2024 and August 31, 2023 were as follows:

	Fiscal Year	
	2024	2023
Student Receivables	\$14,085,027	\$9,774,905
Taxes Receivable	429,531	463,239
Federal Receivables	6,414,533	9,015,286
Accounts Receivable	317,200	620,448
Interest Receivable	1,044,105	1,532,098
Subtotal	22,290,396	21,405,976
Allowance for Doubtful Accounts	(6,605,094)	(6,466,247)
Total Receivables	<u>\$15,685,302</u>	<u>\$14,939,729</u>

Receivables under leases on August 31, 2024, were as follows (amounts in 000's)

Year Ending Aug. 31	Principal Payments	Interest Payments	Total
2025	\$22,576	\$25,548	\$48,124
2026	13,864	24,268	38,132
2027	15,065	23,066	38,131
2028	16,371	21,761	38,132
2029	20,294	20,342	40,636
2030 - 2033	100,307	62,238	162,545
2034 - 2038	122,654	32,152	154,806
2039 - 2043	0	0	0
	<u>\$311,131</u>	<u>\$209,375</u>	<u>\$520,506</u>

Payables

Payables at August 31, 2024 and August 31, 2023 were as follows:

	Fiscal Year	
	2024	2023
Vendors Payable	\$5,192,423	\$3,513,464
Salaries & Benefits Payable	16,746,416	16,662,315
Total Payables	<u>\$21,938,839</u>	<u>\$20,175,779</u>

22. Funds Held in Trust by Others

There are no balances or transactions of funds held in trust by others on behalf of CTCD.

23. Contract and Grant Awards

Contract and grant awards are accounted for in accordance with the requirements of the American Institute of Certified Public Accountants (AICPA audit and accounting guide, *State and Local Governments*, 8.99). For federal contract and grant awards, funds expended, but not collected, are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended but not collected are reported as Accounts Receivable on Exhibit 1. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements. Contract and grant awards funds already committed, e.g., multi-year awards, or funds awarded during fiscal years 2024 and 2023 for which monies have not been received nor funds expended total \$1,695,078 and \$7,609,712. Of these amounts, \$725,882 and \$6,283,513 were from Federal Contract and Grant Awards, and \$969,196 and \$1,326,199 were from State Contract and Grant Awards.

24. Self Insured Plans

CTCD does not currently maintain self-insured arrangements. First dollar worker’s compensation insurance coverage is carried for all CTCD operations. Employee health and medical malpractice plans are funded. Coverage for unemployment compensation is maintained through the State of Texas as well as numerous other states in which CTCD contracts education. Accrued liabilities are generally based on actuarial valuation, and represent the present value of unpaid expected claims. Estimated future payments for incurred claims are charged to current operations.

25. Ad Valorem Taxes

The District’s ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District.

At August 31:	Fiscal Year	
	2024	2023
Assessed Valuation of the District	23,073,750,072	19,513,409,799
Less: Exemptions	(5,495,765,211)	(4,336,318,976)
Net Assessed Valuation of District	17,577,984,861	15,177,090,823

	Fiscal Year					
	2024			2023		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Authorized Tax Rate per \$100 valuation (Maximum per enabling legislation)	0.2500	0.2500	0.5000	0.2500	0.2500	0.5000
Assessed Tax Rate per \$100 valuation	0.0825	0.0000	0.0825	0.0960	0.0000	0.0960

Taxes levied for the year ended August 31, 2024 and 2023 are \$14,501,838 and \$14,570,007 respectively, (which includes any penalty and interest assessed if applicable). Taxes are due on receipt of the tax bill and are delinquent if not paid before February of the year following the year in which imposed.

	Fiscal Year					
	2024			2023		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Current Taxes Collected	\$14,141,106		\$14,141,106	\$14,161,352		\$14,161,352
Delinquent Taxes Collected	49,003		49,003	51,420		51,420
Penalties & Interest Collected	92,767		92,767	120,441		120,441
Total Gross Collections	14,282,876		14,282,876	14,333,214		14,333,214
Tax Appraisal & Collection Fees	(220,562)		(220,562)	(197,559)		(197,559)
Bad Debt Expense						
Assessed Tax Rate Per \$100 Valuation	\$14,062,314		\$14,062,314	\$14,135,655		\$14,135,655

Tax collections for the year ended August 31, 2024 and 2023 were 97.5% and 97.2%, respectively of the current tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or general obligation debt service.

