

**NAVARRO COLLEGE DISTRICT
CORSICANA, TEXAS**

**Annual Comprehensive Financial Report
Years Ended August 31, 2024 and 2023**



**Prepared by:
Navarro College District
Finance Department**

NAVARRO COLLEGE DISTRICT

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INTRODUCTORY SECTION



Vice President of Finance

December 12, 2024

To the Honorable Chairman, Board of Trustees, and District President of the Navarro College District:

The following comprehensive annual financial report of Navarro College (the “District”) for the fiscal year ending August 31, 2024 is hereby submitted.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. A comprehensive framework of internal control has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatement.

Whitley Penn, LLP, Certified Public Accountants, issued (“clean”) opinion on the District’s financial statements for the years ended August 31, 2024 and 2023. The report of independent auditors is located at the front of the financial section of this report.

In addition to this transmittal letter, the management’s discussion, and analysis (MD&A), immediately following the report of independent auditors, which provides a narrative introduction, overview, and analysis of the basic financial statements should be read.

PROFILE OF THE DISTRICT

The District was established as a public community college in an election held in Navarro County, Texas, on July 16, 1946. The District operates as a community college under the Constitution of the State of Texas and the Texas Education Code. An elected seven-member Board of Trustees (hereinafter called the “Board”) governs the District. At each election (the second Saturday in May in odd-numbered years), two Trustees are elected, one at-large and one for a single place, to serve six-year terms. Every third election, three Trustees are elected, with one at-large. The Board holds regularly scheduled meetings on the fourth Thursday of each month unless otherwise announced. Board meetings are held in the Bulldog Board Room located in the Dr. Kenneth Walker Dining Hall and Deli at Navarro College-Corsicana unless otherwise provided in the notice of meeting posted in compliance with the public notice requirements.

The Board has the final authority to determine and interpret the policies that govern the District, limited only by the State legislature, the courts, and the will of people as expressed in Board of Trustee elections. All Board meetings comply with the Open Meetings Act. When agenda items require an action, a majority vote of a quorum (four members) of the Board of Trustees is needed.

In general, the Board provides policy direction and capital goals for the District consistent with the District’s role and mission. Statutory regulations specifying the Board’s responsibilities include general Board business, ordering elections and issuing bonds, appointing the District President, adopting each year’s budget, and setting the tax rate for each fiscal year.



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Corsicana, TX 75110
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NAVARRO COLLEGE
WAXAHACHIE
1900 John Arden Dr.
Waxahachie, TX 75165
(972) 937-7612

NAVARRO COLLEGE
MIDLOTHIAN
899 Mount Zion Road
Midlothian, TX 76065
(972) 775-7200

NAVARRO COLLEGE
MEXIA
901 N. MLK Jr. Blvd.
Mexia, TX 76667
(254) 562-3848

LOCAL ECONOMY AND OUTLOOK

The District is well positioned for growth due to the geographical location of Navarro College-Corsicana between Dallas and Houston on Interstate 45 and between Waco and Tyler on State Highway 31 and with the Ellis County locations just south of the Dallas/Fort-Worth metroplex. Student enrollment statewide is experiencing a slight increase trend among community colleges. According to the Texas Higher Education Coordinating Board (THECB), the preliminary data for fall 2023 community college statewide enrollment average increased by 3.64% while Navarro College showed a 3.78% increase in student headcount. Navarro College's large accountability peer group (Amarillo College, Blinn College, Central Texas College, Del Mar College, Laredo Community College, North Central College, South Plains College, and Tyler Junior College) experienced fluctuations from a 11.02% increase (Laredo College) to a 0.97% decline (Central Texas College) with an average 2.95% increase for the peer group.

Navarro County's (taxing district) economy is based on manufacturing, agriculture, and mineral production. Agricultural income is derived from beef cattle, dairy cattle, horses, cotton, and grain. Minerals produced in the county include oil, gas, sand, and gravel. Growth in the county has been minimal, although the assessed value increased 215 million (5.1%) during the past fiscal year.

Navarro County

Navarro College-Corsicana is in Navarro County, Texas. Corsicana is an agriculture, industrial and commercial center. The area has the longest continuous oil flow in Texas with a total production of more than 200 million barrels since 1895. The Corsicana oil field's success demonstrated the potential for oil production in the state, leading to further exploration and the eventual growth of Texas as a major oil-producing region.

Corsicana, Texas, offers a variety of recreational activities including fishing, boating, and picnicking at 13 parks, 2 golf courses, 49 tennis courts, and 3 lakes, including Richland Chambers, which is the third largest lake in the State of Texas. Cultural attractions include the Cook Center Planetarium, the Pearce Museum at Navarro College, and live performances at the Palace Theatre, The Warehouse Living Arts Center, and Corsicana Opry. The historic downtown area offers unique shops and dining, and the city hosts annual events like Derrick Days, celebrating its oil heritage.

The estimated population of Navarro County in 2023 was 55,635 with the city of Corsicana having a census 2020 population of 25,671*. Corsicana is home to more than sixty industries, which includes information technology, manufacturers, processors, and distribution centers. Several Fortune 500 or publicly traded companies call Corsicana their home, including Russell Stover Candies Inc. (candy manufacturing and outlet store), Pactiv (food packaging) and Kohl's (distribution center).

Other major employers include True Value Distribution Center (hardware), Firestone Building Products (roofing products), Guardian Industries Corporation (float glass manufacturing), Collin Street Bakery (foods manufacturing and outlet store), Oil City Iron Works (castings), and Corsicana Mattress (bedding and furniture).

Note: Retrieved July 29, 2024, from <http://www.txcip.org/tac/census/profile.php?FIPS=48349>

Major Employers

The following is a list of Corsicana's leading private sector employers:

Private Employer	Sector
Russell Stover Candies	Manufacturing
Watkins Construction	Energy
Navarro Regional Hospital	Healthcare
Walmart Super Center	Retail
Guardian Industries	Manufacturing
Corsicana Mattress	Manufacturing
Oil City Iron Works	Manufacturing

Pactiv	Manufacturing
Kohl's Distribution Center	Distribution/Warehousing
True Value Hardware	Distribution/Warehousing
Tremco CPG and Nudura	Chemical
Collin Street Bakery	Food Services
Angels at Home	Home Health Care
Morgan Corp.	Truck Body Fabrication
Audubon Metals Texas	Manufacturing
Polyguard	Waterproofing/Barriers
Community National Bank & Trust	Banking/Financial Services
Heritage Oaks	Retirement/Healthcare
Industrial Pipe-Plasson	Manufacturing
Crestline Plastic Pipe Co.	Manufacturing
Navarro Pecan	Confectionery Wholesaler
Holcim Building Envelope	Manufacturing
Greenbrier Rail	Manufacturing
Enterprise Precast Concrete	Manufacturing/Construction

The following is a list of Corsicana's leading public sector employers:

Public Employer	Sector
Corsicana ISD	Education
Navarro College	Education
Navarro County	Government
City of Corsicana	Government

Note: Retrieved August 1 2024, from [City of Corsicana, Texas, Economic Development Department](#)

Ellis County

Navarro College-Waxahachie and Navarro College-Midlothian are in Ellis County. The North Central Texas Council of Governments projects that Ellis County, a major part of our service area, will continue to grow dramatically. The estimated 2023 population in Ellis County was 229,829, indicating an annual average growth rate of 4.71% from the previous year. The percentage of residents aged 25 or older holding a bachelor's degree is 27.9%. The median household income in 2020 was \$89,314. The 2020 census population of Waxahachie was 47,201, and the 2023 estimated population of Midlothian was 41,352. The county's total unemployment rate for the year ending in 2022 was 3.7%.

The City of Waxahachie is conveniently located just south of the Dallas-Fort Worth Metroplex, at the crossroads of I-35 East and U.S. Highway 287. Waxahachie hosts numerous festivals and events year-round, including the Bob Phillips Texas Country Reporter Festival, Crepe Myrtle Festival, and Waxahachie's Cinco de Mayo Festival. Historic events include the Gingerbread Trail Tour of Homes, the Annual Chautauqua Assembly, the WWII Veterans Day Reenactment, and the Christmas Candlelight Tour of Homes. Waxahachie continues to be an attractive location for developers and individuals. The city provides a 25% tax exemption, up to \$25,000, to rehabilitate historic properties with approval from the Heritage Preservation Commission. Commercial development in Waxahachie includes a 100,000 square foot expansion of Cardinal Insulating Glass, a significant expansion for an additional professional development wing at Baylor Scott and White Hospital, and groundbreaking on a new tower. ClearSky Rehabilitation Hospital of Waxahachie, a new 30-bed medical rehabilitation hospital, opened in 2023 near U.S. Highway 287 Bypass and Brown Street in Waxahachie, Texas.

A California firm bought 575 acres in Waxahachie for a massive industrial project. The property will be equipped to handle multiple buildings of more than 1 million square feet (about the area of Chicago's Millennium Park). Dallas Cowboys owner Jerry Jones has his sights set south of Dallas.

After making a bold land grab in Waxahachie two years ago, Jerry Jones' investment and development firm Blue Star Land is starting construction on an industrial center at the 120-acre site. The 638,000 square foot warehouse will be built just off the intersection of Interstate 35E and Highway 287, across from the Waxahachie Civic Center.

The build will cost \$29 million, or about \$45 per square foot, to build and is scheduled to start this August and last until next summer, according to a filing with the Texas Department of Licensing and Regulation.

The warehouse will likely serve as an e-commerce fulfillment center for sports merchandise company Fanatics, as reported by [the Dallas Morning News](#). The warehouse will create nearly 250 jobs, according to the outlet.

This is the first step in what will be Blue Star Land's first significant mixed-use project south of Dallas. Jones' firm plans to develop the 120 acres in partnership with Lincoln Property Company. Their plans include a 70-acre business park with residential, industrial, retail and commercial buildings.

Midlothian is a growing community in northwest Ellis County, centrally located south of both Dallas and Fort Worth. The city is very active, hosting several civic events and activities throughout the year, including the Fall Festival, Wine and Arts Festival, and Midlothian Marketplace. Due to its central location at the intersection of two major state highways, U.S. Highways 287 and 67, transportation accessibility is a unique asset for expanding businesses. Midlothian is also in proximity to four interstate highways: I-20, I-35E, I-35W, and I-45. Rail transportation is a significant strength of the area, with both Union Pacific and BNSF Railway serving the region. Major employers in Midlothian include Gerdau, Midlothian ISD, Target Corporation, Walmart, the City of Midlothian, Ash Grove Cement, Holcim US Inc., Methodist Medical Center, Martin Marietta Materials, Ennis Inc., Texas Industries Inc., Martech Inc., MidTexas International, Navarro College, Dynegey, Niagara LaSalle Corporation, QuikTrip Warehouse, Qualico Steel, Buckley Oil Company, and Chemtrade. Midlothian is currently in a two-year agreement with Google for the development of a \$500 million data center in the city's Railport Business Park. Projections from Google indicate a five-phase project, with each phase representing a capital investment of \$500 million. Methodist Midlothian Hospital opened in October 2020, located on Highway 287 across from Navarro College-Midlothian. The five-story acute care hospital features 80 beds and includes an additional three-story professional building adjacent to the hospital complex.

The City of Red Oak is nestled on the northern fringe of Ellis County at the intersection of I-35 East and FM 667. Red Oak hosts numerous events each year, including the North Ellis County Business & Community Expo, the Fall Festival, and the Christmas in Red Oak Festival & Parade. Just a few minutes south of downtown Dallas, Red Oak residents and visitors have immediate access to world-class arts, culture, entertainment, and sports. Red Oak is home to an impressive portfolio of industries, including Triumph Aerospace Structures (advanced technology and manufacturing, defense, aviation, and aerospace), National Freight Industries (transportation, logistics, distribution, and warehousing), and Knapheide Truck Equipment Center Dallas (truck bodies, quote requests, and parts).

Ennis is located 25 miles south of downtown Dallas on I-45. It has a historic downtown that offers family fun year-round. Recreational activities include skiing, fishing, swimming, and camping at the U.S. Army Corps of Engineers Bardwell Lake. Ennis continues to be a Main Street City, hosting a farmer's market and the Lights of Ennis Christmas Celebration. Tourists are drawn to the 40-mile "Official Texas Bluebonnet Trail" and the National Polka Festival held each May. The Texas Motorplex, located on Highway 287, is home to the world speed record of 333.95 mph. The Texas Motorplex hosts the annual NHRA Fall National Auto Racing event and more than 90 other racing events. Sugar Ridge Winery, Galaxy Drive-In Theatre, the Czech Museum, and Ennis All-Star Bowl are other attractions in the vicinity. Major businesses in Ennis include Advanced Drainage Systems, CVS Pharmacy Distribution Center, Dynegey Power Plant, Ennis Extruded Products, Inc., Leggett & Platt Corp. Inc., Lowe's Distribution Center, PetSmart Distribution Center, Polyguard Products, Inc., Sterilite Corp. of Texas, and TeleTech.

Top employers of Waxahachie per the City of Waxahachie:

Employers with 1,000 and More Employees	
Baylor Scott & White Medical Center at Waxahachie	Hospital
Waxahachie Independent School District	Public Education
Employers with 500 - 999 Employees	
Dart Container Corp	Insulated Foam Cups
Ellis County	Local Government
Walgreen Company	Distribution Center
Employers with 250 - 499 Employees	
Cardinal IG	Insulated Glass
City of Waxahachie	Local Government
Owens Corning Fiberglass	Insulation
UNIVAR	Chemical Blending
Employers with 100 - 249 Employees	
A.E.P. Industries	Polyethylene Film
Berry Global	Plastics/Film Products
C. R. Laurence	Commercial Storefronts
Cabinet Specialists	Cabinet Manufacturers
Cardinal CG	Coated Glass
Ellis County	County Government
Fortra Fiber Cement (James Hardie)	Cement Fiberboard
Georgia Pacific	Paper Packaging Products
HEB Grocery Store	Retail
International Extrusion	Extrusion - Anodizing
Kinro (Lippert Components)	Various Residential Building Products
Southwestern Assemblies of God University	Private Higher Education
Employers with 50-99 Employees	
National Freight, Inc.	Freight Trucking
CMC Construction Services	Steel Fabricators
Coal City Cob Company	Hazardous Liquid Bulk Transportation
Lifoam Industries, LLC.	Styrofoam Cups/Coolers
Navarro College-Waxahachie	Public Higher Education
International Paper	Paper Packaging Products

Note: Retrieved July 29, 2024 from

https://www.waxahachie.com/departments/economic_development_new/site_location_center/top_employers.php

Top employers of Midlothian per the City of Midlothian:

Employers with 1,000 and More Employees	
Company Name	Nature of Business
Gerdau Ameristeel	Steel Manufacturing
Target Distribution Center	Wholesale Trade
Employers with 500 - 999 Employees	
Midlothian ISD	Public Education
Employers with 100 - 499 Employees	
Martin Marietta Materials	Cement Production
Methodist Hospital	Medical
HomeZone Furniture	Headquarters
Ash Grove Texas	Cement Production
Lafarge-Holcim Texas	Cement Production
QuickTrip Corp	Distribution and Commercial Bakery
Malouf	Distribution
Sunrider Manufacturing	Manufacturing
SunOpta	Manufacturing
Employers with 1 - 99 Employees	
Google	Data Center

Note: Retrieved July 29, 2024, Reprinted from [Skilled, Diverse Workforce & Training - Midlothian Economic Development \(midlothian-tx.org\)](https://www.midlothian-tx.org)

Limestone County

Navarro College-Mexia is located on North Martin Luther King Boulevard (Hwy 14) in Mexia, the largest city in Limestone County. Limestone County is approximately 30 miles east of Waco, Texas, and has a total area of 933 square miles with an estimated population in 2023 of 22,250. Groesbeck, located approximately 12 miles west of Mexia, is the Limestone County seat. In 2020, the census reported that 84.6% of the population had earned a high school diploma or higher, while 16.9% of those aged 25 years or older had earned a bachelor's degree or higher. The estimated population for the city of Mexia in 2023 was 6,868.

Limestone County is a historic area, once home to the Tawakoni (or Tehuacana) and Waco Indians. During the Great Depression, the Civilian Conservation Corps built Fort Parker State Recreation Area on the site of the Fort Parker Massacre, one of the most famous Indian attacks in Texas. The city of Mexia is an agribusiness and trade center, featuring a hospital, a newspaper, multiple small businesses, an industrial park, skilled care facilities, nursing homes, the Limestone County Airport, and the Gibbs Memorial Library. The Mexia State Supported Living Center, a 215-acre state-supported facility, provides campus-based direct services to 218 individuals with intellectual or developmental disabilities and is a major employer in the area with approximately 1,285 employees. Additional employers include Walmart, HEB, Parkview Hospital/Clinic, the independent school district, other retailers, manufacturing companies such as Carry-On Trailer and SWARCO, and a coal mine in the small town of Kosse. The area is predominantly utilized for farming and ranching.

Major Employers in Limestone County:

Mexia State Supported Living Center	State facility in Mexia
Mexia ISD	Public Education
Groesbeck ISD	Public Education
Wal-Mart	Corporation

Parkview Regional Hospital	Health care
Limestone Medical Center	Health care
Limestone County Detention Center	County facility in Groesbeck
Carry-On Trailer	Manufacturer in Mexia
Fibrix	Manufacturer in Groesbeck
SWARCO	Manufacturer in Mexia

Freestone County

Although there is no Navarro College location in Freestone County, Navarro College provides services for the citizens and high schools within the county. Freestone County is located 90 miles south of Dallas on I-45 and U.S. Highway 84 and has a total area of 892 square miles, with a 2023 estimated population of 20,441, of which 2,972 reside in the city of Fairfield as of the 2020 census. Other cities in Freestone County are Teague, Wortham, and Streetman.

In 2020, 85% of Freestone County residents had earned a high school diploma or higher, while 17.4% had earned a bachelor’s degree or higher. Fairfield Lake State Park, which opened to the public in 1972, serves as a local attraction for campers and fishermen. Other attractions in Freestone County include the Tri-County Golf Club at the Vineyards, the B-RI Railroad Museum, and the Freestone County Historical Museum. Freestone County is primarily a livestock county with limited row-crop farming and significant oil and gas production. Major employers include the Boyd Unit prison, a Texas Correctional facility, Burlington Northern-Santa Fe Railroad, Brookshire Brothers, healthcare facilities, manufacturers, and respective school districts.

Leon County

Navarro College does not have a location in Leon County, but it provides services for the citizens and high schools within the county. Leon County is about 60 miles northeast of College Station, Texas, and has an area of 1,081 square miles with a 2023 estimated population of 16,538. The county seat is Centerville, which had a 2020 census population of 949. Other cities in Leon County include Buffalo, Jewett, Marquez, and Leona. Fort Boggy State Park is a popular attraction. Nucor Steel is one of the largest employers in the county, with annual revenue between \$500 million and \$1 billion, employing approximately 250 to 500 people at any given time. The Champion Ranch, located near Centerville, is a large ranching facility and peach orchard that provides livestock to area rodeo and stock shows and sponsors scholarships for area 4H and FFA students.

COMMUNITY OUTREACH AND PARTNERSHIPS

The District is committed to providing educational and social opportunities for students at a reasonable cost. Student Financial Aid personnel actively assist students with all facets of financial aid to help fund their educational expenses. A total of \$24.3 million in awards was processed in fiscal year 2024. The District aims to provide high quality educational experiences for all students and to establish a nurturing learning environment to promote responsible citizenship. The District maintains a warm and supportive climate that builds a sense of community among learners. The District pledges to remain accountable as an institution of higher learning and as a custodian of the public trust.

The District continues to meet the needs of the community in developing a professional workforce by expanding the educational training opportunities to its residents. Some examples of our programs include the following:

- The Navarro College Cook Education Center is equipped with a 60-foot domed planetarium, one of the largest in the state of Texas. Visitors experience the thrill of space exploration and the power of the human imagination in science and technology through a variety of educational planetarium programs. In addition to supporting Navarro College as a multi-faceted audio-visual theater and classroom, the Planetarium continues to serve as an important educational resource and magnet for the 31 surrounding K-12 independent school districts, serving thousands of students annually. The Planetarium also presents public programs on a weekly basis, and multiple Physics, Drama and other classes are conducted there. The Planetarium was recently updated with new sound and projection systems, as well as all new seating.
- Also located in the Cook Education Center is the Pearce Museum, which houses and interprets three collections of national importance, including the Pearce Civil War collection of over 16,000 letters, journals and other first-person

accounts of this critical period of our nation's history. The document collection includes letters written by President Lincoln, a number of generals, and other leading historical figures of the period, as well as common soldiers and their family members left behind on the home front. Several collections of Texas family letters cover an extended period of the War. One of the largest collections of Civil War documents in the nation, the Pearce collection is a balanced one, documenting both the Northern and Southern experiences of the war and has been used by dozens of scholarly writers and researchers. The Museum's Curator of Collections assists with many research requests weekly. The Pearce Civil War collection has been valued at over \$4 million dollars. It is interpreted in a large, multi-media gallery filled with exhibits and artifacts on a variety of aspects of the Civil War experience, immersing the Museum's many public and school tour visitors in a highly sensory way.

- The Pearce Western Art collection is displayed and interpreted in a separate set of galleries which resemble a Southwestern adobe-style home. The collection includes over 300 original oil paintings, bronze sculptures, and other original works of art by leading contemporary masters of the Western Art genre. The collection has been called one of the great collections of this genre in the country. The Pearce family left an endowment which has enabled the Navarro College Foundation to continue to purchase new works to add to the collection, in keeping with Mr. & Mrs. Pearce's goal of supporting "up and coming artists" and new directions in Western Art. The Western Art Collection was recently re-appraised and is worth over \$5,700,000 (it has tripled in value since the original purchases). This includes a single masterpiece painting, *Grandfather Speaks*, which is valued at \$1,200,000. The Pearce Museum hosts several special exhibitions a year, including themed selections from the permanent collection, invitational and juried shows by visiting artists, and traveling exhibitions. Student and faculty art shows, and a juried show of Texas artists, are annual traditions and draw a wide audience. Lectures by visiting scholars, living history days and dramatic presentations are part of a robust series of special events hosted by the Pearce Museum each year.
- An additional exhibit gallery was added to the Pearce Museum in 2015, The Hunter-Gatherers of the Blackland Prairie. This gallery houses interactive displays which interpret and house Navarro College's Robert Reading Collection of over 44,000 catalogued and organized prehistoric Native American artifacts. It tells the story of the ancient people who populated Central Texas thousands of years ago and how they lived their lives. The gallery also houses three mysterious large carved stones, named the Malakoff heads for the nearby quarry where they were discovered in the 1930s. A Corsicana relative of the quarry owners donated one of these heads to Navarro College and the two others were transferred from the University of Texas in 2015. This gallery is especially popular with the many K-12 school groups that visit the Pearce Museum each year as part of our school programs.
- The Pearce Museum also maintains the Navarro College's own archives of historical materials, photographs, and records of the College's 76-year history. The Museum mounts annual exhibits featuring items from these collections, usually in conjunction with alumni reunions and events. The Pearce Museum welcomes visitors from around world for guided tours and special programs Monday-Saturday all year round. These visitors include Navarro College students, staff and faculty, individuals and families, adult groups and organized K-12 school groups who participate in several customized education programs relating to United States history, art, Texas history, natural history, and other topics. The educational programs have been designed by professional educators and align with state TEKS requirements. The education and public programs are made possible by the support of 15 dedicated volunteers, who spend hundreds of hours each year training and presenting tours and programs to a variety of audiences.
- In fall 2017, the Museum launched an outreach Living History program featuring costumed actors portraying Generals Robert E. Lee and Ulysses S. Grant in conversation. This popular program is presented off-site and at the Museum. Curriculum materials for teachers of every grade level have been developed over the past four years and are now available online at no cost. The Pearce Museum education staff also hosts annual professional development workshops for educators from Regions 10, 12, 7 and 11, and conducts presentations at several off-site teacher workshops as well. Six off-site exhibits have also been mounted by Pearce Museum staff recently, at public festivals and Navarro College-Mexia. The Museum also hosts many on-site special programs each year, including Civil War living history days and re-enactments, guest lecturers, student scavenger hunts, and temporary and traveling exhibits on various special topics. Increased promotion and social media efforts have resulted in a steady increase in public participation over the past four years, with museum attendance currently exceeding 5,000 visitors a year.
- Museum staff works closely with an increasing number of Navarro College faculty to enhance instruction in a variety of courses, including history, civics, fine art, art appreciation, science, math, English, and drama. The Museum has a particularly strong partnership with the Fine Arts department, and houses and co-hosts annual Student and Faculty art shows and programs. The Pearce Museum and its staff also provide support to NC special events such as Dancing for Our Stars and alumni reunions, as well as district-wide activities such as orientation and prospective student tours. The Museum continues to serve as an invaluable asset to Navarro College and the Corsicana community.

- The District's cooperative agreement with John Deere continues to attract students from across Texas and neighboring states who wish to pursue a degree in Agriculture Mechanization Technology. The two-year Associate in Applied Science program is facilitated by three full-time faculty and prepares students to become John Deere technicians, along with requisite skills to successfully manage future technological advancements in the farm equipment industry. Sixty-five students were enrolled in the program in the 2023-2024 academic year.
- Fire Science, Emergency Medical Technician, Paramedic, and Police Academy graduates provide a trained protective services workforce to the cities, municipalities, and agencies within the College's service areas, and to the entire State of Texas.
- The Basic Peace Officer Course offered by the Navarro College Police Academy consists of 779 hours, of which 736 hours are required by the Texas Commission on Law Enforcement (TCOLE) curriculum. The program is designed to prepare students to pass the Peace Officer licensing exam given at the end of the program. The course consists of 43 topics ranging from 1 hour to 74 hours in length. Approximately one-third of the class is devoted to developing physical skills required to become a peace officer. The Police Academy also offers an array of in-service courses to current officers who are state mandated to complete 40 hours of training every two years. The Police Academy offers approximately 50 in-service courses each year. In 2023 and 2024 the Navarro College Police Academy pass rates for the Basic Peace Officer Licensing Exam were 91.11% and 95.56% respectively.
- Navarro College has been awarded a Texas Reskilling and Upskilling for Education (TRUE) grant totaling \$250,000 and a Jobs for Education in Texas (JET) grant totalling \$349,009. The TRUE grant has assisted in extending program offerings throughout the Navarro College district through the creation of a new forklift certification course, a new NCCER Electrical Level 1 Certification course, and the integration of NC3 industry-recognized certifications in the welding technology program and NCCER Electrical Level 1 course. The JET and TRUE grant funding has resulted in significant capital investments in electrical training systems, a plasma welding cutter and robotics.
- Workforce training provided onsite for local employer partners has included occupational safety, basic manufacturing skills specific to each employer partner, workplace communication and diversity training. Training provided for local high school partners includes safety training and career exploration activities such as CTE Explore and Innovation Days to identify and connect with potential industries within each community. Navarro College also provides continuing education opportunities for local law enforcement and first responders through in-service training in partnership with the Police Academy as well as continuing education training contracts with local fire departments for EMTs. Continuing Education programs include workplace training initiatives, customized corporate training, courses, and programs available through ed2go, career training and certificate programs. Certificate programs in Allied Health include Certified Nurse Aide, Certified Clinical Medical Assistant, Medication Aide, EKG Technician, Patient Care Technician, Healthcare Analytics and Phlebotomy.
- Navarro College was awarded \$279,054 from the Perkins Basic Grant for the 2023-2024 academic year (re-allocation not included in this original award amount). Carl Perkins funds are distributed among Career/Technical Education (CTE) programs across all locations. The Perkins Basic Grant supports Navarro College in educating and training students who enroll in CTE courses and programs in preparation for high-skill, high-wage, or high-demand occupations.
- Explore CTE is an annual open house event for high school students hosted by the Perkins CTE Success Center staff. Approximately 500 area high school students attended Explore CTE where they were exposed to all career and technical programs at Navarro College. This event allowed students to visually see a pathway from college to employment. The Explore CTE event took place on February 28th, 2024. Perkins CTE Success Center also hosted four (4) IMT and Welding Innovations Days in Fall 2023 to provide career exploration opportunities for dual credit students. In addition to a tour of classroom facilities and labs, Audubon Metals and Freshpet presented career information regarding employment opportunities available upon completion of the IMT and Welding Technology programs.
- The Navarro College Physical Therapist program has been accredited since 2016, with an annual enrollment rate of 24 students. In 2016, the program received the highest number of years for initial accreditation. Since this time, the program has graduated three cohorts, with another cohort completing the program in December of 2018. The fourth cohort began the program in January of 2019. The program boasts a 100% passing rate for both the licensure board exams and employment rate within 6 months of completion since its inception. The program completed its more recent accreditation in 2022 and received a 10-year reaccreditation.
- The Associate Degree Nursing (ADN) Program participated in an on-site visit February 7-9, 2017, from the Accreditation Commission for Education in Nursing (ACEN) as a part of its reaccreditation process. The Board of Commissioners granted continuing accreditation to the program. The next evaluation visit will be scheduled for Spring 2025.

- The Medical Lab Technology (MLT) Program participated in an on-site visit in February 2019 from the National Accrediting Agency for Clinical Laboratory Sciences (NAACL) as a part of its reaccreditation process. The Board of Directors granted continuing accreditation to the program for ten (10) years. The next evaluation visit will be scheduled for Spring 2029.
- The Navarro College Occupational Therapy Assistant (OTA) Program is accredited by the Accreditation Council for Occupational Therapy Education (ACOTE). The last onsite visit in 2016 resulted in a 10-year reaccreditation, the highest level awarded. The OTA program, available at the Corsicana and Midlothian locations, was ranked #2 in Texas by universities.com for all OTA offering colleges and universities.
- The Licensed Vocational Nursing Program (LVN) is offered in Mexia, Corsicana and Midlothian Waxahachie. All programs meet the Texas Board of Nursing requirements for LVN Certificates. Demand has remained strong in all programs across the service area. Pass rates on the nursing NCLEX remain above the state and national norms.
- The Bachelor's Degree in Nursing (BSN) enrolled its first cohort of students in August 2023. Fifteen (15) students are expected to graduate in August 2024.

The Department of Business Services is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management.

Each year during June-July, administrators and the Board of Trustees participate in a budget workshop reviewing cost analysis and enrollment and state funding projections. It is at this workshop that annual and long-term capital budgets and future construction projects are reviewed and funding sources are identified. This workshop is also used to review revenue and expenditure projections and compare them to enrollment forecasts. Also included are the annual review of outstanding bond issues, their call dates, and possible refunding advantages and disadvantages.

As a recipient of federal, state, and local financial awards, the District also is responsible for providing an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic review and evaluation by management, internal audit, and the independent auditors of Navarro College District. As a part of the District's single audit, limited tests are conducted to determine the adequacy of the internal control structure, including the portion related to federal and state financial award programs and to determine if the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended August 31, 2023, provided no instances of material weakness in the internal control structure.

In addition, the Business Services staff maintain budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Navarro College Board of Trustees. Activities of all funds are included in the annual appropriated budget. The District also maintains an encumbrance accounting system as a technique of accomplishing budgetary control. Encumbered amounts lapse at fiscal year-end; however, encumbrances are generally re-appropriated as part of the subsequent year's budget.

State statutes require an annual audit by independent certified public accountants. In FY 2019, the College solicited a Request for Qualifications (RFQ) and after a thorough review of respondents, selected and engaged Whitley Penn, LLP as its independent audit firm for an initial three-year period.

MAJOR INITIATIVES

Academic Program Enhancements:

The District has been recognized as a leader in higher education. The identification and development of new strategies continue to enhance the academic program offerings as evidenced by the following:

- Navarro College continues its partnership with Texas A&M University - Commerce. The partnership has produced 3,050 graduates, including 1,951 Bachelor of Science in Education/Interdisciplinary Studies, 361 Bachelor in Applied Arts and Sciences (BAAS), 172 Bachelor of Science in Criminal Justice, 188 Bachelor of General Studies (BGS), 71

Bachelor of Business Administration (BBA), 19 Bachelor of Science in Instructional Training and Design (TDEV), 20 Bachelor of Science in Liberal Studies (BSLS), 3 in Bachelor of Science in Computer Science, 3 Bachelor of Science in Computer Information Systems, 3 in Bachelor of Science in Environmental Science, 42 in Bachelor of Science in Learning & Technology, 2 in Bachelor of Science in Global E-Learning, and 196 Master's degrees conferred through Spring 2024.

