

**NAVARRO COLLEGE DISTRICT  
CORSICANA, TEXAS**

**Annual Comprehensive Financial Report  
Years Ended August 31, 2023 and 2022**



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



# NAVARRO COLLEGE DISTRICT

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## **INTRODUCTORY SECTION**





CORSICANA CAMPUS

3200 W. 7th Ave.  
Corsicana, TX 75110  
(800) 628-2776

WAXAHACHIE CAMPUS

1900 John Arden Dr.  
Waxahachie, TX 75165  
(972) 937-7612

MIDLOTHIAN CAMPUS

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

SOUTH CAMPUS

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

FAIRFIELD CENTER

961 E. Commerce St  
Fairfield, TX 75840  
(903) 389-7983

December 14, 2023

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

The following annual comprehensive financial report of Navarro College (the “District”) for the fiscal year ending August 31, 2023, is hereby submitted.

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

Whitley Penn, LLP, Certified Public Accountants, issued (“clean”) opinion on the District’s financial statements for the years ended August 31, 2023, and 2022. The independent auditor report is at the front of the financial section of this report.

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

#### **PROFILE OF THE DISTRICT**

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

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

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

#### **LOCAL ECONOMY AND OUTLOOK**

The District is well positioned for growth due to the geographical location of the Corsicana Campus between Dallas and Houston on Interstate 45 and between Waco and Tyler on State Highway 31 and with the Ellis County campuses located just south of the Dallas/Fort-Worth

metroplex. Enrollment rates among these communities are statistically lower than average (THECB (Texas Higher Education Coordinating Board), 2019). Improving these rates is critical to achieving the statewide strategic plan Building a Talent Strong Texas. Student enrollment statewide is experiencing a slight increase trend among community colleges. According to the Texas High Education Coordinating Board (THECB), fall 2022 community college statewide enrollment increased by 1% while Navarro College showed a 5% decrease in enrollment. Navarro College’s large accountability peer group (Amarillo College, Blinn College, Central Texas College, Del Mar College, Laredo Community College, North Central Texas College, and Tyler Junior College) experienced fluctuations from a 3% increase (Blinn College) to a 7% decline (Del Mar College and Laredo Community College) with an average of 2% decrease for the large peer group.

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

**Navarro County**

The Corsicana Campus is in Navarro County, Texas. Corsicana is an industrial and commercial center. The area has the longest continuous oil flow in Texas, with over 200 million barrels of over 1895. Industries, railroads, oil, agriculture, and cattle are characteristics that define Corsicana.

Corsicana and the surrounding area offer many opportunities for recreational activities. There are 13 parks, 2 golf courses, 49 tennis courts, and 3 lakes, including Richland Chambers, which is the third largest lake in the State of Texas. Corsicana also offers The Palace Theatre, The Warehouse Living Arts Center, and an outdoor amphitheater for concerts.

The estimated population of Navarro County in 2022 was 54,636 with the city of Corsicana having a census 2020 population of 25,109\*. Corsicana is home to more than sixty industries, which includes information technology, manufacturers, processors, and distribution centers. Several Fortune 500 or publicly traded companies call Corsicana their home, including Russell Stover Candies Inc. (candy manufacturing and outlet store), Pactiv (food packaging) and Kohl's (distribution center).

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

\*Note: Retrieved June 26, 2023, from <http://www.txcip.org/tac/census/profile.php?FIPS=48349>

**Major Employers**

The following is a list of Corsicana’s leading employers:

Private Employer	Sector
Russell Stover Candies	Manufacturing
Pactiv	Manufacturing
Navarro Regional Hospital	Healthcare
Walmart Supercenter	Retail
Guardian Industries	Manufacturing
Oil City Iron Works	Manufacturing
Heritage Oaks	Healthcare
Kohl’s Distribution Center	Distribution/Warehousing
Morgan Corporation	Truck body Fabrication
True Value	Distribution/Warehousing
Tremco CPG and Nudura	Chemical
Collin Street Bakery	Bakery
Audubon Metals Texas	Manufacturing
Community National Bank & Trust	Banking/Financial Services



Polyguard	Waterproofing/Barriers
Enterprise Precast Concrete	Manufacturing/Construction
Navarro Pecan	Confectionery Wholesaler
ISCO Industries	Manufacturing
Holcim Building Envelope	Manufacturing
M&M Recreation	Manufacturing
Cresline Plastic Pipe Co	Manufacturing
Greenbrier Rail	Manufacturing

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

\*Note: Retrieved September 25, 2023, from The City of Corsicana, Economic Development Department

### **Ellis County**

Navarro College has two campuses in Ellis County. One is in Waxahachie and the other in Midlothian.

The North Central Texas Council of Governments projects that Ellis County, a major part of our service area, will continue to grow dramatically. The estimated 2022 population in Ellis County was 212,182, indicating an annual average growth rate of 4.46% from the previous year. The population of residents aged twenty-five or older that hold a bachelor's degree is 25.3%. The median household income in 2020 was \$79,849 and the median house value in Ellis County was \$245,473. The 2020 census population of Waxahachie was 41,140 and the 2022 estimated population of Midlothian was 38,635. The county's total unemployment rate for the year ending 2022 is 3.5%.

The City of Waxahachie is conveniently located just south of the Dallas Fort-Worth Metroplex, at the crossroads of I-35 East and U.S. Highway 287. Waxahachie hosts hundreds of festivals and events, large and small, year-round. Large events include the Bob Phillips Texas Country Reporter Festival, Crape Myrtle Festival, and Waxahachie's Cinco De Mayo Festival. Historic events consist of the Gingerbread Trail Tour of Homes, Annual Chautauqua Assembly, WWII Veterans Day Re-enactment, and the Christmas Candlelight Tour of Homes. Waxahachie is still an attractive location for developers and individuals. The City of Waxahachie provides a 25% tax exemption, up to \$25,000, to rehabilitate historic properties with approval from the Heritage Preservation Commission. Commercial development continues in Waxahachie with the 100,000 square foot expansion of Cardinal Insulating Glass; a significant expansion for a new professional development wing at Baylor Scott and White Hospital. ClearSky Health broke ground in April 2022 for ClearSky Rehabilitation Hospital of Waxahachie, a new 30-bed medical rehabilitation hospital that will be located near U.S. Highway 287 Bypass and Brown Street in Waxahachie, Texas. ClearSky Waxahachie will provide specialized rehabilitation services to about 650 patients annually who are living with disabling injuries, illnesses, or other medically complex conditions.

A California firm bought 575 acres in Waxahachie for a massive industrial project. The property will be equipped to manage multiple buildings of more than 1 million square feet (about the area of Chicago's Millennium Park).

Midlothian is a growing community in northwest Ellis County. The city is centrally located south of both Dallas and Fort Worth. Midlothian is a highly active community, which holds several civic events and activities throughout the year, including the Fall Festival, Wine and Arts Festival, and Midlothian Marketplace. Due to the city's central location, at the intersection of two major state highways, 287 & 67, transportation accessibility is a unique asset for expanding businesses. Midlothian is also near the vicinity of four interstate highways, (I-20, I-35E, I-35W, & I-45). Rail transportation is a prime strength of the area with both Union Pacific and Burlington Northern railroads serving the area. The major employers in Midlothian are Gerdau, Midlothian ISD, Target Corporation, Wal-Mart, City of Midlothian, Ash Grove Cement, Holcim US Inc., Methodist Medical Center, Martin Marietta Materials, Ennis Inc., Texas Industries Inc., Martech, Inc., MidTexas International, Navarro College, Dynegy, Niagara LaSalle Corporation, QuikTrip Warehouse, Qualico Steel, Buckley Oil Company, and Chemtrade. Midlothian is three years into an agreement with Google for the development of a \$500 million data center to be constructed in the city's Railport Business Park. Projections from Google are for a five-phase project, with each phase valued at \$500

million capital investment. Methodist Midlothian Hospital opened its doors in October 2020. It is on Highway 287 across from the Navarro College campus in Midlothian. The five-story acute care hospital has a building out of 80 beds and an additional three-story professional building next to the hospital complex.

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

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

Top employers of Waxahachie per the City of Waxahachie:

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

Coal City Cob Company	Hazardous Liquid Bulk Transportation
Lifoam Industries, LLC.	Styrofoam Cups/Coolers
Navarro College-Waxahachie	Public Higher Education
International Paper	Paper Packaging Products

\*Note: Retrieved June 26, 2023, from

[https://www.waxahachie.com/departments/economic\\_development\\_new/site\\_location\\_center/top\\_employers.php](https://www.waxahachie.com/departments/economic_development_new/site_location_center/top_employers.php)

Top employers of Midlothian per the City of Midlothian:

<b>Employers with 1,000 and More Employees</b>	
<b>Company Name</b>	<b>Nature of Business</b>
Gerdau Ameristeel	Steel Manufacturing
<b>Employers with 500 - 999 Employees</b>	
Midlothian ISD	Public Education
Target Distribution Center	Wholesale Trade
<b>Employers with 100 - 499 Employees</b>	
City of Midlothian	Local Government
Martin Marietta Materials	Cement Production
Methodist Hospital	Medical
Ash Grove Texas	Cement Production
Lafarge-Holcim Texas	Cement Production
QuickTrip Corp	Distribution and Commercial Bakery
Malouf	Distribution
<b>Employers with 1 - 99 Employees</b>	
Ennis Inc.	Corporate Headquarters
Luminant	Electric Power Generation
Chemtrade	Chemical Production
Martech Inc.	Granite Manufacturing
Navarro College	Education

\*Note: Retrieved June 26, 2023, Reprinted from

[Skilled, Diverse Workforce & Training - Midlothian Economic Development \(midlothian-tx.org\)](https://www.midlothian-tx.org/skilled-diverse-workforce-training)

### **Limestone County**

The Mexia Campus is on North Martin Luther King Boulevard (Hwy 14) in Mexia, the largest city in Limestone County. Limestone County is approximately 30 miles east of Waco, Texas, and has a total area of 933 square miles with an estimated population in 2022 of 22,253. Groesbeck, about 12 miles north of Mexia, is the Limestone County seat. In 2020 the census population who had earned a High School diploma or higher was 81.1% while the average population earning a bachelor's degree or higher 25 years or older was 16.7%. The 2022 estimated population for the city of Mexia was 6,868. Limestone County is a historic area, which was home to the Tawakoni, or Tehuacana, and Waco Indians. The Civilian Conservation Corps built Fort Parker State Recreation Area during the Great Depression on the site of the Fort Parker Massacre, the most famous Indian attack in Texas. The city of Mexia is an agribusiness and trade center, with a hospital, a newspaper, multiple small businesses, an industrial park, skilled care facilities and nursing homes, the Limestone County Airport, and the Gibbs Memorial Library. The Mexia State Supported Living Center, a 215-acre State-supported living center, which provides campus-based direct services to 220 individuals with intellectual or developmental disabilities, is a major employer in the area with approximately 1,254 employees. Additional employers include Wal-Mart, HEB, Parkview Hospital/clinic, Renaissance Systems, Inc., other retailers, and manufacturing companies such as Carry-On Trailer and SWARCO, and a mine in the small town of Kosse. The area is utilized for farming and ranching.

## **Freestone County**

Although there is no Navarro College campus located in Freestone County, Navarro College provides service for the citizens and high schools within the county. Freestone County is located 90 miles south of Dallas on I-45 and U.S. Highway 84 and has a total area of 892 square miles, with a 2022 estimated population of 19,950, of which 2,850 reside in the city of Fairfield as of census 2020. Other cities in Freestone County are Teague, Wortham, and Streetman.

In 2020, 81.8% of Freestone County residents had earned a High School Diploma or higher, while 14.8% had earned a bachelor's degree or higher. The Fairfield Lake State Park was opened to the public in 1972 and serves as a local attraction for campers and anglers. Other attractions in Freestone County include the Tri-County Golf Club at the Vineyards, the B-RI Railroad Museum, and the Freestone County Historical Museum. Freestone County is primarily a livestock county with limited row-crop farming and has significant oil and gas production. Major employers include the Boyd Unit prison, a Texas Correctional facility, Burlington Northern-Santa Fe Railroad, Brookshire Brothers, health care facilities, manufacturers, and respective school districts.

## **Leon County**

Although there is no Navarro College campus located in Leon County, Navarro College provides service for the citizens and high schools within the county. Leon County is about 60 miles northeast of College Station, Texas, and has an area of 1,081 square miles with a 2022 estimated population of 16,209. The county seat is Centerville with a 2020 census population of 905. Other cities in Leon County include Buffalo, Jewett, Marquez, and Leona. Fort Boggy State Park is a popular attraction. Nucor Steel is one of the largest employers in the county with an annual revenue between \$500 million and \$1 billion, employing a staff of 250 to 500 employees at any given time. Leon County is also home to the famous Leona Steakhouse and Country Store.

## **COMMUNITY OUTREACH AND PARTNERSHIPS**

The District is committed to providing educational and social opportunities for students at a reasonable cost. Student Financial Aid personnel actively assist students with all facets of financial aid to help fund their educational expenses. \$23.4 million in awards was processed in fiscal year 2023. The District aims to provide high quality educational experiences for all students and to establish a nurturing learning environment to promote responsible citizenship. The District maintains a warm and supportive climate that builds a sense of community among learners. The District pledges to remain accountable as an institution of higher learning and as a custodian of the public trust.

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

- The Navarro College Cook Education Center has a 60-foot domed planetarium, one of the largest in Texas. Visitors experience the thrill of space exploration and the power of the human imagination in science and technology through a variety of educational planetarium programs. In addition to supporting Navarro College as a multi-faceted audio-visual theater and classroom, the Planetarium continues to serve as an important educational resource and magnet for the 31 surrounding K-12 independent school districts, serving thousands of students annually. The Planetarium also presents public programs weekly, and multiple Physics, Drama and other classes are conducted there.
- Also located in the Cook Education Center is the Pearce Museum, which houses and interprets three collections of national importance, including the Pearce Civil War collection of over 16,000 letters, journals, and other first-person accounts of this critical period of our nation's history. The document collection includes letters written by President Lincoln, several generals, and other leading historical figures of the period, as well as common soldiers and their family members left behind on the home front. Several collections of Texas family letters cover an extended period of the War. One of the largest collections of Civil War documents in the nation, the Pearce collection is a balanced one, documenting both the Northern and Southern experiences of the war and has been used by dozens of scholarly writers and researchers. The Museum's Curator of Collections assists with many research requests weekly. The Pearce Civil War collection has been valued at over \$4 million dollars. It is interpreted in a large, multi-media gallery filled with exhibits and artifacts on a variety of aspects of the Civil War experience, immersing the Museum's many public and school tour visitors in a highly sensory way.

- The Pearce Western Art collection is displayed and interpreted in a separate set of galleries which resemble a Southwestern adobe-style home. The collection includes over 300 original oil paintings, bronze sculptures, and other original works of art by leading contemporary masters of the Western Art genre. The collection has been called one of the great collections of this genre in the country. The Pearce family left an endowment which has enabled the Navarro College Foundation to continue to purchase new works to add to the collection, in keeping with Mr. & Mrs. Pearce's goal of supporting "up and coming artists" and new directions in Western Art. The Western Art Collection was recently re-appraised and is worth over \$5,700,000 (it has tripled in value since the original purchases). This includes a single masterpiece painting, Grandfather Speaks, which is valued at \$1,200,000. The Pearce Museum hosts several special exhibitions a year, including themed selections from the permanent collection, invitational and juried shows by visiting artists, and traveling exhibitions. Student and faculty art shows, and a juried show of Texas artists, are annual traditions and draw a wide audience. Lectures by visiting scholars, living history days and dramatic presentations are part of a robust series of dedicated events hosted by the Pearce Museum each year.
- An additional exhibit gallery was added to the Pearce Museum in 2015, The Hunter-Gatherers of the Blackland Prairie. This gallery houses interactive displays which interpret and house Navarro College's Robert Reading Collection of over 44,000 catalogued and organized prehistoric Native American artifacts. It tells the story of the ancient people who populated Central Texas thousands of years ago and how they lived their lives. The gallery also houses three mysterious large carved stones, named the Malakoff heads for the nearby quarry where they were discovered in the 1930s. A Corsicana relative of the quarry owners donated one of these heads to Navarro College and the two others were transferred from the University of Texas in 2015. This gallery is especially popular with the many K-12 school groups that visit the Pearce Museum each year as part of our school programs.
- The Pearce Museum also maintains the Navarro College's own archives of historical materials, photographs, and records of the College's 76-year history. The Museum mounts annual exhibits featuring items from these collections, usually with alumni reunions and events. The Pearce Museum welcomes visitors from around world for guided tours and special programs Monday-Saturday all year round. These visitors include Navarro College students, staff and faculty, individuals and families, adult groups and organized K-12 school groups who participate in several customized education programs relating to United States history, art, Texas history, natural history, and other topics. The educational programs have been designed by professional educators and align with state TEKS requirements. The education and public programs are made possible by the support of 15 dedicated volunteers, who spend hundreds of hours each year training and presenting tours and programs to a variety of audiences.
- The Pearce Museum education staff hosts annual professional development workshops for educators from Regions 10, 12, 7 and 11, and conducts presentations at several off-site teacher workshops. The Museum also hosts many on-site special programs each year, including Civil War living history days and re-enactments, guest lecturers, student scavenger hunts, and temporary and traveling exhibits on various unique topics. Increased promotion and social media efforts have resulted in a steady increase in public participation over the past four years, with museum attendance currently exceeding 5,000 visitors a year.
- Museum staff works closely with an increasing number of Navarro College faculty to enhance instruction in a variety of courses, including history, civics, fine art, art appreciation, science, math, English, and drama. The Museum has a particularly strong partnership with the Fine Arts department, and houses and co-hosts annual student and faculty art shows and programs. The Pearce Museum and its staff also support NC special events such as Dancing for Our Stars and alumni reunions, as well as campus-wide activities like orientation and prospective student tours. The Museum continues to serve as an invaluable asset to Navarro College and the Corsicana community.
- The District's cooperative agreement with John Deere continues to attract students from across Texas and neighboring states who wish to pursue a degree in Agriculture Mechanization Technology. The two-year Associate in Applied Science program is facilitated by two full-time faculty and prepares students to work John Deere operations and manage future technological advancements in the farm equipment industry. Fifty-three students were enrolled in the program in the 2022-2023 academic year.
- Fire Science, Emergency Medical Technician, Paramedic, and Police Academy graduates provide a trained protective services workforce to the cities, municipalities, and agencies within the College's service areas, and to the entire State of Texas. The Navarro College Police Academy maintained a 100 percent pass rate of the Texas Commission on Law Enforcement Basic Peace Officer Exam for 9 consecutive years. The Navarro College Police Academy maintained a 100 percent pass rate of the Texas Commission on Law Enforcement Basic Peace

Officer Exam for 9 consecutive years. The Navarro College Police Academy currently offers four full time Police Academies (2 Fall and 2 Spring), two part-time Police Academies, and a Fire Shift based Police Academy which accommodates full time Fire and EMS personnel seeking a Peace Officer Certification. We currently have a full and part-time class meeting in Corsicana, Texas while the Waxahachie campus supports a full time, part time and shift-based class.

- The Basic Peace Officer Course offered by the Navarro College Police Academy consists of 779 hours, of which 720 hours are required by the Texas Commission on Law Enforcement (TCOLE) curriculum. The program is designed to prepare students to pass the Peace Officer licensing exam given at the end of the program. The course consists of 42 topics ranging from 1 hour to 74 hours in length. Approximately one-third of the class is devoted to developing physical skills required to become a peace officer. The Police Academy also offers an array of in-service courses to current officers who are state mandated to complete 40 hours of training every two years. The Police Academy offers approximately 50 in-service courses each year.
- Navarro College was awarded \$387,276 from the Perkins Basic Grant for the 2022-2023 academic year (re-allocation not included in this original award amount). Carl Perkins funds are distributed among Career/Technical Education (CTE) programs across all campus locations. The Perkins Basic Grant supports Navarro College in educating and training students who enroll in CTE courses and programs in preparation for high-skill, high-wage, or high-demand occupations. The Perkins Basic Grant reduces performance gaps for its special populations students by providing support services. These services include textbook rental, transportation, and childcare assistance. In addition, this grant has supported the following: Perkins CTE Staff (salaries, benefits, and fringe), marketing literature, departmental equipment, and professional development opportunities for the Perkins Faculty and Staff.
- Explore CTE is an annual open house event for high school students hosted by the Perkins CTE Success Center staff. Approximately 460 area high school students attended Explore CTE where they were exposed to all career and technical programs at Navarro College. This event allowed students to visually see a pathway from college to employment. The Perkins Faculty and Staff interacted with students by explaining our various CTE programs and answering their questions. The Explore CTE event took place on Tuesday, February 28th, 2023. The following area high schools attended this event: Red Oak, Rice, Avalon, Corsicana, Groesbeck, Kerens, Teague, Blooming Grove, Frost and Mexia. The next Explore CTE is set for the Spring 2024 semester, on Wednesday, February 28th.
- The Navarro College Physical Therapy Assistant program has been accredited since 2016 when the program received the highest number of years for initial accreditation. In 2021 a 10-year reaccreditation was received, and the next review will be in 2031. The program accepts 24 qualified applicants each year and has graduated seven cohorts with another cohort completing the program in December of 2023. The program boasts a 100% passing rate for both the licensure board exams and employment rate within 6 months of completion since its inception.
- The Associate Degree Nursing (ADN) Program participated in an on-site visit February 7-9, 2017, from the Accreditation Commission for Education in Nursing (ACEN) as a part of its reaccreditation process. The Board of Commissioners granted continuing accreditation to the program. The next evaluation visit will be scheduled for Spring 2025.
- The Medical Lab Technology (MLT) Program participated in an on-site visit in February 2019 from the National Accrediting Agency for Clinical Laboratory Sciences (NAACL) as a part of its reaccreditation process. The Board of Directors granted continuing accreditation to the program for ten (10) years. The next evaluation visit will be scheduled for Spring 2029.
- The Navarro College Occupational Therapy Assistant (OTA) Program is accredited by the Accreditation Council for Occupational Therapy Education (ACOTE). The last onsite visit in 2016 resulted in a 10-year reaccreditation, the highest level awarded. The OTA program, available on the Corsicana and Midlothian campuses, was ranked #2 in Texas by universities.com for all OTA offering colleges and universities.
- The Licensed Vocational Nursing Program (LVN) is offered in Mexia, Corsicana and Waxahachie. All three programs meet the Texas Board of Nursing requirements for LVN Certificates. Demand has remained strong in all programs across the service area. Pass rates on the nursing NCLEX remain above the state and national norms
- The Physical Therapy Assistant (PTA) Program is on the Midlothian Campus. The Program has been accredited since 2016. The last accreditation visit was in 2022. The next scheduled reevaluation is in 2031. The Navarro College PTA program ranked #1 on school reports from The Federation of State Boards of Physical Therapy in licensure pass rates out of 350 schools.

## RELEVANT FINANCIAL POLICIES

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

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

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

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

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

## MAJOR INITIATIVES

### Academic Program Enhancements:

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

- Navarro College continues its partnership with Texas A&M University - Commerce. The partnership has produced 3,006 graduates, including 1,938 Bachelor of Science in Education/Interdisciplinary Studies, 358 Bachelor in Applied Arts and Sciences (BAAS), 168 Bachelor of Science in Criminal Justice, 66 Bachelor of Business Administration (BBA), 19 Bachelor of Science in Instructional Training and Design (TDEV), 20 Bachelor of Science in Liberal Studies (BSLS), 175 Bachelor of General Studies (BGS), 3 in Bachelor of Science in Computer Science, 3 Bachelor of Science in Computer Information Systems, 3 in Bachelor of Science in Environmental Science, 41 in Bachelor of Science in Learning & Technology, 2 in Bachelor of Science in Global E-Learning, and 189 Master's degrees conferred through Spring 2023.
- Navarro College has partnered with the Waxahachie Independent School District (WISD) since 2007 to offer an Early College High School called Waxahachie Global High (WGH). WGH is also a T-STEM academy, which has won multiple recognitions from the state. A total of 389 students are currently registered with Navarro College through this program for at least one dual credit course, and in spring 2023, Eighty-nine (89) students graduated with their Associate Degree in May (2023). The District offers dual credit courses at most high schools in Ellis, Navarro, Limestone, Freestone, and Leon counties. In the fall of 2022, thirty-three (33) high schools offered dual credit courses, with approximately 2,500 students participating district wide. Many of

our partnering schools enroll cohorts of students to work toward a degree or certificate. In Spring 2023, approximately 350 dual credit students earned a Navarro College degree or certificate.

- In spring of 2023 the Navarro College Band invited to perform at the Percy Granger Wind Band Festival, in Chicago Illinois. Forty-four Navarro College students were able to participate in this experience. After the decline in enrollment due to the Covid-19 Pandemic, the Navarro College Band has improved from its pandemic low 45 (Fall 2020) students to 79 (Fall 2023) members. Band Directors Dr. Joshua Buckrucker and Timothy Nutting plan to increase the band by a margin of 10% every year. As a result of Mr. Buckrucker and Mr. Nutting's recruiting, the band currently has representation from 38 high schools, and there are 20 declared majors in the Band Program.
- The Midlothian Higher Education Center, located on the District's Midlothian campus, continues a partnership with Tarleton State University to offer seven bachelor's degrees in the following areas: Agribusiness, Applied Science, Business Administration, General Business, Psychology, Criminal Justice Administration & Manufacturing, and Industrial Management. Since 2013, Tarleton State University has awarded over 500 bachelor's degrees to students at the Midlothian Higher Education Center.
- In the Fall 2020 semester, The University of North Texas at Dallas joined the partnership with Navarro College and Tarleton State University. UNT Dallas offers a bachelor's degree in education. Courses have been offered on the Midlothian campus in a hybrid format during the 2022-2023 academic year. A UNT Dallas representative offices on the Navarro College Midlothian Campus as a recruiter and advisor for students transferring to UNT Dallas.