CTCD participates in a tax increment financing district (TIF). The following table summarizes the obligations of CTCD's involvement in the TIF.

	Percentage of Incremental Tax Committed	Taxes Forgone in 2024	Taxes Forgone in 2023
Killeen Tax Increment Reinvestment Zone Number Two	100%	56,419	64,217

26. Tax Abatements

None

27. Branch Campus Maintenance Tax

None

28. Income Taxes

CTCD is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, Etc.*, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511 (a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations*. CTCD had no unrelated business income tax liability for the year ended August 31, 2024 and 2023.

29. Component Units

Central Texas College Foundation - Discrete Component Unit

Central Texas College Foundation was established as a separate nonprofit organization in 1992, to raise funds to provide student scholarships and assistance in the development and growth of the CTCD. Under Governmental Standards Board Statement No 39, Determining Whether Certain Organizations are Component Units, the Foundation is a component unit of CTCD because CTCD provides financial support to the Foundation and the economic resources received or held by the Foundation are entirely or almost entirely for the benefit of CTCD.

Accordingly, the Foundation financial statements are included in the CTCD's annual report as a discrete component unit (see table of contents). Complete financial statements of the Central Texas College Foundation can be obtained from the administrative office of the Foundation.

30. Related Parties (Not a Component Unit)

The CTC Employee's Pension Plan and Trust provided certain services on behalf of the CTCD during the year ended August 31, 2024. The Employee's Pension Plan and Trust serves as fiduciary for the CTCD's defined contribution pension programs. The members of Trust are employees of CTCD who do not receive any additional compensation or incur any expenses.

31. Subsequent Events

None

Required Supplementary Information Schedules (RSI)

**Central Texas College District
Schedule of District's Proportionate Share of Net Pension Liability
Last Ten Fiscal Years**

Fiscal year ending August 31, *	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
CTCD's proportion of collective net pension liability	0.027573%	0.030235%	0.032505%	0.038199%	0.042907%	0.044695%	0.052726%	0.058171%	0.063147%	0.071666%
CTCD's proportionate share of collective net pension liability	18,939,718	17,949,882	8,277,945	20,458,627	22,304,538	24,601,154	16,859,073	21,981,885	22,321,695	19,142,979
State's proportionate share of net pension liability associated with CTCD	11,803,446	10,475,438	4,684,427	11,237,563	11,015,631	11,832,909	7,306,922	8,670,256	8,786,179	6,961,584
Total	30,743,164	28,425,320	12,962,372	31,696,190	33,320,169	36,434,063	24,165,995	30,652,141	31,107,874	26,104,563
CTCD's covered payroll	29,081,071	28,970,051	30,284,554	32,518,222	33,189,244	33,120,338	36,392,653	37,349,400	38,257,762	36,315,879
CTCD's proportionate share of collective net pension liability as a percentage of covered payroll	65.13%	61.96%	27.33%	62.91%	67.20%	74.28%	46.33%	58.85%	58.35%	52.71%
Plan fiduciary net position as a percentage of total pension liability	73.15%	75.62%	88.79%	75.24%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

* The amounts presented above are as of the measurement date of the collective net pension liability.

**Central Texas College District
Schedule of District's Contributions for Pensions
Last Ten Fiscal Years**

Fiscal year ending August 31, *	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Legally required contributions	434,455	505,681	559,946	594,054	699,568	721,037	768,690	961,748	1,098,769	1,137,973
Actual contributions	434,455	505,681	559,946	594,054	699,568	721,037	768,690	961,748	1,098,769	1,137,973
Contributions deficiency										
CTCD's covered employee payroll amount	28,077,657	29,081,071	28,970,051	30,284,554	32,518,222	33,189,244	33,120,338	36,392,653	37,739,400	38,257,762
Contributions as a percentage of covered payroll	1.55%	1.74%	1.93%	1.96%	2.15%	2.17%	2.32%	2.64%	2.91%	2.97%

* The amounts presented above are as of the District's most recent fiscal year.

