



Blinn College District

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

*Brenham, Texas*



*For the fiscal years  
ended August 31, 2023  
and August 31, 2022*

# BLINN COLLEGE DISTRICT

Brenham, Texas

Annual Comprehensive Financial Report

For the Years Ended  
August 31, 2023 and 2022

Prepared by:

Business and Finance Division

**BLINN COLLEGE DISTRICT**  
**Table of Contents**

**Page**

**INTRODUCTORY SECTION**

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

**FINANCIAL SECTION**

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

***Basic Financial Statements***

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

***Required Supplementary Information (RSI) Schedules***

Schedule of District's Proportionate Share of Net Pension Liability .....	66
Schedule of District's Pension Contributions .....	67
Schedule of District's Proportionate Share of Net OPEB Liability.....	68
Schedule of District's OPEB Contributions.....	69
Notes to Required Supplementary Information (RSI) – For Pensions.....	70
Notes to Required Supplementary Information (RSI) – For OPEB.....	71

***Supplementary Schedules***

Schedules	
A Schedule of Operating Revenues .....	72
B Schedule of Operating Expenses by Object .....	73
C Schedule of Non-Operating Revenues and Expenses .....	74
D Schedule of Net Position by Source and Availability .....	75
E Schedule of Expenditures of Federal Awards .....	76
F Schedule of Expenditures of State Awards .....	77
Notes to Schedules of Expenditures of Federal and State Awards .....	78

BLINN COLLEGE

Table of Contents (Continued)

Page

**STATISTICAL SUPPLEMENTS (UNAUDITED)**

**Schedules**

Net Position by Component .....	80
Revenues by Source .....	81
Program Expenses by Function.....	82
Tuition and Fees .....	83
Assessed Value and Taxable Assessed Value of Property.....	84
State Appropriation per FTSE and Contact Hour .....	85
Principal Taxpayers.....	86
Property Tax Levies and Collections .....	88
Ratios of Outstanding Debt.....	89
Legal Debt Margin Information .....	90
Pledged Revenue Coverage – Revenue Bonds .....	91
Demographic and Economic Statistics – Taxing District .....	92
Principal Employers of Washington County.....	93
Faculty, Staff, and Administrators Statistics.....	94
Enrollment Details .....	95
Student Profile.....	97
Transfers to Senior Institutions .....	98
Schedule of Capital Asset Information .....	100

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

Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i> .....	102
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by The Uniform Guidance and The State of Texas Single Audit Circular .....	104
Schedule of Findings and Questioned Costs.....	107

## **INTRODUCTORY SECTION**



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

**BOARD OF TRUSTEES**

**Chair**  
Jim Kolkhorst

**Vice Chair**  
Allison Bentke

**Secretary**  
Randy Wells

**Members**  
Diane Kettler  
Rebecca Ehlert  
Charles Moser  
Dennis Crowson

November 28, 2023

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

This Annual Comprehensive Financial Report for the fiscal year ended August 31, 2023, has been developed to provide the public a complete financial picture of the Blinn College District. This document plays an important role in meeting the District's strategic objective to promote inclusive and transparent financial and budgeting processes. By sharing financial information and data clearly, we provide stakeholders a clear vision of the District's priorities.

As this report demonstrates, Blinn has utilized a variety of funding strategies to minimize debt while developing the first-class facilities necessary to meet the growing and changing needs of the communities it serves. As part of its [Districtwide Facilities Master Plan](#) that was adopted by the Blinn College District Board of Trustees in May 2021, Blinn recently began construction on the 46,000-square-foot Bryan Campus Administration Building, which will allow Blinn to move academic advising, enrollment services, financial aid, and veterans services from their current off-campus location to a more convenient on-campus site.

Through this and many other recent developments, including recent openings of the Science, Technology, Engineering, and Innovation Building and the Prairie Lea Hall student housing complex on the Blinn-Brenham Campus and the Blinn RELLIS Administration Building at Texas A&M-RELLIS, Blinn remains positioned to carry out its mission in an efficient and effective manner and to continue to provide affordable educational programs that meet the needs of citizens throughout its service area. Under the leadership of the Blinn Board of Trustees, we look forward to continuing to be a state leader in student achievement while operating in a fiscally responsible manner.

Sincerely,

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

Office of the Chancellor, Blinn College District



November 28, 2023

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

The following Annual Comprehensive Financial Report of the Blinn College District for the fiscal year ended August 31, 2023, is hereby submitted. Responsibility for the preparation and integrity of the financial information, and the completeness and fairness of the presentation, rests with the College District. The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) and comply with Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges as set forth by the Texas Higher Education Coordinating Board (THECB).

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

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

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

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

BUSINESS AND FINANCE DIVISION

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

### *Historical Statement*

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

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

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

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

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

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

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

Blinn continues to operate as one of the largest of the state's 50 public community college districts.



### ***Service Area***

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

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

### ***Academic Transfer***

According to the Texas Higher Education Coordinating Board, Blinn's academic transfer rate of 45.4% ranks No. 1 in the State of Texas, almost doubling the statewide average of 25.9%.

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

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

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

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

### **Mission, Vision, and Values**

BUSINESS AND FINANCE DIVISION

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

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

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

Core Values:

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

***Economic Condition and Outlook***

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

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

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

***Financial Planning and Budgeting***

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

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

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

In FY23, the District budgeted over \$121 million in annual revenue and realized \$122 million (100% of budget). In addition, in FY22, the District budgeted \$121 million in expenditures and expended \$111 million (8% under budget).

At the end of FY23, Blinn's unrestricted cash balance was \$126 million. The District's five months Operating Reserve remains beyond the median of four months for A- rated community colleges. In addition, due to its increased cash flow, the District maintained its \$15 million Capital and Deferred Reserve and its \$2 million Technology Reserve. At year end, the College has spent most of the \$700,000 Auxiliary Reserve on refurbishing and equipping space at Mill Creek Hall for esports.

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

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

### ***Major Initiatives***

Fall 2023, Blinn has the second-highest enrollment in the institution's history of approximately 18,600 students. Blinn's administration expects student enrollment to grow as additional face-to-face and distance learning opportunities increase. In the coming years, administration predicts enrollment will surpass 20,000 students.

Administration is currently keeping more than five months of unrestricted cash in operating reserves. The College has additional cash to fund the construction of a new administrative building in Bryan. In addition, the College is exploring purchasing land in the Waller ISD service area.

Blinn has four major capital projects planned over the coming five years. Those projects include: Constructing the Bryan Administration Building (In progress, cost \$30 million, paid from cash reserves); Purchasing land in Waller (Pending, cost \$20 million, planned source from cash reserves); various repairs and renovations (Pending, cost \$15 million, planned source from cash reserves); New facility in Waller (3-5 year timeline, cost \$50 million, using bond sales, cash reserves, or combination of both).

### ***Independent Audit***

State statutes require an annual audit by independent certified public accountants. The College District's Board of Trustees selected the accounting firm of Lott, Vernon & Company, P.C. In

addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the Federal Single Audit Act, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements of Federal Awards* and the State of Texas *Single Audit Circular*.

***Award***

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Blinn College District for its FY22 Annual Comprehensive Financial Report (ACFR) for the year ended August 31, 2022. The College previously received the award for its FY19, FY20, and FY21 submissions. To be awarded a Certificate of Achievement, a governmental entity must publish an easily readable and efficiently organized ACFR. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting and its attainment represents a significant accomplishment by a governmental entity and its management.

A Certificate of Achievement is valid for a period of one year only. The College plans to submit the FY23 ACFR upon acceptance by the Blinn Board of Trustees in December 2023. The District believes the FY23 ACFR will continue to meet the Certificate of Achievement program requirements and awaits the GFAO eligibility for another certificate.

***Acknowledgements***

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

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

Sincerely,



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

# BLINN COLLEGE DISTRICT

Organizational Data  
Year Ended August 31, 2023

## Board of Trustees

### Board Officers

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

### Members

### Term Expires

Jim Kolkhorst	Brenham, Texas	5/2025
Allison Bentke	Brenham, Texas	5/2029
Randy Wells	Brenham, Texas	5/2027
Diane Kettler	Brenham, Texas	5/2029
Rebecca Ehlert	Brenham, Texas	5/2027
Charles Moser	Brenham, Texas	5/2025
Dennis Crowson	Brenham, Texas	5/2025

### Key Administrators

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



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Blinn College District  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

August 31, 2022

*Christopher P. Morrill*

Executive Director/CEO

## **FINANCIAL SECTION**



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

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

KILLEEN • COPPERAS COVE • TEMPLE

Member of  
American Institute & Texas Society of  
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Blinn College District  
Brenham, Texas

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Net Position and the Statements of Cash Flows of Blinn College District, as of and for the year ended August 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Blinn College District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Blinn College District, as of August 31, 2023 and 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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

***Change in Accounting Principle***

As described in Note 8 to the financial statements, in fiscal year ending August 31, 2023, the College adopted new accounting guidance, GASB Statement No. 96, Subscription-Based Information Technology Arrangements. Our opinion is not modified with respect to this matter.

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

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

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



## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

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

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

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and the Statistical Supplements (Unaudited) but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2023, on our consideration of the Blinn College District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Blinn College District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Blinn College District’s internal control over financial reporting and compliance.



Temple, Texas  
November 28, 2023

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following discussion and analysis of Blinn College District's (the District) annual financial statements provides an overview of the District's financial performance for the fiscal years ended August 31, 2023 and August 31, 2022. Management's discussion and analysis is based on management's knowledge of current activities, resultant changes and known facts; therefore, it should be read in conjunction with the accompanying basic financial statements and associated notes. The basic financial statements, notes and this discussion are the responsibility of management.

