



Blinn College District

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Brenham, Texas



*For the fiscal years
ended August 31, 2024
and August 31, 2023*

BLINN COLLEGE DISTRICT

Brenham, Texas

Annual Comprehensive Financial Report

For the Years Ended
August 31, 2024 and 2023

Prepared by:

Business and Finance Division

BLINN COLLEGE DISTRICT
Table of Contents

Page

INTRODUCTORY SECTION

| | |
|--|----|
| Letters of Transmittal..... | 2 |
| Organizational Data | 9 |
| GFOA Certificate of Achievement for Excellence in Financial Reporting..... | 10 |

FINANCIAL SECTION

| | |
|--|----|
| <i>Independent Auditors' Report on the Financial Statements and Supplemental Information</i> | 12 |
| <i>Management's Discussion and Analysis</i> | 15 |

Basic Financial Statements

| | |
|---|----|
| Statements of Net Position (Exhibit 1)..... | 25 |
| Statements of Financial Position (Exhibit 1-A) | 26 |
| Statements of Revenues, Expenses, and Changes in Net Position (Exhibit 2) | 27 |
| Statements of Activities (Exhibit 2-A)..... | 28 |
| Statements of Cash Flows (Exhibit 3)..... | 30 |
| Notes to Financial Statements..... | 31 |

Required Supplementary Information (RSI) Schedules

| | |
|---|----|
| Schedule of District's Proportionate Share of Net Pension Liability | 69 |
| Schedule of District's Pension Contributions | 70 |
| Schedule of District's Proportionate Share of Net OPEB Liability..... | 71 |
| Schedule of District's OPEB Contributions..... | 72 |
| Notes to Required Supplementary Information (RSI) – For Pensions..... | 73 |
| Notes to Required Supplementary Information (RSI) – For OPEB..... | 74 |

Supplementary Schedules

| | |
|--|----|
| Schedules | |
| A Schedule of Operating Revenues | 75 |
| B Schedule of Operating Expenses by Object | 76 |
| C Schedule of Non-Operating Revenues and Expenses | 77 |
| D Schedule of Net Position by Source and Availability | 78 |
| E Schedule of Expenditures of Federal Awards | 79 |
| F Schedule of Expenditures of State Awards | 80 |
| Notes to Schedules of Expenditures of Federal and State Awards | 81 |

BLINN COLLEGE

Table of Contents (Continued)

Page

STATISTICAL SUPPLEMENTS (UNAUDITED)

Schedules

| | |
|---|-----|
| Net Position by Component | 83 |
| Revenues by Source | 84 |
| Program Expenses by Function..... | 85 |
| Tuition and Fees | 86 |
| Assessed Value and Taxable Assessed Value of Property..... | 87 |
| State Appropriation per FTSE and Contact Hour | 88 |
| Principal Taxpayers..... | 94 |
| Property Tax Levies and Collections | 96 |
| Ratios of Outstanding Debt..... | 97 |
| Legal Debt Margin Information | 98 |
| Pledged Revenue Coverage – Revenue Bonds | 99 |
| Demographic and Economic Statistics – Taxing District | 100 |
| Principal Employers of Washington County..... | 101 |
| Faculty, Staff, and Administrators Statistics..... | 102 |
| Enrollment Details | 103 |
| Student Profile..... | 105 |
| Transfers to Senior Institutions | 106 |
| Schedule of Capital Asset Information | 108 |

AUDITOR’S REPORTS ON CONTROLS AND COMPLIANCE AND SCHEDULE OF FINDINGS AND QUESTIONED COSTS

| | |
|---|-----|
| 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 <i>Governmental Auditing Standards</i> | 110 |
| Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by The Uniform Guidance and The State of Texas Single Audit Circular | 112 |
| Schedule of Findings and Questioned Costs..... | 115 |

INTRODUCTORY SECTION



November 27, 2024

**Chancellor of the
Blinn College District**
Mary Hensley, Ed.D.

BOARD OF TRUSTEES

Chair

Jim Kolkhorst

Vice Chair

Allison Bentke

Secretary

Randy Wells

Members

Diane Kettler

Rebecca Ehlert

Richard O'Malley

Dennis Crowson

To the Board of Trustees and Citizens Who Support the Blinn College District,

I am pleased to present the Annual Comprehensive Financial Report for the fiscal year ending August 31, 2024. This report has been prepared to provide the public with a complete and transparent financial overview of the Blinn College District. It serves as a critical component in fulfilling the District's strategic commitment to promoting transparent financial and budgeting processes. By sharing this financial data clearly, Blinn offers stakeholders a comprehensive understanding of the District's priorities.

As detailed in this report, Blinn has strategically minimized debt while developing state-of-the-art facilities that address the evolving needs of the communities we serve. Guided by the Districtwide Facilities Master Plan adopted by the Blinn College District Board of Trustees in May 2021, Blinn is nearing completion of the 46,000-square-foot Bryan Campus Administration Building, which is set to open in February 2025. This facility will enable Blinn to relocate academic advising, enrollment services, financial aid, and veterans services from an off-campus site to a more accessible, centralized on-campus location.

This development, along with the recent openings of the Science, Technology, Engineering, and Innovation Building and the Prairie Lea Hall student housing complex on the Blinn-Brenham Campus, as well as the Blinn RELLIS Administration Building at Texas A&M-RELLIS, underscores Blinn's dedication to fulfilling its mission effectively and efficiently. These efforts ensure that we continue to provide affordable, high-quality educational programs that meet the needs of citizens throughout our service area. Under the leadership of the Blinn Board of Trustees, we look forward to maintaining our position as a state leader in student success while upholding a strong tradition of fiscal responsibility.

Sincerely,

Mary Hensley, Ed.D.
Chancellor of the Blinn College District

Office of the Chancellor, Blinn College District



November 27, 2024

To the Board of Trustees, Chancellor, and Citizens of the Blinn College District,

The following Annual Comprehensive Financial Report of the Blinn College District for the fiscal year ended August 31, 2024, is hereby submitted. Responsibility for the preparation and integrity of the financial information, and the completeness and fairness of the presentation, rests with the College District. The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) and comply with Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges as set forth by the Texas Higher Education Coordinating Board (THECB).

The Notes to the Basic Financial Statements are provided in the financial section and are considered essential to fair presentation and adequate disclosure for this financial report. The notes include the Summary of Significant Accounting Policies for the College District and other necessary disclosures of important matters relating to the financial position of the College District. The notes are treated as an integral part of the financial statements and should be read in conjunction with those statements.

The Management's Discussion and Analysis (MD&A) is provided to supplement the basic financial statements, related notes, and this transmittal letter. The purpose of the MD&A is to provide an objective and readable analysis of the District's financial activities.

To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the College District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The College District is required to undergo an annual federal single audit in conformity with the provisions of the Federal Single Audit Act, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, and an annual state single audit in conformity with the Texas Governor's Office of Budget and Planning *Uniform Grant Management Standards Single Audit Circular*. Information related to these Single Audits, including the schedule of expenditures of federal awards, schedule of expenditures of state awards, and auditor's reports on compliance and on internal controls, is included in the federal and state single audit sections of this report.

BUSINESS AND FINANCE DIVISION

902 College Avenue ♦ Brenham, Texas 77833 ♦ 979-830-4459

Historical Statement

Blinn College, the Junior College District of Washington County, is located in Brenham, Texas, and serves a 13-county service area with additional campuses in Bryan, Schulenburg, and Sealy.

The school was founded in 1883 by the Southern German Conference of the Methodist denomination under the name of Mission Institution. The institution originally was founded for the purpose of training young men for the ministry, but in the course of time, to meet the demands of the public, academic courses were added. After operating for five years as an institution for men only, Blinn College was made coeducational in 1888.

In 1889, the name was changed to Blinn Memorial College in honor of the Rev. Christian Blinn of New York, who donated a considerable sum of money to make the school possible.

In 1927, the Board of Trustees, with the leadership of President Philip Deschner, organized a junior college. In 1930, the school merged with Southwestern University (Georgetown, Texas). In 1934, a new charter was procured by the citizens of Brenham, and a private nonsectarian junior college under the name of Blinn College, was organized with nine regents as the board of control. In February 1937, all connection with Southwestern University and the Methodist denominations were severed.

On June 8, 1937, voters in Washington County levied a property tax for the creation of a public junior college district, Blinn thus became the first county-owned junior college district in Texas. After some struggles (including the campus nearly closing in 1947 due to fiscal issues), the College began to grow and do well under the leadership of Dr. Thomas Morris Spencer. When he left the college in 1957, the school was on firm fiscal footing.

The Bryan campus was established in 1970, and by the early 1980s, a third campus opened in College Station. In 1997, the Blinn-Bryan Campus opened, consolidating the programs that were located in the Townshire Shopping Center in Bryan and the Woodstone Center in College Station. Blinn opened its Schulenburg Campus in 1997 and its Sealy Campus in 2005.

In 2017, under the leadership of Chancellor Mary Hensley, Blinn College District collaborated with Texas A&M University on the university's newly constructed RELLIS campus at the former Bryan Air Force Base (RELLIS is an acronym for Texas A&M University's core values, "Respect," "Excellence," "Leadership," "Loyalty," "Integrity," and "Selfless service"). In August 2018, Blinn celebrated the grand opening of its new academic facility at Texas A&M-RELLIS in Bryan. At RELLIS, Blinn provides freshman and sophomore-level courses for students earning their bachelor's degree from the regional universities also located on campus.

Blinn continues to operate as one of the largest of the state's fifty public community college districts.

Service Area

The College District presently operates five campuses throughout its 13-county service area: the original Blinn-Brenham Campus in Washington County, the Blinn-Bryan and RELLIS campuses in Brazos County, the Blinn-Schulenburg Campus in Fayette County, and the Blinn-Sealy Campus in Austin County. In addition to on-campus activities, the District offers dual credit classes at numerous high schools and provides educational opportunities at other facilities within its service area. Finally, the District continues to satisfy the growing demand for online courses.

The service area of the Blinn College District includes the territory within Brazos, Burleson, Grimes, Madison, Waller, and Washington counties; the Mumford, Hearne, and Franklin Independent School Districts located in Robertson County; Austin County, other than the territory within the Wallis-Orchard Independent School District; the Milano and Gause Independent School Districts located in Milam County; the area of the Richards Independent School District located in Walker and Montgomery counties; the area of the Bryan Independent School District located in Robertson County; Fayette County, other than the territory within the Smithville Independent School District; Lee County, other than the territory within the Elgin Independent School District; and the area of the Lexington Independent School District located in Bastrop, Milam, and Williamson counties.

Academic Transfer

According to the Texas Higher Education Coordinating Board, Blinn's academic transfer rate of 46.0% ranks No. 1 in the State of Texas, almost doubling the statewide average of 25.2%.

Blinn has established itself as an academic transfer leader by building strong relationships with the State's top four-year universities. As the community college partner in the RELLIS Academic Alliance, Blinn offers seamless pathways and dual-enrollment opportunities for students to earn their bachelor's degrees from The Texas A&M University System regional universities also located at Texas A&M-RELLIS in Bryan, Texas.

In addition to its partnerships with Texas A&M, Blinn has articulation agreements in place with other universities across the state, including its Baylor Bound partnership with Baylor University, the Distinguished College Partnership with Tarleton State University, the CAPS Program with the University of Houston-Victoria, the Transfer Academy for Tomorrow's Engineers with the University of Texas at San Antonio, and the Transfer Pathways with Sam Houston University.

Blinn has an excellent relationship with local school districts to provide dual credit and early college courses. The District has interlocal dual credit agreements with over fifty-six area school districts.

The Blinn College District's applied technology, workforce, and economic development programs have been designed in partnership with industry leaders to provide students with the knowledge and skills they need to enter the workforce immediately upon completion. Some of these workforce education courses do not require a high school diploma. Enrollment is fast, easy, and offered remotely.

Mission, Vision, and Values

BUSINESS AND FINANCE DIVISION

902 College Avenue ♦ Brenham, Texas 77833 ♦ 979-830-4459

Mission Statement: Blinn College District is building stronger communities by providing quality comprehensive education and empowering students to achieve excellence in their educational careers and personal goals.

Vision Statement: Shaping future academic, workforce, cultural, and economic leaders by providing excellent instruction, resources, services, and innovative partnerships for students and the community.

Core Values:

- Access
- Collaboration
- Diversity
- Excellence
- Innovation
- Respect
- Service

Economic Condition and Outlook

A 2021 study found that the Blinn College District had a \$370.1 million annual economic impact on its service area. Blinn has made an annual direct impact of \$247.4 million in Bryan, \$83 million in Brenham, \$11.1 million in Schulenburg, and \$3.9 million in Sealy.

The results of this study demonstrate that Blinn College District creates value from multiple perspectives. The College District benefits regional businesses by increasing consumer spending in the region and supplying a steady flow of qualified, trained workers to the workforce. Blinn College District enriches the lives of students by raising their lifetime earnings and helping them achieve their individual potential. The College benefits state and local taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, Blinn College benefits society as a whole and in Texas by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of its students.

The District's economic outlook and centralized location link the demographically growing region of central Texas between Houston, Austin, and Dallas. This region of the state continues to incur population growth tied to the availability of jobs, and the District continues to extend its footprint by expanding its academic and service facilities to satisfy current and future student demand from the surge in the population.

Financial Planning and Budgeting

The Business and Finance Division oversees the development and preparation of the District's annual budget. The annual budget is the College District's primary short-and long-run strategic financial plan. It includes an enrollment assessment and a forecast of state appropriations and property tax revenues. The budget also incorporates proposed increases for operational and strategic needs, capital projects, preventive facilities maintenance, debt management, and the development of cash reserves.

The administration focuses the budgeting on optimizing student achievement within available resources. Blinn's budget cycle encompasses planning for the budget process, developing a fiscally

BUSINESS AND FINANCE DIVISION

902 College Avenue ♦ Brenham, Texas 77833 ♦ 979-830-4459

conservative budget, gaining institutional and governance approval, evaluating the budget outcomes, and adjusting accordingly. Throughout the cycle, the District's institutional goals serve as the overarching guide for decision-making and resource allocation.

In FY24, the District budgeted over \$126 million in annual revenue and realized \$135 million (107% of budget). In addition, in FY24, the District budgeted \$126 million in expenditures and expended \$119 million (6% under budget).

At the end of FY24, Blinn's unrestricted cash balance was \$118 million. The District's Operating Reserve remains beyond the median of four months for A1 rated community colleges. In addition, due to its stable cash flow, the District maintained its \$10 million Capital and Deferred Reserves.

The 88th Legislative Session passed House Bill 8 into law which created a new funding model to fund community colleges in Texas. The new funding model is an outcomes-based approach which rewards colleges for awarding degrees, certificates, and other credentials of value. House Bill 8 creates the Financial Aid for Swift Transfer (FAST) scholarship program for low-income dual credit students. Blinn College District has a history of success with these measured outcomes of House Bill 8. The District received a 29% increase in state funding in FY24 due to this new legislation.

Blinn's administration maintains its fiscal responsibility to the College, its students, and the community by researching and implementing best practices that decrease costs, increase efficiency, and maximize the use of its resources.

Major Initiatives

Fall 2023, Blinn has the second-highest enrollment in the institution's history of approximately 18,600 students. Blinn's administration expects student enrollment to grow as additional face-to-face and distance learning opportunities increase.

The administration keeps \$42.5 million of unrestricted cash in operating reserves. Fall 2024, the District will complete the construction of the new Administration Building on the Bryan campus and purchase one hundred acres of land in the Waller ISD service area.

Blinn has four major capital projects planned over the coming five years. Those projects include: Purchasing land in Waller (Completed October 2024, cost \$19 million, planned source from cash reserves); various repairs and renovations (Pending, cost \$15 million, planned source from cash reserves); New facility in Waller (Pending, 3-5 year timeline, cost \$68 million, using bond sales, cash reserves, or combination of both).

Independent Audit

State statutes require an annual audit by independent certified public accountants. The College District's Board of Trustees selected the accounting firm of Lott, Vernon & Company, P.C. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the Federal Single Audit Act, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements of Federal Awards* and the State of Texas *Single Audit Circular*.

Award

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Blinn College District for its FY23 Annual Comprehensive Financial Report (ACFR) for the year ended August 31, 2023. The College previously received the award for its FY19, FY20, FY21, and FY22 submissions. To be awarded a Certificate of Achievement, a governmental entity must publish an easily readable and efficiently organized ACFR. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting and its attainment represents a significant accomplishment by a governmental entity and its management.

A Certificate of Achievement is valid for a period of one year only. The College plans to submit the FY24 ACFR upon acceptance by the Blinn Board of Trustees in December 2024. The District believes the FY24 ACFR will continue to meet the Certificate of Achievement program requirements and awaits the GFOA eligibility for another certificate.

Acknowledgements

The Blinn College District would like to extend its appreciation to the Board of Trustees and Administration for their continuous commitment to the responsible fiscal management and planning of the Blinn College District. We particularly would like to acknowledge the District's Business and Finance Service personnel as well as those throughout the District whose efforts contributed to the compilation of this report.

Thanks also are extended to Lott, Vernon & Company, P.C., for completing a timely and productive audit.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Clen Burton', with a stylized flourish extending to the right.

Clen Burton, Ph.D.
Vice Chancellor, Business and Finance/CFO
Blinn College District

BLINN COLLEGE DISTRICT

Organizational Data
Year Ended August 31, 2024

Board of Trustees

Board Officers

Jim Kolkhorst, Board Chair
Allison Bentke, Board Vice-Chair
Randy Wells, Board Secretary

| <u>Members</u> | | <u>Term Expires</u> |
|----------------|----------------|---------------------|
| Jim Kolkhorst | Brenham, Texas | 5/2025 |
| Allison Bentke | Brenham, Texas | 5/2029 |
| Randy Wells | Brenham, Texas | 5/2027 |
| Diane Kettler | Brenham, Texas | 5/2029 |
| Rebecca Ehlert | Brenham, Texas | 5/2027 |
| Charles Moser | Brenham, Texas | 5/2025 |
| Dennis Crowson | Brenham, Texas | 5/2025 |

Key Administrators

Dr. Mary Hensley, Chancellor
Leighton Schubert, Executive Vice Chancellor
Dr. Clen Burton, Vice Chancellor, Business and Finance/CFO
Dr. Marcelo Bussiki, Vice Chancellor, Academic Affairs
Marie Kirby, Vice Chancellor, Human Resources
Dr. Becky McBride, Vice Chancellor, Student Services
Jay Anderson, Vice Chancellor, Applied Sciences, Workforce and Economic Development
Myron Dippel, Executive Dean, Brenham Campus
Chris Marrs, Executive Dean, RELLIS Campus
Dr. Jimmy Byrd, Executive Dean, Bryan Campus
Tiffany Jenkins, Executive Director Administration



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Blinn College District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2023

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



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

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

KILLEEN • COPPERAS COVE • TEMPLE

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

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Blinn College District
Brenham, Texas

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Blinn College District, as of August 31, 2024 and 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Blinn College District's basic financial statements. The Supplementary Schedules (Schedules A-F), which include the Schedule of Expenditures of Federal Awards (Schedule E) and the Schedule of Expenditures of State Awards (Schedule F), as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the State of Texas Single Audit Circular, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been

subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Supplementary Schedules (Schedules A-F), which include the Schedule of Expenditures of Federal Awards (Schedule E) and the Schedule of Expenditures of State Awards (Schedule F) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

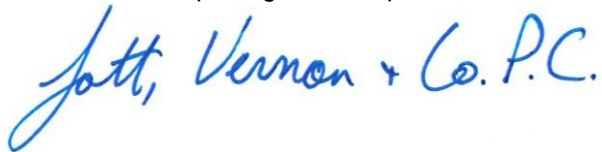
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and the Statistical Supplements (Unaudited) 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 November 27, 2024, on our consideration of the Blinn College District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Blinn College District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Blinn College District’s internal control over financial reporting and compliance.



Temple, Texas
November 27, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of Blinn College District's (the District) annual financial statements provides an overview of the District's financial performance for the fiscal years ended August 31, 2024, and August 31, 2023. Management's discussion and analysis is based on management's knowledge of current activities, resultant changes, and known facts; therefore, it should be read in conjunction with the accompanying basic financial statements and associated notes. The basic financial statements, notes and this discussion are the responsibility of management.

Financial Highlights and Significant Activities for 2024

The District's net position increased approximately \$4.7 million, or 3.21%. This increase is primarily attributable to an increase of \$2.0 million in Assets, decrease of \$10.6 million in Deferred Outflows, decrease of \$4.1 million in Liabilities and a decrease of \$9.2 million in Deferred Inflows.

Total operating expenses increased \$9.8 million, or 7.3%. This increase is primarily attributable to an increase in cost of General Instruction of \$0.9 million, Academic Support of \$1.1 million, Student Services of \$0.5 million, Institutional Support of \$7.0 million, Scholarships of \$2.6 million, Auxiliary Enterprises of \$0.7 million and decreases in Public Support of \$0.4 million, Operation and Maintenance of Plant of \$0.8 million, and Depreciation and Amortization of \$1.8 million.

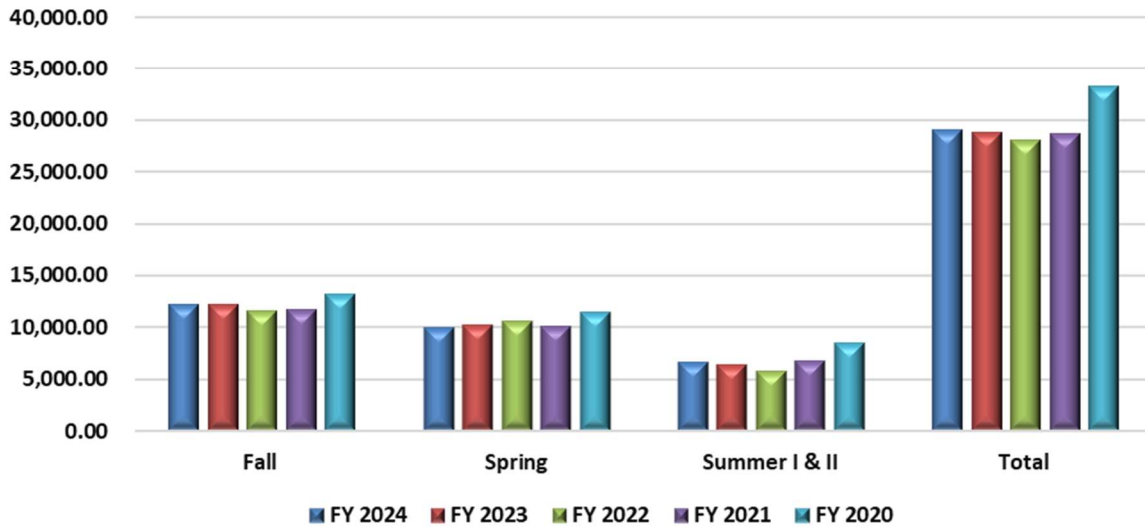
Financial Highlights and Significant Activities for 2023

The District's net position increased approximately \$1.8 million, or 1.25%. This increase is primarily attributable to an increase of \$2.0 million of Assets, increase of \$3.0 million in Deferred Outflows, decrease of \$2.7 million in Liabilities and an increase of \$5.9 million in Deferred Inflows.

Total operating expenses increased \$5.5 million, or 4.26%. This increase is primarily attributable to an increase in cost of General Instruction of \$5.6 million, increase in Scholarships of \$0.5 million, increase in Depreciation and Amortization of \$5.0 million, increase in Auxiliary Enterprises by \$1.4 million and decreases in both Institutional Support of \$4.1 million and Operation and Maintenance of Plant of \$2.9 million.

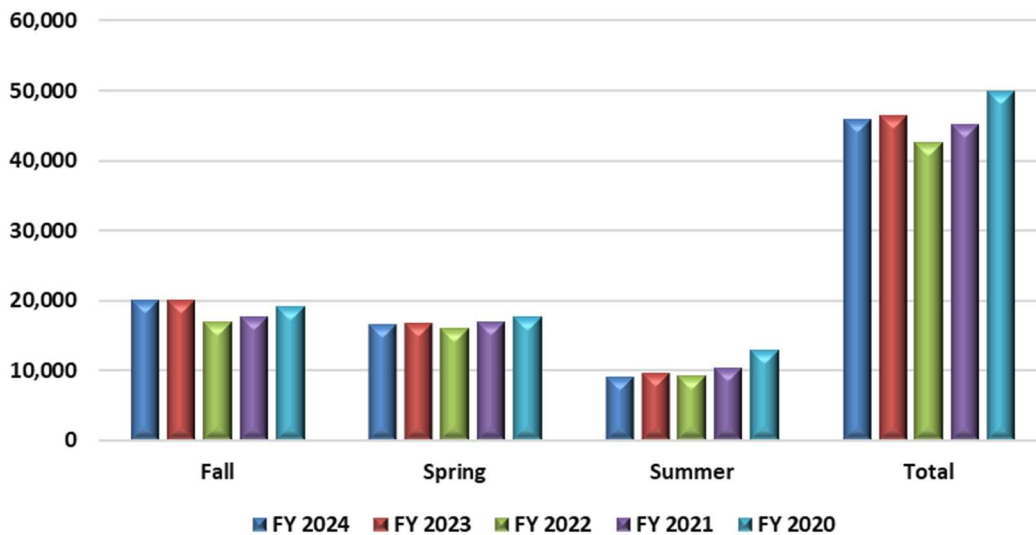
Below is a breakdown of the District's full-time equivalency (FTE) enrollment (FTE is calculated based on 15 semester credit hours for Fall, 15 semester credit hours for Spring, and 6 semester credit hours for summer terms) by term for fiscal years 2024, 2023, 2022, 2021, and 2020.

**Blinn College District
Student FTE
Fiscal Years 2024, 2023, 2022, 2021, and 2020**



Below is a five-year comparison of student enrollment by semester:

**Blinn College District
Headcount Enrollment Trend
Fiscal Years 2024, 2023, 2022, 2021, and 2020**



Overview of the Basic Financial Statements

The District qualifies as a special purpose government entity, which is engaged in business-type activities. The basic financial statements are prepared on that basis and their form mirrors the statements utilized by organizations in the private sector of the economy. The basic financial statements include a statement of net position, statement of revenues, expenses and changes in net position, statement of cash flows, and notes to the basic financial statements.

Financial statements for the District's component unit, Blinn College District Foundation, Inc. (the Foundation) are issued independent to those of the District but are presented with the District's basic financial statements.

The statement of net position's focus is to report the total net resources available to finance future services. The statement presents all assets and liabilities of the District, and the change in net position as of the end of the fiscal year. The statement is prepared under the accrual basis of accounting, in which revenues and assets are recognized when earned, and expenses and liabilities are recognized when incurred regardless of when cash is received or paid. The difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources is net position, which is one indicator of the financial condition of the District when considered with other factors such as changes in enrollment, contact hours, student retention, and other non-financial information. The statement of net position is useful in determining the assets available to continue operations, as well as how much the District owes vendors, bondholders, and other entities at the end of the year.

The statement of revenues, expenses, and changes in net position denotes the results of business activities as revenues earned and expenses incurred over the course of the fiscal year. The statement also provides information regarding how the net position of the District changed during the year. The statement is divided into the operating results of the District as well as the non-operating revenues and expenses. Operating revenues are primarily those that result from instruction (tuition and fees), the operation of the District's auxiliary services (student housing, cafeteria, athletics, etc.) and Federal and State grants. State appropriations, property tax receipts, Federal revenues (Title IV funds), and interest income, while budgeted for operations, are considered to be non-operating revenues. Depreciation is shown as an operating expense in accordance with generally accepted accounting principles.

The statement of cash flows presents the information related to cash inflows and cash outflows summarized by operating, financing, and investing activities. This statement presents cash receipt and cash disbursement information without consideration of the earning event. This information is crucial to determining the District's fiscal viability and its ability to meet financial obligations as they mature, and helps users assess the District's ability to generate net cash flows, its ability to meet its obligations as they come due, and its need for external financing.

The notes to the basic financial statements provide required disclosures and other information that are essential to a full understanding of the material data provided in the statements. The notes also present information about the District's accounting policies, significant account balances and activities, and contingencies.