### **Athletic Program Achievements**

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

- The basketball team finished the 2022-23 year with a record of 16-15. They qualified for the Region XIV post-season tournament. Eight student-athletes transferred to NCAA 4-year universities.
- The baseball team finished the Spring 2023 season with a record of 34-22 and won the Region XIV North Zone championship. Eight players received all-conference recognition and one player was named a NJCAA All-American. Thirteen players transferred to play at four-year institutions.
- The soccer team finished 13-5 and were runners up in the Region XIV Championship. They qualified for the Region XIV post-season tournament and were ranked in the Top 15 in the final NJCAA poll. Three student-athletes were named All-Region and four were honorable mention with one player earning NJCAA All-American honors.
- The softball team finished the Spring 2023 season with a record of 27-23. Five players were named to the Region XIV All-Conference team and thirteen moved on to four-year institutions.
- The football team finished with a 6-4 record for the 2022 season. Navarro finished third in the SWJCFB and qualified for post-season play. The 2022 team sent thirty-four players to four-year universities. Three players were named NJCAA All-American.
- The cheer team competed in Daytona Beach, FL for the NCA Championships and won the JC/CC Large Co-ed National Championship for the sixteenth championship in program history. Navarro Cheer also entered a second team in the competition for the first time. A group of twenty-four cheer and band students competed in the Game Day Division and won their first national championship. Ten cheerleaders went on to university programs.
- The volleyball team finished the 2022 season with a 27-8 record. They advanced to the semifinals of the Region XIV Tournament and ended the year ranked in the Top 25 of the final NJCAA poll. Four players transferred to a university program.
- The Navarro eSports program continues to grow in numbers as more than fifty students participated in the newest sport at Navarro. Players from four different games qualified for the NJCAAE National Tournament in the program's third year of existence.
- The Navarro College administration and coaching staff stress academics. Success is evidenced by having 41 athletes earn Academic All-American recognition by the NJCAA and 37 athletes named to the 2022-2023 Region XIV All-Academic Team. The Softball (3.23), Volleyball (3.17), Soccer (3.25) and Baseball (3.05) teams earned recognition as NJCAA Academic Teams of the Year. Each athletic team was also heavily involved in other areas as our student athletes volunteered with over 3000 hours of community service projects in 2022-23.



## **Construction and Facilities Improvements Projects**

In 2022-23 several improvements were completed on the four College Campuses. These included the following:

### **Housing Projects-Corsicana Campus**

Carpet/Vinyl replacement:

- Building 11/234-common are carpet replace with vinyl-\$1458
- Building 18/278 & 280-common area replace with vinyl-\$2766
- Building 10/237/239/240-common area vinyl/bedroom with carpet-\$10,803.15
- Building 5/220-common area and bedrooms -\$3787.40
- Building 7/223-comon area replace with vinyl-\$1458
- Repair carpet on two doorways= 2/208/206=\$185
- Replace IOOF carpet communal area= \$3,068.11
- Building 18(280a),21(296a),20(285a), carpet replace in room=\$3668.74
- Building 14/252-common area-vinyl=\$1383
- Building 2/108 common area-vinyl=\$1383

Cook Center

- Carpet (currently)
- Washer & Dryer Installation
- Dishwasher Installation

Waxahachie

- VR Labs – BLDG A 155, 156
- Parking Lot (currently)

Midlothian

- Dean’s Office/Testing Center
- LVN Lab – Installed Sink and added closet

Corsicana

- Deli – New Cabinets/Countertops
- Human Resources – Library
- IT move to AB Building
- Cosmetology Remodel and Move to Waller Building
- Tutoring Center Move to Library
- Building two classrooms in Waller building
- Turf Fields
- Clock Tower Lighting
- Replaced the electrical between the switch and SEC (Special Events Center)
- Replaced Carpet in the Gooch 1st Floor
- Replaced SEC Gym Lights

ADA Projects

- Handrails in various locations
- Gibson Hall
- Dining Hall

- Bain Center – East Wing
- Ramp at Gooch
- Clock Tower Lighting
- Bain Center – Sidewalks
- West Side Drane Hall steps

#### Parking Lots

- Between Drane Hall/Waller Building
- Building A – Waxahachie

#### Demoed Houses

- 3040 W Collin
- 3401 W 2nd Ave
- 3407 W 2nd Ave

### **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA (Government Finance Officers Association)) awarded a Certificate of Achievement for Excellence in Financial Reporting to Navarro College for its annual comprehensive financial report for the fiscal year ended August 31, 2022. This was the twenty-first consecutive year (2001 through 2022) that the College has achieved this prestigious award. To be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both accepted accounting principles and applicable legal requirements.

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

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


Respectfully submitted,





Teresa Thomas, CPA  
Vice President for Finance

**NAVARRO COLLEGE DISTRICT  
ORGANIZATION CHART**


**DISTRICT ADMINISTRATION**


<b>Kevin Fegan</b>
 District President (13,943)


<b>Faith Boyd</b>
 Board Member


<b>Alton Atkeisson</b>
 Board Member


<b>Jeanetta Johnson</b>
 Vice President of Academic Affairs (12,611)


<b>Kim Wyatt</b>
 Board Member


<b>Billy McGraw</b>
 Board Member

<b>Marcy Ballew</b>
 Vice President of Operations (8,57)


<b>Loran Seely</b>
 Board Member

<b>Karen Simons</b>
 Executive Assistant

<b>Sina Ruiz</b>
 Vice President of Student Success (12,250)

<b>Phil Judson</b>
 Board Member


<b>Richard Cutrer</b>
 Executive Director of NC Foundation (1,1)

<b>Teresa Thomas</b>
 Vice President of Finance (3,11)

**NAVARRO COLLEGE DISTRICT  
ORGANIZATION CHART**

**FINANCE AND ADMINISTRATION**

**Teresa Thomas**



Vice President of Finance  
3,11

**James Botkin**




Comptroller  
5,8

**Megan Smith**



Executive Administrative Assistant -  
Finance & Admin.

**Teresa Sutton**



Budget Officer/Risk Management  
Coordinator

**NAVARRO COLLEGE DISTRICT**

**PRINCIPAL OFFICIALS**

*Year Ended August 31, 2023*

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**Board of Trustees**

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Officers

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

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Members

Term Expires

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

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**Executive Officers**

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

**Business Officers**

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

**NAVARRO COLLEGE DISTRICT**  
**BOARD OF TRUSTEES**



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

**District President**



Kevin G. Fegan, Ed.D.



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Navarro College  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

August 31, 2022

*Christopher P. Morill*

Executive Director/CEO





## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Navarro College District

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the accompanying financial statements of the business-type activities of Navarro College District (the "District") as of and for the years ended August 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District as of August 31, 2023 and 2022, and the respective changes in financial position, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the discretely presented component unit financial statements of Navarro College Foundation, Inc. (the "Foundation") as of and for the years ended August 31, 2023 and 2022. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the report of the other auditors. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*.

#### **Basis for Opinions**

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

#### **Responsibilities of Management for the Financial Statements**

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

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

***Auditor’s Responsibilities for the Audit of the Financial Statements***

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

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

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

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

***Required Supplementary Information***

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

To the Board of Trustees  
Navarro College District

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. Supplemental Schedules A through D as required by the Texas Higher Education Coordinating Board's (THECB) *Budget Requirements and Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Schedule of Expenditures of State Awards, as required by the Texas Grant Management Standards, are also presented for additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Supplemental Schedules A through D, the schedule of expenditures of federal awards, and the schedule of expenditures of state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2023 on our consideration of the District's internal control over financial reporting and on our tests on its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Houston, Texas  
December 14, 2023



**NAVARRO COLLEGE DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the Navarro College District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal years ended August 31, 2023 and 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on starting on page i of this report.

**Financial Highlights**

- The assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$40,748,765 (net position). Of this amount, \$(14,170,392) is unrestricted net position. This deficit is caused by the implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions* ("GASB No. 75") and reflects the District's proportionate share of the other post-employment benefit (OPEB) liability in the District's financial statements. This implementation does not affect the financial stability of the District or how the District conducts its financial decision-making. Rather, the District is reflecting its portion of the liability that the State of Texas manages and operates.
- The District's net pension liability totaled \$9,708,690, an increase of \$5,235,791 in comparison to the prior year. This amount represents the District's portion of the Teacher Retirement System's ("TRS") net pension liability.
- The District's net OPEB liability totaled \$24,402,274, a decrease of \$6,345,193 in comparison to the prior year. This amount represents the District's portion of the Employee Retirement System's ("ERS") net OPEB liability.
- The District's total bonded debt decreased by \$1,875,000 during the current fiscal year.
- Total net position of the District reflected a decrease of \$(4,628,976) to a total of \$40,748,765 as of August 31, 2023.

**Overview of the Financial Statements and Financial Analysis**

The District is proud to present its financial statements for the fiscal years ended August 31, 2023 and 2022. There are three financial statements presented: Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows. As demonstrated by the statements and schedules included in the financial section of this report, the District continues meeting its responsibility for sound financial management.

**Statements of Net Position**

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

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

**Statements of Net Position**

	August 31,			Amount of Change 2022 to 2023	Percentage of Change 2022 to 2023
	2023	2022*	2021		
<b>Assets</b>					
Current assets	\$ 41,276,687	\$ 51,571,641	\$ 45,171,661	\$ (10,294,954)	(19.96%)
Capital assets	70,875,592	69,528,524 *	59,102,029	1,347,068	1.94%
<b>Total Assets</b>	<u>\$ 112,152,279</u>	<u>\$ 121,100,165</u>	<u>\$ 104,273,690</u>	<u>\$ (8,947,886)</u>	<u>(7.39%)</u>
<b>Total Deferred Outflows of Resources</b>	<u>\$ 7,858,202</u>	<u>\$ 10,313,560</u>	<u>\$ 14,084,580</u>	<u>\$ (2,455,358)</u>	<u>(23.81%)</u>
<b>Liabilities</b>					
Current liabilities	\$ 19,475,494	\$ 21,534,784 *	\$ 17,051,559	\$ (2,059,290)	(9.56%)
Noncurrent liabilities	47,906,080	52,471,017 *	54,232,306	(4,564,937)	(8.70%)
<b>Total Liabilities</b>	<u>\$ 67,381,574</u>	<u>\$ 74,005,801</u>	<u>\$ 71,283,865</u>	<u>\$ (6,624,227)</u>	<u>(8.95%)</u>
<b>Total Deferred Inflows of Resources</b>	<u>\$ 11,880,142</u>	<u>\$ 12,030,183</u>	<u>\$ 12,007,022</u>	<u>\$ (150,041)</u>	<u>(1.25%)</u>
<b>Net Position</b>					
Net investment in capital assets	\$ 54,423,518	\$ 50,241,651 *	\$ 42,246,858	\$ 4,181,867	8.32%
Restricted - expendable	495,639	1,609,982	2,112,703	(1,114,343)	(69.21%)
Unrestricted	<u>(14,170,392)</u>	<u>(6,473,892)</u>	<u>(9,292,178)</u>	<u>(7,696,500)</u>	<u>118.89%</u>
<b>Total Net Position</b>	<u>\$ 40,748,765</u>	<u>\$ 45,377,741 *</u>	<u>\$ 35,067,383</u>	<u>\$ (4,628,976)</u>	<u>(10.20%)</u>

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

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

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



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

**Financial Analysis from 2022 to 2023**

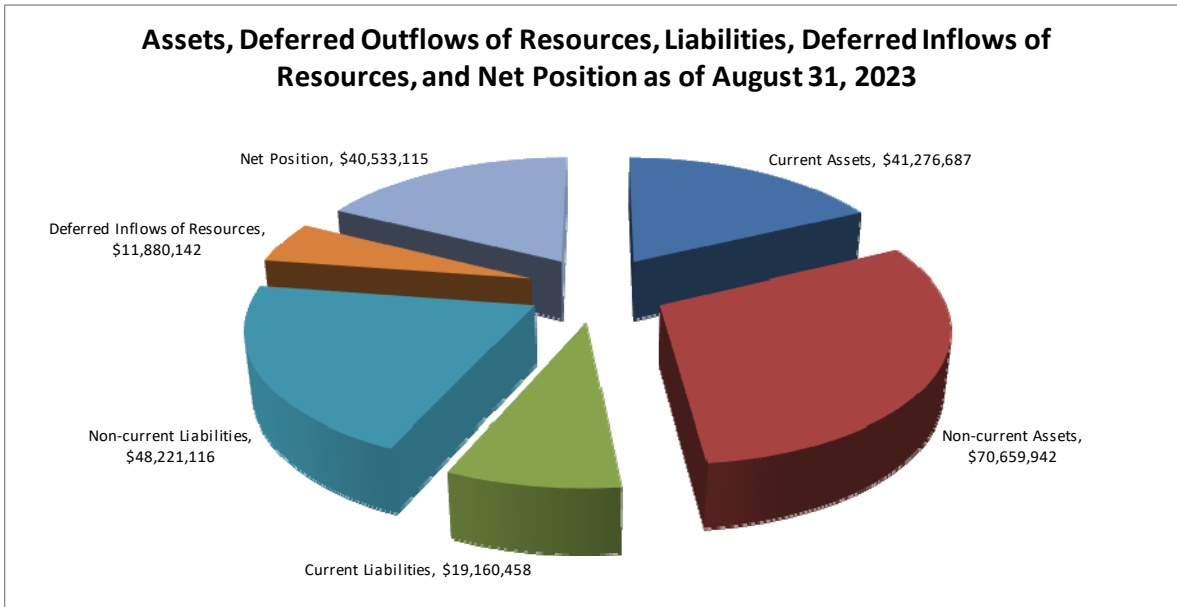
Current assets decreased to \$41,276,687 from \$51,571,641 , for a decrease of \$(10,294,954) or (19.96%). Decreases were noted in cash and cash equivalents and prepaid expenses of \$(9,557,682) and \$(18,639), respectively. This decrease is partially offset by increases in accounts receivable and inventories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

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

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

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

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



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

**Financial Analysis from 2021 to 2022**

Current assets increased to \$51,571,641 from \$45,171,661, for an increase of \$6,399,980 or 14.17%. Increases were noted in cash and cash equivalents of \$11,778,642. This increase is partially offset by decreases in accounts receivable, prepaid expenses, and inventories of \$(224,298), \$(5,053,398) and \$(100,966), respectively.

Capital assets increased by \$10,426,495 or 17.64 % after amortization/depreciation. This increase in capital assets is a result of capital assets additions for the year and the retirement of construction in progress and equipment exceeding the District's annual increase of accumulated amortization/depreciation of \$3,838,161.

Total liabilities increased to \$74,005,801 from \$71,283,865, for an increase of \$2,721,936 or 3.82%. Decreases were noted in unearned revenue of \$(48,330); \$(288,702) in compensated absences; \$(7,297) in accrued claims and judgments, \$(92,086) in leases payable; \$(464,327) in notes payable, and \$(5,467,229) in net pension liability. These decreases were offset by increases of \$2,892,421 in accounts payable, \$486,727 in accrued liabilities, \$195,937 in funds held for others, and \$2,827,172 in net OPEB liability. The decreases in loans of (\$75,000) and bonds payable of (\$2,028,162) are due to forgiveness of debt, scheduled debt service payments, and amortization of bond premiums.

Deferred outflows of resources decreased by (\$3,771,020) or (26.77%) and deferred inflows of resources increased by \$23,161 or 0.19% as a result of GASB 68 and GASB 75 adjustments related to pension and OPEB activity.

In summary, the total net position of the District reflected an increase of \$10,310,358 to a total of \$45,377,741 as of August 31, 2022. This change can be attributed to an increase \$7,994,793 of in net investment in capital assets and an increase of \$2,818,286 in unrestricted net position offset by a decrease of (\$502,721) in expendable restricted net position.

***Statements of Revenues, Expenses, and Changes in Net Position***

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

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

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

**Statements of Revenues, Expenses, and Changes in Net Position**

	<b>2023</b>	<b>2022*</b>	<b>2021</b>	<b>Amount of Change 2022 to 2023</b>	<b>Percentage Change 2022 to 2023</b>
<b>Operating Revenues</b>					
Tuition and fees	\$ 14,267,885	\$ 13,190,941	\$ 13,726,351	\$ 1,076,944	8.16%
Sales and services	7,198,241	6,696,015	5,876,324	502,226	7.50%
Other operating revenues	168,546	192,276	180,812	(23,730)	(12.34%)
<b>Total Operating Revenues</b>	<b>21,634,672</b>	<b>20,079,232</b>	<b>19,783,487</b>	<b>1,555,440</b>	<b>7.75%</b>
<b>Nonoperating Revenues</b>					
State appropriations	15,299,872	15,080,567	15,695,709	219,305	1.45%
Maintenance ad valorem property taxes	5,996,083	5,340,603	5,144,366	655,480	12.27%
Grants and contracts	14,966,672	33,026,346	24,995,072	(18,059,674)	(54.68%)
Gifts	1,268,832	993,944	970,167	274,888	27.66%
Investment income	156,542	95,256	78,407	61,286	64.34%
Other non-operating revenues	229,602	3,864,748 *	296,268	(3,635,146)	(94.06%)
<b>Total Nonoperating Revenues</b>	<b>37,917,603</b>	<b>58,401,464</b>	<b>47,179,989</b>	<b>(20,483,861)</b>	<b>(35.07%)</b>
<b>Total Revenues</b>	<b>59,552,275</b>	<b>78,480,696</b>	<b>66,963,476</b>	<b>(18,928,421)</b>	<b>(24.12%)</b>
<b>Operating Expenses</b>					
Instruction	15,255,110	16,704,563	19,298,272	(1,449,453)	(8.68%)
Public service	367,358	456,289	2,195,369	(88,931)	(19.49%)
Academic support	3,162,100	2,272,290	2,647,529	889,810	39.16%
Student services	3,073,780	4,624,432	4,724,573	(1,550,652)	(33.53%)
Institutional support	14,525,922	10,497,233	9,860,142	4,028,689	38.38%
Operation and maintenance of plant	4,393,081	3,788,027	3,128,165	605,054	15.97%
Scholarships and fellowships	8,333,202	17,350,976	6,749,113	(9,017,774)	(51.97%)
Auxiliary enterprises	8,717,758	8,085,766	8,001,990	631,992	7.82%
Amortization/depreciation	5,840,942	3,838,161 *	2,499,087	2,002,781	52.18%
<b>Total Operating Expenses</b>	<b>63,669,253</b>	<b>67,617,737</b>	<b>59,104,240</b>	<b>(3,948,484)</b>	<b>(5.84%)</b>
<b>Nonoperating Expenses</b>					
Interest on capital related debt	511,998	552,601	668,295	(40,603)	(7.35%)
<b>Total Nonoperating Expenses</b>	<b>511,998</b>	<b>552,601</b>	<b>668,295</b>	<b>(40,603)</b>	<b>(7.35%)</b>
<b>Total Expenses</b>	<b>64,181,251</b>	<b>68,170,338</b>	<b>59,772,535</b>	<b>(3,989,087)</b>	<b>(5.85%)</b>
Change in net position	(4,628,976)	10,310,358	7,190,941	(14,939,334)	(144.90%)
<b>Beginning Net Position</b>	<b>45,377,741</b>	<b>35,067,383</b>	<b>27,877,610</b>	<b>10,310,358</b>	<b>29.40%</b>
Prior period adjustment	-	-	(1,168)	-	-
<b>Ending Net Position</b>	<b>\$ 40,748,765</b>	<b>\$ 45,377,741 *</b>	<b>\$ 35,067,383</b>	<b>\$ (4,628,976)</b>	<b>(10.20%)</b>

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

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

**Financial Analysis from 2022 to 2023**

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

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

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

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

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

**Financial Analysis from 2021 to 2022**

The Statement of Revenues, Expenses, and Changes in Net Position reflects an increase in net position of \$10,310,358. Operating revenues increased \$295,745 or 1.49%.

Non-operating revenues increased by \$11,221,475 or 23.78%. Increases were noted in ad valorem taxes of \$196,237 or 3.81%; \$8,031,274 or 32.13% in grants and contracts; \$23,777 or 2.45% in gifts; \$16,849 or 21.49% in investment income, and \$3,568,480 in other non-operating revenue. These increases are partially offset by a decrease of (\$615,142) or (3.92%) in state appropriations.

Overall operating expenses increased by \$7,972,593 or 14.40%. This increase is due to changes in the following categories: (\$2,593,709) in instruction; (\$1,739,080) in public service; (\$375,239) in academic support; and (\$100,141) in student services. These decreases are offset by increases in institutional support of \$637,091; operation and maintenance of plant of \$659,862; scholarships and fellowships of \$10,601,863, auxiliary of \$83,776 and amortization/depreciation of \$1,339,074.

Non-operating expenses of interest on capital related debt decreased by (\$115,694) or (17.31%) due to regularly scheduled debt service interest payments.

In summary, operational activities provided the District with an increase of \$10,310,358 which increased net position to a total of \$45,377,741 at August 31, 2022.

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

**Statements of Cash Flows**

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

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<b>Amount of Change 2022 to 2023</b>	<b>Percentage of Change 2022 to 2023</b>
Cash provided by (used for):					
Operating activities	\$ (32,801,227)	\$ (30,933,548)	\$ (34,471,889)	\$ (1,867,679)	6.04%
Noncapital financing activities	34,387,696	51,156,872	33,678,032	(16,769,176)	(32.78%)
Capital and related financing activities	(11,362,944)	(8,602,189)	(3,741,430)	(2,760,755)	32.09%
Investing activities	218,793	157,507	96,437	61,286	38.91%
Net change in cash	(9,557,682)	11,778,642	(4,438,850)	(21,336,324)	(181.14%)
Cash, beginning of year	34,688,935	22,910,293	27,349,143	11,778,642	51.41%
Cash, end of year	<u>\$ 25,131,253</u>	<u>\$ 34,688,935</u>	<u>\$ 22,910,293</u>	<u>\$ (9,557,682)</u>	<u>(27.55%)</u>

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

**Financial Analysis from 2022 to 2023**

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

**Financial Analysis from 2021 to 2022**

An analysis of cash flows shows an overall increase of \$11,778,642 or 51.41% for 2022. The District ended fiscal year 2022 with \$34,688,935 in cash, compared to \$22,910,293 at the end of fiscal year 2021.

**Debt Administration, Capital Assets, Cash, & Risk Management**

**Debt Administration**

As of August 31, 2023, the District had \$9,615,000 of revenue bonds outstanding.

As of August 31, 2023, the forgivable loan balance from the Midlothian Economic Development Center (MEDC) was \$600,000.

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

**Capital Assets**

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

**Risk Management**

The Campus Safety and Preparation Committee conducted quarterly meetings during Fall semester 2021 and Spring semester 2022, a sub committee met monthly.

- The Navarro College Emergency Operations Plan (EOP) is reviewed annually and updated, as necessary. It was submitted to the Texas School Safety Center for review fall of 2021. Feedback from the review was received and applied to the EOP taking effect beginning the fall of 2022 semester. Additional Annexes and Appendices were developed during the year and along with edits to the EOP were approved in August of 2023.
- The Building Coordinator list is updated each spring and fall semester and training was provided by the Chief of the Navarro College Department of Public Safety.
- Online training was provided for both students and staff regarding Standard Response Protocol for emergencies and Sexual Misconduct Training each semester.
- Online risk management training for student organizations and their sponsors was provided.
- Online training on the use of AED and how to respond to severe bleeding incidents was provided in January 2023
- Successful safety drills were conducted on each campus during the Fall 2022 and Spring 2023 semesters on all four Navarro College campuses.
- The WatchDog Alert Notification System was tested each semester (Fall 2022 and Spring 2023 semesters, once as a system test and again during a standard response protocol drill).
- The Lynx Panic Button system has been installed on all staff computers. Should an emergency arise on any of the four campuses, Navarro College Police Officers and College administration are notified of the precise location of the emergency immediately by activating two buttons on staff's computer keyboard. In addition to the keyboard style alarm activation, at retail and other strategic locations a panic button was also installed for the LYNX alarm system.

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

***Economic Outlook***

To project the enrollment for the 2022-2023 academic year, Navarro College conducted a comprehensive assessment. This involved a thorough review of the 2021-2022 enrollment progress and an analysis of various factors influencing enrollment. These factors encompassed COVID-19-related challenges such as mental health issues, basic needs insecurities, the transition back to on-campus activities, and other related barriers. Additionally, the college considered historical enrollment trends, the post-pandemic transition, and new marketing strategies involving postcards, websites, billboards, and social media. The introduction of new programs, including the expansion of nursing, cybersecurity, policy academy, and e-sports on branch campuses, was also taken into account.

External funding support from the Higher Education Emergency Relief Funds (HEERF) played a crucial role in this assessment. The college secured significant HEERF funding, including \$9.6 million for students, \$4.5 million for institutional use, and an additional \$3.5 million to offset lost revenue. Despite these various initiatives, Navarro College forecasted that the enrollment for 2022-2023 would either remain stable or exhibit a marginal decline compared to the 2021-2022 enrollment projections. To prepare for the uncertain impact of COVID-19, the college also monitored a second scenario involving a potential 10% decrease in enrollment. However, by the end of the 2022-2023 academic year, actual enrollment figures showed a modest decrease of 3% for headcount, 1% for semester credit hours, and no change in contact hours when compared to the initial projections.