Central Texas College District
Notes to Required Supplementary Information (RSI) Schedules for Pensions
Year Ended August 31, 2024

1. Changes of Benefit Terms:

The Texas 2023 Legislature passed legislation that provides a one-time stipend to certain retired teachers. The stipend was paid to retirees beginning in September of 2023. The Legislature appropriated funds to pay for this one-time stipend so there will be no impact on the Net Pension Liability of TRS. In addition, the Legislature also provided for a cost of living adjustment (COLA) to retirees which was approved during the November 2023 election which will be paid January 2024. Therefore, this contingent liability was not reflected as of August 31, 2023.

2. Changes of Assumptions

The actuarial valuation was performed as of August 31, 2022. The actuarial methods and assumptions were primarily based on a study of actual experience for the four-year period ending August 31, 2021 and were adopted July 2022. Update procedures were used to roll forward the total pension liability to August 31, 2023.

* The actuarial assumptions and methods are the same as used in the prior year's Net Pension Liability.

**Central Texas College District
Schedule of District's Proportionate Share of Net OPEB Liability
Last Seven Fiscal Years****

Fiscal year ending August 31,*	2024**	2023**	2022**	2021**	2020**	2019**	2018**
CTCD's proportion of collective net OPEB liability	0.144325%	0.150960%	0.155425%	0.165424%	0.176410%	0.182120%	0.228637%
CTCD's proportionate share of collective net OPEB liability	38,560,033	43,003,846	55,759,546	54,663,811	60,972,299	53,976,266	77,903,520
State's proportionate share of net OPEB liability associated with CTCD	24,631,495	26,562,010	33,070,303	30,453,981	32,775,132	27,543,653	35,415,650
Total	63,191,528	69,565,856	88,829,849	85,117,792	93,747,431	81,519,919	113,319,170
CTCD's covered payroll	34,207,326	35,429,374	35,613,877	38,235,031	38,919,775	38,983,872	42,667,055
CTCD's proportionate share of collective net OPEB liability as a percentage of covered payroll	112.72%	121.38%	156.57%	142.97%	156.66%	138.46%	182.58%
Plan Fiduciary net position as a percentage of total OPEB liability	0.63%	0.57%	0.38%	1.30%	1.30%	1.30%	2.00%

* The amounts presented above are as of the measurement date of the collective net OPEB liability.

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

**Central Texas College District
Schedule of District's Contributions for OPEB
Last Seven Fiscal Years****

Fiscal year ending August 31,*	2024**	2023**	2022**	2021**	2020**	2019**	2018**
Legally required contributions	739,615	748,870	675,704	753,426	733,373	427,486	2,154,259
Actual contributions	739,615	748,870	675,704	753,426	733,373	427,486	2,154,259
Contributions deficiency							
CTCD's covered employee payroll amount	32,548,899	34,207,326	35,429,374	35,613,877	38,235,031	38,919,775	38,983,872
Contributions as a percentage of covered payroll	2.27%	2.19%	1.91%	2.12%	1.92%	1.10%	5.53%

* The amounts presented above are of the District's most recent fiscal year end.

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

Central Texas College District
Notes To Required Supplementary Information (RSI) Schedules for OPEB
Year Ended August 31, 2024

1. Changes of Benefit Terms:

Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2024, are provided for in the FY2024 Assumed Per Capita Health Benefit Costs.

2. Changes of Assumptions

The following assumptions or other inputs have been updated since the previous valuation:

Demographic Assumptions:

Since the last valuation was prepared for this plan, the following assumptions have been updated since the previous valuation to reflect recent plan experience and expected trends:

- * Percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- * Proportion of future retirees assumed to cover dependent children.
- * Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.

Economic Assumptions:

- * Assumed Per Capita Health Benefit Costs and assumed Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.
- * The Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act has been updated to reflect the most recent available information.

Other Inputs:

- * The discount rate was changed from 3.59% to 3.81% as a result of requirements by GASB No. 75 to reflect the yield or index rate for 20-year, tax exempt general obligation bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Supplemental Schedules

Central Texas College District
Schedule A
Schedule of Operating Revenues
For the Year Ended August 31, 2024 (with Memorandum Totals for the Year Ended August 31, 2023)