Statement of Net Position

The following is prepared from the District's Statements of Net Position and provides a summary of its assets, deferred outflows, liabilities, deferred inflows, and net position for the years ended August 31 (in millions):

| | <u>2024</u> | <u>2023</u> | <u>Increase (Decrease) 2024-2023</u> | <u>2022</u> | <u>Increase (Decrease) 2023-2022</u> |
|---|-----------------|-----------------|--|-----------------|--|
| Assets: | | | | | |
| Current Assets | \$ 145.8 | \$ 157.0 | \$ (11.2) | \$ 158.6 | \$ (1.6) |
| Capital Assets, Net of | | | | | |
| Depreciation | 246.5 | 233.2 | 13.3 | 228.6 | 4.6 |
| Noncurrent Assets | <u>8.0</u> | <u>8.1</u> | <u>(0.1)</u> | <u>9.1</u> | <u>(1.0)</u> |
| Total Assets | 400.3 | 398.3 | 2.0 | 396.3 | 2.0 |
| Deferred Outflows of Resources: | | | | | |
| Net deferred outflows of resources related to pensions/OPEB | <u>14.0</u> | <u>24.6</u> | <u>(10.6)</u> | <u>21.6</u> | <u>3.0</u> |
| Total Deferred Outflow of Resources | 14.0 | 24.6 | (10.6) | 21.6 | 3.0 |
| Liabilities: | | | | | |
| Current Liabilities | 63.3 | 64.0 | (0.7) | 61.4 | 2.6 |
| Noncurrent Liabilities | <u>179.6</u> | <u>183.0</u> | <u>(3.4)</u> | <u>188.3</u> | <u>(5.3)</u> |
| Total Liabilities | 242.9 | 247.0 | (4.1) | 249.7 | (2.7) |
| Deferred Inflows of Resources: | | | | | |
| Net deferred inflows of resources related to pensions/OPEB | <u>20.4</u> | <u>29.6</u> | <u>(9.2)</u> | <u>23.7</u> | <u>5.9</u> |
| Total Deferred Inflows of Resources | 20.4 | 29.6 | (9.2) | 23.7 | 5.9 |
| Net Position: | | | | | |
| Net Investment in Capital Assets | 133.5 | 128.3 | 5.2 | 118.4 | 9.9 |
| Restricted | 8.2 | 9.2 | (1.0) | 10.5 | (1.3) |
| Unrestricted | <u>9.3</u> | <u>8.8</u> | <u>0.5</u> | <u>15.6</u> | <u>(6.8)</u> |
| Total Net Position | <u>\$ 151.0</u> | <u>\$ 146.3</u> | <u>\$ 4.7</u> | <u>\$ 144.5</u> | <u>\$ 1.8</u> |

At August 31, 2024, current assets included \$119.2 million of cash and cash equivalents and investments, and \$24.7 million in net student receivables related primarily to the Fall 2024 semester. The decrease of \$11.2 million in current assets is due primarily to decreases of \$2.6 million in account receivables (net), \$1.0 million in interest and dividend receivables, \$7.7 million in cash and investments offset by an increase of \$0.1 million in other assets.

At August 31, 2023, current assets primarily included \$126.9 million of cash and cash equivalents and investments, and \$27.3 million in accounts receivables (net). The decrease of \$1.6 million in current assets is due primarily to a \$16.5 million decrease in cash and cash equivalents offset by an increase of \$11.3 million in investments, \$2.1 million in account receivables, \$0.9 million in interest receivables and \$0.6 million in other assets.

In Fiscal Year 2024, the District had total net capital asset additions of approximately \$13.3 million and the annual depreciation and amortization expense of \$10.8 million. There was a net increase of \$17.7 million in construction in progress. The construction in progress at year-end consists of Brenham Monuments Project in progress, Waller Campus Purchase, and the Bryan Campus Administration Building. The net decrease of \$82 thousand in Buildings is primarily from completions of \$1.6 million consisting of Brenham Campus Dreyer Field House, Brenham Campus Old Main Building Roof Façade, Brenham Wheeler Hall Renovations, and Bryan Campus Building A, C, and D Roof Replacement offset by a decrease of \$1.7 million in demolition of four older student Dorms. The net increase of \$2.6 million of Land Improvements consists of completions of Brenham Parking Lot K, Brenham College Avenue and Sidewalks, and Bryan Lighting Improvements. The net increase of \$0.4 million in Furniture, Equipment, and Vehicles is from \$1.2 million in additions and \$0.8 million of disposals. The net decrease of \$193 thousand Computer Equipment is from \$0.5 million of additions and \$0.7 million of disposals. The \$96 thousand increase in Library Books is from additions to the Library Collection.

The District implemented GASB Statement No. 87, Leases in FY 2022 requiring specific leases and contracts to be capitalized over the life of the lease or contract. The net decrease of \$573 thousand for Lease Assets consists of \$35 thousand for Leased Equipment offset by \$608 million of accumulated amortization.

The District implemented GASB Statement No. 96 Subscription-Based Information Technology Arrangements (SBITA) in FY 2023 requiring specific leases and contracts pertaining to software subscriptions be capitalized over the life of the lease or contract. The net decrease of \$1.4 million consists of a decrease of \$1.5 million offset by a decrease of \$139 thousand of accumulated amortization.

The District's noncurrent assets include funds restricted for debt service, net capital assets, and other investments. Noncurrent assets, excluding capital assets, decreased by \$56 thousand due to a slight decrease in bond debt reserve requirements. For detailed information of capital asset activity, see *Note 6 Capital Assets*.

Current liabilities decreased \$0.7 million in total. Unearned revenues decreased \$1.7 million, funds held for others decreased \$0.8 million, student housing deposits decreased \$19 thousand, lease payable current portion decreased \$1.8 million, and accrued compensated absence liability decreased \$21 thousand offset by increase of \$3.5 million in accounts payable, bonds payable current portion increased \$165 thousand, and \$18 thousand in net OPEB liability current portion. Current liabilities increased \$2.6 million in Fiscal Year 2023 compared to Fiscal Year 2022.

Noncurrent liabilities decreased \$3.4 million in Fiscal Year 2024. Lease liability decreased \$355 thousand and bond payable decreased \$4.3 million, and net OPEB liability decreased \$2.9 million offset by an increase in net pension liability of \$4.1 million. For detailed information on long-term debt activity, see *Note 7 Noncurrent Liabilities*.

Statement of Revenues, Expenses and Changes in Net Position

The following summary is prepared from the District's Statements of Revenues, Expenses, and Changes in Net Position for the fiscal years ended August 31: (in millions)

| | <u>2024</u> | <u>2023</u> | <u>Increase (Decrease) 2024-2023</u> | <u>2022</u> | <u>Increase (Decrease) 2023-2022</u> |
|---|-----------------|-----------------|--|-----------------|--|
| Operating Revenues: | | | | | |
| Student Tuition and Fees, Net | \$ 64.8 | \$ 64.8 | \$ - | \$ 61.0 | \$ 3.8 |
| Federal Grants and Contracts | 1.0 | 1.6 | (0.6) | 1.6 | - |
| State Grants and Contracts | 2.6 | 2.0 | 0.6 | 1.5 | 0.5 |
| Auxiliary Enterprises, Net | 12.1 | 11.0 | 1.1 | 9.7 | 1.3 |
| Other | 1.5 | 0.9 | 0.6 | 1.3 | (0.4) |
| Total Operating Revenues | <u>82.0</u> | <u>80.3</u> | <u>1.7</u> | <u>75.1</u> | <u>5.2</u> |
| Less Operating Expenses | <u>144.4</u> | <u>134.6</u> | <u>9.8</u> | <u>129.1</u> | <u>5.5</u> |
| Operating Loss | (62.4) | (54.3) | (8.1) | (54.0) | (0.3) |
| Nonoperating Revenues(Expenses) | | | | | |
| State Appropriations | 40.8 | 31.7 | 9.1 | 30.8 | 0.9 |
| Property Taxes | 2.5 | 2.3 | 0.2 | 2.3 | - |
| Federal Revenue, Nonoperating | 19.7 | 17.4 | 2.3 | 50.5 | (33.1) |
| Gifts | 0.9 | 0.6 | 0.3 | 1.3 | (0.7) |
| Investment Income | 6.2 | 4.1 | 2.1 | 0.9 | 3.2 |
| Unrealized Gain(Loss) Investments | 0.3 | 0.3 | - | (0.8) | 1.1 |
| Interest on Capital Related Debt | (3.2) | (3.4) | 0.2 | (3.6) | 0.2 |
| Other | (0.1) | 0.9 | (1.0) | (15.5) | 16.4 |
| Total Nonoperating Revenues(Expenses) | <u>67.1</u> | <u>53.9</u> | <u>13.2</u> | <u>65.9</u> | <u>(12.0)</u> |
| Income Before Other Revenue | 4.7 | (0.4) | 5.1 | 11.9 | (12.3) |
| Transfer In from Foundation | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Increase in Net Position | 4.7 | (0.4) | 5.1 | 11.9 | (12.3) |
| Net Position, Beginning of Year | 146.3 | 144.5 | 1.8 | 132.6 | 11.9 |
| Cumulative Effect of Change in Accounting Principle | - | 2.2 | (2.2) | - | 2.2 |
| Net Position, Beginning of Year, as restated | <u>146.3</u> | <u>146.7</u> | <u>(0.4)</u> | <u>132.6</u> | <u>14.1</u> |
| Net Position, End of Year | <u>\$ 151.0</u> | <u>\$ 146.3</u> | <u>\$ 4.7</u> | <u>\$ 144.5</u> | <u>\$ 1.8</u> |

Total operating revenues increased \$1.7 million from 2023, auxiliary enterprises revenues increased \$1.1 million, and other miscellaneous operating revenue increased by \$0.6 million.

During Fiscal Year 2023, total operating revenues increased \$5.2 million from 2022, net student tuition and fees increased \$3.8 million, federal and state grants increased \$0.5 million in total from 2022, auxiliary enterprises revenues increased \$1.3 million, and other miscellaneous operating revenue decreased \$0.4 million.

Below is a table of Operating Expenses and Non-Operating Revenue (Expense) for the fiscal years ended August 31 (in millions):

| | <u>2024</u> | <u>2023</u> | <u>Increase (Decrease) 2024-2023</u> | <u>2022</u> | <u>Increase (Decrease) 2023-2022</u> |
|--|------------------------|------------------------|--|------------------------|--|
| Instructional and General | \$ 67.9 | \$ 65.8 | \$ 2.1 | \$ 60.2 | \$ 5.6 |
| Institutional Support | 18.4 | 11.4 | 7.0 | 15.5 | (4.1) |
| Operation and Maintenance of Plant | 18.2 | 19.0 | (0.8) | 21.9 | (2.9) |
| Auxiliary Enterprises | 12.9 | 12.2 | 0.7 | 10.8 | 1.4 |
| Depreciation and Amortization | 10.8 | 12.6 | (1.8) | 7.6 | 5.0 |
| Scholarships and Fellowships | 16.2 | 13.6 | 2.6 | 13.1 | 0.5 |
| Total Operating Expenses | <u>\$ 144.4</u> | <u>\$ 134.6</u> | <u>\$ 9.8</u> | <u>\$ 129.1</u> | <u>\$ 5.5</u> |
| Non-Operating Revenues (Expenses): | | | | | |
| State Appropriations | 40.8 | 31.7 | 9.1 | 30.8 | \$ 0.9 |
| Property Taxes | 2.5 | 2.3 | 0.2 | 2.3 | - |
| Federal Revenue, Non-Operating | 19.7 | 17.4 | 2.3 | 50.5 | (33.1) |
| Gifts | 0.9 | 0.6 | 0.3 | 1.3 | (0.7) |
| Unrealized Gain (Loss) on Investments | 0.3 | 0.3 | - | (0.8) | 1.1 |
| Investment Income | 6.3 | 4.1 | 2.2 | 0.9 | 3.2 |
| Gain (Loss) on Disposal of Capital Assets | (0.9) | 0.0 | (0.9) | (1.6) | 1.6 |
| Interest on Capital Related Debt | (3.2) | (3.4) | 0.2 | (3.6) | 0.2 |
| Other Non-Operating Expenses | 0.7 | 0.9 | (0.2) | (13.9) | 14.8 |
| Net Non-Operating Revenues (Expenses) | <u>\$ 67.1</u> | <u>\$ 53.9</u> | <u>\$ 13.2</u> | <u>\$ 65.9</u> | <u>\$ (12.0)</u> |

In Fiscal Year 2024, total operating expenses increased \$9.8 million from Fiscal Year 2023. This increase is primarily attributable to the increase of cost of Instruction of \$2.2 million, increase of \$6.9 million in institutional support, increase of \$0.7 million in Auxiliary Enterprise, and an increase of \$2.6 million in scholarships and fellowships offset by a decrease of \$1.8 million in depreciation and a decrease of \$0.8 million in operation and maintenance of plant.

For Fiscal Year 2024, the net non-operating revenues (expenses) increased \$13.2 million from Fiscal Year 2023. This is primarily attributable to the increase of \$9.1 million in state appropriations, increase in property tax of \$0.2 million, increase of \$2.3 million in federal revenue, increase in gifts of \$0.3 million, increase in investment income of \$2.2 million, and a decrease in interest on capital related debt of \$0.2 million, a decrease of \$0.2 million in other non-operating expenses, and a decrease of \$0.9 million in gain (loss) disposal of capital assets.

In Fiscal Year 2023, total operating expenses increased \$5.5 million from Fiscal Year 2022. This increase is primarily attributable to the increase of cost of Instruction of \$5.6 million, increase of \$1.4 million in Auxiliary Enterprise, increase of \$5.0 million in depreciation and amortization, and an increase of \$0.5 million in scholarships and fellowships offset by decreases of \$4.1 million in institutional support and \$2.9 million in operation and maintenance of plant.

For Fiscal Year 2023, the net non-operating revenues (expenses) decreased \$12.0 million from Fiscal Year 2022. This is primarily attributable to the \$14.8 million decrease in other non-operating expenses, decrease of \$0.2 million in interest on capital related debt, increase in gain on disposal of capital assets of \$1.6 million, increase of \$3.2 million in investment income, increase in unrealized gain of \$1.1 million, and increase in state appropriations of \$0.9 million, offset by decrease of \$33.1 million in federal revenue and decrease of \$0.7 million in gifts.

Statement of Cash Flow

The following chart summarizes the statements of cash flows for the fiscal years ended August 31 (in millions):

| | <u>2024</u> | <u>2023</u> | <u>Increase (Decrease) 2024-2023</u> | <u>2022</u> | <u>Increase (Decrease) 2023-2022</u> |
|--|-----------------|----------------|--|----------------|--|
| Cash Provided by (Used in): | | | | | |
| Operating Activities | \$ (40.9) | \$ (36.3) | \$ (4.6) | \$ (39.4) | \$ 3.1 |
| Non-Capital Financing Activities | 56.6 | 44.6 | 12.0 | 60.0 | (15.4) |
| Capital and Related Financing Activities | (31.0) | (17.2) | (13.8) | (37.7) | 20.5 |
| Investing Activities | <u>53.3</u> | <u>(7.5)</u> | <u>60.8</u> | <u>3.3</u> | <u>(10.8)</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 38.0 | (16.4) | 54.4 | (13.8) | (2.6) |
| Cash and Cash Equivalents - Beginning of Year | <u>62.4</u> | <u>78.8</u> | <u>(16.4)</u> | <u>92.6</u> | <u>(13.8)</u> |
| Cash and Cash Equivalents - End of Year | <u>\$ 100.4</u> | <u>\$ 62.4</u> | <u>\$ 38.0</u> | <u>\$ 78.8</u> | <u>\$ (16.4)</u> |

The District's cash flow from operating activities normally will reflect a decrease as the District relies on State appropriations to fund operating activities. State appropriations are shown as non-capital financing activities in accordance with the Texas Higher Education Coordinating Board. Cash inflows consist primarily of cash receipts from tuition and fees while cash outflows primarily consist of cash disbursements for wages, benefits, supplies, and scholarships.

Cash used in operations in Fiscal Year 2024 increased \$ 4.6 million from 2023 primarily due to \$9.2 million increase in payments to suppliers for goods and services, \$2.5 million increase in payments in scholarships offset by \$0.6 million increase in receipts from students and other customers, \$0.7 million increase in receipts from grants and contracts, \$5.1 million decrease in payments to or on behalf of employees, and \$0.7 million increase in other receipts.

Cash used in operations in Fiscal Year 2023 decreased \$3.1 million from 2022 primarily due to \$1.9 million increase in receipts from students, \$23 thousand increase in receipts from grants and contracts, \$36 million decrease in payments to or on behalf of employees, \$0.6 million decrease in payments for scholarships, \$67 thousand increase in other receipts offset by \$35.4 million increase in payments to suppliers for goods and services.

In addition to state appropriations, non-capital financing activities include property tax receipts, non-operating Federal revenue (Title IV funds) and changes to permanent endowments. The \$12 million increase is primarily attributable to the increase of \$9.3 million in state appropriations, \$0.1 million increase in receipts from property taxes, \$2.3 million increase in receipts from non-operating federal revenue, \$0.3 million increase in receipts from gifts.

Variations in cash used for capital and related financing activities are dependent on the District's issuance and payment of long-term debt and capital acquisitions. The \$13.8 million decrease is primarily attributable to the, the \$15.1 million increase in purchases of capital assets, offset by \$1.1 million decrease in payments on capital debt principal, and \$0.2 million decrease in payments on capital debt interest.

The variance in cash provided by investing activities in 2024 and 2023 is due primarily to the purchase, sales, and maturities of investments.

Capital Assets and Debt Administration

In Fiscal Year 2024, the District had total net capital asset additions of approximately \$13.3 million and the annual depreciation and amortization expense of \$10.8 million. There was a net increase of \$17.7 million in construction in progress. The construction in progress at year-end consists of Brenham Monuments Project in progress, Waller Campus Purchase, and the Bryan Campus Administration Building. The net decrease of \$82 thousand in Buildings is primarily from completions of \$1.6 million consisting of Brenham Campus Dreyer Field House, Brenham Campus Old Main Building Roof Façade, Brenham Wheeler Hall Renovations, and Bryan Campus Building A, C, and D Roof Replacement offset by a decrease of \$1.7 million in demolition of four older student Dorms. The net increase of \$2.6 million of Land Improvements consists of completions of Brenham Parking Lot K, Brenham College Avenue and Sidewalks, and Bryan Lighting Improvements. The net increase of \$0.4 million in Furniture, Equipment, and Vehicles is from \$1.2 million in additions and \$0.8 million of disposals. The net decrease of \$193 thousand Computer Equipment is from \$0.5 million of additions and \$0.7 million of disposals. The \$96 thousand increase in Library Books is from additions to the Library Collection.

In Fiscal Year 2023, the District had total net capital asset additions of approximately \$4.6 million and the annual depreciation and amortization expense of \$12.6 million. There was a net decrease of \$605 thousand in construction in progress. The construction in progress at year-end consists of Brenham Campus College Avenue and Sidewalks Project, Old Main Building Roof, Student Parking Lot K, and Monuments Project in progress and the Bryan Campus Administration Building and Roof Replacement on Buildings A, C, and D. The net increase of \$807 thousand in land is from four property purchases. The net increase of \$5.7 million in Buildings is primarily from the completion of the RELLIS Campus Administration Building, the Brenham Campus Dreyer Field House, and Brenham Campus Old Main Building Renovations. The net increase of \$1.3 million in Furniture, Equipment, and Vehicles is from \$1.8 million in additions and \$0.5 million of disposals. The net decrease of \$87 thousand Computer Equipment is from \$0.5 million of additions and \$0.6 million of disposals. The \$0.1 million increase in Library Books is from additions to the Library Collection.

For detailed information of capital asset activity, see *Note 6 Capital Assets*

For detailed information on long-term debt activity, see *Note 7 Noncurrent Liabilities*.

Future Considerations

The 88th Legislative Session passed House Bill 8 into law which created a new funding model to fund community colleges in Texas. The new funding model is an outcomes-based approach which rewards colleges for awarding degrees, certificates, and other credentials of value. House Bill 8 creates the Financial Aid for Swift Transfer (FAST) scholarship program for low-income dual credit students. Blinn College District has a history of success with these measured outcomes of House Bill 8. The District received an increase in state funding due to this new legislation.

Blinn's 46.0% academic transfer rate ranks as one of the highest in the country and No. 1 among the 50 community college districts in Texas, far exceeding the state-wide average of 25.2%. Blinn has established itself as an academic transfer leader by building strong relationships with the State's top four-year universities. As the community college partner in the [RELLIS Academic Alliance](#), Blinn offers seamless pathways and dual-enrollment opportunities for students to earn their bachelor's degrees from The Texas A&M University System regional universities also located at Texas A&M-RELLIS in Bryan, Texas.

In addition to its partnerships with Texas A&M, Blinn has articulation agreements in place with other universities across the state, including its [Baylor Bound](#) partnership with Baylor University, the Transfer Pathways with Sam Houston University, the [Distinguished College Partnership](#) with Tarleton State University, the CAPS Program with the University of Houston-Victoria, and the [Transfer Academy for Tomorrow's Engineers](#) with the University of Texas at San Antonio.

The Districtwide Facilities Plan accepted by the Blinn College Board of Trustees in May 2021 provides the District a roadmap for a 20-year phased design and construction of strategic prioritized capital improvements on Blinn campuses where continued growth is projected or there is a need to address aging facilities and infrastructure. The plan reflects the school's vision, current position of strength in the market, and the unique challenges facing each campus in the district.

As of August 31, 2024, the administration retained approximately \$42 million of unrestricted cash in operating reserves. Fall 2024, the District will complete the construction of the new Administration Building on the Bryan campus and purchase one hundred acres of land in the Waller ISD service area.

Blinn has four major capital projects planned over the coming five years. Those projects include: Purchasing land in Waller (Completed October 2024, cost \$19 million, planned source from cash reserves); various repairs and renovations (Pending, cost \$15 million, planned source from cash reserves); New facility in Waller (Pending, 3-5 year timeline, cost \$68 million, using bond sales, cash reserves, or combination of both).

Blinn's administration is confident that the College's financial position will remain strong and the District's investment in capital improvements will provide the greatest opportunity for continued increases to enrollment and increased cash flow and growth to its cash reserves.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, students, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Business and Finance Division at 902 College Avenue, Brenham, Texas 77833.

BLINN COLLEGE DISTRICT
Statements of Net Position
August 31, 2024 and 2023

| | <u>2024</u> | <u>2023</u> |
|--|------------------------------|------------------------------|
| Assets | | |
| Current Assets: | | |
| Cash and cash equivalents | \$ 99,518,511 | \$ 61,539,730 |
| Restricted cash and cash equivalents | 910,923 | 861,651 |
| Investments | 18,755,133 | 64,515,938 |
| Restricted investments | | |
| Accounts receivable (net) | 24,773,407 | 27,344,290 |
| Interest and dividends receivable | | 1,026,954 |
| Inventories | | 17,279 |
| Other assets | 1,871,857 | 1,765,895 |
| Total Current Assets | <u>145,829,831</u> | <u>157,071,737</u> |
| Noncurrent Assets: | | |
| Restricted investments | 7,996,798 | 8,052,624 |
| Capital Assets (net) | <u>246,485,296</u> | <u>233,189,776</u> |
| Total Noncurrent Assets | <u>254,482,094</u> | <u>241,242,400</u> |
| Total Assets | <u><u>400,311,925</u></u> | <u><u>398,314,137</u></u> |
| Deferred Outflows of Resources | | |
| Deferred outflows of resources related to pensions | 10,180,080 | 16,293,931 |
| Deferred outflows of resources related to OPEB | 3,867,424 | 8,259,532 |
| Total Deferred Outflows of Resources | <u>14,047,504</u> | <u>24,553,463</u> |
| Liabilities | | |
| Current Liabilities: | | |
| Accounts payable | 15,147,188 | 11,685,946 |
| Funds held for others | 424,884 | 1,235,307 |
| Unearned revenues | 40,500,534 | 42,235,355 |
| Deposits | 167,100 | 186,000 |
| Bonds payable - current portion | 4,065,000 | 3,900,000 |
| Lease Liability - current portion | 1,201,482 | 2,959,124 |
| Accrued Compensated Absence Liability | 491,234 | 512,060 |
| Net OPEB liability - current portion | 1,312,261 | 1,294,718 |
| Total Current Liabilities | <u>63,309,683</u> | <u>64,008,510</u> |
| Noncurrent Liabilities: | | |
| Bonds payable | 96,676,250 | 100,995,404 |
| Lease Liability | 10,200,072 | 10,554,827 |
| Net pension liability | 27,077,334 | 22,982,824 |
| Net OPEB liability | 45,602,140 | 48,506,200 |
| Total Noncurrent Liabilities | <u>179,555,796</u> | <u>183,039,255</u> |
| Total Liabilities | <u>242,865,479</u> | <u>247,047,765</u> |
| Deferred Inflows of Resources | | |
| Deferred inflows of resources related to pensions | 1,945,250 | 9,491,911 |
| Deferred inflows of resources related to OPEB | 18,547,034 | 20,068,216 |
| Total Deferred Inflow of Resources | <u>20,492,284</u> | <u>29,560,127</u> |
| Net Position | | |
| Net Investment in capital assets | 133,518,802 | 128,294,372 |
| Restricted for: | | |
| Nonexpendable | | |
| Expendable | | |
| Student aid | 777,245 | 1,616,548 |
| Debt service | 7,446,800 | 7,539,103 |
| Unrestricted | <u>9,258,819</u> | <u>8,809,685</u> |
| Total Net Position (Schedule D) | <u><u>\$ 151,001,666</u></u> | <u><u>\$ 146,259,708</u></u> |

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

BLINN COLLEGE FOUNDATION, INC.
Statements of Financial Position
August 31, 2024 and 2023

| | <u>2024</u> | <u>2023</u> |
|--|----------------------|----------------------|
| ASSETS | | |
| Current Assets: | | |
| Cash | \$ 175,771 | \$ 361,957 |
| Certificates of Deposit | 527,974 | 259,463 |
| Receivables from Blinn College | 6,108 | |
| Unconditional promises to give | 28,518 | 134,414 |
| Other Assets | 11,500 | 11,500 |
| Total Current Assets | <u>749,871</u> | <u>767,334</u> |
| Restricted Assets: | | |
| Cash | 1,205,642 | 455,321 |
| Investments | 33,888,144 | 30,294,041 |
| Total Restricted Assets | <u>35,093,786</u> | <u>30,749,362</u> |
| Long-term Unconditional Promises to Give: | | |
| Total face-value of promises | 169,815 | 202,294 |
| Less amount classified as current | (28,518) | (134,414) |
| Net long-term unconditional promises to give | <u>141,297</u> | <u>67,880</u> |
| Other Assets: | | |
| Oil/Gas royalty interest | 10,000 | 10,000 |
| Total Assets | <u>35,994,954</u> | <u>31,594,576</u> |
| LIABILITIES AND NET ASSETS | | |
| Liabilities: | | |
| Accounts payable | 11,026 | 24,693 |
| Total Liabilities | <u>11,026</u> | <u>24,693</u> |
| Net Assets: | | |
| Net Assets with Donor Restrictions | 35,576,167 | 31,208,968 |
| Net Assets without Donor Restrictions | 407,761 | 360,915 |
| Total Net Assets | <u>35,983,928</u> | <u>31,569,883</u> |
| Total Liabilities and Net Assets | <u>\$ 35,994,954</u> | <u>\$ 31,594,576</u> |

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

BLINN COLLEGE DISTRICT
Statements of Revenues, Expenses and Changes in Net Position
Years Ended August 31, 2024 and August 31, 2023

| | <u>2024</u> | <u>2023</u> |
|--|-----------------------|-----------------------|
| Operating Revenues | | |
| Tuition and Fees (net of discounts of \$15,539,764 and \$13,893,377, respectively) | \$ 64,750,557 | \$ 64,759,555 |
| Federal Grants and Contracts | 1,042,632 | 1,556,976 |
| State Grants and Contracts | 2,602,508 | 2,021,829 |
| Sales and Services of Educational Activities | 291,140 | 285,831 |
| Auxiliary Enterprises (net of discounts of \$1,371,536 and \$1,092,461, respectively) | 12,129,813 | 10,989,286 |
| Other Operating Revenues | 1,219,061 | 598,636 |
| Total Operating Revenues (Schedule A) | <u>82,035,711</u> | <u>80,212,113</u> |
| Operating Expenses | | |
| Instruction | 46,817,415 | 45,954,732 |
| Public Service | 437,244 | 876,186 |
| Academic Support | 12,746,831 | 11,642,437 |
| Student Services | 7,902,445 | 7,440,079 |
| Institutional Support | 18,400,644 | 11,417,396 |
| Operation and Maintenance of Plant | 18,159,269 | 19,001,155 |
| Scholarships and Fellowships | 16,231,931 | 13,593,389 |
| Auxiliary Enterprises | 12,900,573 | 12,166,204 |
| Depreciation | 7,381,119 | 7,055,293 |
| Amortization | 3,455,135 | 5,529,068 |
| Total Operating Expenses (Schedule B) | <u>144,432,606</u> | <u>134,675,939</u> |
| Operating Loss | <u>(62,396,895)</u> | <u>(54,463,826)</u> |
| Non-Operating Revenues (Expenses) | | |
| State Appropriations | 40,802,154 | 31,676,100 |
| Property Taxes | 2,453,578 | 2,325,284 |
| Federal Revenue, Non Operating | 19,748,867 | 17,412,409 |
| Gifts | 861,423 | 618,428 |
| Unrealized Gain (Loss) on Investments | 338,343 | 318,531 |
| Investment Income | 6,233,920 | 4,108,153 |
| Insurance Proceeds | 767,086 | 844,907 |
| Gain(Loss) on Disposal of Capital Assets | (870,152) | 27,363 |
| Interest on Capital Related Debt | (3,196,366) | (3,383,964) |
| Net Non-Operating Revenues (Schedule C) | <u>67,138,853</u> | <u>53,947,211</u> |
| Change in Net Position | 4,741,958 | (516,615) |
| Net Position | | |
| Net Position, Beginning of Year | 146,259,708 | 144,537,440 |
| Adjustments to Net Position, Beginning of Year | - | 2,238,883 |
| Adjusted Net Position, Beginning of Year | <u>146,259,708</u> | <u>146,776,323</u> |
| Net Position, End of Year | <u>\$ 151,001,666</u> | <u>\$ 146,259,708</u> |

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

BLINN COLLEGE FOUNDATION, INC.
Statement of Activities
For The Year Ended August 31, 2024