Moving forward to the 2023-2024 academic year, Navarro College continued to assess the factors influencing enrollment. Two significant factors emerged as key determinants for the college: the conclusion of HEERF grant funds and a substantial overhaul of how state appropriations are distributed to Texas community colleges. All HEERF grants were expected to be fully drawn down and closed by June 2023, with no anticipation of further federal funds for COVID-19 prevention. Additionally, the state's approach to funding community colleges was undergoing a substantial shift, transitioning from a predominantly contact-hour funding model to a primarily student success outcome-funded model. As a result, the enrollment projections for 2023-2024 remained consistent with the actual enrollment figures from 2021-2022.

Furthermore, as the 2022-2023 academic year concluded, House Bill 8 unveiled the funding model for community colleges. Navarro College secured a total of \$14,465,850 in guaranteed funding for fiscal year 2024, consisting of \$11,454,925 from the Performance Tier and \$3,010,925 for the Base Tier. An additional positive development was witnessed in the fall of 2023 when there was a headcount increase at Navarro College for the first time in a decade. The Leadership Team continued to diligently assess and develop initiatives to support the college's mission and navigate the ever-evolving economic landscape.

***Request for Information***

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





## **BASIC FINANCIAL STATEMENTS**

**NAVARRO COLLEGE DISTRICT**  
**STATEMENTS OF NET POSITION**  
**August 31, 2023 and 2022**

*Exhibit 1*  
*Page 1 of 2*

	Primary Government		Component Unit	
	Navarro College District		Navarro College Foundation, Inc.	
	2023	2022	2023	2022
<b>Assets</b>				
<b>Current Assets:</b>				
Cash and cash equivalents	\$ 25,131,253	\$ 34,688,935	\$ 72,740	\$ 18,847
Restricted cash and cash equivalents	-	-	317,092	315,906
Accounts receivable, net	12,208,798	12,931,899	-	-
Prepaid expenses	1,835,578	1,816,939	-	-
Investments	-	-	243,265	251,768
Inventories	2,101,058	2,133,868	-	-
<b>Total Current Assets</b>	<b>41,276,687</b>	<b>51,571,641</b>	<b>633,097</b>	<b>586,521</b>
<b>Noncurrent Assets:</b>				
Long-term investments	-	-	4,262,370	4,272,901
Capital assets, net	70,875,592	69,528,524	7,320,787	7,310,737
<b>Total Noncurrent Assets</b>	<b>70,875,592</b>	<b>69,528,524</b>	<b>11,583,157</b>	<b>11,583,638</b>
<b>Total Assets</b>	<b>112,152,279</b>	<b>121,100,165</b>	<b>12,216,254</b>	<b>12,170,159</b>
<b>Deferred Outflows of Resources</b>				
Deferred charge on refunding	83,202	242,473	-	-
Deferred outflows related to pensions	3,762,122	2,358,513	-	-
Deferred outflows related to OPEB	4,012,878	7,712,574	-	-
<b>Total Outflows of Resources</b>	<b>7,858,202</b>	<b>10,313,560</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>				
<b>Current Liabilities:</b>				
Accounts payable	989,959	4,749,016	3,406	2,219
Accrued liabilities	2,211,960	670,390	-	-
Funds held for others	426,627	941,945	-	-
Unearned revenue	10,949,633	10,785,230	-	-
Accrued compensated absences - current portion	335,497	20,461	-	-
Leases payable - current portion	150,407	225,164	-	-
SBITA payable - current portion	1,592,004	1,179,199	-	-
Notes payable - current portion	255,000	456,468	-	-
Net OPEB liability - current portion	634,407	631,911	-	-
Bonds payable - current portion	1,930,000	1,875,000	-	-
<b>Total Current Liabilities</b>	<b>19,475,494</b>	<b>21,534,784</b>	<b>3,406</b>	<b>2,219</b>
<b>Noncurrent Liabilities:</b>				
Accrued compensated absences	1,800,023	2,015,455	-	-
Accrued claims and judgments	21,635	73,592	-	-
Leases payable	119,854	181,902	-	-
SBITA payable	2,748,011	3,611,613	-	-
Loan payable	600,000	675,000	-	-
Notes payable	1,455,000	1,710,000	-	-
Net pension liability	9,708,690	4,472,899	-	-
Net OPEB liability	23,767,867	30,115,556	-	-
Bonds payable	7,685,000	9,615,000	-	-
<b>Total Noncurrent Liabilities</b>	<b>47,906,080</b>	<b>52,471,017</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>	<b>67,381,574</b>	<b>74,005,801</b>	<b>3,406</b>	<b>2,219</b>

**NAVARRO COLLEGE DISTRICT**  
**STATEMENTS OF NET POSITION**  
**August 31, 2023 and 2022**

*Exhibit 1*  
*Page 2 of 2*

	Primary Government		Component Unit	
	Navarro College District		Navarro College Foundation, Inc.	
	2023	2022	2023	2022
<b>Deferred Inflows of Resources</b>				
Deferred inflows related to leases	\$ 536,642	\$ 592,732	\$ -	\$ -
Deferred inflows related to pensions	1,914,327	5,887,124	-	-
Deferred inflows related to OPEB	9,429,173	5,550,327	-	-
<b>Total Deferred Inflows of Resources</b>	<b>11,880,142</b>	<b>12,030,183</b>	<b>-</b>	<b>-</b>
<b>Net Position</b>				
Net investment in capital assets	54,423,518	50,241,651	7,320,787	7,310,737
Restricted for:				
Nonexpendable:				
Scholarships and fellowships	-	-	391,600	391,600
Pearce Museum	-	-	1,337,296	1,337,296
Expendable:				
Scholarships and fellowships	130,944	1,232,046	2,850,566	2,859,911
Debt service	364,695	377,936	-	-
Unrestricted	(14,170,392)	(6,473,892)	312,599	268,396
<b>Total Net Position</b>	<b>\$ 40,748,765</b>	<b>\$ 45,377,741</b>	<b>\$ 12,212,848</b>	<b>\$ 12,167,940</b>



**NAVARRO COLLEGE DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**For the Years Ended August 31, 2023 and 2022**

*Exhibit 2*

	Primary Government		Component Unit	
	Navarro College District		Navarro College Foundation, Inc.	
	2023	2022	2023	2022
<b>Operating Revenues</b>				
Tuition and fees (net of scholarship allowances and discounts of \$3,356,581 and \$4,320,808, respectively)	\$ 14,267,885	\$ 13,190,941	\$ -	\$ -
Gifts	-	-	1,193,873	1,140,911
Sales and services of educational activities	765,252	584,477	-	-
Auxiliary enterprises (net of scholarship allowances and discounts of \$1,598,249 and \$2,011,490, respectively)	6,432,989	6,111,538	-	-
Other operating revenues	168,546	192,276	-	-
<b>Total Operating Revenues</b>	<u>21,634,672</u>	<u>20,079,232</u>	<u>1,193,873</u>	<u>1,140,911</u>
<b>Operating Expenses</b>				
Instruction	15,255,110	16,704,563	-	-
Public service	367,358	456,289	-	-
Academic support	3,162,100	2,272,290	-	-
Student services	3,073,780	4,624,432	-	-
Institutional support	14,525,922	10,497,233	774,803	761,636
Operation and maintenance of plant	4,393,081	3,788,027	-	-
Scholarships and fellowships	8,333,202	17,350,976	452,102	339,483
Auxiliary enterprises	8,717,758	8,085,766	-	-
Amortization/depreciation	5,840,942	3,838,161	-	-
<b>Total Operating Expenses</b>	<u>63,669,253</u>	<u>67,617,737</u>	<u>1,226,905</u>	<u>1,101,119</u>
Operating income (loss)	<u>(42,034,581)</u>	<u>(47,538,505)</u>	<u>(33,032)</u>	<u>39,792</u>
<b>Nonoperating Revenues (Expenses)</b>				
State appropriations	15,299,872	15,080,567	-	-
Ad valorem property taxes for maintenance and operations	5,996,083	5,340,603	-	-
Federal grants and contracts	13,822,397	31,983,714	-	-
State grants and contracts	1,036,637	901,751	-	-
Local grants and contracts	107,638	140,881	-	-
Investment income	156,542	95,256	311,111	(663,326)
Gifts	1,268,832	993,944	-	-
Interest on capital asset-related debt	(511,998)	(552,601)	-	-
Other nonoperating revenues (expenses), net	229,602	3,864,748	(233,171)	(93,181)
<b>Net Nonoperating Revenues (Expenses)</b>	<u>37,405,605</u>	<u>57,848,863</u>	<u>77,940</u>	<u>(756,507)</u>
Increase (decrease) in net position	(4,628,976)	10,310,358	44,908	(716,715)
<b>Net Position - Beginning of Year</b>	<u>45,377,741</u>	<u>35,067,383</u>	<u>12,167,940</u>	<u>\$ 12,884,655</u>
<b>Net Position - End of Year</b>	<u>\$ 40,748,765</u>	<u>\$ 45,377,741</u>	<u>\$ 12,212,848</u>	<u>\$ 12,167,940</u>

**NAVARRO COLLEGE DISTRICT**  
**STATEMENTS OF CASH FLOWS**  
For the Years Ended August 31, 2023 and 2022

Exhibit 3

	<b>Primary Government</b>	
	<b>Navarro College District</b>	
	<b>2023</b>	<b>2022</b>
<b>Cash Flows From Operating Activities</b>		
Receipts from students and other customers	\$ 25,071,992	\$ 23,608,930
Receipts from third-party student loans	6,069,437	7,545,571
Receipts from gifts and others for other than capital purposes	1,498,434	1,059,712
Other receipts	168,546	388,213
Loans issued to students	(5,593,737)	(7,593,901)
Payments to employees	(28,373,700)	(29,246,395)
Payments to suppliers and students	(31,642,199)	(26,531,240)
<b>Net Cash Provided By (Used In) Operating Activities</b>	<b>(32,801,227)</b>	<b>(30,769,110)</b>
<b>Cash Flows From Noncapital Financing Activities</b>		
Receipts of state appropriations	12,715,145	12,710,363
Receipts from ad valorem property taxes for maintenance and operation	5,996,083	5,341,135
Receipts of grants and contracts	15,676,468	33,105,374
<b>Net Cash Provided By (Used In) Noncapital Financing Activities</b>	<b>34,387,696</b>	<b>51,156,872</b>
<b>Cash Flows From Capital And Related Financing Activities</b>		
Proceeds from sale of capital asset	-	-
Purchases of capital assets	(6,873,383)	(4,640,228)
Payments on capital debt (bonds, notes, leases, SBITA) principal	(4,112,945)	(3,554,180)
Payments on capital debt (bonds, notes, leases, SBITA) interest	(376,616)	(572,219)
<b>Net Cash Provided By (Used In) Capital And Related Financing Activities</b>	<b>(11,362,944)</b>	<b>(8,766,627)</b>
<b>Cash Flows From Investing Activities</b>		
Receipts from interest on investments	218,793	157,507
<b>Net Cash Provided By (Used In) Investing Activities</b>	<b>218,793</b>	<b>157,507</b>
Net increase (decrease) in cash and cash equivalents	(9,557,682)	11,778,642
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b>34,688,935</b>	<b>22,910,293</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 25,131,253</b>	<b>\$ 34,688,935</b>
<b>Reconciliation of Operating Loss to Net Cash</b>		
<b>Used In Operating Activities:</b>		
Operating income (loss)	\$ (42,034,581)	\$ (47,538,505)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:		
Amortization/Depreciation expense	5,840,942	3,838,161
On-behalf payments	2,584,727	2,370,204
Receipts from gifts and others for other than capital purposes	1,498,434	1,059,712
Change in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase) decrease in receivables, net	723,101	224,298
(Increase) decrease in prepaid expenses	(18,639)	5,053,398
(Increase) decrease in inventories	32,810	100,966
(Increase) decrease in deferred outflows of resources - pension	(1,403,609)	936,822
(Increase) decrease in deferred outflows of resources - OPEB	3,699,696	2,533,733
Increase (decrease) in accounts payable	(3,759,057)	2,892,421
Increase (decrease) in accrued liabilities	1,541,570	486,727
Increase (decrease) in funds held for others	(515,318)	195,937
Increase (decrease) in unearned revenue	164,403	(48,330)
Increase (decrease) in accrued compensated absences	99,604	(288,702)
Increase (decrease) in accrued claims and judgments	(51,957)	(7,297)
Increase (decrease) in net pension liability	5,235,791	(5,467,229)
Increase (decrease) in net OPEB liability	(6,345,193)	2,827,172
Increase (decrease) in deferred inflows of resources - pension	(3,972,797)	3,538,889
Increase (decrease) in deferred inflows of resources - OPEB	3,878,846	(3,477,487)
Net cash used in operating activities	<b>\$ (32,801,227)</b>	<b>\$ (30,769,110)</b>
<b>Noncash Investing, Capital and Financing Activities:</b>		
State appropriations on-behalf payments	<b>\$ 2,584,727</b>	<b>\$ 2,370,204</b>
<b>Forgiveness of Loan Payable</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 1 - Nature of Operations and Reporting Entity**

Navarro College District (the District) was established in 1946, in accordance with the laws of the State of Texas, to serve the education needs of Navarro, Freestone, Limestone, Ellis and Leon Counties. The District is considered to be a special-purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity Omnibus: An Amendment of GASB Statements No. 14 and No. 34*. While the District receives funding from local, state, and federal sources and must comply with the spending, reporting, and record-keeping requirements of these entities, it is not a component unit of any other governmental entity. The accompanying financial statements present the District and its component unit. The discretely presented component unit (described below) is reported in a separate column to emphasize that it is legally separate from the District.

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

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

During the years ended August 31, 2023 and 2022, the Foundation expended \$236,628 and \$111,660, respectively, directly to the District or to the District on behalf of students for scholarships. Complete financial statements for the Foundation can be obtained from the Foundation office at 3100 W. Collin, Corsicana, Texas 75110.

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

**Note 2 - Summary of Significant Accounting Policies**

**A. Basis of Accounting**

The financial statements of the District have been prepared on the accrual basis, whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 2 - Summary of Significant Accounting Policies (continued)**

**A. Basis of Accounting (continued)**

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

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

**B. Encumbrances**

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

**C. Tuition Discounting**

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

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

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

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



**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 2 - Summary of Significant Accounting Policies (continued)**

**D. Cash and Cash Equivalents**

The District considers cash and cash equivalents as cash on hand, demand deposits and certificates of deposit.

**E. Inventories**

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

**F. Restricted Cash and Cash Equivalents**

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

**G. Capital Assets**

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

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

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

**H. Unearned Revenue**

Unearned revenue of the District at August 31, 2023 and 2022, consists of the following amounts which have not yet been earned:

	<u>2023</u>	<u>2022</u>
Tuition and fees	\$ 8,741,874	\$ 8,398,161
Auxiliary	<u>2,207,759</u>	<u>2,387,069</u>
	<u>\$ 10,949,633</u>	<u>\$ 10,785,230</u>

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 2 - Summary of Significant Accounting Policies (continued)**

**I. Deferred Inflows of Resources**

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

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

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

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

**J. Deferred Outflows of Resources**

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

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

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

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

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 2 - Summary of Significant Accounting Policies (continued)**

**K. Pensions**

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

**L. Other Post-Employment Benefits (OPEB)**

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

**M. Leases**

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

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

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

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

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

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

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 2 - Summary of Significant Accounting Policies (continued)**

**M. Leases (continued)**

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

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

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

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

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

**N. Subscription-Based Information Technology Arrangements (SBITA)**

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

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

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

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

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

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 2 - Summary of Significant Accounting Policies (continued)**

**O. Estimates**

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

**P. Implementation of Accounting New Standards**

The following GASB pronouncements were applicable and implemented during fiscal year 2023.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)* was issued in May 2020 and was effective for periods beginning after June 15, 2022. This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The District has evaluated the effects of this statement and has determined that it does impact the financial statements. As such the District has incorporated such SBITAs into its capital assets and long-term liabilities on both the face of the financial statements and the note disclosures.

GASB Statement No. 101, *Compensated Absences* was issued in June 2022 and was effective for periods beginning after December 15, 2023. This Statement updates the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Earlier application was encouraged. The District has evaluated the effects of this statement and has determined that it is applicable. As such the District has incorporated the requirements of this statement on the face of the financial statements and on the note disclosures.

**Q. Reclassifications**

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

**Note 3 - Authorized Investments**

The District is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute. The District is also required to follow specific investment practices prescribed by the Public Funds Investment Act (the Act) related to establishment of appropriate investment policies and management reports.

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

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 4 - Deposits and Investments**

Deposits of the District at August 31, 2023 and 2022, consist of the following:

	<u>2023</u>	<u>2022</u>
Cash - demand deposits	\$ 22,650,358	\$ 32,208,040
Cash - certificates of deposit	2,475,000	2,475,000
Cash - petty cash on hand	<u>5,895</u>	<u>5,895</u>
<b>Total Deposits</b>	<u>\$ 25,131,253</u>	<u>\$ 34,688,935</u>

Deposits and investments of the Foundation at August 31, 2023 and 2022, consist of the following:

	<u>2023</u>	<u>2022</u>
<u>Deposits</u>		
Cash - demand deposits	\$ 389,832	\$ 334,753
<b>Total Deposits</b>	<u>389,832</u>	<u>334,753</u>
<u>Investments</u>		
Cash equivalents	166,459	188,353
Certificates of deposit	415,306	478,071
U. S. government securities	556,829	421,968
Corporate bonds	730,515	754,573
Marketable equity securities	2,624,257	2,672,116
Other investments	<u>12,269</u>	<u>9,588</u>
<b>Total Investments</b>	<u>4,505,635</u>	<u>4,524,669</u>
<b>Total Deposits and Investments</b>	<u>\$ 4,895,467</u>	<u>\$ 4,859,422</u>

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

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

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

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 4 - Deposits and Investments (continued)**

Description	August 31, 2022	Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Available-for-sale securities	\$ 4,524,669	\$ 4,524,669	\$ -	\$ -
<b>Total</b>	<b>\$ 4,524,669</b>	<b>\$ 4,524,669</b>	<b>\$ -</b>	<b>\$ -</b>

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

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

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

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

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

**Note 5 - Accounts Receivable**

Accounts receivable at August 31, 2023 and 2022, consist of the following:

	2023	2022
Tuition and fees	\$ 1,411,903	\$ 5,792,456
Ad valorem property taxes	408,229	348,027
Federal and state grants	6,135,886	5,480,498
Interest	53,241	(50,663)
Leases	572,973	609,260
Auxiliary and other	5,038,082	2,163,837
	13,620,314	14,343,415
Less allowance for doubtful accounts	(1,411,516)	(1,411,516)
<b>Accounts Receivable, Net</b>	<b>\$ 12,208,798</b>	<b>\$ 12,931,899</b>

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 6 - Capital Assets**

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

	<u>Balance September 1, 2022</u>	<u>Additions</u>	<u>Transfers and Retirements</u>	<u>Balance August 31, 2023</u>
<b>Capital Assets, Not Being Depreciated:</b>				
Land	\$ 2,899,969	\$ -	\$ -	\$ 2,899,969
Collections	434,339	-	-	434,339
Construction in progress	-	315,000	-	315,000
<b>Total Capital Assets, Not Being Depreciated</b>	<u>3,334,308</u>	<u>315,000</u>	<u>-</u>	<u>3,649,308</u>
<b>Capital Assets, Being Amortized/Depreciated:</b>				
Buildings and building improvements	74,055,160	42,905	-	74,098,065
Other real estate improvements	10,263,320	2,684,829	-	12,948,149
Total Buildings and Other Real Estate Improvements	84,318,480	2,727,734	-	87,046,214
Library books	1,714,594	4,970	-	1,719,564
Furniture and equipment	15,371,905	2,632,486	(43,818)	17,960,573
Right-to-use lease assets	837,613	135,879	-	973,492
Right-to-use subscription assets	8,589,792	1,372,314	-	9,962,106
<b>Total Capital Assets, Being Amortized/Depreciated</b>	<u>110,832,384</u>	<u>6,873,383</u>	<u>(43,818)</u>	<u>117,661,949</u>
<b>Less Accumulated Amortization/Depreciation:</b>				
Buildings and building improvements	(28,485,792)	(1,273,837)	-	(29,759,629)
Other real estate improvements	(5,277,862)	(398,860)	-	(5,676,722)
Total Buildings and Other Real Estate Improvements	(33,763,654)	(1,672,697)	-	(35,436,351)
Library books	(1,430,925)	(11,067)	43,444	(1,398,548)
Furniture and equipment	(8,458,072)	(1,478,592)	-	(9,936,664)
Right-to-use lease assets	(444,613)	(265,589)	-	(710,202)
Right-to-use subscription assets	(540,904)	(2,412,998)	-	(2,953,902)
<b>Total Accumulated Amortization/Depreciation</b>	<u>(44,638,168)</u>	<u>(5,840,943)</u>	<u>43,444</u>	<u>(50,435,667)</u>
<b>Total Capital Assets, Being Amortized/Depreciated (Net)</b>	<u>66,194,216</u>	<u>1,032,440</u>	<u>(374)</u>	<u>67,226,282</u>
<b>Total Capital Assets, Net</b>	<u>\$ 69,528,524</u>	<u>\$ 1,347,440</u>	<u>\$ (374)</u>	<u>\$ 70,875,590</u>



**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 6 - Capital Assets (continued)**

Capital asset activity for the District for the year ended August 31, 2022 was as follows:

	<u>Balance September 1, 2021</u>	<u>Additions</u>	<u>Transfers and Retirements</u>	<u>Balance August 31, 2022</u>
<b>Capital Assets, Not Being</b>				
<b>Depreciated:</b>				
Land	\$ 2,899,969	\$ -	\$ -	\$ 2,899,969
Collections	434,339	-	-	434,339
Construction in progress	75,523	-	(75,523)	-
<b>Total Capital Assets, Not Being</b>				
<b>Depreciated</b>	<u>3,409,831</u>	<u>-</u>	<u>(75,523)</u>	<u>3,334,308</u>
<b>Capital Assets, Being Amortized/Depreciated:</b>				
Buildings and building improvements	74,039,237	15,923	-	74,055,160
Other real estate improvements	<u>9,060,729</u>	<u>1,202,591</u>	<u>-</u>	<u>10,263,320</u>
Total Buildings and Other Real				
Estate Improvements	83,099,966	1,218,514	-	84,318,480
Library books	1,700,536	14,058	-	1,714,594
Furniture and equipment	11,360,480	4,283,790	(272,365)	15,371,905
Right-to-use lease assets	598,945	238,668	-	837,613
Right-to-use subscription assets	<u>1,398,802</u>	<u>7,190,990</u>	<u>-</u>	<u>8,589,792</u>
<b>Total Capital Assets, Being Amortized/Depreciated</b>	<u>98,158,729</u>	<u>12,946,020</u>	<u>(272,365)</u>	<u>110,832,384</u>
<b>Less Accumulated Amortization/Depreciation:</b>				
Buildings and building improvements	(27,212,427)	(1,273,363)	(2)	(28,485,792)
Other real estate improvements	<u>(4,936,076)</u>	<u>(341,787)</u>	<u>1</u>	<u>(5,277,862)</u>
Total Buildings and Other Real				
Estate Improvements	(32,148,503)	(1,615,150)	(1)	(33,763,654)
Library books	(1,416,330)	(14,595)	-	(1,430,925)
Furniture and equipment	(7,305,450)	(1,420,345)	267,723	(8,458,072)
Right-to-use lease assets	(197,446.00)	(247,167)	-	(444,613)
Right-to-use subscription assets	<u>-</u>	<u>(540,904)</u>	<u>-</u>	<u>(540,904)</u>
<b>Total Accumulated Amortization/Depreciation</b>	<u>(41,067,729)</u>	<u>(3,838,161)</u>	<u>267,722</u>	<u>(44,638,168)</u>
<b>Total Capital Assets, Being Amortized/ Depreciated (Net)</b>	<u>57,091,000</u>	<u>9,107,859</u>	<u>(4,643)</u>	<u>66,194,216</u>
<b>Total Capital Assets, Net</b>	<u>\$ 60,500,831</u>	<u>\$ 9,107,859</u>	<u>\$ (80,166)</u>	<u>\$ 69,528,524</u>

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 6 - Capital Assets (continued)**

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

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

Capital asset activity for the Foundation for the year ended August 31, 2022 was as follows:

	<u>Balance September 1, 2021</u>	<u>Additions</u>	<u>Transfers and Retirements</u>	<u>Balance August 31, 2022</u>
<b>Capital Assets, Not Being</b>				
Depreciated:				
Collections	\$ 7,296,852	\$ 13,885	\$ -	\$ 7,310,737
<b>Total Capital Assets, Not Being Depreciated</b>	<u>7,296,852</u>	<u>13,885</u>	<u>-</u>	<u>7,310,737</u>
<b>Total Capital Assets, Net</b>	<u>\$ 7,296,852</u>	<u>\$ 13,885</u>	<u>\$ -</u>	<u>\$ 7,310,737</u>

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 7 - Long-Term Liabilities**

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

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

Long-term liability activity for the year ended August 31, 2022 was as follows:

	Balance September 1, 2021	Additions	Reductions	Balance August 31, 2022	Due Within One Year
<b>Bonds and loan payable:</b>					
Revenue bonds	\$ 13,065,000	\$ 9,770,000	\$ (11,345,000)	\$ 11,490,000	\$ 1,875,000
Issuance premiums	453,162	-	(453,162)	-	-
Loan payable	750,000	-	(75,000)	675,000	-
<b>Total bonds and loan payable</b>	<b>14,268,162</b>	<b>9,770,000</b>	<b>(11,873,162)</b>	<b>12,165,000</b>	<b>1,875,000</b>
Lease payable	499,152	238,668	(330,754)	407,066	225,164
SBITA payable	5,666,711	308,200	(1,184,099)	4,790,812	1,179,199
Notes payable	2,630,795	-	(464,327)	2,166,468	456,468
Other liabilities:					
Net pension liability	9,940,128	-	(5,467,229)	4,472,899	-
Net OPEB liability	27,920,295	2,827,172	-	30,747,467	631,911
Compensated absences	2,324,618	-	(288,702)	2,035,916	20,461
Claims and judgments	80,889	-	(7,297)	73,592	-
	<u>\$ 63,330,750</u>	<u>\$ 13,144,040</u>	<u>\$ (19,615,570)</u>	<u>\$ 56,859,220</u>	<u>\$ 4,388,203</u>

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 7 - Long-Term Liabilities (continued)**

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

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

Revenue bonds at August 31, 2023 and 2022, which were all issued to provide funds for the acquisition and construction of major capital facilities, are comprised of the following individual issues:

	<u>2023</u>	<u>2022</u>
\$3,550,000 series 2006 revenue bonds due in annual installments of \$95,000 to \$245,000 through May 2027; interest at 3.7%	\$ 715,000	\$ 935,000
\$3,550,000 series 2007 revenue bonds due in annual installments of \$120,000 to \$250,000 through May 2027; interest at 4.08%	945,000	1,160,000
\$9,770,000 series 2022 revenue refunding bonds due in annual installments of \$375,000 to \$1,595,000 through May 2029; interest at 2.04%	<u>7,955,000</u>	<u>9,395,000</u>
	<u>\$ 9,615,000</u>	<u>\$ 11,490,000</u>

*Loan Payable*

The District entered into a \$1,500,000 loan agreement with the Corporation for the Economic Development of Midlothian on July 24, 2009, which is forgivable under certain conditions. If these conditions are not met and maintained during a 20-year period, the remaining outstanding loan balance may be demanded and, if not paid in full within ten days of the date of such demand, will accrue interest at a rate of 4.5% per year. The Corporation for Economic Development of Midlothian agreed to make the 20-year forgivable loan to the District in order to construct a 25,000 sq. ft. classroom/workforce training facility on the Midlothian Navarro College Campus site. During fiscal year 2023, the Economic Development of Midlothian forgave \$75,000 of the loan balance.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 7 - Long-Term Liabilities (continued)**

*Loan Payable (continued)*

Debt service requirements as of August 31, 2023, are as follows:

<b>For the Year Ending</b>	<b>Revenue Bonds</b>			
	<b>August 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$	1,930,000	\$ 227,293	\$ 2,157,293
2025		1,975,000	179,513	2,154,513
2026		2,020,000	130,548	2,150,548
2027		1,810,000	80,376	1,890,376
2028		1,595,000	38,352	1,633,352
2029		285,000	5,814	290,814
	\$	<u>9,615,000</u>	<u>\$ 661,896</u>	<u>\$ 10,276,896</u>

The District has pledged certain future tuition and fees to repay \$9.6 million in revenue bonds issued from 2006 to 2022. Proceeds from the bonds provided financing for the construction of classroom buildings and dormitories. Annual principal and interest payments on the bonds are expected to require approximately 20% of the pledged tuition and fees. As of August 31, 2023, the total principal and interest remaining to be paid on the bonds is \$10.3 million. Principal and interest paid for the current year and total of pledged tuition and fees were \$2.2 million and \$8.9 million, respectively.