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	Fiscal Year	
					2024	2023
Tuition						
State Funded Courses :						
In-District Resident Tuition	\$16,094,644		\$16,094,644		\$16,094,644	\$11,608,113
Out-of-District Tuition	4,538,805		4,538,805		4,538,805	3,712,012
Non-resident Tuition	12,470,827		12,470,827		12,470,827	9,894,600
TPEG (set aside) *	1,011,012		1,011,012		1,011,012	921,850
Continuing Education	44,327		44,327		44,327	36,281
Non-State Funded :						
Continuing Education	29,459		29,459		29,459	119,067
C & I and API Operations	1,406,192		1,406,192		1,406,192	1,345,848
Total Tuition	35,595,266	0	35,595,266	0	35,595,266	27,637,771
Fees:						
Other Fees	1,969,947		1,969,947		1,969,947	1,525,280
Total Fees	1,969,947	0	1,969,947	0	1,969,947	1,525,280
Allowances and Discounts:						
Remissions and Exemptions-State	(1,147,040)		(1,147,040)		(1,147,040)	(898,047)
Title IV Federal Grants	(6,656,304)		(6,656,304)		(6,656,304)	(5,686,750)
TPEG awards	(637,576)		(637,576)		(637,576)	(410,067)
Other State Grants	(175,211)		(175,211)		(175,211)	(36,702)
Total Allowances and Discounts	(8,616,131)	0	(8,616,131)	0	(8,616,131)	(7,031,566)
Total Net Tuition and Fees	28,949,082	0	28,949,082	0	28,949,082	22,131,485
Additional Operating Revenues:						
Federal Grants and Contracts	1,947,626	1,282,840	3,230,466		3,230,466	4,319,259
State Grants and Contracts	124,414	1,231,439	1,355,853		1,355,853	978,455
Nongovernmental grants and contracts	991,238	496,755	1,487,993		1,487,993	1,289,970
General operating revenues	760,467		760,467		760,467	1,034,386
Total Additional Operating Revenue	3,823,745	3,011,034	6,834,779	0	6,834,779	7,622,070
Auxiliary Enterprises:						
Bookstore				2,394,373	2,394,373	2,776,147
Less Discounts				(576,613)	(576,613)	(593,985)
Student Housing				599,508	599,508	743,291
Less Discounts				(134,732)	(134,732)	(111,075)
Planetarium				98,955	98,955	103,292
Total Net Auxiliary Enterprises	0	0	0	2,381,491	2,381,491	2,917,670
Total Operating Revenues	\$32,772,827	\$3,011,034	\$35,783,861	\$2,381,491	\$38,165,352	\$32,671,225
					(Exhibit 2)	(Exhibit 2)

* In accordance with Education Code 56.033, \$1,011,012 and \$921,850 for years August 31, 2024 and 2023, respectively, of tuition was set aside for Texas Public Education Grants (TPEG)

Central Texas College District

Schedule B

Schedule of Operating Expenses by Object

For the Year Ended August 31, 2024 (with Memorandum Totals for the Year Ended August 31, 2023)

	Operating Expenses			Fiscal Year	
	Salaries and Wages	State	Local	2024	2023
Unrestricted - Educational Activities					
Instruction	\$18,244,924		\$2,563,051	\$3,124,150	\$23,932,125
Public Service	231,079		78,651	135,717	445,447
Academic Support	2,703,523		529,399	713,816	3,946,738
Student Services	4,220,598		750,493	858,738	5,829,829
Institutional Support	8,304,130		3,250,662	(2,529,799)	9,024,993
Operation and Maintenance of Plant	2,007,752		761,307	5,964,150	8,733,209
Total Unrestricted Educational Activities	35,712,006	0	7,933,563	8,266,772	51,912,341
Restricted-Educational Activities					
Instruction	294,226	1,600,562	87,863	9,390	1,992,041
Public Service					0
Academic Support		268,103			268,103
Student Services	110,859	627,506	30,207	483,770	1,252,342
Institutional Support		2,314,977			2,314,977
Operation and Maintenance of Plant	95,648		897	21,954,675	22,051,220
Scholarships and Fellowships	500,733	4,811,148	118,967	22,447,835	27,878,683
Total Restricted Educational Activities	36,212,739	4,811,148	8,052,530	30,714,607	79,791,024
Auxiliary Enterprises	449,997		124,646	2,014,657	2,589,300
Depreciation Expense-Buildings and other Real Estate Improvements				4,292,233	4,292,233
Depreciation Expense-Equipment and furniture				800,916	800,916
Total Operating Expenses	\$36,662,736	\$4,811,148	\$8,177,176	\$37,822,413	\$87,473,473
				(Exhibit 2)	(Exhibit 2)
					\$83,161,486