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|---------------------------------------|------------------------------------|----------------------|
| Public Support and Revenues | | | |
| Donations | \$ 5,073 | \$ 891,772 | \$ 896,845 |
| Contributions of non-financial assets | 72,457 | | 72,457 |
| Investment income (loss) | 21,153 | 4,672,153 | 4,693,306 |
| Oil/Gas royalty | 690 | - | 690 |
| Net assets released from purpose restrictions | 1,196,726 | (1,196,726) | - |
| Total Public Support and Revenues | <u>1,296,099</u> | <u>4,367,199</u> | <u>5,663,298</u> |
| Expenses | | | |
| Program services: | | | |
| Expenditures for the benefit of Blinn College | 158,626 | - | 158,626 |
| Scholarships | 1,016,426 | - | 1,016,426 |
| Support services: | | | |
| Administrative expenses | 74,201 | - | 74,201 |
| Total Expenses | <u>1,249,253</u> | <u>-</u> | <u>1,249,253</u> |
| Change in Net Assets | 46,846 | 4,367,199 | 4,414,045 |
| Net Assets - Beginning of Year | <u>360,915</u> | <u>31,208,968</u> | <u>31,569,883</u> |
| Net Assets - End of Year | <u>\$ 407,761</u> | <u>\$ 35,576,167</u> | <u>\$ 35,983,928</u> |

-

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

BLINN COLLEGE FOUNDATION, INC.
Statement of Activities
For The Year Ended August 31, 2023

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|---------------------------------------|------------------------------------|----------------------|
| Public Support and Revenues | | | |
| Donations | \$ 11,427 | \$ 856,154 | \$ 867,581 |
| Contributions of non-financial assets | 65,599 | | 65,599 |
| Investment income (loss) | 5,458 | 3,585,099 | 3,590,557 |
| Oil/Gas royalty | 1,803 | - | 1,803 |
| Net assets released from purpose restrictions | 1,007,665 | (1,007,665) | - |
| Total Public Support and Revenues | <u>1,091,952</u> | <u>3,433,588</u> | <u>4,525,540</u> |
| Expenses | | | |
| Program services: | | | |
| Expenditures for the benefit of Blinn College | 112,932 | - | 112,932 |
| Scholarships | 911,666 | - | 911,666 |
| Support services: | | | |
| Administrative expenses | 72,811 | - | 72,811 |
| Total Expenses | <u>1,097,409</u> | <u>-</u> | <u>1,097,409</u> |
| Change in Net Assets | (5,457) | 3,433,588 | 3,428,131 |
| Net Assets - Beginning of Year | <u>366,372</u> | <u>27,775,380</u> | <u>28,141,752</u> |
| Net Assets - End of Year | <u>\$ 360,915</u> | <u>\$ 31,208,968</u> | <u>\$ 31,569,883</u> |

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

BLINN COLLEGE DISTRICT
Statements of Cash Flows
Years Ended August 31, 2024 and August 31, 2023

| | <u>2024</u> | <u>2023</u> |
|---|------------------------|------------------------|
| Cash Flows From Operating Activities: | | |
| Receipts from students and other customers | \$ 76,554,979 | \$ 75,949,037 |
| Receipts from grants and contracts | 26,645,901 | 25,990,298 |
| Payments to suppliers for goods and services | (81,517,782) | (72,308,830) |
| Payments to or on behalf of employees | (25,235,983) | (30,372,920) |
| Payments for scholarships | (38,586,635) | (36,116,243) |
| Other receipts | 1,219,061 | 598,636 |
| Net cash provided (used) by operating activities | <u>(40,920,459)</u> | <u>(36,260,022)</u> |
| Cash Flows From Non-Capital Financing Activities: | | |
| Receipts from state appropriations | 33,564,057 | 24,237,461 |
| Receipts from property taxes | 2,430,791 | 2,324,017 |
| Receipts from non operating federal revenue | 19,748,867 | 17,412,409 |
| Receipts from gifts other than capital | 861,423 | 618,428 |
| Net cash provided (used) by non-capital financing activities | <u>56,605,138</u> | <u>44,592,315</u> |
| Cash Flows From Capital Financing Activities: | | |
| Purchases of capital assets | (23,924,517) | (8,832,120) |
| Proceeds from issuance of capital debt | | |
| Bond issue costs paid on capital debt issue | | |
| Payments on capital debt - principal | (3,900,000) | (5,010,000) |
| Payments on capital debt - interest | (3,196,366) | (3,383,964) |
| Net cash provided (used) by capital and related financing activities | <u>(31,020,883)</u> | <u>(17,226,084)</u> |
| Cash Flows From Investing Activities: | | |
| Proceeds from sales and maturities of investments | 68,850,587 | 9,254,497 |
| Interest on investments | 7,260,874 | 3,246,408 |
| Purchases of investments | (22,747,204) | (20,039,183) |
| Net cash provided (used) by investing activities | <u>53,364,257</u> | <u>(7,538,278)</u> |
| Increase (Decrease) in Cash and Cash Equivalents | 38,028,053 | (16,432,069) |
| Cash and Cash Equivalents, Beginning of Year | <u>62,401,381</u> | <u>78,833,450</u> |
| Cash and Cash Equivalents, End of Year | <u>\$100,429,434</u> | <u>\$ 62,401,381</u> |
| Reconciliation of Net Operating Loss to Net Cash Used by Operating Activities: | | |
| Operating loss | \$ (62,396,895) | \$ (54,463,826) |
| Adjustments to reconcile net loss to net cash used by operating activities: | | |
| Depreciation and Amortization expense | 10,836,254 | 12,584,361 |
| Noncash state appropriations for employee benefits | 7,238,097 | 7,438,639 |
| Changes in assets and liabilities: | | |
| Receivables (net) | 2,593,670 | (2,056,521) |
| Inventories | 17,279 | (10,138) |
| Other assets | (105,962) | (611,422) |
| Accounts payable | 3,461,242 | (1,000,640) |
| Funds held for others | (810,423) | 191,094 |
| Unearned revenues | (1,734,821) | 1,659,031 |
| Deposits | (18,900) | 9,400 |
| Net cash used by operating activities | <u>\$ (40,920,459)</u> | <u>\$ (36,260,022)</u> |

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

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

1. Reporting Entity

Blinn College District (the District) was established in 1883, in accordance with the laws of the State of Texas, to serve the educational needs of Washington County and the thirteen counties in the service area. The District operates campuses in the cities of Brenham, Bryan, Schulenburg and Sealy, Texas. The District is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*. While the District receives funding from local, State of Texas (the 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.

GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units – An Amendment of GASB Statement No. 14*, gives guidance in determining whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationship with the primary government. It requires reporting as a component unit if the organization raises and holds economic resources for the direct benefit of the governmental unit and the component unit is significant compared to the primary government. GASB Statement No. 39 has been applied as required in the preparation of these financial statements and Blinn College Foundation, Inc. financial statements are included as a discrete component unit (see Note 22).

2. Summary of Significant Accounting Policies

Reporting Guidelines

The significant accounting policies followed by the District in preparing these financial statements are in accordance with Generally Accepted Accounting Principles (GAAP) and also comply with the *Texas Higher Education Coordinating Board's (THECB) Annual Financial Reporting Requirements for Texas Public Community Colleges*. The District applies all applicable GASB pronouncements. The District is reported as a special-purpose government engaged in business-type activities.

Tuition Discounting

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 (Texas Education Code §56.033). When the student uses the award for tuition and fees, the amount is recorded as tuition and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

Title IV, Higher Education Act (HEA) Program Funds - Certain Title IV HEA Program funds are received by the District to pass through to the student. These funds are initially received by the District and recorded as restricted revenue. When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded 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 amount

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

2. Summary of Significant Accounting Policies, continued

is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

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.

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.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The Board of Trustees has designated public funds investment pools to be cash equivalents as the investments are redeemable on demand.

Deferred Inflows

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

Deferred Outflows

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. Governments are only permitted to report deferred outflows in circumstances specifically authorized by the GASB.

Estimates

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

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

2. Summary of Significant Accounting Policies, continued

Operating and Non-Operating Revenue and Expense Policy

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

Investments

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

Inventories

Inventories consist of consumable office and physical plant supplies. Inventories are valued at cost under the first-in first-out method and are charged to expense as consumed.

Capital Assets

Capital assets include land, infrastructure, buildings, improvements, equipment, the intangible right-to-use assets and intangible right-to-use subscription-based information technology arrangements (SBITAs). Such assets are recorded at cost at the date of acquisition, or acquisition value at the date of donation. Capital assets received in a service concession arrangement are recorded at acquisition value. The District's capitalization policies include real or business personal property with a value equal to or greater than \$5,000 and an estimated useful life in excess of one year. Renovations of \$100,000 to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operating expense in the year in which the expense is incurred. The District reports depreciation and or amortization under a single-line item as a business-type unit. Depreciation and or amortization is computed using the straight-line method over the following estimated useful lives of the assets:

| | |
|-----------------------------------|--------------|
| Buildings | 50 years |
| Land improvements | 20 years |
| Library books | 15 years |
| Furniture, equipment and vehicles | 5-10 years |
| Computer systems | 5 years |
| Intangibles | Per Contract |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

2. Summary of Significant Accounting Policies, continued

Unearned Revenue

Tuition, fees, housing and meal charges of \$38,864,360 and \$40,562,098 and federal, state and local grants of \$1,636,174 and \$1,673,257 have been reported as unearned revenue at August 31, 2024 and 2023, respectively.

Other Post-Employment Benefits (OPEB)

The District participates in a cost-sharing multiple-employer other post-employment benefit (OPEB) plan with a special funding situation. 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 those benefits if they reach normal retirement age while working for the state and retire with at least 10 years of service to eligible entities. Surviving spouses and dependents of these retirees are also covered. Benefit and contribution provisions of the GBP are authorized by state law and may be amended by the Texas Legislature.

Pensions

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

Accounting Changes and Error Corrections

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

Compensated Absences

The requirements of GASB 101, Compensated Absences, are effective for fiscal years beginning after December 15, 2023. The college has decided to early implement the particular pronouncement. The purpose of this pronouncement is aimed at providing a means of generating a liability for compensated absences that more appropriately reflects when a government incurs an obligation.

3. Authorized Investments

The Board of Trustees of the District has adopted a written investment policy regarding the investments of its funds as defined in the Public Funds Investment Act (Chapter 2256.001 Texas Government Code). The investments of the District are in compliance with the Board

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

3. Authorized Investments, continued

of Trustees' investment policy and the Public Funds Investment Act. The District is authorized to invest in obligations and instruments as follows: (1) obligations of the United States and 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 deposits and (5) other instruments and obligations authorized by statute.

4. Deposits and Investments

Deposits

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the District's deposits may not be returned. The District's investment policy requires pledging of collateral for all bank balances in excess of Federal Depository Insurance Corporation (FDIC) limits at a minimum of 102% of fair value. As of August 31, 2024 and 2023, the District's entire bank balances of \$9,572,947 and \$5,933,373 respectively, were insured, collateralized and not exposed to custodial credit risk.

The following table presents cash and deposits included in Exhibit 1, Statement of Net Position, as of August 31:

| | <u>2024</u> | <u>2023</u> |
|--------------------------|-----------------------|----------------------|
| Cash and Deposits | | |
| Petty Cash | \$ 6,690 | \$ 5,220 |
| Demand Deposits | 9,572,947 | 5,933,373 |
| Money Market Accounts | 32,531,542 | 30,836,722 |
| Investment Pools | | |
| Lone Star | 23,052,321 | 3,877,366 |
| TexPool | 20,090,124 | 971,257 |
| TexStar | 15,175,810 | 295,575 |
| LOGIC | | 20,481,868 |
| Total Cash and Deposits | <u>\$ 100,429,434</u> | <u>\$ 62,401,381</u> |

Investments

The District had the following investments as of August 31:

| Investments | Maturities | Fair Value | |
|------------------------|-------------------|----------------------|----------------------|
| | | <u>2024</u> | <u>2023</u> |
| Fixed Income | 09/2024 - 09/2042 | \$ 3,608,727 | \$ 14,129,692 |
| Certificate of Deposit | 09/2024 - 08/2025 | 22,747,204 | 48,425,361 |
| Treasury Notes | | | 9,581,509 |
| Equities | | 396,000 | 432,000 |
| Total Investments | | <u>\$ 26,751,931</u> | <u>\$ 72,568,562</u> |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

4. Deposits and Investments, continued

Reconciliation of Cash, Deposits, and Investments to the Statement of Net Position (Exhibit 1)

| | <u>Market Value</u> <u>August 31, 2024</u> | <u>Market Value</u> <u>August 31, 2023</u> |
|---|---|---|
| Total Investments | \$ 26,751,931 | \$ 72,568,562 |
| Total Cash and Deposits | 100,429,434 | 62,401,381 |
| Total Deposits and Investments | <u>\$ 127,181,365</u> | <u>\$ 134,969,943</u> |
| Statement of Net Position | | |
| Cash and Cash Equivalents | \$ 99,518,511 | \$ 61,539,730 |
| Restricted Cash and Cash Equivalents | 910,923 | 861,651 |
| Total Cash and Deposits (Exhibit 1) | <u>\$ 100,429,434</u> | <u>\$ 62,401,381</u> |
| Investments | \$ 18,755,133 | \$ 64,515,938 |
| Restricted Investments | | |
| Restricted Investments Noncurrent | 7,996,798 | 8,052,624 |
| Total Investments (Exhibit 1) | <u>\$ 26,751,931</u> | <u>\$ 72,568,562</u> |
| Total Deposits and Investments (Exhibit 1) | <u>\$ 127,181,365</u> | <u>\$ 134,969,943</u> |

Interest Rate Risk

Interest risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods can be subjected to increased risk of adverse interest rate changes. In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring its portfolio to provide liquidity for operating funds and maximizing yields for funds not immediately needed. The investment policy limits the maximum maturity on any security to three years. The Board may specifically authorize a longer maturity for a given investment, within legal limits. To the extent possible, the District shall attempt to match its investments with anticipated future cash flow.

Credit Risk

Credit risks are the risk that the insurer of the debt security will not pay its par value upon maturity. In accordance with state law and the District's investment policy, investments in mutual funds and investment pools must be rated at least AAA; commercial paper must be rated at least A-1 or P-1; and investments in obligations from other states, municipalities, counties, etc., must be rated at A as well. U.S. Government obligations are not considered to have credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The District places no limit on the amount the District may invest in any one issuer.

During fiscal year 2006, a donor remitted shares in a Company to the District to establish an endowed scholarship. The shares had a fair value of \$396,000 and \$432,000 at August 31, 2024 and 2023, respectively. Securities donated to an investing entity for a particular purpose or under terms of use specified by the donor, are not subject to the requirements of the Public Funds

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

4. Deposits and Investments, continued

Investment Act. The District amended its investment policy to allow, at the Board of Trustees discretion, the District to hold donated equities for endowed scholarships.

5. Fair Value of Financial Instruments

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

| | FY 2024 | | | | FY 2023 |
|------------------------|----------------------|----------------|----------------|----------------------|----------------------|
| | Level 1 | Level 2 | Level 3 | Total | Total |
| Fixed Income | \$ 3,608,727 | | | \$ 3,608,727 | \$ 14,129,692 |
| Certificate of Deposit | 22,747,204 | | | 22,747,204 | 48,425,361 |
| Treasury Note | | | | - | 9,581,509 |
| Equities | 396,000 | | | 396,000 | 432,000 |
| | <u>\$ 26,751,931</u> | | | <u>\$ 26,751,931</u> | <u>\$ 72,568,562</u> |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

6. Capital Assets

Capital assets' activities for the years ended August 31:

| | BALANCES | | | | BALANCES | |
|--|-----------------------|----------------------|-----------------------|-----------------------|-----------------------|--|
| | September 1, | | | | August 31, | |
| | 2023 | Increases | Decreases | Reclasses | 2024 | |
| Capital Assets not subject to Depreciation: | | | | | | |
| Land | \$ 14,459,373 | \$ - | \$ - | \$ - | \$ 14,459,373 | |
| Collections | 18,500 | | (8,500) | | 10,000 | |
| Construction in Progress | 3,306,767 | 21,938,146 | | (4,188,508) | 21,056,405 | |
| Total Non Depreciated Assets | <u>\$ 17,784,640</u> | <u>\$ 21,938,146</u> | <u>\$ (8,500)</u> | <u>\$ (4,188,508)</u> | <u>\$ 35,525,778</u> | |
| Capital Assets subject to Depreciation: | | | | | | |
| Buildings | \$ 242,027,294 | \$ - | \$ (1,713,050) | \$ 1,631,021 | \$ 241,945,265 | |
| Land Improvements | 12,869,719 | | | 2,557,488 | 15,427,207 | |
| Furniture, Equipment, vehicles | 11,574,845 | 1,194,271 | (759,379) | (31,289) | 11,978,448 | |
| Computer Equipment | 10,643,293 | 499,879 | (723,708) | 31,288 | 10,450,752 | |
| Library Books | 5,578,011 | 96,411 | | | 5,674,422 | |
| Total Depreciated Assets | <u>\$ 282,693,162</u> | <u>\$ 1,790,561</u> | <u>\$ (3,196,137)</u> | <u>\$ 4,188,508</u> | <u>\$ 285,476,094</u> | |
| Less Accumulated Depreciation | | | | | | |
| Buildings | \$ 57,169,169 | \$ 4,776,936 | \$ (971,260) | \$ - | \$ 60,974,845 | |
| Land Improvements | 7,236,931 | 778,487 | | | 8,015,418 | |
| Furniture, Equipment, vehicles | 7,228,680 | 1,052,508 | (698,547) | (29,812) | 7,552,829 | |
| Computer Equipment | 8,476,017 | 404,633 | (620,826) | 29,812 | 8,289,636 | |
| Library Books | 4,448,310 | 368,555 | | | 4,816,865 | |
| Total Accumulated Depreciation | <u>\$ 84,559,107</u> | <u>\$ 7,381,119</u> | <u>\$ (2,290,633)</u> | <u>\$ -</u> | <u>\$ 89,649,593</u> | |
| Amortizable Assets - Intangible | | | | | | |
| Land Use Rights - Term | \$ 6,252,940 | \$ 195,811 | \$ - | | \$ 6,448,751 | |
| Total Intangible Assets | <u>\$ 6,252,940</u> | <u>\$ 195,811</u> | <u>\$ -</u> | | <u>\$ 6,448,751</u> | |
| Less Accumulated Amortization - Intangible Assets | | | | | | |
| Land Use Rights - Term | \$ 2,483,029 | \$ 366,332 | \$ - | | \$ 2,849,361 | |
| Total Intangible Accumulated Amortization | <u>\$ 2,483,029</u> | <u>\$ 366,332</u> | <u>\$ -</u> | | <u>\$ 2,849,361</u> | |
| Amortizable Assets - Right to Use | | | | | | |
| Real Estate Right to Use | \$ 12,902,053 | \$ - | \$ - | \$ - | \$ 12,902,053 | |
| Equipment Right to use | 1,030,066 | 316,031 | (280,691) | | 1,065,406 | |
| SBITA Right to Use | 7,410,798 | 809,681 | (2,343,883) | | \$ 5,876,596 | |
| Total Right to Use Assets | <u>\$ 21,342,917</u> | <u>\$ 1,125,712</u> | <u>\$ (2,624,574)</u> | <u>\$ -</u> | <u>\$ 19,844,055</u> | |
| Less Accumulated Amortization - Right to Use | | | | | | |
| Real Estate Right to Use | \$ 2,992,336 | \$ 662,611 | \$ - | \$ - | \$ 3,654,947 | |
| Equipment Right to use | 681,886 | 221,583 | (276,238) | | 627,231 | |
| SBITA Right to Use | 4,167,525 | 2,204,609 | (2,343,884) | | 4,028,250 | |
| Total Right to Use Accumulated Amortization | <u>\$ 7,841,747</u> | <u>\$ 3,088,803</u> | <u>\$ (2,620,122)</u> | <u>\$ -</u> | <u>\$ 8,310,428</u> | |
| Total Net Capital Assets | <u>\$ 233,189,776</u> | <u>\$ 14,213,976</u> | <u>\$ (918,456)</u> | <u>\$ -</u> | <u>\$ 246,485,296</u> | |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

6. Capital Assets, continued

| | BALANCES | | | | BALANCES |
|--|-----------------------|---------------------|-----------------------|-----------------------|-----------------------|
| | September 1, 2022 | Increases | Decreases | Reclasses | |
| Capital Assets not subject to Depreciation: | | | | | |
| Land | \$ 13,651,889 | \$ 799,984 | \$ - | \$ 7,500 | \$ 14,459,373 |
| Collections | 18,500 | | | | 18,500 |
| Construction in Progress | 3,911,691 | 5,667,776 | | (6,272,700) | 3,306,767 |
| Total Non Depreciated Assets | <u>\$ 17,582,080</u> | <u>\$ 6,467,760</u> | <u>\$ -</u> | <u>\$ (6,265,200)</u> | <u>\$ 17,784,640</u> |
| Capital Assets subject to Depreciation: | | | | | |
| Buildings | \$ 236,288,475 | \$ - | \$ - | \$ 5,738,819 | \$ 242,027,294 |
| Land Improvements | 12,869,719 | | | | 12,869,719 |
| Furniture, Equipment, vehicles | 10,238,774 | 1,759,645 | (423,574) | | 11,574,845 |
| Computer Equipment | 10,730,889 | 500,802 | (588,398) | | 10,643,293 |
| Library Books | 5,474,098 | 103,913 | | | 5,578,011 |
| Total Depreciated Assets | <u>\$ 275,601,955</u> | <u>\$ 2,364,360</u> | <u>\$ (1,011,972)</u> | <u>\$ 5,738,819</u> | <u>\$ 282,693,162</u> |
| Less Accumulated Depreciation | | | | | |
| Buildings | \$ 54,045,214 | \$ 4,739,203 | | \$ (1,615,248) | \$ 57,169,169 |
| Land Improvements | 5,808,753 | 667,072 | | 761,106 | 7,236,931 |
| Furniture, Equipment, vehicles | 6,628,261 | 908,613 | (353,783) | 45,589 | 7,228,680 |
| Computer Equipment | 8,298,077 | 375,465 | (588,398) | 390,873 | 8,476,017 |
| Library Books | 3,665,690 | 364,940 | | 417,680 | 4,448,310 |
| Total Accumulated Depreciation | <u>\$ 78,445,995</u> | <u>\$ 7,055,293</u> | <u>\$ (942,181)</u> | <u>\$ -</u> | <u>\$ 84,559,107</u> |
| Amortizable Assets - Intangible | | | | | |
| Land Use Rights - Term | \$ 5,726,556 | \$ - | \$ - | \$ 526,384 | \$ 6,252,940 |
| Total Intangible Assets | <u>\$ 5,726,556</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 526,384</u> | <u>\$ 6,252,940</u> |
| Less Accumulated Amortization - Intangible Assets | | | | | |
| Land Use Rights - Term | \$ 2,139,026 | \$ 344,003 | \$ - | | \$ 2,483,029 |
| Total Intangible Accumulated Amortization | <u>\$ 2,139,026</u> | <u>\$ 344,003</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,483,029</u> |
| Amortizable Assets - Right to Use | | | | | |
| Real Estate Right to Use | \$ 12,133,981 | \$ 768,072 | \$ - | \$ - | \$ 12,902,053 |
| Equipment Right to use | 1,001,713 | 28,353 | - | | 1,030,066 |
| SBITA Right to Use | | 7,633,312 | (222,514) | | \$ 7,410,798 |
| Total Right to Use Assets | <u>\$ 13,135,694</u> | <u>\$ 8,429,737</u> | <u>\$ (222,514)</u> | <u>\$ -</u> | <u>\$ 21,342,917</u> |
| Less Accumulated Amortization - Right to Use | | | | | |
| Real Estate Right to Use | | | | | |
| Equipment Right to use | \$ 2,435,400 | \$ 556,936 | \$ - | \$ - | \$ 2,992,336 |
| Total Right to Use Accumulated Amortization | <u>443,796</u> | <u>238,090</u> | <u>-</u> | <u>-</u> | <u>681,886</u> |
| | | 4,390,039 | (222,514) | | 4,167,525 |
| Total Net Capital Assets | <u>\$ 2,879,196</u> | <u>\$ 5,185,065</u> | <u>\$ (222,514)</u> | <u>\$ -</u> | <u>\$ 7,841,747</u> |
| | <u>\$ 228,582,068</u> | <u>\$ 4,677,496</u> | <u>\$ (69,791)</u> | <u>\$ 3</u> | <u>\$ 233,189,776</u> |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

7. Noncurrent Liabilities

Noncurrent liability activity for the years ended August 31:

Noncurrent Liability Activity for the Years Ended August 31:

| | 2024 | | | | |
|-----------------------------------|---------------------------------|---------------------|------------------------|-------------------------------|---------------------|
| | Balance September 1, 2023 | Additions | Reductions | Balance August 31, 2024 | Current Portion |
| Bonds Payable | \$ 99,465,000 | \$ - | \$ (3,900,000) | \$ 95,565,000 | \$ 4,065,000 |
| Unamortized Bond Premium | 5,430,404 | - | (254,154) | 5,176,250 | |
| Total Bond Liability | <u>\$ 104,895,404</u> | <u>\$ -</u> | <u>\$ (4,154,154)</u> | <u>\$ 100,741,250</u> | <u>\$ 4,065,000</u> |
| Lease Liability | \$ 13,513,951 | \$ 846,727 | \$ (2,959,124) | \$ 11,401,554 | \$ 1,201,482 |
| Total Lease Liability | <u>\$ 13,513,951</u> | <u>\$ 846,727</u> | <u>\$ (2,959,124)</u> | <u>\$ 11,401,554</u> | <u>\$ 1,201,482</u> |
| Accrued Compensable Absence | \$ 512,060 | | \$ (20,826) | \$ 491,234 | \$ 491,234 |
| Total Accrued Compensable Absence | <u>\$ 512,060</u> | <u>\$ -</u> | <u>\$ (20,826)</u> | <u>\$ 491,234</u> | <u>\$ 491,234</u> |
| Net Pension Liability | \$ 22,982,824 | \$ 4,094,510 | \$ - | \$ 27,077,334 | \$ - |
| Net OPEB Liability | 49,800,918 | | (2,886,517) | 46,914,401 | 1,312,261 |
| Total Other Liability | <u>\$ 72,783,742</u> | <u>\$ 4,094,510</u> | <u>\$ (2,886,517)</u> | <u>\$ 73,991,735</u> | <u>\$ 1,312,261</u> |
| Total Noncurrent Liabilities | <u>\$ 191,705,157</u> | <u>\$ 4,941,237</u> | <u>\$ (10,020,621)</u> | <u>\$ 186,625,773</u> | <u>\$ 7,069,977</u> |

| | 2023 | | | | |
|-----------------------------------|---------------------------------|----------------------|------------------------|-------------------------------|---------------------|
| | Balance September 1, 2022 | Additions | Reductions | Balance August 31, 2023 | Current Portion |
| Bonds Payable | \$ 104,475,000 | \$ - | \$ (5,010,000) | \$ 99,465,000 | \$ 3,900,000 |
| Unamortized Bond Premium | 5,684,559 | - | (254,155) | 5,430,404 | |
| Total Bond Liability | <u>\$ 110,159,559</u> | <u>\$ -</u> | <u>\$ (5,264,155)</u> | <u>\$ 104,895,404</u> | <u>\$ 3,900,000</u> |
| Lease Liability | \$ 10,584,886 | \$ 3,482,331 | \$ (553,266) | \$ 13,513,951 | \$ 2,959,124 |
| Total Lease Liability | <u>\$ 10,584,886</u> | <u>\$ 3,482,331</u> | <u>\$ (553,266)</u> | <u>\$ 13,513,951</u> | <u>\$ 2,959,124</u> |
| Accrued Compensable Absence | \$ - | \$ 512,060 | \$ - | \$ 512,060 | \$ 512,060 |
| Total Accrued Compensable Absence | <u>\$ -</u> | <u>\$ 512,060</u> | <u>\$ -</u> | <u>\$ 512,060</u> | <u>\$ 512,060</u> |
| Net Pension Liability | \$ 10,718,973 | \$ 12,263,851 | \$ - | \$ 22,982,824 | \$ - |
| Net OPEB Liability | 63,741,752 | | (13,940,834) | 49,800,918 | 1,294,718 |
| Total Other Liability | <u>\$ 74,460,725</u> | <u>\$ 12,263,851</u> | <u>\$ (13,940,834)</u> | <u>\$ 72,783,742</u> | <u>\$ 1,294,718</u> |
| Total Noncurrent Liabilities | <u>\$ 195,205,170</u> | <u>\$ 16,258,242</u> | <u>\$ (19,758,255)</u> | <u>\$ 191,705,157</u> | <u>\$ 8,665,902</u> |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

8. Debt and Lease Obligations

Debt service requirements of the bonds for the next five years and thereafter are as follows:

| Fiscal Year | Principal | Interest | Total |
|--------------|----------------------|---------------------|-----------------------|
| 2025 | 4,065,000 | 3,339,294 | 7,404,294 |
| 2026 | 4,240,000 | 3,142,840 | 7,382,840 |
| 2027 | 4,430,000 | 2,958,422 | 7,388,422 |
| 2028 | 4,610,000 | 2,785,007 | 7,395,007 |
| 2029 | 4,830,000 | 2,581,587 | 7,411,587 |
| 2030-2034 | 24,920,000 | 9,703,583 | 34,623,583 |
| 2035-2039 | 25,030,000 | 5,756,932 | 30,786,932 |
| 2040-2044 | 20,025,000 | 1,793,063 | 21,818,063 |
| 2045-2046 | 3,415,000 | 68,632 | 3,483,632 |
| Total | \$ 95,565,000 | \$32,129,360 | \$ 127,694,360 |

Blinn College District changed accounting policies related to Leases by adopting Statement of Government Accounting Standards (GASB) Statement No. 96 Subscription-Based Information Technology Arrangements (SBITA), in fiscal year ending August 31, 2023.