### **Financial Highlights and Significant Activities for 2023**

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

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

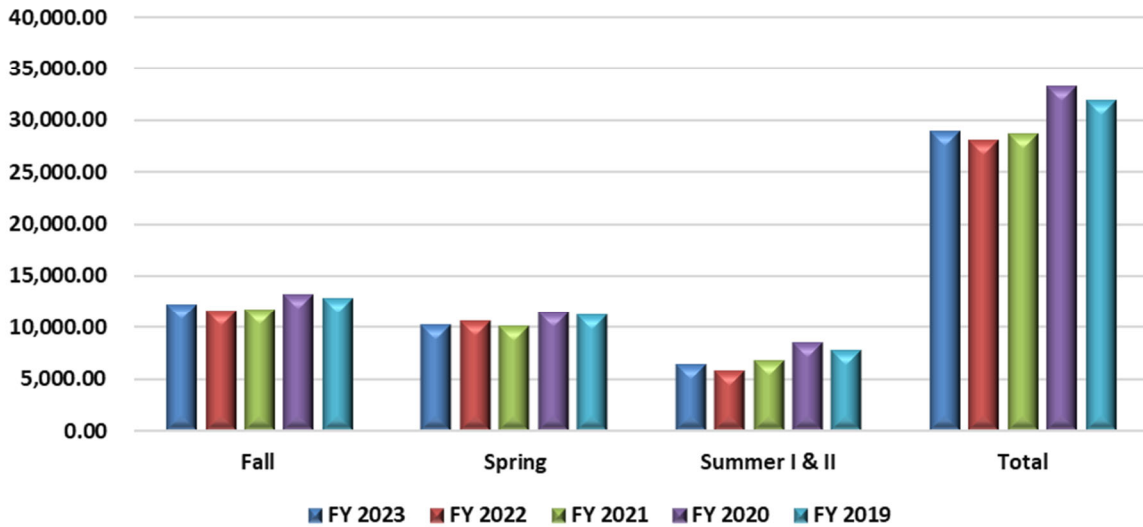
### **Financial Highlights and Significant Activities for 2022**

The District's net position increased approximately \$11.9 million, or 9%. This increase is primarily attributable to an increase of \$19.2 million of Assets, decrease of \$5.9 million in Deferred Outflows, decrease of \$1.9 million in Liabilities and an increase of \$3.3 million in Deferred Inflows.

Total operating expenses increased \$2.1 million, or 2%. This increase is primarily attributable to an increase in Operation and Maintenance of Plant of \$2.7 million, Scholarships of \$0.2 million, Depreciation and Amortization of \$1.8 million, Auxiliary Enterprises of \$1.6 million and a decrease in the cost of General Instruction of \$3.0 million, Academic Support of \$0.04 million, Public Service of \$0.5 million, Student Services of \$0.3, and Institutional Support of \$0.3 million,

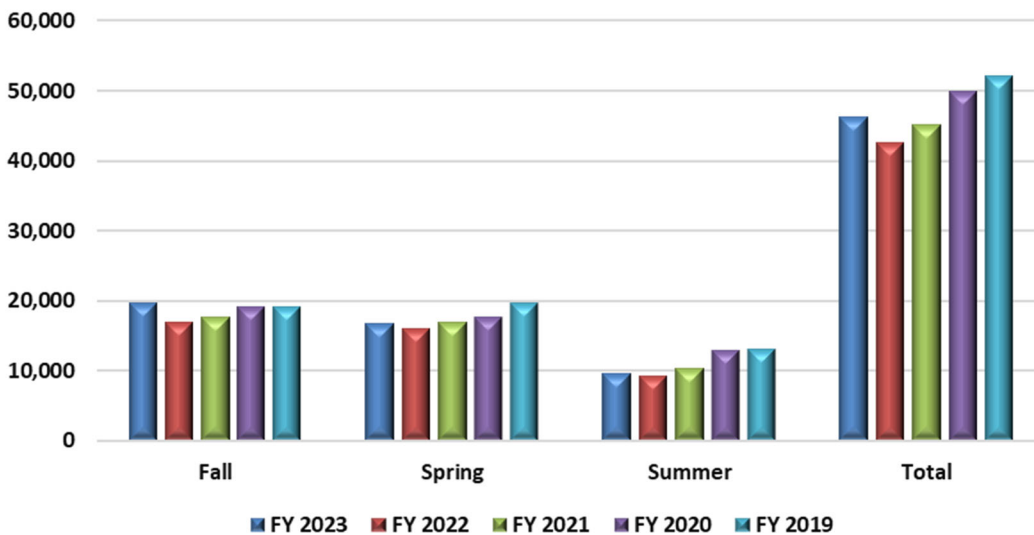
Below is a breakdown of the District's full time equivalency (FTE) enrollment (FTE is calculated based on 15 semester credit hours for Fall, 15 semester credit hours for Spring, and 6 semester credit hours for summer terms) by term for fiscal years 2023, 2022, 2021, 2020, and 2019.

**Blinn College District  
Student FTE  
Fiscal Years 2023, 2022, 2021, 2020, and 2019**



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

**Blinn College District  
Headcount Enrollment Trend  
Fiscal Years 2023, 2022, 2021, 2020, 2019**



## Overview of the Basic Financial Statements

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

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

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

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

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

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

## Statement of Net Position

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

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease) 2023-2022</u>	<u>2021</u>	<u>Increase (Decrease) 2022-2021</u>
<b>Assets:</b>					
Current Assets	\$ 157.0	\$ 158.6	\$ (1.6)	\$ 166.0	\$ (7.4)
Capital Assets, Net of					
Depreciation	233.2	228.6	4.6	201.8	26.8
Noncurrent Assets	<u>8.1</u>	<u>9.1</u>	<u>(1.0)</u>	<u>9.3</u>	<u>(0.2)</u>
Total Assets	398.3	396.3	2.0	377.1	19.2
<b>Deferred Outflows of Resources:</b>					
Net deferred outflows of resources related to pensions/OPEB	<u>24.6</u>	<u>21.6</u>	<u>3.0</u>	<u>27.5</u>	<u>(5.9)</u>
Total Deferred Outflow of Resources	24.6	21.6	3.0	27.5	(5.9)
<b>Liabilities:</b>					
Current Liabilities	64.0	61.4	2.6	60.2	1.2
Noncurrent Liabilities	<u>183.0</u>	<u>188.3</u>	<u>(5.3)</u>	<u>191.4</u>	<u>(3.1)</u>
Total Liabilities	247.0	249.7	(2.7)	251.6	(1.9)
<b>Deferred Inflows of Resources:</b>					
Net deferred inflows of resources related to pensions/OPEB	<u>29.6</u>	<u>23.7</u>	<u>5.9</u>	<u>20.4</u>	<u>3.3</u>
Total Deferred Inflows of Resources	29.6	23.7	5.9	20.4	3.3
<b>Net Position:</b>					
Net Investment in Capital Assets	128.3	118.4	9.9	101.2	17.2
Restricted	9.2	10.5	(1.3)	10.4	0.1
Unrestricted	<u>8.8</u>	<u>15.6</u>	<u>(6.8)</u>	<u>21.0</u>	<u>(5.4)</u>
Total Net Position	<u>\$ 146.3</u>	<u>\$ 144.5</u>	<u>\$ 1.8</u>	<u>\$ 132.6</u>	<u>\$ 11.9</u>

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

At August 31, 2022, current assets included \$132.0 million of cash and cash equivalents and investments, and \$25.3 million in net student receivables related primarily to the Fall 2022 semester. The decrease of \$7.4 million in current assets is due primarily to a \$14.2 million decrease in restricted cash and cash equivalents and \$8 thousand in inventories offset by an increase of \$0.4 million in cash and cash equivalents, \$4.7 million in investments, \$1.4 million increase in net account receivables, \$0.02 million in interest receivables and \$0.3 million in other assets.

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

The District implemented GASB Statement No. 87, Leases in FY 2022 requiring specific leases and contracts be capitalized over the life of the lease or contract. The net increase of \$0.8 million of Lease Assets consists of \$0.77 million of Leased Real Estate and \$28 thousand of Leased Equipment offset by \$0.8 million of accumulated amortization.

The District implemented GASB Statement No. 96 Subscription-Based Information Technology Arrangements (SBITA) in FY 2023 requiring specific leases and contracts pertaining to software subscriptions be capitalized over the life of the lease or contract. The District recorded \$7.4 million in SBITA offset by \$4.2 million of accumulated amortization. Implementing GASB Statement No. 96 required the College to recognize a prior period adjustment to net position by \$2.2 million.

The District's noncurrent assets include funds restricted for debt service, net capital assets, and other investments. Noncurrent assets, excluding capital assets, decreased by \$1.0 million due to slight decrease in bond debt reserve requirements. For detailed information of capital asset activity, see *Note 6 Capital Assets*.

Current liabilities increased \$2.6 million in total. Unearned revenues increased \$1.6 million, funds held for others increased \$0.2 million, student housing deposits increased \$9 thousand, lease payable current portion increased by \$2.4 million, and accrued compensated absence liability increased \$0.5 million offset by decrease of \$1.0 million in accounts payable, bonds payable current portion decreased \$1.2 million, and \$15 thousand in net OPEB liability current portion. Current liabilities increased \$1.2 million in Fiscal Year 2022 compared to Fiscal Year 2021.

Noncurrent liabilities decreased \$5.3 million in Fiscal Year 2023. Lease liability increased \$0.5 million and net pension liability increased by \$12.3 million offset by decrease of net OPEB liability of \$13.9 million and \$4.2 million in bonds payable. For detailed information on long-term debt activity, see *Note 7 Noncurrent Liabilities*.