Central Texas College District
Schedule C
Schedule of Non-Operating Revenues and Expenses
For the Year Ended August 31, 2024 (with Memorandum Totals for the Year Ended August 31, 2023)

	Unrestricted	Restricted	Auxiliary Enterprises	Fiscal Year	
				2024	2023
Non-operating Revenues					
State Appropriations					
Education and general state support	\$15,939,954			\$15,939,954	\$14,525,923
Dramatic enrollment growth				0	0
State group insurance		2,673,746		2,673,746	2,646,108
State retirement matching		2,137,402		2,137,402	1,108,155
Hazlewood Legacy		101,467		101,467	13,418
Total state appropriations	15,939,954	4,912,615	0	20,852,569	18,293,604
Maintenance ad valorem taxes	14,062,314			14,062,314	14,135,655
Federal revenue, non operating		17,868,213		17,868,213	14,036,450
Investment income	5,234,432			5,234,432	3,108,509
Gain on disposal of capital assets	17,392			17,392	0
Other Non-Operating	301,984			301,984	0
Total non-operating revenues	35,556,076	22,780,828	0	58,336,904	49,574,218
Non-operating Expenses					
Loss on disposal of capital assets	0	0	0	0	0
Other	0	0	0	0	0
Total non-operating expenses	0	0	0	0	0
Net non-operating revenues	\$35,556,076	\$22,780,828	\$0	\$58,336,904	\$49,574,218
				(Exhibit 2)	(Exhibit 2)

Central Texas College District
Schedule D

Schedule of Net Position by Source and Availability
For the Year Ended August 31, 2024 (with Memorandum Totals for the Year Ended August 31, 2023)

	Detail by Source			Capital Assets Net of Depreciation & Related Debt	Available for Current Operations	
	Unrestricted	Restricted	Non Expendable		Total	Yes
Current						
Unrestricted	(\$3,699,428)			(\$3,699,428)		(\$3,699,428)
Board Designated	28,118,375			28,118,375		28,118,375
Restricted		1,309,377		1,309,377		1,309,377
Plant						
Investment in Plant				138,230,837		138,230,837
Total Net Position, August 31, 2024 (as Restated - see Note 2)	24,418,947	1,309,377	0	138,230,837	163,959,161 (Exhibit 1)	138,230,837
Total Net Position, August 31, 2023	16,973,934	1,707,564		136,248,880	154,930,378 (Exhibit 2)	136,248,880
Net Increase (Decrease) in Net Position	\$7,445,013	(\$398,187)	\$0	\$1,981,957	\$9,028,783 (Exhibit 2)	\$1,981,957

**Central Texas College District
Schedule E
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2024**

Federal Grantor Pass-Through Grantor Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Expenditures and Pass Through Disbursements
U.S. Department Of Education:			
Direct Programs:			
Student Financial Aid Cluster			
Supplemental Educational Opportunity Grant Program	84.007		82,646
Federal College Work-study Program	84.033		51,571
Federal Pell Grant Program	84.063		17,735,764
Direct Loans	84.268		10,419,733
Subtotal Student Financial Aid Cluster			<u>28,289,714</u>
Pass-Through From:			
Texas Workforce Commission			
Adult Education	84.002A	2618ALAE00	3,553
Adult Education	84.002A	2618ALAF00	301,779
Adult Education	84.002A	2924ALA052	31,775
Subtotal			<u>337,107</u>
Texas Higher Education Coordinating Board:			
Carl D. Perkins Funds-Basic	84.048	2442020271	627,124
Student Success Acceleration Grant	84.425C	2020-GE-84425C	85,625
Subtotal			<u>712,749</u>
Total U.S. Department of Education			<u>29,339,570</u>
U.S. Department Of Health And Human Services:			
Pass-Through From:			
Texas Workforce Commission			
Temporary Assistance to Needy Families	93.558	2618ALAE00	322
Temporary Assistance to Needy Families	93.558	2618ALAF00	19,262
Temporary Assistance to Needy Families	93.558	2924ALA052	496
Total U. S. Department of Health and Human Services			<u>20,080</u>
Total Federal Financial Assistance			<u>29,359,650</u>
Note 1: Federal Assistance Reconciliation			
Federal Grants and Contracts Revenue per Schedule A			3,230,466
Add Non-Operating Federal Revenue from Schedule C			17,868,213
Total Federal Revenues per Schedule A and C			<u>21,098,679</u>
Reconciling Items:			
Add Direct Student Loans			10,419,733
Less Expenditures Not Subject to Federal Single Audit			(2,158,762)
Total Federal Revenues per Schedule of Expenditures of Federal Awards			<u>29,359,650</u>

Note 2: Significant Accounting Policies Used in Preparing the Schedule

The expenditures included in the schedule are reported for the college's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds which have been expended by the college for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The college has followed all applicable guidelines issued by various entities in the preparation of the schedule. Since the college has agency approved Indirect Recovery Rate it has elected not to use the 10 percent de minimis cost rate as permitted in the UG, section 200.414.