| Lease Description | Asset Class | Lease Start Date | Lease End Date | Lease Book Value | Accumulated Amortization |
|---|---------------------|---------------------|-------------------|---------------------|-----------------------------|
| Bryan Post Office | Real Estate Expense | 09/01/21 | 08/31/26 | 443,676 | 266,206 |
| Hohlt Park - Soccer Fields | Real Estate Expense | 07/01/23 | 06/30/28 | 127,810 | 29,822 |
| Hohlt Park - Softball Field | Real Estate Expense | 03/20/18 | 03/20/27 | 116,857 | 83,709 |
| RELLIS - 8004 | Real Estate Expense | 12/01/17 | 10/31/56 | 918,851 | 159,372 |
| RELLIS - HSC | Real Estate Expense | 08/01/19 | 07/31/49 | 9,646,253 | 1,634,504 |
| Tejas Center | Real Estate Expense | 12/01/14 | 02/28/25 | 1,456,124 | 1,385,093 |
| Texas A&M Vet Tech | Real Estate Expense | 09/01/22 | 08/31/26 | 192,483 | 96,241 |
| Totals by Real Estate Lease Assets | | | | 12,902,053 | 3,654,947 |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

8. Debt and Lease Obligations, continued

| Lease Description | Asset Class | Lease Start Date | Lease End Date | Lease Book Value | Accumulated Amortization |
|---------------------------------|--------------------|-----------------------------|---------------------------|-----------------------------|-------------------------------------|
| 2024 Freightliner Bus - 591 | Equipment Expense | 04/01/24 | 03/31/29 | 278,024 | 23,169 |
| 48 Passenger Bus - 570 | Equipment Expense | 10/01/19 | 09/30/25 | 248,945 | 203,996 |
| 52 Passenger Bus - 571 | Equipment Expense | 11/18/19 | 11/30/25 | 250,300 | 198,466 |
| Enterprise 577 | Equipment Expense | 10/22/20 | 11/30/24 | 14,716 | 13,821 |
| Enterprise 578 | Equipment Expense | 10/22/20 | 11/30/24 | 14,716 | 13,821 |
| Enterprise 579 | Equipment Expense | 10/22/20 | 11/30/24 | 14,716 | 13,821 |
| Enterprise 585 | Equipment Expense | 07/08/22 | 08/31/26 | 13,797 | 7,145 |
| Enterprise 586 | Equipment Expense | 07/28/22 | 08/31/26 | 10,853 | 5,552 |
| Toshiba - TA1079 Mill Creek | Equipment Expense | 10/26/21 | 10/25/24 | 2,833 | 2,691 |
| Toshiba - TA1145 Foundation | Equipment Expense | 01/24/22 | 01/25/26 | 12,482 | 8,118 |
| Toshiba - TA1189 Agriculture | Equipment Expense | 04/22/22 | 04/23/25 | 10,306 | 8,087 |
| Toshiba - TA1190 Chemistry | Equipment Expense | 04/22/22 | 04/23/25 | 10,306 | 8,087 |
| Toshiba - TA1191 Social Science | Equipment Expense | 04/22/22 | 04/23/25 | 10,306 | 8,087 |
| Toshiba - TA1192 College Com | Equipment Expense | 04/22/22 | 04/23/25 | 3,447 | 2,705 |
| Toshiba - TA1193 Accounting | Equipment Expense | 04/22/22 | 04/23/25 | 3,447 | 2,705 |
| Toshiba - TA1194 Physical Pla | Equipment Expense | 04/22/22 | 04/23/25 | 3,727 | 2,925 |
| Toshiba - TA1195 Wheeler | Equipment Expense | 04/22/22 | 04/23/25 | 3,447 | 2,705 |
| Toshiba - TA1196 Library Offi | Equipment Expense | 04/22/22 | 04/23/25 | 3,447 | 2,705 |
| Toshiba - TA1197 Football | Equipment Expense | 04/22/22 | 04/23/25 | 3,447 | 2,705 |
| Toshiba - TA1198 Library Front | Equipment Expense | 04/22/22 | 04/23/25 | 3,073 | 2,412 |
| Toshiba - TA1199 Library Rear | Equipment Expense | 04/22/22 | 04/23/25 | 3,073 | 2,412 |
| Toshiba - TA1200 Admin Comp | Equipment Expense | 04/22/22 | 04/23/25 | 3,447 | 2,705 |
| Toshiba - TA1201 Drama | Equipment Expense | 04/22/22 | 04/23/25 | 3,056 | 2,398 |
| Toshiba - TA1202 Disability | Equipment Expense | 04/22/22 | 04/23/25 | 3,056 | 2,398 |
| Toshiba - TA1203 Purchasing | Equipment Expense | 04/22/23 | 04/23/25 | 2,072 | 1,404 |
| Toshiba - TA1204 Financial Aid | Equipment Expense | 04/22/22 | 04/23/25 | 4,107 | 3,223 |
| Toshiba - TA1205 Student Serv | Equipment Expense | 04/22/22 | 04/23/25 | 4,248 | 3,333 |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

8. Debt and Lease Obligations, continued

| | | | | | |
|---|-------------------|----------|----------|------------------|----------------|
| Toshiba - TA1206 Admissions | Equipment Expense | 04/22/22 | 04/23/25 | 4,248 | 3,333 |
| Toshiba - TA1207 Schul Enroll | Equipment Expense | 04/22/22 | 04/23/25 | 4,248 | 3,333 |
| Toshiba - TA1208 Academic Aff | Equipment Expense | 04/22/22 | 04/23/25 | 4,248 | 3,333 |
| Toshiba - TA1209 Band Hall | Equipment Expense | 04/22/22 | 04/23/25 | 4,248 | 3,333 |
| Toshiba - TA1210 Arts & Scienc | Equipment Expense | 04/22/22 | 04/23/25 | 4,248 | 3,333 |
| Toshiba - TA1211 Budget | Equipment Expense | 04/22/22 | 04/23/25 | 4,248 | 3,333 |
| Toshiba - TA1212 Schul Classes | Equipment Expense | 04/22/22 | 04/23/25 | 3,968 | 3,113 |
| Toshiba - TA1213 Student Centr | Equipment Expense | 04/22/22 | 04/23/25 | 3,968 | 3,113 |
| Toshiba - TA1214 Marketing | Equipment Expense | 04/22/22 | 04/23/25 | 7,513 | 5,895 |
| Toshiba - TA1215 Chancellor | Equipment Expense | 04/22/22 | 04/23/25 | 8,765 | 6,877 |
| Toshiba - TA1216 HR | Equipment Expense | 04/22/22 | 04/23/25 | 8,765 | 6,877 |
| Toshiba - TA1219 Facilities | Equipment Expense | 04/22/22 | 04/23/25 | 7,253 | 5,691 |
| Toshiba - TA1252 Police | Equipment Expense | 04/22/22 | 04/23/25 | 5,625 | 4,414 |
| Toshiba - TA1253 Police Upstrs | Equipment Expense | 04/22/22 | 04/23/25 | 5,625 | 4,414 |
| Toshiba - TA1283 Prairie L B | Equipment Expense | 09/29/22 | 09/30/25 | 3,792 | 2,425 |
| Toshiba - TA1284 Prairie L A | Equipment Expense | 09/29/22 | 09/30/25 | 3,792 | 2,425 |
| Toshiba - TA1568 Counseling | Equipment Expense | 01/05/24 | 01/05/27 | 5,421 | 1,185 |
| Toshiba - TA1570 English | Equipment Expense | 01/05/24 | 01/05/27 | 11,388 | 2,490 |
| Toshiba - TA1571 Math | Equipment Expense | 01/05/24 | 01/05/27 | 11,388 | 2,490 |
| Toshiba - TA1578 Heineke Gym | Equipment Expense | 01/05/24 | 01/05/27 | 3,905 | 854 |
| Toshiba - TA1627 Prosp Student | Equipment Expense | 04/29/24 | 04/29/27 | 5,905 | 667 |
| Toshiba - TAXXXX Sealy | Equipment Expense | 04/22/22 | 04/23/25 | 3,447 | 2,705 |
| Totals by Equipment Lease Assets | | | | 1,065,406 | 627,231 |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

8. Debt and Lease Obligations, continued

| Lease Description | Asset Class | Lease Start Date | Lease End Date | Lease Book Value | Accumulated Amortization |
|-------------------------------------|---------------|---------------------|-------------------|---------------------|-----------------------------|
| Ad Astra Information Systems | SBITA GASB 96 | 03/31/21 | 03/30/25 | 107,989 | 92,314 |
| Blackbaud | SBITA GASB 96 | 09/06/21 | 09/07/24 | 81,526 | 81,149 |
| CDW-G VEEAM Backup Rep | SBITA GASB 96 | 06/04/23 | 06/03/26 | 42,234 | 17,480 |
| Cordance SPOL | SBITA GASB 96 | 02/01/22 | 01/31/25 | 71,837 | 61,860 |
| Digital Architecture - Acalog | SBITA GASB 96 | 03/01/21 | 02/28/25 | 163,077 | 142,692 |
| Element451 | SBITA GASB 96 | 06/01/22 | 08/31/25 | 295,686 | 221,765 |
| Ellucian Experience Premium | SBITA GASB 96 | 12/01/22 | 08/31/27 | 172,821 | 63,671 |
| Ellucian ILP | SBITA GASB 96 | 09/01/22 | 08/31/25 | 86,645 | 57,764 |
| Ellucian Travel & Expense Mgmt | SBITA GASB 96 | 10/01/22 | 08/31/25 | 76,686 | 50,394 |
| Explorance | SBITA GASB 96 | 06/09/22 | 06/08/27 | 183,099 | 81,581 |
| Honorlock | SBITA GASB 96 | 08/01/22 | 07/31/25 | 1,194,294 | 829,371 |
| iContracts | SBITA GASB 96 | 02/01/22 | 01/31/25 | 47,353 | 40,776 |
| Innovative Interfaces - Virtua | SBITA GASB 96 | 01/01/22 | 12/31/24 | 175,654 | 156,137 |
| Ion Wave Technologies | SBITA GASB 96 | 04/01/22 | 08/31/27 | 42,818 | 34,492 |
| JourneyEd Com 2024-2026 | SBITA GASB 96 | 09/01/23 | 08/31/26 | 201,601 | 67,200 |
| Nelnet Business E-Bill | SBITA GASB 96 | 10/15/18 | 10/14/24 | 58,960 | 58,960 |
| Nelnet Business E-Commerce | SBITA GASB 96 | 10/15/18 | 10/14/24 | 32,756 | 32,756 |
| Nelnet Business E-Pay | SBITA GASB 96 | 10/15/18 | 10/14/24 | 117,920 | 117,920 |
| Next Gen - Scholarship Manager | SBITA GASB 96 | 10/01/21 | 09/30/24 | 25,533 | 24,824 |
| Oracle - Texas A&M Univ Corpus | SBITA GASB 96 | 04/01/24 | 08/31/27 | 536,671 | 65,448 |
| PeopleAdmin | SBITA GASB 96 | 11/01/21 | 10/31/24 | 249,824 | 235,945 |
| Q-Less | SBITA GASB 96 | 10/13/21 | 10/12/24 | 85,183 | 81,901 |
| Rave Wireless | SBITA GASB 96 | 07/19/21 | 09/18/24 | 83,893 | 83,893 |
| Rx Technology | SBITA GASB 96 | 12/14/22 | 12/13/25 | 397,762 | 227,394 |
| SHI Government | SBITA GASB 96 | 05/01/20 | 04/30/25 | 1,235,209 | 1,070,514 |
| Wolfram Research | SBITA GASB 96 | 07/01/22 | 06/30/25 | 38,157 | 27,558 |
| YuJa - 2025 | SBITA GASB 96 | 08/19/24 | 08/18/25 | 71,409 | 2,494 |
| Totals by SBITA Lease Assets | | | | 5,876,596 | 4,028,250 |
| Total of Lease Assets | | | | 19,844,055 | 8,310,428 |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

8. Debt and Lease Obligations, continued

Obligations under leases on August 31, 2024, were as follows:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|----------------------|---------------------|----------------------|
| 2025 | 1,201,482 | 397,557 | 1,599,039 |
| 2026 | 826,910 | 345,442 | 1,172,352 |
| 2027 | 406,559 | 312,584 | 719,143 |
| 2028 | 267,898 | 295,654 | 563,552 |
| 2029 | 283,453 | 284,201 | 567,654 |
| 2030-2034 | 1,394,135 | 1,290,034 | 2,684,169 |
| 2033-2039 | 1,847,578 | 1,030,372 | 2,877,950 |
| 2040-2044 | 2,396,482 | 689,765 | 3,086,247 |
| 2045-2049 | 2,413,319 | 253,035 | 2,666,354 |
| 2050-2054 | 249,911 | 37,508 | 287,419 |
| 2055-2059 | <u>113,827</u> | <u>2,707</u> | <u>116,534</u> |
| Total | <u>\$ 11,401,554</u> | <u>\$ 4,938,859</u> | <u>\$ 16,340,413</u> |

9. Bonds Payable

Bonds payable consist of Combined Fee Revenue and Refunding Bonds. General information related to bonds payable is summarized below:

Combined Fee Revenue Bonds, Series 2020

- Washington County Junior College District Combined Fee Revenue Bonds, Series 2020
- Proceeds will be used to acquire, purchase, construct, improve, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, operations, or facilities, of any nature, to wit: academic facilities, including classrooms, laboratories and related facilities, and administration facilities.
- Issued October 13, 2020
- \$27,525,000, all authorized bonds have been issued
- Interest rates range from 2.37% to 5.00%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2024 and 2023 of \$23,055,000 and \$24,255,000, respectively.
- A premium of \$3,429,200 is being amortized over the life of the bonds

Combined Fee Revenue Bonds, Series 2019

- Washington County Junior College District Combined Fee Revenue Bonds, Series 2019
- Proceeds will be used to acquire, purchase, construct, improve, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, operations, or facilities, of any nature, to wit: academic facilities, including classrooms, laboratories and related facilities, and administration facilities.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

9. Bonds Payable, continued

- Issued May 15, 2019
- \$29,125,000, all authorized bonds have been issued
- Interest rates range from 3.00% to 5.00%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2024 and 2023 of \$26,190,000 and \$26,970,000, respectively.
- A premium of \$881,880 is being amortized over the life of the bonds

Combined Fee Revenue Bonds, Series 2016

- Washington County Junior College District Combined Fee Revenue Bonds, Series 2016
- Proceeds will be used to (i) acquire, purchase, construct, improve, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, operations, or facilities, of any nature, to wit: academic facilities, including classrooms, laboratories, related facilities and administration facilities; (ii) fund a Reserve Fund; and (iii) pay the costs of issuance of the Bonds
- Issued March 23, 2016
- \$36,975,000, all authorized bonds have been issued
- Interest rates range from 2.125% to 5.00%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2024 and 2023 of \$31,200,000 and \$32,450,000, respectively.
- A premium of \$1,905,100 is being amortized over the life of the bonds

Combined Fee Revenue Bonds, Series 2015

- Washington County Junior College District Combined Fee Revenue Bonds, Series 2015
- Proceeds will be used to (i) acquire, purchase, construct, improve, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, operations, or facilities, of any nature, to wit: academic facilities, including classrooms, laboratories, related facilities and administration facilities; (ii) fund a Reserve Fund; and (iii) pay the costs of issuance of the Bonds
- Issued December 15, 2015
- \$9,625,000, all authorized bonds have been issued
- Interest rates range from 3.00% to 4.00%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2024 and 2023 of \$7,580,000 and \$7,900,000, respectively.
- A premium of \$94,033 is being amortized over the life of the bonds

Combined Fee Revenue Bonds, Series 2014

- Washington County Junior College District Combined Fee Revenue Bonds, Series 2014
- Proceeds will be used to (i) acquire, purchase, construct, improve, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, operations, or facilities, of any nature, to wit: academic facilities, including classrooms, laboratories and related facilities, administration facilities and the acquisition of sites therefor and (ii) pay the costs of issuance of the Bonds.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

9. Bonds Payable, continued

- Issued December 18, 2014
- \$9,820,000, all authorized bonds have been issued
- Interest rates range from 2.00% to 4.00%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2024 and 2023 of \$7,540,000 and \$7,890,000, respectively.
- A premium of \$25,897 is being amortized over the life of the bonds

10. Employees' Retirement Plans

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

Defined Benefit Pension Plans

Plan Description

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

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load 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 Online or write to TRS at 1000 Red River Street, Austin, TX, 78701-2698.

Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 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 post-employment benefit changes; including automatic COLAs.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

10. Employees' Retirement Plans, continued

Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

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. 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.

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, Section 825.402, for member contributions and increased employee and employer contribution rates for fiscal years 2020 through 2025.

Contribution Rates

| | 2024 | 2023 |
|---|--------------|-------|
| Member | 8.25% | 8.00% |
| Non-Employer Contributing Entity (State) | 8.25% | 8.00% |
| Employers | 8.25% | 8.00% |
| 2023 Member Contributions | \$ 3,490,672 | |
| 2023 State of Texas On-Behalf Contributions | 1,459,528 | |
| 2023 Employer Contributions | 2,029,880 | |

The District's contributions to the TRS pension plan in 2024 were \$2,284,971 as reported in the Schedule of College Contributions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for FY 2024 were \$1,459,528.

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

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

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

10. Employees' Retirement Plans, continued

- 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, when employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions

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

| | |
|---|--|
| Valuation Date | 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 as of August 2023 | 4.13%-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 taxexempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" |
| Last Year Ending August 31 in Projection Period (100 Years) | 2122 |
| Inflation | 2.30% |
| Salary Increases Including Inflation | 2.95% to 8.95% including inflation |
| Ad Hoc Post-Employment Benefit Changes | None |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

10. Employees' Retirement Plans, continued

The actuarial assumptions 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 plan investments of 7.00 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the Legislature during the 2019 legislative session. It is assumed that future employer and state contributions will be 9.50 percent of payroll in fiscal year 2024 gradually 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 these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2023 are summarized below:

| Asset Class* | Target Allocation %** | Long-Term Expected Geometric Real Rate of Return*** | Expected Contribution to Long-Term Portfolio Returns |
|--|-----------------------|---|--|
| Global Equity | | | |
| U.S. | 18.0% | 4.0% | 1.00% |
| Non-U.S. Developed | 13.0% | 4.5% | 0.90% |
| Emerging Markets | 9.0% | 4.8% | 0.70% |
| Private Equity | 14.0% | 7.0% | 1.50% |
| Stable Value | | | |
| Government bonds | 16.0% | 2.5% | 0.50% |
| Absolute Return (including Credit Sensitive Investments) | 0.0% | 3.6% | 0.00% |
| Stable Value Hedge Funds | 5.0% | 4.1% | 0.20% |
| Real Return | | | |
| Real Assets | 15.0% | 4.9% | 1.10% |
| Energy and Natural Resources, and Infrastructure | 6.0% | 4.8% | 0.40% |
| Commodities | 0.0% | 4.4% | 0.00% |
| Risk Parity | | | |
| Risk Parity | 8.0% | 4.5% | 0.40% |
| Asset Allocation Leverage | | | |
| Cash | 2.0% | 3.7% | 0.00% |
| Asset Allocation Leverage | -6.0% | 4.4% | -0.10% |
| Inflation Expectation | | | 2.30% |
| Volatility Drag**** | | | -0.90% |
| Expected Return | 100.0% | | 8.00% |

*Absolute Return includes Credit Sensitive Investments..

** Target Allocations are based on the FY2023 policy model.

*** Capital Market Assumptions come from Aon Hewitt (as of 06/30/2023)

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

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

10. Employees' Retirement Plans, continued

For the year ended August 31, 2024

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.00%) in measuring the Net Pension Liability.

| | 1% Decrease in Discount Rate (6.00%) | Discount Rate (7.00%) | 1% Increase in Discount Rate (8.00%) |
|--|---|-----------------------|---|
| College's proportionate share of the net pension liability | \$40,482,114 | \$27,077,334 | \$15,931,252 |

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

At August 31, 2024, the District reported a liability of \$27,077,334 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction of 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:

| | |
|---|----------------------|
| College's Proportionate share of the collective net pension liability | \$ 27,077,334 |
| State's proportionate share that is associated with College | 19,504,059 |
| Total | <u>\$ 46,581,393</u> |

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

At the measurement date of August 31, 2023, the District's proportion of the net pension liability was 0.0394194143%, which was an increase of 0.00071% from its proportion measured as of August 31, 2022.

For the year ended August 31, 2024, the District recognized pension expense of \$2,944,944 and revenue of \$2,944,944 for support provided by the State.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

10. Employees' Retirement Plans, 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 economic experience | \$ 964,775 | \$ 327,877 |
| Changes in actuarial assumptions | 2,560,985 | 626,732 |
| Differences between projected and actual investment earnings | 3,940,409 | - |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 428,940 | 990,641 |
| Contributions paid to TRS subsequent to the measurement date | 2,284,971 | |
| Total | \$ 10,180,080 | \$ 1,945,250 |

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

| Year Ended August 31 | Pension Expense Amount |
|----------------------|------------------------|
| 2024 | 1,278,332 |
| 2025 | 611,618 |
| 2026 | 3,075,645 |
| 2027 | 845,955 |
| 2028 | 138,309 |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

10. Employees' Retirement Plans, continued

For the year ended August 31, 2023

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.00%) in measuring the Net Pension Liability.

| | 1% Decrease in Discount Rate (6.00%) | Discount Rate (7.00%) | 1% Increase in Discount Rate (8.00%) |
|--|---|-----------------------|---|
| College's proportionate share of the net pension liability | \$35,752,560 | \$22,982,824 | \$12,632,354 |

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

At August 31, 2023, the District reported a liability of \$22,982,824 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction of 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:

| | |
|---|----------------------|
| College's Proportionate share of the collective net pension liability | \$ 22,982,824 |
| State's proportionate share that is associated with College | <u>16,843,543</u> |
| Total | <u>\$ 39,826,367</u> |

The net pension liability was measured as of August 31, 2022 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, 2021 through August 31, 2022.

At the measurement date of August 31, 2022, the District's proportion of the net pension liability was 0.0387129%, which was a decrease of 0.0033% from its proportion measured as of August 31, 2021.

For the year ended August 31, 2023, the District recognized pension expense of \$1,610,052 and revenue of \$1,610,052 for support provided by the State.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

10. Employees' Retirement Plans, continued

At August 31, 2023, 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 economic experience | \$ 333,249 | \$ 501,069 |
| | 4,282,448 | 1,067,306 |
| Differences between projected and actual investment earnings | 8,929,750 | 6,659,120 |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 718,604 | 1,264,416 |
| Contributions paid to TRS subsequent to the measurement date | 2,029,880 | |
| Total | \$ 16,293,931 | \$ 9,491,911 |

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

| Year Ended August 31 | Pension Expense Amount |
|----------------------|------------------------|
| 2023 | 1,708,026 |
| 2024 | 595,856 |
| 2025 | (61,074) |
| 2026 | 2,358,854 |
| 2027 | 170,479 |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

10. Employees' Retirement Plans, continued

Optional Retirement Plan

Plan Description. Participation in the Optional Retirement Program is in lieu of participation in the Teacher Retirement System. The optional retirement program provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The percentages of participant salaries currently contributed by the state and District are 3.3%, respectively and 6.65% by each participant. In addition, the District contributes 1.9% for employees who were participating in the optional retirement program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program. Senate Bill (SB) 1812, 83rd Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50 percent of eligible employees in the reporting district.

The retirement expense to the State for the District was \$359,974 and \$352,789 for the fiscal years ended August 31, 2024 and 2023, respectively. This amount represents the portion of expended appropriations made by the State Legislature on behalf of the District.

The total payroll for all college employees was \$64,642,278 and \$59,913,332 for fiscal years ended August 31, 2024 and 2023 respectively. The total payroll of employees covered by the TRS was \$48,511,147 and \$43,633,399, and the total payroll of employees covered by the Optional Retirement Program was \$11,052,848 and \$10,690,571 for fiscal years 2024 and 2023, respectively.

11. Deferred Compensation Program

The District's employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code 609.001. This plan is essentially an unfunded promise to pay by the employer to each of the plan participants. At August 31, 2024 and 2023, the District had no employees electing to defer compensation.

12. Compensated Absences

Non-faculty employees are entitled to compensation vacation days. The amount of days is determined annually, based on their length of employment, as stipulated with official policy adopted by the District. The current policy allows a maximum of six accrued unused vacation days to be carried over and are payable upon termination. Any accrued unused days in excess of the carry over days expire at the end of each year. In accordance with the provisions of Statement of Financial Accounting Standards No. 43, *Accounting for Compensated Absences*, no liability is recorded for these non-vesting rights. Compensated Absence liability at August 31, 2024 and 2023, is \$491,234 and \$512,060, respectively.

Sick leave can be accumulated subject to certain limitations. It is paid to an employee who misses work because of illness. The District does not allow conversion of unpaid sick leave for terminated employees. The District's policy is to recognize the cost of sick leave when paid. The liability is not shown in the financial statements since experience indicates the expenditure for sick leave to be minimal.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

13. Health Care and Life Insurance Benefits

Certain health care and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The State recognizes the cost of providing these benefits by expending the annual insurance premiums. The State's contribution per full-time employee was \$624 to \$1,222 and \$623 to \$1,220 for the years ended August 31, 2024 and 2023, depending on the coverage elected. The State's contribution totaled \$3,982,555 and \$4,183,097, for the years ended August 31, 2024 and 2023, respectively. The cost of providing those benefits for retirees is not separable from the cost of providing benefits for active employees. SB 1812, 83rd Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50 percent of eligible employees in the reporting district.

14. Other Post-Employment Benefits (OPEB)

Plan Description. The District participates in a cost-sharing, multiple-employer, other post-employment benefit (OPEB) plan with a special funding situation. 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 those benefits if they reach normal retirement age while working for the State and retire with at least 10 years of service to eligible entities. Surviving spouses and dependents of these retirees are also covered. Benefit and contribution provisions of the GBP are authorized by State law and may be amended by the Texas Legislature.

OPEB Plan Fiduciary Net Position. Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Annual Comprehensive Financial Report (ACFR) that includes financial statements, notes to the financial statements and required supplementary information. That report may be obtained online 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 recommendation 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 cost with the revenue expected to be generated by the appropriated funds. There are no long-term contracts for contributions to the plan.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

14. Other Post-Employment Benefits (OPEB), continued

The following table summarized 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 of Texas pays part of the premiums for the junior and community colleges.

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

| | | |
|----------------------|----|----------|
| Retiree Only | \$ | 624.82 |
| Retiree and Spouse | | 1,340.82 |
| Retiree and Children | | 1,104.22 |
| Retiree and Family | | 1,820.22 |

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

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

| | FY 2023 | FY 2022 |
|---|----------------|----------------|
| Employers | \$ 801,018,586 | \$ 699,999,453 |
| Members (Employees) | 181,951,869 | 190,659,955 |
| Non-employer Contributing Entity (State of Texas) | 42,250,455 | 36,750,724 |

Source: ERS FY2023 Annual Comprehensive Financial Report

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

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

14. Other Post-Employment Benefits (OPEB), continued

Significant Methods and Assumptions

| | |
|---------------------------------------|--|
| Valuation Date | August 31, 2023 |
| Actuarial Cost Method | Entry Age |
| Amortization Method | Level percentage of payroll, open |
| Remaining Amortization Period | 30 Years |
| Asset Valuation Method | Not applicable |
| <u>Actuarial Assumptions:</u> | |
| Discount Rate | 3.81% |
| Projected Annual Salary Increase | 2.30% to 8.95%, including inflation |
| Annual Healthcare Trend Rate | <u>HealthSelect</u> 5.60% for FY2025, 5.30% for FY2026, 5.00% for FY2027, 4.75% for FY2028, 4.60% for FY2029, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2032 and later years |
| | <u>HealthSelect Medicare Advantage</u> 16.40% for FY2025, 8.40% for FY2026, 5.00% for FY2027, 4.75% for FY2028, 4.60% for FY2029, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2032 and later years |
| Inflation Assumption Rate | 2.30% |
| Ad hoc Postemployment Benefit Changes | None |
| Mortality Rate | <u>State Agency Members</u> a. Service Retirees, Survivors and other Inactive Members (Regular, Elected, CPO/ CO and JRS I and II Employee Classes): 2020 State Retirees of Texas Mortality table with a 1 year set forward for male CPO/CO members and Ultimate MP Projection Scale projected from the year 2020. b. Disability Retirees (Regular, Elected, CPO/CO and JRS I and II Employee Classes); 2020 State Retirees of Texas Mortality table set forward 3 years for males and females. Generational mortality improvements in accordance with the Ultimate MP-2019 Projection Scale are projected from the year 2020. Minimum rates of 3.0% and 2.5% apply at all ages for males and females, respectively. c. Active Members: Pub-2010 General Employees Active Member Mortality table for non-VPO/CO members and Pub-2010 Public Safety Active Member Mortality table for CPO/CO members with Ultimate MP Projection Scale from the year 2010. |
| | <u>Higher Education Members</u> a. Service Retirees, Survivors and other Inactive Members: Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021. b. Disability Retirees: Tables based on TRS experience with Ultimate MP Projection Scale from the year 2021 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members. c. Active Members: Sex Distinct Pub-2010 Amount-Weighted Below-Median Income Teacher Mortality with a 2-year set forward for males with Ultimate MP Projection Scale from the year 2010. |

Source: ERS FY2023 Annual Comprehensive Financial.

The actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and the actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

14. Other Post-Employment Benefits (OPEB), continued

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 adopted the amendment to the investment policy in August 2022 to require that all funds in the plan be invested in cash and equivalent securities. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested. For the year ended August 31, 2023, the annual money-weighted rate of return on the State Retiree Health Plan was 4.61%

Discount Rate. Because the State Retiree Health Plan does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bonds rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement year was 3.59%. The discount rate used to measure the total OPEB liability as of the end of the measurement period was 3.81%, which amounted to an increase of 0.22%.