*Notes Payable*

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

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

The future principal and interest payments as of August 31, 2023 are as follows:

<b>For the Year Ending</b>	<b>Notes Payable</b>			
	<b>August 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$	255,000	\$ 57,526	\$ 312,526
2025		270,000	49,876	319,876
2026		275,000	39,076	314,076
2027		290,000	28,076	318,076
2028		305,000	19,376	324,376
2029		315,000	9,844	324,844
	\$	<u>1,710,000</u>	<u>\$ 203,774</u>	<u>\$ 1,913,774</u>

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 8 - Leases**

Effective September 1, 2021, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

**Lessee**

In 2021, the District entered into a lease agreement for the use and installation of multifunction office equipment. The term of the lease is four years, \$5,496 paid monthly, with an annual interest rate of 5.0%. The lease matures in November 2025. The value of the right to use asset as of August 31, 2023 is \$129,278 with accumulated amortization of \$109,390.

In 2018, the District entered into a lease agreement for the use of 11,800 square feet of space. The term of the lease is six years, \$4,781 paid monthly, with an annual interest rate of 5.0%. The lease matures in June 2024. The value of the right to use asset as of August 31, 2023 is \$43,425 with accumulated amortization of \$52,110.

In 2022, the District entered into a lease agreement for the use of three residential cottages and parking. The term of the lease is three years, \$47,520 paid annually, with an annual interest rate of 5.0%. The lease matures in August 2025. The value of the right to use asset as of August 31, 2023 is \$90,586 with accumulated amortization of \$156,331.

In 2015, the District entered into a lease agreement for the use of laundry equipment. The term of the lease was two years, \$11,250 paid semi-annually, with an annual interest rate of 5.0%. The lease matured in August 2023. The value of the right to use asset as of August 31, 2023 is \$0 with accumulated amortization of \$0.

In 2013, the District entered into a lease agreement for the use of 28,341 square feet of space. The term of the lease was ten years, \$7,900 paid monthly, with an annual interest rate of 5.0%. The lease matured in August 2023. The value of the right to use asset as of August 31, 2023 is \$0 with accumulated amortization of \$0.

The future principal and interest payments as of August 31, 2023 are as follows:

<b>For the Year Ending</b>	<b>Leases</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	
<b>August 31,</b>			
2024	\$ 150,407	\$ 10,879	\$ 161,286
2025	108,929	4,547	113,476
2026	10,925	68	10,993
	<u>\$ 270,261</u>	<u>\$ 15,494</u>	<u>\$ 285,755</u>

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 8 - Leases (continued)**

**Lessor**

In 2018, the District entered into a tower lease agreement with a telecommunications company. The term of the lease is ten years, \$4,100 paid monthly, with an annual interest rate of 3.0%. The lease matures in February 2038. The value of the receivable and deferred inflow of resources as of August 31, 2023, are \$572,973 and \$536,642, respectively. During 2023, the District recognized lease revenue and interest income of \$56,090 and \$17,849 respectively. The lessee has the option to renew the agreement for two (2) additional five (5) year terms.

**Note 9 - Subscription-Based Information Technology Arrangements**

For the years ended August 31, 2023 and 2022, the financial statements include the adoption of GASB Statement No. 96, *Subscription- Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

On 01/01/2022, Navarro College, TX entered into a 60 month subscription for the use of Mythics-Oracle/Drivestream. An initial subscription liability was recorded in the amount of \$0.00. As of 08/31/2023, the value of the subscription liability is \$0.00. Navarro College, TX is required to make quarterly fixed payments of \$0.00. The subscription has an interest rate of 0.2583%. The value of the right to use asset as of 08/31/2023 of \$4,056,779.40 with accumulated amortization of \$1,352,259.80.

On 06/11/2022, Navarro College, TX entered into a 60 month subscription for the use of One Card Cloud Platform. An initial subscription liability was recorded in the amount of \$223,912.37. As of 08/31/2023, the value of the subscription liability is \$134,301.65. Navarro College, TX is required to make annual fixed payments of \$46,830.00. The subscription has an interest rate of 2.2867%. The value of the right to use asset as of 08/31/2023 of \$244,637.37 with accumulated amortization of \$59,800.25.

On 09/01/2021, Navarro College, TX entered into a 36 month subscription for the use of Gale Platform. An initial subscription liability was recorded in the amount of \$41,645.67. As of 08/31/2023, the value of the subscription liability is \$14,295.26. Navarro College, TX is required to make annual fixed payments of \$13,530.08. The subscription has an interest rate of 0.4113%. The value of the right to use asset as of 08/31/2023 of \$41,645.67 with accumulated amortization of \$27,763.78.

On 09/01/2022, Navarro College, TX entered into a 36 month subscription for the use of Baseline Software. An initial subscription liability was recorded in the amount of \$1,105,515.70. As of 08/31/2023, the value of the subscription liability is \$728,402.70. Navarro College, TX is required to make annual fixed payments of \$377,113.00. The subscription has an interest rate of 2.3543%. The value of the right to use asset as of 08/31/2023 of \$1,105,515.70 with accumulated amortization of \$368,505.23.

On 06/01/2022, Navarro College, TX entered into a 36 month subscription for the use of Omni CMS Saas Lite. An initial subscription liability was recorded in the amount of \$84,287.68. As of 08/31/2023, the value of the subscription liability is \$28,289.14. Navarro College, TX is required to make annual fixed payments of \$28,500.00. The subscription has an interest rate of 2.1447%. The value of the right to use asset as of 08/31/2023 of \$84,287.68 with accumulated amortization of \$35,119.87. The Vendor had a termination period of 2 months as of the subscription commencement. The subscription has a subscription termination penalty of \$500.00.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 9 - Subscription-Based Information Technology Arrangements (continued)**

On 09/01/2021, Navarro College, TX entered into a 35 month subscription for the use of Student Housing Management System. An initial subscription liability was recorded in the amount of \$104,570.46. As of 08/31/2023, the value of the subscription liability is \$34,856.63. Navarro College, TX is required to make annual fixed payments of \$35,000.00. The subscription has an interest rate of 0.4113%. The value of the right to use asset as of 08/31/2023 of \$111,220.46 with accumulated amortization of \$76,265.46.

On 09/01/2021, Navarro College, TX entered into a 60 month subscription for the use of Oracle Cloud Services. An initial subscription liability was recorded in the amount of \$786,597.02. As of 08/31/2023, the value of the subscription liability is \$551,518.90. Navarro College, TX is required to make annual fixed payments of \$120,513.27. Additionally, there are monthly other reasonably certain payments of \$6,604.50. The subscription has an interest rate of 0.5603%. The value of the right to use asset as of 08/31/2023 of \$786,597.02 with accumulated amortization of \$314,638.

On 09/01/2021, Navarro College, TX entered into a 60 month subscription for the use of Oracle Cloud Services. An initial subscription liability was recorded in the amount of \$4,733,898.00. As of 08/31/2023, the value of the subscription liability is \$2,848,350.33. Navarro College, TX is required to make quarterly fixed payments of \$119,230.34. Additionally, there are monthly other reasonably certain payments of \$39,743.45. The subscription has an interest rate of 0.3080%. The value of the right to use asset as of 08/31/2023 of \$4,733,898.00 with accumulated amortization of \$1,893,559.20.

The future principal and interest SBITA payments as of August 31, 2023, follows:

<b>For the Year Ending</b>	<b>SBITAs</b>			
	<b>August 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$	1,592,004	\$ 32,381	\$ 1,624,385
2025		1,555,707	16,846	1,572,553
2026		1,192,304	3,136	1,195,440
	\$	<u>4,340,015</u>	<u>\$ 52,363</u>	<u>\$ 4,392,378</u>

**Note 10 - Employees' Retirement Plan**

**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). TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

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

**Pension Plan Fiduciary Net Position**

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at [https://www.trs.texas.gov/Pages/about\\_publications.aspx](https://www.trs.texas.gov/Pages/about_publications.aspx); or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.



**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 10 - Employees' Retirement Plan (continued)**

**Benefits Provided**

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

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in the manner are determined by the System's actuary.

**Contributions**

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

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

	<b>Contribution Rates</b>	
	<b>Plan Fiscal Year</b>	
	<b>2023</b>	<b>2022</b>
Member (Employee)	8.00%	8.00%
District (Employer) / Non-Employer Contributing Entity (State)	8.00%	7.75%

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 10 - Employees' Retirement Plan (continued)**

**Contributions (continued)**

	<u>Fiscal Year 2023</u>
	<u>TRS</u>
	<u>Contributions</u>
Member (Employee)	\$ 1,419,842
District (Employer)	843,875
Non-employer contributing entity (State)	1,314,656

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

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate, times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year, reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities, or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

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

In addition to the employer contributions listed above, there is an additional surcharge an employer is subject to.

- All public schools, charter schools, and regional educational service centers must contribute 1.5 percent of the member's salary beginning in fiscal year 2020, gradually increasing to 2 percent in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 10 - Employees' Retirement Plan (continued)**

**Actuarial Assumptions**

The total pension liability, net pension liability, and certain sensitivity information are based on the actuarial valuation performed as of August 31, 2021 and rolled forward to August 31, 2022. The actuarial valuation was determined using the following actuarial assumptions:

<b>Component</b>	<b>Result</b>
Valuation Date	August 31, 2021, rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term Expected Rate	7.00%
Municipal Bond Rate as of August 2020	3.91% - The source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index"
Last year ending August 31 in Projection Period (100 years)	2121
Inflation	2.30%
Salary Increases	2.95% to 8.95% including inflation
Benefit changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2021. For a full description of these assumptions see the actuarial valuation report described the 2022 TRS ACFR, which includes actuarial valuation report dated November 12, 2021.

**Discount Rate**

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payment of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 10 - Employees' Retirement Plan (continued)**

**Discount Rate (continued)**

Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2022 are summarized below:

Asset Class	Target Allocation <sup>2</sup>	Long-Term Expected Geometric Real Rate of Return <sup>3</sup>	Expected Contribution to Long-Term Portfolio Returns
<b>Global Equity</b>			
USA	18.00%	4.60%	1.12%
Non-U.S. Developed	13.00%	4.90%	0.90%
Emerging Markets	9.00%	5.40%	0.75%
Private Equity <sup>1</sup>	14.00%	7.70%	1.55%
<b>Stable Value</b>			
Government Bonds	16.00%	1.00%	0.22%
Absolute Return <sup>1</sup>	0.00%	3.70%	0.00%
Stable Value Hedge Funds	5.00%	3.40%	0.18%
<b>Real Return</b>			
Real Estate	15.00%	4.10%	0.94%
Energy, Natural Resources, and Infrastructure	6.00%	5.10%	0.37%
Commodities	0.00%	3.60%	0.00%
<b>Risk Parity</b>			
Risk Parity	8.00%	4.60%	0.43%
<b>Asset Allocation Leverage</b>			
Cash	2.00%	3.00%	0.01%
Asset Allocation Leverage	-6.00%	3.60%	-0.05%
Inflation Expectation			2.70%
Volatility Drag <sup>4</sup>			-0.91%
<b>Total</b>	100.00%		8.21%

<sup>1</sup> Absolute Return includes Credit Sensitive Investments.

<sup>2</sup> Target allocations are based on the fiscal year 2022 policy model.

<sup>3</sup> Capital Market Assumptions come from Aon Hewitt as of August 31, 2022.

<sup>4</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 10 - Employees' Retirement Plan (continued)**

**Discount Rate Sensitivity Analysis**

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

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
	<b>6.00%</b>	<b>7.00%</b>	<b>8.00%</b>
District's proportional share of the net pension liability	\$15,103,041	\$9,708,690	\$5,336,316

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

At August 31, 2023, the District reported a liability of \$9,708,690 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportion of the net pension liability	0.0163536%
District's proportional share of the net pension liability	\$ 9,708,690
State's proportionate share of the net pension liability associated with the District	<u>6,511,025</u>
<b>Total</b>	<u>\$ 16,219,715</u>

The net pension liability was measured as of August 31, 2021 and rolled forward to 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 thru August 31, 2022.

At the measurement date of August 31, 2022, the District's proportion of the collective net pension liability was 0.0163536% which was a decrease of 0.0012% from its proportion measured as of August 31, 2021.

**Changes Since the Prior Actuarial Valuation**

There were no changes in assumptions since the prior measurement date.

For the year ended August 31, 2023, the District recognized pension expense of \$711,241. The District also recognized an additional on-behalf revenue and expense of \$622,380 representing for support provided by the State.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 10 - Employees' Retirement Plan (continued)**

**Changes Since the Prior Actuarial Valuation (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:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 140,775	\$ 211,668
Changes of assumptions	1,809,045	450,865
Difference between projected and actual earnings on pension plan investments	959,188	-
Changes in proportion and differences between District contributions and proportionate share of contributions	9,239	1,251,794
District contributions subsequent to the measurement date	843,875	-
<b>Total</b>	<b>\$ 3,762,122</b>	<b>\$ 1,914,327</b>

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of \$843,875 will be recognized as a reduction of the net pension liability in the year ended August 31, 2024. The net amount of the District's balance of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ending August 31,</b>	<b>Amount</b>
2024	\$ 258,421
2025	(17,475)
2026	(205,577)
2027	908,621
2028	59,930
Thereafter	-
	<b>\$ 1,003,920</b>

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 11 - Compensated Absences**

Full-time employees earn vacation at a rate of 6.67 hours per month for the first five years of employment, then at a rate of 10.00 hours per month thereafter. The District’s policy is that any employee may carry accrued vacation forward from one fiscal year to another fiscal year with a maximum number of paid hours upon termination of 160. The District recognized an accrued liability for the unpaid vacation of \$427,912 and \$430,999 at August 31, 2023 and 2022, respectively. Sick leave, which can be accumulated up to 480 hours, is earned at the rate of 8 hours per month. Unused sick leave will be compensated at termination of employment based upon the following years of service to the District:

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

The District recognized an accrued liability for the unpaid sick leave of \$1,670,439 and \$1,577,928 at August 31, 2023 and 2022, respectively. The District recognized an accrued liability for unpaid compensatory time of \$37,169 and \$26,989 at August 31, 2023 and 2022, respectively.

**Note 12 - Risk Management**

*Workers’ Compensation Aggregate Deductible*

During the year ended August 31, 2023, the District met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Workers Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members' injured employees.

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

The Fund and its members are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of \$2 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. For the year-ended August 31, 2023, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

The Fund engages the services of independent auditors to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2022, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 12 - Risk Management (continued)**

*Auto, Liability, and Property Programs*

During the year ended August 31, 2023, the District participated in the following TASB Risk Management Fund (the Fund) programs: Auto Liability, Auto Physical Damage, Legal Liability, and Property.

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

The Fund purchases stop-loss coverage for protection against catastrophic and larger than anticipated claims for its Auto, Liability and Property programs. The terms and limits of the stop-loss program vary by line of coverage. The Fund uses the services of an independent actuary to determine the adequacy of reserves and fully funds those reserves. For the year ended August 31, 2023, the Fund anticipates that the District has no additional liability beyond the contractual obligations for payment of contributions.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2022, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

*Unemployment Compensation Pool*

During the year ended August 31, 2023, the District provided unemployment compensation coverage to its employees through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligation to the Texas Workforce Commission. Expenses are accrued monthly until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop loss coverage for the Unemployment Compensation pool. For the year ended August 31, 2023, the Fund anticipates that the District has no additional liability beyond the contractual obligation for payment of contribution.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2022, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.



**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

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

**Plan Description**

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

**OPEB Plan Fiduciary Net Position**

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

**Benefits Provided**

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

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

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

**Contributions**

Section 1551.055 of Chapter 1551, Texas Insurance Code, provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS Board of Trustees. The employer and member contribution rates are determined annually by the ERS Board of Trustees based on the recommendations of ERS staff and its consulting actuary. The contribution rates are determined based on (i) the benefit and administrative costs expected to be incurred, (ii) the funds appropriated and (iii) the funding policy established by the Texas Legislature in connection with benefits provided through the GBP. The Trustees revise benefits when necessary to match expected benefit and administrative costs with the revenue expected to be generated by the appropriated funds.

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

**Employer Contribution Rates**  
**Retiree Health and Basic Life Premium**  
**Plan Years 2022 and 2021**

	<b>2022</b>	<b>2021</b>
Retiree Only	\$ 624.82	\$ 624.82
Retiree & Spouse	1,339.90	1,339.90
Retiree & Children	1,103.58	1,103.58
Retiree & Family	1,818.66	1,818.66

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 Plan Years Ended August 31, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
Employer	\$ 599,628	\$ 657,099
Members (Employees)	163,322	164,921
Nonemployer Contributing Entity (State of Texas)	31,481	33,587

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

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

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of August 31, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

**Actuarial Assumptions**  
**ERS Group Benefits Program Plan**

Valuation Date	August 31, 2022
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll, Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Not applicable
Actuarial Assumptions:	
Discount Rate	3.59%
Projected Annual Salary Increase	2.30% to 8.95%, including inflation
Annual Healthcare Trend Rate	5.60% for FY 2024, 5.30% for FY 2025, 5.00% for FY 2026, 4.75% for FY 2027, 4.60% for FY 2028, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY 2031 and later years
Inflation Assumption Rate	2.30%
Ad hoc Post-employment Benefit Changes	None
Mortality Assumptions:	
Service retirees, survivors and other inactive members	Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021.
Disability retirees	Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members.
Active members	Sex Distinct Pub-2010 Amount-Weighted Below-Median Income Teacher Mortality with a 2-year set forward for males with Ultimate MP Projection Scale from the year 2010.

Many of the actuarial assumptions used in this valuation were based on the results of actuarial experience studies performed by the ERS retirement plan actuaries for the 7-year period (September 1, 2010 to August 31, 2017) for higher education members.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

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

**Discount Rate**

Because the 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 bond rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement year was 2.14%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 3.59%. 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 projected benefit payments to which the long-term expected rate of return is applicable is zero years.

**Changes Since the Prior Actuarial Valuation**

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

- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future retirees assumed to cover dependent children.
- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.
- Demographic assumptions for Higher Education members, including pre-retirement mortality and post-retirement mortality assumptions, termination, disability and retirement rate assumptions and assumed salary increases.
- Annual rate of increase in the Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act.
- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.

The discount rate was changed from 2.14% as of August 31, 2021 to 3.59% as of August 31, 2022 as a result of requirements by GASB No. 74 to reflect the yield or index rate for 20-year, tax-exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Changes of Benefit Terms Since the Prior Measurement Date - There were no changes in benefit terms since the prior measurement date.

**Investment Policy**

The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System's Board of Trustees amended the investment policy statement in August 2022 to require that all funds in this plan be invested in cash and equivalent securities. The expected rate of return on these investments is currently 4.1%, in line with the prevailing returns on 90-day US treasury bills.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

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

**Discount Rate Sensitivity Analysis**

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

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

The following schedule shows the impact on the District’s proportionate share of the collective net OPEB liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (2.14%) in measuring the 2021 net OPEB liability.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Rate	1.14%	2.14%	3.14%
District's proportionate share of the net OPEB liability	\$ 36,621,403	\$ 30,747,467	\$ 26,151,994

**Healthcare Trend Rate Sensitivity Analysis**

The initial healthcare trend rate is 5.60% and the ultimate rate is 4.30%. The following schedule shows the impact on the District’s proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used in measuring the 2021 net OPEB Liability.

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

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

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

**Healthcare Trend Rate Sensitivity Analysis (continued)**

The initial healthcare trend rate is 5.25% and the ultimate rate is 4.30%. The following schedule shows the impact on the District's proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used in measuring the 2021 net OPEB Liability.

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend</u>	<u>1% Increase</u>
	4.25%	5.25 %	6.25%
	decreasing to	decreasing to	decreasing to
Rate	3.30%	4.30%	5.30%
District's proportionate share of the net OPEB liability	\$ 25,747,386	\$ 30,747,467	\$ 37,298,468

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

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

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

At August 31, 2022, the District reported a liability of \$30,747,467 for its proportionate share of the ERS net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportion of the net OPEB liability	0.08570602%
District's proportionate share of the collective net OPEB liability	\$ 30,747,467
State's proportionate share that is associated with the District	<u>20,470,039</u>
	<u>\$ 51,217,506</u>

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, thru August 31, 2022.

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

At the measurement date of August 31, 2021, the employer's proportion of the collective net OPEB liability was 0.08570602%, which was an increase of 0.00121334% from its proportion measured as of August 31, 2020.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

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

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

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

For the fiscal year ended August 31, 2022, the District recognized OPEB expense of \$2,174,937 and an additional negative expense of \$249,752 representing negative OPEB expense incurred by the State on behalf of the District.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 769,921
Changes of assumptions	1,433,731	7,542,975
Difference between projected and actual earnings on OPEB plan investments	4,209	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,213,168	1,116,280
District contributions subsequent to the measurement date	<u>361,772</u>	<u>-</u>
<b>Total</b>	<u>\$ 4,012,880</u>	<u>\$ 9,429,176</u>

The \$361,772 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended August 31, 2024. The net amount of the employer’s balance of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

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

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

At August 31, 2022, the District reported its proportionate share of the ERS plan’s collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 754,201
Changes of assumptions	2,105,092	3,424,580
Difference between projected and actual earnings on OPEB plan investments	5,446	-
Changes in proportion and differences between District contributions and proportionate share of contributions	5,311,873	1,371,546
District contributions subsequent to the measurement date	<u>290,162</u>	<u>-</u>
<b>Total</b>	<u>\$ 7,712,573</u>	<u>\$ 5,550,327</u>

The \$290,162 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended August 31, 2023. The net amount of the employer’s balance of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year ending August 31,</b>	<b>Amount</b>
2023	\$ 993,518
2024	884,095
2025	(191,666)
2026	51,161
2027	<u>134,975</u>
	<u>\$ 1,872,083</u>

**Note 14 - Voluntary Contributory Pension Plan**

The District has a contributory, defined contribution, money-purchase pension plan which is administered by the trust department at a local bank. Any employee who has completed one year of service, has attained age 21, and is actively employed on the last day of the plan year is eligible to participate. In order to participate, the employee must agree to contribute 5% of total compensation to the plan. The District then contributes 8% of total compensation to the plan. The employee is 100% vested in their contributions to the plan. Employer contributions to the plan are vested at 20% after one year of service, and then at the rate of 20% per year of service. District contributions were \$993,121 and \$1,056,099 in 2023 and 2022, respectively. Participant contributions were \$620,701 and \$660,062 in 2023 and 2022, respectively.