Note 3: Expenditures not Subject to Federal Single Audit

CTCD receives amounts under contractual agreements with various U.S. military and other organizations for training programs and other services provided that are not subject to The Uniform Guidance audits and therefore are not included in the above Federal schedule.

Note 4: Student Loans Processed and Administrative Costs Recovered

None

Note 5: Non-Monetary Federal Assistance Received

None

Note 6: Amounts Passed Through by the College

None

Central Texas College District
Schedule F
Schedule of Expenditures of State Awards
For the Year Ended August 31, 2024

Grantor Agency Program Title	Grant Contract Number	Expenditures
Texas Workforce Commission		
Adult Education		
Basic Program	2618ALAE00	528
Basic Program	2618ALAF00	29,706
Basic Program	2924ALA052	812
 Texas Higher Education Coordinating Board		
College Work-Study Program		29,765
TRUE III		124,824
Texas Equal Opportunity Grant		1,142,106
Nursing Innovation Grant Program		197,325
Professional Nursing Shortage Reduction Program >70		109,005
Total State Financial Assistance		<u>1,634,071</u>

Note 1: State Assistance Reconciliation

State Revenues -		
State Financial Assistance		
Per Schedule of Expenditures of State Awards		1,634,071
 State Financial Assistance		
Tuition and Fees		(278,218)
 Total State Revenues per Schedule A		<u>1,355,853</u>

Note 2: Significant Accounting Policies Used in Preparing the Schedule

The accompanying schedule is presented using the accrual basis of accounting. See Note 2 to the financial statements for the Central Texas College's significant accounting policies. These expenditures are reported on Central Texas College's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis.

Auditors' Reports on Control and Compliance



LOTT, VERNON & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

20 SOUTH FOURTH STREET 254/778/4783
POST OFFICE BOX 160 800/460/4783
TEMPLE, TEXAS 76503 FAX 254/778/4792

KILLEEN • COPPERAS COVE • TEMPLE

Member of
American Institute & Texas Society of
Certified Public Accountants

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

Board of Trustees
Central Texas College District
Killeen, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Central Texas College District (The "District"), as of and for the years ended August 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 12, 2024.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control 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 District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, including the Public Funds Investment Act (Chapter 2256, Texas Government Code), 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* or the Public Funds Investment Act (Chapter 2256, Texas Government Code).

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

Purpose of this Report

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

Jatt, Vernon + Co. P.C.

Temple, Texas
December 12, 2024



LOTT, VERNON & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

20 SOUTH FOURTH STREET 254/778/4783
POST OFFICE BOX 160 800/460/4783
TEMPLE, TEXAS 76503 FAX 254/778/4792

KILLEEN • COPPERAS COVE • TEMPLE

*Member of
American Institute & Texas Society of
Certified Public Accountants*

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
THE STATE OF TEXAS SINGLE AUDIT CIRCULAR**

Board of Trustees
Central Texas College District
Killeen, Texas

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Central Texas College District's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and The State of Texas Single Audit Circular that could have a direct and material effect on each of Central Texas College District's major federal and state programs for the year ended August 31, 2024. Central Texas College District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Central Texas College District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2024.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Uniform Guidance and The State of Texas Single Audit Circular, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

Jatt, Vernon & Co. P.C.