- Navarro College has partnered with the Waxahachie Independent School District (WISD) since 2007 to offer an Early College High School called Waxahachie Global High (WGH). WGH is also a T-STEM academy, which has won multiple recognitions from the state. A total of 385 students are currently registered with Navarro College through this program for at least one dual credit course, and in spring 2024, Eighty-three (83) students graduated with their associate degree in May (2024). The District offers dual credit courses at most high schools in Ellis, Navarro, Limestone, Freestone, and Leon counties. In the fall of 2023, thirty-five (35) high schools offered dual credit courses, with approximately 2,600 students participating district wide. Many of our partnering schools enroll cohorts of students to work toward a degree or certificate. In Spring 2024, approximately 275 dual credit students earned a Navarro College degree or certificate.
- After the decline in enrollment due to the Covid-19 Pandemic, the Navarro College fine arts programs have grown from 88 (Spring of 2021) students to 137 (Fall 2023) members. This is an increase of 156% over two years. Band Directors Dr. Joshua Buckrucker and Timothy Nutting, and Choral Director Dr. Cindy Harrison plan to continue to maintain an average growth of their programs of 10% over the next three years. As a result of the recruiting efforts of these directors along with those of Dr. Shellie O'Neal and Professor Laura Briseno, the fine arts programs currently have representation from over 43 high schools, and there are 60 students declared as either majoring in art, music, or theatre.

Athletic Program Achievements

Navarro College offers a large and competitive intercollegiate athletic program that includes basketball, baseball, soccer, softball, football, cheerleading and volleyball.

- The basketball team finished the 2019-20 year with a record of 19-11 and were a Region XIV Conference runners-up and were the Region XIV Tournament semi-finalists. Three student-athletes transferred to NCAA 4-year universities.
- The baseball team was not able to complete the 2020 regular season schedule due to COVID-19. Thirteen players transferred to play at four-year institutions.
- The soccer team finished 15-5 and were runners up in the Region XIV Championship. They qualified for the NJCAA National Tournament and finished #7 ranked in the country in the final NJCAA poll. Three student-athletes were named All-Region and four were honorable mention with two players earning NJCAA All-American honors. Three players earned Academic All Region while nine earned Academic All-American recognition. Five players graduated and four transferred to 4-year universities.
- The softball team was not able to complete the 2020 regular season schedule due to COVID-19. Of eleven Sophomores, seven athletes transferred to university programs and four sophomores returned to Navarro.
- The football team finished with a 6-5 record for the 2019 season. Navarro won the SWJCFC Regional Championship and brought home the Roark Montgomery Memorial trophy. The 2019 team sent seventeen players to four-year universities. One player was named NJCAA All-American. One player was named NJCAA National Offensive Player of the Year.
- The cheer team was not able to compete in the 2019 NCA National Championships due to COVID-19. They have brought home an NCA National Championship in 14 of the last 20 years and have won five Grand National Championships. Ten cheerleaders went on to university programs.
- The volleyball team finished the 2019 season with a 31-0 record. They finished the Regular Season NJCAA Poll #1 in the Nation. Navarro won the Region XIV Conference Championship, Region XIV Tournament and captured the 2019 NJCAA Division I National Championship. Three student athletes were named First Team All-Region. One student-athlete was named to the second Team All-Region. One student athlete was named Conference Libero of the Year. Two student-athletes were named to NJCAA 1st Team All-American, and one player was named Region XIV Most Valuable Player. One player was named NJCAA National Player of the Year. Three players transferred to a university program.
- Academics are stressed by the Navarro College administration and coaching staff. Success is evidenced by having 46 athletes earn Academic All-American recognition by the NJCAA and 34 athletes named to the 2019-2020 Region XIV

All-Academic Team. The Softball (3.52), Volleyball (3.52), Soccer (3.36), Baseball (3.29), and Basketball (3.07) teams earned recognition as NJCAA Academic Teams of the Year. Each athletic team was also heavily involved in other areas as our student athletes volunteered with over 3000 hours of community service projects in 2019-20.

Construction and Facilities Improvements Projects

In 2023-24 several improvements were completed on the four College locations. These included the following:

Housing Projects:

REPLACED FLOORING:

- Mail room-Gooch Building
- IOOF
- Building 5 #220
- Building 7 #223
- Building 10 #237, 239, 240
- Building 11 #233, 234
- Building 18 #278, 280
- Building 20 #285
- Building 21 #296
- Building 2 #108
- Building 14 #252

WINDOW REPAIRS:

- Building 3 #112
- Building 3 #110A
- Building 3 #111C

MAINTENANCE REPAIRS:

- Truth Building- exterior, striping and waxing flooring
- Building 1 #203
- Building 2 #203
- Building 3 #212C
- Building 4 #116, 214A
- Building 7 #121, 221, 222, 223B
- Building 8 #231
- Building 10 #138, 237A
- Building 12 #244
- Building 15 #155A, 223A, 223B
- Building 16 #257, 259
- Building 17 #261
- Building 18 #180
- Building 19 #182, 282
- Building 20 #185, 186, 187, 287
- Building 21 #296A
- Building 30- Hallway
- Building 31 #272
- Building 32- Hallway

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Navarro College for its annual comprehensive financial report for the fiscal year ended August 31, 2023. This was the twenty-second consecutive year (FY2001 through FY2023) that the College has achieved this prestigious award. To be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a one-year period only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting the report to the GFOA to determine its eligibility for another certificate.

Preparing this report could not have been accomplished without the efficient and dedicated services of the Business Services staff. In addition, the Vice Presidents and various members of the President's Leadership team provided information for inclusion in the transmittal letter that benefit the overall comprehensiveness of the report. Appreciation is also expressed to the accounting firm of Whitley Penn, LLP for their assistance in the timely completion of the audit. Due credit should also be given to the Board of Trustees and the District President, Dr. Kevin G. Fegan for their interest in planning and conducting the operations of the District in a professional manner.

Respectfully submitted,

A handwritten signature in cursive script that reads "Teresa Thomas". The signature is written in black ink and is positioned above the typed name and title.

Teresa Thomas, CPA
Vice President for Finance

**NAVARRO COLLEGE DISTRICT
ORGANIZATION CHART**

DISTRICT ADMINISTRATION

Kevin Fegan



District President
☎️ (13,943)

Faith Boyd

FB Board Member

Alton Atkeisson

AA Board Member

Jeanetta Johnson



Vice President of Academic Affairs
☎️ (12,611)

Kim Wyatt

KW Board Member

Billy McGraw

BM Board Member

Marcy Ballew



Vice President of Operations
☎️ (8,57)

Loran Seely

LS Board Member

Karen Simons



Executive Assistant

Sina Ruiz



Vice President of Student Success
☎️ (12,250)

Phil Judson

PJ Board Member

Richard Cutrer



Executive Director of NC Foundation
☎️ (1,1)

Teresa Thomas



Vice President of Finance
☎️ (3,11)

**NAVARRO COLLEGE DISTRICT
ORGANIZATION CHART**


FINANCE AND ADMINISTRATION

Teresa Thomas



Vice President of Finance
☎(3,11)

James Botkin



Comptroller
☎(5,8)

Megan Smith



Executive Administrative Assistant -
Finance & Admin.

Teresa Sutton



Budget Officer/Risk Management
Coordinator

NAVARRO COLLEGE DISTRICT

PRINCIPAL OFFICIALS

Year Ended August 31, 2024

Board of Trustees

Officers

Phil Judson	Chairman
Billy Todd McGraw	Vice-Chairman
Richard L. Aldama	Secretary/Treasurer

Members

Term Expires

Richard L. Aldama	Corsicana, Texas	2027
A. L. Atkeisson	Kerens, Texas	2027
Faith D. Boyd	Corsicana, Texas	2025
Phil Judson	Corsicana, Texas	2029
Billy Todd McGraw	Blooming Grove, Texas	2025
Loran Seely	Corsicana, Texas	2025
Kim C. Wyatt	Corsicana, Texas	2029

Executive Officers

Kevin G. Fegan, Ed.D.	District President
Jeanetta Johnson, Ed.D.	Vice President, Academic Affairs
Teresa Thomas, CPA	Vice President, Finance
Sina Ruiz	Vice President, Student Services
Marcy Ballew	Vice President, Operations
Richard Cutrer	Executive Director of NC Foundation
Michael Landers	Executive Director of Student Services & Athletics

Business Officers

Teresa Thomas, CPA	Vice President, Finance
Jim Botkin	Comptroller
Alison Skinner	Payroll Manager
Teresa Sutton	Budget Officer/Risk Management

NAVARRO COLLEGE DISTRICT
BOARD OF TRUSTEES



Sitting: Kim C. Wyatt, Phil Judson, Dr. Kevin G. Fegan
Standing: Richard L. Aldama, Loran Seely, Faith D. Boyd, Billy Todd McGraw, A.L. Atkeisson

District President



Kevin G. Fegan, Ed.D.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Navarro College
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Navarro College District

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of Navarro 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 as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District as of August 31, 2024 and 2023, and the respective changes in financial position, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the discretely presented component unit financial statements of Navarro College Foundation, Inc. (the "Foundation") as of and for the years ended August 31, 2024 and 2023. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the report of the other auditors. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, pension information, and other post-employment benefit information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing 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 the sufficient evidence to express an opinion or provide any assurance.

To the Board of Trustees
Navarro College District

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. Supplemental Schedules A through D as required by the Texas Higher Education Coordinating Board's (THECB) *Budget Requirements and Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards (Schedule E), as required by 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 Schedule of Expenditures of State Awards (Schedule F), as required by the Texas Grant Management Standards, are also presented for 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 GAAS. In our opinion, Supplemental Schedules A through D, 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 introductory and statistical sections 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 District's internal control over financial reporting and on our tests on its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Houston, Texas
December 12, 2024



NAVARRO COLLEGE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Navarro College District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal years ended August 31, 2024 and 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on starting on page i of this report.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$44,016,262 (net position). Of this amount, \$(11,330,926) is unrestricted net position. This deficit is caused by the implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions* ("GASB No. 75") and reflects the District's proportionate share of the other post-employment benefit (OPEB) liability in the District's financial statements. This implementation does not affect the financial stability of the District or how the District conducts its financial decision-making. Rather, the District is reflecting its portion of the liability that the State of Texas manages and operates.
- The District's net pension liability totaled \$11,333,630, an increase of \$1,624,940 in comparison to the prior year. This amount represents the District's portion of the Teacher Retirement System's ("TRS") net pension liability.
- The District's net OPEB liability totaled \$21,907,823, a decrease of \$2,494,451 in comparison to the prior year. This amount represents the District's portion of the Employee Retirement System's ("ERS") net OPEB liability.
- The District's total bonded debt decreased by \$1,930,000 during the current fiscal year.
- Total net position of the District reflected an increase of \$3,267,497 to a total of \$44,016,262 as of August 31, 2024.

Overview of the Financial Statements and Financial Analysis

The District is proud to present its financial statements for the fiscal years ended August 31, 2024 and 2023. There are three financial statements presented: Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows. As demonstrated by the statements and schedules included in the financial section of this report, the District continues meeting its responsibility for sound financial management.

Statements of Net Position

The Statement of Net Position presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the District as of the end of the fiscal year. The Statement of Net Position is a point-of-time financial statement. The purpose of the Statement of Net Position is to present to the readers of the financial statements a fiscal snapshot of the District. The Statement of Net Position presents end-of-year data concerning Assets (current and non-current), Deferred Outflows of Resources, Liabilities (current and non-current), Deferred Inflows of Resources, and Net Position. The difference between current and non-current assets will be discussed in the footnotes to the financial statements. The District has elected to follow the recommendation of the Texas Higher Education Coordinating Board to present the Statement of Net Position in the balance sheet format. From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of the institution. They also are able to determine how much the District owes vendors and lending institutions.

NAVARRO COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Statements of Net Position

	<u>August 31,</u>			<u>Amount of Change 2023 to 2024</u>	<u>Percentage of Change 2023 to 2024</u>
	<u>2024</u>	<u>2023</u>	<u>2022*</u>		
Assets					
Current assets	\$ 45,271,188	\$ 41,276,687	\$ 51,571,641	\$ 3,994,501	9.68%
Capital assets	<u>67,357,662</u>	<u>70,875,592</u>	<u>69,528,524</u> *	<u>(3,517,930)</u>	<u>(4.96%)</u>
Total Assets	<u>112,628,850</u>	<u>112,152,279</u>	<u>121,100,165</u>	<u>476,571</u>	<u>0.42%</u>
Total Deferred Outflows of Resources					
	<u>5,536,065</u>	<u>7,858,202</u>	<u>10,313,560</u>	<u>(2,322,137)</u>	<u>(29.55%)</u>
Liabilities					
Current liabilities	19,635,853	19,475,494	21,534,784 *	160,359	0.82%
Noncurrent liabilities	<u>43,401,257</u>	<u>47,906,080</u>	<u>52,471,017</u> *	<u>(4,504,823)</u>	<u>(9.40%)</u>
Total Liabilities	<u>63,037,110</u>	<u>67,381,574</u>	<u>74,005,801</u>	<u>(4,344,464)</u>	<u>(6.45%)</u>
Total Deferred Inflows of Resources					
	<u>11,111,543</u>	<u>11,880,142</u>	<u>12,030,183</u>	<u>(768,599)</u>	<u>(6.47%)</u>
Net Position					
Net investment in capital assets	54,633,652	54,423,518	50,241,651 *	210,134	0.39%
Restricted - expendable	713,536	495,639	1,609,982	217,897	43.96%
Unrestricted	<u>(11,330,926)</u>	<u>(14,170,392)</u>	<u>(6,473,892)</u>	<u>2,839,466</u>	<u>(20.04%)</u>
Total Net Position	<u>\$ 44,016,262</u>	<u>\$ 40,748,765</u>	<u>\$ 45,377,741</u> *	<u>\$ 3,267,497</u>	<u>8.02%</u>

* Restated for implementation of Statement No. GASB 96, SBITA .

Net position is divided into three major categories. The first category, net investment in capital assets, provides the District's equity in property, plant, and equipment owned by the District. The next net position category is restricted net position, which is divided into two categories, nonexpendable and expendable. Nonexpendable restricted net position are funds required to be retained in perpetuity. Expendable restricted net position is available for expenditure by the District but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted net position. Unrestricted net position is available to the District for any lawful purpose of the District. None of the net position is restricted by enabling legislation.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

NAVARRO COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Financial Analysis from 2023 to 2024

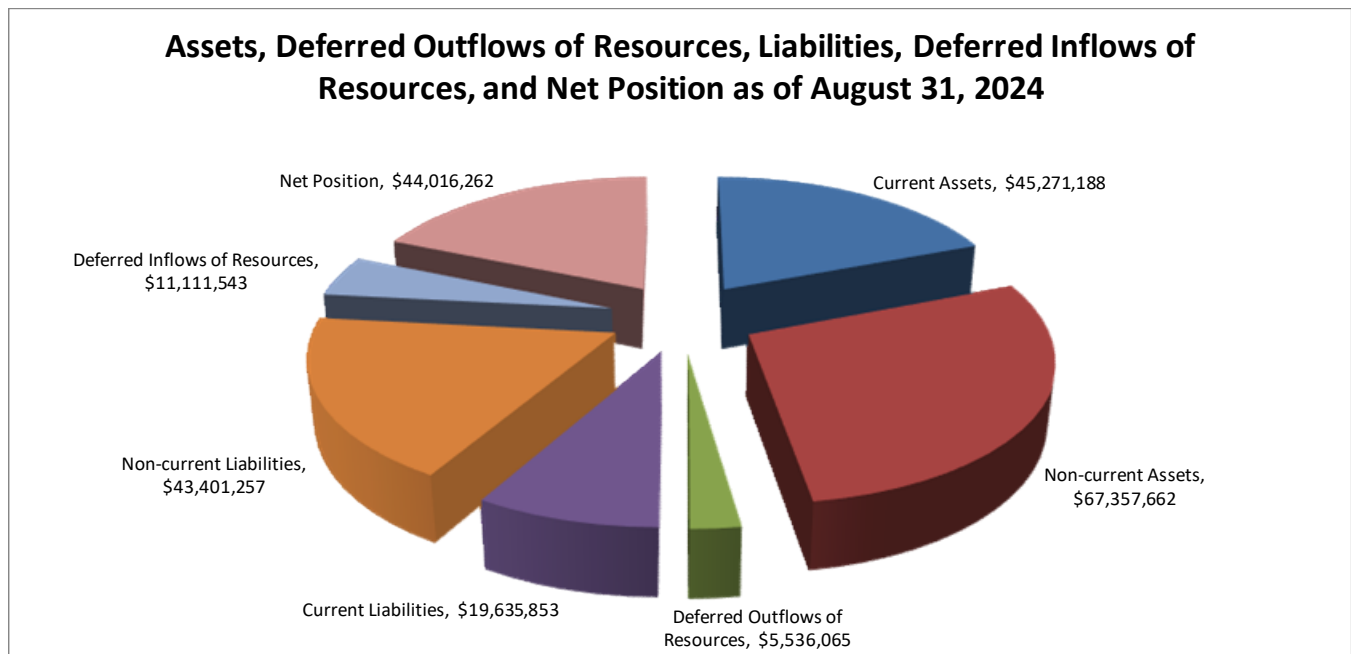
Current assets increased to \$45,271,188 from \$41,276,687 , for an increase of \$3,994,501 or 9.68% . Decreases were noted in inventories of \$(269,262). This decrease is offset by increases in cash and cash equivalents, accounts receivable, and prepaid expenses of \$1,250,494, \$2,752,489, and \$260,780, respectively.

Capital assets decreased by \$3,517,930 or 4.96% after amortization/depreciation. This decrease in capital assets is a result of the District’s annual increase of accumulated amortization/depreciation of \$5,965,538 exceeding capital assets additions and the retirement of construction in progress and equipment.

Total liabilities decreased to \$63,037,110 from \$67,381,574 for a decrease of \$(4,344,464) or (6.45%). Decreases were noted in accounts payable of \$(837,419), accrued liabilities of \$(439,125), funds held for others of \$(28,693), leases payable of \$(138,242), SBITA payable of \$(1,368,976), notes payable of \$(255,000), and net OPEB liability of \$(2,494,451). These decreases were offset by increases of \$1,355,343 in unearned revenue, \$41,968 in accrued claims and judgements, \$200,191 in compensated absences, and \$1,624,940 in net pension liability. The decreases in loan payable of (\$75,000) and bonds payable of (\$1,930,000) are due to forgiveness of debt and scheduled debt service payments, respectively.

Deferred outflows of resources decreased by \$(2,322,137) or (29.55%) and deferred inflows of resources decreased by (768,599) or (6.47%) as a result of GASB 68 and GASB 75 adjustments related to pension and OPEB activity.

In summary, the total net position of the District reflected an increase of \$3,267,497 to a total of \$44,016,262 as of August 31, 2024. This change can be attributed to increases of \$210,134 , \$217,897 , \$2,839,466 in net investment in capital assets, expendable restricted net position, and unrestricted net position, respectively.



NAVARRO COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Financial Analysis from 2022 to 2023

Current assets decreased to \$41,276,687 from \$51,571,641, for a decrease of \$(10,294,954) or (19.96%). Decreases were noted in cash and cash equivalents and prepaid expenses of \$(9,557,682) and \$(18,639), respectively. This decrease is partially offset by increases in accounts receivable and inventories of \$723,101 and \$32,810, respectively.

Capital assets increased by \$1,347,068 or 1.94% after amortization/depreciation. This increase in capital assets is a result of capital assets additions for the year and the retirement of construction in progress and equipment exceeding the District's annual increase of accumulated amortization/depreciation of \$5,840,942.

Total liabilities decreased to \$67,381,574 from \$74,005,801, for a decrease of \$(6,624,227) or (8.95%). Decreases were noted in accounts payable of \$(3,759,057); funds held for others of \$(515,318); leases of \$(136,805); SBITA payable of \$(450,797); notes payable of \$(456,468); and net OPEB liability of \$(6,345,193). These decreases were offset by increases of \$1,541,570 in accrued liabilities, \$164,403 in unearned revenue, and \$5,235,791 in net pension liability. The decreases in loan payable of (\$75,000) and bonds payable of (\$1,875,000) are due to forgiveness of debt and scheduled debt service payments.

Deferred outflows of resources decreased by \$(2,455,358) or (23.81%) and deferred inflows of resources decreased by \$(150,041) or (1.26)% as a result of GASB 68 and GASB 75 adjustments related to pension and OPEB activity.

In summary, the total net position of the District reflected a decrease of \$(4,628,976) to a total of \$40,748,765 as of August 31, 2023. This change can be attributed to an increase of \$4,181,867 in net investment in capital assets offset by decreases of \$(7,696,500) and \$(1,114,343) in unrestricted net position and expendable restricted net position, respectively.

Statements of Revenues, Expenses, and Changes in Net Position

Changes in total net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The statement includes five sections: operating revenues, non-operating revenues, operating expenses, non-operating expenses, and other revenues (expenses) and gains (losses). The purpose of the statement is to present the revenues received by the District, operating and non-operating, and any other revenues, expenses, gains, and losses received or spent by the District.

Generally, operating revenues are received for providing goods and services to the various customers and constituencies of the District. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues and to carry out the mission of the District. Non-operating revenues are revenues received for which goods and services are not provided.

NAVARRO COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Statements of Revenues, Expenses, and Changes in Net Position

	<u>2024</u>	<u>2023</u>	<u>2022*</u>	<u>Amount of Change 2023 to 2024</u>	<u>Percentage Change 2023 to 2024</u>
Operating Revenues					
Tuition and fees	\$ 12,513,742	\$ 14,267,885	\$ 13,190,941	\$ (1,754,143)	(12.29%)
Sales and services	6,109,543	7,198,241	6,696,015	(1,088,698)	(15.12%)
Other operating revenues	336,121	168,546	192,276	167,575	99.42%
Total Operating Revenues	<u>18,959,406</u>	<u>21,634,672</u>	<u>20,079,232</u>	<u>(2,675,266)</u>	<u>(12.37%)</u>
Nonoperating Revenues					
State appropriations	20,694,889	15,299,872	15,080,567	5,395,017	35.26%
Maintenance ad valorem property taxes	6,893,672	5,996,083	5,340,603	897,589	14.97%
Grants and contracts	16,094,544	14,966,672	33,026,346	1,127,872	7.54%
Gifts	1,210,143	1,268,832	993,944	(58,689)	(4.63%)
Investment income	215,557	156,542	95,256	59,015	37.70%
Other non-operating revenues	887,942	229,602	3,864,748 *	658,340	286.73%
Total Nonoperating Revenues	<u>45,996,747</u>	<u>37,917,603</u>	<u>58,401,464</u>	<u>8,079,144</u>	<u>21.31%</u>
Total Revenues	<u>64,956,153</u>	<u>59,552,275</u>	<u>78,480,696</u>	<u>5,403,878</u>	<u>9.07%</u>
Operating Expenses					
Instruction	17,251,029	15,255,110	16,704,563	1,995,919	13.08%
Public service	385,842	367,358	456,289	18,484	5.03%
Academic support	3,612,898	3,162,100	2,272,290	450,798	14.26%
Student services	4,099,720	3,073,780	4,624,432	1,025,940	33.38%
Institutional support	8,418,543	14,525,922	10,497,233	(6,107,379)	(42.04%)
Operation and maintenance of plant	4,414,563	4,393,081	3,788,027	21,482	0.49%
Scholarships and fellowships	7,417,688	8,333,202	17,350,976	(915,514)	(10.99%)
Auxiliary enterprises	9,814,186	8,717,758	8,085,766	1,096,428	12.58%
Amortization/depreciation	5,965,538	5,840,942	3,838,161 *	124,596	2.13%
Total Operating Expenses	<u>61,380,007</u>	<u>63,669,253</u>	<u>67,617,737</u>	<u>(2,289,246)</u>	<u>(3.60%)</u>
Nonoperating Expenses					
Interest on capital related debt	308,649	511,998	552,601	(203,349)	(39.72%)
Total Nonoperating Expenses	<u>308,649</u>	<u>511,998</u>	<u>552,601</u>	<u>(203,349)</u>	<u>(39.72%)</u>
Total Expenses	<u>61,688,656</u>	<u>64,181,251</u>	<u>68,170,338</u>	<u>(2,492,595)</u>	<u>(3.88%)</u>
Change in net position	3,267,497	(4,628,976)	10,310,358	7,896,473	(170.59%)
Beginning Net Position	<u>40,748,765</u>	<u>45,377,741</u>	<u>35,067,383</u>	<u>(4,628,976)</u>	<u>(10.20%)</u>
Ending Net Position	<u>\$ 44,016,262</u>	<u>\$ 40,748,765</u>	<u>\$ 45,377,741</u> *	<u>\$ 3,267,497</u>	<u>8.02%</u>

* Restated for implementation of Statement No. GASB 96, SBITA .

NAVARRO COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Financial Analysis from 2023 to 2024

The Statement of Revenues, Expenses, and Changes in Net Position reflects an increase in net position of \$3,267,497 . Operating revenues decreased (\$2,675,266) or (12.37%).

Non-operating revenues increased by \$8,079,144 or 21.31% . Increases were noted in state appropriations of \$5,395,017 or 35.26%, ad valorem taxes of \$897,589 or 14.97%, grants and contracts of \$1,127,872 or 7.54%, investment income of \$59,015 or 37.70%, and other non-operating revenue of \$658,340 or 286.73%. These increases are partially offset by a decrease of \$(58,689) or (4.63%) in gifts.

Overall operating expenses decreased by \$(2,289,246) or (3.60%). This decrease is due to changes in the following categories: (\$6,107,379) in institutional support and (\$915,514) in scholarships and fellowships. These decreases are offset by increases in instruction of \$1,995,919, public service of \$18,484, academic support of \$450,798, student services of \$1,025,940, operation and maintenance of plant of \$21,482, auxiliary of \$1,096,428 and amortization/depreciation of \$124,596.

Non-operating expenses of interest on capital related debt decreased by (\$203,349) or (39.72%) as a result of regularly scheduled debt service interest payments.

In summary, operational activities provided the District with an increase of \$3,267,497 which increased net position to a total of \$44,016,262 at August 31, 2024.

Financial Analysis from 2022 to 2023

The Statement of Revenues, Expenses, and Changes in Net Position reflects a decrease in net position of (\$4,628,976). Operating revenues increased \$1,555,440 or 7.75%.

Non-operating revenues decreased by (\$20,483,861) or (35.07%). Decreases were noted in grants and contracts of \$(18,059,674) or (54.68%) and other non-operating revenue of \$(3,635,146) or 94.06%. These decreases are partially offset by increases of \$219,305 or 1.45% in state appropriations; \$655,480 or 12.27% in ad valorem taxes; \$274,888 or 27.66% in gifts; and \$61,286 or 64.34% in investment income.

Overall operating expenses decreased by (3,948,484) or (5.52%). This decrease is due to changes in the following categories: (\$1,449,453) in instruction; (\$88,931) in public service; (\$1,550,652) in student services; and (\$9,017,774) in scholarships and fellowships. These decreases are offset by increases in academic support of \$889,810; institutional support of \$4,028,689, operation and maintenance of plant of \$605,054; auxiliary of \$631,992 and amortization/depreciation of \$2,002,781.

Non-operating expenses of interest on capital related debt decreased by (\$40,603) or (7.35%) due to regularly scheduled debt service interest payments.

In summary, operational activities provided the District with a decrease of (\$4,628,976) which decreased net position to a total of \$40,748,765 at August 31, 2023.

Statements of Cash Flows

The final statement presented by the District is the Statement of Cash Flows. GASB Nos. 34 and 35 added this additional statement to the annual financial report. The Statement of Cash Flows presents detailed information about the cash activity of the District during the year. The first section of the Statement of Cash Flows reflects operating cash flows and shows the net cash used by the operating activities of the District. The second section reflects cash flows from noncapital financing activities. This section reflects the cash received and spent for non-operating, non-investing, and noncapital financing purposes. The third section reflects cash flows from capital and related financing activities. This section captures the cash used to purchase capital assets and make debt payments, as well as receipt of bond proceeds. The fourth section reflects the cash flows from investing activities and shows the purchases, proceeds, and interest received from investing activities.

NAVARRO COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Navarro College District
Statements of Cash Flows
Years Ended August 31,

	<u>2024</u>	<u>2023</u>	<u>2022</u>	Amount of Change 2023 to 2024	Percentage of Change 2023 to 2024
Cash provided by (used for):					
Operating activities	\$ (32,477,539)	\$ (32,801,227)	\$ (30,933,548)	\$ 323,688	(0.99%)
Noncapital financing activities	39,738,372	34,387,696	51,156,872	5,350,676	15.56%
Capital and related financing activities	(6,245,213)	(11,362,944)	(8,602,189)	5,117,731	(45.04%)
Investing activities	234,874	218,793	157,507	16,081	7.35%
Net change in cash	1,250,494	(9,557,682)	11,778,642	10,808,176	(113.08%)
Cash, Beginning of Year	<u>25,131,253</u>	<u>34,688,935</u>	<u>22,910,293</u>	<u>(9,557,682)</u>	<u>(27.55%)</u>
Cash, End of Year	<u>\$ 26,381,747</u>	<u>\$ 25,131,253</u>	<u>\$ 34,688,935</u>	<u>\$ 1,250,494</u>	<u>4.98%</u>

Financial Analysis from 2023 to 2024

An analysis of cash flows shows an overall decrease of \$1,250,494 or 4.98% for 2024. The District ended fiscal year 2024 with \$26,381,747 in cash, compared to \$25,131,253 at the end of fiscal year 2023.

Financial Analysis from 2022 to 2023

An analysis of cash flows shows an overall decrease of (\$9,557,682) or (27.55%) for 2023. The District ended fiscal year 2023 with \$25,131,253 in cash, compared to \$34,688,935 at the end of fiscal year 2022.

Debt Administration, Capital Assets, Cash, & Risk Management

Debt Administration

As of August 31, 2024, the District had \$7,685,000 of revenue bonds outstanding.

As of August 31, 2024, the forgivable loan balance from the Midlothian Economic Development Center (MEDC) was \$525,000.

For additional information concerning Debt Administration, see Notes 7 and 8 in the notes to the financial statements.

Capital Assets

For additional information concerning Capital Assets, see Note 6 in the notes to the financial statements.

NAVARRO COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Risk Management

The Campus Safety and Preparation Committee conducted quarterly meetings during Fall semester 2023 and Spring semester 2024, a subcommittee met monthly.

- The Navarro College Emergency Operations Plan (EOP) is reviewed annually and updated, as necessary. It was submitted to the Texas School Safety Center for review fall of 2024... The institution also adopted its Cyber Security Annex in August of 2024 and will submit it for review, at the request of the TxSSC, in October of 2024
- Online training was provided for both students and staff regarding the Standard Response Protocol for emergencies and Sexual Misconduct Training each semester. In addition to building specific, face to face trainings provided in January of 2024.
- Online risk management training for student organizations and their sponsors was provided.
- Online training for staff was provided Spring 2024 for Open Records, Distracted Driving, and Slips, Trips and Falls.
- Successful safety drills were conducted on each campus during the Fall 2023 and Spring 2024 semesters on all four Navarro College locations.
- The WatchDog Alert Notification System was tested each semester (Fall 2023 and Spring 2024 semesters, once as a system test and again during a standard response protocol drill).
- The Lynx Panic Button system has been installed on all staff computers. Should an emergency arise on any of the four campuses, Navarro College Police Officers and College administration are notified of the precise location of the emergency immediately by activating two buttons on staff's computer keyboard. In addition to the keyboard style alarm activation, at retail and other strategic locations a panic button was also installed for the LYNX alarm system.