The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go (PAYGO) 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 the projected benefit payments to which the long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable is zero years.

Discount Rate Sensitivity Analysis.

For the year ended August 31, 2024

The following schedule shows the impact on the District's proportionate share of the collective 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 net OPEB Liability.

| | 1% Decrease in Discount Rate (2.81%) | Discount Rate (3.81%) | 1% Increase in Discount Rate (4.81%) |
|---|---|-----------------------|---|
| College's proportionate share of the net OPEB liability | \$54,437,424 | \$46,914,401 | \$40,863,444 |

Healthcare Trend Rate Sensitivity Analysis. The initial healthcare trend rate is 5.60% for HealthSelect and 16.40% for HealthSelect Medicare Advantage and the ultimate rate is 4.3% for both. 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 (5.6%) in measuring the net OPEB Liability.

| | 1% Decrease in HealthSelect Trend Rates (4.60% decreasing to 3.30%) | Current Healthcare Cost Trend Rates (HealthSelect: 5.60% decreasing to 4.30%) | 1% Increase in HealthSelect Trend Rates: (6.60% decreasing to 5.30%) |
|---|--|--|---|
| College's proportionate share of the net OPEB liability | \$40,352,907 | \$46,914,401 | \$55,247,536 |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

14. Other Post-Employment Benefits (OPEB), continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At August 31, 2024, the District reported a liability of \$46,914,401 for its proportionate share of the ERS's net OPEB liability. This liability reflects an increase for State support provided to the District for OPEB. 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 Proportionate share of the collective net OPEB liability | \$46,914,401 |
| State's proportionate share that is associated with District | 37,476,670 |
| Total | \$ 84,391,071 |

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

At the measurement date of August 31, 2023, the employer's proportion of the collective net OPEB liability was 0.17559409%, which is 0.00077407% higher than the measurement as of August 31, 2022.

For the year ended August 31, 2024, the District recognized a decrease of OPEB expense of \$1,112,191 and a decrease of revenue of \$1,109,524 for support provided by the State.

Factors that Significantly Affect Trends in Amounts Reported

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

Demographic 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 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.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

14. Other Post-Employment Benefits (OPEB), continued

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

Changes of Benefit Terms Since Prior Measurement Date

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

For the year ended August 31, 2023

The following schedule shows the impact on the District's proportionate share of the collective 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 net OPEB Liability.

| | 1% Decrease in Discount Rate (2.59%) | Discount Rate (3.59%) | 1% Increase in Discount Rate (4.59%) |
|---|---|-----------------------|---|
| College's proportionate share of the net OPEB liability | \$58,082,921 | \$49,800,918 | \$43,177,308 |

Healthcare Trend Rate Sensitivity Analysis. The initial healthcare trend rate is 5.60% and the ultimate rate is 4.3%. 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 (5.6%) in measuring the net OPEB Liability.

| | 1% Decrease in HealthSelect Trend Rates (4.60% decreasing to 3.30%) | Current Healthcare Cost Trend Rates (HealthSelect: 5.60% decreasing to 4.30%) | 1% Increase in HealthSelect Trend Rates: (6.60% decreasing to 5.30%) |
|---|--|--|---|
| College's proportionate share of the net OPEB liability | \$42,647,643 | \$49,800,918 | \$58,933,722 |

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At August 31, 2023, the District reported a liability of

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

14. Other Post-Employment Benefits (OPEB), continued

\$49,800,918 for its proportionate share of the ERS's net OPEB liability. This liability reflects an increase for State support provided to the District for OPEB. 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 Proportionate share of the collective net OPEB liability | \$49,800,918 |
| State's proportionate share that is associated with District | 40,469,161 |
| Total | \$ 90,270,079 |

The net OPEB liability was measured as of August 31, 2022, 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, 2021 through August 31, 2022.

At the measurement date of August 31, 2022, the employer's proportion of the collective net OPEB liability was 0.17482002%, which is 0.00285483% lower than the measurement as of August 31, 2021.

For the year ended August 31, 2023, the District recognized a decrease of OPEB expense of \$1,472,073 and a decrease of revenue of \$1,469,298 for support provided by the State.

Factors that Significantly Affect Trends in Amounts Reported

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

Demographic 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 future retirees and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future retirees assumed to cover dependent children.
- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement

Economic Assumptions

Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.

The Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act has been updated to reflect the most recent available information.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

14. Other Post-Employment Benefits (OPEB), continued

Other Inputs

The discount rate was changed from 2.14% to 3.59% as a result of requirements by GASB No. 75 to utilize the yield or index rate for 20-year tax-exempt general obligation bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Changes of Benefit Terms Since Prior Measurement Date

Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2023, are provided for in the FY2023 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is Primary.

At August 31, 2024, the District reported its proportionate share of the ERS plan's collective deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources:

| | Outflows of Resources | Inflows of Resources |
|--|--------------------------|-------------------------|
| Differences between expected and actual economic experience | \$ - | \$ 1,240,911 |
| Changes in actuarial assumptions | 1,565,014 | 14,651,995 |
| Difference between projected and actual investment earnings | 3,790 | |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 1,459,190 | 2,654,128 |
| Contributions paid to ERS subsequent to the measurement date | 839,430 | |
| Total | \$ 3,867,424 | \$ 18,547,034 |

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

| Years Ended August 31: | OPEB Expense Amount |
|---------------------------|------------------------|
| 2025 | \$ (3,799,597) |
| 2026 | (4,365,331) |
| 2027 | (4,227,420) |
| 2028 | (2,678,846) |
| 2029 | (447,846) |
| Thereafter | - |
| Total | \$ (15,519,040) |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

14. Other Post-Employment Benefits (OPEB), continued

At August 31, 2023, the District reported its proportionate share of the ERS plan's collective deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources:

| | Outflows of Resources | Inflows of Resources |
|--|--------------------------|-------------------------|
| Differences between expected and actual economic experience | \$ - | \$ 1,571,280 |
| Changes in actuarial assumptions | 2,926,003 | 15,393,935 |
| Difference between projected and actual investment earnings | 8,590 | - |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 4,491,954 | 3,103,001 |
| Contributions paid to ERS subsequent to the measurement date | 832,985 | - |
| Total | \$ 8,259,532 | \$ 20,068,216 |

The net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB was recognized in OPEB expense as of August 31, 2023 as follows:

| Years Ended August 31: | OPEB Expense Amount |
|---------------------------|------------------------|
| 2025 | \$ (1,597,099) |
| 2026 | (2,790,609) |
| 2027 | (3,356,845) |
| 2028 | (3,220,422) |
| 2029 | (1,676,694) |
| Thereafter | - |
| Total | \$ (12,641,669) |

15. Pending Lawsuits and Claims

Blinn College District is not involved in material litigation as of August 31, 2024.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

16. Disaggregation of Receivables and Payables Balances

Receivables consist of the following at August 31:

| | 2024 | 2023 |
|---------------------------------|---------------|---------------|
| Student Tuition and Fees | \$ 33,675,302 | \$ 34,546,837 |
| Ad Valorem Taxes | 47,831 | 25,044 |
| Federal Grants | 310,429 | 471,028 |
| State Grants | 80,926 | 66,923 |
| Other Receivables | 219,991 | 867,263 |
| | \$ 34,334,479 | \$ 35,977,095 |
| Allowance for Doubtful Accounts | (9,561,072) | (8,632,805) |
| Total Receivables | \$ 24,773,407 | \$ 27,344,290 |

Payables consist of the following at August 31:

| | 2024 | 2023 |
|-------------------------------|---------------|---------------|
| Vendor Payables | \$ 4,960,515 | \$ 1,582,509 |
| Salaries and Benefits Payable | 1,731,348 | 1,001,886 |
| Student Payables | 381,340 | 301,020 |
| Accrued Interest | 1,431,331 | 1,507,966 |
| Other Payables | 6,642,654 | 7,292,565 |
| Total Payables | \$ 15,147,188 | \$ 11,685,946 |

17. Funds Held in Trust by Others

As of August 31, 2024, there were no funds for the benefit of the District held in trust by others.

18. Contract and Grant Awards

Contract and grant awards are accounted for in accordance with the requirements of the American Institute of Certified Public Accounts (AICPA) audit and accounting guide, *State and Local Governments*, 8.99. For federal contract and grant awards, funds expended but not collected are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended but not collected are reported as Accounts Receivable on Exhibit 1. Contract and grant awards that funds are received but not yet expended are reported as Unearned Revenue. Contract and grant awards that are not yet funded, and for which the institution has not yet performed services, are not included in the financial statements. Contract and grant awards funds already committed, e.g., multi-year awards or funds awarded during fiscal years FY 2024 and FY 2023, for which monies have not been received nor funds expended totaled \$278,111 and \$422,387, respectively.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

19. Self Insurance

Effective September 1, 2003, the District began participating in a public entity risk pool for worker's compensation. The participants of the pool include several other public junior and community colleges. The plan provides coverage to each participant with the District's individual loss fund maximum of \$300,000 and \$300,000 at August 31, 2024 and 2023, respectively, which is based on estimated payroll.

The liability for claims incurred but not reported under the self-insured plan is \$59,020 and \$54,166 as of August 31, 2024 and 2023, respectively, and is included in the accompanying statement of net position. Future payments for the claims will be paid from the accrued liability.

Self-insurance activity for the years ended August 31, 2024 and 2023 was as follows:

| Liability for the Year Ended August 31 | Liability at Beginning of Fiscal Year | Adjustments | Additions | Reductions for Claims Paid | Balance of Liability at End of Fiscal Year |
|--|---|--------------|------------|-------------------------------|--|
| 2024 | \$ 300,000 | \$ (254,213) | \$ 284,229 | \$ (30,016) | \$ 300,000 |
| 2023 | \$ 997,014 | \$ (833,307) | \$ 270,436 | \$ (134,143) | \$ 300,000 |

20. Property Tax

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/land personal property located in the tax area of the District. Property taxes are recorded on an accrual basis of accounting. At August 31:

| | 2024 | 2023 |
|---------------------------------------|-------------------------|-------------------------|
| Assessed valuation of the College | \$ 7,149,118,897 | \$ 6,640,381,928 |
| Less exemptions | (1,217,438,792) | (1,041,928,836) |
| Net assessed valuation of the College | <u>\$ 5,931,680,105</u> | <u>\$ 5,598,453,092</u> |

| | 2024 | | |
|---|-----------------------|-----------------|-----------|
| | Current Operations | Debt Service | Total |
| Tax rate per \$100 valuation for authorized | \$ 0.0421 | | \$ 0.0421 |
| Tax rate per \$100 valuation for assessed | \$ 0.0421 | | \$ 0.0421 |

| | 2023 | | |
|---|-----------------------|-----------------|-----------|
| | Current Operations | Debt Service | Total |
| Tax rate per \$100 valuation for authorized | \$ 0.0363 | | \$ 0.0363 |
| Tax rate per \$100 valuation for assessed | \$ 0.0363 | | \$ 0.0363 |

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

20. Property Tax, continued

Tax levied for the years ended August 31, 2024 and 2023 is \$2,495,511 and \$2,262,089, respectively (which includes any penalty and interest assessed if applicable). Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1, of the year following the year in which imposed.

Under GASB Statement No. 33, *Accounting and Financial Reporting for Non Exchange Transactions*, ad valorem taxes are imposed non-exchange revenue. Asset from imposed non-exchange transactions are recorded when the entity has an enforceable legal claim to the assets or when the entity receives resources, whichever comes first. The enforceable legal claim date for ad valorem taxes is the assessment date. The District has recognized all assessed taxes in the current year and recorded a receivable for uncollected taxes.

Taxes Collected at August 31,

| | 2024 | 2023 |
|-------------------------------------|--------------|--------------|
| Current | \$ 2,464,702 | \$ 2,318,274 |
| Delinquent | 12,847 | 30,013 |
| Penalties and Interest | 13,540 | 10,342 |
| Total Gross Collections | \$ 2,491,089 | \$ 2,358,629 |
| | | |
| Total Appraisal and Collection Fees | \$ (12,467) | \$ (9,568) |
| Total Net Collections | \$ 2,478,622 | \$ 2,349,061 |

Tax collections for the year ended August 31, 2024 and 2023 were 94% and 98% of the respective tax levy, respectively. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or general obligation debt service.

21. Income Taxes

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

22. Component Units

Blinn College District Foundation, Inc. – Discrete Component Unit

Blinn College District Foundation, Inc. (the Foundation) was established as a separate nonprofit organization in 1990, to raise funds to provide student scholarships and assistance in the development and growth of the District. Under GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the Foundation is a component unit of the District because the District provides financial support to the Foundation and the economic resources received or held by the Foundation are entirely or almost entirely for the benefit of the District.

BLINN COLLEGE DISTRICT
Notes to Financial Statements
August 31, 2024

22. Component Units, continued

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

23. Significant Commitments

Blinn College District had one significant commitment related to construction as of August 31, 2024:

| Construction Project | Vendor | Amount |
|--------------------------------------|------------------------|---------------|
| Bryan Campus Administration Building | JT Vaughn Construction | \$ 11,415,093 |

24. Related Parties

Blinn College District had no related party transactions as of August 31, 2024.

25. Prior Year Restatement

Blinn College District had no restatements as of and for fiscal year ended August 31, 2024.

In Fiscal Year 2023, Blinn College District implemented GASB Statement No. 96 Subscription-Based Information Technology Arrangements (SBITA). GASB 96 required the College to recognize a subscription lease liability and a subscription asset. The implementation of GASB 96 resulted in a beginning balance adjustment of net position of \$2,238,883.

| | |
|--|-----------------------|
| Net Position, Beginning of Year | \$ 144,537,440 |
| Adjustments to Net Position, Beginning of Year | <u>2,238,883</u> |
| Adjusted Net Position, Beginning of Year | <u>\$ 146,776,323</u> |

26. Subsequent Events

Blinn College District had one subsequent event to report as of November 27, 2024 to the fiscal year ending August 31, 2024. The College purchased one hundred acres of land in the Waller-Harris County area.

BLINN COLLEGE DISTRICT
Schedule of District's Proportionate Share of Net Pension Liability
Last Ten Fiscal Years **

| Fiscal year ending August 31*, | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| District's proportionate share of collective net pension liability (%) | 0.0394194% | 0.0387129% | 0.0420905% | 0.0419875% | 0.0422327% | 0.0418541% | 0.0387386% | 0.0293954% | 0.0452052% | 0.0467225% |
| District's proportionate share of collective net pension liability (\$) | \$ 27,077,334 | \$ 22,982,824 | \$ 10,718,973 | \$ 22,487,626 | \$ 21,953,887 | \$ 23,037,533 | \$ 12,386,505 | \$ 11,108,069 | \$ 15,979,437 | \$ 12,480,226 |
| State's proportionate share of net pension liability associated with District | 19,504,059 | 16,843,543 | 7,254,696 | 16,818,061 | 15,776,296 | 15,059,655 | 9,982,550 | 15,412,959 | 9,193,423 | 7,104,883 |
| Total | \$ 46,581,393 | \$ 39,826,367 | \$ 17,973,669 | \$ 39,305,687 | \$ 37,730,183 | \$ 38,097,188 | \$ 22,369,055 | \$ 26,521,028 | \$ 25,172,860 | \$ 19,585,109 |
| District's covered payroll | \$ 43,633,399 | \$ 41,609,119 | \$ 39,765,228 | \$ 39,883,357 | \$ 37,101,050 | \$ 34,016,061 | \$ 33,157,834 | \$ 31,983,195 | \$ 30,173,253 | \$ 26,828,534 |
| District's proportionate share of collective net pension liability as a percentage of covered payroll | 62.06% | 55.24% | 26.96% | 56.38% | 59.17% | 67.73% | 37.36% | 34.73% | 52.96% | 46.51% |
| Plan Fiduciary net position as a percentage of the total pension liability | 73.15% | 75.62% | 88.79% | 75.54% | 75.24% | 73.74% | 82.17% | 78.00% | 78.43% | 83.25% |

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

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

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

BLINN COLLEGE DISTRICT
Schedule of District's Pension Contributions
Last Ten Fiscal Years**

| Fiscal year ending August 31*, | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|---------------|
| Legally required contributions | \$2,284,971 | \$2,029,880 | \$1,810,488 | \$1,813,200 | \$1,741,257 | \$1,485,890 | \$1,308,142 | \$1,277,307 | \$1,236,765 | \$1,338,546 |
| Actual contributions | 2,284,971 | 2,029,880 | 1,810,488 | 1,813,200 | 1,741,257 | 1,485,890 | 1,308,142 | 1,277,307 | 1,236,765 | 1,338,546 |
| Contributions deficiency (excess) | - | - | - | - | - | - | - | - | - | - |
| District's covered-employee payroll amount | \$ 48,511,147 | \$ 43,633,399 | \$ 41,609,119 | \$ 39,765,228 | \$ 39,883,357 | \$ 37,101,050 | \$34,016,061 | \$33,157,834 | \$31,983,195 | \$ 30,173,253 |
| Contributions as a percentage of covered payroll | 4.71% | 4.65% | 4.35% | 4.56% | 4.37% | 4.00% | 3.85% | 3.85% | 3.87% | 4.44% |

*The amounts presented above are as of the District's respective fiscal year-end.

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

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

BLINN COLLEGE DISTRICT
Schedule of District's Proportionate Share of Net OPEB Liability
Implemented in Fiscal Year 2018*

| Fiscal year ending August 31*, | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---------------|---------------|----------------|----------------|----------------|---------------|---------------|
| District's proportionate share of collective net OPEB liability (%) | 0.1755941% | 0.1748200% | 0.1776749% | 0.1832682% | 0.1703017% | 0.0165839% | 0.0127383% |
| District's proportionate share of collective net OPEB liability (\$) | \$ 46,914,401 | \$ 49,800,918 | \$ 63,741,752 | \$ 60,560,299 | \$ 58,860,838 | \$ 49,150,997 | \$ 43,403,252 |
| State's proportionate share of net OPEB liability associated with District | 37,476,670 | 40,469,161 | 50,000,270 | 46,044,551 | 50,479,143 | 42,428,758 | 32,917,587 |
| Total | \$ 84,391,071 | \$ 90,270,079 | \$ 113,742,022 | \$ 106,604,850 | \$ 109,339,981 | \$ 91,579,755 | \$ 76,320,839 |
| District's covered payroll | \$49,690,248 | \$46,624,469 | \$ 46,441,221 | \$ 46,709,565 | \$ 44,158,765 | \$ 41,519,643 | \$ 41,192,021 |
| District's proportionate share of collective net OPEB liability as a percentage of covered payroll | 94.41% | 106.81% | 137.25% | 129.65% | 133.29% | 118.38% | 105.37% |
| Plan Fiduciary net position as a percentage of the total OPEB liability | 0.63% | 0.57% | 0.38% | 0.32% | 0.17% | 1.27% | 2.04% |

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

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

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

BLINN COLLEGE DISTRICT
Schedule of College's OPEB Contributions
Implemented in Fiscal Year 2018*

| Fiscal year ending August 31*, | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Legally required contributions | \$839,430 | \$832,985 | \$744,462 | \$830,301 | \$789,161 | \$422,958 | \$1,256,454 |
| Actual contributions | 839,430 | 832,985 | 744,462 | 830,301 | 789,161 | 422,958 | 1,256,454 |
| Contributions deficiency (excess) | - | - | - | - | - | - | - |
| | | | | | | | |
| District's covered-employee payroll amount | \$55,199,347 | \$49,690,248 | \$46,624,469 | \$46,441,221 | \$46,709,564 | \$44,158,765 | \$41,519,643 |
| Contributions as a percentage of covered payroll | 1.52% | 1.68% | 1.60% | 1.79% | 1.69% | 0.96% | 3.03% |

*The amounts presented above are as of the College's respective fiscal year-end.

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

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

BLINN COLLEGE DISTRICT
Notes to Required Supplementary Information (RSI)
For Pensions
Year Ended August 31, 2024

1. Changes of Benefit Terms

The District implemented a 6 percent salary and wage increase effective September 1, 2023 for full time faculty/administrators and all staff.

2. Changes of Assumptions

Assumptions, methods, and plan changes which are specific to the Pension Trust Fund were updated from the prior year's report.

- The total pension liability as of August 31, 2023 was developed using a roll-forward method from the August 31, 2022 valuation.

- For a detailed discussion regarding the changes of assumptions, please refer to the August 31, 2023 TRS Annual Comprehensive Financial Report.

BLINN COLLEGE DISTRICT
Notes to Required Supplementary Information (RSI)
For OPEB
Year Ended August 31, 2024

1. Changes of Benefit Terms:

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

2. Changes of Assumptions

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

Demographic Assumptions:

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

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

Economic Assumptions:

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

Other Inputs:

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

BLINN COLLEGE DISTRICT
Schedule of Operating Revenues
Year Ended August 31, 2024
(With Memorandum Totals for the Year Ended August 31, 2023)

| | Educational Activities | | Total Educational Activities | Auxiliary Enterprises | 2024 Total | 2023 Total |
|--|------------------------|---------------------|------------------------------------|--------------------------|----------------------|----------------------|
| | Unrestricted | Restricted | | | | |
| Tuition: | | | | | | |
| State funded credit courses: | | | | | | |
| In-district resident tuition | \$ 377,284 | \$ - | \$ 377,284 | \$ - | \$ 377,284 | \$ 398,863 |
| Out-of-district resident tuition | 41,279,252 | - | 41,279,252 | - | 41,279,252 | 40,703,958 |
| Non-resident tuition | 4,172,030 | - | 4,172,030 | - | 4,172,030 | 3,764,845 |
| TPEG - credit (set aside) * | 1,373,532 | - | 1,373,532 | - | 1,373,532 | 1,382,627 |
| State funded continuing education | 687,717 | - | 687,717 | - | 687,717 | 553,249 |
| Non-State funded continuing education | 132,400 | - | 132,400 | - | 132,400 | 122,400 |
| Total Tuition | <u>48,022,215</u> | <u>-</u> | <u>48,022,215</u> | <u>-</u> | <u>48,022,215</u> | <u>46,925,942</u> |
| Fees: | | | | | | |
| General fee | 27,534,792 | - | 27,534,792 | - | 27,534,792 | 26,753,993 |
| Laboratory and course fees | 4,564,381 | - | 4,564,381 | - | 4,564,381 | 4,798,603 |
| Incidental fees | 168,933 | - | 168,933 | - | 168,933 | 174,394 |
| Other fees | - | - | - | - | - | - |
| Total fees | <u>32,268,106</u> | <u>-</u> | <u>32,268,106</u> | <u>-</u> | <u>32,268,106</u> | <u>31,726,990</u> |
| Allowances and discounts: | | | | | | |
| Bad debt allowance | (960,343) | - | (960,343) | - | (960,343) | (1,115,314) |
| Scholarship allowances | (982,574) | - | (982,574) | - | (982,574) | (1,003,089) |
| Remissions and exemptions | (4,576,467) | - | (4,576,467) | - | (4,576,467) | (4,242,456) |
| TPEG allowances | (962,633) | - | (962,633) | - | (962,633) | (596,977) |
| Federal and State grants to students | (8,057,747) | - | (8,057,747) | - | (8,057,747) | (6,935,541) |
| Other | - | - | - | - | - | - |
| Total allowances and discounts | <u>(15,539,764)</u> | <u>-</u> | <u>(15,539,764)</u> | <u>-</u> | <u>(15,539,764)</u> | <u>(13,893,377)</u> |
| Total net tuition and fees | <u>64,750,557</u> | <u>-</u> | <u>64,750,557</u> | <u>-</u> | <u>64,750,557</u> | <u>64,759,555</u> |
| Additional operating revenues: | | | | | | |
| Federal grants and contracts | - | 1,042,632 | 1,042,632 | - | 1,042,632 | 1,556,976 |
| State grants and contracts | - | 2,602,508 | 2,602,508 | - | 2,602,508 | 2,021,829 |
| Sales and services of educational activities | 291,140 | - | 291,140 | - | 291,140 | 285,831 |
| Other operating revenues | 1,219,061 | - | 1,219,061 | - | 1,219,061 | 598,636 |
| Total additional operating revenues | <u>1,510,201</u> | <u>3,645,140</u> | <u>5,155,341</u> | <u>-</u> | <u>5,155,341</u> | <u>4,463,272</u> |
| Auxiliary enterprises: | | | | | | |
| Residential life | - | - | - | 4,617,538 | 4,617,538 | 4,332,863 |
| Scholarships allowances and discounts | - | - | - | (903,427) | (903,427) | (695,474) |
| Net residential life | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,714,111</u> | <u>3,714,111</u> | <u>3,637,389</u> |
| Cafeteria | - | - | - | 5,282,176 | 5,282,176 | 4,668,438 |
| Scholarship allowances and discounts | - | - | - | (457,222) | (457,222) | (337,491) |
| Net cafeteria | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,824,954</u> | <u>4,824,954</u> | <u>4,330,947</u> |
| Bookstore | - | - | - | 1,223,997 | 1,223,997 | 675,829 |
| Scholarship allowances and discounts | - | - | - | (10,887) | (10,887) | (59,496) |
| Net bookstore | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,213,110</u> | <u>1,213,110</u> | <u>616,333</u> |
| Parking | - | - | - | 1,805,494 | 1,805,494 | 1,824,004 |
| Other auxiliary | - | - | - | 572,144 | 572,144 | 580,613 |
| Total net auxiliary enterprises | <u>-</u> | <u>-</u> | <u>-</u> | <u>12,129,813</u> | <u>12,129,813</u> | <u>10,989,286</u> |
| Total Operating Revenues | <u>\$ 66,260,758</u> | <u>\$ 3,645,140</u> | <u>\$ 69,905,898</u> | <u>\$ 12,129,813</u> | <u>\$ 82,035,711</u> | <u>\$ 80,212,113</u> |
| | | | | (Exhibit 2) | | (Exhibit 2) |

* In accordance with Education Code §56.033, \$1,373,532 and \$1,382,627 for the years ended August 31, 2024 and 2023, respectively, of tuition was set aside for Texas Public Education Grants (TPEG).