## Statement of Revenues, Expenses and Changes in Net Position

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

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease) 2023-2022</u>	<u>2021</u>	<u>Increase (Decrease) 2022-2021</u>
Operating Revenues:					
Student Tuition and Fees, Net	\$ 64.8	\$ 61.00	\$ 3.8	\$ 60.7	\$ 0.1
Federal Grants and Contracts	1.6	1.6	-	1.5	0.1
State Grants and Contracts	2.0	1.5	0.5	1.4	0.1
Auxiliary Enterprises, Net	11.0	9.7	1.3	7.6	2.3
Other	0.9	1.3	(0.4)	0.6	0.7
Total Operating Revenues	<u>80.3</u>	<u>75.1</u>	<u>5.2</u>	<u>71.8</u>	<u>3.3</u>
Less Operating Expenses	<u>134.6</u>	<u>129.1</u>	<u>5.5</u>	<u>127.0</u>	<u>2.1</u>
Operating Loss	(54.3)	(54.0)	(0.3)	(55.2)	1.2
Nonoperating Revenues(Expenses)					
State Appropriations	31.7	30.8	0.9	31.9	(1.1)
Property Taxes	2.3	2.3	-	2.3	-
Federal Revenue, Nonoperating	17.4	50.5	(33.1)	48.0	2.5
Gifts	0.6	1.3	(0.7)	0.8	0.5
Investment Income	4.1	0.9	3.2	0.8	0.1
Unrealized Gain(Loss) Investments	0.3	(0.8)	1.1	0.1	(0.9)
Interest on Capital Related Debt	(3.4)	(3.6)	0.2	(4.0)	0.4
Other	0.9	(15.5)	16.4	(4.1)	(11.4)
Total Nonoperating Revenues	<u>53.9</u>	<u>65.9</u>	<u>(12.0)</u>	<u>75.8</u>	<u>(9.9)</u>
Income Before Other Revenue	(0.4)	11.9	(12.3)	20.6	(8.7)
Transfer In from Foundation	<u>-</u>	<u>-</u>	<u>-</u>	<u>2.2</u>	<u>(2.2)</u>
Total Increase in Net Position	(0.4)	11.9	(12.3)	22.8	(10.9)
Net Position, Beginning of Year	144.5	132.6	11.9	109.8	22.8
Cumulative Effect of Change in Accounting Principle	<u>2.2</u>	<u>-</u>	<u>2.2</u>	<u>-</u>	<u>-</u>
Net Position, Beginning of Year, as restated	<u>146.7</u>	<u>132.6</u>	<u>14.1</u>	<u>109.8</u>	<u>22.8</u>
Net Position, End of Year	<u>\$ 146.3</u>	<u>\$ 144.5</u>	<u>\$ 1.8</u>	<u>\$ 132.6</u>	<u>\$ 11.9</u>

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



During Fiscal Year 2022, total operating revenues increased \$3.3 million from 2021, net student tuition and fees increased \$0.1 million, federal and state grants increased \$0.2 million in total from 2021, auxiliary enterprises revenues increased \$2.3 million, and other miscellaneous operating revenue increased \$0.7 million.

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

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease) 2023-2022</u>	<u>2021</u>	<u>Increase (Decrease) 2022-2021</u>
Instructional and General	\$ 65.8	\$ 60.2	\$ 5.6	\$ 64.1	\$ (3.9)
Institutional Support	11.4	15.5	(4.1)	15.8	(0.3)
Operation and Maintenance of Plant	19.0	21.9	(2.9)	19.2	2.7
Auxiliary Enterprises	12.2	10.8	1.4	9.2	1.6
Depreciation and Amortization	12.6	7.6	5.0	5.8	1.8
Scholarships and Fellowships	13.6	13.1	0.5	12.9	0.2
<b>Total Operating Expenses</b>	<u>\$ 134.6</u>	<u>\$ 129.1</u>	<u>\$ 5.5</u>	<u>\$ 127.0</u>	<u>\$ 2.1</u>
Non-Operating Revenues (Expenses):					
State Appropriations	31.7	30.8	0.9	31.9	\$ (1.1)
Property Taxes	2.3	2.3	-	2.3	-
Federal Revenue, Non-Operating	17.4	50.5	(33.1)	47.9	2.6
Gifts	0.6	1.3	(0.7)	0.8	0.5
Unrealized Gain (Loss) on Investments	0.3	(0.8)	1.1	0.1	(0.9)
Investment Income	4.1	0.9	3.2	0.7	0.2
Gain (Loss) on Disposal of Capital Assets	0.0	(1.6)	1.6	-	(1.6)
Interest on Capital Related Debt	(3.4)	(3.6)	0.2	(4.0)	0.4
Other Non-Operating Expenses	0.9	(13.9)	14.8	(3.9)	(10.0)
<b>Net Non-Operating Revenues (Expenses)</b>	<u>\$ 53.9</u>	<u>\$ 65.9</u>	<u>\$ (12.0)</u>	<u>\$ 75.8</u>	<u>\$ (9.9)</u>

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

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

In Fiscal Year 2022, total operating expenses increased \$2.1 million from Fiscal Year 2021. This increase is primarily attributable to the increase of cost of operation and maintenance of plant of \$2.7 million, increase of \$1.6 million in auxiliary enterprises, increase of \$1.8 million in depreciation and amortization, increase of \$0.2 million in

scholarships offset by a decrease in the cost of instruction of \$3.9 million, and a decrease of \$0.3 million in institutional support.

For Fiscal Year 2022, the net non-operating revenues (expenses) decreased \$9.9 million from Fiscal Year 2021. This is primarily attributable to the \$10.0 million increase in other non-operating expenses, increase in loss on disposal of capital assets of \$1.6 million, increase of \$0.9 million in unrealized loss, and decrease of \$1.1 million in state appropriations offset by \$2.6 million in federal revenue, increase of \$0.5 million in gifts, increase of \$0.2 million in investment income, and a decrease of \$0.4 million in interest on capital related debt.

## Statement of Cash Flow

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

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease) 2023-2022</u>	<u>2021</u>	<u>Increase (Decrease) 2022-2021</u>
Cash Provided by (Used in):					
Operating Activities	\$ (36.3)	\$ (39.4)	\$ 3.1	\$ (37.5)	\$ (1.9)
Non-Capital Financing Activities	44.6	60.0	(15.4)	68.2	(8.2)
Capital and Related Financing Activities	(17.2)	(37.7)	20.5	(28.2)	(9.5)
Investing Activities	<u>(7.5)</u>	<u>3.3</u>	<u>(10.8)</u>	<u>(7.9)</u>	<u>11.2</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(16.4)	(13.8)	(2.6)	(5.4)	(8.4)
Cash and Cash Equivalents - Beginning of Year	<u>78.8</u>	<u>92.6</u>	<u>(13.8)</u>	<u>98.0</u>	<u>(5.4)</u>
Cash and Cash Equivalents - End of Year	<u>\$ 62.4</u>	<u>\$ 78.8</u>	<u>\$ (16.4)</u>	<u>\$ 92.6</u>	<u>\$ (13.8)</u>

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

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

Cash used in operations in Fiscal Year 2022 increased \$1.9 million from 2021 primarily due to \$6.7 million increase in receipts from students, \$22.2 million increase in receipts from grants and contracts, \$7.0 million decrease in payments to or on behalf of employees, \$0.2 million increase in other receipts offset by \$23.7 million increase in payments for scholarships and \$14.3 million increase in payments to suppliers.

In addition to state appropriations, non-capital financing activities include property tax receipts, non-operating Federal revenue (Title IV funds) and changes to permanent endowments. The \$15.4 million decrease is primarily attributable to the decrease of \$17.2 million in payments from HEERF to students and \$1.1 million increase in state appropriations offset by \$33.1 million decrease in receipts from federal non-operating revenue, \$0.6 million decrease in receipts from gifts, and \$4 thousand decrease in receipts from property taxes.

Variations in cash used for capital and related financing activities are dependent on the District's issuance and payment of long-term debt and capital acquisitions. The \$20.5 million decrease is primarily attributable to the, the \$0.2 million increase in payments on capital debt principal, offset by \$20.5 million decrease in purchases of capital assets, and \$0.2 million decrease in payments on capital debt interest.

The variance in cash provided by investing activities in 2023 and 2022 is due primarily to the purchase, sales, and maturities of investments.

### **Capital Assets and Debt Administration**

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

In Fiscal Year 2022, the District had total net capital asset additions of approximately \$26.8 million and the annual depreciation and amortization expense of \$7.6 million. There was a net decrease of \$38.1 million in construction in progress. The construction in progress at year-end consists of Brenham Campus College Avenue and Sidewalks Project, eSports renovation, LeRoy Dreyer Field Project, Monuments Project, and Property purchases in progress and the Bryan Campus Administration Building and Chiller Replacement. The net decrease of \$1.3 million in land is from two property purchases and one property sale. The decrease of \$0.7 million in Collections is from the transfer of the Star of Texas Museum's artifact collection to the Texas Historical Society. The net increase of \$57.0 million in Buildings is primarily from the completion of the Brenham Campus Science, Technology, Innovation and Engineering Building and the RELLIS Campus Administration Building. The increase in Land Improvement is from the completion of a Brenham Campus parking lot. The net decrease of \$0.6 million in Furniture, Equipment, and Vehicles is from \$0.9 million in additions, \$0.9 million of disposals, and \$0.6 million of reclassifications out. The net decrease of \$0.5 million Computer Equipment is from \$0.4 million of additions, \$1.5 million of disposals, and \$0.6 million of reclassifications additions. The \$0.1 million increase in Library Books is from additions to the Library Collection.