Economic Outlook

Navarro College demonstrated resilience and adaptability in navigating significant changes to enrollment and funding during the 2023-2024 academic year. Despite the challenges posed by the expiration of HEERF grants and the shift in state funding models, the college's ability to meet 98% of the annual semester credit hour projections highlights its effective strategic planning and commitment to student success.

Under the House Bill 8 Model, Navarro College secured \$14,468,850 in guaranteed funding for fiscal year 2024.

This funding was allocated as follows:

- Base Tier: \$3,010,925
- Performance Tier: \$11,454,925

Additionally, the college received \$1,707,883 for the fiscal year 2024 close-out adjustments and will receive these funds in October 2024.

Looking ahead, the college anticipates securing \$16,618,113 for fiscal year 2025, which includes base tier funding (\$3,517,614), performance tier funding (\$11,392,617), and the previous year's close-out adjustment (\$1,707,883).

Beyond funding, Navarro College is actively monitoring legislative changes, assessing the potential impact of revamping federal financial aid, identifying students' highest basic needs, preparing for its SACCOC reaffirmation in 2026, and implementing a Quality Enhancement Plan. Additionally, the college is transitioning its student information system from Ellucian Colleague to Oracle Student Management (OSM) and Student Financial Planning (SFP). Navarro College is also assessing proformas for student hierarchy groups to develop an analysis with the state's forecasted funding model and invest in personnel to increase completion for at-risk populations. As a result, the College is projecting flat enrollment for the fiscal year 2025 and exceeding the state's forecasted student success outcomes for performance-tier funding.

NAVARRO COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

These proactive measures demonstrate Navarro College's commitment to financial sustainability, student success, and effective resource management. By understanding these factors and analyzing the college's financial performance, the Leadership Team can provide valuable insights to support the college's ongoing efforts to enhance student outcomes and maintain financial stability.

Request for Information

This financial report is designed to provide a general overview of the Navarro College District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Comptroller, Navarro College, 3200 West 7th Avenue, Corsicana, Texas 75110.



BASIC FINANCIAL STATEMENTS

NAVARRO COLLEGE DISTRICT
STATEMENTS OF NET POSITION
August 31, 2024 and 2023

Exhibit 1
Page 1 of 2

	Primary Government		Component Unit	
	Navarro College District		Navarro College Foundation, Inc.	
	2024	2023	2024	2023
Assets				
Current Assets:				
Cash and cash equivalents	\$ 26,381,747	\$ 25,131,253	\$ 44,518	\$ 72,740
Restricted cash and cash equivalents		-	345,442	317,092
Accounts receivable, net	14,961,287	12,208,798	-	-
Prepaid expenses	2,096,358	1,835,578	-	-
Investments	-	-	265,831	243,265
Inventories	1,831,796	2,101,058	-	-
Total Current Assets	45,271,188	41,276,687	655,791	633,097
Noncurrent Assets:				
Long-term investments	-	-	4,975,366	4,262,370
Capital assets, net	67,357,662	70,875,592	7,342,937	7,320,787
Total Noncurrent Assets	67,357,662	70,875,592	12,318,303	11,583,157
Total Assets	112,628,850	112,152,279	12,974,094	12,216,254
Deferred Outflows of Resources				
Deferred charge on refunding	44,048	83,202	-	-
Deferred outflows related to pensions	4,089,691	3,762,122	-	-
Deferred outflows related to OPEB	1,402,326	4,012,878	-	-
Total Outflows of Resources	5,536,065	7,858,202	-	-
Liabilities				
Current Liabilities:				
Accounts payable	152,540	989,959	2,135	3,406
Accrued liabilities	1,772,835	2,211,960	-	-
Funds held for others	397,934	426,627	-	-
Unearned revenue	12,304,976	10,949,633	-	-
Accrued compensated absences				
- current portion	366,948	335,497	-	-
Leases payable - current portion	120,216	150,407	-	-
SBITA payable - current portion	1,662,612	1,592,004	-	-
Notes payable - current portion	270,000	255,000	-	-
Net OPEB liability - current portion	612,792	634,407	-	-
Bonds payable - current portion	1,975,000	1,930,000	-	-
Total Current Liabilities	19,635,853	19,475,494	2,135	3,406
Noncurrent Liabilities:				
Accrued compensated absences	1,968,763	1,800,023	-	-
Accrued claims and judgments	63,603	21,635	-	-
Leases payable	11,803	119,854	-	-
SBITA payable	1,308,427	2,748,011	-	-
Loan payable	525,000	600,000	-	-
Notes payable	1,185,000	1,455,000	-	-
Net pension liability	11,333,630	9,708,690	-	-
Net OPEB liability	21,295,031	23,767,867	-	-
Bonds payable	5,710,000	7,685,000	-	-
Total Noncurrent Liabilities	43,401,257	47,906,080	-	-
Total Liabilities	63,037,110	67,381,574	2,135	3,406

NAVARRO COLLEGE DISTRICT
STATEMENTS OF NET POSITION
August 31, 2024 and 2023

Exhibit 1
Page 2 of 2

	Primary Government		Component Unit	
	Navarro College District		Navarro College Foundation, Inc.	
	2024	2023	2024	2023
Deferred Inflows of Resources				
Deferred inflows related to leases	\$ 524,038	\$ 536,642	\$ -	\$ -
Deferred inflows related to pensions	1,301,695	1,914,327	-	-
Deferred inflows related to OPEB	9,285,810	9,429,173	-	-
Total Deferred Inflows of Resources	11,111,543	11,880,142	-	-
Net Position				
Net investment in capital assets	54,633,652	54,423,518	7,342,937	7,320,787
Restricted for:				
Nonexpendable:				
Scholarships and fellowships	-	-	391,600	391,600
Pearce Museum	-	-	1,337,296	1,337,296
Expendable:				
Scholarships and fellowships	357,183	130,944	3,591,912	2,850,566
Debt service	356,353	364,695	-	-
Unrestricted	(11,330,926)	(14,170,392)	308,214	312,599
Total Net Position	\$ 44,016,262	\$ 40,748,765	\$ 12,971,959	\$ 12,212,848



NAVARRO COLLEGE DISTRICT

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Years Ended August 31, 2024 and 2023

Exhibit 2

	Primary Government		Component Unit	
	Navarro College District		Navarro College Foundation, Inc.	
	2024	2023	2024	2023
Operating Revenues				
Tuition and fees (net of scholarship allowances and discounts of \$5,134,186 and \$3,356,581, respectively)	\$ 12,513,742	\$ 14,267,885	\$ -	\$ -
Gifts	-	-	1,330,783	1,193,873
Sales and services of educational activities	618,634	765,252	-	-
Auxiliary enterprises (net of scholarship allowances and discounts of \$2,360,080 and \$1,598,249, respectively)	5,490,909	6,432,989	-	-
Other operating revenues	336,121	168,546	-	-
Total Operating Revenues	18,959,406	21,634,672	1,330,783	1,193,873
Operating Expenses				
Instruction	17,251,029	15,255,110	-	-
Public service	385,842	367,358	-	-
Academic support	3,612,898	3,162,100	-	-
Student services	4,099,720	3,073,780	-	-
Institutional support	8,418,543	14,525,922	787,224	774,803
Operation and maintenance of plant	4,414,563	4,393,081	-	-
Scholarships and fellowships	7,417,688	8,333,202	380,708	452,102
Auxiliary enterprises	9,814,186	8,717,758	-	-
Amortization/depreciation	5,965,538	5,840,942	-	-
Total Operating Expenses	61,380,007	63,669,253	1,167,932	1,226,905
Operating income (loss)	(42,420,601)	(42,034,581)	162,851	(33,032)
Nonoperating Revenues (Expenses)				
State appropriations	20,694,889	15,299,872	-	-
Ad valorem property taxes for maintenance and operations	6,893,672	5,996,083	-	-
Federal grants and contracts	14,515,492	13,822,397	-	-
State grants and contracts	1,533,323	1,036,637	-	-
Local grants and contracts	45,729	107,638	-	-
Investment income	215,557	156,542	757,402	311,111
Gifts	1,210,143	1,268,832	-	-
Interest on capital asset-related debt	(308,649)	(511,998)	-	-
Other nonoperating revenues (expenses), net	887,942	229,602	(161,142)	(233,171)
Net Nonoperating Revenues (Expenses)	45,688,098	37,405,605	596,260	77,940
Increase (decrease) in net position	3,267,497	(4,628,976)	759,111	44,908
Net Position - Beginning of Year	40,748,765	45,377,741	12,212,848	\$ 12,167,940
Net Position - End of Year	\$ 44,016,262	\$ 40,748,765	\$ 12,971,959	\$ 12,212,848

NAVARRO COLLEGE DISTRICT
STATEMENTS OF CASH FLOWS
For the Years Ended August 31, 2024 and 2023

Exhibit 3

	Primary Government Navarro College District	
	2024	2023
Cash Flows From Operating Activities		
Receipts from students and other customers	\$ 19,300,096	\$ 25,071,992
Receipts from third-party student loans	9,221,916	6,069,437
Receipts from gifts and others for other than capital purposes	2,098,085	1,498,434
Other receipts	336,121	168,546
Loans issued to students	(7,848,129)	(5,593,737)
Payments to employees	(26,923,164)	(28,373,700)
Payments to suppliers and students	(28,662,464)	(31,642,199)
Net Cash Provided By (Used In) Operating Activities	<u>(32,477,539)</u>	<u>(32,801,227)</u>
Cash Flows From Noncapital Financing Activities		
Receipts of state appropriations	15,475,085	12,715,145
Receipts from ad valorem property taxes for maintenance and operation	6,820,473	5,996,083
Receipts of grants and contracts	17,442,814	15,676,468
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>39,738,372</u>	<u>34,387,696</u>
Cash Flows From Capital And Related Financing Activities		
Purchases of capital assets (including leases and subscriptions)	(1,989,723)	(6,873,383)
Payments on capital debt (bonds, notes, leases, SBITA) principal	(3,927,411)	(4,112,945)
Payments on capital debt (bonds, notes, leases, SBITA) interest	(328,079)	(376,616)
Net Cash Provided By (Used In) Capital And Related Financing Activities	<u>(6,245,213)</u>	<u>(11,362,944)</u>
Cash Flows From Investing Activities		
Receipts from interest on investments	234,874	218,793
Net Cash Provided By (Used In) Investing Activities	<u>234,874</u>	<u>218,793</u>
Net increase (decrease) in cash and cash equivalents	1,250,494	(9,557,682)
Cash and Cash Equivalents - Beginning of Year	<u>25,131,253</u>	<u>34,688,935</u>
Cash and Cash Equivalents - End of Year	<u>\$ 26,381,747</u>	<u>\$ 25,131,253</u>
Reconciliation of Operating Loss to Net Cash Used In Operating Activities:		
Operating income (loss)	\$ (42,420,601)	\$ (42,034,581)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:		
Amortization/Depreciation expense	5,965,538	5,840,942
On-behalf payments	3,673,704	2,584,727
Receipts from gifts and others for other than capital purposes	2,098,085	1,498,434
Change in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase) decrease in receivables, net	(2,752,489)	723,101
(Increase) decrease in prepaid expenses	(260,780)	(18,639)
(Increase) decrease in inventories	269,262	32,810
(Increase) decrease in deferred outflows of resources - pension	(327,569)	(1,403,609)
(Increase) decrease in deferred outflows of resources - OPEB	2,610,552	3,699,696
Increase (decrease) in accounts payable	(837,419)	(3,759,057)
Increase (decrease) in accrued liabilities	(439,125)	1,541,570
Increase (decrease) in funds held for others	(28,693)	(515,318)
Increase (decrease) in unearned revenue	1,355,343	164,403
Increase (decrease) in accrued compensated absences	200,191	99,604
Increase (decrease) in accrued claims and judgments	41,968	(51,957)
Increase (decrease) in net pension liability	1,624,940	5,235,791
Increase (decrease) in net OPEB liability	(2,494,451)	(6,345,193)
Increase (decrease) in deferred inflows of resources - pension	(612,632)	(3,972,797)
Increase (decrease) in deferred inflows of resources - OPEB	(143,363)	3,878,846
Net Cash Used in Operating Activities	<u>\$ (32,477,539)</u>	<u>\$ (32,801,227)</u>
Noncash Investing, Capital and Financing Activities:		
State appropriations on-behalf payments	\$ 3,673,704	\$ 2,584,727
Forgiveness of Loan Payable	<u>\$ 75,000</u>	<u>\$ 75,000</u>

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of Operations and Reporting Entity

Navarro College District (the District) was established in 1946, in accordance with the laws of the State of Texas, to serve the education needs of Navarro, Freestone, Limestone, Ellis and Leon Counties. The District is considered to be a special-purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity Omnibus: An Amendment of GASB Statements No. 14 and No. 34*. While the District 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. The accompanying financial statements present the District and its component unit. The discretely presented component unit (described below) is reported in a separate column to emphasize that it is legally separate from the District.

Navarro College Foundation, Inc. (the Foundation) is a legally separate, tax-exempt entity organized to solicit and receive support for purposes of developing and extending the facilities of the District and enhancing the educational opportunities of residents in the geographical area the District serves. The District does not control the timing or amount of receipts from the Foundation. The Foundation is considered a component unit of the District and is discretely presented in the District's financial statements due to the following:

- The majority of resources, or income thereon that the Foundation holds and invests, are for the benefit of the District or its constituents.
- The net position of the Foundation compared to the District is significant.
- Substantially all resources held by the Foundation can only be used by, or for the benefit of, the District.
- The Foundation has historically provided resources to the District or its constituents.

The Foundation made contributions to the District in the amount of \$348,694 in fiscal year 2024, including scholarships of \$187,552 and \$161,142 in support of various activities at the District.

The Foundation, Inc. made contributions to the District in the amount of \$469,799 in fiscal year 2023, including scholarships of \$236,628 and \$233,171 in support of various activities at the District.

Complete financial statements for the Foundation can be obtained from the Foundation office at 3100 W. Collin, Corsicana, Texas 75110.

The District is reported as a special-purpose government engaged in business-type activities. The significant accounting policies followed by the District in preparing these financial statements are in accordance with the accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The accompanying financial statements are also in accordance with the Texas Higher Education Coordinating Board's *Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*.

Note 2 - Summary of Significant Accounting Policies

A. Basis of Accounting

The financial statements of the District 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

A. Basis of Accounting (continued)

Operating revenues and expenses generally result from providing services in connection with the District's principal ongoing operations. The District distinguishes operating revenues and expenses from non-operating items. The primary consideration in classifying revenues and expenses is how individual transactions are categorized for purposes of preparing the statement of cash flows. Transactions for which cash flows are reported as capital and related financial activities, noncapital financing activities, or investing activities are reported as components of non-operating income. The principal operating revenues of the District result from providing educational services to students, and consist of tuition and fees, as well as sales of auxiliary goods and services (i.e. bookstore merchandise, meals, and housing). Operating expenses include the cost of providing educational services, auxiliary goods and services, and administrative expenses. All revenues and expenses not meeting this definition - including gifts, contributions, and grants from non-exchange and exchange-like transactions are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

The financial statements of the Foundation have been prepared on the accrual basis of accounting. The Foundation is a nonprofit organization that reports under Financial Accounting Standards Board (FASB) standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the District's financial reporting entity for these differences.

B. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Under Texas law, appropriations lapse at August 31; and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget.

C. Tuition Discounting

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances and discounts in the statements of revenues, expenses, and changes in net position. Scholarship allowances and discounts are the difference between the stated charge for goods and services provided by the District and the amount that is paid by students. Certain governmental grants, such as Pell grants, and other federal, state or nongovernmental programs are recorded as non-operating revenues in the District's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the District has recorded a scholarship allowance and discount.

Texas Public Education Grants: Certain tuition amounts must 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 (TEC §56.033). When the award is used by the student for tuition and fees, the District records the amount as tuition discount. If the amount is dispersed directly to the student, the District records the amount as a scholarship expense.

Title IV, Higher Education Act Program Funds: Certain Title IV HEA Program funds are received by the District to pass through to the students. When the award is used by the student for tuition and fees, the District records the amount as tuition discount. If the amount is dispersed directly to the student, the District records the amount as a scholarship expense.

Other Tuition Discounts: The District awards tuition and fee scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the District records the amount as a tuition discount. If the amount is dispersed directly to the student, the District records the amount as a scholarship expense.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

D. Cash and Cash Equivalents

The District considers cash and cash equivalents as cash on hand, demand deposits, certificates of deposit, and balances in public funds investment pools.

E. Inventories

Inventories consist of bookstore stock, gift shop stock, and food service supplies. Inventories held for resale are reported at the lower of cost or market. Inventories of supplies are valued at cost under the first-in, first-out method and are charged to expense as consumed.

F. Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents consist of unspent proceeds from revenue bonds that are restricted for construction.

G. Capital Assets

Capital assets, which include land, collections, buildings, library books, furniture and equipment, right-to-use lease assets, right-to-use subscription assets, and other improvements, are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Renovations to buildings and other improvements that significantly increase the value or extend the useful life of such assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend asset lives are charged to operating expense in the year in which the expense is incurred. The District reports amortization/depreciation under a single line item as a business-type unit.

Amortization/Depreciation is computed using the straight-line method over the following estimated useful lives:

Buildings	50 years
Other improvements	20 years
Library books	8 years
Furniture and equipment	5 - 10 years
Right-to-use lease asset	Lease term
Right-to use subscription asset	Subscription term

H. Unearned Revenue

Unearned revenue of the District at August 31, 2024 and 2023, consists of the following amounts which have not yet been earned:

	<u>2024</u>	<u>2023</u>
Tuition and fees	\$ 9,731,089	\$ 8,741,874
Auxiliary	2,573,887	2,207,759
	<u>\$ 12,304,976</u>	<u>\$ 10,949,633</u>

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

I. Deferred Inflows of Resources

A *deferred inflow of resources* is an acquisition of a government's net assets (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

Deferred inflows of resources for pension - Deferred inflows result primarily from (1) changes in actuarial assumptions; (2) differences between expected and actual actuarial experiences and (3) changes in the District's proportional share of pension liabilities. The pension related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.

Deferred inflows of resources for OPEB - Deferred inflows result primarily from (1) changes in actuarial assumptions; (2) differences between expected and actual actuarial experiences and (3) changes in the District's proportional share of OPEB liabilities. These OPEB related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB benefits through the OPEB plan.

Deferred inflows of resources for leases - This deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

J. Deferred Outflows of Resources

A *deferred outflow of resources* is a consumption of a government's net assets (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

Deferred outflows of resources for refunding - This deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred outflows of resources for pension - This deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of (1) differences between projected and actual earnings on pension plan investments; (2) changes in actuarial assumptions; (3) differences between expected and actual actuarial experiences and (4) changes in the District's proportional share of pension liabilities. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The remaining pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.

Deferred outflows of resources for OPEB - This deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of (1) differences between projected and actual earnings on OPEB plan investments; (2) changes in actuarial assumptions; (3) differences between expected and actual actuarial experiences and (4) changes in the District's proportional share of OPEB liabilities. The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on OPEB plan investments will be amortized over a closed five-year period. The remaining OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with benefits through the OPEB plan.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

K. Pensions

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined based on the flow of economic resource 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, and 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 the benefit terms. Investments are reported at fair value.

L. 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.

M. Leases

Lessee: The District is a lessee for noncancellable leases of buildings and equipment. The District recognizes an intangible right-to-use lease asset (lease asset) and a lease liability and in the financial statements. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require are measurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

M. Leases (continued)

Lessor: The District is a lessor for noncancellable leases of space for a cellphone and telecommunications tower. The District recognizes a lease receivable and a deferred inflow of resources in the financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

N. Subscription-Based Information Technology Arrangements (SBITA)

The District is under contracts for SBITA for various financial and educational software. The agreements/contracts are noncancellable and the District recognizes a SBITA liability and an intangible right-to-use SBITA asset in the government-wide financial statements. The District recognizes SBITA liabilities with an initial, individual value of \$5,000 or more.

At the commencement of the SBITA, the District initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to SBITA include how the District determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments.

- The District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA and payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability.

SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

O. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions include the carrying amount of capital assets, valuation allowances for receivables, and certain accrued liabilities. Accordingly, the District is aware that actual results could differ from those estimates.

P. Implementation of Accounting New Standards

The following GASB pronouncements were applicable and implemented during fiscal year 2024.

GASB issued Statement No. 99, *Omnibus 2022*, in April 2022. This Statement was issued to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The requirements of this statement had various effective dates and specific provisions were implemented prior to fiscal year 2024. The remaining requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The remaining requirements of this statement were implemented in fiscal year 2024 and did not have a material impact on the financial statements.

GASB issued Statement No. 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62* in June 2022. This Statement aims to improve the accounting and financial reporting standards for accounting changes and error corrections, ensuring the information is more understandable, reliable, relevant, consistent, and comparable for decision-making and accountability assessment. This Statement takes effect for fiscal years that started after June 15, 2023. The District will implement this guidance for transactions that qualify as accounting changes or error corrections, where applicable.

Q. Reclassifications

Certain accounts in the prior year financial statements have been classified for comparative purposes to conform to the presentation in the current year financial statements.

Note 3 - Authorized Investments

The District 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 District is also required to follow specific investment practices prescribed by the Public Funds Investment Act (the Act) related to establishment of appropriate investment policies and management reports.

Under its local policy, the District is authorized to invest in (1) obligations of the United States or its agencies, (2) certificates of deposit, (3) savings and loan deposits, (4) prime commercial paper that has a stated maturity of 270 days or less and is rated not less than A-1 or P-1 by at least two nationally recognized credit rating agencies, and (5) investment grade obligations of state and local governments, and public authorities.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 4 - Deposits and Investments

Deposits of the District at August 31, 2024 and 2023, consist of the following:

	<u>2024</u>	<u>2023</u>
Demand deposits	\$ 22,115,506	\$ 22,650,358
Local government investment pool	1,785,346	-
Certificates of deposit	2,475,000	2,475,000
Petty cash on hand	5,895	5,895
Total Deposits	<u>\$ 26,381,747</u>	<u>\$ 25,131,253</u>

As of August 31, 2024, the District’s cash and cash equivalents included balance in the Texas Short Term Asset Reserve Program (TexSTAR). TexSTAR has been organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code (the “PFIA”). These two acts provide for the creation of public funds investment pools (including TedSTAR) and authorize eligible governmental entities to invest their public funds and funds under their control through the investment pools. TexSTAR is governed by a board of directors.

J.P. Morgan Investment Management Inc. (JPMIM), Hilltop Securities Inc. (HTS), and Hilltop Securities Asset Management, LLC (HSAM) serve as Administrators for TexSTAR under a contract that may be extended periodically to a term of two years or less. JPMIM provides investment management services, HTS provides marketing and distribution, and HSAM provides participant and administrative services for TexSTAR. JPMIM is an investment adviser registered under the Investment Advisers Act of 1940, as amended, and a subsidiary of JPMorgan Chase & Co. HTS is a registered broker dealer, member of the Financial Industry Regulatory Authority, Municipal Securities Rulemaking Board and Securities Investor Protection Corporation. The parent company of HTS and HSAM is Hilltop Holdings Inc.

TexSTAR will seek to maintain a credit rating no lower than AAA, AAAm, or the equivalent by at least one nationally recognized rating agency. In compliance with Section 2256.016(h) of the Public Funds Investment Act, TexSTAR will operate to maintain a AAA, AAA-m or equivalent rating for the fund from at least one nationally recognized rating agency. As of August 31, 2024, the fund was rated AAAm by Standard and Poor’s Rating Service.

The value of District portions in TexSTAR are the same as the value of the shares. The external pooled funds use amortized cost rather than fair value to report net position to compute share price. Accordingly, the fair value of the positions of the pooled funds is the same as the value of the external pool shares. The funds are structured similar to a money market mutual fund which allows shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. Such funds seek to maintain a constant net asset value of \$1, although this cannot be fully guaranteed. TexSTAR pooled funds had a weighted average maturity of 31 days at August 31, 2024. However, the District can redeem its share position within one day when necessary.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 4 - Deposits and Investments (continued)

Deposits and investments of the Foundation at August 31, 2024 and 2023, consist of the following:

	<u>2024</u>	<u>2023</u>
Deposits		
Demand deposits	\$ 389,960	\$ 389,832
Total Deposits	<u>389,960</u>	<u>389,832</u>
Investments		
Cash equivalents	220,857	166,459
Certificates of deposit	414,033	415,306
U. S. government securities	617,585	556,829
Corporate bonds	793,407	730,515
Marketable equity securities	3,181,342	2,624,257
Other investments	13,973	12,269
Total Investments	<u>5,241,197</u>	<u>4,505,635</u>
Total Deposits and Investments	<u>\$ 5,631,157</u>	<u>\$ 4,895,467</u>

The Foundation categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Foundation has the following investments that are measured at fair value:

<u>Description</u>	<u>August 31, 2024</u>	<u>Fair Value Measurements at Reporting Date Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Available- for-sale- securities	\$ 5,241,197	\$ 5,241,197	\$ -	\$ -
Total	<u>\$ 5,241,197</u>	<u>\$ 5,241,197</u>	<u>\$ -</u>	<u>\$ -</u>

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 4 - Deposits and Investments (continued)

Description	August 31, 2023	Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Available- for-sale- securities	\$ 4,505,635	\$ 4,505,635	\$ -	\$ -
Total	\$ 4,505,635	\$ 4,505,635	\$ -	\$ -

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio. Commercial paper must have a stated maturity of 270 days or less. The maximum allowable stated maturity of any other individual investment is generally five years.

Credit Risk. For an investment, credit risk is the risk that an investment issuer or other counterparty to an investment will not fulfill obligations related to the investment. It is the District’s general policy to limit its investments in a manner that ensures the preservation of capital in the overall portfolio. Commercial paper must be rated not less than A-1 or P-1 by at least two nationally recognized credit rating agencies. The District has no other specific policies that limit credit risk.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investments in the securities of a single issuer. The District generally limits the amount which may be invested in any one issuer to 10% of the portfolio.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a custodial credit risk.

Interest Rate and Credit Risks of Navarro College Foundation, Inc. The Foundation does not have a specific policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Also, the Foundation does not have a specific policy to limit the risk that an issuer or other counterparty to its investments will not fulfill its obligations.

Note 5 - Accounts Receivable

Accounts receivable at August 31, 2024 and 2023, consist of the following:

	2024	2023
Tuition and fees	\$ 8,602,611	\$ 1,411,903
Ad valorem property taxes	481,428	408,229
Federal and state grants	4,787,616	6,135,886
Interest	33,924	53,241
Leases	555,076	572,973
Auxiliary and other	1,912,148	5,038,082
	16,372,803	13,620,314
Less allowance for doubtful accounts	(1,411,516)	(1,411,516)
Accounts Receivable, Net	\$ 14,961,287	\$ 12,208,798

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 6 - Capital Assets

Capital asset activity for the District for the year ended August 31, 2024, follows:

	Balance September 1, 2023	Additions	Transfers and Retirements	Balance August 31, 2024
Capital Assets, Not Being				
Depreciated:				
Land	\$ 2,899,969	\$ -	\$ -	\$ 2,899,969
Collections	434,339	-	-	434,339
Construction in progress	315,000	226,194	(315,000)	226,194
Total Capital Assets, Not Being Depreciated	3,649,308	226,194	(315,000)	3,560,502
Capital Assets, Being Amortized/Depreciated:				
Buildings and building improvements	74,098,065	254,537	(40,760)	74,311,842
Other real estate improvements	12,948,149	537,629	315,000	13,800,778
Total Buildings and Other Real Estate Improvements	87,046,214	792,166	274,240	88,112,620
Library books	1,719,564	5,461	-	1,725,025
Furniture and equipment	17,960,574	1,080,192	-	19,040,766
Right-to-use lease assets	973,492	-	(538,588)	434,904
Right-to-use subscription assets	9,962,106	330,784	1,170,123	11,463,013
Total Capital Assets, Being Amortized/Depreciated	117,661,950	2,208,603	905,775	120,776,328
Less Accumulated Amortization/Depreciation:				
Buildings and building improvements	(29,759,629)	(1,274,503)	28,124	(31,006,008)
Other real estate improvements	(5,676,722)	(663,864)	-	(6,340,586)
Total Buildings and Other Real Estate Improvements	(35,436,351)	(1,938,367)	-	(37,346,594)
Library books	(1,398,548)	(9,034)	-	(1,407,582)
Furniture and equipment	(9,936,664)	(1,420,379)	-	(11,357,043)
Right-to-use lease assets	(710,201)	(162,421)	564,035	(308,587)
Right-to-use subscription assets	(2,953,902)	(2,435,337)	(1,170,123)	(6,559,362)
Total Accumulated Amortization/Depreciation	(50,435,666)	(5,965,538)	(606,088)	(56,979,168)
Total Capital Assets, Being Amortized/ Depreciated (Net)	67,226,284	(3,756,935)	299,687	63,797,160
Total Capital Assets, Net	\$ 70,875,592	\$ (3,530,741)	\$ (15,313)	\$ 67,357,662

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 6 - Capital Assets (continued)

Capital asset activity for the District for the year ended August 31, 2023, follows:

	Balance September 1, 2022	Additions	Transfers and Retirements	Balance August 31, 2023
Capital Assets, Not Being				
Depreciated:				
Land	\$ 2,899,969	\$ -	\$ -	\$ 2,899,969
Collections	434,339	-	-	434,339
Construction in progress	-	315,000	-	315,000
Total Capital Assets, Not Being				
Depreciated	<u>3,334,308</u>	<u>315,000</u>	<u>-</u>	<u>3,649,308</u>
Capital Assets, Being Amortized/Depreciated:				
Buildings and building improvements	74,055,160	42,905	-	74,098,065
Other real estate improvements	<u>10,263,320</u>	<u>2,684,829</u>	<u>-</u>	<u>12,948,149</u>
Total Buildings and Other Real				
Estate Improvements	84,318,480	2,727,734	-	87,046,214
Library books	1,714,594	4,970	-	1,719,564
Furniture and equipment	15,371,905	2,632,486	(43,817)	17,960,574
Right-to-use lease assets	837,613	135,879	-	973,492
Right-to-use subscription assets	<u>8,589,792</u>	<u>1,372,314</u>	<u>-</u>	<u>9,962,106</u>
Total Capital Assets, Being Amortized/Depreciated	<u>110,832,384</u>	<u>6,873,383</u>	<u>(43,817)</u>	<u>117,661,950</u>
Less Accumulated Amortization/Depreciation:				
Buildings and building improvements	(28,485,792)	(1,273,837)	-	(29,759,629)
Other real estate improvements	<u>(5,277,862)</u>	<u>(398,860)</u>	<u>-</u>	<u>(5,676,722)</u>
Total Buildings and Other Real				
Estate Improvements	(33,763,654)	(1,672,697)	-	(35,436,351)
Library books	(1,430,925)	(11,067)	43,444	(1,398,548)
Furniture and equipment	(8,458,072)	(1,478,592)	-	(9,936,664)
Right-to-use lease assets	(444,613)	(265,588)	-	(710,201)
Right-to-use subscription assets	<u>(540,904)</u>	<u>(2,412,998)</u>	<u>-</u>	<u>(2,953,902)</u>
Total Accumulated Amortization/Depreciation	<u>(44,638,168)</u>	<u>(5,840,942)</u>	<u>43,444</u>	<u>(50,435,666)</u>
Total Capital Assets, Being Amortized/ Depreciated (Net)	<u>66,194,216</u>	<u>1,032,441</u>	<u>(373)</u>	<u>67,226,284</u>
Total Capital Assets, Net	<u>\$ 69,528,524</u>	<u>\$ 1,347,441</u>	<u>\$ (373)</u>	<u>\$ 70,875,592</u>

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 6 - Capital Assets (continued)

The calculation of Net Investments in Capital Assets as presented at Exhibit 1, follows:

	<u>August 31, 2024</u>	<u>August 31, 2023</u>
Capital Assets, Net of Depreciation/Amortization	\$ 67,357,662	\$ 70,875,592
Less:		
Leases payable	(132,019)	(270,261)
Subscription payable	(2,971,039)	(4,340,015)
Loan payable	(525,000)	(600,000)
Notes payable	(1,455,000)	(1,710,000)
Revenue bonds payable	(7,685,000)	(9,615,000)
Capital-related payables	-	-
Deferred gain on refunding	-	-
Plus:		
Deferred charge on refunding	44,048	83,202
Unspent bond proceeds	-	-
Net Investment in Capital Assets per Exhibit 1	<u>\$ 54,633,652</u>	<u>\$ 54,423,518</u>

Capital asset activity for the Foundation for the year ended August 31, 2024, follows:

	<u>Balance September 1, 2023</u>	<u>Additions</u>	<u>Transfers and Retirements</u>	<u>Balance August 31, 2024</u>
Capital Assets, Not Being Depreciated:				
Collections	\$ 7,320,787	\$ 22,150	\$ -	\$ 7,342,937
Total Capital Assets, Not Being Depreciated	<u>7,320,787</u>	<u>22,150</u>	<u>-</u>	<u>7,342,937</u>
Total Capital Assets	<u>\$ 7,320,787</u>	<u>\$ 22,150</u>	<u>\$ -</u>	<u>\$ 7,342,937</u>

Capital asset activity for the Foundation for the year ended August 31, 2023, follows:

	<u>Balance September 1, 2022</u>	<u>Additions</u>	<u>Transfers and Retirements</u>	<u>Balance August 31, 2023</u>
Capital Assets, Not Being Depreciated:				
Collections	\$ 7,310,737	\$ 10,050	\$ -	\$ 7,320,787
Total Capital Assets, Not Being Depreciated	<u>7,310,737</u>	<u>10,050</u>	<u>-</u>	<u>7,320,787</u>
Total Capital Assets	<u>\$ 7,310,737</u>	<u>\$ 10,050</u>	<u>\$ -</u>	<u>\$ 7,320,787</u>

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 7 - Long-Term Liabilities

Long-term liability activity for the year ended August 31, 2024, follows:

	Balance September 1, 2023	Additions	Reductions	Balance August 31, 2024	Due Within One Year
Bonds and Loan Payable:					
Revenue bonds	\$ 9,615,000	\$ -	\$ (1,930,000)	\$ 7,685,000	\$ 1,975,000
Loan payable	600,000	-	(75,000)	525,000	-
Total Bonds and Loan Payable	<u>10,215,000</u>	<u>-</u>	<u>(2,005,000)</u>	<u>8,210,000</u>	<u>1,975,000</u>
Lease payable	270,261	-	(138,242)	132,019	120,216
SBITA payable	4,340,015	330,784	(1,699,760)	2,971,039	1,662,612
Notes payable	1,710,000	(255,000)	-	1,455,000	270,000
Other liabilities:					
Net pension liability	9,708,690	1,624,940	-	11,333,630	-
Net OPEB liability	24,402,274	-	(2,494,451)	21,907,823	612,792
Compensated absences	2,135,520	200,191	-	2,335,711	366,948
Claims and judgments	21,635	41,968	-	63,603	-
	<u>\$ 52,803,395</u>	<u>\$ 1,942,883</u>	<u>\$ (6,337,453)</u>	<u>\$ 48,408,825</u>	<u>\$ 5,007,568</u>

Long-term liability activity for the year ended August 31, 2023, follows:

	Balance September 1, 2022	Additions	Reductions	Balance August 31, 2023	Due Within One Year
Bonds and Loan Payable:					
Revenue bonds	\$ 11,490,000	\$ -	\$ (1,875,000)	\$ 9,615,000	\$ 1,930,000
Loan payable	675,000	-	(75,000)	600,000	-
Total Bonds and Loan Payable	<u>12,165,000</u>	<u>-</u>	<u>(1,950,000)</u>	<u>10,215,000</u>	<u>1,930,000</u>
Lease payable	407,066	135,879	(272,684)	270,261	150,407
SBITA payable	4,790,812	1,105,516	(1,556,313)	4,340,015	1,592,004
Notes payable	2,166,468	-	(456,468)	1,710,000	255,000
Other liabilities:					
Net pension liability	4,472,899	5,235,791	-	9,708,690	-
Net OPEB liability	30,747,467	-	(6,345,193)	24,402,274	634,407
Compensated absences	2,035,916	99,604	-	2,135,520	335,497
Claims and judgments	73,592	-	(51,957)	21,635	-
	<u>\$ 56,859,220</u>	<u>\$ 6,576,790</u>	<u>\$ (10,632,615)</u>	<u>\$ 52,803,395</u>	<u>\$ 4,897,315</u>

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 7 - Long-Term Liabilities (continued)

In accordance with GASB Statement No. 101, *Compensated Absences*, the change in compensated absences is a net presentation.