**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 15 - Ad Valorem Property Taxes**

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

	<u>2023</u>	<u>2022</u>
Assessed valuation of the District	\$ 5,888,012,397	\$ 4,648,678,986
Less: Abatements and Exemptions	<u>395,886,989</u>	<u>189,882,175</u>
Net assessed valuation of the District	<u>\$ 5,492,125,408</u>	<u>\$ 4,458,796,811</u>

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

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

Tax rates authorized and assessed during fiscal year 2022 are as follows:

	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Tax rate per \$100 valuation for authorized	\$ 0.500000	\$ 0.500000	\$1.000000
Tax rate per \$100 valuation for assessed	0.116400	0.000000	0.116400

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

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

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 15 - Ad Valorem Property Taxes (continued)**

Taxes levied for the year ended August 31, 2022 are \$5,293,403. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Tax collections for the year ended August 31, 2022 are as follows:

	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
Current taxes collected	\$ 5,170,259	\$ -	\$ 5,170,259
Delinquent taxes collected	114,100	-	114,100
Penalties and interest collected	93,168	-	93,168
Total collections	<u>\$ 5,377,527</u>	<u>\$ -</u>	<u>\$ 5,377,527</u>

Current tax collections for the years ended August 31, 2023 and 2022 were 97.00% and 97.67%, respectively, of the current tax levy. An allowance for uncollectible taxes is based upon the historical experience in collecting property taxes.

**Note 16 - Budgetary Data**

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

**Note 17 - Income Taxes**

The District is exempt from income taxes under Internal Revenue Code Section 115, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(B). The District had no unrelated business income tax liability for 2023 or 2022.

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

**Note 18 - Contingencies**

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

**Note 19 - Grants and Contracts**

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

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 20 - Business Concentrations**

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

**Note 21 - Transactions with Component Unit**

The Foundation made contributions to the District in the amount of \$469,799 in fiscal year 2023, including scholarships of \$236,628, and \$233,171 in support of various other activities at the District. The Foundation made contributions to the District in the amount of \$204,841 in fiscal year 2022, including scholarships of \$111,660, and \$93,181 in support of various other activities at the District.

**Note 22 - Tax Abatements**

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

The amount of ad valorem taxes abated for the year ended August 31, 2023, is \$237,406 in total for the following companies:

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

The amount of ad valorem taxes abated for the year ended August 31, 2022, is \$84,787 in total for the following companies:

<u>Company</u>	<b>Assessed Valuation</b>	<b>Abatement</b>	<b>Property Tax Abated</b>
Guardian Industries Corp	\$ 4,504,730	\$ 1,621,015	\$ 1,887
Muncaster	604,830	26,125	30
Pactiv LLC	83,247,230	66,204,522	77,062
PolyGuard	8,206,400	4,103,210	4,776
Russel Stover Candies Inc.	2,355,780	886,620	1,032
<b>Total</b>	<u>\$ 98,918,970</u>	<u>\$ 72,841,492</u>	<u>\$ 84,787</u>

The Board of Trustees has the authority to recapture all taxes abated in the event the taxpayer violates any term or condition of their tax abatement agreement.

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (continued)**

**Note 23 - Prior Period Adjustments**

The implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, required that the District restate balances for right to use subscription asset and subscription liabilities.

Net Position at 08/31/2022, as previously presented	\$ 42,119,665
Right-to-use subscription assets	8,048,888
Subscription liabilities	<u>(4,790,812)</u>
	3,258,076
Net Position at 08/31/2022, as restated	<u>\$ 45,377,741</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

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

Note: Ten years of data should be presented in this schedule but data was unavailable prior to 2014. Net pension liability and related ratios will be presented prospectively as data becomes available.

\* Per TRS' ACFR

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contributions	\$ 843,875	\$ 755,125	\$ 749,090	\$ 765,730	\$ 660,787
Contributions in relation to the contractual required contributions	<u>843,875</u>	<u>755,125</u>	<u>749,090</u>	<u>765,730</u>	<u>660,787</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 17,748,025	\$ 16,625,261	\$ 16,980,143	\$ 17,331,819	\$ 17,389,423
Contributions as a percentage of covered payroll	4.75%	4.54%	4.41%	4.42%	3.80%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions	\$ 630,439	\$ 687,672	\$ 681,870	\$ 656,368	\$ 636,733
Contributions in relation to the contractual required contributions	<u>630,439</u>	<u>687,672</u>	<u>681,870</u>	<u>656,368</u>	<u>636,733</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 16,665,963	\$ 16,064,631	\$ 16,685,062	\$ 16,418,480	\$ 16,125,155
Contributions as a percentage of covered payroll	3.78%	4.28%	4.09%	4.00%	3.95%

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION**  
**For the Year Ended August 31, 2023**

**Changes in Assumptions**

2022: The discount rate changed from 7.25% to 7.00%.

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

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

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

**Changes in Benefit Terms**

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



**NAVARRO COLLEGE DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**Employee Retirement System of Texas - State Retiree Health Plan**  
**For the Last Six Measurement Years Ended August 31st**

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

Note: Ten years of data should be presented in this schedule but data was unavailable prior to 2017.

\* Per ERS' ACFR

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

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

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

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB**  
**For the Year Ended August 31, 2023**

**Changes in 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 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.
- Demographic assumptions for Higher Education members, including pre-retirement mortality and post-retirement mortality assumptions, termination, disability and retirement rate assumptions and assumed salary increases.
- Annual rate of increase in the Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act.
- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.

**Changes in Economic Assumptions**

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

Annual rate of increase in the Patient-Centered Outcome Research Institute fee payable under the Affordable Care Act have been updated to reflect recent health plan experience and its effects on our short-term expectations.

Assumed expenses directly related to the payment of GBP HealthSelect medical benefits have been updated to reflect recent contract revisions.

The discount rate was changed from 2.14% as of August 31, 2021, to 3.59% as of August 31, 2022 as a result of requirements by GASB No. 74 to utilize the yield or index rate for 20-year, tax-exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Minor benefit revisions have been adopted since the prior valuation. These changes are not expected to have a significant impact on plan costs for FY2032.

**Changes in Benefit Terms**

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



## **SUPPLEMENTARY INFORMATION**

**NAVARRO COLLEGE DISTRICT**  
**SCHEDULE OF OPERATING REVENUES**  
**For the Year Ended August 31, 2023**  
**(With Totals for the Year Ended August 31, 2022)**

Schedule A

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	Total 2023	Total 2022
<b>Tuition and Fees</b>						
<b>Tuition:</b>						
State funded credit courses:						
In-district resident tuition	\$ 759,721	\$ -	\$ 759,721	\$ -	\$ 759,721	\$ 730,254
Out-of-district resident tuition	4,868,681	-	4,868,681	-	4,868,681	4,732,086
Non-resident tuition	429,879	-	429,879	-	429,879	390,669
TPEG - credit (set aside)	167,361	-	167,361	-	167,361	401,863
State funded continuing education	523,017	-	523,017	-	523,017	508,085
TPEG - non-credit (set aside)	13,004	-	13,004	-	13,004	30,485
Non-state funded educational programs	17,275	-	17,275	-	17,275	21,894
<b>Total Tuition</b>	<b>6,778,938</b>	<b>-</b>	<b>6,778,938</b>	<b>-</b>	<b>6,778,938</b>	<b>6,815,336</b>
<b>Fees:</b>						
Building use fees	3,310,811	-	3,310,811	-	3,310,811	3,363,556
Student services fees	2,616,929	-	2,616,929	-	2,616,929	2,608,755
Laboratory fees	143,269	-	143,269	-	143,269	248,898
Out-of-district fees	4,292,349	-	4,292,349	-	4,292,349	4,416,312
Other fees	482,170	-	482,170	-	482,170	458,045
<b>Total Fees</b>	<b>10,845,528</b>	<b>-</b>	<b>10,845,528</b>	<b>-</b>	<b>10,845,528</b>	<b>11,095,566</b>
<b>Scholarship Allowances and Discounts:</b>						
Scholarship allowance	(3,356,581)	-	(3,356,581)	-	(3,356,581)	(4,320,808)
TPEG awards	-	-	-	-	-	(399,153)
<b>Total Scholarship Allowances and Discounts</b>	<b>(3,356,581)</b>	<b>-</b>	<b>(3,356,581)</b>	<b>-</b>	<b>(3,356,581)</b>	<b>(4,719,961)</b>
<b>Total Net Tuition and Fees</b>	<b>14,267,885</b>	<b>-</b>	<b>14,267,885</b>	<b>-</b>	<b>14,267,885</b>	<b>13,190,941</b>
<b>Additional Operating Revenues:</b>						
Sales and services of educational activities	765,252	-	765,252	-	765,252	584,477
Other operating revenues	168,546	-	168,546	-	168,546	292,276
<b>Total Additional Operating Revenues</b>	<b>933,798</b>	<b>-</b>	<b>933,798</b>	<b>-</b>	<b>933,798</b>	<b>876,753</b>
<b>Auxiliary Enterprises:</b>						
Bookstore	-	-	-	3,524,370	3,524,370	3,252,401
less discounts	-	-	-	(734,075)	(734,075)	(923,877)
Dining services	-	-	-	1,888,160	1,888,160	2,192,117
less discounts	-	-	-	(447,561)	(447,561)	(563,282)
Housing	-	-	-	2,596,879	2,596,879	2,561,797
less discounts	-	-	-	(416,612)	(416,612)	(524,331)
Athletic sales and student programs	-	-	-	16,332	16,332	7,303
Gift shop	-	-	-	5,496	5,496	3,555
Other auxiliary enterprises	-	-	-	-	-	5,855
<b>Total Net Auxiliary Enterprises</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,432,989</b>	<b>6,432,989</b>	<b>6,011,538</b>
<b>Total Operating Revenues</b>	<b>\$ 15,201,683</b>	<b>\$ -</b>	<b>\$ 15,201,683</b>	<b>\$ 6,432,989</b>	<b>\$ 21,634,672</b>	<b>\$ 20,079,232</b>

In accordance with Texas Education Code 56.033, \$180,365 and \$432,348 of tuition was set aside for Texas Public Education Grants (TPEG) for the years ended August 31, 2023 and 2022, respectively.

**NAVARRO COLLEGE DISTRICT**  
**SCHEDULE OF OPERATING EXPENSES BY OBJECT**  
**For the Year Ended August 31, 2023**  
**(With Totals for the Year Ended August 31, 2022)**

*Schedule B*

	Operating Expenses				Total	
	Salaries and Wages	Benefits		Other Expenses	2023	2022
		State	Local			
<b>Unrestricted - Educational Activities:</b>						
Instruction	\$ 10,418,146	\$ -	\$ 1,129,958	\$ 1,377,638	\$ 12,925,742	\$ 14,198,595
Public service	4,740	-	2,023	1,278	8,041	54,340
Academic support	1,594,041	-	197,733	1,180,818	2,972,592	2,140,821
Student services	2,090,849	-	264,203	511,363	2,866,415	3,730,225
Institutional support	4,297,676	-	6,405,148	3,365,816	14,068,640	8,004,320
Operation and maintenance of plant	908,985	-	144,843	3,254,168	4,307,996	3,706,468
<b>Total Unrestricted - Educational Activities</b>	<b>19,314,437</b>	<b>-</b>	<b>8,143,908</b>	<b>9,691,081</b>	<b>37,149,426</b>	<b>31,834,769</b>
<b>Restricted - Educational Activities:</b>						
Instruction	708,298	1,038,427	89,682	492,961	2,329,368	2,505,968
Public service	246,778	23,205	71,253	18,081	359,317	401,949
Academic support	-	189,508	-	-	189,508	131,469
Student services	-	195,309	-	12,056	207,365	894,207
Institutional support	17,583	402,221	3,789	33,689	457,282	2,492,913
Operation and maintenance of plant	-	85,085	-	-	85,085	81,559
Scholarships and fellowships	-	-	769	8,332,433	8,333,202	17,350,976
<b>Total Restricted - Educational Activities</b>	<b>972,659</b>	<b>1,933,755</b>	<b>165,493</b>	<b>8,889,220</b>	<b>11,961,127</b>	<b>23,859,041</b>
<b>Total Educational Activities</b>	<b>20,287,096</b>	<b>1,933,755</b>	<b>8,309,401</b>	<b>18,580,301</b>	<b>49,110,553</b>	<b>55,693,810</b>
<b>Auxiliary Enterprises</b>	<b>2,413,442</b>	<b>-</b>	<b>494,023</b>	<b>5,810,293</b>	<b>8,717,758</b>	<b>8,085,766</b>
<b>Amortization/Depreciation Expense:</b>						
Buildings and other improvements	-	-	-	1,672,697	1,672,697	1,615,150
Equipment and furniture	-	-	-	1,478,592	1,478,592	1,420,345
Library books	-	-	-	11,067	11,067	14,595
Right-to-use lease assets	-	-	-	265,588	265,588	247,167
Right-to-use subscription assets	-	-	-	2,412,998	2,412,998	540,904
<b>Total Amortization/Depreciation Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,840,942</b>	<b>5,840,942</b>	<b>3,838,161</b>
<b>Total Operating Expenses</b>	<b>\$ 22,700,538</b>	<b>\$ 1,933,755</b>	<b>\$ 8,803,424</b>	<b>\$ 30,231,536</b>	<b>\$ 63,669,253</b>	<b>\$ 67,617,737</b>

**NAVARRO COLLEGE DISTRICT**  
**SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES**  
**For the Year Ended August 31, 2023**  
**(With Totals for the Year Ended August 31, 2022)**

*Schedule C*

	Unrestricted	Restricted	Auxiliary Enterprises	Total	
				2023	2022
<b>Nonoperating Revenues:</b>					
State Appropriations:					
Education and general state support	\$ 12,715,145	\$ -	\$ -	\$ 12,715,145	\$ 12,710,363
State group insurance	-	1,933,756	-	1,933,756	2,028,835
State retirement matching	-	650,971	-	650,971	341,369
<b>Total State Appropriations</b>	<b>12,715,145</b>	<b>2,584,727</b>	<b>-</b>	<b>15,299,872</b>	<b>15,080,567</b>
Maintenance ad valorem taxes	5,996,083	-	-	5,996,083	5,340,603
Federal grants and contracts	-	13,822,397	-	13,822,397	31,983,714
State grants and contracts	-	1,036,637	-	1,036,637	901,751
Local grants and contracts	-	107,638	-	107,638	140,881
Investment income	139,890	11,278	5,374	156,542	95,256
Gifts and donations	-	1,268,832	-	1,268,832	993,944
Other nonoperating revenues	229,602	-	-	229,602	3,884,027
<b>Total Nonoperating Revenues</b>	<b>19,080,720</b>	<b>18,831,509</b>	<b>5,374</b>	<b>37,917,603</b>	<b>58,420,743</b>
<b>Nonoperating Expenses:</b>					
Interest on capital related debt	511,998	-	-	511,998	552,601
Other nonoperating expenses	-	-	-	-	19,279
<b>Total Nonoperating Expenses</b>	<b>511,998</b>	<b>-</b>	<b>-</b>	<b>511,998</b>	<b>571,880</b>
<b>Net Nonoperating Revenues</b>	<b>\$ 18,568,722</b>	<b>\$ 18,831,509</b>	<b>\$ 5,374</b>	<b>\$ 37,405,605</b>	<b>\$ 57,848,863</b>



**NAVARRO COLLEGE DISTRICT**  
**SCHEDULE OF NET POSITION BY SOURCE AND AVAILABILITY**  
**For the Year Ended August 31, 2023**

*Schedule D*

	Detail by Source				Available for Current Operation	
	Unrestricted	Restricted - Expendable	Net Investment in Capital Assets	Total	Yes	No
Current:						
Unrestricted	\$ (14,170,392)	\$ -	\$ -	\$ (14,170,392)	\$ (14,170,392)	\$ -
Scholarships and fellowships	-	130,944	-	130,944	-	130,944
Plant:						
Debt service	-	364,695	-	364,695	-	364,695
Investment in plant	-	-	54,423,518	54,423,518	-	54,423,518
Total net position, August 31, 2023	(14,170,392)	495,639	54,423,518	40,748,765	(14,170,392)	54,919,157
Total net position, August 31, 2022	(6,473,892)	1,609,982	50,241,651	45,377,741	(6,473,892)	51,851,633
Net increase (decrease) in net position	\$ (7,696,500)	\$ (1,114,343)	\$ 4,181,867	\$ (4,628,976)	\$ (7,696,500)	\$ 3,067,524

**NAVARRO COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended August 31, 2023**

*Schedule E*

Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass Through Grantor Number	Federal Expenditures
<b>U.S. Department of Education</b>			
<b>Direct Programs:</b>			
<i>TRIO - Student Support Services</i>	84.042A	PO42A200094-22	\$ 484,681
<i>Total TRIO Cluster (ALN 84.042)</i>			<u>484,681</u>
<i>Federal Supplemental Education Opportunity Grant Program</i>	84.007	N/A	409,529
<i>Federal Work Study Program</i>	84.033	N/A	178,179
<i>Federal Pell Grant Program</i>	84.063	N/A	9,757,894
<i>Federal Direct Student Loans</i>	84.268	N/A	5,905,034
<i>Total Student Financial Assistance Cluster (ALN 84.007, 84.033, 84.063, 84.268)</i>			<u>16,250,636</u>
<i>Portion</i>	84.425F	P425F202768	133,003
<i>COVID-19 ARP - Higher Education Emergency Relief Fund - Student Portion</i>	84.425E	P425E201049	31,027
<i>COVID-19 ARP - Higher Education Emergency Relief Fund - Institutional Portion</i>	84.425F	P425F202768	96,547
<b>Pass-Through From Texas Higher Education Coordinating Board:</b>			
<i>COVID-19 Governor's Emergency Education Relief (GEER)</i>	84.425C	25909	16,520
<i>COVID-19 Governor's Emergency Education Relief (GEER)</i>	84.425C	2020-GE-84425C26161	27,117
<i>COVID-19 Governor's Emergency Education Relief (GEER)</i>	84.425C	25737	106,571
<i>COVID-19 Governor's Emergency Education Relief (GEER)</i>	84.425C	27581	2,250
<i>Total ALN 84.425</i>			<u>413,035</u>
<b>Pass Through From Texas Workforce Commission:</b>			
<i>Adult Education &amp; Family Literacy Act (AEFLA)-Fed Y4 (Core, IET, &amp; Professional Development)</i>	84.002A	0418ALAD01	368,222
<i>Adult Education &amp; Family Literacy Act (AEFLA)-Fed Y5 (Core, IET, &amp; Professional Development)</i>	84.002A	0418ALAE01	754,082
<i>Total ALN 84.002</i>			<u>1,122,304</u>
<b>Pass Through From Texas Higher Education Coordinating Board:</b>			
<i>Vocational Education - Carl Perkins</i>	84.048A	224243	422,952
<b>Total U. S. Department of Education</b>			<u><b>18,693,608</b></u>
<b>U.S. Department of the Treasury</b>			
<b>Pass-Through From The Texas Higher Education Coordinating Board:</b>			
<i>COVID-19 Coronavirus State Fiscal Recovery Fund (SFRF)</i>	21.027	27281	461,821
<b>Pass-Through From The Texas Higher Education Coordinating Board - Subrecipient of Dallas College:</b>			
<i>COVID-19 Coronavirus State Fiscal Recovery Fund (SFRF)</i>	21.027	27272	236,947
<i>Total ALN 21.027</i>			<u>698,768</u>
<b>Total for U.S. Department of Treasury</b>			<u><b>698,768</b></u>
<b>U. S. Small Business Administration</b>			
<b>Pass Through From Dallas County Community College District:</b>			
<i>Small Business Development Center 2022</i>	59.037	SBAHQ-22-B-0006	58,335
<i>Small Business Development Center 2023</i>	59.037	SBAOEDSB230018-01-00	102,244
<i>Total ALN 59.037</i>			<u>160,579</u>
<b>Total U. S. Small Business Administration</b>			<u><b>160,579</b></u>
<b>U.S. Department of Labor</b>			
<b>Pass-Through From Texas Workforce Commission</b>			
<i>Apprenticeship Texas Expansion I</i>	17.285	0421ATG001	21,317
<i>Apprenticeship Texas Expansion II</i>	17.285	0421ATG003	6,266
<i>Total ALN 17.285</i>			<u>27,583</u>
<b>Total for U.S. Department of Labor</b>			<u><b>27,583</b></u>
<b>Total Federal Awards</b>			<u><b>\$ 19,580,538</b></u>

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended August 31, 2023**

**Note 1 - Federal Revenue Reconciliation**

Federal revenues for the year ended August 31, 2023 are reported in the basic financial statements as follows:

Federal grants and contracts per Schedule C	\$ 13,822,397
Add: Federal Direct Student Loans made	5,905,034
Less: Indirect Costs	<u>(146,893)</u>
<b>Total per Schedule of Expenditures of Federal Awards</b>	<b><u>\$ 19,580,538</u></b>

**Note 2 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the District under programs of the federal government for the year ended August 31, 2023. The information in this Schedule is presented in accordance with the *Uniform Guidance*. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

**Note 3 - Summary of Significant Accounting Policies**

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

**NAVARRO COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
*For the Year Ended August 31, 2023*

*Schedule F*

Grantor/Pass-Through Grantor/ Program Title	Grant Contract Number	Indirect Costs and Expenditures
<b>Texas Higher Education Coordinating Board</b>		
<b>Direct Programs:</b>		
<i>Texas Education Opportunity Grant</i>	N/A	\$ 549,654
<i>Texas Education Opportunity Grant B.1.10</i>	N/A	49,503
<i>Texas Tomorrow Fund</i>	N/A	17,867
<i>Work Study (repayment of unspent funds)</i>	N/A	<u>(26,173)</u>
<b>Total Texas Higher Education Coordinating Board</b>		<b><u>590,851</u></b>
<b>Texas Workforce Commission</b>		
<b>Direct Programs:</b>		
<i>Jobs and Education for Texans</i>	0422JET014	<u>349,988</u>
<b>Total Texas Workforce Commission</b>		<b><u>349,988</u></b>
<b>Small Business Development Center</b>		
<b>Pass Through From Dallas County Community College District:</b>		
<i>Small Business Development Center 2022</i>	SBAHQ-22-B-0006	25,401
<i>Small Business Development Center 2023</i>	SBAOEDSB230018-01-00	<u>70,397</u>
<b>Total Small Business Development Center</b>		<b><u>95,798</u></b>
<b>Total State Awards</b>		<b><u>\$ 1,036,637</u></b>

**NAVARRO COLLEGE DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**For the Year Ended August 31, 2023**

**Note 1 - State Revenue Reconciliation**

State revenues for the year ended August 31, 2023 are reported in the basic financial statements as follows:

State grants and contracts per Schedule C	<u>\$ 1,036,637</u>
Total per Schedule of Expenditures Year Ended August 31, 2023	<u>\$ 1,036,637</u>

**Note 2 - Basis of Presentation**

The accompanying Schedule of Expenditures of State Awards includes the state grant activity of the District under programs of the state government for the year ended August 31, 2023. The information in this Schedule is presented in accordance with the requirements of the *State of Texas Single Audit Circular* contained in the Texas Grant Management Standards. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

**Note 3 - Summary of Significant Accounting Policies**

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



## STATISTICAL SECTION

### Financial Trends Information

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

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

### Revenue Capacity Information

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

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

### Debt Capacity Information

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

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

### Demographic and Economic Information

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

- Demographic and Economic Statistics
- Principal Employers

### Operating Information

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

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

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

**Table 1**  
**Page 1 of 2**

	<u>2023</u>	<u>2022 (4)</u>	<u>2021 (3)</u>	<u>2020</u>	<u>2019</u>
Net investment in capital assets	\$ 54,423,518	\$ 50,241,651	\$ 42,246,858	\$ 41,768,930	\$ 40,746,545
Restricted	495,639	1,609,982	2,112,703	2,289,080	2,482,390
Unrestricted	<u>(14,170,392)</u>	<u>(6,473,892)</u>	<u>(9,292,178)</u>	<u>(16,180,400)</u>	<u>(15,703,625)</u>
<b>Total Net Position</b>	<u><u>\$ 40,748,765</u></u>	<u><u>\$ 45,377,741</u></u>	<u><u>\$ 35,067,383</u></u>	<u><u>\$ 27,877,610</u></u>	<u><u>\$ 27,525,310</u></u>

(1) Fiscal year 2014 was restated for implementation of GASBS No. 68 and No. 71

(2) Fiscal year 2017 was restated for implementation of GASBS No. 75

(3) Fiscal year 2021 was restated for implementation of GASBS No. 87

(4) Fiscal year 2022 was restated for implementation of GASBS No. 96

**Source:** Navarro College District's financial statements



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

**Table 1**  
**Page 2 of 2**

	<u>2018</u>	<u>2017 (2)</u>	<u>2016</u>	<u>2015</u>	<u>2014 (1)</u>
Net investment in capital assets	\$ 40,339,844	\$ 39,660,444	\$ 38,280,836	\$ 37,553,998	\$ 35,321,947
Restricted	2,373,273	2,132,341	2,295,108	2,447,086	2,372,830
Unrestricted	<u>(13,846,618)</u>	<u>(13,825,426)</u>	<u>4,384,898</u>	<u>4,623,822</u>	<u>2,542,212</u>
<b>Total Net Position</b>	<u><u>\$ 28,866,499</u></u>	<u><u>\$ 27,967,359</u></u>	<u><u>\$ 44,960,842</u></u>	<u><u>\$ 44,624,906</u></u>	<u><u>\$ 40,236,989</u></u>