### **Future Considerations**

The 88th Legislative Session passed House Bill 8 into law which created a new funding model to fund community colleges in Texas. The new funding model is an outcomes-based approach which rewards colleges for awarding degrees, certificates, and other credentials of value. House Bill 8 creates the Financial Aid for Swift Transfer (FAST) scholarship program for low-income dual credit students. Blinn College District has a history of success with these measured outcomes of House Bill 8. The District received a 2.9% increase in state funding due to this new legislation.

Blinn's 45.4% academic transfer rate ranks as one of the highest in the country and No. 1 among the 50 community college districts in Texas, far exceeding the state-wide average of 25.9%. Blinn has established itself as an academic transfer leader by building strong relationships with the State's top four-year universities. As the community college partner in the [RELLIS Academic Alliance](#), Blinn offers seamless pathways and dual-enrollment opportunities for students to earn their bachelor's degrees from The Texas A&M University System regional universities also located at Texas A&M-RELLIS in Bryan, Texas.

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

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

In FY23, Blinn's Administration began a Districtwide Facilities Plan project to construct an administration building on the north side of the Blinn-Bryan campus. The general scope of the project calls for a 45,000-square-foot facility with a budget of \$31 million. The project will include a new entrance to the campus, a monument sign, and road extension. The project is intended to allow the College to move most of its student service and business functions, currently housed in a leased off-campus facility, to the Blinn-Bryan campus. The entire project will be paid from Blinn's unrestricted cash and is on track for completion in January 2025.

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

### **Contacting the District's Financial Management**

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

**BLINN COLLEGE DISTRICT**  
**Statements of Net Position**  
**August 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 61,539,730	\$ 78,140,511
Restricted cash and cash equivalents	861,651	692,939
Investments	64,515,938	53,202,959
Restricted investments		
Accounts receivable (net)	27,344,290	25,286,504
Interest and dividends receivable	1,026,954	165,209
Inventories	17,279	7,141
Other assets	1,765,895	1,154,473
Total Current Assets	<u>157,071,737</u>	<u>158,649,736</u>
Noncurrent Assets:		
Restricted investments	8,052,624	9,098,664
Capital Assets (net)	233,189,776	228,582,068
Total Noncurrent Assets	<u>241,242,400</u>	<u>237,680,732</u>
Total Assets	<u><u>398,314,137</u></u>	<u><u>396,330,468</u></u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows of resources related to pensions	16,293,931	7,678,463
Deferred outflows of resources related to OPEB	8,259,532	13,937,410
Total Deferred Outflows of Resources	<u>24,553,463</u>	<u>21,615,873</u>
<b>Liabilities</b>		
Current Liabilities:		
Accounts payable	11,685,946	12,686,588
Funds held for others	1,235,307	1,044,213
Unearned revenues	42,235,355	40,576,324
Deposits	186,000	176,600
Bonds payable - current portion	3,900,000	5,010,000
Lease Liability - current portion	2,959,124	561,317
Accrued Compensated Absence Liability	512,060	
Net OPEB liability - current portion	1,294,718	1,309,998
Total Current Liabilities	<u>64,008,510</u>	<u>61,365,040</u>
Noncurrent Liabilities:		
Bonds payable	100,995,404	105,149,559
Lease Liability	10,554,827	10,023,569
Net pension liability	22,982,824	10,718,973
Net OPEB liability	48,506,200	62,431,754
Total Noncurrent Liabilities	<u>183,039,255</u>	<u>188,323,855</u>
Total Liabilities	<u>247,047,765</u>	<u>249,688,895</u>
<b>Deferred Inflows of Resources</b>		
Deferred inflows of resources related to pensions	9,491,911	12,744,782
Deferred inflows of resources related to OPEB	20,068,216	10,975,224
Total Deferred Inflow of Resources	<u>29,560,127</u>	<u>23,720,006</u>
<b>Net Position</b>		
Net Investment in capital assets	128,294,372	118,422,509
Restricted for:		
Nonexpendable		
Expendable		
Student aid	1,616,548	1,552,558
Debt service	7,539,103	8,946,867
Unrestricted	8,809,685	15,615,506
Total Net Position (Schedule D)	<u><u>\$ 146,259,708</u></u>	<u><u>\$ 144,537,440</u></u>

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

**BLINN COLLEGE FOUNDATION, INC.**  
**Statements of Financial Position**  
**August 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash	\$ 361,957	\$ 509,212
Certificates of Deposit	259,463	258,486
Unconditional promises to give	134,414	86,273
Other Assets	11,500	
Total Current Assets	<u>767,334</u>	<u>853,971</u>
Restricted Assets:		
Cash	455,321	367,668
Investments	30,294,041	26,791,483
Total Restricted Assets	<u>30,749,362</u>	<u>27,159,151</u>
Long-term Unconditional Promises to Give:		
Total face-value of promises	202,294	241,488
Less amount classified as current	(134,414)	(86,273)
Net long-term unconditional promises to give	<u>67,880</u>	<u>155,215</u>
Other Assets:		
Oil/Gas royalty interest	10,000	10,000
Total Assets	<u>31,594,576</u>	<u>28,178,337</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities:</b>		
Accounts payable	24,693	36,585
Total Liabilities	<u>24,693</u>	<u>36,585</u>
<b>Net Assets:</b>		
Net Assets with Donor Restrictions	31,208,968	27,775,380
Net Assets without Donor Restrictions	360,915	366,372
Total Net Assets	<u>31,569,883</u>	<u>28,141,752</u>
Total Liabilities and Net Assets	<u>\$ 31,594,576</u>	<u>\$ 28,178,337</u>

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

**BLINN COLLEGE DISTRICT**  
**Statements of Revenues, Expenses and Changes in Net Position**  
**Years Ended August 31, 2023 and August 31, 2022**

	<u>2023</u>	<u>2022</u>
<b>Operating Revenues</b>		
Tuition and Fees (net of discounts of \$13,893,377 and \$12,158,011, respectively)	\$ 64,759,555	\$ 61,049,898
Federal Grants and Contracts	1,556,976	1,554,596
State Grants and Contracts	2,021,829	1,534,827
Sales and Services of Educational Activities	285,831	770,439
Auxiliary Enterprises (net of discounts of \$1,092,461 and \$1,022,863, respectively)	10,989,286	9,677,536
Other Operating Revenues	598,636	529,477
Total Operating Revenues (Schedule A)	<u>80,212,113</u>	<u>75,116,773</u>
<b>Operating Expenses</b>		
Instruction	45,954,732	42,068,199
Public Service	876,186	293,373
Academic Support	11,642,437	10,787,704
Student Services	7,440,079	7,010,471
Institutional Support	11,417,396	15,523,198
Operation and Maintenance of Plant	19,001,155	21,939,297
Scholarships and Fellowships	13,593,389	13,055,116
Auxiliary Enterprises	12,166,204	10,835,903
Depreciation	7,055,293	6,694,376
Amortization	5,529,068	884,811
Total Operating Expenses (Schedule B)	<u>134,675,939</u>	<u>129,092,448</u>
Operating Loss	<u>(54,463,826)</u>	<u>(53,975,675)</u>
<b>Non-Operating Revenues (Expenses)</b>		
State Appropriations	31,676,100	30,764,190
Property Taxes	2,325,284	2,331,621
Federal Revenue, Non Operating	17,412,409	50,476,739
Gifts	618,428	1,263,147
Unrealized Gain (Loss) on Investments	318,531	(847,044)
Investment Income	4,108,153	925,973
Insurance Proceeds	844,907	3,388,834
Gain on Disposal of Capital Assets	27,363	(1,637,750)
Interest on Capital Related Debt	(3,383,964)	(3,594,616)
Other Non-Operating Revenue (Expenses)	-	(17,153,777)
Net Non-Operating Revenues (Schedule C)	<u>53,947,211</u>	<u>65,917,317</u>
Change in Net Position	(516,615)	11,941,642
<b>Net Position</b>		
Net Position, Beginning of Year	144,537,440	132,595,798
Adjustments to Net Position, Beginning of Year	2,238,883	-
Adjusted Net Position, Beginning of Year	<u>146,776,323</u>	<u>132,595,798</u>
Net Position, End of Year	<u>\$ 146,259,708</u>	<u>\$ 144,537,440</u>

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

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

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

-

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



**BLINN COLLEGE FOUNDATION, INC.**  
**Statement of Activities**  
**For The Year Ended August 31, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Public Support and Revenues</b>			
Donations	\$ 39,630	\$ 1,181,381	\$ 1,221,011
Contributions of non-financial assets	61,231		61,231
Investment income (loss)	76,290	(4,819,285)	(4,742,995)
Oil/Gas royalty	1,641	-	1,641
Net assets released from purpose restrictions	892,458	(892,458)	-
Total Public Support and Revenues	<u>1,071,250</u>	<u>(4,530,362)</u>	<u>(3,459,112)</u>
<b>Expenses</b>			
Program services:			
Expenditures for the benefit of Blinn College	192,637	-	192,637
Scholarships	703,579	-	703,579
Support services:			
Administrative expenses	69,954	-	69,954
Fund raising expenses	653	-	653
Total Expenses	<u>966,823</u>	<u>-</u>	<u>966,823</u>
Change in Net Assets	104,427	(4,530,362)	(4,425,935)
Net Assets - Beginning of Year	<u>261,945</u>	<u>32,305,742</u>	<u>32,567,687</u>
Net Assets - End of Year	<u>\$ 366,372</u>	<u>\$ 27,775,380</u>	<u>\$ 28,141,752</u>