During fiscal year 2022, the District issued \$9,770,000 Revenue Refunding Bonds, Series 2022 to refund certain maturities of the District’s outstanding bonds for debt service savings and to pay the costs of issuing the bonds. The refunding resulted in a gross debt service savings of \$534,086 and a net present value savings of \$492,898.

Revenue bonds at August 31, 2024 and 2023, which were all issued to provide funds for the acquisition and construction of major capital facilities, are comprised of the following individual issues:

	<u>2024</u>	<u>2023</u>
\$3,550,000 series 2006 revenue bonds due in annual installments of \$95,000 to \$245,000 through May 2027; interest at 3.7%	\$ 485,000	\$ 715,000
\$3,550,000 series 2007 revenue bonds due in annual installments of \$120,000 to \$250,000 through May 2027; interest at 4.08%	720,000	945,000
\$9,770,000 series 2022 revenue refunding bonds due in annual installments of \$375,000 to \$1,595,000 through May 2029; interest at 2.04%	<u>6,480,000</u>	<u>7,955,000</u>
	<u>\$ 7,685,000</u>	<u>\$ 9,615,000</u>

Loan Payable

The District entered into a \$1,500,000 loan agreement with the Corporation for the Economic Development of Midlothian on July 24, 2009, which is forgivable under certain conditions. If these conditions are not met and maintained during a 20-year period, the remaining outstanding loan balance may be demanded and, if not paid in full within ten days of the date of such demand, will accrue interest at a rate of 4.5% per year. The Corporation for Economic Development of Midlothian agreed to make the 20-year forgivable loan to the District in order to construct a 25,000 sq. ft. classroom/workforce training facility on the Midlothian Navarro College Campus site. During fiscal year 2024, the Economic Development of Midlothian forgave \$75,000 of the loan balance.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 7 - Long-Term Liabilities (continued)

Loan Payable (continued)

Debt service requirements as of August 31, 2024, follows:

For the Year Ending	Revenue Bonds			
	August 31,	Principal	Interest	Total
2025	\$	1,975,000	\$ 179,513	\$ 2,154,513
2026		2,020,000	130,548	2,150,548
2027		1,810,000	80,376	1,890,376
2028		1,595,000	38,352	1,633,352
2029		285,000	5,814	290,814
	\$	<u>7,685,000</u>	<u>\$ 434,603</u>	<u>\$ 8,119,603</u>

The District has pledged certain future tuition and fees to repay \$7.7 million in revenue bonds issued from 2006 to 2022. Proceeds from the bonds provided financing for the construction of classroom buildings and dormitories. Annual principal and interest payments on the bonds are expected to require approximately 20% of the pledged tuition and fees. As of August 31, 2024, the total principal and interest remaining to be paid on the bonds is \$8.1 million. Principal and interest paid for the current year and total pledged tuition and fees were \$2.2 million and \$7.4 million, respectively.

Notes Payable

In 2004, the District entered into a purchase agreement for \$4,750,000 with the City of Midlothian, Texas to finance the construction of a building to be used for educational training by the District. The City of Midlothian, Texas sold combination tax and revenue bonds to pay for construction and other costs. The bonds are payable by the District pursuant to the purchase agreement between the City of Midlothian, Texas and the District. The annual principal payments remaining range from \$245,000 to \$315,000 with annual interest rates of 2.000% to 3.125%. The note matures in August 2029.

In 2019, the District entered into an agreement for \$1,071,079 to finance the purchase and installation of equipment to deliver internet service. The note was repaid over five years, \$19,500 paid monthly, with an annual interest rate of 2.9%. The note matured in July 2023.

The future principal and interest payments as of August 31, 2024, follows:

For the Year Ending	Notes Payable			
	August 31,	Principal	Interest	Total
2025	\$	270,000	\$ 49,876	\$ 319,876
2026		275,000	39,076	314,076
2027		290,000	28,076	318,076
2028		305,000	19,376	324,376
2029		315,000	9,844	324,844
	\$	<u>1,455,000</u>	<u>\$ 146,248</u>	<u>\$ 1,601,248</u>

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 8 - Leases

For the years ended August 31, 2024 and 2023, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

Lessee

As of August 31, 2024, the District had six active leases. The leases have payments that range from \$3,593 to \$65,956 and interest rates that range from 0.4493% to 9.2380%. As of August 31, 2024, the total combined value of the lease liability is \$132,019, the total combined value of the short-term lease liability is \$120,216. The combined value of the right to use asset, as of August 31, 2024, of \$434,904 with accumulated amortization of \$308,587 is included within the lease class activities table found below. The leases had \$0 of variable payments and \$0 of other payments, not included in the lease liability, within the fiscal year.

<u>Asset Class</u>	<u>Lease Asset Value</u>	<u>Accumulated Amortization</u>
Equipment	\$ 299,025	\$ 218,001
Buildings	135,879	90,586
	<u>\$ 434,904</u>	<u>\$ 308,587</u>

The future principal and interest payments as of August 31, 2024, follows:

<u>For the Year Ending</u> <u>August 31,</u>	<u>Leases</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 120,216	\$ 4,853	\$ 125,069
2026	11,803	89	11,892
	<u>\$ 132,019</u>	<u>\$ 4,942</u>	<u>\$ 136,961</u>

Lessor

In 2018, the District entered into a tower lease agreement with a telecommunications company. The term of the lease is 10 years, \$4,100 paid monthly, with an annual interest rate of 3.0%. The lease matures in February 2038. The value of the receivable and deferred inflow of resources as of August 31, 2024, are \$555,076 and \$524,038, respectively. During 2024, the District recognized lease revenue and interest income of \$38,818 and \$17,175, respectively. The lessee has the option to renew the agreement for two (2) additional five (5) year terms.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 8 - Leases (continued)

Lessor

Principal and interest expected to maturity as of August 31, 2024, follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 32,999	\$ 16,201	\$ 49,200
2026	34,498	15,194	49,692
2027	36,050	14,134	50,184
2028	37,146	13,038	50,184
2029	38,276	11,908	50,184
2030 - 2034	209,567	41,353	250,920
2035 - 2038	166,540	9,104	175,644
	<u>\$ 555,076</u>	<u>\$ 120,932</u>	<u>\$ 676,008</u>

Note 9 - Subscription-Based Information Technology Arrangements

For the years ended August 31, 2024 and 2023, the financial statements include the adoption of GASB Statement No. 96, *Subscription- Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

As of August 31, 2024, the District had 10 active subscriptions. The subscriptions have payments that range from \$14,354 to \$953,843 and interest rates that range from 0.2583% to 3.0410%. As of August 31, 2024, the total combined value of the subscription liability is \$2,971,039, and the total combined value of the short-term subscription liability is \$1,662,612. The combined value of the right to use asset, as of August 31, 2024, of \$11,463,012 with accumulated amortization of \$6,559,362 is included within the subscription class activities table found below. The subscriptions had \$0 of variable payments and \$0 of other payments, not included in the subscription liability, within the fiscal year.

<u>Asset Class</u>	<u>Subscription Asset Value</u>	<u>Accumulated Amortization</u>
Software	\$ 11,463,013	\$ 6,559,362

The future principal and interest SBITA payments as of August 31, 2024, follows:

<u>For the Year Ending August 31,</u>	<u>SBITAs</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,662,612	\$ 23,628	\$ 1,686,240
2026	1,308,427	6,667	1,315,094
	<u>\$ 2,971,039</u>	<u>\$ 30,295</u>	<u>\$ 3,001,334</u>

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 10 - Employees' Retirement Plan

Plan Description

The District participates in a multiple-employer, cost-sharing, defined benefit pension plan that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). 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 may be obtained on the internet at https://www.trs.texas.gov/Pages/about_publications.aspx; or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

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 2.3 percent (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, the three highest annual salaries are used. 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 postemployment benefit changes; including automatic COLAs. 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. Actuarial implications of the funding provided in this manner are determined by the System's actuary.

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 2019 thru 2025.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 10 - Employees' Retirement Plan (continued)

Contributions (continued)

	Contribution Rates	
	Plan Fiscal Year	
	September 1, 2023 to August 31, 2024	September 1, 2022 to August 31, 2023
Member (Employee)	8.25%	8.00%
District (Employer) / Non-Employer Contributing Entity (State)	4.13%	4.00%

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

	Fiscal Year 2024
	TRS
	Contributions
Member (Employee)	\$ 1,506,709
District (Employer)	905,940
Non-employer contributing entity (State)	646,529

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. Employers (public school, junior college, other entities, or the State of Texas as the employer for senior universities and medical schools) 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, 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, there is an additional surcharge an employer is subject to.

- All public schools, charter schools, and regional educational service centers must contribute 1.8 percent of the member's salary beginning in fiscal year 2023, gradually increasing to 2 percent in fiscal year 2025.
- 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.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 10 - Employees' Retirement Plan (continued)

Actuarial Assumptions

The total pension liability, net pension liability, and certain sensitivity information are based on the actuarial valuation performed as of August 31, 2022, and rolled forward to August 31, 2023. The actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2022, rolled forward to August 31, 2023
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	4.13%*
Last year ending August 31 in projection period (100 years)	2122
Inflation	2.30%
Salary Increases	2.95% to 8.95% including inflation
Benefit Changes During the Year	None
Ad hoc post-employment benefit changes	None

**The source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".*

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2022. For a full description of these assumptions please see the actuarial valuation report dated November 22, 2022.

Discount Rate

A single discount rate of 7.00 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.00 percent. The projection of 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 session. It is assumed that future employer and state contributions will be 9.50 percent of payroll in fiscal year 2024 increasing to 9.56 percent in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payment 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 rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates 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.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 10 - Employees' Retirement Plan (continued)

Discount Rate (continued)

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:

Asset Class	Target Allocation²	Long-Term Expected Geometric Real Rate of Return³	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.00%	4.00%	1.00%
Non-U.S. Developed	13.00%	4.50%	0.90%
Emerging Markets	9.00%	4.80%	0.70%
Private Equity ¹	14.00%	7.00%	1.50%
Stable Value			
Government Bonds	16.00%	2.50%	0.50%
Absolute Return ¹	0.00%	3.60%	0.00%
Stable Value Hedge Funds	5.00%	4.10%	0.20%
Real Return			
Real Estate	15.00%	4.90%	1.10%
Energy, Natural Resources, and Infrastructure	6.00%	4.80%	0.40%
Commodities	0.00%	4.40%	0.00%
Risk Parity			
Risk Parity	8.00%	4.50%	0.40%
Asset Allocation Leverage			
Cash	2.00%	3.70%	0.00%
Asset Allocation Leverage	-6.00%	4.40%	-0.10%
Inflation Expectation			2.30%
Volatility Drag ⁴			-0.90%
Total	100.00%		8.00%

¹ Absolute Return includes Credit Sensitive Investments.

² Target allocations are based on the fiscal year 2023 policy model.

³ Capital Market Assumptions come from Aon Hewitt as of August 31, 2023.

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

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 10 - Employees' Retirement Plan (continued)

Discount Rate Sensitivity Analysis

The following table presents the Net Pension Liability of the plan using the discount rate of 7.00 percent, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate.

	1% Decrease	Current	1% Increase
	6.00%	Discount Rate	8.00%
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
District's proportional share of the net pension liability	\$16,944,405	\$11,333,630	\$6,668,268

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

At August 31, 2024, the District reported a liability of \$11,333,630 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportion of the net pension liability	0.0164996%
District's proportional share of the net pension liability	\$ 11,333,630
State's proportionate share of the net pension liability associated with the District	<u>7,275,867</u>
Total	<u><u>\$ 18,609,497</u></u>

The net pension liability was measured as of August 31, 2022, and rolled forward to 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, thru August 31, 2023.

At the measurement date of August 31, 2023, the District's proportion of the collective net pension liability was 0.0164996% which was an increase of 0.0001460% from its proportion measured as of August 31, 2022.

Changes Since the Prior Actuarial Valuation

The actuarial assumptions and methods are the same as used in the determination of the prior year's net pension liability.

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 in January 2024. Therefore, this contingent liability was not reflected as of August 31, 2023.

Pension Expense

For the year ended August 31, 2024, the District recognized pension expense of \$1,594,924. The District also recognized an additional on-behalf revenue and expense of \$1,098,593 representing for support provided by the State.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 10 - Employees' Retirement Plan (continued)

Pension Expense (continued)

At August 31, 2024, the District 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 experience	\$ 403,821	\$ 137,238
Changes of assumptions	1,071,939	262,328
Difference between projected and actual earnings on pension plan investments	1,649,318	-
Changes in proportion and differences between District contributions and proportionate share of contributions	58,672	902,129
District contributions subsequent to the measurement date	<u>905,941</u>	<u>-</u>
Total	<u><u>\$ 4,089,691</u></u>	<u><u>\$ 1,301,695</u></u>

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of \$905,941 will be recognized as a reduction of the net pension liability in the year ended August 31, 2025.

The net amount of the District's balance of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending August 31,	Amount
2025	\$ 253,305
2026	63,180
2027	1,186,493
2028	329,263
2029	49,814
Thereafter	-
	<u><u>\$ 1,882,055</u></u>

The District will continue to make the required pension contributions based on the statutorily determined rates established by the Teacher Retirement System of Texas (TRS). TRS will apply the District's contributions to the net pension liability on an annual basis. Contributions are paid by the same funds that pay the employees' salaries.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 11 - Compensated Absences

Full-time employees earn vacation at a rate of 6.67 hours per month for the first five years of employment, then at a rate of 10.00 hours per month thereafter. The District’s policy is that any employee may carry accrued vacation forward from one fiscal year to another fiscal year with a maximum number of paid hours upon termination of 160. The District recognized an accrued liability for the unpaid vacation of \$477,724 and \$427,912 at August 31, 2024 and 2023, respectively. Sick leave, which can be accumulated up to 480 hours, is earned at the rate of 8 hours per month. Unused sick leave will be compensated at termination of employment based upon the following years of service to the District:

<u>Full Years of Service</u>	<u>Vesting %</u>
1 - 5 years	0%
6 years	20%
7 years	40%
8 years	60%
9 years	80%
10 years	100%

The District recognized an accrued liability for the unpaid sick leave of \$1,818,161 and \$1,670,439 at August 31, 2024 and 2023, respectively. The District recognized an accrued liability for unpaid compensatory time of \$39,826 and \$37,169 at August 31, 2024 and 2023, respectively.

Note 12 - Risk Management

Workers’ Compensation Aggregate Deductible

During the year ended August 31, 2024, the District met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Workers Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members' injured employees.

The District participates in the Fund's reimbursable aggregate deductible program. As such, the member is responsible for a certain amount of claims liability as outlined on the member's Contribution and Coverage Summary document. After the member's deductible has been met, the Fund is responsible for additional claims liability.

The Fund and its members are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of \$2 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. For the year-ended August 31, 2024, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

The Fund engages the services of independent auditors to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2023, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 12 - Risk Management (continued)

Auto, Liability, and Property Programs

During the year ended August 31, 2024, the District participated in the following TASB Risk Management Fund (the Fund) programs: Auto Liability, Auto Physical Damage, Legal Liability, and Property.

The Fund was created and is operated under the provision of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund purchases stop-loss coverage for protection against catastrophic and larger than anticipated claims for its Auto, Liability and Property programs. The terms and limits of the stop-loss program vary by line of coverage. The Fund uses the services of an independent actuary to determine the adequacy of reserves and fully funds those reserves. For the year ended August 31, 2024, the Fund anticipates that the District has no additional liability beyond the contractual obligations for payment of contributions.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2023, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

Unemployment Compensation Pool

During the year ended August 31, 2024, the District provided unemployment compensation coverage to its employees through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligation to the Texas Workforce Commission. Expenses are accrued monthly until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop loss coverage for the Unemployment Compensation pool. For the year ended August 31, 2024, the Fund anticipates that the District has no additional liability beyond the contractual obligation for payment of contribution.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2023, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 13 - Defined Other Post-Employment Benefits (OPEB)

Plan Description

The District participates in the State Retiree Health Plan (SRHP) which is a cost-sharing, defined benefit multiple-employer, other post-employment benefit (OPEB) plan with a special funding situation. Through the SRHP, the Employees Retirement System of Texas (ERS) administers the Texas Employees Group Benefits Program (GBP). 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 these post-employment benefits if they reach normal retirement age while working for the State and retire with at least ten 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 SRHP's fiduciary net position is available in the separately issued ERS Annual Comprehensive Financial Report (ACFR) that includes financial statements, notes to the financial statements and required supplementary information. That report may be obtained on the Internet at <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 HealthSelect Medicare Advantage Plan and life insurance benefits to eligible retirees via a minimum premium funding arrangement. The authority under which the 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 with the revenue expected to be generated by the appropriated funds. There are no long-term contracts for contributions to the plan.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 13 - Defined Other Post-Employment Benefits (OPEB) (continued)

Contributions (continued)

The following table summarizes the maximum monthly employer contribution toward eligible retirees’ health and basic life premium. 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 pays part of the premiums for the District.

Employer Contribution Rates
Retiree Health and Basic Life Premium
Plan Years 2023 and 2022

	2023	2022
Retiree Only	\$ 624.82	\$ 624.82
Retiree & Spouse	1,340.82	1,339.90
Retiree & Children	1,104.22	1,103.58
Retiree & Family	1,820.22	1,818.66

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

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

	September 1, 2022 to August 31, 2023	September 1, 2021 to August 31, 2022
Employer	\$ 656,819	\$ 599,628
Members (Employees)	149,197	163,322
Nonemployer Contributing Entity (State of Texas)	34,645	31,481

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 13 - Defined Other Post-Employment Benefits (OPEB) (continued)

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
Asset Valuation Method	Not applicable
Actuarial Assumptions:	
Discount Rate	3.81%
Projected Annual Salary Increase	2.30% to 8.95%, including inflation
Annual Healthcare Trend Rate	5.60% for FY 2025, 5.30% for FY 2026, 5.00% for FY 2027, 4.75% for FY 2028, 4.60% for FY 2029, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY 2032 and later years
Inflation Assumption Rate	2.30%
Ad hoc Post-employment Benefit Changes	None
Mortality Assumptions:	
Service retirees, survivors and other inactive members	Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021.
Disability retirees	Tables based on TRS experience with Ultimate MP-2021 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.
Active members	Sex Distinct Pub-2010 Amount-Weighted Below-Median Income Teacher Mortality with a 2-year set forward for males with Ultimate MP-2021 Projection Scale from the year 2010.

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 7-year period (September 1, 2010 to August 31, 2017) for higher education members.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 13 - Defined Other Post-Employment Benefits (OPEB) (continued)

Discount Rate

Because the SRHP does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bond rates. The discount rate used to determine the total OPEB liability as of the end of the measurement year was 3.81% to reflect the requirements of GASB 75. 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 SRHP are equal to projected benefit payments out of the plan. Because SRHP 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.

Changes in Actuarial Assumptions

The following assumptions have been updated since the previous valuation to reflect recent plan experience and expected trends:

- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan 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.
- Annual rate of increase in the Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act.
- Assumed Per Capita Health Benefit Costs and 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 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. 74 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 the Prior Measurement Date - There were no changes in benefit terms since the prior measurement date.

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 this plan be invested in cash and equivalent securities.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 13 - Defined Other Post-Employment Benefits (OPEB) (continued)

Discount Rate Sensitivity Analysis

The following schedule shows the impact on the District’s proportionate share of the collective net OPEB liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (3.81%) in measuring the 2023 net OPEB liability.

	1% Decrease	Current Discount Rate	1% Increase
Rate	2.81%	3.81%	4.81%
District's proportionate share of the net OPEB liability	\$ 25,420,882	\$ 21,907,823	\$ 19,082,181

The following schedule shows the impact on the District’s proportionate share of the collective net OPEB liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (3.59%) in measuring the 2022 net OPEB liability.

	1% Decrease	Current Discount Rate	1% Increase
Rate	2.59%	3.59%	4.59%
District's proportionate share of the net OPEB liability	\$ 28,460,428	\$ 24,402,274	\$ 21,156,731

Healthcare Trend Rate Sensitivity Analysis

The initial healthcare trend rate is 5.60% and the ultimate rate is 4.30%. The following schedule shows the impact on the District’s proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used in measuring the 2023 net OPEB Liability.

	1% Decrease	Current Healthcare Cost Trend	1% Increase
Rate	4.60%	5.60%	6.60%
	decreasing to 3.30%	decreasing to 4.30%	decreasing to 5.30%
District's proportionate share of the net OPEB liability	\$ 18,843,773	\$ 21,907,823	\$ 25,799,183

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 13 - Defined Other Post-Employment Benefits (OPEB) (continued)

Healthcare Trend Rate Sensitivity Analysis (continued)

The initial healthcare trend rate is 5.60% and the ultimate rate is 4.30%. The following schedule shows the impact on the District's proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used in measuring the 2023 net OPEB Liability.

	1% Decrease	Current Healthcare Cost Trend	1% Increase
Rate	4.60%	5.60%	6.60%
	decreasing to 3.30%	decreasing to 4.30%	decreasing to 5.30%
District's proportionate share of the net OPEB liability	\$ 20,897,196	\$ 24,402,274	\$ 28,877,318

OPEB Liabilities, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

At August 31, 2024, the District reported a liability of \$21,907,823 for its proportionate share of the ERS net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its 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 District were as follows:

District's proportion of the net OPEB liability	0.08199794%
District's proportionate share of the collective net OPEB liability	\$ 21,907,823
State's proportionate share that is associated with the District	<u>14,821,943</u>
	<u>\$ 36,729,766</u>

At August 31, 2023, the District reported a liability of \$24,402,274 for its proportionate share of the ERS net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its 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 District were as follows:

District's proportion of the net OPEB liability	0.08566120%
District's proportionate share of the collective net OPEB liability	\$ 24,402,274
State's proportionate share that is associated with the District	<u>15,983,626</u>
	<u>\$ 40,385,900</u>

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, thru August 31, 2023.

At the measurement date of August 31, 2023, the employer's proportion of the collective net OPEB liability was 0.08199794%, which was a decrease of 0.00366326% from its proportion measured as of August 31, 2022.

At the measurement date of August 31, 2022, the employer's proportion of the collective net OPEB liability was 0.08566120%, which was a decrease of 0.00004482% from its proportion measured as of August 31, 2021.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 13 - Defined Other Post-Employment Benefits (OPEB) (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB (continued)

For the fiscal year ended August 31, 2024, the District recognized OPEB expense of \$361,409 and an additional negative expense of \$439,869 representing negative OPEB expense incurred by the State on behalf of the District.

For the fiscal year ended August 31, 2023, the District recognized OPEB expense of \$1,596,480 and an additional negative expense of \$582,202 representing negative OPEB expense incurred by the State on behalf of the District.

At August 31, 2024, the District 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 experience	\$ -	\$ 579,472
Changes of assumptions	730,820	6,842,105
Difference between projected and actual earnings on OPEB plan investments	1,770	-
Changes in proportion and differences between District contributions and proportionate share of contributions	282,310	1,864,233
District contributions subsequent to the measurement date	<u>387,426</u>	<u>-</u>
Total	<u>\$ 1,402,326</u>	<u>\$ 9,285,810</u>

The \$387,426 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended August 31, 2025. The net amount of the employer’s balance of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending August 31,	Amount
2025	\$ (2,336,357)
2026	(2,095,933)
2027	(2,019,246)
2028	(1,486,659)
2029	<u>(332,715)</u>
	<u>\$ (8,270,910)</u>

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 13 - Defined Other Post-Employment Benefits (OPEB) (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB (continued)

At August 31, 2023, the District 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 experience	\$ -	\$ 769,921
Changes of assumptions	1,433,731	7,542,975
Difference between projected and actual earnings on OPEB plan investments	4,209	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,213,168	1,116,280
District contributions subsequent to the measurement date	361,772	-
Total	\$ 4,012,880	\$ 9,429,176

The \$361,772 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended August 31, 202. The net amount of the employer’s balance of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending August 31,	Amount
2024	\$ (585,110)
2025	(1,661,080)
2026	(1,418,283)
2027	(1,334,554)
2028	(779,041)
	\$ (5,778,068)

Note 14 - Voluntary Contributory Pension Plan

The District has a contributory, defined contribution, money-purchase pension plan which is administered by the trust department at a local bank. Any employee who has completed one year of service, has attained age 21, and is actively employed on the last day of the plan year is eligible to participate. In order to participate, the employee must agree to contribute 5% of total compensation to the plan. The District then contributes 8% of total compensation to the plan. The employee is 100% vested in their contributions to the plan. Employer contributions to the plan are vested at 20% after one year of service, and then at the rate of 20% per year of service. District contributions were \$1,059,740 and \$993,121 in 2024 and 2023, respectively. Participant contributions were \$662,338 and \$620,701 in 2024 and 2023, respectively.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 15 - Ad Valorem Property 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, business and personal property located in the District as follows:

	<u>2024</u>	<u>2023</u>
Assessed valuation of the District	\$ 7,204,613,343	\$ 5,888,012,397
Less: Abatements and Exemptions	<u>246,407,230</u>	<u>395,886,989</u>
Net assessed valuation of the District	<u>\$ 6,958,206,113</u>	<u>\$ 5,492,125,408</u>

Tax rates authorized and assessed during fiscal year 2024 are as follows:

	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Tax rate per \$100 valuation for authorized	\$ 0.500000	\$ 0.500000	\$1.000000
Tax rate per \$100 valuation for assessed	0.096000	0.000000	0.096000

Tax rates authorized and assessed during fiscal year 2023 are as follows:

	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Tax rate per \$100 valuation for authorized	\$ 0.500000	\$ 0.500000	\$1.000000
Tax rate per \$100 valuation for assessed	0.107200	0.000000	0.107200

Taxes levied for the year ended August 31, 2024 were \$6,687,045. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Tax collections for the year ended August 31, 2024, follows:

	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Current taxes collected	\$ 6,578,813	\$ -	\$ 6,578,813
Delinquent taxes collected	117,357	-	117,357
Penalties and interest collected	<u>102,500</u>	<u>-</u>	<u>102,500</u>
Total Collections	<u>\$ 6,798,670</u>	<u>\$ -</u>	<u>\$ 6,798,670</u>

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 15 - Ad Valorem Property Taxes (continued)

Taxes levied for the year ended August 31, 2023 were \$5,874,748. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Tax collections for the year ended August 31, 2023, follows:

	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Current taxes collected	\$ 5,698,400	\$ -	\$ 5,698,400
Delinquent taxes collected	116,779	-	116,779
Penalties and interest collected	74,779	-	74,779
Total Collections	<u>\$ 5,889,958</u>	<u>\$ -</u>	<u>\$ 5,889,958</u>

Current tax collections for the years ended August 31, 2024 and 2023 were 98.38% and 97.00%, respectively, of the current tax levy. An allowance for uncollectible taxes is based upon the historical experience in collecting property taxes.

Note 16 - Budgetary Data

Each community college 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.

Note 17 - Income Taxes

The District is exempt from income taxes under Internal Revenue Code Section 115, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(B). The District had no unrelated business income tax liability for 2024 or 2023.

The Foundation is an organization generally exempt from federal income taxes under Internal Revenue Code Section 501(c)(3).

Note 18 - Contingencies

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects any such amounts to be immaterial.

Note 19 - Grants and Contracts

Contract and grant revenues are recognized in the accompanying Statements of Revenues, Expenses, and Changes in Net Position. For contract and grant awards, funds expended but not collected are reported as accounts receivable in the accompanying Statements of Net Position. Contract and grant awards that are not yet funded and for which the District has not yet performed services are not included in the financial statements.