Temple, Texas
December 12, 2024

CENTRAL TEXAS COLLEGE DISTRICT
Schedule of Findings and Questioned Costs
August 31, 2024

I. Summary of Auditors' Results

Financial Statements

- | | |
|--|---------------|
| 1. Type of auditors' report issued | Unmodified |
| 2. Internal control over financial reporting | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified? | None reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal and State Awards

- | | |
|--|---------------|
| 4. Internal control over major programs: | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified? | None reported |
| 5. Type of auditor's report issued on compliance for major programs | Unmodified |
| 6. Any audit findings disclosed that are required to be reported in accordance with section 200.516a of the Uniform Guidance or the State of Texas Single Audit Circular and Uniform Grant Management Standards? | None |

7. Identification of major programs:

<u>Federal Programs</u>	<u>Assistance Listing</u>	<u>State Programs</u>
<i>U.S. Department of Education</i>	<u>Number</u>	
Student Financial Assistance Cluster:		<i>Texas Higher Education Coordinating Board:</i>
Federal Supplemental Educational Opportunity Grants	84.007	<i>Texas Equal Opportunity Grant</i>
Federal Work-Study Program	84.033	
Federal Pell Grant Program	84.063	
Federal Direct Student Loans	84.268	

- | | |
|---|-----------|
| 8. Dollar threshold used to distinguish between type A and type B federal programs: | \$880,790 |
| 9. Dollar threshold used to distinguish between type A and type B state programs: | \$750,000 |
| 10. Auditee qualified as low-risk auditee for federal single audit? | Yes |
| 11. Auditee qualified as low-risk auditee for state single audit? | Yes |

II. Findings Relating to the Financial Statements Which are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards

None

III. Federal and State Awards Findings and Questioned Costs

None

**Additional Information
(Unaudited)**

Central Texas College District
Schedule G
Consolidating Statement of Revenues, Expenses and Changes in Net Position (Unaudited)
For the Year Ended August 31, 2024

	Texas Campuses	Continental & International Campuses	Total
Revenues			
Operating Revenues			
Tuition and Fees	\$27,542,000	\$1,407,082	\$28,949,082
Federal Grants and Contracts	2,786,433	444,033	3,230,466
State Grants and Contracts	1,355,853	0	1,355,853
Non-Governmental and Contracts	1,487,993	0	1,487,993
Sales & Services of Auxiliary Enterprises	2,381,444	47	2,381,491
Miscellaneous Income	754,761	5,705	760,466
Total Operating Revenues	36,308,485	1,856,867	38,165,352
Expenses			
Operating Expenses			
Instruction	25,345,002	579,164	25,924,166
Public Services	445,447	0	445,447
Academic Support	3,382,572	832,270	4,214,841
Student Services	7,041,546	40,625	7,082,171
Institutional Support	11,861,115	(521,146)	11,339,970
Operation and Maintenance of Plant	8,733,209	0	8,733,209
Scholarships and Fellowships	21,939,987	111,233	22,051,220
Auxiliary Enterprises	2,585,742	3,558	2,589,300
Depreciation	5,089,946	3,203	5,093,149
Total Operating Expenses	86,424,566	1,048,907	87,473,473
Operating Income(Loss)	(50,116,080)	807,960	(49,308,121)
Non-Operating Revenues (Expenses)			
State Appropriations-General Revenue	20,852,569	0	20,852,569
Taxes for Maintenance and Operations	14,062,314	0	14,062,314
Federal Revenue, Non Operating	17,868,213	0	17,868,213
Investment Income	5,234,432	0	5,234,432
Other	319,376	0	319,376
Net Non-Operating Revenue	58,336,904	0	58,336,904
Other Revenues, Expenses, Gains (Losses)			
Allocation of Distance Education	(962,807)	962,807	0
Allocation of Systems	(148,638)	148,638	(0)
Increase (Decrease) in Net Position	\$7,406,654	\$1,622,129	\$9,028,783

Central Texas College District
Schedule G-1
Consolidating Statement of Revenues, Expenses and Changes in Net Position (Unaudited)
Texas Campuses
For the Year Ended August 31, 2024