BLINN COLLEGE DISTRICT
Schedule of Operating Expenses By Object
Year Ended August 31, 2024
(With Memorandum Totals for the Year Ended August 31, 2023)

| | Operating Expenses | | | | 2024 Total | 2023 Total |
|--|-----------------------|---------------------|----------------------|----------------------|--------------------------------------|--------------------------------------|
| | Salaries and Wages | Benefits | | Other Expenses | | |
| | | State | Local | | | |
| Unrestricted - Educational Activities: | | | | | | |
| Instruction | \$ 34,984,524 | \$ - | \$ 6,034,361 | \$ 2,652,074 | \$ 43,670,959 | \$ 41,895,686 |
| Public Service | - | - | - | 2,500 | 2,500 | 2,500 |
| Academic Support | 7,427,641 | - | 1,395,406 | 3,239,920 | 12,062,967 | 10,915,213 |
| Student Services | 5,003,062 | - | 957,612 | 1,407,634 | 7,368,308 | 6,876,847 |
| Institutional Support | 7,071,109 | - | 3,762,484 | 2,206,606 | 13,040,199 | 8,886,054 |
| Operation and Maintenance of Plant | 4,587,027 | - | 1,400,008 | 12,172,234 | 18,159,269 | 19,001,155 |
| Scholarships and Fellowships | - | - | - | 1,174,086 | 1,174,086 | 1,198,599 |
| Total Unrestricted - Educational Activities | <u>59,073,363</u> | <u>-</u> | <u>13,549,871</u> | <u>22,855,054</u> | <u>95,478,288</u> | <u>88,776,054</u> |
| Restricted - Educational Activities: | | | | | | |
| Instruction | 134,500 | 2,814,056 | 32,545 | 165,355 | 3,146,456 | 4,059,046 |
| Public Service | 227,022 | - | 68,412 | 139,310 | 434,744 | 873,686 |
| Academic Support | - | 683,864 | - | - | 683,864 | 727,224 |
| Student Services | - | 534,137 | - | - | 534,137 | 563,232 |
| Institutional Support | 347,762 | 4,553,472 | 86,481 | 372,730 | 5,360,445 | 2,531,342 |
| Scholarships and Fellowships | - | - | - | 15,057,845 | 15,057,845 | 12,394,790 |
| Total Restricted - Educational Activities | <u>709,284</u> | <u>8,585,529</u> | <u>187,438</u> | <u>15,735,240</u> | <u>25,217,491</u> | <u>21,149,320</u> |
| Total Educational Activities | <u>59,782,647</u> | <u>8,585,529</u> | <u>13,737,309</u> | <u>38,590,294</u> | <u>120,695,779</u> | <u>109,925,374</u> |
| Auxiliary Enterprises | 4,859,631 | - | 1,790,763 | 6,250,179 | 12,900,573 | 12,166,204 |
| Amortization Expense - Intangibles | - | - | - | 366,332 | 366,332 | 344,003 |
| Amortization Expense - Leases | - | - | - | 3,088,803 | 3,088,803 | 5,185,065 |
| Depreciation Expense - Buildings and other real estate improvements | - | - | - | 5,555,423 | 5,555,423 | 5,406,275 |
| Depreciation Expense - Equipment, furniture and library books | - | - | - | 1,825,696 | 1,825,696 | 1,649,018 |
| Total Operating Expenses | <u>\$ 64,642,278</u> | <u>\$ 8,585,529</u> | <u>\$ 15,528,072</u> | <u>\$ 55,676,727</u> | <u>\$ 144,432,606</u> (Exhibit 2) | <u>\$ 134,675,939</u> (Exhibit 2) |

BLINN COLLEGE DISTRICT
Schedule of Non-Operating Revenues and Expenses
Year Ended August 31, 2024
(With Memorandum Totals for the Year Ended August 31, 2023)

| | 2024 | | Total | 2023 |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | Unrestricted | Restricted | | Total |
| Non-Operating Revenues: | | | | |
| State appropriations: | | | | |
| Education and General state support | \$ 32,758,757 | \$ - | \$ 32,758,757 | \$ 25,353,970 |
| State group insurance | - | 3,982,555 | 3,982,555 | 4,183,097 |
| State retirement matching | - | 4,060,842 | 4,060,842 | 2,139,033 |
| Total state appropriations | <u>32,758,757</u> | <u>8,043,397</u> | <u>40,802,154</u> | <u>31,676,100</u> |
| Property taxes | 2,453,578 | - | 2,453,578 | 2,325,284 |
| Federal revenue, non operating | | 19,748,867 | 19,748,867 | 17,412,409 |
| Gifts | | 861,423 | 861,423 | 618,428 |
| Investment income | 6,233,920 | | 6,233,920 | 4,108,153 |
| Insurance Proceeds | | 767,086 | 767,086 | 844,907 |
| Gain on disposal of capital assets | | | - | 27,363 |
| Unrealized gain (loss) on investments | 338,343 | | 338,343 | 318,531 |
| Other | | | - | - |
| Total non-operating revenues | <u>41,784,598</u> | <u>29,420,773</u> | <u>71,205,371</u> | <u>57,331,175</u> |
| Non-Operating Expenses: | | | | |
| Interest on capital related debt | 3,196,366 | - | 3,196,366 | 3,383,964 |
| Bond issuance costs | | - | - | - |
| Loss on disposal of capital assets | | 870,152 | 870,152 | - |
| Other expenses | | | - | - |
| Total non-operating expenses | <u>3,196,366</u> | <u>870,152</u> | <u>4,066,518</u> | <u>3,383,964</u> |
| Net non-operating revenues | <u>\$ 38,588,232</u> | <u>\$ 28,550,621</u> | <u>\$ 67,138,853</u> | <u>\$ 53,947,211</u> |
| | | | (Exhibit 2) | (Exhibit 2) |

BLINN COLLEGE DISTRICT
Schedule of Net Position by Source and Availability
Year Ended August 31, 2024
(With Memorandum Totals for the Year Ended August 31, 2023)

| | Detail by Source | | | | | Available for Current Operations | |
|---|------------------|---------------|--------------------|--|--------------------------------|----------------------------------|-----------------|
| | Unrestricted | Restricted | | Capital Assets Net of Depreciation and Related Debt | Total | Yes | No |
| | | Expendable | Non- Expendable | | | | |
| Current: | | | | | | | |
| Unrestricted | \$ (8,764,534) | \$ - | \$ - | \$ - | \$ (8,764,534) | \$ (8,764,534) | \$ - |
| Student aid | | 777,245 | - | - | 777,245 | - | 777,245 |
| Auxiliary enterprises | 18,023,353 | - | - | - | 18,023,353 | 18,023,353 | - |
| Plant: | | | | | | | |
| Debt service | - | 7,446,800 | - | - | 7,446,800 | - | 7,446,800 |
| Leases | | | | 4,160,324 | 4,160,324 | 4,160,324 | |
| Investment in plant | - | - | - | 129,358,478 | 129,358,478 | - | 129,358,478 |
| Total Net Position, August 31, 2024 | 9,258,819 | 8,224,045 | - | 133,518,802 | 151,001,666 (Exhibit 1) | 13,419,143 | 137,582,523 |
| Total Net Position, August 31, 2023 | 8,809,685 | 9,155,651 | - | 128,294,372 | 146,259,708 (Exhibit 2) | 27,997,427 | 118,262,281 |
| Net Increase (Decrease) in Net Position | \$ 449,134 | \$ (931,606) | \$ - | \$ 5,224,430 | \$ 4,741,958 (Exhibit 2) | \$ (14,578,284) | \$ 19,320,242 |

BLINN COLLEGE DISTRICT
Schedule of Expenditures of Federal Awards
For The Year Ended August 31, 2024

| <u>Federal Grantor/Pass Through Grantor/ Program Title</u> | <u>Federal Assistance Listing Number</u> | <u>Pass-Through Grantor's Number</u> | <u>Expenditures and Pass Through Disbursements</u> |
|---|--|--|--|
| <u>U.S. Department of Education</u> | | | |
| Direct Programs: | | | |
| Student Financial Assistance Cluster | | | |
| Federal Supplemental Education Opportunity Grant | 84.007 | P007A233969 | 353,001 |
| | | | <u>353,001</u> |
| Federal Work Study Program | 84.033 | P033A233969 | 298,818 |
| | | | <u>298,818</u> |
| Federal Pell Grant | 84.063 | P063P202262 | (3,172) |
| Federal Pell Grant | 84.063 | P063P222262 | (1,170) |
| Federal Pell Grant | 84.063 | P063P232262 | 19,064,134 |
| | | | <u>19,059,792</u> |
| Federal Direct Student Loan Program | 84.268 | P268K242262 | 22,360,442 |
| Federal Direct Student Loan Program | 84.268 | P268K232262 | (5,738) |
| | | | <u>22,354,704</u> |
| Total Student Financial Assistance Cluster | | | <u>42,066,315</u> |
| Texas Higher Education Coordinating Board | | | |
| Carl Perkins Vocational Education | 84.048 | 2442020271 | 437,519 |
| | | | <u>437,519</u> |
| Texas Workforce Commission | | | |
| Brazos Valley Council of Governments | | | |
| Federal Audit Education Literacy | 84.002 | 1618ALA000 | 163,809 |
| Federal Audit Education Literacy-Correctional Facility | 84.002 | 1618ALA000 | 12,575 |
| Federal Audit Education Literacy- IET | 84.002 | 1618ALA000 | 90,396 |
| Federal Audit Education Literacy- Professional Development | 84.002 | 1618ALA000 | 5,179 |
| Federal Audit Education Literacy- Intensive | 84.002 | 1618ALA000 | 10,296 |
| Federal Audit Education Literacy- IET-EL Civics | 84.002 | 1618ALA000 | 29,169 |
| Federal Audit Education Literacy-AEFLA Career Services | 84.002 | 1618ALA000 | 5,742 |
| Federal Audit Education Literacy- EL Civics Career Services | 84.002 | 1618ALA000 | 1,119 |
| Federal Audit Education Literacy- EL Civics Basics | 84.002 | 1618ALA000 | 10,087 |
| Federal Audit Education Literacy-Performance Bonus | 84.002 | 1618ALA000 | 5,605 |
| Pre-Apprenticeship Bridge Program | 84.002 | 1623AEL001 | 113,974 |
| | | | <u>447,951</u> |
| Total U.S. Department of Education | | | <u>42,951,785</u> |
| <u>U.S. Department of Homeland Security</u> | | | |
| Pass-Through from: | | | |
| Texas A&M Agrilife Research | 97.061 | M1900441 | 10,015 |
| | | | <u>10,015</u> |
| <u>U.S. Department of Transportation</u> | | | |
| Pass-Through from: | | | |
| Prairie View A&M University | | | |
| University Transportation Centers Program-NCIT | 20.701 | S230521 | 14,334 |
| | | | <u>14,334</u> |
| <u>U.S. Small Business Administration</u> | | | |
| Pass-Through from: | | | |
| University of Houston: | | | |
| Small Business Development Center | 59.037 | R-23-0112 | 51,899 |
| Small Business Development Center | 59.037 | R-24-0201 | 105,263 |
| Total U.S. Small Business Administration | | | <u>157,162</u> |
| <u>U.S. Department of Education</u> | | | |
| Pass-Through from: | | | |
| Texas Higher Education Coordinating Board | | | |
| Education Stabilization Fund -Governor's Emergency Education Relief Fund | | | |
| Digital Transformation Initiative (GEER) | 84.425C | 2020-GE-84425C | 3,799 |
| Student Success Acceleration Program-Implementration (GEER II) | 84.425C | S425C210050 | 9,108 |
| Total U.S. Department of Education | | | <u>12,907</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 43,146,203</u> |
| <u>Federal Direct Student Loan Program, ALN 84.268, includes the following:</u> | | | |
| Direct Subsidized Loans | | | \$ 8,883,141 |
| Direct Unsubsidized Loans | | | 9,904,367 |
| Direct PLUS Loans | | | 3,567,196 |
| | | | <u>\$ 22,354,704</u> |

See accompanying notes to Schedules of Expenditures of Federal and State Awards.

Schedule F

**BLINN COLLEGE DISTRICT
Schedule of Expenditures of State Awards
For the Year Ended August 31, 2024**

| Grantor Agency Program Title | Grant Contract Number | Expenditures and Pass Through Disbursements |
|---|--------------------------------------|--|
| Texas Comptroller of Public Accounts Law Enforcement Officer Standards and Education (LEOSE) | | 4,735 |
| | | <u>4,735</u> |
| Texas Higher Education Coordinating Board: | | |
| Texas Educational Opportunity Grant Program (TEOG) | | 2,367,975 |
| Texas State Work Study | | 41,855 |
| Nursing Shortage Reduction Program FY 20 Regular | NSRPFY20REG | 2,051 |
| Nursing Shortage Reduction Program FY 22 Regular | NSRPFY22REG | 64,098 |
| Nursing Shortage Reduction Program FY 23 Regular | NSRPFY23REG | 7,024 |
| | | <u>2,483,003</u> |
| Texas Workforce Commission | | |
| Skills Development-Oak Grove Management Company LLC | 1622SDF001 | (22,233) |
| Skills Development-Hendrix Industries, Inc. | 2823SDF005 | 48,297 |
| Skills Development-Blue Bell and SSC Services | 1624SDF001 | 72,998 |
| Skills Development-Daiken Comfort Tech NA, Inc. and HRD Aero Systems | 2824SDF003 | 15,708 |
| | | <u>114,770</u> |
| Total Expenditures of State Awards | | <u>\$ 2,602,508</u> |

See accompanying notes to Schedules of Expenditures of Federal and State Awards.

BLINN COLLEGE DISTRICT
Notes to Schedules of Expenditures of Federal and State Awards
Year Ended August 31, 2024

1. Relationship to Financial Statements

| | Federal | State |
|--|---------------|--------------|
| Federal Grants and Contracts Revenue - Per Schedule A | \$ 1,042,632 | \$ 2,602,508 |
| Add Financial Aid Loans | 22,354,704 | - |
| Add Non-Operating Federal Revenue - Per Schedule C | 19,748,867 | - |
| Total per Schedule of Expenditures of Federal and State Awards | \$ 43,146,203 | \$ 2,602,508 |

2. Significant Accounting Policies Used in Preparing the Schedules

The schedules present the activity of all Federal and State programs of the District for the year ended August 31, 2024. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds which have been expended by the District for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The District has followed all applicable guidelines issued by various entities in the preparation of the schedules. Since the District does not have an agency approved indirect recovery rate, it has elected to use the 10% de minimis cost rate as per permitted in the UG, section 200.414.

3. Relationship to Federal and State Financial Reports

Differences between amounts reflected in the financial reports filed with grantor agencies for the programs and in the schedules of expenditures of Federal and State awards are due to different program year ends and accruals that will be reflected in the next report filed with the agencies.

STATISTICAL SUPPLEMENTS (UNAUDITED)

Blinn College District

Net Position by Component
Fiscal Years 2015 to 2024
(Unaudited)

For the Fiscal Year Ended August 31,
(amounts expressed in thousands)

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------------|-------------------|------------------|
| Net Position by Component: | | | | | | | | | | |
| Net Investment in capital assets | \$ 133,519 | \$ 128,294 | \$ 118,422 | \$ 101,200 | \$ 94,246 | \$ 91,307 | \$ 91,525 | \$ 83,337 | \$ 74,486 | \$ 74,169 |
| Restricted - expendable | 8,224 | 9,156 | 10,500 | 10,345 | 10,388 | 10,966 | 7,710 | 7,283 | 7,540 | 5,836 |
| Restricted - nonexpendable | - | - | - | - | - | 9,376 | 9,776 | 9,737 | 9,618 | 9,622 |
| Unrestricted | 9,259 | 8,810 | 15,615 | 21,051 | 5,133 | (1,355) | (16,893) | 26,749 | 18,580 | 3,160 |
| Total Net Position | \$ 151,002 | \$ 146,260 | \$ 144,537 | \$ 132,596 | \$ 109,767 | \$ 110,294 | \$ 92,118 | \$ 127,106 | \$ 110,224 | \$ 92,787 |

For the Fiscal Year Ended August 31,
(amounts expressed in thousands)

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------------|-------------------|------------------|
| Change in Net Position: | | | | | | | | | | |
| Revenues | 153,241 | 137,543 | 163,420 | 158,818 | 143,162 | 139,077 | 130,015 | 124,760 | 124,723 | 109,572 |
| Expenses | 148,499 | 138,060 | 151,478 | 138,147 | 133,302 | 120,901 | 114,338 | 107,878 | 107,285 | 101,739 |
| Transfers In/(Out) | - | - | - | 2,157 | (10,387) | - | - | - | - | - |
| Total Change in Net Position | 4,742 | (517) | 11,942 | 22,828 | (527) | 18,176 | 15,677 | 16,882 | 17,438 | 7,833 |
| Adjustments to Net Position, beginning of year | - | 2,239 | - | - | - | - | (50,664) | - | - | (14,140) |
| Change in Net Position | 4,742 | 1,722 | 11,942 | 22,828 | (527) | 18,176 | (34,987) | 16,882 | 17,438 | (6,307) |
| Net position, beginning of year | 146,260 | 144,537 | 132,596 | 109,767 | 110,294 | 92,118 | 127,106 | 110,224 | 92,787 | 99,094 |
| Ending Net Position | \$ 151,002 | \$ 146,260 | \$ 144,537 | \$ 132,596 | \$ 109,767 | \$ 110,294 | \$ 92,118 | \$ 127,106 | \$ 110,224 | \$ 92,787 |

Note: Total operating and non-operating revenues are presented in detail in SS-2 while total operating and non-operating expenses are presented in SS-3

Blinn College District

Revenues by Source
Fiscal Years 2015 to 2024
(Unaudited)

| | For the Year Ended August 31, (amounts expressed in thousands) | | | | | | | | | |
|--|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Tuition and fees (net of discounts) | \$ 64,751 | \$ 64,760 | \$ 61,050 | \$ 60,732 | \$ 61,999 | \$ 60,569 | \$ 57,000 | \$ 55,653 | \$ 55,048 | \$ 48,807 |
| Governmental grants and contracts | | | | | | | | | | |
| Federal Grants and Contracts | 1,043 | 1,557 | 1,555 | 1,463 | 1,196 | 1,230 | 801 | 655 | 633 | 574 |
| State and local grants and contracts | 2,603 | 2,021 | 1,535 | 1,348 | 2,356 | 3,344 | 2,634 | 2,035 | 2,025 | 1,994 |
| Sales and services of educational activities | 291 | 286 | 770 | 370 | 372 | 605 | 513 | 565 | 692 | 386 |
| Auxiliary enterprises (net of discounts) | 12,130 | 10,989 | 9,678 | 7,629 | 10,702 | 14,161 | 13,526 | 11,925 | 11,908 | 7,986 |
| Other operating revenues | 1,219 | 599 | 529 | 307 | 145 | 378 | 651 | 459 | 581 | 277 |
| Total Operating Revenues | 82,036 | 80,212 | 75,117 | 71,850 | 76,771 | 80,287 | 75,125 | 71,292 | 70,887 | 60,024 |
| State appropriations | 40,802 | 31,676 | 30,764 | 31,891 | 32,890 | 30,709 | 30,832 | 30,815 | 30,198 | 27,873 |
| Ad valorem taxes | 2,454 | 2,325 | 2,332 | 2,275 | 2,191 | 1,939 | 1,966 | 1,831 | 1,823 | 1,671 |
| Federal revenue, nonoperating | 19,749 | 17,412 | 50,477 | 47,984 | 28,383 | 21,181 | 19,768 | 18,907 | 18,594 | 19,751 |
| Federal grant related to capital dept | - | - | - | - | - | - | - | - | - | - |
| Unrealized gain on investments | 338 | 319 | - | 67 | 493 | 133 | 4 | - | 205 | - |
| Investment income | 6,234 | 4,108 | 925 | 749 | 2,275 | 2,865 | 1,654 | 1,052 | 619 | 293 |
| Insurance Proceeds | 767 | 845 | 3,389 | - | - | - | - | - | - | - |
| Other non-operating revenues | 861 | 646 | 1,263 | 770 | 155 | 1,927 | 626 | 1,037 | 2,401 | 226 |
| Total Non-Operating Revenues | 71,205 | 57,331 | 89,150 | 83,735 | 66,387 | 58,754 | 54,850 | 53,642 | 53,840 | 49,814 |
| Total Revenues | \$ 153,241 | \$ 137,543 | \$ 164,267 | \$ 155,585 | \$ 143,158 | \$ 139,040 | \$ 129,975 | \$ 124,934 | \$ 124,727 | \$ 109,838 |

| | For the Year Ended August 31, | | | | | | | | | |
|--|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Tuition and fees (net of discounts) | 42.25% | 47.08% | 37.17% | 39.03% | 43.31% | 43.56% | 43.85% | 44.55% | 44.13% | 44.44% |
| Governmental grants and contracts | | | | | | | | | | |
| Federal grants and contracts | 0.68% | 1.13% | 0.95% | 0.94% | 0.84% | 0.88% | 0.62% | 0.52% | 0.51% | 0.52% |
| State grants and contracts | 1.70% | 1.47% | 0.93% | 0.87% | 1.65% | 2.40% | 2.03% | 1.63% | 1.62% | 1.82% |
| Sales and services of educational activities | 0.19% | 0.21% | 0.47% | 0.24% | 0.26% | 0.44% | 0.39% | 0.45% | 0.55% | 0.35% |
| Auxiliary enterprises | 7.92% | 7.99% | 5.89% | 4.90% | 7.48% | 10.18% | 10.41% | 9.55% | 9.55% | 7.27% |
| Other operating revenues | 0.80% | 0.44% | 0.32% | 0.20% | 0.10% | 0.27% | 0.50% | 0.37% | 0.47% | 0.25% |
| Total Operating Revenues | 53.53% | 58.32% | 45.73% | 46.18% | 53.63% | 57.74% | 57.80% | 57.06% | 56.83% | 54.64% |
| State appropriations | 26.63% | 23.03% | 18.73% | 20.50% | 22.97% | 22.09% | 23.72% | 24.67% | 24.21% | 25.38% |
| Ad valorem taxes | 1.60% | 1.69% | 1.42% | 1.46% | 1.53% | 1.39% | 1.51% | 1.47% | 1.46% | 1.52% |
| Federal revenue, nonoperating | 12.89% | 12.66% | 30.73% | 30.84% | 19.83% | 15.23% | 15.21% | 15.13% | 14.91% | 17.98% |
| Federal grant related to capital debt | - | - | - | - | - | - | - | - | - | - |
| Unrealized gain on investments | 0.22% | 0.23% | 0.00% | 0.04% | 0.34% | 0.10% | 0.00% | - | 0.16% | - |
| Investment income | 4.07% | 2.99% | 0.56% | 0.48% | 1.59% | 2.06% | 1.27% | 0.84% | 0.50% | 0.27% |
| Insurance Proceeds | 0.50% | 0.61% | 2.06% | - | - | - | - | - | - | - |
| Other non-operating revenues | 0.56% | 0.47% | 0.77% | 0.49% | 0.11% | 1.39% | 0.48% | 0.83% | 1.93% | 0.21% |
| Total Non-Operating Revenues | 46.47% | 41.68% | 54.27% | 53.82% | 46.37% | 42.26% | 42.20% | 42.94% | 43.17% | 45.36% |
| Total Revenues | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

Blinn College District
Program Expenses by Function
Fiscal Years 2015 to 2024
(Unaudited)

For the Year Ended August 31,
(amounts expressed in thousands)

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Instruction | \$ 46,817 | \$ 45,955 | \$ 42,068 | \$ 45,091 | \$ 44,722 | \$ 43,573 | \$ 39,706 | \$ 41,675 | \$ 41,288 | \$ 41,774 |
| Public service | 437 | 876 | 293 | 747 | 1,267 | 2,819 | 1,883 | 1,702 | 1,653 | 1,315 |
| Academic support | 12,747 | 11,642 | 10,788 | 10,832 | 10,764 | 9,627 | 8,590 | 6,500 | 6,230 | 5,950 |
| Student services | 7,902 | 7,440 | 7,010 | 7,278 | 7,329 | 6,821 | 6,428 | 6,368 | 6,328 | 6,064 |
| Institutional support | 18,401 | 11,417 | 15,523 | 15,805 | 17,368 | 15,473 | 14,633 | 14,473 | 14,459 | 11,332 |
| Operation and maintenance of plant | 18,159 | 19,001 | 21,940 | 19,213 | 14,214 | 12,123 | 13,395 | 8,553 | 11,420 | 8,193 |
| Scholarships and fellowships | 16,232 | 13,593 | 13,055 | 12,941 | 12,447 | 12,791 | 14,170 | 12,412 | 11,172 | 13,025 |
| Auxiliary enterprises | 12,901 | 12,166 | 10,836 | 9,228 | 9,778 | 10,092 | 9,247 | 9,130 | 8,741 | 8,570 |
| Amortization | 3,455 | 5,529 | 885 | 100 | 100 | - | - | - | - | - |
| Depreciation | 7,381 | 7,055 | 6,694 | 5,784 | 5,126 | 5,251 | 4,218 | 4,162 | 4,568 | 4,254 |
| Total Operating Expenses | 144,432 | 134,675 | 129,092 | 127,018 | 123,114 | 118,569 | 112,270 | 104,975 | 105,859 | 100,477 |
| Interest on capital related debt | 3,197 | 3,384 | 3,595 | 4,020 | 3,116 | 2,422 | 2,068 | 2,925 | 1,102 | 1,148 |
| Other non-operating expenses | - | - | 17,154 | 3,861 | 7,071 | 188 | - | - | 322 | 114 |
| Loss on disposal of fixed assets | 870 | - | 1,638 | 14 | - | - | - | 15 | 2 | - |
| Unrealized loss on investments | - | - | 847 | - | - | - | - | 173 | - | 289 |
| Total Non-Operating Expenses | 4,067 | 3,384 | 23,234 | 7,896 | 10,188 | 2,610 | 2,068 | 3,113 | 1,426 | 1,551 |
| Total Expenses | \$ 148,499 | \$ 138,059 | \$ 152,326 | \$ 134,914 | \$ 133,302 | \$ 121,180 | \$ 114,338 | \$ 108,088 | \$ 107,285 | \$ 102,028 |

For the Year Ended August 31,

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Instruction | 31.53% | 33.29% | 27.62% | 33.42% | 33.55% | 35.96% | 34.73% | 38.56% | 38.48% | 40.94% |
| Public service | 0.29% | 0.63% | 0.19% | 0.55% | 0.95% | 2.33% | 1.65% | 1.58% | 1.54% | 1.29% |
| Academic support | 8.58% | 8.43% | 7.08% | 8.03% | 8.08% | 7.94% | 7.51% | 6.01% | 5.81% | 5.83% |
| Student services | 5.32% | 5.39% | 4.60% | 5.39% | 5.50% | 5.63% | 5.62% | 5.89% | 5.90% | 5.94% |
| Institutional support | 12.39% | 8.27% | 10.19% | 11.72% | 13.03% | 12.77% | 12.80% | 13.39% | 13.48% | 11.11% |
| Operation and maintenance of plant | 12.23% | 13.76% | 14.40% | 14.24% | 10.66% | 10.00% | 11.72% | 7.91% | 10.64% | 8.03% |
| Scholarships and fellowships | 10.93% | 9.85% | 8.57% | 9.59% | 9.34% | 10.56% | 12.39% | 11.48% | 10.41% | 12.77% |
| Auxiliary enterprises | 8.69% | 8.81% | 7.11% | 6.84% | 7.34% | 8.33% | 8.09% | 8.45% | 8.15% | 8.40% |
| Depreciation | 7.30% | 9.11% | 4.98% | 4.36% | 3.92% | 4.33% | 3.69% | 3.85% | 4.26% | 4.17% |
| Total Operating Expenses | 97.26% | 97.55% | 84.75% | 94.15% | 92.36% | 97.85% | 98.19% | 97.12% | 98.67% | 98.48% |
| Interest on capital related debt | 2.15% | 2.45% | 2.36% | 2.98% | 2.34% | 2.00% | 1.81% | 2.71% | 1.03% | 1.13% |
| Bond issuance costs | - | - | 11.26% | 2.86% | 5.30% | 0.16% | - | - | 0.30% | 0.11% |
| Loss on disposal of fixed assets | 0.59% | - | 1.08% | 0.01% | - | - | - | 0.01% | - | - |
| Unrealized loss on investments | - | - | 0.56% | - | - | - | - | 0.16% | - | 0.28% |
| Total Non-Operating Expenses | 2.74% | 2.45% | 15.25% | 5.85% | 7.64% | 2.15% | 1.81% | 2.88% | 1.33% | 1.52% |
| Total Expenses | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

**Blinn College District
Tuition and Fees
Last Ten Academic Years
(Unaudited)**

**Resident
Fees per Semester Credit Hour (SCH)**

| Academic Year (Fall) | Registration Fee (per student) | Activity, Bldg. Use Fees (per student) | In-District Tuition | In-Service Area Tuition | Out-of-Service Area Tuition | Technology Fees | General Fees | Cost for 12 SCH In-District | Cost for 12 SCH Out-of-District | Increase from Prior Year In-District | Increase from Prior Year Out-of-District |
|----------------------|--------------------------------|--|---------------------|-------------------------|-----------------------------|-----------------|--------------|-----------------------------|---------------------------------|--------------------------------------|--|
| 2024 | - | - | 63 | - | 122 | 6 | 77 | 1,752 | 2,460 | 2.82% | 1.99% |
| 2023 | - | - | 61 | - | 120 | 6 | 75 | 1,704 | 2,412 | 8.40% | 6.35% |
| 2022 | - | - | 59 | - | 117 | - | 72 | 1,572 | 2,268 | 3.15% | 2.16% |
| 2021 | - | - | 57 | - | 115 | - | 70 | 1,524 | 2,220 | 4.10% | 3.35% |
| 2020 | - | - | 55 | - | 112 | - | 67 | 1,464 | 2,148 | 3.39% | 2.29% |
| 2019 | - | - | 54 | - | 111 | - | 64 | 1,416 | 2,100 | 5.36% | 3.55% |
| 2018 | - | - | 52 | - | 109 | - | 60 | 1,344 | 2,028 | 10.89% | 6.96% |
| 2017 | - | - | 50 | - | 107 | - | 51 | 1,212 | 1,896 | 7.45% | -3.07% |
| 2016 | - | - | 48 | 102 | 117 | - | 46 | 1,128 | 1,956 | 5.62% | 19.85% |
| 2015 | - | - | 45 | - | 92 | - | 44 | 1,068 | 1,632 | 8.54% | 5.43% |

**Non - Resident
Fees per Semester Credit Hour (SCH)**

| Academic Year (Fall) | Registration Fee (per student) | Activity, Bldg. Use Fees (per student) | Non-Resident Tuition Out of State | Non-Resident Tuition International | Technology Fees | General Fees | Cost for 12 SCH Out-of-State | Cost for 12 SCH International | Increase from Prior Year Out-of-State | Increase from Prior Year International |
|----------------------|--------------------------------|--|-----------------------------------|------------------------------------|-----------------|--------------|------------------------------|-------------------------------|---------------------------------------|--|
| 2024 | - | - | 278 | 278 | 6 | 77 | 4,332 | 4,332 | 0.84% | 0.84% |
| 2023 | - | - | 277 | 277 | 6 | 75 | 4,296 | 4,296 | 2.87% | 2.87% |
| 2022 | - | - | 276 | 276 | - | 72 | 4,176 | 4,176 | 1.16% | 1.16% |
| 2021 | - | - | 274 | 274 | - | 70 | 4,128 | 4,128 | 1.47% | 1.47% |
| 2020 | - | - | 272 | 272 | - | 67 | 4,068 | 4,068 | 1.19% | 1.19% |
| 2019 | - | - | 271 | 271 | - | 64 | 4,020 | 4,020 | 2.45% | 2.45% |
| 2018 | - | - | 267 | 267 | - | 60 | 3,924 | 3,924 | 5.14% | 5.14% |
| 2017 | - | - | 260 | 260 | - | 51 | 3,732 | 3,732 | 26.42% | 26.42% |
| 2016 | - | - | 200 | 200 | - | 46 | 2,952 | 2,952 | 16.59% | 16.59% |
| 2015 | - | - | 167 | 167 | - | 44 | 2,532 | 2,532 | 4.98% | 4.98% |

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

Blinn College District

Assessed Value and Taxable Assessed Value of Property
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | (Amounts expressed in thousands) | | | Ratio of Taxable Assessed Value to Assessed Value | Direct Rate | | |
|-------------|----------------------------------|------------------|------------------------------|---|------------------------------|------------------|-----------|
| | Assessed Valuation of Property | Less: Exemptions | Taxable Assessed Value (TAV) | | Maintenance & Operations (a) | Debt Service (a) | Total (a) |
| 2023-24 | \$ 7,149,119 | \$ (1,217,439) | \$ 5,931,680 | 82.97% | 0.042100 | - | 0.042100 |
| 2022-23 | 6,640,382 | (1,041,929) | 5,598,453 | 84.31% | 0.036300 | - | 0.036300 |
| 2021-22 | 5,863,441 | (577,400) | 5,286,041 | 90.15% | 0.037700 | - | 0.037700 |
| 2020-21 | 4,651,663 | (946,823) | 3,704,840 | 79.65% | 0.051300 | - | 0.051300 |
| 2019-20 | 4,353,315 | (891,819) | 3,461,496 | 79.51% | 0.056000 | - | 0.056000 |
| 2018-19 | 4,239,094 | (843,588) | 3,395,506 | 80.10% | 0.056000 | - | 0.056000 |
| 2017-18 | 3,662,571 | (754,632) | 2,907,939 | 79.40% | 0.060100 | - | 0.060100 |
| 2016-17 | 3,231,517 | (581,745) | 2,649,772 | 82.00% | 0.060100 | - | 0.060100 |
| 2015-16 | 3,188,948 | (530,002) | 2,658,946 | 83.38% | 0.060100 | - | 0.060100 |
| 2014-15 | 2,972,792 | (472,745) | 2,500,047 | 84.10% | 0.058400 | - | 0.058400 |

Notes: Property is assessed at full market value.
(a) per \$100 Taxable Assessed Valuation

Blinn College District
General Appropriations Act
Appropriations Funding Elements
(Unaudited)

| Appropriations Funding Elements | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| State Appropriations - Non Formula | \$ - | \$ - | \$ - | \$ - | \$ 136,800 | \$ 410,400 | \$ 410,400 | \$ 450,000 | \$ 450,000 | \$ 253,827 |
| State Appropriations - Base Tier | 1,406,169 | - | - | - | - | - | - | - | - | - |
| State Funding - Performance Tier | 31,352,588 | - | - | - | - | - | - | - | - | - |
| State Appropriations - Contact Hour* | - | 19,225,424 | 19,225,425 | 19,921,813 | 19,921,813 | 19,794,864 | 19,794,864 | 20,690,481 | 20,690,482 | 19,842,762 |
| State Appropriations - Success Points* | - | 5,448,140 | 5,448,137 | 3,868,812 | 3,870,390 | 2,740,460 | 2,740,986 | 2,522,698 | 2,485,179 | 2,144,851 |
| State Appropriations - Core Operations* | - | 680,406 | 680,406 | 680,406 | 680,406 | 680,406 | 680,406 | 500,000 | 500,000 | 500,000 |
| TOTAL | \$ 32,758,757 | \$ 25,353,970 | \$ 25,353,968 | \$ 24,471,031 | \$ 24,609,409 | \$ 23,626,130 | \$ 23,626,656 | \$ 24,163,179 | \$ 24,125,661 | \$ 22,741,440 |

*Only applies to FY2023 and prior fiscal years while this funding structure was in effect.