NAVARRO COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS (continued)

Note 20 - Business Concentrations

The District generally serves a limited geographic area in Central Texas; consequently, it is impacted by the general economy of the area. Also, the District receives a substantial portion of its funding from federal and state sources; consequently, the District is dependent upon continued funding from these sources.

Note 21 - Related Party Transactions with Component Unit

The Foundation made contributions to the District in the amount of \$348,694 in fiscal year 2024, including scholarships of \$187,552, and \$161,142 in support of various other activities at the District. The Foundation made contributions to the District in the amount of \$469,799 in fiscal year 2023, including scholarships of \$236,628, and \$233,171 in support of various other activities at the District. See Note 1 for more information about the relationship between the District and the Foundation.

Note 22 - Tax Abatements

The District is committed to the promotion of high-quality development in all parts of Navarro County and to ongoing improvement in the quality of life for its citizens. Insofar as these objectives are generally served by the enhancement and expansion of the local economy, the District will, on a case-by-case basis, give consideration to providing tax abatement as stimulation for economic development in Navarro County. It is the policy of the District to make available tax abatement for both new facilities and for the expansion or modernization of existing buildings or structures. For the purpose of establishing a policy on economic development incentives, and pursuant to Chapter 312 of the Texas Property Tax Code, the District is authorized to participate in tax abatement in Reinvestment Zones designated by the City of Corsicana and by Navarro County, and to enter into tax abatement agreements in all areas of Navarro County. The Board of Trustees has the authority to recapture all taxes abated in the event the taxpayer violates any term or condition of their tax abatement agreement.

The amount of ad valorem taxes abated for the year ended August 31, 2024, is \$358,042 in total for the following companies:

<u>Company</u>	<u>Market Value</u>	<u>Abated Value</u>	<u>Property Tax Abated</u>
Audubon Metals	\$ 57,798,950	\$ 28,899,490	\$ 27,744
Briar Creek Solar	94,069,740	65,848,820	63,215
Corsicana BTS	44,339,430	17,082,885	16,400
Guardian Indust.	2,211,930	1,105,970	1,062
Homeland Vinyl	3,988,140	1,994,070	1,914
Pactiv	85,797,190	40,590,140	38,967
Pisgah Ridge Solar	213,022,930	213,022,930	204,502
Polyguard	8,832,980	4,416,500	4,240
Total	<u>\$ 510,061,290</u>	<u>\$ 372,960,805</u>	<u>\$ 358,042</u>

The amount of ad valorem taxes abated for the year ended August 31, 2023, is \$208,949 in total for the following companies:

<u>Company</u>	<u>Market Value</u>	<u>Abated Value</u>	<u>Property Tax Abated</u>
Audubon Metals	\$ 56,393,810	\$ 28,196,930	\$ 30,227
Briar Creek Solar	112,776,120	107,967,470	115,741
Guardian Indust.	2,840,890	1,420,450	1,523
Homeland Vinyl	2,121,370	111,595	120
Polyguard	8,103,350	4,051,680	4,343
Pactiv	80,043,630	53,166,558	56,995
Total	<u>\$ 262,279,170</u>	<u>\$ 194,914,683</u>	<u>\$ 208,949</u>



REQUIRED SUPPLEMENTARY INFORMATION

NAVARRO COLLEGE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Teachers Retirement System of Texas
For the Last Ten Measurement Years Ended August 31st

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
District's proportion of the net pension liability	0.0164996%	0.0163536%	0.0175639%	0.0185596%	0.0199212%
District's proportionate share of the net pension liability	\$ 11,333,630	\$ 9,708,690	\$ 4,472,899	\$ 9,940,128	\$ 10,392,525
State's proportionate share of the net pension liability associated with the District	<u>7,275,867</u>	<u>6,511,025</u>	<u>3,121,807</u>	<u>6,902,963</u>	<u>6,961,880</u>
Total	<u>\$ 18,609,497</u>	<u>\$ 16,219,715</u>	<u>\$ 7,594,706</u>	<u>\$ 16,843,091</u>	<u>\$ 17,354,405</u>
District's covered payroll (for Measurement Year)	\$ 17,748,025	\$ 16,625,261	\$ 16,980,141	\$ 17,331,819	\$ 17,389,423
District's proportionate share of the net pension liability as a percentage of its covered payroll	63.9%	58.4%	26.3%	57.4%	59.8%
Plan fiduciary net position as a percentage of the total pension liability*	73.15%	75.65%	88.79%	75.54%	75.24%
Plan's net pension liability as a percentage of covered payroll*	122.32%	112.72%	51.08%	110.36%	114.93%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.0210995%	0.0209821%	0.0214610%	0.0224276%	0.0251149%
District's proportionate share of the net pension liability	\$ 11,613,681	\$ 6,708,957	\$ 8,109,789	\$ 7,927,858	\$ 6,708,538
State's proportionate share of the net pension liability associated with the District	<u>7,402,944</u>	<u>4,324,880</u>	<u>5,590,154</u>	<u>5,440,480</u>	<u>4,924,826</u>
Total	<u>\$ 19,016,625</u>	<u>\$ 11,033,837</u>	<u>\$ 13,699,943</u>	<u>\$ 13,368,338</u>	<u>\$ 11,633,364</u>
District's covered payroll (for Measurement Year)	\$ 16,665,963	\$ 16,064,631	\$ 16,685,062	\$ 16,418,480	\$ 16,125,155
District's proportionate share of the net pension liability as a percentage of its covered payroll	69.7%	41.8%	48.6%	48.3%	41.6%
Plan fiduciary net position as a percentage of the total pension liability*	73.74%	82.17%	78.00%	78.43%	83.25%
Plan's net pension liability as a percentage of covered payroll*	126.11%	75.93%	92.75%	91.94%	72.89%

* Per TRS' ACFR

NAVARRO COLLEGE DISTRICT
SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
Teachers Retirement System of Texas
For the Last Ten Fiscal Years Ended August 31st

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contributions	\$ 905,940	\$ 843,875	\$ 755,125	\$ 749,090	\$ 765,730
Contributions in relation to the contractual required contributions	<u>905,940</u>	<u>843,875</u>	<u>755,125</u>	<u>749,090</u>	<u>765,730</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 18,357,677	\$ 17,748,025	\$ 16,625,261	\$ 16,980,143	\$ 17,331,819
Contributions as a percentage of covered payroll	4.93%	4.75%	4.54%	4.41%	4.42%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 660,787	\$ 630,439	\$ 687,672	\$ 681,870	\$ 656,368
Contributions in relation to the contractual required contributions	<u>660,787</u>	<u>630,439</u>	<u>687,672</u>	<u>681,870</u>	<u>656,368</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 17,389,423	\$ 16,665,963	\$ 16,064,631	\$ 16,685,062	\$ 16,418,480
Contributions as a percentage of covered payroll	3.80%	3.78%	4.28%	4.09%	4.00%

NAVARRO COLLEGE DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION
For the Year Ended August 31, 2024

Changes in Assumptions

2022: Demographic and economic assumptions were updated based on experience study performed for TRS for the period ending August 31, 2021. The primary change was the lowering of the discount rate from 7.25% to 7.00%.

2021: The public education employer contribution rate changed from 1.5% in 2020 to 1.6% in 2021.

2020: The state and employer contribution rate changed from 6.8% to 7.5%. The 1.5% public education employer contribution applied to just employers whose employees were not covered by OASDI in 2019 and it changed in 2020 to apply to all public schools, charter schools and regional education centers irrespective of participation in OASDI.

2018: The discount rate changed from 8.0% as of August 31, 2017, to a blended rate of 6.907% as of August 31, 2018. The long-term assumed rate of return changed from 8.0% as of August 31, 2017, to 7.25% as of August 31, 2018. Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2017. The total pension liability as of August 31, 2018, was developed using a roll-forward method from the August 31, 2017 valuation.

Changes in Benefit Terms

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

NAVARRO COLLEGE DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

Employee Retirement System of Texas - State Retiree Health Plan

For the Last Seven Measurement Years Ended August 31st

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
District's proportion of the net OPEB liability	0.08199794%	0.08566120%	0.08570602%	0.08449268%
District's proportionate share of the net OPEB liability	\$ 21,907,823	\$ 24,402,274	\$ 30,747,467	\$ 27,920,295
State's proportionate share of the net OPEB liability associated with the District	<u>14,821,943</u>	<u>15,983,626</u>	<u>20,470,039</u>	<u>18,850,573</u>
Total	<u>\$ 36,729,766</u>	<u>\$ 40,385,900</u>	<u>\$ 51,217,506</u>	<u>\$ 46,770,868</u>
District's covered employee payroll (for Measurement Year)	\$ 19,933,245	\$ 18,038,091	\$ 16,900,119	\$ 19,689,855
District's proportionate share of the net OPEB liability as a percentage of it's covered-employee payroll	109.9%	135.3%	181.9%	141.8%
Plan fiduciary net position as a percentage of the total OPEB liability*	0.63%	0.57%	0.38%	0.32%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	
District's proportion of the net OPEB liability	0.08150106%	0.08840775%	0.04959155%	
District's proportionate share of the net OPEB liability	\$ 28,168,947	\$ 26,202,062	\$ 16,897,335	
State's proportionate share of the net OPEB liability associated with the District	<u>20,891,014</u>	<u>17,521,512</u>	<u>13,828,416</u>	
Total	<u>\$ 49,059,961</u>	<u>\$ 43,723,574</u>	<u>\$ 30,725,751</u>	
District's covered employee payroll (for Measurement Year)	\$ 19,470,653	\$ 19,689,855	\$ 19,360,250	
District's proportionate share of the net OPEB liability as a percentage of it's covered-employee payroll	144.7%	133.1%	87.3%	
Plan fiduciary net position as a percentage of the total OPEB liability*	0.17%	1.27%	2.04%	

Note: Ten years of data should be presented in this schedule, but data was unavailable prior to 2017. Net OPEB liability and related ratios will be presented prospectively as data becomes available.

* Per ERS' ACFR

NAVARRO COLLEGE DISTRICT
SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
Employee Retirement System of Texas - State Retiree Health Plan
For the Last Eight Fiscal Years Ended August 31st

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contributions	\$ 387,426	\$ 361,772	\$ 290,162	\$ 311,939
Contributions in relation to the contractual required contributions	<u>387,426</u>	<u>361,772</u>	<u>290,162</u>	<u>311,939</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$21,136,841	\$ 19,933,245	\$ 18,038,091	\$ 16,900,119
Contributions as a percentage of covered employee-payroll	1.83%	1.81%	1.61%	1.85%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contributions	\$ 326,053	\$ 164,435	\$ 489,694	\$ 466,638
Contributions in relation to the contractual required contributions	<u>326,053</u>	<u>164,435</u>	<u>489,694</u>	<u>466,638</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 19,689,855	\$ 19,470,653	\$ 19,818,994	\$ 19,360,250
Contributions as a percentage of covered employee-payroll	1.66%	0.84%	2.47%	2.41%

Note: Ten years of data should be presented in this schedule, but data was unavailable prior to 2017. Additional years will be presented prospectively as data becomes available.

NAVARRO COLLEGE DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB

For the Year Ended August 31, 2024

The assumptions and methods used for this actuarial valuation are the same as those used for defined benefit plans where appropriate. Additional information on the actuarial assumptions as of the latest actuarial valuation is summarized in the table below. The following assumptions have been changed since the previous Other Postemployment Benefits (OPEB) valuation:

Changes in 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 retiree 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.

Changes in Economic Assumptions

Assumed Per Capita Health Benefit Costs and 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 and the rate of future increases in the fee have 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. 74 to utilize 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.

**State Retiree Health Plan
(In accordance with GASB Statement No. 74)**

Valuation Date	August 31, 2023
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll, Open
Amortization Period	30 Years
Asset Valuation Method	Not applicable
Actuarial Assumptions:	
Discount Rate	3.81%
Projected Salary Increases	2.30% to 8.95%, including inflation
Inflation Rate	2.30%
	<u>HealthSelect</u>
Healthcare Cost and Trend Rate	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



SUPPLEMENTARY INFORMATION

NAVARRO COLLEGE DISTRICT
SCHEDULE OF OPERATING REVENUES
For the Year Ended August 31, 2024
(With Totals for the Year Ended August 31, 2023)

Schedule A

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	Total	
					2024	2023
Tuition and Fees and Scholarship						
Allowances and Discounts						
Tuition:						
State funded credit courses:						
In-district resident tuition	\$ 903,736	\$ -	\$ 903,736	\$ -	\$ 903,736	\$ 759,721
Out-of-district resident tuition	4,299,413	-	4,299,413	-	4,299,413	4,868,681
Non-resident tuition	371,934	-	371,934	-	371,934	429,879
TPEG - credit (set aside)	314,065	-	314,065	-	314,065	167,361
State funded continuing education	402,773	-	402,773	-	402,773	523,017
TPEG - non-credit (set aside)	28,230	-	28,230	-	28,230	13,004
Non-state funded educational programs	32,668	-	32,668	-	32,668	17,275
Total Tuition	6,352,819	-	6,352,819	-	6,352,819	6,778,938
Fees:						
Building use fees	3,333,915	-	3,333,915	-	3,333,915	3,310,811
Student services fees	3,172,103	-	3,172,103	-	3,172,103	2,616,929
Laboratory fees	147,186	-	147,186	-	147,186	143,269
Out-of-district fees	4,216,881	-	4,216,881	-	4,216,881	4,292,349
Other fees	425,024	-	425,024	-	425,024	482,170
Total Fees	11,295,109	-	11,295,109	-	11,295,109	10,845,528
Scholarship Allowances and Discounts:						
Scholarship allowance	(5,134,186)	-	(5,134,186)	-	(5,134,186)	(3,356,581)
Total Scholarship Allowances and Discounts	(5,134,186)	-	(5,134,186)	-	(5,134,186)	(3,356,581)
Total Net Tuition and Fees and Scholarship						
Allowances and Discounts	12,513,742	-	12,513,742	-	12,513,742	14,267,885
Additional Operating Revenues:						
Sales and services of educational activities	618,634	-	618,634	-	618,634	765,252
Other operating revenues	336,121	-	336,121	-	336,121	168,546
Total Additional Operating Revenues	954,755	-	954,755	-	954,755	933,798
Auxiliary Enterprises:						
Bookstore	-	-	-	3,623,258	3,623,258	3,524,370
less discounts	-	-	-	(1,109,238)	(1,109,238)	(734,075)
Dining services	-	-	-	1,908,642	1,908,642	1,888,160
less discounts	-	-	-	(472,016)	(472,016)	(447,561)
Housing	-	-	-	2,299,503	2,299,503	2,596,879
less discounts	-	-	-	(778,826)	(778,826)	(416,612)
Athletic sales and student programs	-	-	-	14,633	14,633	16,332
Gift shop	-	-	-	4,953	4,953	5,496
Total Net Auxiliary Enterprises	-	-	-	5,490,909	5,490,909	6,432,989
Total Operating Revenues	\$ 13,468,497	\$ -	\$ 13,468,497	\$ 5,490,909	\$ 18,959,406	\$ 21,634,672

In accordance with Texas Education Code 56.033, \$342,295 and \$180,365 of tuition was set aside for Texas Public Education Grants (TPEG) for the years ended August 31, 2024 and 2023, respectively.

NAVARRO COLLEGE DISTRICT
SCHEDULE OF OPERATING EXPENSES BY OBJECT
For the Year Ended August 31, 2024
(With Totals for the Year Ended August 31, 2023)

Schedule B

	Operating Expenses			Total		
	Salaries and Wages	Benefits	Other Expenses	2024	2023	
		State	Local			
Unrestricted - Educational Activities:						
Instruction	\$ 11,349,151	\$ -	\$ 2,559,703	\$ 1,829,307	\$ 15,738,161	\$ 12,925,742
Public service	166,465	-	58,433	23,437	248,335	8,041
Academic support	1,845,153	-	508,761	342,199	2,696,113	2,972,592
Student services	2,488,513	-	673,087	695,362	3,856,962	2,866,415
Institutional support	4,091,532	-	2,432,730	1,483,087	8,007,349	14,068,640
Operation and maintenance of plant	968,511	-	301,395	3,051,838	4,321,744	4,307,996
Total Unrestricted - Educational Activities	20,909,325	-	6,534,109	7,425,230	34,868,664	37,149,426
Restricted - Educational Activities:						
Instruction	248,789	1,112,087	42,046	109,946	1,512,868	2,329,368
Public service	78,953	23,526	28,587	6,441	137,507	359,317
Academic support	389,168	214,144	91,723	221,750	916,785	189,508
Student services	-	239,932	-	2,826	242,758	207,365
Institutional support	-	392,127	-	19,067	411,194	457,282
Operation and maintenance of plant	-	92,819	-	-	92,819	85,085
Scholarships and fellowships	9,908	-	3,198	7,404,582	7,417,688	8,333,202
Total Restricted - Educational Activities	726,818	2,074,635	165,554	7,764,612	10,731,619	11,961,127
Total Educational Activities	21,636,143	2,074,635	6,699,663	15,189,842	45,600,283	49,110,553
Auxiliary Enterprises	2,533,831	-	647,023	6,633,332	9,814,186	8,717,758
Amortization/Depreciation Expense:						
Buildings and other improvements	-	-	-	1,938,367	1,938,367	1,672,697
Equipment and furniture	-	-	-	1,420,379	1,420,379	1,478,592
Library books	-	-	-	9,034	9,034	11,067
Right-to-use lease assets	-	-	-	162,421	162,421	265,588
Right-to-use subscription assets	-	-	-	2,435,337	2,435,337	2,412,998
Total Amortization/Depreciation Expense	-	-	-	5,965,538	5,965,538	5,840,942
Total Operating Expenses	\$ 24,169,974	\$ 2,074,635	\$ 7,346,686	\$ 27,788,712	\$ 61,380,007	\$ 63,669,253

NAVARRO COLLEGE DISTRICT
SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES
For the Year Ended August 31, 2024
(With Totals for the Year Ended August 31, 2023)

Schedule C

	Unrestricted	Restricted	Auxiliary Enterprises	Total	
				2024	2023
Nonoperating Revenues:					
State Appropriations:					
Education and general state support	\$ 16,185,625	\$ -	\$ -	\$ 16,185,625	\$ 12,715,145
State group insurance	-	2,074,635	-	2,074,635	1,933,756
State retirement matching	-	1,599,069	-	1,599,069	650,971
Financial Aid for Swift Transfer (FAST)	835,560	-	-	835,560	-
Total State Appropriations	17,021,185	3,673,704	-	20,694,889	15,299,872
Maintenance ad valorem taxes	6,893,672	-	-	6,893,672	5,996,083
Federal grants and contracts	-	14,515,492	-	14,515,492	13,822,397
State grants and contracts	-	1,533,323	-	1,533,323	1,036,637
Local grants and contracts	-	45,729	-	45,729	107,638
Investment income	201,153	11,632	2,772	215,557	156,542
Gifts and donations	-	1,210,143	-	1,210,143	1,268,832
Other nonoperating revenues	887,942	-	-	887,942	229,602
Total Nonoperating Revenues	25,003,952	20,990,023	2,772	45,996,747	37,917,603
Nonoperating Expenses:					
Interest on capital related debt	308,649	-	-	308,649	511,998
Total Nonoperating Expenses	308,649	-	-	308,649	511,998
Net Nonoperating Revenues	\$ 24,695,303	\$ 20,990,023	\$ 2,772	\$ 45,688,098	\$ 37,405,605

NAVARRO COLLEGE DISTRICT
SCHEDULE OF NET POSITION BY SOURCE AND AVAILABILITY
For the Year Ended August 31, 2024

Schedule D

	Detail by Source				Available for Current Operation	
	Unrestricted	Restricted - Expendable	Net Investment in Capital Assets	Total	Yes	No
Current:						
Unrestricted	\$ (11,330,926)	\$ -	\$ -	\$ (11,330,926)	\$ (11,330,926)	\$ -
Scholarships and fellowships	-	357,183	-	357,183	-	357,183
Plant:						
Debt service	-	356,353	-	356,353	-	356,353
Investment in plant	-	-	54,633,652	54,633,652	-	54,633,652
Total net position, August 31, 2024	(11,330,926)	713,536	54,633,652	44,016,262	(11,330,926)	55,347,188
Total net position, August 31, 2023	(14,170,392)	495,639	54,423,518	40,748,765	(14,170,392)	54,919,157
Net increase (decrease) in net position	\$ 2,839,466	\$ 217,897	\$ 210,134	\$ 3,267,497	\$ 2,839,466	\$ 428,031

NAVARRO COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2024

Schedule E

Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass Through Grantor Number	Federal Expenditures
U.S. Department of Education			
Direct Programs:			
<i>TRIO - Student Support Services</i>	84.042A	PO42A200094-22	\$ 456,912
<i>Total TRIO Cluster (ALN 84.042)</i>			<u>456,912</u>
<i>Federal Supplemental Education Opportunity Grant Program</i>	84.007	N/A	27,713
<i>Federal Work Study Program</i>	84.033	N/A	182,505
<i>Federal Pell Grant Program</i>	84.063	N/A	11,805,164
<i>Federal Direct Student Loans</i>	84.268	N/A	7,866,573
<i>Total Student Financial Assistance Cluster (ALN 84.007, 84.033, 84.063, 84.268)</i>			<u>19,881,955</u>
Pass Through From Texas Workforce Commission:			
<i>Adult Education & Family Literacy Act (AEFLA) Year 5 (Core, IET, Professional Development, & Civics)</i>	84.002A	0418ALAE01	512,479
<i>Adult Education & Family Literacy Act (AEFLA) Year 6 (Core, IET, Professional Development, & Civics)</i>	84.002A	0418ALAF01	780,977
<i>Adult Education & Family Literacy Act (AEFLA) Year 1 (Core, IET, Professional Development, & Civics)</i>	84.002A	2924ALA023	164,669
<i>Total ALN 84.002</i>			<u>1,458,125</u>
Pass Through From Texas Higher Education Coordinating Board:			
<i>Vocational Education - Carl Perkins</i>	84.048A	29719	269,686
Total U. S. Department of Education			<u>22,066,678</u>
U. S. Small Business Administration			
Pass Through From Dallas County Community College District:			
<i>Small Business Development Center 2023</i>	59.037	SBAOEDSB230018-01-00	81,969
<i>Small Business Development Center 2024</i>	59.037	SBAOEDSB240124-01-00	130,089
<i>Total ALN 59.037</i>			<u>212,058</u>
Total U. S. Small Business Administration			<u>212,058</u>
Total Federal Awards			<u><u>\$ 22,278,736</u></u>

NAVARRO COLLEGE DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2024

Note 1 - Federal Revenue Reconciliation

Federal revenues for the year ended August 31, 2024 are reported in the basic financial statements as follows:

Federal Grants and Contracts Per Schedule C	\$ 14,515,492
Add: Federal Direct Student Loans made	7,866,573
Less: Indirect Costs	<u>(103,329)</u>
Total Per Schedule of Expenditures of Federal Awards	<u><u>\$ 22,278,736</u></u>

Note 2 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the District under programs of the federal government for the year ended August 31, 2024. The information in this Schedule is presented in accordance with the *Uniform Guidance*. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

Note 3 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Uniform Guidance*, wherein certain types of expenditures are not allowable or are limited to reimbursement. Pass-through entity identifying numbers are presented where available. The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NAVARRO COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended August 31, 2024

Schedule F

Grantor/Pass-Through Grantor/ Program Title	Grant Contract Number	Indirect Costs and Expenditures
Texas Higher Education Coordinating Board		
Direct Programs:		
<i>Texas Education Opportunity Grant</i>	N/A	\$ 1,291,278
<i>Texas Tomorrow Fund</i>	N/A	7,390
<i>Texas Reskilling and Upskilling through Education</i>	00303	103,837
<i>Nursing Innovation Grant Program</i>	29983	33,849
<i>Work Study (repayment of unspent funds from FY23)</i>	N/A	(3,061)
Total Texas Higher Education Coordinating Board		<u>1,433,293</u>
Small Business Development Center		
Pass Through From Dallas County Community College District:		
<i>Small Business Development Center 2023</i>	SBAOEDSB230018-01-00	40,857
<i>Small Business Development Center 2023</i>	SBAOEDSB240124-01-00	59,173
Total Small Business Development Center		<u>100,030</u>
Total State Awards		<u>\$ 1,533,323</u>

NAVARRO COLLEGE DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended August 31, 2024

Note 1 - State Revenue Reconciliation

State revenues for the year ended August 31, 2024 are reported in the basic financial statements as follows:

State Grants and Contracts Per Schedule C	<u>\$ 1,533,323</u>
Total Per Schedule of Expenditures	
Year Ended August 31, 2024	<u>\$ 1,533,323</u>

Note 2 - Basis of Presentation

The accompanying Schedule of Expenditures of State Awards includes the state grant activity of the District under programs of the state government for the year ended August 31, 2024. The information in this Schedule is presented in accordance with the requirements of the *State of Texas Single Audit Circular* contained in the Texas Grant Management Standards. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

Note 3 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Texas Grant Management Standards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.



STATISTICAL SECTION

Financial Trends Information

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

- Net Position by Component
- Revenues by Source
- Expenses by Function and Changes in Net Position

Revenue Capacity Information

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its primary revenues.

- Tuition and Fees
- Assessed Value and Estimated Actual Value of Taxable Property
- Direct and Overlapping Property Tax Rates
- Principal Taxpayers
- Property Tax Levies and Collections

Debt Capacity Information

These schedules present information to help the reader assess the affordability of the District's current levels of debt and the District's ability to issue additional debt in the future.

- Ratios of Outstanding Debt
- Legal Debt Margin Information
- Pledged Revenue Coverage

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with each other.

- Demographic and Economic Statistics
- Principal Employers

Operating Information

These schedules contain other information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

- State Appropriation per Full-Time Student Equivalents and Contact Hour Faculty, Staff, and Administrators Statistics
- Enrollment Details
- Student Profile
- Transfers to Senior Institutions
- Capital Asset Information

NAVARRO COLLEGE DISTRICT
NET POSITION BY COMPONENT (UNAUDITED)
LAST TEN FISCAL YEARS

Table 1
Page 1 of 2

	<u>2024</u>	<u>2023</u>	<u>2022 (3)</u>	<u>2021 (2)</u>	<u>2020</u>
Net investment in capital assets	\$ 54,633,652	\$ 54,423,518	\$ 50,241,651	\$ 42,246,858	\$ 41,768,930
Restricted	714,037	495,639	1,609,982	2,112,703	2,289,080
Unrestricted	<u>(11,330,926)</u>	<u>(14,170,392)</u>	<u>(6,473,892)</u>	<u>(9,292,178)</u>	<u>(16,180,400)</u>
Total Net Position	<u><u>\$ 44,016,763</u></u>	<u><u>\$ 40,748,765</u></u>	<u><u>\$ 45,377,741</u></u>	<u><u>\$ 35,067,383</u></u>	<u><u>\$ 27,877,610</u></u>

- (1) Fiscal year 2017 was restated for implementation of GASBS No. 75
(2) Fiscal year 2021 was restated for implementation of GASBS No. 87
(3) Fiscal year 2022 was restated for implementation of GASBS No. 96

Source: Navarro College District's financial statements

NAVARRO COLLEGE DISTRICT
NET POSITION BY COMPONENT (UNAUDITED)
LAST TEN FISCAL YEARS

Table 1
Page 2 of 2

	<u>2019</u>	<u>2018</u>	<u>2017 (1)</u>	<u>2016</u>	<u>2015</u>
Net investment in capital assets	\$ 40,746,545	\$ 40,339,844	\$ 39,660,444	\$ 38,280,836	\$ 37,553,998
Restricted	2,482,390	2,373,273	2,132,341	2,295,108	2,447,086
Unrestricted	<u>(15,703,625)</u>	<u>(13,846,618)</u>	<u>(13,825,426)</u>	<u>4,384,898</u>	<u>4,623,822</u>
Total Net Position	<u><u>\$ 27,525,310</u></u>	<u><u>\$ 28,866,499</u></u>	<u><u>\$ 27,967,359</u></u>	<u><u>\$ 44,960,842</u></u>	<u><u>\$ 44,624,906</u></u>

- (1) Fiscal year 2017 was restated for implementation of GASBS No. 75
- (2) Fiscal year 2021 was restated for implementation of GASBS No. 87
- (3) Fiscal year 2022 was restated for implementation of GASBS No. 96

Source: Navarro College District's financial statements

**NAVARRO COLLEGE DISTRICT
REVENUES BY SOURCE (UNAUDITED)
LAST TEN FISCAL YEARS**

**Table 2
Page 1 of 2**

	2024	2023	2022	2021	2020
Tuition and fees (net of discounts)	\$ 12,513,742	\$ 14,267,885	\$ 13,190,941	\$ 13,726,351	\$ 14,857,047
Sales and services of educational activities	618,634	765,252	584,477	514,849	651,534
Auxiliary enterprises (net of discounts)	5,490,909	6,432,989	6,011,538	5,361,475	5,144,333
Other operating revenues	336,121	168,546	292,276	180,812	148,483
Total Operating Revenues	18,959,406	21,634,672	20,079,232	19,783,487	20,801,397
State appropriations	20,694,889	15,299,872	15,080,567	15,695,709	15,310,636
Ad valorem taxes for maintenance and operations	6,893,672	5,996,083	5,340,603	5,144,366	4,757,104
Federal grants and contracts	14,515,492	13,822,397	31,983,714	23,862,000	15,883,929
State grants and contracts	1,533,323	1,036,637	901,751	844,100	847,085
Local grants and contracts	45,729	107,638	140,881	288,972	685,252
Investment income	215,557	156,542	95,256	78,407	235,077
Gifts	1,210,143	1,268,832	993,944	970,167	1,008,001
Other non-operating revenues	892,792	229,975	85,047	299,827	140,945
Total Non-Operating Revenues	46,001,597	37,917,976	54,621,763	47,183,548	38,868,029
Total Revenues	\$ 64,961,003	\$ 59,552,648	\$ 74,700,995	\$ 66,967,035	\$ 59,669,426
Tuition and fees (net of discounts)	19.26%	23.96%	17.66%	20.50%	24.90%
Sales and services of educational activities	0.95%	1.29%	0.78%	0.77%	1.09%
Auxiliary enterprises (net of discounts)	8.45%	10.80%	8.05%	8.01%	8.62%
Other operating revenues	0.52%	0.28%	0.39%	0.27%	0.25%
Total Operating Revenues	29.19%	36.33%	26.88%	29.54%	34.86%
State appropriations	31.86%	25.69%	20.19%	23.44%	25.66%
Ad valorem property taxes for maintenance and operations	10.61%	10.07%	7.15%	7.68%	7.97%
Federal grants and contracts	22.34%	23.21%	42.82%	35.63%	26.62%
State grants and contracts	2.36%	1.74%	1.21%	1.26%	1.42%
Local grants and contracts	0.07%	0.18%	0.19%	0.43%	1.15%
Investment income	0.33%	0.26%	0.13%	0.12%	0.39%
Gifts	1.86%	2.13%	1.33%	1.45%	1.69%
Other non-operating revenues	1.37%	0.39%	0.11%	0.45%	0.24%
Total Non-Operating Revenues	70.81%	63.67%	73.12%	70.46%	65.14%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Navarro College District's financial statements