	Central	Ft. Cavazos/SAC	Dist Ed	Systems	KNCT	Auxiliary	Total
Revenues							
Operating Revenues							
Tuition and Fees	\$9,673,367	\$704,142	\$17,162,932	\$1,188	\$0	\$370	\$27,542,000
Federal Grants and Contracts	828,243	1,879,614	0	0	78,577	0	2,786,433
State Grants and Contracts	1,355,853	0	0	0	0	0	1,355,853
Non-Governmental and Contracts	1,462,817	25,176	0	0	0	0	1,487,993
Sales & Services of Auxiliary Enterprises	0	0	2,024	1,595	0	2,377,825	2,381,444
Miscellaneous Income	66,577	0	0	251,145	447,391	(10,351)	754,761
Total Operating Revenues	13,386,857	2,608,932	17,164,956	253,928	525,968	2,367,844	36,308,485
Expenses							
Operating Expenses							
Instruction	17,174,137	2,314,755	5,856,108	0	0	0	25,345,001
Public Services	0	0	0	0	445,447	0	445,447
Academic Support	1,638,753	917,424	219,969	606,427	0	0	3,382,572
Student Services	2,567,847	354,002	1,310,445	2,809,253	0	0	7,041,546
Institutional Support	5,656,086	212,001	2,858,751	3,071,299	0	62,979	11,861,115
Operation and Maintenance of Plant	8,663,593	71,416	0	0	0	(1,800)	8,733,209
Scholarships and Fellowships	21,929,445	10,542	0	0	0	0	21,939,987
Auxiliary Enterprises	2,195	0	0	0	0	2,583,547	2,585,742
Depreciation	3,969,186	190,254	0	398,309	20,735	511,462	5,089,946
Total Operating Expenses	61,601,241	4,070,394	10,245,273	6,885,288	466,182	3,156,188	86,424,566
Operating Income(Loss)	(48,214,384)	(1,461,462)	6,919,683	(6,631,360)	59,786	(788,344)	(50,116,080)
Non-Operating Revenues (Expenses)							
State Appropriations-General Revenue	16,709,903	1,871,470	464,584	1,806,612	0	0	20,852,569
Taxes for Maintenance and Operations	14,062,314	0	0	0	0	0	14,062,314
Federal Revenue, Non Operating	17,868,213	0	0	0	0	0	17,868,213
Investment Income	0	0	0	5,234,432	0	0	5,234,432
Other	71,976	0	0	247,400	0	0	319,376
Net Non-Operating Revenue	48,712,406	1,871,470	464,584	7,288,444	0	0	58,336,904
Other Revenues, Expenses, Gains (Losses)							
Allocation of Distance Education	3,971,578	1,083,158	(6,017,543)				(962,807)
Allocation of Systems	3,228,395	379,041	1,366,724	(5,211,785)	23,716	65,271	(148,638)
Increase (Decrease) in Net Position	\$1,241,205	\$1,114,125	\$0	\$5,868,869	\$36,070	(\$853,615)	\$7,406,654

Central Texas College District
Schedule G-2
Consolidating Statement of Revenues, Expenses and Changes in Net Position (Unaudited)
Continental & International Campuses
For the Year Ended August 31, 2024

	Europe Campus	Continental Campus	Navy Campus	Total
Revenues				
Operating Revenues				
Tuition and Fees	\$17,080	\$1,301,074	\$88,928	\$1,407,082
Federal Grants and Contracts	444,033	0	0	444,033
State Grants and Contracts	0	0	0	0
Non-Governmental and Contracts	0	0	0	0
Sales & Services of Auxiliary Enterprises	0	47	0	47
Miscellaneous Income	0	5,705	0	5,705
Total Operating Revenues	461,113	1,306,826	88,928	1,856,867
Expenses				
Operating Expenses				
Instruction	244,032	230,338	104,794	579,164
Public Services	0	0	0	0
Academic Support	0	754,348	77,922	832,270
Student Services	0	40,625	0	40,625
Institutional Support	(7,832)	(555,965)	42,651	(521,146)
Operation and Maintenance of Plant	0	0	0	0
Scholarships and Fellowships	1,350	102,853	7,030	111,233
Auxiliary Enterprises	0	3,558	0	3,558
Depreciation	0	550	2,653	3,203
Total Operating Expenses	237,550	576,307	235,050	1,048,907
Operating Income(Loss)	223,563	730,519	(146,122)	807,960
Non-Operating Revenues (Expenses)				
State Appropriations-General Revenue	0	0	0	0
Taxes for Maintenance and Operations	0	0	0	0
Federal Revenue, Non Operating	0	0	0	0
Investment Income	0	0	0	0
Other	0	0	0	0
Net Non-Operating Revenue	0	0	0	0
Other Revenues, Expenses, Gains (Losses)				
Allocation of Distance Education	300,877	661,930		962,807
Allocation of Systems	12,944	135,694	0	148,638
Increase (Decrease) in Net Position	\$511,496	\$1,256,755	(\$146,122)	\$1,622,129