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

**BLINN COLLEGE DISTRICT**  
**Statements of Cash Flows**  
**Years Ended August 31, 2023 and August 31, 2022**

	<u>2023</u>	<u>2022</u>
<b>Cash Flows From Operating Activities:</b>		
Receipts from students and other customers	\$ 75,949,037	\$ 74,085,325
Receipts from grants and contracts	25,990,298	25,966,929
Payments to suppliers for goods and services	(72,308,830)	(36,903,326)
Payments to or on behalf of employees	(30,372,920)	(66,346,327)
Payments for scholarships	(36,116,243)	(36,697,247)
Other receipts	598,636	531,758
Net cash provided (used) by operating activities	<u>(36,260,022)</u>	<u>(39,362,888)</u>
<b>Cash Flows From Non-Capital Financing Activities:</b>		
Receipts from state appropriations	24,237,461	23,099,809
Receipts from property taxes	2,324,017	2,327,570
Receipts from non operating federal revenue	17,412,409	50,476,739
Receipts from gifts other than capital	618,428	1,263,147
Payments from Federal HEERF to Students	-	(17,153,777)
Net cash provided (used) by non-capital financing activities	<u>44,592,315</u>	<u>60,013,488</u>
<b>Cash Flows From Capital Financing Activities:</b>		
Purchases of capital assets	(8,832,120)	(29,376,976)
Payments on capital debt - principal	(5,010,000)	(4,790,000)
Payments on capital debt - interest	(3,383,964)	(3,594,616)
Net cash provided (used) by capital and related financing activities	<u>(17,226,084)</u>	<u>(37,761,592)</u>
<b>Cash Flows From Investing Activities:</b>		
Proceeds from sales and maturities of investments	9,254,497	6,905,555
Interest on investments	3,246,408	907,449
Purchases of investments	(20,039,183)	(4,473,507)
Net cash provided (used) by investing activities	<u>(7,538,278)</u>	<u>3,339,497</u>
Increase (Decrease) in Cash and Cash Equivalents	(16,432,069)	(13,771,495)
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>78,833,450</u>	<u>92,604,945</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 62,401,381</u>	<u>\$ 78,833,450</u>
<b>Reconciliation of Net Operating Loss to Net Cash Used by Operating Activities:</b>		
Operating loss	\$ (54,463,826)	\$ (53,975,675)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation and Amortization expense	12,584,361	7,579,187
Noncash state appropriations for employee benefits	7,438,639	7,664,381
Changes in assets and liabilities:		
Receivables (net)	(2,056,521)	(1,427,429)
Inventories	(10,138)	8,245
Other assets	(611,422)	(337,893)
Accounts payable	(1,000,640)	(2,126,241)
Funds held for others	191,094	182,430
Unearned revenues	1,659,031	3,024,907
Deposits	9,400	45,200
Net cash used by operating activities	<u>\$ (36,260,022)</u>	<u>\$ (39,362,888)</u>

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**1. Reporting Entity**

Blinn College District (the District) was established in 1883, in accordance with the laws of the State of Texas, to serve the educational needs of Washington County and the thirteen counties in the service area. The District operates campuses in the cities of Brenham, Bryan, Schulenburg and Sealy, Texas. The District is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*. While the District receives funding from local, State of Texas (the State), and Federal sources, and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

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

**2. Summary of Significant Accounting Policies**

Reporting Guidelines

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

Tuition Discounting

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

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

*Other Tuition Discounts* - The District awards tuition and fee scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the amount

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**2. Summary of Significant Accounting Policies continued**

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

Basis of Accounting

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

Budgetary Data

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

Cash and Cash Equivalents

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

Deferred Inflows

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

Deferred Outflows

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

Estimates

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**2. Summary of Significant Accounting Policies continued**

Operating and Non-Operating Revenue and Expense Policy

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

Investments

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

Inventories

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

Capital Assets

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

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

Unearned Revenue

Tuition, fees, housing and meal charges of \$40,562,098 and \$40,090,980 and federal, state and local grants of \$1,673,257 and \$485,344 have been reported as unearned revenue at August 31, 2023 and 2022, respectively.

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**2. Summary of Significant Accounting Policies continued**

Other Post-Employment Benefits (OPEB)

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

Pensions

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

**3. Authorized Investments**

The Board of Trustees of the District has adopted a written investment policy regarding the investments of its funds as defined in the Public Funds Investment Act (Chapter 2256.001 Texas Government Code). The investments of the District are in compliance with the Board of Trustees' investment policy and the Public Funds Investment Act. The District is authorized to invest in obligations and instruments as follows: (1) obligations of the United States and its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposits and (5) other instruments and obligations authorized by statute.

**4. Deposits and Investments**

Deposits

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the District's deposits may not be returned. The District's investment policy requires pledging of collateral for all bank balances in excess of Federal Depository Insurance Corporation (FDIC) limits at a minimum of 102% of fair value. As of August 31, 2023 and 2022, the District's entire bank balances of \$5,933,373 and \$13,012,152 respectively, were insured, collateralized and not exposed to custodial credit risk.

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**4. Deposits and Investments continued**

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

	<u>2023</u>	<u>2022</u>
<b>Cash and Deposits</b>		
Petty Cash	\$ 5,220	\$ 8,186
Demand Deposits	5,933,373	13,012,152
Money Market Accounts	30,836,722	29,682,345
Investment Pools		
Lone Star	3,877,366	3,712,505
TexPool	971,257	930,453
TexStar	295,575	283,202
LOGIC	20,481,868	31,204,607
Total Cash and Deposits	<u>\$ 62,401,381</u>	<u>\$ 78,833,450</u>

Investments

The District had the following investments as of August 31:

<b>Investments</b>	<b>Maturities</b>	<b>Fair Value</b>	
		<u>2023</u>	<u>2022</u>
Fixed Income	09/2023 - 09/2042	\$ 14,129,692	\$ 20,749,413
Certificate of Deposit	09/2023 - 07/2024	48,425,361	38,477,581
Mutual Funds			2,639,629
Treasury Notes	05/2024-06/2024	9,581,509	
Equities		432,000	435,000
Total Investments		<u>\$ 72,568,562</u>	<u>\$ 62,301,623</u>

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**4. Deposits and Investments continued**

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

	<u>Market Value</u> <u>August 31, 2023</u>	<u>Market Value</u> <u>August 31, 2022</u>
Total Investments	\$ 72,568,562	\$ 62,301,623
Total Cash and Deposits	62,401,381	78,833,450
<b>Total Deposits and Investments</b>	<u>\$ 134,969,943</u>	<u>\$ 141,135,073</u>

**Statement of Net Position**

Cash and Cash Equivalents	\$ 61,539,730	\$ 78,140,511
Restricted Cash and Cash Equivalents	861,651	692,939
<b>Total Cash and Deposits (Exhibit 1)</b>	<u>\$ 62,401,381</u>	<u>\$ 78,833,450</u>
Investments	\$ 64,515,938	\$ 53,202,959
Restricted Investments		
Restricted Investments Noncurrent	8,052,624	9,098,664
<b>Total Investments (Exhibit 1)</b>	<u>\$ 72,568,562</u>	<u>\$ 62,301,623</u>
<b>Total Deposits and Investments (Exhibit 1)</b>	<u>\$ 134,969,943</u>	<u>\$ 141,135,073</u>

Interest Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The District places no limit on the amount the District may invest in any one issuer. At August 31, 2023 and 2022, the District had approximately \$9.6 and \$2.6 million of its



**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**4. Deposits and Investments continued**

investment portfolio in U.S. Government and Federal Agency securities, which mature through June 2024.

During fiscal year 2006, a donor remitted shares in a Company to the District to establish an endowed scholarship. The shares had a fair value of \$432,000 and \$435,000 at August 31, 2023 and 2022, respectively. Securities donated to an investing entity for a particular purpose or under terms of use specified by the donor, are not subject to the requirements of the Public Funds Investment Act. The District amended its investment policy to allow, at the Board of Trustees discretion, the District to hold donated equities for endowed scholarships.

**5. Fair Value of Financial Instruments**

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

	<b>FY 2023</b>				<b>FY 2022</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Total</b>
Fixed Income	\$ 14,129,692			\$ 14,129,692	\$ 20,749,413
Certificate of Deposit	48,425,361			48,425,361	38,477,581
Mutual Funds				-	2,639,629
Treasury Note	9,581,509			9,581,509	
Equities	432,000			432,000	435,000
	<u>\$ 72,568,562</u>			<u>\$ 72,568,562</u>	<u>\$ 62,301,623</u>

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**6. Capital Assets**

Capital assets' activities for the years ended August 31:

	<b>BALANCES</b>				<b>BALANCES</b>
	<b>September 1,</b>				<b>August 31,</b>
	<b>2022</b>	<b>Increases</b>	<b>Decreases</b>	<b>Reclasses</b>	<b>2023</b>
Capital Assets not subject to Depreciation:					
Land	\$ 13,651,889	\$ 799,984	\$ -	\$ 7,500	\$ 14,459,373
Collections	18,500				18,500
Construction in Progress	3,911,691	5,667,776		(6,272,700)	3,306,767
Total Non Depreciated Assets	<u>\$ 17,582,080</u>	<u>\$ 6,467,760</u>	<u>\$ -</u>	<u>\$ (6,265,200)</u>	<u>\$ 17,784,640</u>
Capital Assets subject to Depreciation:					
Buildings	\$ 236,288,475	\$ -	\$ -	\$ 5,738,819	\$ 242,027,294
Land Improvements	12,869,719				12,869,719
Furniture, Equipment, vehicles	10,238,774	1,759,645	(423,574)		11,574,845
Computer Equipment	10,730,889	500,802	(588,398)		10,643,293
Library Books	5,474,098	103,913			5,578,011
Total Depreciated Assets	<u>\$ 275,601,955</u>	<u>\$ 2,364,360</u>	<u>\$ (1,011,972)</u>	<u>\$ 5,738,819</u>	<u>\$ 282,693,162</u>
Less Accumulated Depreciation					
Buildings	\$ 54,045,214	\$ 4,739,203		\$ (1,615,248)	\$ 57,169,169
Land Improvements	5,808,753	667,072		761,106	7,236,931
Furniture, Equipment, vehicles	6,628,261	908,613	(353,783)	45,589	7,228,680
Computer Equipment	8,298,077	375,465	(588,398)	390,873	8,476,017
Library Books	3,665,690	364,940		417,680	4,448,310
Total Accumulated Depreciation	<u>\$ 78,445,995</u>	<u>\$ 7,055,293</u>	<u>\$ (942,181)</u>	<u>\$ -</u>	<u>\$ 84,559,107</u>
Amortizable Assets - Intangible					
Land Use Rights - Term	\$ 5,726,556	\$ -	\$ -	\$ 526,384	\$ 6,252,940
Total Intangible Assets	<u>\$ 5,726,556</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 526,384</u>	<u>\$ 6,252,940</u>
Less Accumulated Amortization - Intangible Assets					
Land Use Rights - Term	\$ 2,139,026	\$ 344,003	\$ -		\$ 2,483,029
Total Intangible Accumulated Amortization	<u>\$ 2,139,026</u>	<u>\$ 344,003</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,483,029</u>
Amortizable Assets - Right to Use					
Real Estate Right to Use	\$ 12,133,981	\$ 768,072	\$ -	\$ -	\$ 12,902,053
Equipment Right to use	1,001,713	28,353	-		1,030,066
SBITA Right to Use		7,633,312	(222,514)		\$ 7,410,798
Total Right to Use Assets	<u>\$ 13,135,694</u>	<u>\$ 8,429,737</u>	<u>\$ (222,514)</u>	<u>\$ -</u>	<u>\$ 21,342,917</u>
Less Accumulated Amortization - Right to Use					
Real Estate Right to Use	\$ 2,435,400	\$ 556,936	\$ -	\$ -	\$ 2,992,336
Equipment Right to use	443,796	238,090	-		681,886
SBITA Right to Use		4,390,039	(222,514)		4,167,525
Total Right to Use Accumulated Amortization	<u>\$ 2,879,196</u>	<u>\$ 5,185,065</u>	<u>\$ (222,514)</u>	<u>\$ -</u>	<u>\$ 7,841,747</u>
Total Net Capital Assets	<u>\$ 228,582,068</u>	<u>\$ 4,677,496</u>	<u>\$ (69,791)</u>	<u>\$ 3</u>	<u>\$ 233,189,776</u>

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**6. Capital Assets continued**

	<b>BALANCES</b>				<b>BALANCES</b>	
	<b>September 1,</b>				<b>August 31,</b>	
	<b>2021</b>	<b>Increases</b>	<b>Decreases</b>	<b>Reclasses</b>	<b>2022</b>	
Capital Assets not subject to Depreciation:						
Land	\$ 14,940,450	\$ 2,511,543	\$ (3,800,104)	\$ -	\$ 13,651,889	
Collections	691,579		(673,079)		18,500	
Construction in Progress	42,017,830	25,527,131		(63,633,270)	3,911,691	
Total Non Depreciated Assets	<u>\$ 57,649,859</u>	<u>\$ 28,038,674</u>	<u>\$ (4,473,183)</u>	<u>\$ (63,633,270)</u>	<u>\$ 17,582,080</u>	
Capital Assets subject to Depreciation:						
Buildings	\$ 179,308,771	\$ -	\$ (3,538,401)	\$ 60,518,105	\$ 236,288,475	
Land Improvements	12,518,508			351,211	12,869,719	
Furniture, Equipment, vehicles	10,842,671	879,681	(911,531)	(572,047)	10,238,774	
Computer Equipment	11,221,986	358,509	(1,459,051)	609,445	10,730,889	
Library Books	5,373,984	100,114			5,474,098	
Total Depreciated Assets	<u>\$ 219,265,920</u>	<u>\$ 1,338,304</u>	<u>\$ (5,908,983)</u>	<u>\$ 60,906,714</u>	<u>\$ 275,601,955</u>	
Less Accumulated Depreciation						
Buildings	\$ 52,841,428	\$ 5,058,416	\$ (2,066,355)	\$ (1,788,275)	\$ 54,045,214	
Land Improvements	5,400,374	367,822		40,557	5,808,753	
Furniture, Equipment, vehicles	6,807,596	814,910	(732,403)	(261,842)	6,628,261	
Computer Equipment	9,263,661	422,932	(1,559,050)	170,534	8,298,077	
Library Books	3,635,394	30,296			3,665,690	
Total Accumulated Depreciation	<u>\$ 77,948,453</u>	<u>\$ 6,694,376</u>	<u>\$ (4,357,808)</u>	<u>\$ (1,839,026)</u>	<u>\$ 78,445,995</u>	
Amortizable Assets - Intangible						
Land Use Rights - Term	\$ 3,000,000	\$ -	\$ -	\$ 2,726,556	\$ 5,726,556	
Total Intangible Assets	<u>\$ 3,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,726,556</u>	<u>\$ 5,726,556</u>	
Less Accumulated Amortization - Intangible Assets						
Land Use Rights - Term	\$ 200,000	\$ 100,000	\$ -	\$ 1,839,026	\$ 2,139,026	
Total Intangible Accumulated Amortization	<u>\$ 200,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ 1,839,026</u>	<u>\$ 2,139,026</u>	
Amortizable Assets - Right to Use						
Real Estate Right to Use	\$ -	\$ 13,958,685	\$ -	\$ (1,824,704)	\$ 12,133,981	
Equipment Right to use		1,271,394		(269,681)	1,001,713	
Total Right to Use Assets	<u>\$ -</u>	<u>\$ 15,230,079</u>	<u>\$ -</u>	<u>\$ (2,094,385)</u>	<u>\$ 13,135,694</u>	
Less Accumulated Amortization - Right to Use						
Real Estate Right to Use	\$ -	\$ 610,696	\$ -	\$ 1,824,704	\$ 2,435,400	
Equipment Right to use		174,115		269,681	443,796	
Total Right to Use Accumulated Amortization	<u>\$ -</u>	<u>\$ 784,811</u>	<u>\$ -</u>	<u>\$ 2,094,385</u>	<u>\$ 2,879,196</u>	
Total Net Capital Assets	<u>\$ 201,767,326</u>	<u>\$ 37,027,870</u>	<u>\$ (6,024,358)</u>	<u>\$ -</u>	<u>\$ 228,582,068</u>	

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**7. Noncurrent Liabilities**

Noncurrent liability activity for the years ended August 31:

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

	2022				
	Balance September 1, 2021	Additions	Reductions	Balance August 31, 2022	Current Portion
Bonds Payable	\$ 109,265,000	\$ -	\$ (4,790,000)	\$ 104,475,000	\$ 5,010,000
Unamortized Bond Premium	5,955,208	-	(270,649)	5,684,559	
Total Bond Liability	<u>\$ 115,220,208</u>	<u>\$ -</u>	<u>\$ (5,060,649)</u>	<u>\$ 110,159,559</u>	<u>\$ 5,010,000</u>
Lease Liability	\$ -	\$ 10,584,886	\$ -	\$ 10,584,886	\$ 561,317
Total Lease Liability	<u>\$ -</u>	<u>\$ 10,584,886</u>	<u>\$ -</u>	<u>\$ 10,584,886</u>	<u>\$ 561,317</u>
Net Pension Liability	\$ 22,487,626	\$ -	\$ (11,768,653)	\$ 10,718,973	\$ -
Net OPEB Liability	60,560,299	3,181,453	-	63,741,752	1,309,998
Total Other Liability	<u>\$ 83,047,925</u>	<u>\$ 3,181,453</u>	<u>\$ (11,768,653)</u>	<u>\$ 74,460,725</u>	<u>\$ 1,309,998</u>
Total Noncurrent Liabilities	<u>\$ 198,268,133</u>	<u>\$ 13,766,339</u>	<u>\$ (16,829,302)</u>	<u>\$ 195,205,170</u>	<u>\$ 6,881,315</u>

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**8. Debt and Lease Obligations**

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

Fiscal Year	Principal	Interest	Total
2024	3,900,000	3,527,156	7,427,156
2025	4,065,000	3,339,294	7,404,294
2026	4,240,000	3,142,844	7,382,844
2027	4,430,000	2,958,422	7,388,422
2028	4,610,000	2,785,006	7,395,006
2029-2033	25,190,000	10,688,775	35,878,775
2034-2038	24,260,000	6,522,375	30,782,375
2039-2043	22,885,000	2,491,569	25,376,569
2044-2046	5,885,000	201,075	6,086,075
<b>Total</b>	<b>\$ 99,465,000</b>	<b>\$35,656,516</b>	<b>\$ 135,121,516</b>

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

Lease Description	Asset Class	Lease Start Date	Lease End Date	Lease Book Value	Accumulated Amortization
Bryan Post Office	Real Estate Expense	9/1/2021	8/31/2026	443,676	177,470
Hohlt Park - Soccer Fields	Real Estate Expense	7/1/2023	6/30/2028	127,810	4,260
Hohlt Park - Softball Field	Real Estate Expense	3/20/2018	3/20/2027	116,857	70,729
RELLIS - 8004	Real Estate Expense	12/1/2017	10/31/2056	918,851	135,762
RELLIS - HSC	Real Estate Expense	8/1/2019	7/31/2049	9,646,253	1,312,962
Tejas Center	Real Estate Expense	12/1/2014	2/28/2025	1,456,124	1,243,032
Texas A&M Vet Tech	Real Estate Expense	9/1/2022	8/31/2026	192,483	48,121
<b>Totals by Real Estate Lease Assets</b>				<b>12,902,053</b>	<b>2,992,336</b>