**NAVARRO COLLEGE DISTRICT
REVENUES BY SOURCE (UNAUDITED)
LAST TEN FISCAL YEARS**

**Table 2
Page 2 of 2**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Tuition and fees (net of discounts)	\$ 14,804,719	\$ 15,201,312	\$ 16,982,906	\$ 16,205,416	\$ 17,535,426
Sales and services of educational activities	540,312	552,267	492,709	451,427	474,901
Auxiliary enterprises (net of discounts)	5,701,386	6,073,701	7,024,329	7,044,650	7,186,797
Other operating revenues	170,263	267,904	217,531	196,380	243,507
Total Operating Revenues	<u>21,216,680</u>	<u>22,095,184</u>	<u>24,717,475</u>	<u>23,897,873</u>	<u>25,440,631</u>
State appropriations	16,641,393	17,091,034	17,690,587	17,758,716	18,332,879
Ad valorem taxes for maintenance and operations	4,225,699	3,980,582	3,645,253	3,553,400	3,533,309
Federal grants and contracts	15,439,330	16,250,333	15,292,945	17,463,377	22,684,063
State grants and contracts	1,234,927	1,238,978	1,361,855	1,432,635	2,352,975
Local grants and contracts	243,494	277,015	103,202	81,545	76,322
Investment income	153,046	123,628	102,303	93,031	93,269
Gifts	1,041,306	926,182	903,810	856,846	867,114
Other non-operating revenues	432,662	77,119	157,019	221,698	813,949
Total Non-Operating Revenues	<u>39,411,857</u>	<u>39,964,871</u>	<u>39,256,974</u>	<u>41,461,248</u>	<u>48,753,880</u>
Total Revenues	<u>\$ 60,628,537</u>	<u>\$ 62,060,055</u>	<u>\$ 63,974,449</u>	<u>\$ 65,359,121</u>	<u>\$ 74,194,511</u>
Tuition and fees (net of discounts)	24.42%	24.49%	26.55%	24.79%	23.63%
Sales and services of educational activities	0.89%	0.89%	0.77%	0.69%	0.64%
Auxiliary enterprises (net of discounts)	9.40%	9.79%	10.98%	10.78%	9.69%
Other operating revenues	0.28%	0.43%	0.34%	0.30%	0.33%
Total Operating Revenues	<u>34.99%</u>	<u>35.60%</u>	<u>38.64%</u>	<u>36.56%</u>	<u>34.29%</u>
State appropriations	27.45%	27.54%	27.65%	27.17%	24.71%
Ad valorem property taxes for maintenance and operations	6.97%	6.41%	5.70%	5.44%	4.76%
Federal grants and contracts	25.47%	26.18%	23.90%	26.72%	30.57%
State grants and contracts	2.04%	2.00%	2.13%	2.19%	3.17%
Local grants and contracts	0.40%	0.45%	0.16%	0.12%	0.10%
Investment income	0.25%	0.20%	0.16%	0.14%	0.13%
Gifts	1.72%	1.49%	1.41%	1.31%	1.17%
Other non-operating revenues	0.71%	0.12%	0.25%	0.34%	1.10%
Total Non-Operating Revenues	<u>65.01%</u>	<u>64.40%</u>	<u>61.36%</u>	<u>63.44%</u>	<u>65.71%</u>
Total Revenues	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: Navarro College District's financial statements

NAVARRO COLLEGE DISTRICT
EXPENSES BY FUNCTION AND CHANGES IN NET POSITION (UNAUDITED)
LAST TEN FISCAL YEARS

Table 3
Page 1 of 2

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Instruction	\$ 17,251,029	\$ 15,255,110	\$ 16,704,563	\$ 19,298,272	\$ 19,388,245
Public service	385,842	367,358	456,289	2,195,369	1,362,008
Academic support	3,612,898	3,162,100	2,272,290	2,647,529	3,064,442
Student services	4,099,720	3,073,780	4,624,432	4,724,573	4,870,434
Institutional support	8,418,543	14,525,922	10,497,233	9,860,142	7,700,104
Operation and maintenance of plant	4,414,563	4,393,081	3,788,027	3,128,165	3,662,680
Scholarships and fellowships	7,417,688	8,333,202	17,350,976	6,749,113	7,120,406
Auxiliary enterprises	9,814,186	8,717,758	8,085,766	8,001,990	8,884,866
Depreciation/amortization	5,965,538	5,840,942	3,838,161	2,499,087	2,377,550
Total Operating Expenses	<u>61,380,007</u>	<u>63,669,253</u>	<u>67,617,737</u>	<u>59,104,240</u>	<u>58,430,735</u>
Interest on capital related debt	308,649	511,998	552,601	668,295	744,800
Other non-operating expenses	4,850	373	19,279	3,559	141,591
Total Non-Operating Expenses	<u>313,499</u>	<u>512,371</u>	<u>571,880</u>	<u>671,854</u>	<u>886,391</u>
Total Expenses	<u>\$ 61,693,506</u>	<u>\$ 64,181,624</u>	<u>\$ 68,189,617</u>	<u>\$ 59,776,094</u>	<u>\$ 59,317,126</u>
Change in net position	<u>\$ 3,267,497</u>	<u>\$ (4,628,976)</u>	<u>\$ 7,052,282</u>	<u>\$ 7,190,941</u>	<u>\$ 352,300</u>
Instruction	27.96%	23.77%	24.50%	32.28%	32.69%
Public service	0.63%	0.57%	0.67%	3.67%	2.30%
Academic support	5.86%	4.93%	3.33%	4.43%	5.17%
Student services	6.65%	4.79%	6.78%	7.90%	8.21%
Institutional support	13.65%	22.63%	15.39%	16.50%	12.98%
Operation and maintenance of plant	7.16%	6.84%	5.56%	5.23%	6.17%
Scholarships and fellowships (net of discounts)	12.02%	12.98%	25.45%	11.29%	12.00%
Auxiliary enterprises	15.91%	13.58%	11.86%	13.39%	14.98%
Depreciation	9.67%	9.10%	5.63%	4.18%	4.01%
Total Operating Expenses	<u>99.49%</u>	<u>99.20%</u>	<u>99.16%</u>	<u>98.88%</u>	<u>98.51%</u>
Interest on capital related debt	0.50%	0.80%	0.81%	1.12%	1.26%
Other non-operating expenses	0.01%	0.00%	0.03%	0.01%	0.24%
Total Non-Operating Expenses	<u>0.51%</u>	<u>0.80%</u>	<u>0.84%</u>	<u>1.12%</u>	<u>1.49%</u>
Total Expenses	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: Navarro College District's financial statements

NAVARRO COLLEGE DISTRICT
EXPENSES BY FUNCTION AND CHANGES IN NET POSITION (UNAUDITED)
LAST TEN FISCAL YEARS

Table 3
Page 2 of 2

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Instruction	\$ 20,462,044	\$ 19,801,849	\$ 19,545,759	\$ 20,148,443	\$ 21,368,604
Public service	346,517	351,097	331,537	289,941	279,188
Academic support	3,198,198	3,321,324	3,123,899	3,588,737	3,475,922
Student services	4,900,914	4,752,342	4,540,335	4,550,759	4,245,023
Institutional support	7,324,796	7,388,738	7,899,625	8,221,330	7,101,168
Operation and maintenance of plant	4,108,475	4,189,188	4,013,560	3,774,689	3,840,350
Scholarships and fellowships	7,874,880	8,330,076	9,879,276	11,467,584	15,670,742
Auxiliary enterprises	10,542,824	10,132,772	8,904,115	9,833,242	10,609,202
Depreciation/amortization	2,415,665	2,059,675	2,081,025	2,120,128	2,142,219
Total Operating Expenses	<u>61,174,313</u>	<u>60,327,061</u>	<u>60,319,131</u>	<u>63,994,853</u>	<u>68,732,418</u>
Interest on capital related debt	795,413	833,854	924,665	1,028,332	1,074,176
Other non-operating expenses	-	-	-	-	-
Total Non-Operating Expenses	<u>795,413</u>	<u>833,854</u>	<u>924,665</u>	<u>1,028,332</u>	<u>1,074,176</u>
Total Expenses	<u>\$ 61,969,726</u>	<u>\$ 61,160,915</u>	<u>\$ 61,243,796</u>	<u>\$ 65,023,185</u>	<u>\$ 69,806,594</u>
Change in net position	<u>\$ (1,341,189)</u>	<u>\$ 899,140</u>	<u>\$ 2,730,653</u>	<u>\$ 335,926</u>	<u>\$ 4,387,917</u>
Instruction	33.02%	32.38%	31.91%	30.99%	30.61%
Public service	0.56%	0.57%	0.54%	0.45%	0.40%
Academic support	5.16%	5.43%	5.10%	5.52%	4.98%
Student services	7.91%	7.77%	7.41%	7.00%	6.08%
Institutional support	11.82%	12.08%	12.90%	12.64%	10.17%
Operation and maintenance of plant	6.63%	6.85%	6.55%	5.81%	5.50%
Scholarships and fellowships (net of discounts)	12.71%	13.62%	16.13%	17.64%	22.45%
Auxiliary enterprises	17.01%	16.57%	14.54%	15.12%	15.20%
Depreciation	3.90%	3.37%	3.40%	3.26%	3.07%
Total Operating Expenses	<u>98.72%</u>	<u>98.64%</u>	<u>98.49%</u>	<u>98.42%</u>	<u>98.46%</u>
Interest on capital related debt	1.28%	1.36%	1.51%	1.58%	1.54%
Other non-operating expenses	0.00%	0.00%	0.00%	0.00%	0.00%
Total Non-Operating Expenses	<u>1.28%</u>	<u>1.36%</u>	<u>1.51%</u>	<u>1.58%</u>	<u>1.54%</u>
Total Expenses	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: Navarro College District's financial statements

NAVARRO COLLEGE DISTRICT
TUITION AND FEES
LAST TEN FISCAL YEARS (UNAUDITED)

Table 4
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Resident Students ¹

Fiscal Year (Fall)	Tuition ²		Matriculation Fee	Building Use Fee	Vehicle Registration Fee	Technology Fee
	In-District	Out-of-District				
2024	\$ 540	\$ 1,224	\$ 30	\$ 396	\$ 19	\$ 228
2023	540	1,224	30	396	19	228
2022	540	1,224	30	372	19	168
2021	540	1,224	30	372	19	168
2020	540	1,224	30	372	19	168
2019	540	1,224	17	372	19	156
2018	504	1,116	14	336	16	108
2017	504	1,092	14	336	16	96
2016	480	1,020	14	312	15	72
2015	444	972	14	288	15	72

Note: Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees and certification fees.

¹ Based on twelve semester credit hour load.

² General Services Fee and Athletic Fee now included in Tuition.

Source: Navarro College District Finance Department

NAVARRO COLLEGE DISTRICT
TUITION AND FEES
LAST TEN FISCAL YEARS (UNAUDITED)

Table 4
Page 2 of 4

Resident Students ¹

Fiscal Year (Fall)	Total Cost		Increase from Prior Year		Semester Credit Hours
	In-District	Out-of-District	In-District	Out-of-District	
2024	\$ 1,213	\$ 1,897	0.00%	0.00%	8,714
2023	1,213	1,897	7.44%	4.63%	9,198
2022	1,129	1,813	0.00%	0.00%	8,647
2021	1,129	1,813	0.00%	0.00%	8,560
2020	1,129	1,813	2.26%	1.40%	10,727
2019	1,104	1,788	12.88%	12.45%	13,200
2018	978	1,590	1.24%	2.32%	13,620
2017	966	1,554	8.17%	8.44%	13,477
2016	893	1,433	7.20%	5.29%	14,088
2015	833	1,361	21.43%	23.06%	16,129

Note: Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees and certification fees.

¹ Based on twelve semester credit hour load.

² General Services Fee and Athletic Fee now included in Tuition.

Source: Navarro College District Finance Department

NAVARRO COLLEGE DISTRICT
TUITION AND FEES
LAST TEN FISCAL YEARS (UNAUDITED)

Table 4
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Non-Resident Students ¹

Fiscal Year (Fall)	Tuition ²	Out-of-District Fee	Matriculation Fee	Building Use Fee	Vehicle Registration Fee
2024	\$ 1,392	\$ 576	\$ 30	\$ 396	\$ 19
2023	1,392	576	30	396	19
2022	1,392	576	30	372	19
2021	1,392	576	30	372	19
2020	1,392	576	30	372	19
2019	1,356	576	17	372	19
2018	1,248	528	14	336	16
2017	1,188	516	14	336	16
2016	1,140	480	14	312	15
2015	1,080	468	14	288	15

Note: Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees and certification fees.

¹ Based on twelve semester credit hour load.

² General Services Fee and Athletic Fee now included in Tuition.

Source: Navarro College District Finance Department

NAVARRO COLLEGE DISTRICT
TUITION AND FEES
LAST TEN FISCAL YEARS (UNAUDITED)

Non-Resident Students ¹

Fiscal Year (Fall)	Technology Fee	Total Cost	Increase from Prior Year	Semester Credit Hours
2024	\$ 228	\$ 2,641	0.00%	1,831
2023	228	2,641	3.29%	2,165
2022	168	2,557	0.00%	2,200
2021	168	2,557	0.00%	2,120
2020	168	2,557	2.44%	2,357
2019	156	2,496	10.93%	2,463
2018	108	2,250	3.88%	2,463
2017	96	2,166	6.54%	3,123
2016	72	2,033	4.96%	3,519
2015	72	1,937	13.54%	2,877

Note: Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees and certification fees.

¹ Based on twelve semester credit hour load.

² General Services Fee and Athletic Fee now included in Tuition.

Source: Navarro College District Finance Department

NAVARRO COLLEGE DISTRICT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS (UNAUDITED)

Table 5
Page 1 of 2

<u>Fiscal Year</u>	<u>Assessed Valuation of Property</u>	<u>Less: Abatement and Exemptions</u>	<u>Net Taxable Assessed Value</u>	<u>Ratio of Taxable Value to Assessed Value</u>
2024	\$ 7,204,613,343	\$ 246,407,230	\$ 6,958,206,113	96.58%
2023	5,888,012,397	395,886,989	5,492,125,408	93.28%
2022	4,648,678,986	189,882,175	4,458,796,811	95.92%
2021	4,507,970,668	264,188,835	4,243,781,833	94.14%
2020	4,243,050,975	226,852,287	4,016,198,688	94.65%
2019	3,648,741,269	197,099,255	3,451,642,014	94.60%
2018	3,423,751,510	190,745,064	3,233,006,446	94.43%
2017	3,232,166,233	186,096,906	3,046,069,327	94.24%
2016	3,175,167,202	181,024,673	2,994,142,529	94.30%
2015	3,083,281,070	165,743,597	2,917,537,473	94.62%

Source: Navarro County Tax Assessor - Collector

Notes: Property is assessed at full market value.
 Assessed value of taxable property by class of real and personal property is not available from the Navarro County Tax Assessor-Collector.

(1) per \$100 taxable assessed valuation

NAVARRO COLLEGE DISTRICT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS (UNAUDITED)

Table 5
Page 2 of 2

Fiscal Year	Estimated Actual Value	Direct Rates (1)		
		Maintenance and Operations	Debt Service	Total
2024	\$ 7,204,613,343	\$ 0.09600	\$ -	\$ 0.09600
2023	5,888,012,397	0.10720	-	0.10720
2022	4,648,678,986	0.11640	-	0.11640
2021	4,507,970,668	0.11640	-	0.11640
2020	4,243,050,975	0.11640	-	0.11640
2019	3,648,741,269	0.12180	-	0.12180
2018	3,423,751,510	0.12180	-	0.12180
2017	3,232,166,233	0.11830	-	0.11830
2016	3,175,167,202	0.11830	-	0.11830
2015	3,083,281,070	0.12020	-	0.12020

Source: Navarro County Tax Assessor - Collector

Notes: Property is assessed at full market value.
 Assessed value of taxable property by class of real and personal property is not available from the Navarro County Tax Assessor-Collector.

(1) per \$100 taxable assessed valuation

NAVARRO COLLEGE DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS (UNAUDITED)

Table 6
Page 1 of 2

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Navarro College District	\$ 0.9600	\$ 0.1072	\$ 0.1164	\$ 0.1164	\$ 0.1164
County:					
Navarro County	0.4329	0.5173	0.6045	0.6045	0.6270
Cities:					
Barry	0.2569	0.3517	0.3938	0.3871	0.4053
Blooming Grove	0.3053	0.3776	0.4175	0.4175	0.4550
Corsicana	0.4526	0.5288	0.6120	0.6120	0.6272
Dawson	0.3107	0.3726	0.4271	0.4190	0.4324
Emhouse	0.1418	0.2060	0.2296	0.2350	0.2524
Frost	0.3948	0.4351	0.4860	0.4901	0.5394
Goodlow	0.0624	0.0707	0.0839	0.0862	0.0897
Kerens	0.5672	0.6208	0.6805	0.6805	0.6805
Rice	0.4076	0.5003	0.5500	0.5500	0.5728
Richland	0.2064	0.2550	0.2732	0.2760	0.2800
School Districts:					
Blooming Grove	0.7431	0.9243	0.9601	0.9587	1.0762
Corsicana	0.8643	1.6200	1.2443	1.2666	1.2831
Dawson	0.9902	1.0988	1.1756	1.1939	1.3894
Frost	1.0015	1.1869	1.2367	1.2326	1.2130
Kerens	0.9862	1.1746	1.1920	1.2291	1.5400
Mildred	1.0042	1.0544	1.1114	1.2242	1.3300
Rice	1.1673	1.3528	1.4168	1.4263	1.5249

Source: Navarro County Appraisal District

Note: Overlapping rates are those of other governments that apply to property owners within the Navarro College District. Not all overlapping rates apply to all District property owners; for example, although the Navarro County tax rate applies to all District property owners, the City of Barry, Texas rate applies only to a small portion of District property owners whose property is located within the City's geographic boundaries.

NAVARRO COLLEGE DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS (UNAUDITED)

Table 6
Page 2 of 2

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Navarro College District	\$ 0.1218	\$ 0.1218	\$ 0.1183	\$ 0.1183	\$ 0.1202
County:					
Navarro County	0.6270	0.6270	0.6270	0.6270	0.6270
Cities:					
Barry	0.4034	0.4034	0.3851	0.3851	0.3851
Blooming Grove	0.4230	0.4801	0.4801	0.4512	0.4821
Corsicana	0.6272	0.6272	0.6272	0.6272	0.6272
Dawson	0.4308	0.4324	0.4234	0.4000	0.4000
Emhouse	0.2943	0.2943	0.2943	0.2943	0.2943
Frost	0.5504	0.5690	0.5690	0.5611	0.5573
Goodlow	0.0897	0.0897	0.0897	0.0897	0.0897
Kerens	0.6922	0.6735	0.6839	0.6803	0.6817
Rice	0.5990	0.5990	0.5990	0.5844	0.5500
Richland	0.2341	0.2359	0.2330	0.2330	0.2330
School Districts:					
Blooming Grove	1.1300	1.1300	1.1300	1.1300	1.1300
Corsicana	1.3279	1.3703	1.3703	1.3703	1.2803
Dawson	1.4654	1.2922	1.2922	1.2922	1.2900
Frost	1.5925	1.1743	1.2208	1.2308	1.2404
Kerens	1.4400	1.4400	1.1100	1.1100	1.1100
Mildred	1.3928	1.2812	1.2812	1.2812	1.2812
Rice	1.6265	1.6265	1.3365	1.3365	1.3800

Source: Navarro County Appraisal District

Note: Overlapping rates are those of other governments that apply to property owners within the Navarro College District. Not all overlapping rates apply to all District property owners; for example, although the Navarro County tax rate applies to all District property owners, the City of Barry, Texas rate applies only to a small portion of District property owners whose property is located within the City's geographic boundaries.

NAVARRO COLLEGE DISTRICT
PRINCIPAL TAXPAYERS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 7
Page 1 of 4

Taxpayer	Type of Business	Taxable Assessed Value				
		2024	2023	2022	2021	2020
Limestone Wind LLC	Wind Energy	\$ 141,091,410	\$ 257,699,030	\$ -	\$ -	\$ -
Fence Post Solar Project LLC	Solar Energy	30,875,910	124,843,500	-	-	-
Guardian Industry - Abated	Glass Manufacturer	82,080,210	84,783,440	69,952,830	65,174,790	69,082,510
Oncor Electric Delivery	Electric Utility	119,610,980	114,230,400	109,908,400	103,667,790	102,730,190
Energy Transfer Fuel LP	Electric Company	86,979,330	69,462,750	68,821,190	-	43,575,030
Championx LLC (formerly Nalco Company)	Energy Services	-	-	-	-	45,472,170
Lone Star Transmission	Electric Company	-	-	-	-	-
Seaway Crude Pipeline LP	Oil Distribution	133,707,240	140,558,400	173,696,570	155,115,820	158,640,260
Pactiv-Foam - Abated	Foam Manufacturer	94,922,000	92,263,650	62,823,082	53,414,580	52,073,880
Russell Stover Candies-Abated	Candy Manufacturer	61,779,450	-	-	51,495,300	46,424,360
Union Pacific	RR Company	-	-	-	45,030,380	-
Permian Express Partners (formerly Sunoco Pipeline LP)	Pipeline company	63,024,760	64,556,100	-	51,055,800	48,680,760
True Value Co. - Non-Abated	Retail Distribution	-	-	-	43,136,610	-
Magellan Pipeline Co, LP	Pipeline company	-	-	-	47,034,770	52,491,240
Grand Prix Pipeline LLC	Pipeline company	131,379,520	84,589,000	62,500,710	51,581,010	58,766,670
Briar Creek Solar LLC-Abated	Solar Energy	-	88,281,024	11,996,380	-	-
Audubon Metals Texas LLC-Abated	Metal Manufacturer	-	-	40,521,960	-	-
Total		<u>\$ 945,450,810</u>	<u>\$ 1,121,267,294</u>	<u>\$ 600,221,122</u>	<u>\$ 666,706,850</u>	<u>\$ 677,937,070</u>
Net Taxable Assessed Value		<u>\$ 7,674,211,018</u>	<u>\$ 6,958,206,113</u>	<u>\$ 4,458,796,811</u>	<u>\$ 4,243,781,833</u>	<u>\$ 4,016,198,688</u>

Source: Navarro County Appraisal District

NAVARRO COLLEGE DISTRICT
PRINCIPAL TAXPAYERS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 7
Page 2 of 4

Taxpayer	Type of Business	Taxable Assessed Value				
		2019	2018	2017	2016	2015
Limestone Wind LLC	Wind Energy	\$ -	\$ -	\$ -	\$ -	\$ -
Fence Post Solar Project LLC	Solar Energy	-	-	-	-	-
Guardian Industry - Abated	Glass Manufacturer	70,065,430	67,057,775	53,276,715	47,069,805	45,928,470
Oncor Electric Delivery	Electric Utility	74,965,750	62,045,430	52,248,010	48,107,140	49,835,890
Energy Transfer Fuel LP	Electric Company	49,214,430	44,001,370	47,606,870	65,033,230	66,068,120
Championx LLC (formerly Nalco Company)	Energy Services	51,807,050	46,053,410	46,116,150	51,736,240	56,587,750
Lone Star Transmission	Electric Company	-	42,704,910	44,756,720	48,825,700	50,788,550
Seaway Crude Pipeline LP	Oil Distribution	148,696,190	43,662,200	44,330,040	44,743,340	45,366,960
Pactiv-Foam - Abated	Foam Manufacturer	48,548,330	41,620,920	37,706,553	27,569,810	24,800,084
Russell Stover Candies-Abated	Candy Manufacturer	42,771,170	36,695,360	35,939,480	35,933,935	40,899,980
Union Pacific	RR Company	-	38,078,610	35,828,790	33,922,684	31,648,440
Permian Express Partners (formerly Sunoco Pipeline LP)	Pipeline company	47,859,090	30,305,330	28,550,040	-	-
True Value Co. - Non-Abated	Retail Distribution	46,146,090	-	-	33,680,970	27,651,750
Magellan Pipeline Co, LP	Pipeline company	51,552,560	-	-	-	-
Grand Prix Pipeline LLC	Pipeline company	-	-	-	-	-
Briar Creek Solar LLC-Abated	Solar Energy	-	-	-	-	-
Audubon Metals Texas LLC-Abated	Metal Manufacturer	-	-	-	-	-
Total		<u>\$ 631,626,090</u>	<u>\$ 452,225,315</u>	<u>\$ 426,359,368</u>	<u>\$ 436,622,854</u>	<u>\$ 439,575,994</u>
Net Taxable Assessed Value		<u>\$ 3,451,642,014</u>	<u>\$ 3,233,006,446</u>	<u>\$ 3,046,069,327</u>	<u>\$ 2,994,142,529</u>	<u>\$ 2,917,537,473</u>

Source: Navarro County Appraisal District

NAVARRO COLLEGE DISTRICT
PRINCIPAL TAXPAYERS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 7
Page 3 of 4

Taxpayer	Type of Business	Taxable Assessed Value				
		2024	2023	2022	2021	2020
Limestone Wind LLC	Wind Energy	1.84%	3.70%	-	-	-
Fence Post Solar Project LLC	Solar Energy	0.40%	1.79%	-	-	-
Guardian Industry - Abated	Glass Manufacturer	1.07%	1.22%	1.57%	1.54%	1.72%
Oncor Electric Delivery	Electric Utility	1.56%	1.64%	2.46%	2.44%	2.56%
Energy Transfer Fuel LP	Electric Company	1.13%	1.00%	1.54%	-	1.08%
Championx LLC (formerly Nalco Company)	Energy Services	-	-	-	-	1.13%
Lone Star Transmission	Electric Company	-	-	-	-	-
Seaway Crude Pipeline LP	Oil Distribution	1.74%	2.02%	3.90%	3.66%	3.95%
Pactiv-Foam - Abated	Foam Manufacturer	1.24%	1.33%	1.41%	1.26%	1.30%
Russell Stover Candies-Abated	Candy Manufacturer	0.81%	-	-	1.21%	1.16%
Union Pacific	RR Company	-	-	-	1.06%	-
Permian Express Partners (formerly Sunoco Pipeline LP)	Pipeline company	0.82%	0.93%	-	1.20%	1.21%
True Value Co. - Non-Abated	Retail Distribution	-	-	-	1.02%	-
Magellan Pipeline Co, LP	Pipeline company	-	-	-	1.11%	1.31%
Grand Prix Pipeline LLC	Pipeline company	1.71%	1.22%	1.40%	1.22%	1.46%
Briar Creek Solar LLC-Abated	Solar Energy	-	1.27%	0.27%	-	-
Audubon Metals Texas LLC-Abated	Metal Manufacturer	-	-	0.91%	-	-
Total		12.32%	16.11%	13.46%	15.71%	16.88%

Source: Navarro County Appraisal District

NAVARRO COLLEGE DISTRICT
PRINCIPAL TAXPAYERS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 7
Page 4 of 4

Taxpayer	Type of Business	Taxable Assessed Value				
		2019	2018	2017	2016	2015
Limestone Wind LLC	Wind Energy	-	-	-	-	-
Fence Post Solar Project LLC	Solar Energy	-	-	-	-	-
Guardian Industry - Abated	Glass Manufacturer	2.03%	2.07%	1.75%	1.57%	1.57%
Oncor Electric Delivery	Electric Utility	2.17%	1.92%	1.72%	1.61%	1.71%
Energy Transfer Fuel LP	Electric Company	1.43%	1.36%	1.56%	2.17%	2.26%
Championx LLC (formerly Nalco Company)	Energy Services	1.50%	1.42%	1.51%	1.73%	1.94%
Lone Star Transmission	Electric Company	-	1.32%	1.47%	1.63%	1.74%
Seaway Crude Pipeline LP	Oil Distribution	4.31%	1.35%	1.46%	1.49%	1.55%
Pactiv-Foam - Abated	Foam Manufacturer	1.41%	1.29%	1.24%	0.92%	0.85%
Russell Stover Candies-Abated	Candy Manufacturer	1.24%	1.14%	1.18%	1.20%	1.40%
Union Pacific	RR Company	-	1.18%	1.18%	1.13%	1.08%
Permian Express Partners (formerly Sunoco Pipeline LP)	Pipeline company	1.39%	0.94%	0.94%	-	-
True Value Co. - Non-Abated	Retail Distribution	1.34%	-	-	1.12%	0.95%
Magellan Pipeline Co, LP	Pipeline company	1.49%	-	-	-	-
Grand Prix Pipeline LLC	Pipeline company	-	-	-	-	-
Briar Creek Solar LLC-Abated	Solar Energy	-	-	-	-	-
Audubon Metals Texas LLC-Abated	Metal Manufacturer	-	-	-	-	-
Total		18.30%	13.99%	14.00%	14.58%	15.07%

Source: Navarro County Appraisal District



NAVARRO COLLEGE DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 8

Fiscal Year	Original Levy	Cumulative Levy Adjustments	Total Adjusted Tax Levy	Collections - Year of Levy		Collections in Subsequent Years	Total Collections To Date	
				Amount	Percent		Amount	Percent
2024	\$ 6,687,045	\$ 111,362	\$ 6,798,407	\$ 6,578,813	96.77%	\$ -	\$ 6,578,813	96.77%
2023	5,958,803	(84,054)	5,874,749	6,298,673	107.22%	(643,517)	5,655,156	96.26%
2022	5,195,739	97,663	5,293,403	5,170,259	97.67%	52,613	5,222,872	98.67%
2021	4,947,222	101,108	5,048,279	4,926,476	97.59%	84,109	5,010,585	99.25%
2020	4,680,613	(27,080)	4,654,946	4,510,539	96.90%	115,954	4,626,493	99.39%
2019	4,211,190	(9,919)	4,200,354	4,081,123	97.16%	97,531	4,178,654	99.48%
2018	3,942,804	(25,063)	3,917,499	3,810,491	97.27%	89,102	3,899,593	99.54%
2017	3,608,756	(12,962)	3,595,489	3,501,564	97.39%	78,885	3,580,449	99.58%
2016	3,546,947	(12,494)	3,534,360	3,432,700	97.12%	90,716	3,523,416	99.69%
2015	3,515,366	(10,930)	3,504,344	3,427,941	97.82%	67,356	3,495,297	99.74%

Source: Navarro County Tax Assessor-Collector

Note: Property tax only - does not include penalties and interest.

NAVARRO COLLEGE DISTRICT
RATIOS OF OUTSTANDING DEBT
LAST TEN FISCAL YEARS (UNAUDITED)

Table 9
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	<u>2024</u>	<u>2023</u>	<u>2022 (2)</u>	<u>2021 (1)</u>	<u>2020</u>
General Bonded Debt					
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Other Debt					
Revenue bonds	7,685,000	9,615,000	11,490,000	13,518,162	15,234,478
Leases payable	132,019	270,261	407,066	499,152	3,259,621
SBITA payable	2,971,039	4,340,015	4,790,812	-	-
Loans payable	525,000	600,000	675,000	750,000	825,000
Notes payable	1,455,000	1,710,000	2,166,468	2,630,795	-
Total Other Debt	<u>12,768,058</u>	<u>16,535,276</u>	<u>19,529,346</u>	<u>17,398,109</u>	<u>19,319,099</u>
Total Outstanding Debt	<u>\$ 12,768,058</u>	<u>\$ 16,535,276</u>	<u>\$ 19,529,346</u>	<u>\$ 17,398,109</u>	<u>\$ 19,319,099</u>
Total Outstanding Debt Ratios					
Per capita	\$ 229	\$ 303	\$ 364	\$ 331	\$ 386
Per student	2,859	1,687	1,630	1,570	1,549
As a percentage of taxable assessed value	0.18%	0.30%	0.44%	0.41%	0.48%
As a percentage of personal income	0.57%	0.66%	0.80%	0.83%	0.97%

Note: Navarro College District does not have any general obligation debt. Per student ratio is calculated based on debt per full-time student equivalent.

(1) Fiscal year 2021 was restated for implementation of GASBS No. 87, *Leases* . Prior years were not restated.

(2) Fiscal year 2022 was restated for implementation of GASBS No. 96, *SBITA* . Prior years were not restated.