(1) Fiscal year 2014 was restated for implementation of GASBS No. 68 and No. 71

(2) Fiscal year 2017 was restated for implementation of GASBS No. 75

(3) Fiscal year 2021 was restated for implementation of GASBS No. 87

(4) Fiscal year 2022 was restated for implementation of GASBS No. 96

**Source:** Navarro College District's financial statements

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

**Table 2  
Page 1 of 2**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Tuition and fees (net of discounts)	\$ 14,267,885	\$ 13,190,941	\$ 13,726,351	\$ 14,857,047	\$ 14,804,719
Sales and services of educational activities	765,252	584,477	514,849	651,534	540,312
Auxiliary enterprises (net of discounts)	6,432,989	6,011,538	5,361,475	5,144,333	5,701,386
Other operating revenues	168,546	292,276	180,812	148,483	170,263
<b>Total Operating Revenues</b>	<b>21,634,672</b>	<b>20,079,232</b>	<b>19,783,487</b>	<b>20,801,397</b>	<b>21,216,680</b>
State appropriations	15,299,872	15,080,567	15,695,709	15,310,636	16,641,393
Ad valorem taxes for maintenance and operations	5,996,083	5,340,603	5,144,366	4,757,104	4,225,699
Federal grants and contracts	13,822,397	31,983,714	23,862,000	15,883,929	15,439,330
State grants and contracts	1,036,637	901,751	844,100	847,085	1,234,927
Local grants and contracts	107,638	140,881	288,972	685,252	243,494
Investment income	156,542	95,256	78,407	235,077	153,046
Gifts	1,268,832	993,944	970,167	1,008,001	1,041,306
Other non-operating revenues	229,975	85,047	299,827	140,945	432,662
<b>Total Non-Operating Revenues</b>	<b>37,917,976</b>	<b>54,621,763</b>	<b>47,183,548</b>	<b>38,868,029</b>	<b>39,411,857</b>
<b>Total Revenues</b>	<b>\$ 59,552,648</b>	<b>\$ 74,700,995</b>	<b>\$ 66,967,035</b>	<b>\$ 59,669,426</b>	<b>\$ 60,628,537</b>
Tuition and fees (net of discounts)	23.96%	17.66%	20.50%	24.90%	24.42%
Sales and services of educational activities	1.29%	0.78%	0.77%	1.09%	0.89%
Auxiliary enterprises (net of discounts)	10.80%	8.05%	8.01%	8.62%	9.40%
Other operating revenues	0.28%	0.39%	0.27%	0.25%	0.28%
<b>Total Operating Revenues</b>	<b>36.33%</b>	<b>26.88%</b>	<b>29.55%</b>	<b>34.86%</b>	<b>34.99%</b>
State appropriations	25.69%	20.19%	23.44%	25.66%	27.45%
Ad valorem property taxes for maintenance and operations	10.07%	7.15%	7.68%	7.97%	6.97%
Federal grants and contracts	23.21%	42.82%	35.63%	26.62%	25.47%
State grants and contracts	1.74%	1.21%	1.26%	1.42%	2.04%
Local grants and contracts	0.18%	0.19%	0.43%	1.15%	0.40%
Investment income	0.26%	0.13%	0.12%	0.39%	0.25%
Gifts	2.13%	1.33%	1.45%	1.69%	1.72%
Other non-operating revenues	0.39%	0.11%	0.45%	0.24%	0.71%
<b>Total Non-Operating Revenues</b>	<b>63.67%</b>	<b>73.13%</b>	<b>70.46%</b>	<b>65.14%</b>	<b>65.01%</b>
<b>Total Revenues</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Navarro College District's financial statements

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

**Table 2  
Page 2 of 2**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Tuition and fees (net of discounts)	\$ 15,201,312	\$ 16,982,906	\$ 16,205,416	\$ 17,535,426	\$ 14,029,788
Sales and services of educational activities	552,267	492,709	451,427	474,901	521,857
Auxiliary enterprises (net of discounts)	6,073,701	7,024,329	7,044,650	7,186,797	7,779,024
Other operating revenues	267,904	217,531	196,380	243,507	155,344
<b>Total Operating Revenues</b>	<b>22,095,184</b>	<b>24,717,475</b>	<b>23,897,873</b>	<b>25,440,631</b>	<b>22,486,013</b>
State appropriations	17,091,034	17,690,587	17,758,716	18,332,879	18,288,097
Ad valorem taxes for maintenance and operations	3,980,582	3,645,253	3,553,400	3,533,309	3,359,627
Federal grants and contracts	16,250,333	15,292,945	17,463,377	22,684,063	22,588,765
State grants and contracts	1,238,978	1,361,855	1,432,635	2,352,975	2,083,489
Local grants and contracts	277,015	103,202	81,545	76,322	94,685
Investment income	123,628	102,303	93,031	93,269	129,125
Gifts	926,182	903,810	856,846	867,114	1,414,538
Other non-operating revenues	77,119	157,019	221,698	813,949	349,148
<b>Total Non-Operating Revenues</b>	<b>39,964,871</b>	<b>39,256,974</b>	<b>41,461,248</b>	<b>48,753,880</b>	<b>48,307,474</b>
<b>Total Revenues</b>	<b>\$ 62,060,055</b>	<b>\$ 63,974,449</b>	<b>\$ 65,359,121</b>	<b>\$ 74,194,511</b>	<b>\$ 70,793,487</b>
Tuition and fees (net of discounts)	24.49%	26.55%	24.79%	23.63%	19.82%
Sales and services of educational activities	0.89%	0.77%	0.69%	0.64%	0.74%
Auxiliary enterprises (net of discounts)	9.79%	10.98%	10.78%	9.69%	10.99%
Other operating revenues	0.43%	0.34%	0.30%	0.33%	0.22%
<b>Total Operating Revenues</b>	<b>35.60%</b>	<b>38.64%</b>	<b>36.56%</b>	<b>34.29%</b>	<b>31.76%</b>
State appropriations	27.54%	27.65%	27.17%	24.71%	25.83%
Ad valorem property taxes for maintenance and operations	6.41%	5.70%	5.44%	4.76%	4.75%
Federal grants and contracts	26.18%	23.90%	26.72%	30.57%	31.91%
State grants and contracts	2.00%	2.13%	2.19%	3.17%	2.94%
Local grants and contracts	0.45%	0.16%	0.12%	0.10%	0.13%
Investment income	0.20%	0.16%	0.14%	0.13%	0.18%
Gifts	1.49%	1.41%	1.31%	1.17%	2.00%
Other non-operating revenues	0.12%	0.25%	0.34%	1.10%	0.49%
<b>Total Non-Operating Revenues</b>	<b>64.40%</b>	<b>61.36%</b>	<b>63.44%</b>	<b>65.71%</b>	<b>68.24%</b>
<b>Total Revenues</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Navarro College District's financial statements

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

**Table 3**  
**Page 1 of 2**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Instruction	\$ 15,255,110	\$ 16,704,563	\$ 19,298,272	\$ 19,388,245	\$ 20,462,044
Public service	367,358	456,289	2,195,369	1,362,008	346,517
Academic support	3,162,100	2,272,290	2,647,529	3,064,442	3,198,198
Student services	3,073,780	4,624,432	4,724,573	4,870,434	4,900,914
Institutional support	14,525,922	10,497,233	9,860,142	7,700,104	7,324,796
Operation and maintenance of plant	4,393,081	3,788,027	3,128,165	3,662,680	4,108,475
Scholarships and fellowships	8,333,202	17,350,976	6,749,113	7,120,406	7,874,880
Auxiliary enterprises	8,717,758	8,085,766	8,001,990	8,884,866	10,542,824
Depreciation	5,840,942	3,297,257	2,499,087	2,377,550	2,415,665
<b>Total Operating Expenses</b>	<u>63,669,253</u>	<u>67,076,833</u>	<u>59,104,240</u>	<u>58,430,735</u>	<u>61,174,313</u>
Interest on capital related debt	511,998	552,601	668,295	744,800	795,413
Other non-operating expenses	373	19,279	3,559	141,591	-
<b>Total Non-Operating Expenses</b>	<u>512,371</u>	<u>571,880</u>	<u>671,854</u>	<u>886,391</u>	<u>795,413</u>
<b>Total Expenses</b>	<u>\$ 64,181,624</u>	<u>\$ 67,648,713</u>	<u>\$ 59,776,094</u>	<u>\$ 59,317,126</u>	<u>\$ 61,969,726</u>
<b>Special item</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>\$ (4,628,976)</u>	<u>\$ 7,052,282</u>	<u>\$ 7,190,941</u>	<u>\$ 7,649,909</u>	<u>\$ (2,300,300)</u>
Instruction	23.77%	24.69%	32.28%	32.69%	33.02%
Public service	0.57%	0.67%	3.67%	2.30%	0.56%
Academic support	4.93%	3.36%	4.43%	5.17%	5.16%
Student services	4.79%	6.84%	7.90%	8.21%	7.91%
Institutional support	22.63%	15.52%	16.50%	12.98%	11.82%
Operation and maintenance of plant	6.84%	5.60%	5.23%	6.17%	6.63%
Scholarships and fellowships (net of discounts)	12.98%	25.65%	11.29%	12.00%	12.71%
Auxiliary enterprises	13.58%	11.95%	13.39%	14.98%	17.01%
Depreciation	9.10%	4.87%	4.18%	4.01%	3.90%
<b>Total Operating Expenses</b>	<u>99.19%</u>	<u>99.15%</u>	<u>98.87%</u>	<u>98.51%</u>	<u>98.72%</u>
Interest on capital related debt	0.80%	0.82%	1.12%	1.26%	1.28%
Other non-operating expenses	0.00%	0.01%	0.01%	0.24%	0.00%
<b>Total Non-Operating Expenses</b>	<u>0.80%</u>	<u>0.83%</u>	<u>1.13%</u>	<u>1.50%</u>	<u>1.28%</u>
<b>Total Expenses</b>	<u>99.99%</u>	<u>99.98%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: Navarro College District's financial statements

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

**Table 3**  
**Page 2 of 2**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Instruction	\$ 19,801,849	\$ 19,545,759	\$ 20,148,443	\$ 21,368,604	\$ 20,213,672
Public service	351,097	331,537	289,941	279,188	275,807
Academic support	3,321,324	3,123,899	3,588,737	3,475,922	3,972,411
Student services	4,752,342	4,540,335	4,550,759	4,245,023	4,360,373
Institutional support	7,388,738	7,899,625	8,221,330	7,101,168	6,998,131
Operation and maintenance of plant	4,189,188	4,013,560	3,774,689	3,840,350	3,748,746
Scholarships and fellowships	8,330,076	9,879,276	11,467,584	15,670,742	16,571,886
Auxiliary enterprises	10,132,772	8,904,115	9,833,242	10,609,202	11,825,269
Depreciation	2,059,675	2,081,025	2,120,128	2,142,219	1,997,893
<b>Total Operating Expenses</b>	<u>60,327,061</u>	<u>60,319,131</u>	<u>63,994,853</u>	<u>68,732,418</u>	<u>69,964,188</u>
Interest on capital related debt	833,854	924,665	1,028,332	1,074,176	1,234,432
Other non-operating expenses	-	-	-	-	-
<b>Total Non-Operating Expenses</b>	<u>833,854</u>	<u>924,665</u>	<u>1,028,332</u>	<u>1,074,176</u>	<u>1,234,432</u>
<b>Total Expenses</b>	<u>\$ 61,160,915</u>	<u>\$ 61,243,796</u>	<u>\$ 65,023,185</u>	<u>\$ 69,806,594</u>	<u>\$ 71,198,620</u>
<b>Special item</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>\$ (532,378)</u>	<u>\$ 816,259</u>	<u>\$ (1,048,736)</u>	<u>\$ (4,447,473)</u>	<u>\$ 2,995,891</u>
Instruction	32.38%	31.91%	30.99%	30.61%	28.39%
Public service	0.57%	0.54%	0.45%	0.40%	0.39%
Academic support	5.43%	5.10%	5.52%	4.98%	5.58%
Student services	7.77%	7.41%	7.00%	6.08%	6.12%
Institutional support	12.08%	12.90%	12.64%	10.17%	9.83%
Operation and maintenance of plant	6.85%	6.55%	5.81%	5.50%	5.27%
Scholarships and fellowships (net of discounts)	13.62%	16.13%	17.64%	22.45%	23.28%
Auxiliary enterprises	16.57%	14.54%	15.12%	15.20%	16.61%
Depreciation	3.37%	3.40%	3.26%	3.07%	2.81%
<b>Total Operating Expenses</b>	<u>98.64%</u>	<u>98.49%</u>	<u>98.42%</u>	<u>98.46%</u>	<u>98.27%</u>
Interest on capital related debt	1.36%	1.51%	1.58%	1.54%	1.73%
Other non-operating expenses	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total Non-Operating Expenses</b>	<u>1.36%</u>	<u>1.51%</u>	<u>1.58%</u>	<u>1.54%</u>	<u>1.73%</u>
<b>Total Expenses</b>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: Navarro College District's financial statements

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

*Table 4*  
*Page 1 of 4*

**Resident Students (1)**

<b>Fiscal Year (Fall)</b>	<b>Tuition</b>		<b>Matriculation Fee</b>	<b>Building Use Fee</b>	<b>Vehicle Registration Fee</b>	<b>Technology Fee</b>
	<b>In-District</b>	<b>Out-of-District</b>				
2023	\$ 540	\$ 1,224	\$ 30	\$ 396	\$ 19	\$ 228
2022	540	1,224	30	372	19	168
2021	540	1,224	30	372	19	168
2020	540	1,224	30	372	19	168
2019	540	1,224	17	372	19	156
2018	504	1,116	14	336	16	108
2017	504	1,092	14	336	16	96
2016	480	1,020	14	312	15	72
2015	444	972	14	288	15	72
2014	432	852	11	228	15	-

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

**Table 4**  
**Page 2 of 4**

**Resident Students (1)**

<b>Fiscal Year (Fall)</b>	<b>Total Cost</b>		<b>Increase from Prior Year</b>		<b>Semester Credit Hours</b>
	<b>In-District</b>	<b>Out-of-District</b>	<b>In-District</b>	<b>Out-of-District</b>	
2023	\$ 1,213	\$ 1,897	7.44%	4.63%	\$ 9,198
2022	1,129	1,813	0.00%	0.00%	8,647
2021	1,129	1,813	0.00%	0.00%	8,560
2020	1,129	1,813	2.26%	1.40%	10,727
2019	1,104	1,788	12.88%	12.45%	13,200
2018	978	1,590	1.24%	2.32%	13,620
2017	966	1,554	8.17%	8.44%	13,477
2016	893	1,433	7.20%	5.29%	14,088
2015	833	1,361	21.43%	23.06%	16,129
2014	686	1,106	0.00%	1.10%	17,399

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

*Table 4*  
*Page 3 of 4*

**Non-Resident Students (1)**

<b>Fiscal Year (Fall)</b>	<b>Tuition</b>	<b>Out-of-District Fee</b>	<b>Matriculation Fee</b>	<b>Building Use Fee</b>	<b>Vehicle Registration Fee</b>
2023	\$1,392	\$ 576	\$ 30	\$ 396	\$ 19
2022	1,392	576	30	372	19
2021	1,392	576	30	372	19
2020	1,392	576	30	372	19
2019	1,356	576	17	372	19
2018	1,248	528	14	336	16
2017	1,188	516	14	336	16
2016	1,140	480	14	312	15
2015	1,080	468	14	288	15
2014	1,044	408	11	228	15

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

(1) Based on twelve semester credit hour load.

**Source:** Navarro College District Finance Department



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

*Table 4*  
*Page 4 of 4*

**Non-Resident Students (1)**

<b>Fiscal Year (Fall)</b>	<b>Technology Fee</b>	<b>Total Cost</b>	<b>Increase from Prior Year</b>	<b>Semester Credit Hours</b>
2023	\$ 228	\$ 2,641	3.29%	2,165
2022	168	2,557	0.00%	2,200
2021	168	2,557	0.00%	2,120
2020	168	2,557	2.44%	2,357
2019	156	2,496	10.93%	2,463
2018	108	2,250	3.88%	2,463
2017	96	2,166	6.54%	3,123
2016	72	2,033	4.96%	3,519
2015	72	1,937	13.54%	2,877
2014	-	1,706	0.00%	3,366

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

(1) Based on twelve semester credit hour load.

**Source:** Navarro College District Finance Department

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

*Table 5*  
*Page 1 of 2*

<b>Fiscal Year</b>	<b>Assessed Valuation of Property</b>	<b>Less: Abatement and Exemptions</b>	<b>Net Taxable Assessed Value</b>	<b>Ratio of Taxable Value to Assessed Value</b>
2023	\$ 5,888,012,397	\$ 395,886,989	\$ 5,492,125,408	93.28%
2022	4,648,678,986	189,882,175	4,458,796,811	95.92%
2021	4,507,970,668	264,188,835	4,243,781,833	94.14%
2020	4,243,050,975	226,852,287	4,016,198,688	94.65%
2019	3,648,741,269	197,099,255	3,451,642,014	94.60%
2018	3,423,751,510	190,745,064	3,233,006,446	94.43%
2017	3,232,166,233	186,096,906	3,046,069,327	94.24%
2016	3,175,167,202	181,024,673	2,994,142,529	94.30%
2015	3,083,281,070	165,743,597	2,917,537,473	94.62%
2014	2,903,869,194	138,171,442	2,765,697,752	95.24%

**Source:** Navarro County Tax Assessor - Collector

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

(1) per \$100 taxable assessed valuation

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

*Table 5*  
*Page 2 of 2*

Fiscal Year	Estimated Actual Value	Direct Rates (1)		
		Maintenance and Operations	Debt Service	Total
2023	\$ 5,888,012,397	\$ 0.10720	\$ -	\$ 0.10720
2022	4,648,678,986	0.11640	-	0.11640
2021	4,507,970,668	0.11640	-	0.11640
2020	4,243,050,975	0.11640	-	0.11640
2019	3,648,741,269	0.12180	-	0.12180
2018	3,423,751,510	0.12180	-	0.12180
2017	3,232,166,233	0.11830	-	0.11830
2016	3,175,167,202	0.11830	-	0.11830
2015	3,083,281,070	0.12020	-	0.12020
2014	2,903,869,194	0.12020	-	0.12020

**Source:** Navarro County Tax Assessor - Collector

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

(1) per \$100 taxable assessed valuation

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

*Table 6*  
*Page 1 of 2*

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Navarro College District	\$ 0.1072	\$ 0.1164	\$ 0.1164	\$ 0.1164	\$ 0.1218
County:					
Navarro County	0.5173	0.6045	0.6045	0.6270	0.6270
Cities:					
Barry	0.3517	0.3938	0.3871	0.4053	0.4034
Blooming Grove	0.3776	0.4175	0.4175	0.4550	0.4230
Corsicana	0.5288	0.6120	0.6120	0.6272	0.6272
Dawson	0.3726	0.4271	0.4190	0.4324	0.4308
Emhouse	0.2060	0.2296	0.2350	0.2524	0.2943
Frost	0.4351	0.4860	0.4901	0.5394	0.5504
Goodlow	0.0707	0.0839	0.0862	0.0897	0.0897
Kerens	0.6208	0.6805	0.6805	0.6805	0.6922
Rice	0.5003	0.5500	0.5500	0.5728	0.5990
Richland	0.2550	0.2732	0.2760	0.2800	0.2341
School Districts:					
Blooming Grove	0.9243	0.9601	0.9587	1.0762	1.1300
Corsicana	1.6200	1.2443	1.2666	1.2831	1.3279
Dawson	1.0988	1.1756	1.1939	1.3894	1.4654
Frost	1.1869	1.2367	1.2326	1.2130	1.5925
Kerens	1.1746	1.1920	1.2291	1.5400	1.4400
Mildred	1.0544	1.1114	1.2242	1.3300	1.3928
Rice	1.3528	1.4168	1.4263	1.5249	1.6265

**Source:** Navarro County Appraisal District

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

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

*Table 6*  
*Page 2 of 2*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Navarro College District	\$ 0.1218	\$ 0.1183	\$ 0.1183	\$ 0.1202	\$ 0.1202
County:					
Navarro County	0.6270	0.6270	0.6270	0.6270	0.6270
Cities:					
Barry	0.4034	0.3851	0.3851	0.3851	0.3851
Blooming Grove	0.4801	0.4801	0.4512	0.4821	0.4821
Corsicana	0.6272	0.6272	0.6272	0.6272	0.6272
Dawson	0.4324	0.4234	0.4000	0.4000	0.4000
Emhouse	0.2943	0.2943	0.2943	0.2943	0.2943
Frost	0.5690	0.5690	0.5611	0.5573	0.5657
Goodlow	0.0897	0.0897	0.0897	0.0897	0.0897
Kerens	0.6735	0.6839	0.6803	0.6817	0.6817
Rice	0.5990	0.5990	0.5844	0.5500	0.5351
Richland	0.2359	0.2330	0.2330	0.2330	0.2330
School Districts:					
Blooming Grove	1.1300	1.1300	1.1300	1.1300	1.1300
Corsicana	1.3703	1.3703	1.3703	1.2803	1.2803
Dawson	1.2922	1.2922	1.2922	1.2900	1.2900
Frost	1.1743	1.2208	1.2308	1.2404	1.2550
Kerens	1.4400	1.1100	1.1100	1.1100	1.1100
Mildred	1.2812	1.2812	1.2812	1.2812	1.2980
Rice	1.6265	1.3365	1.3365	1.3800	1.4200

**Source:** Navarro County Appraisal District

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

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

**Table 7**  
**Page 1 of 4**

Taxpayer	Type of Business	Taxable Assessed Value				
		2023	2022	2021	2020	2019
Limestone Wind LLC	Wind Energy	\$ 257,699,030	\$ -	\$ -	\$ -	\$ -
Fence Post Solar Project LLC	Solar Energy	124,843,500	-	-	-	-
Guardian Industry - Abated	Glass Manufacturer	84,783,440	69,952,830	65,174,790	69,082,510	70,065,430
Oncor Electric Delivery	Electric Utility	114,230,400	109,908,400	103,667,790	102,730,190	74,965,750
Energy Transfer Fuel LP	Electric Company	69,462,750	68,821,190	-	43,575,030	49,214,430
Championx LLC (formerly Nalco Company)	Energy Services	-	-	-	45,472,170	51,807,050
Lone Star Transmission	Electric Company	-	-	-	-	-
Seaway Crude Pipeline LP	Oil Distribution	140,558,400	173,696,570	155,115,820	158,640,260	148,696,190
Pactiv-Foam - Abated	Foam Manufacturer	92,263,650	62,823,082	53,414,580	52,073,880	48,548,330
Russell Stover Candies-Abated	Candy Manufacturer	-	-	51,495,300	46,424,360	42,771,170
Union Pacific	RR Company	-	-	45,030,380	-	-
Permian Express Partners (formerly Sunoco Pipeline LP)	Pipeline company	64,556,100	-	51,055,800	48,680,760	47,859,090
True Value Co. - Non-Abated	Retail Distribution	-	-	43,136,610	-	46,146,090
Burlington Northern Santa Fe	Rail Road	-	-	-	-	-
Magellan Pipeline Co, LP	Pipeline company	-	-	47,034,770	52,491,240	51,552,560
Grand Prix Pipeline LLC	Pipeline company	84,589,000	62,500,710	51,581,010	58,766,670	-
Briar Creek Solar LLC-Abated	Solar Energy	88,281,024	11,996,380	-	-	-
Audubon Metals Texas LLC-Abated	Metal Manufacturer	-	40,521,960	-	-	-
<b>Total</b>		<u>\$1,121,267,294</u>	<u>\$ 600,221,122</u>	<u>\$ 666,706,850</u>	<u>\$ 677,937,070</u>	<u>\$ 631,626,090</u>
<b>Net taxable assessed value</b>		<u>\$5,492,125,408</u>	<u>\$4,458,796,811</u>	<u>\$4,243,781,833</u>	<u>\$4,016,198,688</u>	<u>\$3,451,642,014</u>