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**8. Debt and Lease Obligations continued**

<b>Lease Description</b>	<b>Asset Class</b>	<b>Lease Start Date</b>	<b>Lease End Date</b>	<b>Lease Book Value</b>	<b>Accumulated Amortization</b>
48 Passenger Bus - 570	Equipment Expense	10/1/2019	9/30/2025	\$ 248,945	\$ 162,505
52 Passenger Bus - 571	Equipment Expense	11/18/2019	11/30/2025	250,300	156,999
Enterprise 555	Equipment Expense	1/30/2019	2/28/2024	18,697	16,870
Enterprise 556	Equipment Expense	1/30/2019	2/28/2024	18,658	16,834
Enterprise 557	Equipment Expense	1/30/2019	2/28/2024	18,697	16,870
Enterprise 558	Equipment Expense	1/30/2019	2/28/2024	18,697	16,870
Enterprise 559	Equipment Expense	1/30/2019	2/28/2024	18,846	17,004
Enterprise 560	Equipment Expense	1/30/2019	2/28/2024	18,978	17,123
Enterprise 561	Equipment Expense	1/30/2019	2/28/2024	18,995	17,138
Enterprise 562	Equipment Expense	1/30/2019	2/28/2024	18,697	16,870
Enterprise 568	Equipment Expense	9/11/2019	10/31/2023	17,681	16,969
Enterprise 569	Equipment Expense	9/11/2019	10/31/2023	17,681	16,969
Enterprise 572	Equipment Expense	12/5/2019	1/31/2024	17,842	16,053
Enterprise 573	Equipment Expense	12/5/2019	1/31/2024	17,842	16,053
Enterprise 577	Equipment Expense	10/22/2020	11/30/2024	14,716	10,240
Enterprise 578	Equipment Expense	10/22/2020	11/30/2024	14,716	10,240
Enterprise 579	Equipment Expense	10/22/2020	11/30/2024	14,716	10,240
Enterprise 585	Equipment Expense	7/8/2022	8/31/2026	13,797	3,818
Enterprise 586	Equipment Expense	7/28/2022	8/31/2026	10,853	2,900
Toshiba - TA0897 Counseling	Equipment Expense	11/30/2020	12/1/2023	5,041	4,617
Toshiba - TA0898 Heineke Gym	Equipment Expense	11/30/2020	12/1/2023	3,619	3,315
Toshiba - TA0900 English	Equipment Expense	11/30/2020	12/1/2023	10,956	10,035
Toshiba - TA0901 Math	Equipment Expense	11/30/2020	12/1/2023	10,956	10,035
Toshiba - TA0990 Economics	Equipment Expense	6/21/2021	6/21/2024	4,317	3,155
Toshiba - TA0991 Fine Art	Equipment Expense	4/22/2022	4/23/2025	4,321	1,953
Toshiba - TA0992 Kruse Center	Equipment Expense	7/15/2021	7/14/2024	3,812	2,705
Toshiba - TA1061 STEI I	Equipment Expense	4/22/2022	4/23/2025	9,913	4,480
Toshiba - TA1062 STEI 2	Equipment Expense	4/22/2022	4/23/2025	6,446	2,913
Toshiba - TA1079 Mill Creek	Equipment Expense	10/26/2021	10/25/2024	2,833	1,747
Toshiba - TA1145 Foundation	Equipment Expense	1/24/2022	1/25/2026	12,482	5,001
Toshiba - TA1189 Agriculture	Equipment Expense	4/22/2022	4/23/2025	10,306	4,658
Toshiba - TA1190 Chemistry	Equipment Expense	4/22/2022	4/23/2025	10,306	4,658
Toshiba - TA1191 Social Science	Equipment Expense	4/22/2022	4/23/2025	10,306	4,658

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**8. Debt and Lease Obligations continued**

Toshiba - TA1192 College Com	Equipment Expense	4/22/2022	4/23/2025	3,447	1,558
Toshiba - TA1193 Accounting	Equipment Expense	4/22/2022	4/23/2025	3,447	1,558
Toshiba - TA1194 Physical Pla	Equipment Expense	4/22/2022	4/23/2025	3,728	1,685
Toshiba - TA1195 Wheeler	Equipment Expense	4/22/2022	4/23/2025	3,447	1,558
Toshiba - TA1196 Library Offi	Equipment Expense	4/22/2022	4/23/2025	3,447	1,558
Toshiba - TA1197 Football	Equipment Expense	4/22/2022	4/23/2025	3,447	1,558
Toshiba - TA1198 Library Front	Equipment Expense	4/22/2022	4/23/2025	3,073	1,389
Toshiba - TA1199 Library Rear	Equipment Expense	4/22/2022	4/23/2025	3,073	1,389
Toshiba - TA1200 Admin Comp	Equipment Expense	4/22/2022	4/23/2025	3,447	1,558
Toshiba - TA1201 Drama	Equipment Expense	4/22/2022	4/23/2025	3,056	1,381
Toshiba - TA1202 Disability	Equipment Expense	4/22/2022	4/23/2025	3,056	1,381
Toshiba - TA1203 Purchasing	Equipment Expense	4/22/2023	4/23/2025	2,072	370
Toshiba - TA1204 Financial Aid	Equipment Expense	4/22/2022	4/23/2025	4,107	1,856
Toshiba - TA1205 Student Serv	Equipment Expense	4/22/2022	4/23/2025	4,248	1,920
Toshiba - TA1206 Admissions	Equipment Expense	4/22/2022	4/23/2025	4,248	1,920
Toshiba - TA1207 Schul Enroll	Equipment Expense	4/22/2022	4/23/2025	4,248	1,920
Toshiba - TA1208 Academic Aff	Equipment Expense	4/22/2022	4/23/2025	4,248	1,920
Toshiba - TA1209 Band Hall	Equipment Expense	4/22/2022	4/23/2025	4,248	1,920
Toshiba - TA1210 Arts & Scienc	Equipment Expense	4/22/2022	4/23/2025	4,248	1,920
Toshiba - TA1211 Budget	Equipment Expense	4/22/2022	4/23/2025	4,248	1,920
Toshiba - TA1212 Schul Classes	Equipment Expense	4/22/2022	4/23/2025	3,968	1,793
Toshiba - TA1213 Student Centr	Equipment Expense	4/22/2022	4/23/2025	3,968	1,793
Toshiba - TA1214 Marketing	Equipment Expense	4/22/2022	4/23/2025	7,513	3,396
Toshiba - TA1215 Chancellor	Equipment Expense	4/22/2022	4/23/2025	8,765	3,961
Toshiba - TA1216 HR	Equipment Expense	4/22/2022	4/23/2025	8,765	3,961
Toshiba - TA1219 Facilities	Equipment Expense	4/22/2022	4/23/2025	7,253	3,278
Toshiba - TA1252 Police	Equipment Expense	4/22/2022	4/23/2025	5,625	2,542
Toshiba - TA1253 Police Upstrs	Equipment Expense	4/22/2022	4/23/2025	5,625	2,542
Toshiba - TA1283 Prairie L B	Equipment Expense	9/29/2022	9/30/2025	3,792	1,164
Toshiba - TA1284 Prairie L A	Equipment Expense	9/29/2022	9/30/2025	3,792	1,164
Toshiba - TXXXX Sealy	Equipment Expense	4/22/2022	4/23/2025	3,447	1,558
<b>Totals by Equipment Lease Assets</b>				<b>1,030,066</b>	<b>681,886</b>

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**8. Debt and Lease Obligations continued**