Blinn College District

**State Appropriation per FTSE
Last Ten Fiscal Years
(Unaudited)**

| Fiscal Year | State Appropriation (Unrestricted) From Sch C | FTSE¹ | State Appropriation per FTSE |
|--------------------|--|-------------------------|---|
| 2023-24* | 32,758,757 | 12,639 | 2,592 |
| 2022-23 | 25,353,970 | 12,594 | 2,013 |
| 2021-22 | 25,353,968 | 11,386 | 2,227 |
| 2020-21 | 24,471,031 | 12,617 | 1,940 |
| 2019-20 | 24,609,409 | 13,479 | 1,826 |
| 2018-19 | 23,626,130 | 13,794 | 1,713 |
| 2017-18 | 23,626,656 | 13,446 | 1,757 |
| 2016-17 | 24,163,179 | 13,774 | 1,754 |
| 2015-16 | 24,125,661 | 14,092 | 1,712 |
| 2014-15 | 22,741,440 | 14,286 | 1,592 |

¹Fiscal Year (FY) FTSE is equal to the sum of State funded (Fall SCH + Spring SCH + Summer SCH for the current FY/30 SCH) plus State funded continuing education (Fall CH + Spring CH + Summer CH for the Current FY/900 CH).

*FY Year Formual Funding Changed Methodology

Source: CBM004 and CBM00C

Blinn College District

**State Appropriation per Funded Contact Hour
Contact Hour (CH) portion only of State Appropriation
(Unaudited)**

| Fiscal Year | CH -State Appropriation (Unrestricted) ¹ | Academic Contact Hours | Technical Contact Hours | Continuing Education Contact Hours | Total Funded Contact Hours | CH - State Appropriation per Funded Contact Hour |
|-------------|--|------------------------------|-------------------------------|---|-------------------------------------|---|
| 2023-24* | 32,758,757 | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| 2022-23 | 25,353,970 | 5,968,764 | 720,096 | 54,271 | 6,743,131 | 3.76 |
| 2021-22 | 25,353,968 | 5,975,408 | 680,288 | 74,765 | 6,730,461 | 3.77 |
| 2020-21 | 24,471,031 | 6,086,720 | 628,176 | 74,765 | 6,789,661 | 3.60 |
| 2019-20 | 24,609,409 | 6,799,248 | 637,776 | 50,505 | 7,487,529 | 3.29 |
| 2018-19 | 23,626,130 | 6,888,032 | 690,832 | 109,253 | 7,688,117 | 3.07 |
| 2017-18 | 23,626,656 | 6,738,448 | 703,136 | 115,464 | 7,557,048 | 3.13 |
| 2016-17 | 24,163,179 | 6,792,288 | 677,632 | 108,282 | 7,578,202 | 3.19 |
| 2015-16 | 24,125,661 | 6,902,944 | 694,464 | 105,461 | 7,702,869 | 3.13 |
| 2014-15 | 22,741,440 | 7,163,232 | 708,740 | 188,531 | 8,060,503 | 2.82 |

CH = State funded Academic, Technical and Continuing Education Contact hours for Fall, Spring and Summer of the Current FY

¹State Funded Contact Hour Appropriations as it appears in schedule 6a

*FY Year Formula Funding Changed Methodology

Source: CBM004 and CBM00C

Blinn College District

**State Appropriation per Student Success Point - Annualized
(Unaudited)**

| Fiscal Year | SSP - State Appropriation (Unrestricted)¹ | 3-Year Average Student Success Points² | Appropriation per Success Point |
|--------------------|---|--|--|
| 2023-24 | 32,758,757 | Unavailable | |
| 2022-23 | 25,353,970 | Unavailable | |
| 2021-22 | 25,353,968 | Unavailable | |
| 2020-21 | 24,471,031 | Unavailable | |
| 2019-20 | 24,609,409 | Unavailable | |
| 2018-19 | 23,626,130 | Unavailable | |
| 2017-18 | 23,626,656 | Unavailable | |
| 2016-17 | 24,163,179 | Unavailable | |
| 2015-16 | 24,125,661 | Unavailable | |
| 2014-15 | 22,741,440 | Unavailable | |

¹State Funded Success Point Appropriations as it appears in schedule 6a

²THECB Accountability System

Blinn College District

**Student Success Points (SSP)
(Unaudited)**

| Success Point Elements¹ | 2021 | 2020 | 2019 |
|---|-------------|-------------|-------------|
| Math Readiness | 1,138 | 1,359 | 1,453 |
| Read Readiness | 369 | 409 | 367 |
| Write Readiness | 164 | 149 | 149 |
| Students Who Pass FCL Math Course | 4,826 | 5,718 | 5,593 |
| Students Who Pass FCL Read Course | 3,222 | 3,835 | 3,645 |
| Students Who Pass FCL Write Course | 1,517 | 1,819 | 1,643 |
| Students Who Complete 15 SCHs | 6,646 | 7,428 | 7,276 |
| Students Who Complete 30 SCHs | 6,482 | 6,492 | 6,819 |
| Student Transfers to a Four-Year Inst | 11,937 | 13,518 | 12,183 |
| Degrees, CCCs, or Certs (Undup) | 2,687 | 2,848 | 1,690 |
| Degrees or Certs in Critical Fields | 1,021 | 943 | 1,121 |
| Annual Success Points - Total | 40,009 | 44,518 | 41,939 |

¹These are annual SSP, not 3 year rolling average

Source: THECB - Accountability System

Blinn College District

Performance Outcomes
(Unaudited)

| Performance Tier Outcomes | Fiscal Year | | | | |
|---|-------------|-------|-------|-------|-------|
| | 2024 | 2023 | 2022 | 2021 | 2020 |
| 15 SCHs Dual Credit | 443 | 466 | 396 | 444 | 460 |
| GAI Transfer or Co-Enrollment | 3,343 | 3,292 | 3,537 | 3,758 | 3,700 |
| Institutional Credential leading to Licensure or Certification (ICLC) | 205 | 211 | 324 | 369 | 281 |
| Occupational Skills Award (OSA) | 98 | 89 | 116 | 98 | 76 |
| Certificate Level One or Two | 242 | 250 | 276 | 202 | 209 |
| Advanced Technical Certification (ATC) | 2 | 2 | 0 | 2 | 0 |
| Certificate Credential of Value Premium | 21 | 19 | 22 | 13 | 16 |
| Associate Degree | 2,199 | 2,106 | 1,938 | 2,280 | 2,326 |
| Associate Degree Credential of Value Premium | 59 | 54 | 67 | 54 | 51 |
| Bachelor's Degree | 0 | 0 | 0 | 0 | 0 |
| Bachelor's Degree Credential of Value Premium | 0 | 0 | 0 | 0 | 0 |
| Annual Outcomes ¹ - Total | 6,612 | 6,489 | 6,676 | 7,220 | 7,119 |

These are actual (not forecasted) outcomes reported for each year, not three-year averages (even if the three-year average was funded in that year).

¹This represents the total of funded outcomes; "credential of value premium" categories are not mutually exclusive from the general credential category. For example, Certificate Credential of Value Premium is a subset of Certificate Level One or Two, so summing them double-counts the certificates that qualified as credentials of value premium.

Source: THECB - Accountability System; Community College formula Funding Model

Blinn College District

Principal Taxpayers
Last Ten Tax Years
(Unaudited)

| Taxpayer | Type of Business | Taxable Assessed Value (TAV) by Tax Year (\$000 omitted) | | | | | | | | | |
|--|------------------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Magnolia Oil & Gas Operating LLC | Oil and Gas | 528,957 | 481,415 | 161,305 | 80,296 | 142,670 | | | | | |
| Geosouthern Chalk II LLC | Oil and Gas | 57,064 | 111,019 | 90,719 | | | | | | | |
| Blue Bell Creameries | Manufacturing | 118,114 | 110,991 | 68,054 | 84,317 | 69,105 | 64,602 | 66,007 | 68,553 | 67,693 | 73,986 |
| Aspen Midstream, LLC | Oil and Gas | 88,180 | 82,063 | 65,604 | 62,824 | | | | | | |
| Chesapeake Operating Inc | Oil and Gas | | 75,090 | 59,874 | 54,800 | | | | | | |
| LCRA Transmission Services | Utilities | 74,907 | 70,248 | 48,317 | 68,081 | 65,627 | 58,396 | 58,208 | 55,969 | 62,059 | 44,382 |
| Valmont/ALS | Manufacturing | 35,158 | 47,172 | 42,584 | 34,612 | 16,321 | 18,135 | 24,125 | 22,679 | 30,124 | 24,163 |
| Ironroc Energy | Oil and Gas | | 39,342 | 21,969 | | | | | | | |
| Apache Corporation | Oil and Gas | 38,612 | 29,672 | 20,698 | | | | | | | |
| Geosouthern Operating II LLC | Oil and Gas | 36,936 | 25,828 | 15,931 | 24,628 | 38,023 | 15,226 | | | | |
| Bluebonnet Electric Coop. | Utilities | 24,073 | 23,118 | 15,915 | | 17,569 | 16,793 | 15,798 | 15,776 | 15,543 | 14,285 |
| BNSF Railway Company | Transportation | 25,250 | 22,531 | 15,399 | | 18,413 | 17,662 | 15,630 | 15,185 | 13,930 | 13,975 |
| Germania Farm Mutual Aid | Insurance | 22,269 | 17,825 | 15,272 | 13,672 | | | 13,326 | 11,834 | 11,844 | 11,743 |
| Sabra Texas Holdings, LP | Healthcare | | 17,127 | 15,201 | | | | 8,000 | | | |
| Whitethorn Pipeline LLC | Pipeline | | 12,730 | 12,901 | 12,587 | | | | | | |
| Wink to Webster Pipeline LLC | Pipeline | | 12,694 | 12,024 | | | | | | | |
| R.R. Donnelley | Manufacturing | | 12,583 | 11,025 | | | | | | | |
| Sealy Texas Management, Inc. | Manufacturing | | | | 14,246 | | | 13,925 | 12,120 | | |
| ExxonMobil Pipeline | Pipeline | | | | | | | | | | |
| Seminole Pipeline Company | Pipeline | | | | 13,066 | | | | | | |
| Lowe's Homecenters, Inc. | Retail | | | | 9,865 | | | 9,267 | 9,176 | 8,966 | 8,953 |
| ETC Texas Pipeline, LTD | Pipeline | | | | 11,074 | 19,793 | 23,067 | 23,845 | 30,236 | 21,781 | 20,178 |
| PFL Properties, LP | Oil and Gas | | | | 8,382 | | | 7,209 | 6,444 | | |
| Moore Wallace North America | Manufacturing | | | | 8,344 | | | | 6,796 | 7,556 | 8,258 |
| ARI-Automotive Rentals, Inc. | Transportation | | | | | | | | | | 7,263 |
| Grocery Supply Co (formerly Brenham Wholesale Grocery) | Groceries | 19,797 | | | | | | 7,196 | 7,660 | 8,055 | 8,215 |
| DCP Austin Gathering LP | Oil and Gas | | | | | | | | | | |
| Del Sol Food Co Inc | Consumer Goods | | | | | | | 7,555 | | | |
| Enervest Operating #397 | Oil and Gas | | | | | | 13,918 | | | 8,920 | 13,089 |
| Enervest Operating #399 | Oil and Gas | | | | | | 26,023 | 24,918 | 23,802 | 44,369 | 70,188 |
| Enervest Operating LLC | Oil and Gas | | | | | | 26,023 | 16,049 | 15,215 | 26,832 | |
| HD Development Properties, LP | Commercial | | | | | | | | | | |
| Hyperion Energy LP | Oil and Gas | | | | | | | | | 9,447 | 8,718 |
| Imus, John D ET UX | Private | | | | | | | | 6,427 | | |
| Longwood Elastomers, Inc. | Manufacturing | | | | | | | 10,889 | 11,040 | 10,836 | 10,145 |
| MIC Group LLC (West) | Manufacturing | | | | | | | 7,292 | 11,456 | 16,492 | 19,341 |
| MIC LLC (East) | Manufacturing | | | | | | | 7,666 | 9,771 | 11,036 | 11,005 |
| Mount Vernon Mill, Inc. | Manufacturing | | | | | | | | | | |
| PI Components Corp. | Manufacturing | | | | | | | 7,228 | 7,293 | 10,649 | 9,908 |
| Precision Polymer Engineering | Manufacturing | 19,115 | | | | | | | | | |
| Sealy Mattress | Manufacturing | 17,584 | | | | | | | | 11,366 | |
| Southern Bay Operating, LLC | Oil and Gas | | | | | | | | | | |
| Southwestern Telephone Company | Telephone | | | | | | | | | | |
| Tariton Supply Company | Oil and Gas | | | | | | | | | | |
| Valmont/ALS - Abated | Manufacturing | | | | | | | | | 8,531 | 8,874 |
| Wal-Mart Properties #4109 | Retail | | | | | | | | | | |
| Wal-Mart Real Estate Business | Retail | | | | | | | 7,727 | 7,196 | | 7,600 |
| Wildhorse Resources Mgmt Co/Chesapeake | Oil and Gas | 31,456 | | | | 45,216 | | | | | |
| Totals | | \$ 1,137,472 | \$ 1,191,448 | \$ 692,792 | \$ 500,794 | \$ 432,737 | \$ 279,845 | \$ 351,860 | \$ 354,628 | \$ 406,029 | \$ 394,269 |
| Total Taxable Assessed Value | | \$ 5,598,453 | \$ 5,286,041 | \$ 3,704,840 | \$ 3,461,496 | \$ 3,395,506 | \$ 2,907,939 | \$ 2,649,772 | \$ 2,658,946 | \$ 2,500,047 | \$ 2,401,396 |

Source: Washington County Appraisal District

Blinn College District

Principal Taxpayers
Last Ten Tax Years
(Unaudited)

| Taxpayer | Type of Business | % of Taxable Assessed Value (TAV) by Tax Year | | | | | | | | | |
|--|------------------|---|--------|--------|--------|--------|-------|--------|--------|--------|--------|
| | | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Blue Bell Creameries | Manufacturing | 2.11% | 2.10% | 1.84% | 2.44% | 2.04% | 2.22% | 2.49% | 2.58% | 2.71% | 3.08% |
| Magnolia Oil & Gas Operating LLC | Oil and Gas | 9.45% | 9.11% | 4.35% | 2.32% | 4.20% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| LCRA Transmission Services | Utilities | 1.34% | 1.33% | 1.30% | 1.97% | 1.93% | 2.01% | 2.20% | 2.10% | 2.48% | 1.85% |
| Aspen Midstream, LLC | Oil and Gas | 1.58% | 1.55% | 1.77% | 1.81% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Chesapeake Operating Inc | Oil and Gas | 0.00% | 1.42% | 1.62% | 1.58% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Valmont/ALS | Manufacturing | 0.63% | 0.89% | 1.15% | 1.00% | 0.48% | 0.62% | 0.91% | 0.85% | 1.20% | 1.01% |
| Ironroc Energy | Oil and Gas | 0.00% | 0.74% | 0.59% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Geosouthern Operating II LLC | Oil and Gas | 0.66% | 0.49% | 0.43% | 0.71% | 1.12% | 0.52% | 0.00% | 0.00% | 0.00% | 0.00% |
| Geosouthern Chalk II LLC | Oil and Gas | 1.02% | 2.10% | 2.45% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Sealy Texas Management, Inc. | Manufacturing | 0.00% | 0.00% | 0.00% | 0.41% | 0.00% | 0.00% | 0.53% | 0.46% | 0.00% | 0.00% |
| Germania Farm Mutual Aid | Insurance | 0.40% | 0.34% | 0.41% | 0.39% | 0.00% | 0.00% | 0.50% | 0.45% | 0.47% | 0.49% |
| Seminole Pipeline Company | Pipeline | 0.00% | 0.00% | 0.00% | 0.38% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Apache Corporation | Oil and Gas | 0.69% | 0.56% | 0.56% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Whitethorn Pipeline LLC | Pipeline | 0.00% | 0.24% | 0.35% | 0.36% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Wink to Webster Pipeline LLC | Pipeline | 0.00% | 0.24% | 0.32% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| R.R. Donnelley | Manufacturing | 0.00% | 0.24% | 0.30% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| ETC Texas Pipeline, LTD | Pipeline | 0.00% | 0.00% | 0.00% | 0.32% | 0.58% | 0.79% | 0.90% | 1.14% | 0.87% | 0.84% |
| Lowe's Homecenters, Inc. | Retail | 0.00% | 0.00% | 0.00% | 0.28% | 0.00% | 0.00% | 0.35% | 0.35% | 0.36% | 0.37% |
| PFL Properties, LP | Oil and Gas | 0.00% | 0.00% | 0.00% | 0.24% | 0.00% | 0.00% | 0.27% | 0.24% | 0.00% | 0.00% |
| Moore Wallace North America | Manufacturing | 0.00% | 0.00% | 0.00% | 0.24% | 0.00% | 0.00% | 0.00% | 0.26% | 0.30% | 0.34% |
| ARI-Automotive Rentals, Inc. | Transportation | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.30% |
| Grocery Supply Co (formerly Brenham Wholesale Grocery) | Groceries | 0.35% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.27% | 0.29% | 0.32% | 0.34% |
| DCP Austin Gathering LP | Oil and Gas | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Del Sol Food Co Inc | Consumer Goods | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.29% | 0.00% | 0.00% | 0.00% |
| Enervest Operating #397 | Oil and Gas | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.48% | 0.00% | 0.00% | 0.36% | 0.55% |
| Enervest Operating #399 | Oil and Gas | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.89% | 0.94% | 0.90% | 1.77% | 2.92% |
| Enervest Operating LLC | Oil and Gas | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.89% | 0.61% | 0.57% | 1.07% | 0.00% |
| HD Development Properties, LP | Commercial | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Hyperion Energy LP | Oil and Gas | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.38% | 0.36% |
| Imus, John D ET UX | Private | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.24% | 0.00% | 0.00% |
| Longwood Elastomers, Inc. | Manufacturing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.41% | 0.42% | 0.43% | 0.42% |
| MIC Group LLC (West) | Manufacturing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.28% | 0.43% | 0.66% | 0.81% |
| MIC LLC (East) | Manufacturing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.29% | 0.37% | 0.44% | 0.46% |
| Mount Vernon Mill, Inc. | Manufacturing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| PI Components Corp. | Manufacturing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.27% | 0.27% | 0.43% | 0.41% |
| Precision Polymer Engineering | Manufacturing | 0.34% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Sabra Texas Holdings, LP | Healthcare | 0.00% | 0.32% | 0.41% | 0.00% | 0.00% | 0.00% | 0.30% | 0.00% | 0.00% | 0.00% |
| Sealy Mattress | Manufacturing | 0.31% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.45% | 0.00% |
| Southern Bay Operating, LLC | Oil and Gas | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Southwestern Telephone Company | Telephone | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Tarlton Supply Company | Oil and Gas | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Valmont/ALS - Abated | Manufacturing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.34% | 0.37% |
| Wal-Mart Properties #4109 | Retail | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Wal-Mart Real Estate Business | Retail | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.29% | 0.27% | 0.00% | 0.32% |
| Bluebonnet Electric Coop. | Utilities | 0.43% | 0.44% | 0.43% | 0.00% | 0.52% | 0.58% | 0.60% | 0.59% | 0.62% | 0.59% |
| BNSF Railway Company | Transportation | 0.45% | 0.43% | 0.42% | 0.00% | 0.54% | 0.61% | 0.59% | 0.57% | 0.56% | 0.58% |
| Wildhorse Resources Mgmt Co/Chesapeake | Oil and Gas | 0.56% | 0.00% | 0.00% | 0.00% | 1.33% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Totals | | 20.32% | 22.54% | 18.70% | 14.47% | 12.74% | 9.62% | 13.28% | 13.34% | 16.24% | 16.42% |

Source: Washington County Appraisal District

**Blinn College District
Property Tax Levies and Collections
Last Ten Tax Years
(Unaudited)**

| Fiscal Year Ended August 31 | Levy | (a) | Cumulative Levy Adjustments | Adjusted Levy | Tax (b) | Collections - Year of Levy (c) | Percentage | Current Collections of Prior Levies (b) (c) | Total Collections | Cumulative Collections of Adjusted Levy |
|--|-------------|------------|--|--------------------------|--------------------|---|-------------------|--|------------------------------|--|
| 2024 | 2,494,345 | (49,506) | | 2,444,839 | | 2,465,775 | 100.86% | 12,847 | 2,478,622 | 101.38% |
| 2023 | 2,300,993 | (49,135) | | 2,251,858 | | 2,319,048 | 102.98% | 30,013 | 2,349,061 | 104.32% |
| 2022 | 2,300,300 | (51,656) | | 2,248,644 | | 2,315,881 | 102.99% | 35,465 | 2,351,346 | 104.57% |
| 2021 | 2,252,307 | (47,426) | | 2,204,881 | | 2,267,614 | 102.85% | 31,080 | 2,298,694 | 104.25% |
| 2020 | 2,221,183 | (47,065) | | 2,174,118 | | 2,181,577 | 100.34% | 32,011 | 2,213,588 | 101.82% |
| 2019 | 2,067,287 | (23,398) | | 2,043,889 | | 2,040,819 | 99.85% | 30,941 | 2,071,760 | 101.36% |
| 2018 | 1,981,872 | (45,420) | | 1,936,452 | | 1,894,260 | 97.82% | 30,594 | 1,924,854 | 99.40% |
| 2017 | 1,851,272 | (38,570) | | 1,812,702 | | 1,775,179 | 97.93% | 27,305 | 1,802,484 | 99.44% |
| 2016 | 1,838,348 | (35,031) | | 1,803,317 | | 1,767,777 | 98.03% | 25,916 | 1,793,693 | 99.47% |
| 2015 | 1,680,949 | (26,917) | | 1,654,032 | | 1,621,330 | 98.02% | 29,302 | 1,650,632 | 99.79% |

Source: Washington County Tax Assessor/Collector

(a) As reported in notes to the financial statements for the year of the levy.

(b) As of August 31st of the current reporting year.

(c) Property tax only - does not include penalties and interest

Blinn College District
Ratios of Outstanding Debt
Last Ten Fiscal Years
(Unaudited)

| | For the Year Ended August 31 (amounts expressed in thousands) | | | | | | | | | |
|---|---|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Other Debt | | | | | | | | | | |
| Revenue bonds | \$ 95,565 | \$ 99,465 | \$ 104,475 | \$ 109,265 | \$ 98,755 | \$ 102,300 | \$ 76,635 | \$ 80,140 | \$ 83,805 | \$ 40,730 |
| Unamortized Bond Premiums | \$ 5,176 | \$ 5,430 | \$ 5,685 | \$ 5,955 | \$ 2,659 | \$ 2,815 | \$ 2,054 | \$ 2,174 | \$ 2,216 | \$ 293 |
| Leases | \$ 11,402 | \$ 13,514 | \$ 10,585 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Outstanding Debt | \$ 112,143 | \$ 118,409 | \$ 120,745 | \$ 115,220 | \$ 101,414 | \$ 105,115 | \$ 78,689 | \$ 82,314 | \$ 86,021 | \$ 41,023 |
| Total Outstanding Debt Ratios | | | | | | | | | | |
| Per Capita | 3.03 | 3.27 | 3.33 | 3.14 | 2.83 | 2.99 | 2.24 | 2.35 | 2.47 | 1.18 |
| Per FTSE | 8.87 | 9.40 | 10.60 | 9.13 | 7.52 | 7.62 | 5.85 | 5.98 | 6.10 | 2.87 |
| As a percentage of Taxable Assessed Value | 1.89% | 2.24% | 3.26% | 3.33% | 2.99% | 3.61% | 2.97% | 3.10% | 3.44% | 1.71% |

Notes: Ratios calculated using population and TAV from current year. Debt per student calculated using full-time-student-equivalent enrollment.
 GASB 87, *Leases*, was implemented beginning with fiscal year 2021.
 GASB 96, *Subscription-Based Information Technology Arrangements*, was implemented beginning with fiscal year 2022.

Blinn College District
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)

| | For the Year Ended August 31 (amount expressed in thousands) | | | | | | | | | |
|--|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Taxable Assessed Value | \$ 5,931,680 | \$ 5,598,453 | \$ 5,286,041 | \$ 3,704,840 | \$ 3,461,496 | \$ 3,395,506 | \$ 2,907,939 | \$ 2,649,772 | \$ 2,658,946 | \$ 2,500,047 |
| General Obligation Bonds | | | | | | | | | | |
| Statutory Tax Levy Limit for Debt Service | 29,658 | 27,992 | 26,430 | 18,524 | 17,307 | 16,978 | 14,540 | 13,249 | 13,295 | 12,500 |
| Less: Funds Restricted for Repayment of General Obligation Bonds | - | - | - | - | - | - | - | - | - | - |
| Total Net General Obligation Debt | 29,658 | 27,992 | 26,430 | 18,524 | 17,307 | 16,978 | 14,540 | 13,249 | 13,295 | 12,500 |
| Current Year Debt Service Requirements | - | - | - | - | - | - | - | - | - | - |
| Excess of Statutory Limit for Debt Service over Current Requirements | \$ 29,658 | \$ 27,992 | \$ 26,430 | \$ 18,524 | \$ 17,307 | \$ 16,978 | \$ 14,540 | \$ 13,249 | \$ 13,295 | \$ 12,500 |
| Net Current Requirements as a % of Statutory Limit | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 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 taxable assessed valuation.