Source: Navarro College District Finance Department

NAVARRO COLLEGE DISTRICT
RATIOS OF OUTSTANDING DEBT
LAST TEN FISCAL YEARS (UNAUDITED)

Table 9
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	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Bonded Debt					
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Other Debt					
Revenue bonds	16,895,796	18,502,111	20,063,427	22,689,743	25,216,060
Leases payable	3,784,979	2,855,000	3,060,000	3,260,000	3,450,000
SBITA payable	-	-	-	-	-
Loans payable	900,000	975,000	1,050,000	1,125,000	1,200,000
Notes payable	-	-	-	-	-
Total Other Debt	<u>21,580,775</u>	<u>22,332,111</u>	<u>24,173,427</u>	<u>27,074,743</u>	<u>29,866,060</u>
Total Outstanding Debt	<u>\$ 21,580,775</u>	<u>\$ 22,332,111</u>	<u>\$ 24,173,427</u>	<u>\$ 27,074,743</u>	<u>\$ 29,866,060</u>
Total Outstanding Debt Ratios					
Per capita	\$ 435	\$ 459	\$ 498	\$ 561	\$ 620
Per student	1,591	1,574	1,680	1,804	1,830
As a percentage of taxable assessed value	0.63%	0.69%	0.79%	0.90%	1.02%
As a percentage of personal income	1.15%	1.24%	1.41%	1.57%	1.58%

Note: Navarro College District does not have any general obligation debt. Per student ratio is calculated based on debt per full-time student equivalent.

(1) Fiscal year 2021 was restated for implementation of GASBS No. 87, *Leases*. Prior years were not restated.

(2) Fiscal year 2022 was restated for implementation of GASBS No. 96, *SBITA*. Prior years were not restated.

Source: Navarro College District Finance Department

NAVARRO COLLEGE DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS (UNAUDITED)

Table 10
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	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Taxable Assessed Value	<u>\$ 6,958,206,113</u>	<u>\$ 5,492,125,408</u>	<u>\$ 4,458,796,811</u>	<u>\$ 4,243,781,833</u>	<u>\$ 4,016,198,688</u>
General Obligation Bonds					
Statutory tax levy limit for debt service	\$ 34,791,031	\$ 27,460,627	\$ 22,293,984	\$ 21,218,909	\$ 20,080,993
Current year debt service requirements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of statutory limit for debt service over current requirements	<u>\$ 34,791,031</u>	<u>\$ 27,460,627</u>	<u>\$ 22,293,984</u>	<u>\$ 21,218,909</u>	<u>\$ 20,080,993</u>
Net current requirements as a percentage of statutory limit	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Texas Education Code Section 130.122 limits the debt service tax levy of community colleges to \$0.50 per hundred dollars assessed valuation.

NAVARRO COLLEGE DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS (UNAUDITED)

Table 10
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	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Taxable Assessed Value	<u>\$ 3,451,642,014</u>	<u>\$ 3,233,006,446</u>	<u>\$ 3,046,069,327</u>	<u>\$ 2,994,142,529</u>	<u>\$ 2,917,537,473</u>
General Obligation Bonds					
Statutory tax levy limit for debt service	\$ 17,258,210	\$ 16,165,032	\$ 15,230,347	\$ 14,970,713	\$ 14,587,687
Current year debt service requirements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of statutory limit for debt service over current requirements	<u>\$ 17,258,210</u>	<u>\$ 16,165,032</u>	<u>\$ 15,230,347</u>	<u>\$ 14,970,713</u>	<u>\$ 14,587,687</u>
Net current requirements as a percentage of statutory limit	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Texas Education Code Section 130.122 limits the debt service tax levy of community colleges to \$0.50 per hundred dollars assessed valuation.

NAVARRO COLLEGE DISTRICT
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS (UNAUDITED)

Table 11
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Fiscal Year	Pledged Revenues					
	Tuition Pledged (1)	Building Fee	Out of District Fee	Other Fees	Pledged Auxiliary Revenue	Less Auxiliary Expenses
2024	\$ 212,640	\$ 3,333,915	\$ 4,216,881	\$ 3,744,313	\$ 5,476,276	\$ 9,814,186
2023	208,170	3,310,811	4,292,349	3,242,368	6,416,657	8,717,758
2022	214,268	3,363,556	4,416,312	3,315,698	5,998,380	8,085,766
2021	234,098	3,632,775	4,710,957	3,549,798	5,312,328	8,001,990
2020	266,580	4,098,329	5,189,721	3,397,648	5,082,945	8,884,866
2019	288,428	4,082,169	5,300,687	3,015,864	5,671,011	10,542,824
2018	304,845	4,271,589	5,414,730	2,707,238	6,043,317	10,132,772
2017	316,995	3,961,300	5,026,019	2,824,645	8,818,670	8,904,115
2016	325,635	3,942,353	4,997,878	2,614,210	8,876,011	9,833,242
2015	340,350	4,203,104	5,564,752	2,832,475	9,027,034	10,609,202

Notes:

(1) Calculated at \$15.00 per semester headcount (\$7.50 per summer semester).

NAVARRO COLLEGE DISTRICT
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS (UNAUDITED)

Table 11
Page 2 of 2

Fiscal Year	Pledged Revenues			Debt Service Requirements			Coverage Ratio
	Net Available	Interest Income	Total	Principal	Interest	Total	
2024	\$ 7,169,839	\$ 215,557	\$ 7,385,396	\$ 1,975,000	\$ 179,513	\$ 2,154,513	3.43
2023	8,752,597	156,542	8,909,139	1,930,000	227,293	2,157,293	4.13
2022	9,222,448	95,256	9,317,704	1,875,000	273,581	2,148,581	4.34
2021	9,437,966	78,407	9,516,373	1,710,000	533,691	2,243,691	4.24
2020	9,150,357	235,077	9,385,434	1,650,000	590,062	2,240,062	4.19
2019	7,815,335	153,046	7,968,381	1,595,000	644,484	2,239,484	3.56
2018	8,608,947	123,628	8,732,575	1,540,000	696,976	2,236,976	3.90
2017	12,043,514	102,303	12,145,817	1,495,000	740,656	2,235,656	5.43
2016	10,922,845	93,031	11,015,876	2,560,000	843,632	3,403,632	3.24
2015	11,358,513	93,269	11,451,782	2,460,000	942,574	3,402,574	3.37

Notes:

(1) Calculated at \$15.00 per semester headcount (\$7.50 per summer semester).



NAVARRO COLLEGE DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 12

Calendar Year	Navarro County Population	Navarro County Personal Income	Navarro County Personal Income Per Capita	Navarro County Unemployment Rate
2023	55,635	\$ 2,252,054,747	\$ 44,577	4.0%
2022	54,636	2,507,118,046	45,130	3.9%
2021	53,616	2,444,624,000	45,616	5.1%
2020	52,624	2,100,760,031	41,461	6.2%
2019	50,113	1,987,095,000	39,652	3.3%
2018	49,565	1,879,580,000	37,922	3.7%
2017	48,701	1,799,965,000	35,446	3.9%
2016	48,523	1,719,814,000	36,960	4.2%
2015	48,255	1,729,595,000	35,792	4.2%
2014	48,195	1,887,318,000	39,245	5.2%

Source: Texas Workforce Commission

NAVARRO COLLEGE DISTRICT
PRINCIPAL EMPLOYERS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 13
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Employer	2024		2023	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Navarro College (includes part time)	325	1.29%	265	1.06%
Watkins Construction	900	3.58%	750	2.99%
Russell Stover Candies (seasonal)	1,039	4.14%	936	3.73%
Corsicana ISD	900	3.58%	866	3.45%
Navarro Regional Hospital (Includes Contract Employees)	356	1.42%	356	1.42%
Walmart Super Center	350	1.39%	350	1.39%
Collin Street Bakery (seasonal)	116	0.46%	113	0.45%
Navarro County	300	1.19%	300	1.19%
Guardian Industries, Corp.	305	1.21%	305	1.21%
Corsicana Bedding (Corsicana Mattress Company)	260	1.04%	260	1.04%
City of Corsicana (includes part time)	276	1.10%	252	1.00%
Kohl's Distribution Center	200	0.80%	187	0.74%
Pactiv	525	2.09%	525	2.09%
Oil City Iron Works	200	0.80%	253	1.01%
Heritage Oaks/Heritage Oaks West	191	0.76%	191	0.76%
NALCO Champion	-	0.00%	-	0.00%
Morgan Corp.	170	0.68%	170	0.68%
Angels at Home	10	0.04%	-	0.00%
Tru-Serve Distribution Center	151	0.60%	151	0.60%
Tremco CPG and Nudura	122	0.49%	122	0.49%
Audubon Metals Texas	100	0.40%	100	0.40%
Cresline Plastic Pipe Co.	49	0.20%	49	0.20%
Holcim Building Development	50	0.20%	50	0.20%
Greenbrier Rail	42	0.17%	30	0.12%
Polyguard	65	0.26%	81	0.32%
ISCO Industries	55	0.22%	55	0.22%
M & M Recreation	-	0.00%	50	0.20%
Community National Bank & Trust	97	0.39%	97	0.39%
Cargo Craft	70	0.28%	-	0.00%
Plasson	51	0.20%	-	0.00%
Navarro Pecan	60	0.24%	60	0.24%
EXXON/Mobil Pipeline	-	0.00%	-	0.00%
Enterprise Pre-Cast	80	0.32%	80	0.32%
Total	7,415	29.54%	7,004	27.91%

Source: City of Corsicana, Texas and the Texas Workforce Commission

NAVARRO COLLEGE DISTRICT
PRINCIPAL EMPLOYERS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 13
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Employer	2022		2021	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Navarro College (includes part time)	265	1.06%	740	3.11%
Watkins Construction	750	2.99%	685	2.88%
Russell Stover Candies (seasonal)	936	3.73%	936	3.93%
Corsicana ISD	886	3.53%	886	3.72%
Navarro Regional Hospital (Includes Contract Employees	352	1.40%	365	1.53%
Walmart Super Center	350	1.39%	350	1.47%
Collin Street Bakery (seasonal)	347	1.38%	347	1.46%
Navarro County	300	1.19%	300	1.26%
Guardian Industries, Corp.	268	1.07%	268	1.13%
Corsicana Bedding (Corsicana Mattress Company)	220	0.88%	350	1.47%
City of Corsicana (includes part time)	275	1.10%	275	1.15%
Kohl's Distribution Center	200	0.80%	200	0.84%
Pactiv	520	2.07%	533	2.24%
Oil City Iron Works	229	0.91%	215	0.90%
Heritage Oaks/Heritage Oaks West	191	0.76%	191	0.80%
NALCO Champion	-	0.00%	120	0.50%
Morgan Corp.	157	0.63%	150	0.63%
Angels at Home	-	0.00%	-	0.00%
Tru-Serve Distribution Center	151	0.60%	145	0.61%
Tremco CPG and Nudura	109	0.43%	-	0.00%
Audubon Metals Texas	90	0.36%	-	0.00%
Cresline Plastic Pipe Co.	47	0.19%	-	0.00%
Holcim Building Development	46	0.18%	-	0.00%
Greenbrier Rail	26	0.10%	-	0.00%
Polyguard	53	0.21%	52	0.22%
ISCO Industries	-	0.00%	-	0.00%
M & M Recreation	-	0.00%	-	0.00%
Community National Bank & Trust	98	0.39%	98	0.41%
Cargo Craft	-	0.00%	-	0.00%
Plasson	60	0.24%	100	0.42%
Navarro Pecan	60	0.24%	60	0.25%
EXXON/Mobil Pipeline	-	0.00%	-	0.00%
Enterprise Pre-Cast	80	0.32%	80	0.34%
Total	7,066	28.15%	7,446	31.27%

Source: City of Corsicana, Texas and the Texas Workforce Commission

NAVARRO COLLEGE DISTRICT
PRINCIPAL EMPLOYERS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 13
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Employer	2020		2019	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Navarro College (includes part time)	872	3.75%	991	4.35%
Watkins Construction	500	2.15%	1,020	4.48%
Russell Stover Candies (seasonal)	650	2.79%	850	3.73%
Corsicana ISD	886	3.81%	810	3.56%
Navarro Regional Hospital (Includes Contract Employees	365	1.57%	450	1.98%
Walmart Super Center	350	1.50%	350	1.54%
Collin Street Bakery (seasonal)	347	1.49%	347	1.52%
Navarro County	300	1.29%	300	1.32%
Guardian Industries, Corp.	325	1.40%	325	1.43%
Corsicana Bedding (Corsicana Mattress Company)	367	1.58%	367	1.61%
City of Corsicana (includes part time)	275	1.18%	275	1.21%
Kohl's Distribution Center	200	0.86%	200	0.88%
Pactiv	400	1.72%	425	1.87%
Oil City Iron Works	215	0.92%	194	0.85%
Heritage Oaks/Heritage Oaks West	191	0.82%	191	0.84%
NALCO Champion	120	0.52%	150	0.66%
Morgan Corp.	150	0.64%	150	0.66%
Angels at Home	-	0.00%	-	0.00%
Tru-Serve Distribution Center	145	0.62%	145	0.64%
Tremco CPG and Nudura	-	0.00%	-	0.00%
Audubon Metals Texas	-	0.00%	-	0.00%
Cresline Plastic Pipe Co.	-	0.00%	-	0.00%
Holcim Building Development	-	0.00%	-	0.00%
Greenbrier Rail	-	0.00%	-	0.00%
Polyguard	125	0.54%	125	0.55%
ISCO Industries	-	0.00%	-	0.00%
M & M Recreation	-	0.00%	-	0.00%
Community National Bank & Trust	98	0.42%	80	0.35%
Cargo Craft	-	0.00%	-	0.00%
Plasson	100	0.43%	100	0.44%
Navarro Pecan	60	0.26%	60	0.26%
EXXON/Mobil Pipeline	-	0.00%	-	0.00%
Enterprise Pre-Cast	80	0.34%	80	0.35%
Total	7,121	30.58%	7,985	35.08%

Source: City of Corsicana, Texas and the Texas Workforce Commission

NAVARRO COLLEGE DISTRICT
PRINCIPAL EMPLOYERS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 13
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Employer	2018		2017	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Navarro College (includes part time)	820	3.74%	1,042	4.87%
Watkins Construction	800	3.65%	500	2.33%
Russell Stover Candies (seasonal)	726	3.31%	850	3.97%
Corsicana ISD	700	3.19%	811	3.79%
Navarro Regional Hospital (Includes Contract Employees	350	1.60%	350	1.63%
Walmart Super Center	350	1.60%	350	1.63%
Collin Street Bakery (seasonal)	347	1.58%	150	0.70%
Navarro County	337	1.54%	284	1.33%
Guardian Industries, Corp.	325	1.48%	312	1.46%
Corsicana Bedding (Corsicana Mattress Company)	314	1.43%	257	1.20%
City of Corsicana (includes part time)	276	1.26%	284	1.33%
Kohl's Distribution Center	200	0.91%	200	0.93%
Pactiv	194	0.88%	250	1.17%
Oil City Iron Works	194	0.88%	255	1.19%
Heritage Oaks/Heritage Oaks West	191	0.87%	72	0.34%
NALCO Champion	150	0.68%	150	0.70%
Morgan Corp.	150	0.68%	149	0.70%
Angels at Home	150	0.68%	150	0.70%
Tru-Serve Distribution Center	145	0.66%	180	0.84%
Tremco CPG and Nudura	-	0.00%	-	0.00%
Audubon Metals Texas	-	0.00%	-	0.00%
Cresline Plastic Pipe Co.	-	0.00%	-	0.00%
Holcim Building Development	-	0.00%	-	0.00%
Greenbrier Rail	-	0.00%	-	0.00%
Polyguard	125	0.57%	-	0.00%
ISCO Industries	-	0.00%	-	0.00%
M & M Recreation	-	0.00%	-	0.00%
Community National Bank & Trust	80	0.36%	114	0.53%
Cargo Craft	75	0.34%	-	0.00%
Plasson	70	0.32%	-	0.00%
Navarro Pecan	60	0.27%	-	0.00%
EXXON/Mobil Pipeline	55	0.25%	-	0.00%
Enterprise Pre-Cast	-	0.00%	-	0.00%
Total	7,184	32.74%	6,710	31.33%

Source: City of Corsicana, Texas and the Texas Workforce Commission



NAVARRO COLLEGE DISTRICT
PRINCIPAL EMPLOYERS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 13
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Employer	2016		2015	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Navarro College (includes part time)	1,042	4.84%	1,090	5.02%
Watkins Construction	500	2.32%	500	2.30%
Russell Stover Candies (seasonal)	850	3.95%	850	3.91%
Corsicana ISD	811	3.77%	811	3.73%
Navarro Regional Hospital (Includes Contract Employees)	350	1.63%	350	1.61%
Walmart Super Center	350	1.63%	350	1.61%
Collin Street Bakery (seasonal)	150	0.70%	150	0.69%
Navarro County	284	1.32%	284	1.31%
Guardian Industries, Corp.	312	1.45%	318	1.46%
Corsicana Bedding (Corsicana Mattress Company)	257	1.19%	257	1.18%
City of Corsicana (includes part time)	284	1.32%	284	1.31%
Kohl's Distribution Center	200	0.93%	315	1.45%
Pactiv	-	0.00%	-	0.00%
Oil City Iron Works	255	1.18%	255	1.17%
Heritage Oaks/Heritage Oaks West	72	0.33%	72	0.33%
NALCO Champion	150	0.70%	-	0.00%
Morgan Corp.	-	0.00%	-	0.00%
Angels at Home	-	0.00%	-	0.00%
Tru-Serve Distribution Center	180	0.84%	180	0.83%
Tremco CPG and Nudura	-	0.00%	-	0.00%
Audubon Metals Texas	-	0.00%	-	0.00%
Cresline Plastic Pipe Co.	-	0.00%	-	0.00%
Holcim Building Development	-	0.00%	-	0.00%
Greenbrier Rail	-	0.00%	-	0.00%
Polyguard	-	0.00%	-	0.00%
ISCO Industries	-	0.00%	-	0.00%
M & M Recreation	-	0.00%	-	0.00%
Community National Bank & Trust	-	0.00%	-	0.00%
Cargo Craft	-	0.00%	-	0.00%
Plasson	-	0.00%	-	0.00%
Navarro Pecan	-	0.00%	-	0.00%
EXXON/Mobil Pipeline	-	0.00%	-	0.00%
Enterprise Pre-Cast	-	0.00%	-	0.00%
Total	6,047	28.10%	6,066	27.92%

Source: City of Corsicana, Texas and the Texas Workforce Commission

NAVARRO COLLEGE DISTRICT
STATE APPROPRIATION PER FULL-TIME STUDENT EQUIVALENT AND CONTACT HOUR
LAST TEN FISCAL YEARS (UNAUDITED)

Table 14
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Fiscal Year	State Appropriation per FTSE		
	State Appropriation	FTSE*	State Appropriation per FTSE
2024	\$ 16,173,733	4,466	\$ 3,622
2023	12,715,145	9,799	1,298
2022	12,710,363	11,984	1,061
2021	13,366,926	11,082	1,206
2020	13,377,479	12,476	1,072
2019	14,083,862	13,564	1,038
2018	14,092,865	14,187	993
2017	15,302,879	14,388	1,064
2016	15,288,429	15,007	1,019
2015	16,262,313	16,316	997

*FTSE FY24 and forward is provided by THECB and reported as provided.

FTSE Calculated by institution FY23 and prior using this method:

Full-time student equivalent (FTSE) is defined as the number of full-time students plus the total hours taken by part-time students divided by 12.

**State of Texas new funding model implemented FY24. Funding not strictly reliant upon contact hours, it is a piece of the funding model. Two new columns added FY24 and forward.

Data was not reported/required prior and not available until FY24 and forward.

NAVARRO COLLEGE DISTRICT
STATE APPROPRIATION PER FULL-TIME STUDENT EQUIVALENT AND CONTACT HOUR
LAST TEN FISCAL YEARS (UNAUDITED)

Table 14
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Fiscal Year	State Funding per Funded Contact Hour Contact Hour (CH) Portion Only of State Appropriation					CH - State Funding per Funded Contact Hour
	CH - State** Funding Unrestricted	Academic Contact Hours	Technical Contact Hours	Continuing** Education Contact Hours	Total Funded Contact Hours	
2023	\$ 9,293,711	1,962,608	786,778	122,009	2,871,395	\$ 3.24
2022	-	1,922,934	852,606	-	2,775,540	4.58
2021	-	1,852,968	967,942	-	2,820,910	4.51
2020	-	2,219,520	776,262	-	2,995,782	4.46
2019	-	2,443,726	1,058,224	-	3,501,950	3.82
2018	-	2,648,800	1,139,020	-	3,787,820	3.72
2017	-	2,736,720	1,239,884	-	3,976,604	3.54
2016	-	2,768,430	1,302,964	-	4,071,394	3.76
2015	-	2,861,376	1,443,484	-	4,304,860	3.55
2014	-	3,057,872	1,647,476	-	4,705,348	3.46

NAVARRO COLLEGE DISTRICT
FACULTY, STAFF, AND ADMINISTRATORS STATISTICS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 15
Page 1 of 2

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Faculty					
Full-Time	103	108	112	117	122
Part-Time	<u>243</u>	<u>189</u>	<u>195</u>	<u>201</u>	<u>113</u>
Total	<u><u>346</u></u>	<u><u>297</u></u>	<u><u>307</u></u>	<u><u>318</u></u>	<u><u>235</u></u>
Full-Time	29.8%	36.4%	36.5%	36.8%	51.9%
Part-Time	<u>70.2%</u>	<u>63.6%</u>	<u>63.5%</u>	<u>63.2%</u>	<u>48.1%</u>
Total	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>
Average Annual Faculty Salary	<u>\$ 57,867</u>	<u>\$ 56,000</u>	<u>\$ 57,006</u>	<u>\$ 57,190</u>	<u>\$ 58,162</u>
Staff and Administrators					
Full-Time	225	221	228	239	231
Part-Time	<u>180</u>	<u>123</u>	<u>79</u>	<u>85</u>	<u>120</u>
Total	<u><u>405</u></u>	<u><u>344</u></u>	<u><u>307</u></u>	<u><u>324</u></u>	<u><u>351</u></u>
Full-Time	55.6%	64.2%	74.3%	73.8%	65.8%
Part-Time	<u>44.4%</u>	<u>35.8%</u>	<u>25.7%</u>	<u>26.2%</u>	<u>34.2%</u>
Total	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>

NAVARRO COLLEGE DISTRICT
FACULTY, STAFF, AND ADMINISTRATORS STATISTICS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 15
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	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Faculty					
Full-Time	122	132	136	133	128
Part-Time	<u>284</u>	<u>361</u>	<u>361</u>	<u>382</u>	<u>405</u>
Total	<u><u>406</u></u>	<u><u>493</u></u>	<u><u>497</u></u>	<u><u>515</u></u>	<u><u>533</u></u>
Full-Time	30.0%	26.8%	27.4%	25.8%	24.0%
Part-Time	<u>70.0%</u>	<u>73.2%</u>	<u>72.6%</u>	<u>74.2%</u>	<u>76.0%</u>
Total	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>
Average Annual Faculty Salary	<u>\$ 56,037</u>	<u>\$ 54,654</u>	<u>\$ 55,863</u>	<u>\$ 55,134</u>	<u>\$ 54,396</u>
Staff and Administrators					
Full-Time	245	216	234	252	244
Part-Time	<u>78</u>	<u>77</u>	<u>119</u>	<u>89</u>	<u>94</u>
Total	<u><u>323</u></u>	<u><u>293</u></u>	<u><u>353</u></u>	<u><u>341</u></u>	<u><u>338</u></u>
Full-Time	75.9%	73.7%	66.3%	73.9%	72.2%
Part-Time	<u>24.1%</u>	<u>26.3%</u>	<u>33.7%</u>	<u>26.1%</u>	<u>27.8%</u>
Total	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>	<u><u>100.0%</u></u>

NAVARRO COLLEGE DISTRICT
ENROLLMENT DETAILS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 16
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	Fall 2023		Fall 2022		Fall 2021		Fall 2020		Fall 2019	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Student Classification										
00-30 hours	5,445	83.14%	4,640	73.92%	4,769	72.64%	5,264	73.74%	6,056	74.10%
31-60 hours	617	9.42%	1,113	17.73%	1,262	19.22%	1,233	17.27%	1,350	16.52%
> 60 hours	487	7.44%	524	8.35%	534	8.13%	642	8.99%	767	9.38%
Total	6,549	100.00%	6,277	100.00%	6,565	100.00%	7,139	100.00%	8,173	100.00%
Semester Hour Load										
Less than 3	18	0.27%	8	0.13%	9	0.14%	6	0.08%	8	0.10%
3-5 semester hours	1,468	22.42%	1,251	19.93%	1,476	22.48%	1,501	21.03%	1,852	22.66%
6-8 semester hours	1,669	25.48%	1,625	25.89%	1,628	24.80%	1,768	24.77%	2,083	25.49%
9-11 semester hours	1,153	17.61%	1,079	17.19%	1,110	16.91%	1,284	17.99%	1,311	16.04%
12-14 semester hours	1,366	20.86%	1,530	24.37%	1,557	23.72%	1,516	21.24%	1,725	21.11%
15-17 semester hours	693	10.58%	599	9.54%	580	8.83%	847	11.86%	951	11.64%
18 & over	182	2.78%	185	2.95%	205	3.12%	217	3.04%	243	2.97%
Total	6,549	100.00%	6,277	100.00%	6,565	100.00%	7,139	100.00%	8,173	100.00%
Tuition Status										
Texas Resident (in-District)	991	15.13%	908	14.47%	926	14.11%	1,138	15.94%	1,475	18.05%
Texas Resident (out-of-District)	5,401	82.47%	5,198	82.81%	5,472	83.35%	5,816	81.47%	6,533	79.93%
Non-Resident Tuition	157	2.40%	171	2.72%	167	2.54%	185	2.59%	165	2.02%
Total	6,549	100.00%	6,277	100.00%	6,565	100.00%	7,139	100.00%	8,173	100.00%

NAVARRO COLLEGE DISTRICT
ENROLLMENT DETAILS
LAST TEN FISCAL YEARS (UNAUDITED)

Table 16
Page 2 of 2

	Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Student Classification										
00-30 hours	6,393	74.33%	6,496	72.44%	6,741	73.03%	6,772	71.45%	7,036	70.37%
31-60 hours	1,447	16.82%	1,622	18.09%	1,592	17.25%	1,741	18.37%	1,895	18.95%
> 60 hours	761	8.85%	850	9.48%	897	9.72%	965	10.18%	1,068	10.68%
Total	8,601	100.00%	8,968	100.00%	9,230	100.00%	9,478	100.00%	9,999	100.00%
Semester Hour Load										
Less than 3	16	0.19%	56	0.62%	60	0.65%	239	2.52%	220	2.20%
3-5 semester hours	1,982	23.04%	1,993	22.22%	2,196	23.79%	1,931	20.37%	1,902	19.02%
6-8 semester hours	2,206	25.65%	2,373	26.46%	2,346	25.42%	2,370	25.01%	2,345	23.45%
9-11 semester hours	1,270	14.77%	1,489	16.60%	1,447	15.68%	1,383	14.59%	1,588	15.88%
12-14 semester hours	1,768	20.56%	1,916	21.36%	1,921	20.81%	2,327	24.55%	2,561	25.61%
15-17 semester hours	1,100	12.79%	948	10.57%	1,037	11.24%	1,040	10.97%	1,102	11.02%
18 & over	259	3.01%	193	2.15%	223	2.42%	188	1.98%	281	2.81%
Total	8,601	100.00%	8,968	100.00%	9,230	100.00%	9,478	100.00%	9,999	100.00%
Tuition Status										
Texas Resident (in-District)	1,572	18.28%	1,549	17.27%	1,633	17.69%	1,809	19.09%	1,814	18.14%
Texas Resident (out-of-District)	6,837	79.49%	7,163	79.87%	7,320	79.31%	7,446	78.56%	7,920	79.21%
Non-Resident Tuition	192	2.23%	256	2.85%	277	3.00%	223	2.35%	265	2.65%
Total	8,601	100.00%	8,968	100.00%	9,230	100.00%	9,478	100.00%	9,999	100.00%

NAVARRO COLLEGE DISTRICT
STUDENT PROFILE
LAST TEN FISCAL YEARS (UNAUDITED)

Table 17
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Gender	Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	4,061	62.01%	3,850	61.34%	4,072	62.03%	4,474	62.67%
Male	2,488	37.99%	2,427	38.66%	2,493	37.97%	2,665	37.33%
Total	6,549	100.00%	6,277	100.00%	6,565	100.00%	7,139	100.00%
Ethnic Origin								
White	3,477	53.09%	3,563	56.76%	3,802	57.91%	4,143	58.03%
Hispanic	1,545	23.59%	1,049	16.71%	1,107	16.86%	1,231	17.24%
African American	1,064	16.25%	1,036	16.50%	1,066	16.24%	1,187	16.63%
Asian	70	1.07%	64	1.02%	66	1.01%	72	1.01%
Foreign	43	0.66%	41	0.65%	41	0.62%	47	0.66%
Native American	36	0.55%	25	0.40%	23	0.35%	32	0.45%
Other	314	4.79%	499	7.95%	460	7.01%	427	5.98%
Total	6,549	100.00%	6,277	100.00%	6,565	100.00%	7,139	100.00%
Age								
Under 18	2,571	39.26%	2,276	36.26%	2,373	36.15%	2,688	37.65%
18 - 21	2,507	38.28%	2,552	40.66%	2,614	39.82%	2,739	38.37%
22 - 24	453	6.92%	440	7.01%	448	6.82%	500	7.00%
25 - 35	685	10.46%	689	10.98%	780	11.88%	783	10.97%
36 - 50	279	4.26%	271	4.32%	292	4.45%	363	5.08%
51 & over	54	0.82%	49	0.78%	58	0.88%	66	0.92%
Total	6,549	100.00%	6,277	100.00%	6,565	100.00%	7,139	100.00%
Average Age	20		21		21		21	

NAVARRO COLLEGE DISTRICT
STUDENT PROFILE
LAST TEN FISCAL YEARS (UNAUDITED)

Table 17
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Gender	Fall 2019		Fall 2018		Fall 2017		Fall 2016	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	4,983	60.97%	5,153	59.91%	5,314	59.26%	5,270	57.10%
Male	3,190	39.03%	3,448	40.09%	3,654	40.74%	3,960	42.90%
Total	8,173	100.00%	8,601	100.00%	8,968	100.00%	9,230	100.00%
Ethnic Origin								
White	4,654	56.94%	4,886	56.81%	4,864	54.24%	5,208	56.42%
Hispanic	1,589	19.44%	1,687	19.61%	1,987	22.16%	1,980	21.45%
African American	1,319	16.14%	1,432	16.65%	1,596	17.80%	1,599	17.32%
Asian	80	0.98%	83	0.97%	89	0.99%	102	1.11%
Foreign	55	0.67%	76	0.88%	104	1.16%	130	1.41%
Native American	37	0.45%	42	0.49%	54	0.60%	62	0.67%
Other	439	5.37%	395	4.59%	274	3.06%	149	1.61%
Total	8,173	100.00%	8,601	100.00%	8,968	100.00%	9,230	100.00%
Age								
Under 18	3,062	37.46%	3,122	36.30%	3,212	35.82%	3,383	36.65%
18 - 21	3,062	37.46%	3,272	38.04%	3,385	37.75%	3,393	36.76%
22 - 24	591	7.23%	628	7.30%	655	7.30%	694	7.52%
25 - 35	944	11.55%	1,003	11.66%	1,090	12.15%	1,070	11.59%
36 - 50	436	5.33%	481	5.59%	522	5.82%	560	6.07%
51 & over	78	0.95%	95	1.10%	104	1.16%	130	1.41%
Total	8,173	100.00%	8,601	100.00%	8,968	100.00%	9,230	100.00%
Average Age	21		21		22		23	



NAVARRO COLLEGE DISTRICT
STUDENT PROFILE
LAST TEN FISCAL YEARS (UNAUDITED)

Table 17
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Gender	Fall 2015		Fall 2014	
	Number	Percent	Number	Percent
Female	5,565	58.71%	5,904	59.05%
Male	3,913	41.29%	4,095	40.95%
Total	9,478	100.00%	9,999	100.00%

Ethnic Origin				
White	5,404	57.02%	5,710	57.11%
Hispanic	1,830	19.31%	1,795	17.95%
African American	1,859	19.61%	2,109	21.09%
Asian	80	0.84%	74	0.74%
Foreign	111	1.17%	131	1.31%
Native American	58	0.61%	62	0.62%
Other	136	1.43%	118	1.18%
Total	9,478	100.00%	9,999	100.00%

Age				
Under 18	3,037	32.04%	2,474	24.74%
18 - 21	3,584	37.81%	3,855	38.55%
22 - 24	787	8.30%	905	9.05%
25 - 35	1,217	12.84%	1,587	15.87%
36 - 50	685	7.23%	927	9.27%
51 & over	168	1.77%	251	2.51%
Total	9,478	100.00%	9,999	100.00%

Average Age	23	24
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NAVARRO COLLEGE DISTRICT
TRANSFERS TO SENIOR INSTITUTIONS
(Includes only Public Senior Colleges in Texas)
LAST TEN FISCAL YEARS (UNAUDITED)

Table 18
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Name	2022-2023 Graduate as of Fall 2022				
	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep		
1 Angelo State University	4	0	0	4	0.39%
2 Lamar University	4	0	0	4	0.39%
3 Midwestern State University	7	1	0	8	0.77%
4 Prairie View A&M University	12	0	0	12	1.16%
5 Sam Houston State University	57	5	0	62	5.97%
6 Stephen F. Austin State University	32	2	0	34	3.28%
7 Sul Ross State University	2	0	0	2	0.19%
8 Sul Ross State University - Rio Grande College	0	0	0	0	0.00%
9 Tarleton State University	133	7	0	140	13.49%
10 Texas A&M International University	1	0	0	1	0.10%
11 Texas A&M University	118	0	0	118	11.37%
12 Texas A&M University at Commerce	67	3	0	70	6.74%
13 Texas A&M University at Corpus Christi	5	0	0	5	0.48%
14 Texas A&M University at Galveston	6	0	0	6	0.58%
15 Texas A&M University at Kingsville	3	0	0	3	0.29%
16 Texas A&M University at San Antonio	1	0	0	1	0.10%
17 Texas A&M University at Texarkana	2	1	0	3	0.29%
18 Texas Southern University	7	0	0	7	0.67%
19 Texas State University	47	2	0	49	4.72%
20 Texas Tech University	83	1	0	84	8.09%
21 Texas Woman's University	21	1	0	22	2.12%
22 The University of Texas - Pan American	0	0	0	0	0.00%
23 The University of Texas at Arlington	142	11	0	153	14.74%
24 The University of Texas at Austin	46	3	0	49	4.72%
25 The University of Texas at Dallas	18	1	0	19	1.83%
26 The University of Texas at El Paso	0	0	0	0	0.00%
27 The University of Texas at Rio Grand Valley	0	0	0	0	0.00%
28 The University of Texas at San Antonio	7	0	0	7	0.67%
29 The University of Texas at Tyler	24	0	0	24	2.31%
30 The University of Texas of the Permian Basin	2	0	0	2	0.19%
31 University of Houston	15	0	0	15	1.45%
32 University of Houston at Clear Lake	0	0	0	0	0.00%
33 University of Houston at Downtown	1	0	0	1	0.10%
34 University of Houston at Victoria	1	0	0	1	0.10%
35 University of North Texas	105	3	0	108	10.40%
36 University of North Texas at Dallas	16	3	0	19	1.83%
37 West Texas A&M University	5	0	0	5	0.48%
Totals	994	44	-	1,038	100.00%

Source: Texas Higher Education Coordinating Board

Note: Information not available for ten years of trend information.