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

**Table 7**  
**Page 2 of 4**

Taxpayer	Type of Business	Taxable Assessed Value				
		2018	2017	2016	2015	2014
Limestone Wind LLC	Wind Energy	\$ -	\$ -	\$ -	\$ -	\$ -
Fence Post Solar Project LLC	Solar Energy	-	-	-	-	-
Guardian Industry - Abated	Glass Manufacturer	67,057,775	53,276,715	47,069,805	45,928,470	48,580,980
Oncor Electric Delivery	Electric Utility	62,045,430	52,248,010	48,107,140	49,835,890	49,116,350
Energy Transfer Fuel LP	Electric Company	44,001,370	47,606,870	65,033,230	66,068,120	61,634,770
Championx LLC (formerly Nalco Company)	Energy Services	46,053,410	46,116,150	51,736,240	56,587,750	49,772,120
Lone Star Transmission	Electric Company	42,704,910	44,756,720	48,825,700	50,788,550	52,908,350
Seaway Crude Pipeline LP	Oil Distribution	43,662,200	44,330,040	44,743,340	45,366,960	-
Pactiv-Foam - Abated	Foam Manufacturer	41,620,920	37,706,553	27,569,810	24,800,084	-
Russell Stover Candies-Abated	Candy Manufacturer	36,695,360	35,939,480	35,933,935	40,899,980	37,232,300
Union Pacific	RR Company	38,078,610	35,828,790	33,922,684	31,648,440	28,615,140
Permian Express Partners (formerly Sunoco Pipeline LP)	Pipeline company	30,305,330	28,550,040	-	-	20,287,000
True Value Co. - Non-Abated	Retail Distribution	-	-	33,680,970	27,651,750	29,579,080
Burlington Northern Santa Fe	Rail Road	-	-	-	-	18,882,520
Magellan Pipeline Co, LP	Pipeline company	-	-	-	-	-
Grand Prix Pipeline LLC	Pipeline company	-	-	-	-	-
Briar Creek Solar LLC-Abated	Solar Energy	-	-	-	-	-
Audubon Metals Texas LLC-Abated	Metal Manufacturer	-	-	-	-	-
<b>Total</b>		<b>\$ 452,225,315</b>	<b>\$ 426,359,368</b>	<b>\$ 436,622,854</b>	<b>\$ 439,575,994</b>	<b>\$ 396,608,610</b>
<b>Net taxable assessed value</b>		<b>\$3,233,006,446</b>	<b>\$3,046,069,327</b>	<b>\$2,994,142,529</b>	<b>\$2,917,537,473</b>	<b>\$2,765,697,752</b>

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

**Table 7**  
**Page 3 of 4**

Taxpayer	Type of Business	Taxable Assessed Value				
		2023	2022	2021	2020	2019
Limestone Wind LLC	Wind Energy	4.69%	-	-	-	-
Fence Post Solar Project LLC	Solar Energy	2.27%	-	-	-	-
Guardian Industry - Abated	Glass Manufacturer	1.54%	1.57%	1.54%	1.72%	2.03%
Oncor Electric Delivery	Electric Utility	2.08%	2.46%	2.44%	2.56%	2.17%
Energy Transfer Fuel LP	Electric Company	1.26%	1.54%	-	1.08%	1.43%
Championx LLC (formerly Nalco Company)	Energy Services	-	-	-	1.13%	1.50%
Lone Star Transmission	Electric Company	-	-	-	-	-
Seaway Crude Pipeline LP	Oil Distribution	2.56%	3.90%	3.66%	3.95%	4.31%
Pactiv-Foam - Abated	Foam Manufacturer	1.68%	1.41%	1.26%	1.30%	1.41%
Russell Stover Candies-Abated	Candy Manufacturer	-	-	1.21%	1.16%	1.24%
Union Pacific	RR Company	-	-	1.06%	-	-
Pipeline LP)	Pipeline company	1.18%	-	1.20%	1.21%	1.39%
True Value Co. - Non-Abated	Retail Distribution	-	-	1.02%	-	1.34%
Burlington Northern Santa Fe	Rail Road	-	-	-	-	-
Magellan Pipeline Co, LP	Pipeline company	-	-	1.11%	1.31%	1.49%
Grand Prix Pipeline LLC	Pipeline company	1.54%	1.40%	1.22%	1.46%	-
Briar Creek Solar LLC-Abated	Solar Energy	1.61%	0.27%	-	-	-
Audubon Metals Texas LLC-Abated	Metal Manufacturer	-	0.91%	-	-	-
<b>Total</b>		<b>20.42%</b>	<b>13.46%</b>	<b>15.71%</b>	<b>16.88%</b>	<b>18.30%</b>



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

**Table 7**  
**Page 4 of 4**

Taxpayer	Type of Business	Taxable Assessed Value				
		2018	2017	2016	2015	2014
Limestone Wind LLC	Wind Energy	-	-	-	-	-
Fence Post Solar Project LLC	Solar Energy	-	-	-	-	-
Guardian Industry - Abated	Glass Manufacturer	2.07%	1.75%	1.57%	1.57%	1.76%
Oncor Electric Delivery	Electric Utility	1.92%	1.72%	1.61%	1.71%	1.78%
Energy Transfer Fuel LP	Electric Company	1.36%	1.56%	2.17%	2.26%	2.23%
Championx LLC (formerly Nalco Company)	Energy Services	1.42%	1.51%	1.73%	1.94%	1.80%
Lone Star Transmission	Electric Company	1.32%	1.47%	1.63%	1.74%	1.91%
Seaway Crude Pipeline LP	Oil Distribution	1.35%	1.46%	1.49%	1.55%	-
Pactiv-Foam - Abated	Foam Manufacturer	1.29%	1.24%	0.92%	0.85%	-
Russell Stover Candies-Abated	Candy Manufacturer	1.14%	1.18%	1.20%	1.40%	1.35%
Union Pacific	RR Company	1.18%	1.18%	1.13%	1.08%	1.03%
Pipeline LP)	Pipeline company	0.94%	0.94%	-	-	0.73%
True Value Co. - Non-Abated	Retail Distribution	-	-	1.12%	0.95%	1.07%
Burlington Northern Santa Fe	Rail Road	-	-	-	-	0.68%
Magellan Pipeline Co, LP	Pipeline company	-	-	-	-	-
Grand Prix Pipeline LLC	Pipeline company	-	-	-	-	-
Briar Creek Solar LLC-Abated	Solar Energy	-	-	-	-	-
Audubon Metals Texas LLC-Abated	Metal Manufacturer	-	-	-	-	-
<b>Total</b>		<b>13.99%</b>	<b>14.00%</b>	<b>14.58%</b>	<b>15.07%</b>	<b>14.34%</b>

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

*Table 8*  
*Page 1 of 2*

<u>Fiscal Year</u>	<u>Original Levy</u>	<u>Cumulative Levy Adjustments</u>	<u>Total Adjusted Tax Levy</u>
2023	\$ 5,958,803	\$ (84,054)	\$ 5,874,749
2022	5,195,739	97,664	5,293,403
2021	4,947,222	101,057	5,048,279
2020	4,680,613	(25,667)	4,654,946
2019	4,211,190	(10,836)	4,200,354
2018	3,942,804	(25,305)	3,917,499
2017	3,608,756	(13,267)	3,595,489
2016	3,546,947	(12,587)	3,534,360
2015	3,515,366	(11,022)	3,504,344
2014	3,330,770	(10,678)	3,320,092

**Source:** Navarro County Tax Assessor-Collector

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

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

**Table 8**  
**Page 2 of 2**

Fiscal Year	Collections - Year of Levy		Collections in Subsequent Years	Total Collections To Date	
	Amount	Percent		Amount	Percent
2023	\$ 5,698,400	97.00%	\$ -	\$ 5,698,400	97.00%
2022	5,170,259	97.67%	(53,204)	5,117,055	96.67%
2021	4,926,476	97.59%	67,406	4,993,882	98.92%
2020	4,510,539	96.90%	108,170	4,618,709	99.22%
2019	4,081,123	97.16%	92,711	4,173,834	99.37%
2018	3,810,491	97.27%	86,004	3,896,495	99.46%
2017	3,501,564	97.39%	76,781	3,578,345	99.52%
2016	3,432,700	97.12%	89,547	3,522,247	99.66%
2015	3,427,941	97.82%	66,531	3,494,472	99.72%
2014	3,241,206	97.62%	70,410	3,311,616	99.74%

**Source:** Navarro County Tax Assessor-Collector

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

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

**Table 9**  
**Page 1 of 2**

	<u>2023</u>	<u>2022 (2)</u>	<u>2021 (1)</u>	<u>2020</u>	<u>2019</u>
<b>General Bonded Debt</b>					
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other Debt</b>					
Revenue bonds	9,615,000	11,490,000	13,518,162	15,234,478	16,895,796
Leases payable	270,261	407,066	499,152	3,259,621	3,784,979
SBITA payable	4,340,015	4,790,812	-	-	-
Loans payable	600,000	675,000	750,000	825,000	900,000
Notes payable	1,710,000	2,166,468	2,630,795	-	-
<b>Total other debt</b>	<u>16,535,276</u>	<u>19,529,346</u>	<u>17,398,109</u>	<u>19,319,099</u>	<u>21,580,775</u>
<b>Total outstanding debt</b>	<u>\$ 16,535,276</u>	<u>\$ 19,529,346</u>	<u>\$ 17,398,109</u>	<u>\$ 19,319,099</u>	<u>\$ 21,580,775</u>
<b>Total Outstanding Debt Ratios</b>					
Per capita	\$ 309	\$ 280	\$ 323	\$ 386	\$ 435
Per student	1,380	13,330	1,533	1,549	1,591
As a percentage of taxable assessed value	0.37%	0.35%	0.40%	0.48%	0.54%
As a percentage of personal income	0.70%	0.70%	0.81%	1.03%	1.15%

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

- (1) Fiscal year 2021 was restated for implementation of GASBS No. 87, *Leases*. Prior years were not restated.  
(2) Fiscal year 2022 was restated for implementation of GASBS No. 96, *SBITA*. Prior years were not restated.

**Source:** Navarro College District Finance Department

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

**Table 9**  
**Page 2 of 2**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>General Bonded Debt</b>					
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other Debt</b>					
Revenue bonds	18,502,111	20,063,427	22,689,743	25,216,060	27,667,376
Leases payable	2,855,000	3,060,000	3,260,000	3,450,000	3,496,116
SBITA payable	-	-	-	-	-
Loans payable	975,000	1,050,000	1,125,000	1,200,000	1,275,000
Notes payable	-	-	-	-	-
<b>Total other debt</b>	<u>22,332,111</u>	<u>24,173,427</u>	<u>27,074,743</u>	<u>29,866,060</u>	<u>32,438,492</u>
<b>Total outstanding debt</b>	<u>\$ 22,332,111</u>	<u>\$ 24,173,427</u>	<u>\$ 27,074,743</u>	<u>\$ 29,866,060</u>	<u>\$ 32,438,492</u>
<b>Total Outstanding Debt Ratios</b>					
Per capita	\$ 459	\$ 498	\$ 561	\$ 620	\$ 675
Per student	1,574	1,680	1,804	1,830	1,905
As a percentage of taxable assessed value	0.65%	0.75%	0.89%	1.00%	1.11%
As a percentage of personal income	1.24%	1.41%	1.57%	1.58%	1.83%

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

- (1) Fiscal year 2021 was restated for implementation of GASBS No. 87, *Leases*. Prior years were not restated.  
(2) Fiscal year 2022 was restated for implementation of GASBS No. 96, *SBITA*. Prior years were not restated.

**Source:** Navarro College District Finance Department

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

**Table 10**  
**Page 1 of 2**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Taxable Assessed Value	<u>\$ 5,492,125,408</u>	<u>\$ 4,458,796,811</u>	<u>\$ 4,243,781,833</u>	<u>\$ 4,016,198,688</u>	<u>\$ 3,451,642,014</u>
<b>General Obligation Bonds</b>					
Statutory tax levy limit for debt service	\$ 27,460,627	\$ 22,293,984	\$ 21,218,909	\$ 20,080,993	\$ 17,258,210
Current year debt service requirements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of statutory limit for debt service over current requirements	<u>\$ 27,460,627</u>	<u>\$ 22,293,984</u>	<u>\$ 21,218,909</u>	<u>\$ 20,080,993</u>	<u>\$ 17,258,210</u>
Net current requirements as a percentage of statutory limit	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

*Table 10*  
*Page 2 of 2*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Taxable Assessed Value	<u>\$ 3,233,006,446</u>	<u>\$ 3,046,069,327</u>	<u>\$ 2,994,142,529</u>	<u>\$ 2,917,537,473</u>	<u>\$ 2,765,697,752</u>
<b>General Obligation Bonds</b>					
Statutory tax levy limit for debt service	\$ 16,165,032	\$ 15,230,347	\$ 14,970,713	\$ 14,587,687	\$ 13,828,489
Current year debt service requirements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of statutory limit for debt service over current requirements	<u>\$ 16,165,032</u>	<u>\$ 15,230,347</u>	<u>\$ 14,970,713</u>	<u>\$ 14,587,687</u>	<u>\$ 13,828,489</u>
Net current requirements as a percentage of statutory limit	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

*Table 11*  
*Page 1 of 2*

Fiscal Year	Pledged Revenues					
	Tuition Pledged (1)	Building Fee	Out of District Fee	Other Fees	Pledged Auxiliary Revenue	Less Auxiliary Expenses
2023	\$ 208,170	\$ 3,310,811	\$ 4,292,349	\$ 3,242,368	\$ 6,416,657	\$ 8,717,758
2022	214,268	3,363,556	4,416,312	3,315,698	5,998,380	8,085,766
2021	234,098	3,632,775	4,710,957	3,549,798	5,312,328	8,001,990
2020	266,580	4,098,329	5,189,721	3,397,648	5,082,945	8,884,866
2019	288,428	4,082,169	5,300,687	3,015,864	5,671,011	10,542,824
2018	304,845	4,271,589	5,414,730	2,707,238	6,043,317	10,132,772
2017	316,995	3,961,300	5,026,019	2,824,645	8,818,670	8,904,115
2016	325,635	3,942,353	4,997,878	2,614,210	8,876,011	9,833,242
2015	340,350	4,203,104	5,564,752	2,832,475	9,027,034	10,609,202
2014	346,658	3,753,843	5,344,521	1,605,731	10,207,759	11,825,268

**Notes:**

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



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

*Table 11*  
*Page 2 of 2*

Fiscal Year	Pledged Revenues			Debt Service Requirements			Coverage Ratio
	Net Available	Interest Income	Total	Principal	Interest	Total	
2023	\$ 8,752,597	\$ 156,542	\$ 8,909,139	\$ 1,930,000	\$ 227,293	\$ 2,157,293	4.13
2022	9,222,448	95,256	9,317,704	1,875,000	273,581	2,148,581	4.34
2021	9,437,966	78,407	9,516,373	1,710,000	533,691	2,243,691	4.24
2020	9,150,357	235,077	9,385,434	1,650,000	590,062	2,240,062	4.19
2019	7,815,335	153,046	7,968,381	1,595,000	644,484	2,239,484	3.56
2018	8,608,947	123,628	8,732,575	1,540,000	696,976	2,236,976	3.90
2017	12,043,514	102,303	12,145,817	1,495,000	740,656	2,235,656	5.43
2016	10,922,845	93,031	11,015,876	2,560,000	843,632	3,403,632	3.24
2015	11,358,513	93,269	11,451,782	2,460,000	942,574	3,402,574	3.37
2014	9,433,244	129,125	9,562,369	2,385,000	1,019,449	3,404,449	2.81

**Notes:**

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



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

*Table 12*

<b>Calendar Year</b>	<b>Navarro County Population</b>	<b>Navarro County Personal Income</b>	<b>Navarro County Personal Income Per Capita</b>	<b>Navarro County Unemployment Rate</b>
2022	54,636	\$ 2,507,118,046	\$ 46,241	3.9%
2021	53,591	2,376,748,127	45,616	5.1%
2020	52,624	2,100,760,031	41,461	6.2%
2019	50,113	1,987,095,000	39,652	3.3%
2018	49,565	1,879,580,000	37,922	3.7%
2017	48,701	1,799,965,000	35,446	3.9%
2016	48,523	1,719,814,000	36,960	4.2%
2015	48,255	1,729,595,000	35,792	4.2%
2014	48,195	1,887,318,000	39,245	5.2%
2013	48,038	1,776,684,000	36,985	5.2%

**Source:** Texas Workforce Commission

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

*Table 13*  
*Page 1 of 5*

Employer	2023		2022	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Navarro College (includes part time)	265	1.06%	265	1.06%
Watkins Construction	750	2.99%	750	2.99%
Russell Stover Candies (seasonal)	936	3.73%	936	3.73%
Corsicana ISD	866	3.45%	886	3.53%
Navarro Regional Hospital (Includes Contract Employees	356	1.42%	352	1.40%
Walmart Super Center	350	1.39%	350	1.39%
Collin Street Bakery (seasonal)	113	0.45%	347	1.38%
Navarro County	300	1.19%	300	1.19%
Guardian Industries, Corp.	305	1.21%	268	1.07%
Corsicana Bedding (Corsicana Mattress Company)	260	1.04%	220	0.88%
City of Corsicana (includes part time)	252	1.00%	275	1.10%
Kohl's Distribution Center	187	0.74%	200	0.80%
Pactiv	525	2.09%	520	2.07%
Oil City Iron Works	253	1.01%	229	0.91%
Heritage Oaks/Heritage Oaks West	191	0.76%	191	0.76%
NALCO Champion	-	0.00%	-	0.00%
Morgan Corp.	170	0.68%	157	0.63%
Angels at Home	-	0.00%	-	0.00%
Tru-Serve Distribution Center	151	0.60%	151	0.60%
Tremco CPG and Nudura	122	0.49%	109	0.43%
Audubon Metals Texas	100	0.40%	90	0.36%
Cresline Plastic Pipe Co.	49	0.20%	47	0.19%
Holcim Building Development	50	0.20%	46	0.18%
Greenbrier Rail	30	0.12%	26	0.10%
Polyguard	81	0.32%	53	0.21%
ISCO Industries	55	0.22%	-	0.00%
M & M Recreation	50	0.20%	-	0.00%
Community National Bank & Trust	97	0.39%	98	0.39%
Cargo Craft	-	0.00%	-	0.00%
Plasson	-	0.00%	60	0.24%
Navarro Pecan	60	0.24%	60	0.24%
EXXON/Mobil Pipeline	-	0.00%	-	0.00%
Enterprise Pre-Cast	80	0.32%	80	0.32%
<b>Total</b>	<b>7,004</b>	<b>27.91%</b>	<b>7,066</b>	<b>28.15%</b>

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

*Table 13*  
*Page 2 of 5*

Employer	2021		2020	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Navarro College (includes part time)	740	3.11%	872	3.75%
Watkins Construction	685	2.88%	500	2.15%
Russell Stover Candies (seasonal)	936	3.93%	650	2.79%
Corsicana ISD	886	3.72%	886	3.81%
Navarro Regional Hospital (Includes Contract Employ	365	1.53%	365	1.57%
Walmart Super Center	350	1.47%	350	1.50%
Collin Street Bakery (seasonal)	347	1.46%	347	1.49%
Navarro County	300	1.26%	300	1.29%
Guardian Industries, Corp.	268	1.13%	325	1.40%
Corsicana Bedding (Corsicana Mattress Company)	350	1.47%	367	1.58%
City of Corsicana (includes part time)	275	1.15%	275	1.18%
Kohl's Distribution Center	200	0.84%	200	0.86%
Pactiv	533	2.24%	400	1.72%
Oil City Iron Works	215	0.90%	215	0.92%
Heritage Oaks/Heritage Oaks West	191	0.80%	191	0.82%
NALCO Champion	120	0.50%	120	0.52%
Morgan Corp.	150	0.63%	150	0.64%
Angels at Home	-	0.00%	-	0.00%
Tru-Serve Distribution Center	145	0.61%	145	0.62%
Tremco CPG and Nudura	-	0.00%	-	0.00%
Audubon Metals Texas	-	0.00%	-	0.00%
Cresline Plastic Pipe Co.	-	0.00%	-	0.00%
Holcim Building Development	-	0.00%	-	0.00%
Greenbrier Rail	-	0.00%	-	0.00%
Polyguard	52	0.22%	125	0.54%
ISCO Industries	-	0.00%	-	0.00%
M & M Recreation	-	0.00%	-	0.00%
Community National Bank & Trust	98	0.41%	98	0.42%
Cargo Craft	-	0.00%	-	0.00%
Plasson	100	0.42%	100	0.43%
Navarro Pecan	60	0.25%	60	0.26%
EXXON/Mobil Pipeline	-	0.00%	-	0.00%
Enterprise Pre-Cast	80	0.34%	80	0.34%
<b>Total</b>	<b>7,446</b>	<b>31.27%</b>	<b>7,121</b>	<b>30.58%</b>

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

*Table 13*  
*Page 3 of 5*

Employer	2019		2018	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Navarro College (includes part time)	991	4.35%	820	3.74%
Watkins Construction	1,020	4.48%	800	3.65%
Russell Stover Candies (seasonal)	850	3.73%	726	3.31%
Corsicana ISD	810	3.56%	700	3.19%
Navarro Regional Hospital (Includes Contract Employ	450	1.98%	350	1.60%
Walmart Super Center	350	1.54%	350	1.60%
Collin Street Bakery (seasonal)	347	1.52%	347	1.58%
Navarro County	300	1.32%	337	1.54%
Guardian Industries, Corp.	325	1.43%	325	1.48%
Corsicana Bedding (Corsicana Mattress Company)	367	1.61%	314	1.43%
City of Corsicana (includes part time)	275	1.21%	276	1.26%
Kohl's Distribution Center	200	0.88%	200	0.91%
Pactiv	425	1.87%	194	0.88%
Oil City Iron Works	194	0.85%	194	0.88%
Heritage Oaks/Heritage Oaks West	191	0.84%	191	0.87%
NALCO Champion	150	0.66%	150	0.68%
Morgan Corp.	150	0.66%	150	0.68%
Angels at Home	-	0.00%	150	0.68%
Tru-Serve Distribution Center	145	0.64%	145	0.66%
Tremco CPG and Nudura	-	0.00%	-	0.00%
Audubon Metals Texas	-	0.00%	-	0.00%
Cresline Plastic Pipe Co.	-	0.00%	-	0.00%
Holcim Building Development	-	0.00%	-	0.00%
Greenbrier Rail	-	0.00%	-	0.00%
Polyguard	125	0.55%	125	0.57%
ISCO Industries	-	0.00%	-	0.00%
M & M Recreation	-	0.00%	-	0.00%
Community National Bank & Trust	80	0.35%	80	0.36%
Cargo Craft	-	0.00%	75	0.34%
Plasson	100	0.44%	70	0.32%
Navarro Pecan	60	0.26%	60	0.27%
EXXON/Mobil Pipeline	-	0.00%	55	0.25%
Enterprise Pre-Cast	80	0.35%	-	0.00%
<b>Total</b>	<b>7,985</b>	<b>35.08%</b>	<b>7,184</b>	<b>32.74%</b>

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

*Table 13*  
*Page 4 of 5*

Employer	2017		2016	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Navarro College (includes part time)	1,042	4.87%	1,042	4.84%
Watkins Construction	500	2.33%	500	2.32%
Russell Stover Candies (seasonal)	850	3.97%	850	3.95%
Corsicana ISD	811	3.79%	811	3.77%
Navarro Regional Hospital (Includes Contract Employ	350	1.63%	350	1.63%
Walmart Super Center	350	1.63%	350	1.63%
Collin Street Bakery (seasonal)	150	0.70%	150	0.70%
Navarro County	284	1.33%	284	1.32%
Guardian Industries, Corp.	312	1.46%	312	1.45%
Corsicana Bedding (Corsicana Mattress Company)	257	1.20%	257	1.19%
City of Corsicana (includes part time)	284	1.33%	284	1.32%
Kohl's Distribution Center	200	0.93%	200	0.93%
Pactiv	250	1.17%	-	0.00%
Oil City Iron Works	255	1.19%	255	1.18%
Heritage Oaks/Heritage Oaks West	72	0.34%	72	0.33%
NALCO Champion	150	0.70%	150	0.70%
Morgan Corp.	149	0.70%	-	0.00%
Angels at Home	150	0.70%	-	0.00%
Tru-Serve Distribution Center	180	0.84%	180	0.84%
Tremco CPG and Nudura	-	0.00%	-	0.00%
Audubon Metals Texas	-	0.00%	-	0.00%
Cresline Plastic Pipe Co.	-	0.00%	-	0.00%
Holcim Building Development	-	0.00%	-	0.00%
Greenbrier Rail	-	0.00%	-	0.00%
Polyguard	-	0.00%	-	0.00%
ISCO Industries	-	0.00%	-	0.00%
M & M Recreation	-	0.00%	-	0.00%
Community National Bank & Trust	114	0.53%	-	0.00%
Cargo Craft	-	0.00%	-	0.00%
Plasson	-	0.00%	-	0.00%
Navarro Pecan	-	0.00%	-	0.00%
EXXON/Mobil Pipeline	-	0.00%	-	0.00%
Enterprise Pre-Cast	-	0.00%	-	0.00%
<b>Total</b>	<b>6,710</b>	<b>31.33%</b>	<b>6,047</b>	<b>28.10%</b>





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

*Table 13*  
*Page 5 of 5*

Employer	2015		2014	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Navarro College (includes part time)	1,090	5.02%	1,106	5.21%
Watkins Construction	500	2.30%	-	0.00%
Russell Stover Candies (seasonal)	850	3.91%	850	4.00%
Corsicana ISD	811	3.73%	811	3.82%
Navarro Regional Hospital (Includes Contract Employees)	350	1.61%	350	1.65%
Walmart Super Center	350	1.61%	350	1.65%
Collin Street Bakery (seasonal)	150	0.69%	150	0.71%
Navarro County	284	1.31%	284	1.34%
Guardian Industries, Corp.	318	1.46%	318	1.50%
Corsicana Bedding (Corsicana Mattress Company)	257	1.18%	257	1.21%
City of Corsicana (includes part time)	284	1.31%	284	1.34%
Kohl's Distribution Center	315	1.45%	315	1.48%
Pactiv	-	0.00%	-	0.00%
Oil City Iron Works	255	1.17%	255	1.20%
Heritage Oaks/Heritage Oaks West	72	0.33%	72	0.34%
NALCO Champion	-	0.00%	-	0.00%
Morgan Corp.	-	0.00%	-	0.00%
Angels at Home	-	0.00%	-	0.00%
Tru-Serve Distribution Center	180	0.83%	180	0.85%
Tremco CPG and Nudura	-	0.00%	-	0.00%
Audubon Metals Texas	-	0.00%	-	0.00%
Cresline Plastic Pipe Co.	-	0.00%	-	0.00%
Holcim Building Development	-	0.00%	-	0.00%
Greenbrier Rail	-	0.00%	-	0.00%
Polyguard	-	0.00%	-	0.00%
ISCO Industries	-	0.00%	-	0.00%
M & M Recreation	-	0.00%	-	0.00%
Community National Bank & Trust	-	0.00%	-	0.00%
Cargo Craft	-	0.00%	-	0.00%
Plasson	-	0.00%	-	0.00%
Navarro Pecan	-	0.00%	-	0.00%
EXXON/Mobil Pipeline	-	0.00%	-	0.00%
Enterprise Pre-Cast	-	0.00%	-	0.00%
<b>Total</b>	<b>6,066</b>	<b>27.92%</b>	<b>5,582</b>	<b>26.28%</b>