Blinn College District
Pledged Revenue Coverage - Revenue Bonds
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year Ended August 31 | Pledged Revenues (\$000 omitted) | | | | | | | Debt Service Requirements (\$000 omitted) | | | Coverage Ratio |
|-----------------------------------|----------------------------------|--|----------------------------------|-------------------|---------------------|--------------------|--------|---|----------|-------|-------------------|
| | Tuition | General Fees, Activity and Building Use | Laboratory and Course Fees | Housing Income | Bookstore Income | Other Auxiliary | Total | Principal | Interest | Total | |
| 2024 | 7,882 | 27,535 | 4,564 | 1,133 | 1,213 | 3,634 | 45,961 | 3,900 | 3,527 | 7,427 | 6.19 |
| 2023 | 8,059 | 26,754 | 4,798 | 1,056 | 616 | 3,400 | 44,683 | 5,010 | 3,733 | 8,743 | 5.11 |
| 2022 | 7,693 | 24,946 | 4,216 | 756 | 566 | 2,295 | 40,472 | 4,790 | 3,956 | 8,746 | 4.63 |
| 2021 | 7,275 | 25,156 | 5,163 | 806 | 482 | 1,294 | 40,176 | 4,075 | 4,539 | 8,614 | 4.66 |
| 2020 | 7,618 | 27,220 | 3,599 | 1,392 | 810 | 2,847 | 43,486 | 3,545 | 2,679 | 6,224 | 6.99 |
| 2019 | 7,604 | 25,518 | 2,971 | 2,633 | 880 | 4,356 | 43,962 | 3,460 | 2,801 | 6,261 | 7.02 |
| 2018 | 7,656 | 23,051 | 1,939 | 2,410 | 926 | 3,922 | 39,904 | 3,505 | 2,921 | 6,426 | 6.21 |
| 2017 | 8,002 | 20,429 | 1,849 | 2,273 | 937 | 2,956 | 36,446 | 3,665 | 3,167 | 6,832 | 5.33 |
| 2016 | 8,377 | 18,157 | 1,918 | 2,409 | 1,149 | 2,356 | 34,366 | 3,525 | 1,530 | 5,055 | 6.80 |
| 2015 | 6,613 | 18,157 | 1,893 | 2,376 | 1,011 | 1,256 | 31,306 | 3,405 | 1,231 | 4,636 | 6.75 |

Blinn College District

**Demographic and Economic Statistics - Taxing District
Last Ten Fiscal Years
(Unaudited)**

| Calendar Year | District Population | District Personal Income (thousands of dollars) | District Personal Income Per Capita | Unemployment Rate |
|----------------------|----------------------------|--|--|--------------------------|
| 2024 | 37,007 | Not available | Not available | 3.8% |
| 2023 | 36,159 | Not available | Not available | 4.1% |
| 2022 | 36,223 | 2,650,496 | 73,301 | 3.8% |
| 2021 | 35,891 | 2,199,924 | 60,548 | 5.1% |
| 2020 | 36,654 | 2,089,960 | 58,426 | 5.7% |
| 2019 | 35,882 | 2,053,296 | 57,635 | 8.1% |
| 2018 | 35,108 | 1,834,903 | 52,265 | 3.7% |
| 2017 | 35,043 | 1,673,002 | 47,741 | 4.2% |
| 2016 | 34,821 | 1,679,690 | 48,238 | 5.1% |
| 2015 | 34,869 | 1,716,523 | 49,228 | 4.8% |

Sources:

Population from U.S. Bureau of the Census.

Personal Income Per Capita from U.S. Bureau of Economic Analysis.

Unemployment rate from Texas Workforce Commission.

Blinn College District
Principal Employers of Washington County
Current Year and Nine Years Ago
(Unaudited)

| 2024 | | 2015 | |
|---------------------------------------|--|---------------------------------------|------------------------------------|
| Employer | Type of Business | Employer | Type of Business |
| Baylor Scott & White Medical Center | Hospital | Blinn College | Higher Education |
| Blinn College | Higher Education | Blue Bell Creameries | Ice Cream Manufacturer |
| Blue Bell Creameries | Ice Cream Manufacturer | Brenham I.S.D. | Independent School District |
| Brenham Clinic | Hospital | Brenham State Supported Living Center | Mental Health/Retardation Services |
| Brenham I.S.D. | Independent School District | City of Brenham | Government |
| Brenham Nursing & Rehabilitation | Nursing Home and Rehabilitation Services | Germania Insurance | Insurance Services |
| Brenham State Supported Living Center | Mental Health/Retardation Services | Scott & White Hospital | Hospital |
| Brenham Wholesale | Grocers-Wholesale | Sealy Mattress Company | Mattress Manufacturer |
| Germania Insurance | Insurance Services | Wal-Mart Supercenter | Retail Department Store |
| Wal-Mart Supercenter | Retail Department Store | Washington County | Local Government |

Notes:

- (1) Principal Employers as identified in a report issued by Washington County Chamber of Commerce
- (2) Employers listed in alphabetical order and do not reflect any ranking. The Texas Workforce Commission ranking and number of employees data is confidential.

Blinn College District
Faculty, Staff, and Administrators Statistics
Last Ten Fiscal Years
(Unaudited)

| Fiscal Year | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Faculty: | | | | | | | | | | |
| Full-Time | 385 | 387 | 377 | 387 | 406 | 407 | 386 | 400 | 398 | 393 |
| Part-Time | 303 | 367 | 334 | 299 | 284 | 337 | 335 | 225 | 250 | 295 |
| Total | 688 | 754 | 711 | 686 | 690 | 744 | 721 | 625 | 648 | 688 |
| Percent | | | | | | | | | | |
| Full-Time | 56.0% | 51.3% | 53.0% | 56.4% | 58.8% | 54.7% | 53.5% | 64.0% | 61.4% | 57.1% |
| Part-Time | 44.0% | 48.7% | 47.0% | 43.6% | 41.2% | 45.3% | 46.5% | 36.0% | 38.6% | 42.9% |
| Staff and Administrators: | | | | | | | | | | |
| Full-Time | 440 | 432 | 413 | 413 | 348 | 364 | 360 | 388 | 401 | 365 |
| Part-Time | 125 | 119 | 106 | 291 | 105 | 124 | 138 | 81 | 93 | 99 |
| Total | 565 | 551 | 519 | 704 | 453 | 488 | 498 | 469 | 494 | 464 |
| Percent | | | | | | | | | | |
| Full-Time | 77.9% | 78.4% | 79.6% | 58.7% | 76.8% | 74.6% | 72.3% | 82.7% | 81.2% | 78.7% |
| Part-Time | 22.1% | 21.6% | 20.4% | 41.3% | 23.2% | 25.4% | 27.7% | 17.3% | 18.8% | 21.3% |
| FTSE per Full-time Faculty | 33 | 33 | 33 | 33 | 33 | 34 | 35 | 34 | 35 | 36 |
| FTSE per Full-Time Staff Member | 29 | 29 | 31 | 31 | 39 | 38 | 37 | 36 | 35 | 39 |
| Average Annual Faculty Salary* | \$ 71,906 | \$ 69,199 | \$ 63,219 | \$ 62,701 | \$ 56,076 | \$ 63,635 | \$ 60,028 | \$ 58,041 | \$ 56,944 | \$ 56,792 |

Blinn College District

**Enrollment Details
Last Ten Fiscal Years
(Unaudited)**

| Student Classification | Fall 2018 | | Fall 2017 | | Fall 2016 | | Fall 2015 | | Fall 2014 | |
|------------------------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| 00-30 hours | 12,847 | 67.22% | 12,001 | 64.99% | 12,258 | 64.81% | 12,528 | 65.40% | 12,286 | 65.46% |
| 31-60 hours | 5,564 | 29.11% | 5,393 | 29.21% | 5,497 | 29.06% | 5,509 | 28.76% | 5,562 | 29.63% |
| > 60 hours | 702 | 3.67% | 1,071 | 5.80% | 1,159 | 6.13% | 1,120 | 5.85% | 921 | 4.91% |
| Total | 19,113 | 100.00% | 18,465 | 100.00% | 18,914 | 100.00% | 19,157 | 100.00% | 18,769 | 100.00% |

| Semester Hour Load | Fall 2018 | | Fall 2017 | | Fall 2016 | | Fall 2015 | | Fall 2014 | |
|----------------------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Less than 3 | 156 | 0.82% | 23 | 0.12% | 27 | 0.14% | 33 | 0.17% | 35 | 0.19% |
| 3-5 semester hours | 2,845 | 14.89% | 2,700 | 14.62% | 2,831 | 14.97% | 2,435 | 12.71% | 2,361 | 12.58% |
| 6-8 Semester hours | 3,495 | 18.29% | 3,066 | 16.60% | 3,153 | 16.67% | 3,012 | 15.72% | 2,865 | 15.26% |
| 9-11 semester hours | 3,718 | 19.45% | 4,168 | 22.57% | 3,946 | 20.86% | 4,026 | 21.02% | 4,402 | 23.45% |
| 12-14 semester hours | 7,301 | 38.20% | 7,010 | 37.96% | 7,388 | 39.06% | 7,939 | 41.44% | 7,484 | 39.87% |
| 15-17 semester hours | 1,486 | 7.77% | 1,346 | 7.29% | 1,403 | 7.42% | 1,568 | 8.18% | 1,478 | 7.87% |
| 18 & over | 112 | 0.59% | 152 | 0.82% | 166 | 0.88% | 144 | 0.75% | 144 | 0.77% |
| Total | 19,113 | 100.00% | 18,465 | 100.00% | 18,914 | 100.00% | 19,157 | 100.00% | 18,769 | 100.00% |

Average course load 10.0 10.0 10.0 10.0 10.0

| Tuition Status | Fall 2018 | | Fall 2017 | | Fall 2016 | | Fall 2015 | | Fall 2014 | |
|----------------------------------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Texas Resident (in-District) | 652 | 3.41% | 593 | 3.21% | 577 | 3.05% | 622 | 3.25% | 680 | 3.62% |
| Texas Resident (out-of-District) | 17,999 | 94.17% | 17,363 | 94.03% | 17,753 | 93.86% | 17,876 | 93.31% | 17,402 | 92.72% |
| Non-Resident Tuition | 462 | 2.42% | 509 | 2.76% | 584 | 3.09% | 659 | 3.44% | 687 | 3.66% |
| Total | 19,113 | 100.00% | 18,465 | 100.00% | 18,914 | 100.00% | 19,157 | 100.00% | 18,769 | 100.00% |

Sources:
Texas Higher Education Coordinating Board
Blinn College Office of Institutional Research and Effectiveness

Blinn College District

Student Profile
Last Ten Fiscal Years
(Unaudited)

| Gender | Fall 2023 | | Fall 2022 | | Fall 2021 | | Fall 2020 | | Fall 2019 | | Fall 2018 | | Fall 2017 | | Fall 2016 | | Fall 2015 | | Fall 2014 | |
|--------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Female | 10,069 | 51.33% | 8,916 | 50.79% | 8,637 | 50.58% | 9,533 | 53.09% | 9,997 | 52.11% | 9,805 | 51.30% | 9,359 | 50.69% | 9,781 | 51.71% | 9,821 | 51.27% | 9,728 | 51.83% |
| Male | 9,549 | 48.67% | 8,638 | 49.21% | 8,440 | 49.42% | 8,422 | 46.91% | 9,186 | 47.89% | 9,308 | 48.70% | 9,106 | 49.31% | 9,133 | 48.29% | 9,336 | 48.73% | 9,041 | 48.17% |
| Total | 19,618 | 100.00% | 17,554 | 100.00% | 17,077 | 100.00% | 17,955 | 100.00% | 19,183 | 100.00% | 19,113 | 100.00% | 18,465 | 100.00% | 18,914 | 100.00% | 19,157 | 100.00% | 18,769 | 100.00% |

| Ethnic Origin | Fall 2023 | | Fall 2022 | | Fall 2021 | | Fall 2020 | | Fall 2019 | | Fall 2018 | | Fall 2017 | | Fall 2016 | | Fall 2015 | | Fall 2014 | |
|------------------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| White | 11,028 | 56.21% | 10,177 | 57.98% | 10,180 | 59.61% | 10,692 | 59.55% | 11,322 | 59.02% | 11,137 | 58.27% | 11,190 | 60.60% | 11,689 | 61.80% | 12,033 | 62.81% | 11,988 | 63.87% |
| Hispanic | 4,777 | 24.35% | 4,325 | 24.64% | 4,107 | 24.05% | 4,274 | 23.80% | 4,428 | 23.08% | 4,459 | 23.33% | 4,016 | 21.75% | 3,898 | 20.61% | 3,785 | 19.76% | 3,610 | 19.23% |
| African American | 1,397 | 7.12% | 1,225 | 6.98% | 1,292 | 7.57% | 1,482 | 8.25% | 1,811 | 9.44% | 2,212 | 11.57% | 1,990 | 10.78% | 2,059 | 10.89% | 1,980 | 10.34% | 1,888 | 10.06% |
| Asian | 698 | 3.56% | 515 | 2.93% | 445 | 2.61% | 430 | 2.39% | 459 | 2.39% | 460 | 2.41% | 456 | 2.47% | 459 | 2.43% | 498 | 2.60% | 430 | 2.29% |
| Foreign | 100 | 0.51% | 96 | 0.55% | 72 | 0.42% | 55 | 0.31% | 66 | 0.34% | 91 | 0.48% | 114 | 0.62% | 135 | 0.71% | 157 | 0.82% | 171 | 0.91% |
| Native American | 139 | 0.71% | 108 | 0.62% | 91 | 0.53% | 93 | 0.52% | 102 | 0.53% | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| Multi-Racial | 730 | 3.72% | 613 | 3.49% | 657 | 3.85% | 654 | 3.64% | 697 | 3.63% | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% |
| Unknown | 749 | 3.82% | 495 | 2.82% | 233 | 1.36% | 275 | 1.53% | 298 | 1.55% | 754 | 3.94% | 699 | 3.79% | 674 | 3.56% | 704 | 3.67% | 682 | 3.63% |
| Total | 19,618 | 100.00% | 17,554 | 100.00% | 17,077 | 100.00% | 17,955 | 100.00% | 19,183 | 100.00% | 19,113 | 100.00% | 18,465 | 100.00% | 18,914 | 100.00% | 19,157 | 100.00% | 18,769 | 100.00% |

| Age | Fall 2023 | | Fall 2022 | | Fall 2021 | | Fall 2020 | | Fall 2019 | | Fall 2018 | | Fall 2017 | | Fall 2016 | | Fall 2015 | | Fall 2014 | |
|-----------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Under 18 | 1,157 | 5.90% | 1,929 | 10.99% | 1,319 | 7.72% | 1,499 | 8.35% | 1,802 | 9.39% | 1,921 | 10.05% | 1,698 | 9.20% | 1,693 | 8.95% | 1,639 | 8.56% | 1,466 | 7.81% |
| 18 - 21 | 13,595 | 69.30% | 12,886 | 73.41% | 12,448 | 72.89% | 13,121 | 73.08% | 14,255 | 74.31% | 14,009 | 73.30% | 13,629 | 73.81% | 13,838 | 73.16% | 14,150 | 73.86% | 13,796 | 73.50% |
| 22 - 24 | 3,164 | 16.13% | 1,348 | 7.68% | 1,685 | 9.87% | 1,631 | 9.08% | 1,426 | 7.43% | 1,434 | 7.50% | 1,459 | 7.90% | 1,596 | 8.44% | 1,629 | 8.50% | 1,656 | 8.82% |
| 25 - 29 | 894 | 4.56% | 684 | 3.90% | 740 | 4.33% | 842 | 4.69% | 925 | 4.82% | 860 | 4.50% | 878 | 4.75% | 907 | 4.80% | 850 | 4.44% | 1,277 | 6.80% |
| 30 - 34 | 337 | 1.72% | 277 | 1.58% | 375 | 2.20% | 375 | 2.09% | 354 | 1.85% | 419 | 2.19% | 341 | 1.85% | 387 | 2.05% | 383 | 2.00% | 467 | 2.49% |
| 35 & Over | 471 | 2.40% | 430 | 2.45% | 510 | 2.99% | 487 | 2.71% | 421 | 2.19% | 470 | 2.46% | 460 | 2.49% | 493 | 2.61% | 506 | 2.64% | 107 | 0.57% |
| Total | 19,618 | 100.00% | 17,554 | 100.00% | 17,077 | 100.00% | 17,955 | 100.00% | 19,183 | 100.00% | 19,113 | 100.00% | 18,465 | 100.00% | 18,914 | 100.00% | 19,157 | 100.00% | 18,769 | 100.00% |

| | | | | | | | | | | |
|-------------|----|----|----|----|----|----|----|----|----|----|
| Average Age | 21 | 21 | 21 | 21 | 21 | 21 | 22 | 23 | 24 | 26 |
|-------------|----|----|----|----|----|----|----|----|----|----|

Sources:
Texas Higher Education Coordinating Board
Blinn College Office of Institutional Research and Effectiveness

Blinn College District

**Transfers to Senior Institutions
2022-2023 Graduates, Completers, and Non-Returners
(Includes only public senior colleges in Texas)
(Unaudited)**

| | Transfer Student Count Academic | Transfer Student Count Technical | Total of all Sample Transfer Students | % of all Sample Transfer Students | |
|----|--|---|--|--|--------|
| 1 | Texas A&M University | 5,818 | 90 | 5,908 | 66.48% |
| 2 | Sam Houston State University | 458 | 22 | 480 | 5.40% |
| 3 | Texas State University | 233 | 7 | 240 | 2.70% |
| 4 | Blinn College District | 231 | 29 | 260 | 2.93% |
| 5 | University of Houston | 180 | 3 | 183 | 2.06% |
| 6 | Texas A&M University System Health Science Center | 123 | 15 | 138 | 1.55% |
| 7 | Texas A&M University - Corpus Christi | 120 | 1 | 121 | 1.36% |
| 8 | Tarleton State University | 106 | 10 | 116 | 1.31% |
| 9 | The University of Texas at Austin | 100 | 3 | 103 | 1.16% |
| 10 | Texas Tech University | 98 | 4 | 102 | 1.15% |
| 11 | The University of Texas at San Antonio | 66 | 3 | 69 | 0.78% |
| 12 | University of North Texas | 65 | 0 | 65 | 0.73% |
| 13 | Stephen F. Austin State University | 56 | 1 | 57 | 0.64% |
| 14 | Prairie View A&M University | 53 | 2 | 55 | 0.62% |
| 15 | Austin Community College | 39 | 5 | 44 | 0.50% |
| 16 | Houston Community College | 38 | 6 | 44 | 0.50% |
| 17 | Texas A&M University - Kingsville | 35 | 0 | 35 | 0.39% |
| 18 | Lone Star College - CyFair | 33 | 3 | 36 | 0.41% |
| 19 | The University of Texas at Dallas | 31 | 2 | 33 | 0.37% |
| 20 | Texas A&M University - Commerce | 29 | 3 | 32 | 0.36% |
| 21 | The University of Texas at Arlington | 26 | 14 | 40 | 0.45% |
| 22 | Lamar University | 24 | 0 | 24 | 0.27% |
| 23 | Texas A&M University at Galveston | 24 | 1 | 25 | 0.28% |
| 24 | Collin County Community College District | 24 | 2 | 26 | 0.29% |
| 25 | The University of Texas at Tyler | 23 | 1 | 24 | 0.27% |
| 26 | Lone Star College - Tomball | 23 | 3 | 26 | 0.29% |
| 27 | San Jacinto College | 22 | 3 | 25 | 0.28% |
| 28 | Wharton County Junior College | 19 | 6 | 25 | 0.28% |
| 29 | University of Houston - Victoria | 18 | 1 | 19 | 0.21% |
| 30 | Lone Star College - Montgomery | 18 | 5 | 23 | 0.26% |
| 31 | Texas A&M University - Texarkana | 16 | 0 | 16 | 0.18% |
| 32 | West Texas A&M University | 16 | 2 | 18 | 0.20% |
| 33 | Texas Woman's University | 15 | 1 | 16 | 0.18% |
| 34 | Texas A&M International University | 14 | 2 | 16 | 0.18% |
| 35 | Dallas College | 14 | 1 | 15 | 0.17% |
| 36 | University of Houston - Clear Lake | 13 | 1 | 14 | 0.16% |
| 37 | McLennan Community College | 13 | 3 | 16 | 0.18% |
| 38 | Tarrant County College | 13 | 3 | 16 | 0.18% |
| 39 | ACCD - Northwest Vista College | 12 | 1 | 13 | 0.15% |
| 40 | Texas State Technical College in Waco | 12 | 6 | 18 | 0.20% |
| 41 | Lone Star College - Connect Campus | 11 | 2 | 13 | 0.15% |
| 42 | Navarro College | 11 | 3 | 14 | 0.16% |
| 43 | Victoria College | 11 | 2 | 13 | 0.15% |
| 44 | University of Houston - Downtown | 10 | 0 | 10 | 0.11% |
| 45 | Texas A&M University - Central Texas | 9 | 1 | 10 | 0.11% |
| 46 | The University of Texas Health Science Center at Houston | 9 | 1 | 10 | 0.11% |
| 47 | Lone Star College - University Park | 9 | 2 | 11 | 0.12% |
| 48 | Temple College | 9 | 2 | 11 | 0.12% |
| 49 | The University of Texas - Rio Grande Valley | 8 | 1 | 9 | 0.10% |
| 50 | ACCD - San Antonio College | 8 | 0 | 8 | 0.09% |
| 51 | Brazosport College | 8 | 2 | 10 | 0.11% |
| 52 | Coastal Bend College | 8 | 0 | 8 | 0.09% |
| 53 | Lee College | 8 | 1 | 9 | 0.10% |
| 54 | North Central Texas College | 8 | 1 | 9 | 0.10% |
| 55 | Tyler Junior College | 8 | 3 | 11 | 0.12% |
| 56 | Texas Southern University | 7 | 0 | 7 | 0.08% |

| | | | | | |
|-----|--|-------|-----|-------|---------|
| 57 | The University of Texas at El Paso | 7 | 0 | 7 | 0.08% |
| 58 | Alvin Community College | 7 | 2 | 9 | 0.10% |
| 59 | Lone Star College - North Harris | 7 | 4 | 11 | 0.12% |
| 60 | Texas A&M University - San Antonio | 6 | 2 | 8 | 0.09% |
| 61 | The University of Texas Health Science Center at San Antonio | 6 | 0 | 6 | 0.07% |
| 62 | Cisco College | 6 | 0 | 6 | 0.07% |
| 63 | College of the Mainland Community College District | 6 | 1 | 7 | 0.08% |
| 64 | Lone Star College - Kingwood | 6 | 5 | 11 | 0.12% |
| 65 | The University of Texas Permian Basin | 5 | 1 | 6 | 0.07% |
| 66 | Texas Tech University Health Sciences Center | 5 | 0 | 5 | 0.06% |
| 67 | ACCD - Northeast Lakeview College | 5 | 0 | 5 | 0.06% |
| 68 | ACCD - St. Philip's College | 5 | 1 | 6 | 0.07% |
| 69 | Lamar Institute of Technology | 5 | 1 | 6 | 0.07% |
| 70 | Texas State Technical College in Fort Bend County | 5 | 0 | 5 | 0.06% |
| 71 | Trinity Valley Community College | 5 | 0 | 5 | 0.06% |
| 72 | Midwestern State University | 4 | 1 | 5 | 0.06% |
| 73 | Amarillo College | 4 | 0 | 4 | 0.05% |
| 74 | Angelina College | 4 | 2 | 6 | 0.07% |
| 75 | Del Mar College | 3 | 1 | 4 | 0.05% |
| 76 | Hill College | 3 | 0 | 3 | 0.03% |
| 77 | Kilgore College | 3 | 1 | 4 | 0.05% |
| 78 | Odessa College | 3 | 0 | 3 | 0.03% |
| 79 | South Plains College | 3 | 0 | 3 | 0.03% |
| 80 | Weatherford College | 3 | 0 | 3 | 0.03% |
| 81 | Western Texas College | 3 | 2 | 5 | 0.06% |
| 82 | Sul Ross State University | 2 | 0 | 2 | 0.02% |
| 83 | Sam Houston State University Medical School | 2 | 1 | 3 | 0.03% |
| 84 | The University of Texas M.D. Anderson Cancer Center | 2 | 0 | 2 | 0.02% |
| 85 | Galveston College | 2 | 1 | 3 | 0.03% |
| 86 | Grayson College | 2 | 0 | 2 | 0.02% |
| 87 | HCJCD - Howard College | 2 | 0 | 2 | 0.02% |
| 88 | Lamar State College - Orange | 2 | 0 | 2 | 0.02% |
| 89 | Paris Junior College | 2 | 1 | 3 | 0.03% |
| 90 | Ranger College | 2 | 0 | 2 | 0.02% |
| 91 | South Texas College | 2 | 1 | 3 | 0.03% |
| 92 | Texas State Technical College Connect | 2 | 1 | 3 | 0.03% |
| 93 | Vernon College | 2 | 0 | 2 | 0.02% |
| 94 | Angelo State University | 1 | 1 | 2 | 0.02% |
| 95 | Baylor College of Medicine | 1 | 0 | 1 | 0.01% |
| 96 | Central Texas College | 1 | 0 | 1 | 0.01% |
| 97 | Clarendon College | 1 | 0 | 1 | 0.01% |
| 98 | El Paso Community College District | 1 | 0 | 1 | 0.01% |
| 99 | Lamar State College - Port Arthur | 1 | 0 | 1 | 0.01% |
| 100 | Laredo College | 1 | 0 | 1 | 0.01% |
| 101 | Lone Star College - Houston North | 1 | 0 | 1 | 0.01% |
| 102 | Texas State Technical College in Marshall | 1 | 0 | 1 | 0.01% |
| 103 | Texas State Technical College in West Texas | 1 | 0 | 1 | 0.01% |
| 104 | The University of Texas Medical Branch at Galveston | 0 | 3 | 3 | 0.03% |
| 105 | Panola College | 0 | 1 | 1 | 0.01% |
| 106 | Northeast Texas Community College | 0 | 1 | 1 | 0.01% |
| | | 8,566 | 321 | 8,887 | 100.00% |

Sources: Blinn College Institutional Research and Effectiveness
[THED Higher Ed Data](#)

Blinn College District

Schedule of Capital Asset Information
Fiscal Years 2015 to 2024
(Unaudited)

| | Fiscal Year | | | | | | | | | |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
| Academic buildings | 26 | 26 | 26 | 25 | 24 | 23 | 23 | 22 | 22 | 22 |
| Square footage | 750,338 | 750,338 | 750,338 | 670,338 | 597,338 | 587,273 | 587,273 | 502,675 | 502,675 | 502,675 |
| Libraries | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Square footage | 51,016 | 51,016 | 51,016 | 51,016 | 51,016 | 51,016 | 51,016 | 51,016 | 51,016 | 51,016 |
| Number of Volumes | 165,075 | 165,075 | 165,075 | 165,075 | 165,075 | 183,816 | 185,555 | 186,980 | 186,468 | 188,217 |
| Administrative and support buildings | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Square footage | 71,158 | 71,158 | 71,158 | 71,158 | 71,158 | 71,158 | 71,158 | 71,158 | 71,158 | 71,158 |
| Dormitories | 9 | 9 | 9 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| Square footage | 175,594 | 175,594 | 175,594 | 209,985 | 209,985 | 209,985 | 209,985 | 209,985 | 209,985 | 209,985 |
| Number of Beds | 777 | 777 | 777 | 974 | 974 | 974 | 974 | 974 | 974 | 974 |
| Apartments | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Square footage | 106,211 | 106,211 | 106,211 | 106,211 | 106,211 | 106,211 | 106,211 | 106,211 | 106,211 | 106,211 |
| Number of beds | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 |
| Dining Facilities | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Square footage | 60,191 | 60,191 | 60,191 | 60,191 | 60,191 | 60,191 | 60,191 | 60,191 | 60,191 | 60,191 |
| Average daily customers | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 900 | 900 | 900 |
| Athletic Facilities | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 7 | 6 | 6 |
| Square footage | 130,727 | 130,727 | 130,727 | 130,727 | 130,727 | 130,727 | 130,727 | 93,054 | 81,870 | 81,870 |
| Stadiums | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Gymnasiums | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Tennis Court | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Plant facilities | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Square footage | 44,687 | 44,687 | 44,687 | 44,687 | 44,687 | 44,687 | 44,687 | 44,687 | 44,687 | 44,687 |
| Transportation | | | | | | | | | | |
| Cars | 2 | 3 | 3 | 3 | 3 | 5 | 5 | 11 | 14 | 12 |
| Light Trucks/Vans | 47 | 44 | 42 | 39 | 38 | 32 | 28 | 25 | 25 | 25 |
| Buses | 4 | 4 | 6 | 6 | 6 | 4 | 4 | 4 | 4 | 4 |
| Other | 1 | 1 | - | - | - | - | - | - | - | - |

**AUDITOR'S REPORTS ON CONTROLS AND COMPLIANCE AND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**



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

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

KILLEEN • COPPERAS COVE • TEMPLE

Member of
American Institute & Texas Society of
Certified Public Accountants

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

Board of Trustees
Blinn College District
Brenham, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Blinn 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 November 27, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, including the Public Funds Investment Act (Chapter 2256, Texas Government Code), noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Public Funds Investment Act (Chapter 2256, Texas Government Code).

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.



Temple, Texas
November 27, 2024



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

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

KILLEEN • COPPERAS COVE • TEMPLE

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

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

Board of Trustees
Blinn College District
Brenham, Texas

Report on Compliance for Each Major Federal Program and State Program

Opinion on Each Major Federal Program and State Program

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

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

Basis for Opinion on Each Major Federal Program and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Jatt, Vernon + Co. P.C.

Temple, Texas
November 27, 2024

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

I. Summary of Audit Results

Financial Statements

1. Type of auditor’s report issued: *unmodified*

2. Internal control over financial reporting:
 Material weakness(es) identified? _____ yes X no
 Significant deficiencies identified that
 are not considered to be material
 weakness(es)? _____ yes X none reported

3. Noncompliance material to financial
 statements noted? _____ yes X no

Federal and State Awards

4. Internal control over major programs:
 Material weakness(es) identified? _____ yes X no
 Significant deficiencies identified that
 are not considered to be material
 weakness(es)? _____ yes X none reported

5. Type of auditor’s report issued on
 compliance for major programs: *unmodified*

6. Any audit findings disclosed that are
 required to be reported in accordance with
 section 200.516a of the Uniform Guidance
 or the State of Texas Single Audit Circular
 and Uniform Grant Management Standards? _____ yes X no

7. Identification of major programs:

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

BLINN COLLEGE DISTRICT
Schedule of Findings and Questioned Costs (Continued)
August 31, 2024

8. Dollar threshold used to distinguish between type A and type B federal programs: \$750,000
9. Dollar threshold used to distinguish between type A and type B state programs: \$750,000
10. Auditee qualified as low-risk auditee for federal single audit? X yes no
11. Auditee qualified as low-risk auditee for state single audit? X yes no
- II. Financial Statement Findings
- None.
- III. Federal and State Awards Findings and Questioned Costs
- None.