NAVARRO COLLEGE DISTRICT
TRANSFERS TO SENIOR INSTITUTIONS
(Includes only Public Senior Colleges in Texas)
LAST TEN FISCAL YEARS (UNAUDITED)

Table 18
Page 2 of 9

Name	2021-2022 Graduate as of Fall 2022				
	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep		
1 Angelo State University	4	0	0	4	0.39%
2 Lamar University	4	0	0	4	0.39%
3 Midwestern State University	7	1	0	8	0.77%
4 Prairie View A&M University	12	0	0	12	1.16%
5 Sam Houston State University	57	5	0	62	5.97%
6 Stephen F. Austin State University	32	2	0	34	3.28%
7 Sul Ross State University	2	0	0	2	0.19%
8 Sul Ross State University - Rio Grande College	0	0	0	0	0.00%
9 Tarleton State University	133	7	0	140	13.49%
10 Texas A&M International University	1	0	0	1	0.10%
11 Texas A&M University	118	0	0	118	11.37%
12 Texas A&M University at Commerce	67	3	0	70	6.74%
13 Texas A&M University at Corpus Christi	5	0	0	5	0.48%
14 Texas A&M University at Galveston	6	0	0	6	0.58%
15 Texas A&M University at Kingsville	3	0	0	3	0.29%
16 Texas A&M University at San Antonio	1	0	0	1	0.10%
17 Texas A&M University at Texarkana	2	1	0	3	0.29%
18 Texas Southern University	7	0	0	7	0.67%
19 Texas State University	47	2	0	49	4.72%
20 Texas Tech University	83	1	0	84	8.09%
21 Texas Woman's University	21	1	0	22	2.12%
22 The University of Texas - Pan American	0	0	0	0	0.00%
23 The University of Texas at Arlington	142	11	0	153	14.74%
24 The University of Texas at Austin	46	3	0	49	4.72%
25 The University of Texas at Dallas	18	1	0	19	1.83%
26 The University of Texas at El Paso	0	0	0	0	0.00%
27 The University of Texas at Rio Grand Valley	0	0	0	0	0.00%
28 The University of Texas at San Antonio	7	0	0	7	0.67%
29 The University of Texas at Tyler	24	0	0	24	2.31%
30 The University of Texas of the Permian Basin	2	0	0	2	0.19%
31 University of Houston	15	0	0	15	1.45%
32 University of Houston at Clear Lake	0	0	0	0	0.00%
33 University of Houston at Downtown	1	0	0	1	0.10%
34 University of Houston at Victoria	1	0	0	1	0.10%
35 University of North Texas	105	3	0	108	10.40%
36 University of North Texas at Dallas	16	3	0	19	1.83%
37 West Texas A&M University	5	0	0	5	0.48%
Totals	<u>994</u>	<u>44</u>	<u>-</u>	<u>1,038</u>	<u>100.00%</u>

Source: Texas Higher Education Coordinating Board

Note: Information not available for ten years of trend information.

NAVARRO COLLEGE DISTRICT
TRANSFERS TO SENIOR INSTITUTIONS
(Includes only Public Senior Colleges in Texas)
LAST TEN FISCAL YEARS (UNAUDITED)

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Name	2020-2021 Graduate as of Fall 2021				
	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep		
1 Angelo State University	3	0	0	3	0.29%
2 Lamar University	1	0	0	1	0.10%
3 Midwestern State University	6	0	0	6	0.59%
4 Prairie View A&M University	13	0	0	13	1.27%
5 Sam Houston State University	59	4	0	63	6.15%
6 Stephen F. Austin State University	31	5	0	36	3.51%
7 Sul Ross State University	0	0	0	0	0.00%
8 Sul Ross State University - Rio Grande College	0	0	0	0	0.00%
9 Tarleton State University	127	15	0	142	13.85%
10 Texas A&M International University	1	0	0	1	0.10%
11 Texas A&M University	102	4	0	106	10.34%
12 Texas A&M University at Commerce	70	6	0	76	7.41%
13 Texas A&M University at Corpus Christi	7	0	0	7	0.68%
14 Texas A&M University at Galveston	4	0	0	4	0.39%
15 Texas A&M University at Kingsville	3	0	0	3	0.29%
16 Texas A&M University at San Antonio	0	0	0	0	0.00%
17 Texas A&M University at Texarkana	4	0	0	4	0.39%
18 Texas Southern University	1	1	0	2	0.20%
19 Texas State University	52	1	0	53	5.17%
20 Texas Tech University	84	4	0	88	8.59%
21 Texas Woman's University	33	2	0	35	3.41%
22 The University of Texas - Pan American	0	0	0	0	0.00%
23 The University of Texas at Arlington	146	8	0	154	15.02%
24 The University of Texas at Austin	35	2	0	37	3.61%
25 The University of Texas at Dallas	19	3	0	22	2.15%
26 The University of Texas at El Paso	1	0	0	1	0.10%
27 The University of Texas at Rio Grand Valley	0	0	0	0	0.00%
28 The University of Texas at San Antonio	6	0	0	6	0.59%
29 The University of Texas at Tyler	36	3	0	39	3.80%
30 The University of Texas of the Permian Basin	3	0	0	3	0.29%
31 University of Houston	9	1	0	10	0.98%
32 University of Houston at Clear Lake	0	0	0	0	0.00%
33 University of Houston at Downtown	1	0	0	1	0.10%
34 University of Houston at Victoria	1	0	0	1	0.10%
35 University of North Texas	80	7	0	87	8.49%
36 University of North Texas at Dallas	14	0	0	14	1.37%
37 West Texas A&M University	7	0	0	7	0.68%
Totals	<u>959</u>	<u>66</u>	<u>-</u>	<u>1,025</u>	<u>100.00%</u>

Source: Texas Higher Education Coordinating Board

Note: Information not available for ten years of trend information.

NAVARRO COLLEGE DISTRICT
TRANSFERS TO SENIOR INSTITUTIONS
(Includes only Public Senior Colleges in Texas)
LAST TEN FISCAL YEARS (UNAUDITED)

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Name	2019-2020 Graduate as of Fall 2020				
	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep		
1 Angelo State University	6	1	0	7	0.68%
2 Lamar University	2	0	0	2	0.20%
3 Midwestern State University	9	0	0	9	0.88%
4 Prairie View A&M University	15	1	0	16	1.56%
5 Sam Houston State University	76	5	0	81	7.90%
6 Stephen F. Austin State University	39	0	0	39	3.80%
7 Sul Ross State University	0	0	0	0	0.00%
8 Sul Ross State University - Rio Grande College	0	0	0	0	0.00%
9 Tarleton State University	174	16	0	190	18.54%
10 Texas A&M International University	0	0	0	0	0.00%
11 Texas A&M University	111	1	0	112	10.93%
12 Texas A&M University at Commerce	87	3	0	90	8.78%
13 Texas A&M University at Corpus Christi	9	0	0	9	0.88%
14 Texas A&M University at Galveston	1	1	0	2	0.20%
15 Texas A&M University at Kingsville	6	0	0	6	0.59%
16 Texas A&M University at San Antonio	0	0	0	0	0.00%
17 Texas A&M University at Texarkana	2	0	0	2	0.20%
18 Texas Southern University	4	1	0	5	0.49%
19 Texas State University	56	1	0	57	5.56%
20 Texas Tech University	82	5	0	87	8.49%
21 Texas Woman's University	26	1	0	27	2.63%
22 The University of Texas - Pan American	0	0	0	0	0.00%
23 The University of Texas at Arlington	208	24	0	232	22.63%
24 The University of Texas at Austin	35	2	0	37	3.61%
25 The University of Texas at Dallas	28	0	0	28	2.73%
26 The University of Texas at El Paso	1	0	0	1	0.10%
27 The University of Texas at Rio Grand Valley	0	0	0	0	0.00%
28 The University of Texas at San Antonio	9	0	0	9	0.88%
29 The University of Texas at Tyler	36	2	0	38	3.71%
30 The University of Texas of the Permian Basin	4	0	0	4	0.39%
31 University of Houston	5	0	0	5	0.49%
32 University of Houston at Clear Lake	1	0	0	1	0.10%
33 University of Houston at Downtown	0	0	0	0	0.00%
34 University of Houston at Victoria	0	0	0	0	0.00%
35 University of North Texas	85	3	0	88	8.59%
36 University of North Texas at Dallas	25	3	0	28	2.73%
37 West Texas A&M University	6	0	0	6	0.59%
Totals	1,148	70	-	1,218	118.83%

Source: Texas Higher Education Coordinating Board

Note: Information not available for ten years of trend information.

NAVARRO COLLEGE DISTRICT
TRANSFERS TO SENIOR INSTITUTIONS
(Includes only Public Senior Colleges in Texas)
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Name	2018-2019 Graduate as of Fall 2019				
	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep	Students	Students
1 Angelo State University	9	0	0	9	0.88%
2 Lamar University	5	1	0	6	0.59%
3 Midwestern State University	8	0	0	8	0.78%
4 Prairie View A&M University	5	1	0	6	0.59%
5 Sam Houston State University	95	2	0	97	9.46%
6 Stephen F. Austin State University	48	2	0	50	4.88%
7 Sul Ross State University	0	0	0	0	0.00%
8 Sul Ross State University - Rio Grande College	0	0	0	0	0.00%
9 Tarleton State University	180	8	0	188	18.34%
10 Texas A&M International University	0	0	0	0	0.00%
11 Texas A&M University	133	1	0	134	13.07%
12 Texas A&M University at Commerce	125	5	0	130	12.68%
13 Texas A&M University at Corpus Christi	2	0	0	2	0.20%
14 Texas A&M University at Galveston	5	0	0	5	0.49%
15 Texas A&M University at Kingsville	2	0	0	2	0.20%
16 Texas A&M University at San Antonio	1	0	0	1	0.10%
17 Texas A&M University at Texarkana	1	0	0	1	0.10%
18 Texas Southern University	10	2	0	12	1.17%
19 Texas State University	81	6	0	87	8.49%
20 Texas Tech University	78	1	0	79	7.71%
21 Texas Woman's University	30	0	1	31	3.02%
22 The University of Texas - Pan American	0	0	0	0	0.00%
23 The University of Texas at Arlington	193	22	0	215	20.98%
24 The University of Texas at Austin	33	2	0	35	3.41%
25 The University of Texas at Dallas	21	0	0	21	2.05%
26 The University of Texas at El Paso	1	0	0	1	0.10%
27 The University of Texas at Rio Grand Valley	1	0	0	1	0.10%
28 The University of Texas at San Antonio	11	1	0	12	1.17%
29 The University of Texas at Tyler	49	4	0	53	5.17%
30 The University of Texas of the Permian Basin	3	0	0	3	0.29%
31 University of Houston	9	1	0	10	0.98%
32 University of Houston at Clear Lake	0	0	0	0	0.00%
33 University of Houston at Downtown	2	0	0	2	0.20%
34 University of Houston at Victoria	2	0	0	2	0.20%
35 University of North Texas	104	6	0	110	10.73%
36 University of North Texas at Dallas	33	2	0	35	3.41%
37 West Texas A&M University	4	0	0	4	0.39%
Totals	<u>1,284</u>	<u>67</u>	<u>1</u>	<u>1,352</u>	<u>131.90%</u>

Source: Texas Higher Education Coordinating Board

Note: Information not available for ten years of trend information.

NAVARRO COLLEGE DISTRICT
TRANSFERS TO SENIOR INSTITUTIONS
(Includes only Public Senior Colleges in Texas)
LAST TEN FISCAL YEARS (UNAUDITED)

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Name	2017-2018 Graduate as of Fall 2018				
	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep	Students	Students
1 Angelo State University	5	0	0	5	0.37%
2 Lamar University	3	0	0	3	0.22%
3 Midwestern State University	12	1	0	13	0.96%
4 Prairie View A&M University	13	0	0	13	0.96%
5 Sam Houston State University	90	7	0	97	7.14%
6 Stephen F. Austin State University	56	3	0	59	4.34%
7 Sul Ross State University	0	0	0	0	0.00%
8 Sul Ross State University - Rio Grande College	0	0	0	0	0.00%
9 Tarleton State University	174	13	0	187	13.76%
10 Texas A&M International University	0	0	0	0	0.00%
11 Texas A&M University	126	2	0	128	9.42%
12 Texas A&M University at Commerce	142	6	0	148	10.89%
13 Texas A&M University at Corpus Christi	8	0	0	8	0.59%
14 Texas A&M University at Galveston	2	0	0	2	0.15%
15 Texas A&M University at Kingsville	1	0	0	1	0.07%
16 Texas A&M University at San Antonio	2	1	0	3	0.22%
17 Texas A&M University at Texarkana	1	0	0	1	0.07%
18 Texas Southern University	5	2	0	7	0.52%
19 Texas State University	63	0	0	63	4.64%
20 Texas Tech University	76	5	0	81	5.96%
21 Texas Woman's University	27	4	0	31	2.28%
22 The University of Texas - Pan American	0	0	0	0	0.00%
23 The University of Texas at Arlington	184	28	0	212	15.60%
24 The University of Texas at Austin	46	3	0	49	3.61%
25 The University of Texas at Dallas	20	0	0	20	1.47%
26 The University of Texas at El Paso	0	0	0	0	0.00%
27 The University of Texas at Rio Grand Valley	2	0	0	2	0.15%
28 The University of Texas at San Antonio	7	0	0	7	0.52%
29 The University of Texas at Tyler	58	2	0	60	4.42%
30 The University of Texas of the Permian Basin	2	0	0	2	0.15%
31 University of Houston	15	1	0	16	1.18%
32 University of Houston at Clear Lake	1	0	0	1	0.07%
33 University of Houston at Downtown	2	0	0	2	0.15%
34 University of Houston at Victoria	3	0	0	3	0.22%
35 University of North Texas	88	5	1	94	6.95%
36 University of North Texas at Dallas	28	4	0	32	2.37%
37 West Texas A&M University	9	0	0	9	0.67%
Totals	<u>1,271</u>	<u>87</u>	<u>1</u>	<u>1,359</u>	<u>100.05%</u>

Source: Texas Higher Education Coordinating Board

Note: Information not available for ten years of trend information.

NAVARRO COLLEGE DISTRICT
TRANSFERS TO SENIOR INSTITUTIONS
(Includes only Public Senior Colleges in Texas)
LAST TEN FISCAL YEARS (UNAUDITED)

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Name	2016 - 2017 Graduate as of Fall 2017				
	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep		
1 Angelo State University	4	0	0	4	0.29%
2 Lamar University	4	0	0	4	0.29%
3 Midwestern State University	15	1	0	16	1.18%
4 Prairie View A&M University	7	1	0	8	0.59%
5 Sam Houston State University	86	7	1	94	6.92%
6 Stephen F. Austin State University	59	4	2	65	4.78%
7 Sul Ross State University	1	0	0	1	0.07%
8 Sul Ross State University - Rio Grande College	0	0	0	0	0.00%
9 Tarleton State University	167	9	1	177	13.02%
10 Texas A&M International University	1	0	0	1	0.07%
11 Texas A&M University	140	2	0	142	10.45%
12 Texas A&M University at Commerce	177	13	1	191	14.05%
13 Texas A&M University at Corpus Christi	10	0	0	10	0.74%
14 Texas A&M University at Galveston	8	0	0	8	0.59%
15 Texas A&M University at Kingsville	2	0	0	2	0.15%
16 Texas A&M University at San Antonio	0	0	0	0	0.00%
17 Texas A&M University at Texarkana	0	0	0	0	0.00%
18 Texas Southern University	7	0	0	7	0.52%
19 Texas State University	82	2	0	84	6.18%
20 Texas Tech University	93	4	1	98	7.21%
21 Texas Woman's University	34	5	0	39	2.87%
22 The University of Texas - Pan American	0	0	0	0	0.00%
23 The University of Texas at Arlington	189	17	0	206	15.16%
24 The University of Texas at Austin	35	3	0	38	2.80%
25 The University of Texas at Dallas	20	1	2	23	1.69%
26 The University of Texas at El Paso	4	0	0	4	0.29%
27 The University of Texas at Rio Grand Valley	0	0	0	0	0.00%
28 The University of Texas at San Antonio	10	1	0	11	0.81%
29 The University of Texas at Tyler	53	3	0	56	4.12%
30 The University of Texas of the Permian Basin	26	2	0	28	2.06%
31 University of Houston	24	0	0	24	1.77%
32 University of Houston at Clear Lake	0	0	0	0	0.00%
33 University of Houston at Downtown	0	0	0	0	0.00%
34 University of Houston at Victoria	6	0	0	6	0.44%
35 University of North Texas	87	4	0	91	6.70%
36 University of North Texas at Dallas	32	3	0	35	2.58%
37 West Texas A&M University	6	0	0	6	0.44%
Totals	<u>1,389</u>	<u>82</u>	<u>8</u>	<u>1,479</u>	<u>108.83%</u>

Source: Texas Higher Education Coordinating Board

Note: Information not available for ten years of trend information.

NAVARRO COLLEGE DISTRICT
TRANSFERS TO SENIOR INSTITUTIONS
(Includes only Public Senior Colleges in Texas)
LAST TEN FISCAL YEARS (UNAUDITED)

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Name	2015 - 2016 Graduate as of Fall 2016				
	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep		
1 Angelo State University	5	0	0	5	0.34%
2 Lamar University	5	1	1	7	0.48%
3 Midwestern State University	9	0	1	10	0.69%
4 Prairie View A&M University	3	1	0	4	0.28%
5 Sam Houston State University	93	5	4	102	7.03%
6 Stephen F. Austin State University	56	0	2	58	4.00%
7 Sul Ross State University	3	0	0	3	0.21%
8 Sul Ross State University - Rio Grande College	0	0	0	0	0.00%
9 Tarleton State University	166	8	8	182	12.54%
10 Texas A&M International University	0	0	0	0	0.00%
11 Texas A&M University	134	5	1	140	9.65%
12 Texas A&M University at Commerce	202	13	4	219	15.09%
13 Texas A&M University at Corpus Christi	15	1	1	17	1.17%
14 Texas A&M University at Galveston	5	0	0	5	0.34%
15 Texas A&M University at Kingsville	3	0	0	3	0.21%
16 Texas A&M University at San Antonio	0	0	0	0	0.00%
17 Texas A&M University at Texarkana	0	0	0	0	0.00%
18 Texas Southern University	5	1	0	6	0.41%
19 Texas State University	73	5	1	79	5.44%
20 Texas Tech University	71	3	1	75	5.17%
21 Texas Woman's University	27	3	1	31	2.14%
22 The University of Texas - Pan American	0	0	0	0	0.00%
23 The University of Texas at Arlington	186	21	4	211	14.54%
24 The University of Texas at Austin	28	1	0	29	2.00%
25 The University of Texas at Dallas	29	1	1	31	2.14%
26 The University of Texas at El Paso	2	1	0	3	0.21%
27 The University of Texas at Rio Grand Valley	0	0	0	0	0.00%
28 The University of Texas at San Antonio	16	1	1	18	1.24%
29 The University of Texas at Tyler	40	9	1	50	3.45%
30 The University of Texas of the Permian Basin	5	0	0	5	0.34%
31 University of Houston	12	0	0	12	0.83%
32 University of Houston at Clear Lake	0	0	0	0	0.00%
33 University of Houston at Downtown	1	0	0	1	0.07%
34 University of Houston at Victoria	0	0	0	0	0.00%
35 University of North Texas	114	6	1	121	8.18%
36 University of North Texas at Dallas	16	2	0	18	1.22%
37 West Texas A&M University	5	1	0	6	0.41%
Totals	<u>1,329</u>	<u>89</u>	<u>33</u>	<u>1,451</u>	<u>99.81%</u>

Source: Texas Higher Education Coordinating Board

Note: Information not available for ten years of trend information.



NAVARRO COLLEGE DISTRICT
TRANSFERS TO SENIOR INSTITUTIONS
(Includes only Public Senior Colleges in Texas)
LAST TEN FISCAL YEARS (UNAUDITED)

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Name	2014 - 2015 Graduate as of Fall 2015				
	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep		
1 Angelo State University	11	1	1	13	0.89%
2 Lamar University	10	1	0	11	0.75%
3 Midwestern State University	15	0	0	15	1.02%
4 Prairie View A&M University	7	1	0	8	0.54%
5 Sam Houston State University	79	1	4	84	5.72%
6 Stephen F. Austin State University	60	7	2	69	4.70%
7 Sul Ross State University	1	0	0	1	0.07%
8 Sul Ross State University - Rio Grande College	0	0	0	0	0.00%
9 Tarleton State University	145	13	11	169	11.51%
10 Texas A&M International University	0	0	0	0	0.00%
11 Texas A&M University	161	0	3	164	11.17%
12 Texas A&M University at Commerce	161	13	7	181	12.33%
13 Texas A&M University at Corpus Christi	8	1	0	9	0.61%
14 Texas A&M University at Galveston	6	0	0	6	0.41%
15 Texas A&M University at Kingsville	3	0	0	3	0.20%
16 Texas A&M University at San Antonio	0	0	0	0	0.00%
17 Texas A&M University at Texarkana	0	0	0	0	0.00%
18 Texas Southern University	6	0	0	6	0.41%
19 Texas State University	101	2	1	104	7.08%
20 Texas Tech University	86	6	1	93	6.34%
21 Texas Woman's University	33	8	0	41	2.79%
22 The University of Texas - Pan American	0	0	0	0	0.00%
23 The University of Texas at Arlington	198	30	2	230	15.67%
24 The University of Texas at Austin	34	1	0	35	2.38%
25 The University of Texas at Dallas	30	1	1	32	2.18%
26 The University of Texas at El Paso	1	0	0	1	0.07%
27 The University of Texas at Rio Grand Valley	0	0	0	0	0.00%
28 The University of Texas at San Antonio	7	0	0	7	0.48%
29 The University of Texas at Tyler	41	2	1	44	3.00%
30 The University of Texas of the Permian Basin	5	0	0	5	0.34%
31 University of Houston	14	1	0	15	1.02%
32 University of Houston at Clear Lake	0	0	0	0	0.00%
33 University of Houston at Downtown	0	0	0	0	0.00%
34 University of Houston at Victoria	0	0	0	0	0.00%
35 University of North Texas	104	1	0	105	7.24%
36 University of North Texas at Dallas	12	3	1	16	1.10%
37 West Texas A&M University	1	0	0	1	0.07%
Totals	<u>1,340</u>	<u>93</u>	<u>35</u>	<u>1,468</u>	<u>100.10%</u>

Source: Texas Higher Education Coordinating Board

Note: Information not available for ten years of trend information.

NAVARRO COLLEGE DISTRICT
CAPITAL ASSET INFORMATION
LAST TEN FISCAL YEARS (UNAUDITED)

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	2024	2023	2022	2021	2020
Academic buildings	19	19	19	19	19
Square footage (in thousands)	296,531	296,531	296,531	296,531	296,531
Libraries	3	3	3	3	3
Square footage (in thousands)	30,000	30,000	30,000	30,000	30,000
Number of Volumes (in thousands)	58,392	57,437	57,212	57,212	56,875
Administrative and support buildings	10	10	10	10	10
Square footage (in thousands)	208,514	208,514	208,514	208,514	208,514
Dormitories/Apartments	27	27	27	22	22
Square footage (in thousands)	200,487	200,487	200,487	174,848	174,848
Number of Beds			860	860	860
Dining Facilities	1	1	1	2	2
Square footage (in thousands)	21,888	21,888	21,888	25,100	25,100
Average daily customers	549		555	991	1,337
Athletic Facilities	12	12	12	12	12
Square footage (in thousands)	77,658	77,658	77,658	77,658	77,658
Gymnasiums/Weight Room	2	2	2	2	2
Tennis Court	-	-	-	-	-
Physical Plant Facilities	3	3	3	5	5
Square footage (in thousands)	23,123	23,123	23,123	23,140	23,140
Houses	11	13	16	16	16
Square footage (in thousands)	20,426	23,063	29,207	29,207	29,207
Transportation	62	60	63	45	55
Cars	11	11	17	17	20
Light Trucks/Vans	47	45	42	21	31
Buses	4	4	4	7	4

NAVARRO COLLEGE DISTRICT
CAPITAL ASSET INFORMATION
LAST TEN FISCAL YEARS (UNAUDITED)

Table 19
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	2019	2018	2017	2016	2015
Academic buildings	19	19	22	22	22
Square footage (in thousands)	296,531	296,531	355,002	355,002	355,002
Libraries	3	3	3	3	3
Square footage (in thousands)	30,000	29,540	29,540	29,540	29,540
Number of Volumes (in thousands)	56,875	61,047	60,617	56,507	59,898
Administrative and support buildings	10	10	5	5	5
Square footage (in thousands)	208,514	208,514	108,847	108,847	108,847
Dormitories/Apartments	22	22	24	24	24
Square footage (in thousands)	174,848	174,848	169,304	169,304	169,304
Number of Beds	860	860	860	860	860
Dining Facilities	2	2	2	2	2
Square footage (in thousands)	25,100	25,100	25,100	25,100	25,100
Average daily customers	1,337	1,564	1,074	1,198	1,302
Athletic Facilities	12	12	7	7	7
Square footage (in thousands)	77,658	77,658	81,708	81,708	81,708
Gymnasiums/Weight Room	2	2	2	2	2
Tennis Court	-	-	-	-	-
Physical Plant Facilities	5	5	3	3	3
Square footage (in thousands)	23,140	23,140	23,023	23,023	23,023
Houses	16	16	15	14	14
Square footage (in thousands)	29,207	29,207	26,835	25,535	25,535
Transportation	55	60	53	48	48
Cars	20	22	14	12	11
Light Trucks/Vans	31	34	35	32	33
Buses	4	4	4	4	4



**OVERALL COMPLIANCE, INTERNAL CONTROL, AND
FEDERAL AND STATE AWARDS SECTION**



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

To the Board of Trustees
Navarro College District

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 (*Government Auditing Standards*), the financial statements of the business-type activities of Navarro 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. Our report includes a reference to other auditors who audited the financial statements of Navarro College Foundation (the “Foundation”), as described in our report on the District’s financial statements. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Foundation.

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 opinion 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 entity’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.

To the Board of Trustees
Navarro College District

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*.

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.

Handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive style with a large, stylized "P" for "Penn".

Houston, Texas
December 12, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
AND THE TEXAS GRANT MANAGEMENT STANDARDS**

To the Board of Trustees
Navarro College District

Report on Compliance for Each Major Federal and State Program

Opinion On Each Major Federal and State Program

We have audited Navarro College District's (the "District") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the Texas Grant Management Standards (TxGMS) that could have a direct and material effect on each of the District's major federal and state programs for the year ended August 31, 2024. The 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, the District complied, in all material respects, with the 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 audit requirements of the TxGMS. Our responsibilities under those standards, the Uniform Guidance, and the TxGMS are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's 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 the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the TxGMS will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal and state program as a whole.

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

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any 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 or 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 or 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 or 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.

To the Board of Trustees
Navarro College District

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 TxGMS. Accordingly, this report is not suitable for any other purpose.

Whitley Penn LLP

Houston, Texas
December 12, 2024

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness (es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness (es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance with major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or TxGMS?	No

Identification of Federal major programs:

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Number (ALN)</u>
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US Department of Education

Student Financial Assistance Cluster:

<i>Federal Supplemental Education Opportunity Grant Program</i>	84.007
<i>Federal Work Study Program</i>	84.033
<i>Federal Pell Grant Program</i>	84.063
<i>Federal Direct Student Loans</i>	84.268

Identification of State major program:

<u>Name of State Program</u>	
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<i>Texas Education Opportunity Grant</i>	N/A
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Dollar Threshold Considered Between Type A and Type B Federal Programs:	\$750,000
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Dollar Threshold Considered Between Type A and Type B State Programs:	\$750,000
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Federal Single Audit - Auditee qualified as low risk auditee?	Yes
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State Single Audit - Auditee qualified as low risk auditee?	Yes
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II - Financial Statement Findings

None noted.

III - Federal Award Findings and Questioned Costs

None noted.

IV - State Award Findings and Questioned Costs

None noted.

NAVARRO COLLEGE DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended August 31, 2024

Federal regulations, Title 2 U.S. Code of Federal Regulations Section 200.511 states, "The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings". The summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit's schedule of findings and questioned costs and
- All audit findings reported in the prior audit's summary schedule of prior audit findings except audit findings listed as corrected.

The Summary Schedule of Prior Audit Findings for the year ended August 31, 2024 has been prepared to address these responsibilities.

I. Prior Audit Findings

Not Applicable.

NAVARRO COLLEGE DISTRICT

CORRECTIVE ACTION PLAN

Year Ended August 31, 2024

Federal regulations, Title 2 U.S. Code of Federal Regulations §200.511 states, “At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan to address each audit finding included in the current year auditor's reports.”

As part of this responsibility, the District’s corrective action plans are presented below.

I. Corrective Action Plan

Not Applicable.