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

*Table 14*  
*Page 1 of 2*

Fiscal Year	State Appropriation	Appropriation per FTSE	
		FTSE	State Appropriation per FTSE
2023	\$ 12,689,697	9,799	\$ 1,295
2022	12,689,698	11,984	1,059
2021	13,362,834	11,082	1,206
2020	13,362,834	12,476	1,071
2019	14,052,370	13,564	1,036
2018	14,052,371	14,187	991
2017	15,302,879	14,388	1,064
2016	15,288,429	15,007	1,019
2015	16,262,313	16,316	997
2014	16,319,691	17,028	958

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

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

*Table 14*  
*Page 2 of 2*

Fiscal Year	Appropriation per Contact Hour			State Appropriation per Contact Hour
	Academic Contact Hours	Voc/Tech Contact Hours	Total Contact Hours	
2022	1,922,934	852,606	2,775,540	\$ 4.57
2021	1,852,968	967,942	2,820,910	4.50
2020	2,219,520	776,262	2,995,782	4.46
2019	2,443,726	1,058,224	3,501,950	3.82
2018	2,648,800	1,139,020	3,787,820	3.71
2017	2,736,720	1,239,884	3,976,604	3.53
2016	2,768,430	1,302,964	4,071,394	3.76
2015	2,861,376	1,443,484	4,304,860	3.55
2014	3,057,872	1,647,476	4,705,348	3.46
2013	3,258,256	1,616,032	4,874,288	3.35

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

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

*Table 15*  
*Page 1 of 2*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Faculty</b>					
Full-Time	108	112	117	122	122
Part-Time	189	195	201	113	284
<b>Total</b>	<u>297</u>	<u>307</u>	<u>318</u>	<u>235</u>	<u>406</u>
Full-Time	36.4%	36.5%	36.8%	51.9%	30.0%
Part-Time	63.6%	63.5%	63.2%	48.1%	70.0%
<b>Total</b>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Average Annual Faculty Salary	<u>\$ 56,000</u>	<u>\$ 57,006</u>	<u>\$ 57,190</u>	<u>\$ 58,162</u>	<u>\$ 56,037</u>
<b>Staff and Administrators</b>					
Full-Time	221	228	239	231	245
Part-Time	123	79	85	120	78
<b>Total</b>	<u>344</u>	<u>307</u>	<u>324</u>	<u>351</u>	<u>323</u>
Full-Time	64.2%	74.3%	73.8%	65.8%	75.9%
Part-Time	35.8%	25.7%	26.2%	34.2%	24.1%
<b>Total</b>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

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

*Table 15*  
*Page 2 of 2*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Faculty</b>					
Full-Time	132	136	133	128	127
Part-Time	<u>361</u>	<u>361</u>	<u>382</u>	<u>405</u>	<u>415</u>
<b>Total</b>	<u>493</u>	<u>497</u>	<u>515</u>	<u>533</u>	<u>542</u>
Full-Time	26.8%	27.4%	25.8%	24.0%	23.4%
Part-Time	<u>73.2%</u>	<u>72.6%</u>	<u>74.2%</u>	<u>76.0%</u>	<u>76.6%</u>
<b>Total</b>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Average Annual Faculty Salary	<u>\$ 54,654</u>	<u>\$ 55,863</u>	<u>\$ 55,134</u>	<u>\$ 54,396</u>	<u>\$ 55,602</u>
<b>Staff and Administrators</b>					
Full-Time	216	234	252	244	244
Part-Time	<u>77</u>	<u>119</u>	<u>89</u>	<u>94</u>	<u>79</u>
<b>Total</b>	<u>293</u>	<u>353</u>	<u>341</u>	<u>338</u>	<u>323</u>
Full-Time	73.7%	66.3%	73.9%	72.2%	75.5%
Part-Time	<u>26.3%</u>	<u>33.7%</u>	<u>26.1%</u>	<u>27.8%</u>	<u>24.5%</u>
<b>Total</b>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

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

**Table 16**  
**Page 1 of 2**

	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Student Classification</b>										
00-30 hours	4,640	73.92%	4,769	72.64%	5,264	73.74%	6,056	74.10%	6,393	74.33%
31-60 hours	1,113	17.73%	1,262	19.22%	1,233	17.27%	1,350	16.52%	1,447	16.82%
> 60 hours	524	8.35%	534	8.13%	642	8.99%	767	9.38%	761	8.85%
<b>Total</b>	<b>6,277</b>	<b>100.00%</b>	<b>6,565</b>	<b>100.00%</b>	<b>7,139</b>	<b>100.00%</b>	<b>8,173</b>	<b>100.00%</b>	<b>8,601</b>	<b>100.00%</b>
<b>Semester Hour Load</b>										
Less than 3	8	0.13%	9	0.14%	6	0.08%	8	0.10%	16	0.19%
3-5 semester hours	1,251	19.93%	1,476	22.48%	1,501	21.03%	1,852	22.66%	1,982	23.04%
6-8 semester hours	1,625	25.89%	1,628	24.80%	1,768	24.77%	2,083	25.49%	2,206	25.65%
9-11 semester hours	1,079	17.19%	1,110	16.91%	1,284	17.99%	1,311	16.04%	1,270	14.77%
12-14 semester hours	1,530	24.37%	1,557	23.72%	1,516	21.24%	1,725	21.11%	1,768	20.56%
15-17 semester hours	599	9.54%	580	8.83%	847	11.86%	951	11.64%	1,100	12.79%
18 & over	185	2.95%	205	3.12%	217	3.04%	243	2.97%	259	3.01%
<b>Total</b>	<b>6,277</b>	<b>100.00%</b>	<b>6,565</b>	<b>100.00%</b>	<b>7,139</b>	<b>100.00%</b>	<b>8,173</b>	<b>100.00%</b>	<b>8,601</b>	<b>100.00%</b>
<b>Tuition Status</b>										
Texas Resident (in-District)	908	14.47%	926	14.11%	1,138	15.94%	1,475	18.05%	1,572	18.28%
Texas Resident (out-of-District)	5,198	82.81%	5,472	83.35%	5,816	81.47%	6,533	79.93%	6,837	79.49%
Non-Resident Tuition	171	2.72%	167	2.54%	185	2.59%	165	2.02%	192	2.23%
<b>Total</b>	<b>6,277</b>	<b>100.00%</b>	<b>6,565</b>	<b>100.00%</b>	<b>7,139</b>	<b>100.00%</b>	<b>8,173</b>	<b>100.00%</b>	<b>8,601</b>	<b>100.00%</b>

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

*Table 16*  
*Page 2 of 2*

	Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<b>Student Classification</b>										
00-30 hours	6,496	72.44%	6,741	73.03%	6,772	71.45%	7,036	70.37%	7,353	71.69%
31-60 hours	1,622	18.09%	1,592	17.25%	1,741	18.37%	1,895	18.95%	1,871	18.24%
> 60 hours	850	9.48%	897	9.72%	965	10.18%	1,068	10.68%	1,033	10.07%
<b>Total</b>	<b>8,968</b>	<b>100.00%</b>	<b>9,230</b>	<b>100.00%</b>	<b>9,478</b>	<b>100.00%</b>	<b>9,999</b>	<b>100.00%</b>	<b>10,257</b>	<b>100.00%</b>
<b>Semester Hour Load</b>										
Less than 3	56	0.62%	60	0.65%	239	2.52%	220	2.20%	251	2.45%
3-5 semester hours	1,993	22.22%	2,196	23.79%	1,931	20.37%	1,902	19.02%	1,717	16.74%
6-8 semester hours	2,373	26.46%	2,346	25.42%	2,370	25.01%	2,345	23.45%	2,236	21.80%
9-11 semester hours	1,489	16.60%	1,447	15.68%	1,383	14.59%	1,588	15.88%	1,604	15.64%
12-14 semester hours	1,916	21.36%	1,921	20.81%	2,327	24.55%	2,561	25.61%	2,739	26.70%
15-17 semester hours	948	10.57%	1,037	11.24%	1,040	10.97%	1,102	11.02%	1,411	13.76%
18 & over	193	2.15%	223	2.42%	188	1.98%	281	2.81%	299	2.92%
<b>Total</b>	<b>8,968</b>	<b>100.00%</b>	<b>9,230</b>	<b>100.00%</b>	<b>9,478</b>	<b>100.00%</b>	<b>9,999</b>	<b>100.00%</b>	<b>10,257</b>	<b>100.00%</b>
<b>Tuition Status</b>										
Texas Resident (in-District)	1,549	17.27%	1,633	17.69%	1,809	19.09%	1,814	18.14%	1,927	18.79%
Texas Resident (out-of-District)	7,163	79.87%	7,320	79.31%	7,446	78.56%	7,920	79.21%	8,052	78.50%
Non-Resident Tuition	256	2.85%	277	3.00%	223	2.35%	265	2.65%	278	2.71%
<b>Total</b>	<b>8,968</b>	<b>100.00%</b>	<b>9,230</b>	<b>100.00%</b>	<b>9,478</b>	<b>100.00%</b>	<b>9,999</b>	<b>100.00%</b>	<b>10,257</b>	<b>100.00%</b>

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

*Table 17*  
*Page 1 of 5*

<b>Gender</b>	<b>Fall 2022</b>		<b>Fall 2021</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Female	3,850	61.34%	4,072	62.03%
Male	2,427	38.66%	2,493	37.97%
<b>Total</b>	<b>6,277</b>	<b>100.00%</b>	<b>6,565</b>	<b>100.00%</b>
<b>Ethnic Origin</b>				
White	3,563	56.76%	3,802	57.91%
Hispanic	1,049	16.71%	1,107	16.86%
African American	1,036	16.50%	1,066	16.24%
Asian	64	1.02%	66	1.01%
Foreign	41	0.65%	41	0.62%
Native American	25	0.40%	23	0.35%
Other	499	7.95%	460	7.01%
<b>Total</b>	<b>6,277</b>	<b>100.00%</b>	<b>6,565</b>	<b>100.00%</b>
<b>Age</b>				
Under 18	2,276	36.26%	2,373	36.15%
18 - 21	2,552	40.66%	2,614	39.82%
22 - 24	440	7.01%	448	6.82%
25 - 35	689	10.98%	780	11.88%
36 - 50	271	4.32%	292	4.45%
51 & over	49	0.78%	58	0.88%
<b>Total</b>	<b>6,277</b>	<b>100.00%</b>	<b>6,565</b>	<b>100.00%</b>
<b>Average Age</b>	<b>21</b>		<b>21</b>	



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

*Table 17*  
*Page 2 of 5*

<b>Gender</b>	<b>Fall 2020</b>		<b>Fall 2019</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Female	4,474	62.67%	4,983	60.97%
Male	2,665	37.33%	3,190	39.03%
<b>Total</b>	<b>7,139</b>	<b>100.00%</b>	<b>8,173</b>	<b>100.00%</b>
<b>Ethnic Origin</b>				
White	4,143	58.03%	4,654	56.94%
Hispanic	1,231	17.24%	1,589	19.44%
African American	1,187	16.63%	1,319	16.14%
Asian	72	1.01%	80	0.98%
Foreign	47	0.66%	55	0.67%
Native American	32	0.45%	37	0.45%
Other	427	5.98%	439	5.37%
<b>Total</b>	<b>7,139</b>	<b>100.00%</b>	<b>8,173</b>	<b>100.00%</b>
<b>Age</b>				
Under 18	2,688	37.65%	3,062	37.46%
18 - 21	2,739	38.37%	3,062	37.46%
22 - 24	500	7.00%	591	7.23%
25 - 35	783	10.97%	944	11.55%
36 - 50	363	5.08%	436	5.33%
51 & over	66	0.92%	78	0.95%
<b>Total</b>	<b>7,139</b>	<b>100.00%</b>	<b>8,173</b>	<b>100.00%</b>
<b>Average Age</b>	<b>21</b>		<b>21</b>	

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

*Table 17*  
*Page 3 of 5*

<b>Gender</b>	<b>Fall 2018</b>		<b>Fall 2017</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Female	5,153	59.91%	5,314	59.26%
Male	3,448	40.09%	3,654	40.74%
<b>Total</b>	<b>8,601</b>	<b>100.00%</b>	<b>8,968</b>	<b>100.00%</b>
<b>Ethnic Origin</b>				
White	4,886	56.81%	4,864	54.24%
Hispanic	1,687	19.61%	1,987	22.16%
African American	1,432	16.65%	1,596	17.80%
Asian	83	0.97%	89	0.99%
Foreign	76	0.88%	104	1.16%
Native American	42	0.49%	54	0.60%
Other	395	4.59%	274	3.06%
<b>Total</b>	<b>8,601</b>	<b>100.00%</b>	<b>8,968</b>	<b>100.00%</b>
<b>Age</b>				
Under 18	3,122	36.30%	3,212	35.82%
18 - 21	3,272	38.04%	3,385	37.75%
22 - 24	628	7.30%	655	7.30%
25 - 35	1,003	11.66%	1,090	12.15%
36 - 50	481	5.59%	522	5.82%
51 & over	95	1.10%	104	1.16%
<b>Total</b>	<b>8,601</b>	<b>100.00%</b>	<b>8,968</b>	<b>100.00%</b>
<b>Average Age</b>	<b>21</b>		<b>21</b>	

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

*Table 17*  
*Page 4 of 5*

<b>Gender</b>	<b>Fall 2016</b>		<b>Fall 2015</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Female	5,270	57.10%	5,565	58.71%
Male	3,960	42.90%	3,913	41.29%
<b>Total</b>	<b>9,230</b>	<b>100.00%</b>	<b>9,478</b>	<b>100.00%</b>
<b>Ethnic Origin</b>				
White	5,208	56.42%	5,404	57.02%
Hispanic	1,980	21.45%	1,830	19.31%
African American	1,599	17.32%	1,859	19.61%
Asian	102	1.11%	80	0.84%
Foreign	130	1.41%	111	1.17%
Native American	62	0.67%	58	0.61%
Other	149	1.61%	136	1.43%
<b>Total</b>	<b>9,230</b>	<b>100.00%</b>	<b>9,478</b>	<b>100.00%</b>
<b>Age</b>				
Under 18	3,383	36.65%	3,037	32.04%
18 - 21	3,393	36.76%	3,584	37.81%
22 - 24	694	7.52%	787	8.30%
25 - 35	1,070	11.59%	1,217	12.84%
36 - 50	560	6.07%	685	7.23%
51 & over	130	1.41%	168	1.77%
<b>Total</b>	<b>9,230</b>	<b>100.00%</b>	<b>9,478</b>	<b>100.00%</b>
<b>Average Age</b>	22		23	



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

*Table 17*  
*Page 5 of 5*

<b>Gender</b>	<b>Fall 2014</b>		<b>Fall 2013</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Female	5,904	59.05%	6,103	59.50%
Male	4,095	40.95%	4,154	40.50%
<b>Total</b>	<b>9,999</b>	<b>100.00%</b>	<b>10,257</b>	<b>100.00%</b>
<b>Ethnic Origin</b>				
White	5,710	57.11%	5,672	55.30%
Hispanic	1,795	17.95%	1,929	18.81%
African American	2,109	21.09%	2,333	22.75%
Asian	74	0.74%	70	0.68%
Foreign	131	1.31%	129	1.26%
Native American	62	0.62%	47	0.46%
Other	118	1.18%	77	0.75%
<b>Total</b>	<b>9,999</b>	<b>100.00%</b>	<b>10,257</b>	<b>100.00%</b>
<b>Age</b>				
Under 18	2,474	24.74%	2,428	23.67%
18 - 21	3,855	38.55%	4,052	39.50%
22 - 24	905	9.05%	923	9.00%
25 - 35	1,587	15.87%	1,657	16.15%
36 - 50	927	9.27%	933	9.10%
51 & over	251	2.51%	264	2.57%
<b>Total</b>	<b>9,999</b>	<b>100.00%</b>	<b>10,257</b>	<b>100.00%</b>
<b>Average Age</b>	23		24	

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

*Table 18*  
*Page 1 of 9*

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

**Source:** Texas Higher Education Coordinating Board

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

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

*Table 18*  
*Page 2 of 9*

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

**Source:** Texas Higher Education Coordinating Board

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

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

*Table 18*  
*Page 3 of 9*

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

**Source:** Texas Higher Education Coordinating Board

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



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

*Table 18*  
*Page 4 of 9*

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

**Source:** Texas Higher Education Coordinating Board

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

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

*Table 18*  
*Page 5 of 9*

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

**Source:** Texas Higher Education Coordinating Board

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

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

*Table 18*  
*Page 6 of 9*

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

**Source:** Texas Higher Education Coordinating Board

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

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

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

**Source:** Texas Higher Education Coordinating Board

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

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

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

**Source:** Texas Higher Education Coordinating Board

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



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

*Table 18*  
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Name	2013 - 2014 Graduate as of Fall 2014				
	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep		
1 Angelo State University	10	1	1	12	0.77%
2 Lamar University	11	0	0	11	0.71%
3 Midwestern State University	17	1	1	19	1.22%
4 Prairie View A&M University	3	2	1	6	0.39%
5 Sam Houston State University	76	4	2	82	5.27%
6 Stephen F. Austin State University	61	7	4	72	4.62%
7 Sul Ross State University	1	0	0	1	0.06%
8 Sul Ross State University - Rio Grande College	0	0	0	0	0.00%
9 Tarleton State University	149	11	7	167	10.73%
10 Texas A&M International University	0	0	1	1	0.06%
11 Texas A&M University	150	5	5	160	10.28%
12 Texas A&M University at Commerce	182	20	15	217	13.94%
13 Texas A&M University at Corpus Christi	8	1	1	10	0.64%
14 Texas A&M University at Galveston	7	0	1	8	0.51%
15 Texas A&M University at Kingsville	7	1	0	8	0.51%
16 Texas A&M University at San Antonio	0	0	0	0	0.00%
17 Texas A&M University at Texarkana	0	0	0	0	0.00%
18 Texas Southern University	6	0	1	7	0.45%
19 Texas State University	101	5	2	108	6.94%
20 Texas Tech University	86	7	1	94	6.04%
21 Texas Woman's University	44	4	0	48	3.08%
22 The University of Texas - Pan American	2	0	0	2	0.13%
23 The University of Texas at Arlington	195	19	8	222	14.26%
24 The University of Texas at Austin	30	1	2	33	2.12%
25 The University of Texas at Dallas	22	0	1	23	1.48%
26 The University of Texas at El Paso	0	0	0	0	0.00%
27 The University of Texas at Rio Grand Valley	0	0	0	0	0.00%
28 The University of Texas at San Antonio	11	0	0	11	0.71%
29 The University of Texas at Tyler	40	3	1	44	2.83%
30 The University of Texas of the Permian Basin	4	0	0	4	0.26%
31 University of Houston	19	0	1	20	1.28%
32 University of Houston at Clear Lake	0	0	0	0	0.00%
33 University of Houston at Downtown	2	1	0	3	0.20%
34 University of Houston at Victoria	3	0	1	4	0.27%
35 University of North Texas	115	2	3	120	8.17%
36 University of North Texas at Dallas	29	2	1	32	2.18%
37 West Texas A&M University	5	3	0	8	0.54%
<b>Totals</b>	<u>1,396</u>	<u>100</u>	<u>61</u>	<u>1,557</u>	<u>100.65%</u>

**Source:** Texas Higher Education Coordinating Board

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

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

*Table 19*  
*Page 1 of 2*

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>Academic buildings</b>	19	19	19	19	19
Square footage (in thousands)	296,531	296,531	296,531	296,531	296,531
<b>Libraries</b>	3	3	3	3	3
Square footage (in thousands)	30,000	30,000	30,000	30,000	30,000
Number of Volumes (in thousands)	57,437	57,212	57,212	56,875	56,875
<b>Administrative and support buildings</b>	10	10	10	10	10
Square footage (in thousands)	208,514	208,514	208,514	208,514	208,514
<b>Dormitories/Apartments</b>	27	27	22	22	22
Square footage (in thousands)	200,487	200,487	174,848	174,848	174,848
Number of Beds		860	860	860	860
<b>Dining Facilities</b>	1	1	2	2	2
Square footage (in thousands)	21,888	21,888	25,100	25,100	25,100
Average daily customers		555	991	1,337	1,337
<b>Athletic Facilities</b>	12	12	12	12	12
Square footage (in thousands)	77,658	77,658	77,658	77,658	77,658
Gymnasiums/Weight Room	2	2	2	2	2
Tennis Court	-	-	-	-	-
<b>Physical Plant Facilities</b>	3	3	5	5	5
Square footage (in thousands)	23,123	23,123	23,140	23,140	23,140
<b>Houses</b>	13	16	16	16	16
Square footage (in thousands)		29,207	29,207	29,207	29,207
<b>Transportation</b>	60	63	45	55	55
Cars	11	17	17	20	20
Light Trucks/Vans	45	42	21	31	31
Buses	4	4	7	4	4



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

*Table 19*  
*Page 2 of 2*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Academic buildings</b>	19	22	22	22	22
Square footage (in thousands)	296,531	355,002	355,002	355,002	355,002
<b>Libraries</b>	3	3	3	3	3
Square footage (in thousands)	29,540	29,540	29,540	29,540	29,540
Number of Volumes (in thousands)	61,047	60,617	56,507	59,898	60,894
<b>Administrative and support buildings</b>	10	5	5	5	5
Square footage (in thousands)	208,514	108,847	108,847	108,847	104,287
<b>Dormitories/Apartments</b>	22	24	24	24	24
Square footage (in thousands)	174,848	169,304	169,304	169,304	169,304
Number of Beds	860	860	860	860	860
<b>Dining Facilities</b>	2	2	2	2	2
Square footage (in thousands)	25,100	25,100	25,100	25,100	25,100
Average daily customers	1,564	1,074	1,198	1,302	1,450
<b>Athletic Facilities</b>	12	7	7	7	7
Square footage (in thousands)	77,658	81,708	81,708	81,708	81,708
Gymnasiums/Weight Room	2	2	2	2	2
Tennis Court	-	-	-	-	-
<b>Physical Plant Facilities</b>	5	3	3	3	3
Square footage (in thousands)	23,140	23,023	23,023	23,023	23,023
<b>Houses</b>	16	15	14	14	14
Square footage (in thousands)	29,207	26,835	25,535	25,535	25,535
<b>Transportation</b>	60	53	48	48	48
Cars	22	14	12	11	11
Light Trucks/Vans	34	35	32	33	33
Buses	4	4	4	4	4



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



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

To the Board of Trustees  
Navarro College District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Navarro College District (the “District”), as of and for the years ended August 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated December 14, 2023. Our report includes a reference to other auditors who audited the financial statements of Navarro College Foundation (the “Foundation”), as described in our report on the District’s financial statements. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Foundation.

**Internal Control Over Financial Reporting**

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

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

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

To the Board of Trustees  
Navarro College District

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas  
December 14, 2023

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

To the Board of Trustees  
Navarro College District

**Report on Compliance for Each Major Federal and State Program**

***Opinion On Each Major Program***

We have audited Navarro College District's (the "District") compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the Texas Grant Management Standards (TxGMS) that could have a direct and material effect on each of the District's major federal and state programs for the year ended August 31, 2023. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2023.

***Basis for Opinion On Each Major Federal and State Program***

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

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

***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control Over Compliance**

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

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



To the Board of Trustees  
Navarro College District

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

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

*Whitley Penn LLP*

Houston, Texas  
December 14, 2023

**NAVARRO COLLEGE DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended August 31, 2023**

**I. Summary of Auditors' Results**

**Financial Statements**

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

**Federal Awards**

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

**Identification of Federal major programs:**

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Number (ALN)</u>
<b>US Department of Treasury</b>	
COVID-19 Coronavirus State Fiscal Recovery Fund (SFRF)	21.027
<b>US Department of Education</b>	
Student Financial Assistance Cluster:	
Federal Supplemental Education Opportunity Grant Program	84.007
Federal Work Study Program	84.033
Federal Pell Grant Program	84.063
Federal Direct Student Loans	84.268

**Identification of State major program:**

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

**II - Financial Statement Findings**

None noted.

**III - Federal Award Findings and Questioned Costs**

None noted.

**IV - State Award Findings and Questioned Costs**

None noted.

**NAVARRO COLLEGE DISTRICT**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**Year Ended August 31, 2023**

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

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

The Summary Schedule of Prior Audit Findings for the year ended August 31, 2023 has been prepared to address these responsibilities.

**I. Prior Audit Findings**

Not Applicable.

**NAVARRO COLLEGE DISTRICT**

***CORRECTIVE ACTION PLAN***

***Year Ended August 31, 2023***

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

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

**I. Corrective Action Plan**

Not Applicable.