<b>Lease Description</b>	<b>Asset Class</b>	<b>Lease Start Date</b>	<b>Lease End Date</b>	<b>Lease Book Value</b>	<b>Accumulated Amortization</b>
Ad Astra Information Systems	SBITA GASB 96	3/31/2021	3/30/2025	107,989	65,316
Blackbaud	SBITA GASB 96	9/6/2021	9/7/2024	81,526	53,973
CDW-G VEEAM Backup Replication	SBITA GASB 96	6/4/2023	6/3/2026	42,234	3,402
Cordance SPOL	SBITA GASB 96	2/1/2022	1/31/2025	71,837	37,914
D2L Ltd	SBITA GASB 96	9/1/2019	8/31/2024	804,271	643,416
Digital Architecture - Acalog	SBITA GASB 96	3/1/2021	2/28/2025	163,077	101,923
Element451	SBITA GASB 96	6/1/2022	8/31/2025	295,686	123,203
Elucian Banner and Oracle	SBITA GASB 96	9/1/2022	8/31/2024	870,635	435,318
Elucian Experience Premium	SBITA GASB 96	12/1/2022	8/31/2027	172,821	27,288
Elucian ILP	SBITA GASB 96	9/1/2022	8/31/2025	86,645	28,882
Elucian Travel & Expense Mgmt	SBITA GASB 96	10/1/2022	8/31/2025	76,686	24,101
Explorance	SBITA GASB 96	6/9/2022	6/8/2027	183,099	44,961
Honorlock	SBITA GASB 96	8/1/2022	7/31/2025	1,194,294	431,273
iContracts	SBITA GASB 96	2/1/2022	1/31/2025	47,353	24,992
Innovative Interfaces - Virtua	SBITA GASB 96	1/1/2022	12/31/2024	175,654	97,585
Intellidemia	SBITA GASB 96	7/1/2021	6/30/2024	78,441	56,652
Ion Wave Technologies	SBITA GASB 96	4/1/2022	8/31/2027	42,818	20,220
Nelnet Business E-Bill	SBITA GASB 96	10/15/2018	10/14/2024	58,960	58,960
Nelnet Business E-Commerce	SBITA GASB 96	10/15/2018	10/14/2024	32,756	32,756
Nelnet Business E-Pay	SBITA GASB 96	10/15/2018	10/14/2024	117,920	117,920
Next Gen - Dynamic Forms	SBITA GASB 96	8/1/2021	7/31/2024	30,795	21,386
Next Gen - Scholarship Manager	SBITA GASB 96	10/1/2021	9/30/2024	25,533	16,313
PeopleAdmin	SBITA GASB 96	11/1/2021	10/31/2024	249,824	152,670
Q-Less	SBITA GASB 96	10/13/2021	10/12/2024	85,183	53,507
Rave Wireless	SBITA GASB 96	7/19/2021	9/18/2024	83,893	59,236
Rx Technology	SBITA GASB 96	12/14/2022	12/13/2025	397,762	94,807
SHI Government	SBITA GASB 96	5/1/2020	4/30/2025	1,235,209	823,472
T2 Systems	SBITA GASB 96	9/1/2021	8/31/2024	83,714	55,809
VFA Facility Standard/Gordian	SBITA GASB 96	9/1/2021	8/31/2024	68,647	45,764
Visual	SBITA GASB 96	1/4/2021	1/3/2024	67,774	60,062
Wolfram Research	SBITA GASB 96	7/1/2022	6/30/2025	38,157	14,839
YuJa	SBITA GASB 96	8/19/2019	8/18/2024	174,861	174,861
Zoom Video Communications	SBITA GASB 96	6/30/2020	8/30/2024	164,746	164,746
<b>Totals by SBITA Lease Assets</b>				<b>7,410,798</b>	<b>4,167,525</b>
<b>Total of Lease Assets</b>				<b>21,342,917</b>	<b>7,841,747</b>



**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**8. Debt and Lease Obligations continued**

Obligations under leases on August 31, 2023, were as follows:

Fiscal Year	Principal	Interest	Total
2024	2,959,124	445,698	3,404,822
2025	919,071	342,830	1,261,901
2026	506,202	314,909	821,111
2027	263,240	298,587	561,827
2028	206,038	290,314	496,352
2029-2033	1,312,527	1,333,518	2,646,045
2034-2038	1,748,780	1,088,263	2,837,043
2039-2043	2,277,067	765,106	3,042,173
2044-2048	2,914,954	347,686	3,262,640
2049-2053	236,448	45,444	281,892
2054-2058	170,500	6,834	177,334
Total	<u>\$ 13,513,951</u>	<u>\$ 5,279,189</u>	<u>\$ 18,793,140</u>

**9. Bonds Payable**

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

Combined Fee Revenue Bonds, Series 2020

- Washington County Junior College District Combined Fee Revenue Bonds, Series 2020
- Proceeds will be used to acquire, purchase, construct, improve, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, operations, or facilities, of any nature, to wit: academic facilities, including classrooms, laboratories and related facilities, and administration facilities.
- Issued October 13, 2020
- \$27,525,000, all authorized bonds have been issued
- Interest rates range from 2.37% to 5.00%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2023 and 2022 of \$24,255,000 and \$25,905,000, respectively.
- A premium of \$3,429,200 is being amortized over the life of the bonds

Combined Fee Revenue Bonds, Series 2019

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**9. Bonds Payable continued**

- Issued May 15, 2019
- \$29,125,000, all authorized bonds have been issued
- Interest rates range from 3.00% to 5.00%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2023 and 2022 of \$26,970,000 and \$27,715,000, respectively.
- A premium of \$881,880 is being amortized over the life of the bonds

Combined Fee Revenue Bonds, Series 2016

- Washington County Junior College District Combined Fee Revenue Bonds, Series 2016
- Proceeds will be used to (i) acquire, purchase, construct, improve, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, operations, or facilities, of any nature, to wit: academic facilities, including classrooms, laboratories, related facilities and administration facilities; (ii) fund a Reserve Fund; and (iii) pay the costs of issuance of the Bonds
- Issued March 23, 2016
- \$36,975,000, all authorized bonds have been issued
- Interest rates range from 2.125% to 5.00%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2023 and 2022 of \$32,450,000 and \$33,635,000, respectively.
- A premium of \$1,905,100 is being amortized over the life of the bonds

Combined Fee Revenue Bonds, Series 2015

- Washington County Junior College District Combined Fee Revenue Bonds, Series 2015
- Proceeds will be used to (i) acquire, purchase, construct, improve, enlarge, equip, operate, and/or maintain any property, buildings, structures, activities, operations, or facilities, of any nature, to wit: academic facilities, including classrooms, laboratories, related facilities and administration facilities; (ii) fund a Reserve Fund; and (iii) pay the costs of issuance of the Bonds
- Issued December 15, 2015
- \$9,625,000, all authorized bonds have been issued
- Interest rates range from 3.00% to 4.00%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2023 and 2022 of \$7,900,000 and \$8,210,000, respectively.
- A premium of \$94,033 is being amortized over the life of the bonds

Combined Fee Revenue Bonds, Series 2014

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**9. Bonds Payable continued**

- Issued December 18, 2014
- \$9,820,000, all authorized bonds have been issued
- Interest rates range from 2.00% to 4.00%
- Source of revenue for debt service - designated portion of tuition and fees and designated auxiliary revenues
- Outstanding bonds payable at August 31, 2023 and 2022 of \$7,890,000 and \$8,230,000, respectively.
- A premium of \$25,897 is being amortized over the life of the bonds

**10. Employees' Retirement Plans**

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

**Defined Benefit Pension Plans**

Plan Description

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

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**10. Employees' Retirement Plans continued**

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 <http://www.trs.texas.gov.pdf>, by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Benefits Provided

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

Contributions

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements, if as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**10. Employees' Retirement Plans continued**

Contribution Rates		
	2023	2022
Member	8.00%	8.00%
Non-Employer Contributing Entity (State)	8.00%	7.75%
Employers	8.00%	7.75%
2022 Member Contributions	\$ 3,224,707	
2022 State of Texas On-Behalf Contributions	1,323,907	
2022 Employer Contributions	1,806,456	

The District's contributions to the TRS pension plan in 2023 were \$2,029,880 as reported in the Schedule of College Contributions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for FY 2023 were \$1,323,907.

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

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

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**10. Employees' Retirement Plans continued**

Actuarial Assumptions

The total pension liability in the August 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

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 Investment Rate of Return*	7.00%
Municipal Bond Rate as of August 2022	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 taxexempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index"
Last Year Ending August 31 in Projection Period (100 Years)	2121
Inflation	2.30%
Salary Increases Including Inflation	2.95% to 8.95% including inflation
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 please see the actuarial valuation report dated November 12, 2021.

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**10. Employees' Retirement Plans continued**

Discount Rate

A single discount rate of 7.00 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the Legislature during the 2019 legislative session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

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

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

Asset Class*	Target Allocation %**	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long-Term Portfolio Returns
<b>Global Equity</b>			
U.S.	18.0%	4.6%	1.12%
Non-U.S. Developed	13.0%	4.9%	0.90%
Emerging Markets	9.0%	5.4%	0.75%
Private Equity	14.0%	7.7%	1.55%
<b>Stable Value</b>			
Government bonds	16.0%	1.0%	0.22%
Absolute Return (including Credit Sensitive Investments)		3.7%	0.00%
Stable Value Hedge Funds	5.0%	3.4%	0.18%
<b>Real Return</b>			
Real Assets	15.0%	4.1%	0.94%
Energy and Natural Resources, and Infrastructure	6.0%	5.1%	0.37%
Commodities		3.6%	0.00%
<b>Risk Parity</b>			
Risk Parity	8.0%	4.6%	0.43%
<b>Asset Allocation Leverage</b>			
Cash	2.0%	3.0%	0.01%
Asset Allocation Leverage	-6.0%	3.6%	-0.05%
Inflation Expectation			2.70%
Volatility Drag****			-0.91%
Expected Return	100.0%		8.19%

\*Absolute Return includes Credit Sensitive Investments..

\*\* Target Allocations are based on the FY2022 policy model.

\*\*\* Capital Market Assumptions come from Aon Hewitt (as of 08/31/2022)

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**10. Employees' Retirement Plans continued**

Discount Rate Sensitivity Analysis

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

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

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

At August 31, 2023, the District reported a liability of \$22,982,824 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction of State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

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

The net pension liability was measured as of August 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

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

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



**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**10. Employees' Retirement Plans continued**

At August 31, 2023, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 333,249	\$ 501,069
Changes in actuarial assumptions	4,282,448	1,067,306
Differences between projected and actual investment earnings	8,929,750	6,659,120
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	718,604	1,264,416
Contributions paid to TRS subsequent to the measurement date	2,029,880	
<b>Total</b>	<b>\$ 16,293,931</b>	<b>\$ 9,491,911</b>

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

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

**Optional Retirement Plan**

*Plan Description.* Participation in the Optional Retirement Program is in lieu of participation in the Teacher Retirement System. The optional retirement program provides for the

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**10. Employees' Retirement Plans continued**

purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

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

The retirement expense to the State for the District was \$352,789 and \$346,908 for the fiscal years ended August 31, 2023 and 2022, respectively. This amount represents the portion of expended appropriations made by the State Legislature on behalf of the District.

The total payroll for all college employees was \$59,913,332 and \$55,885,175 for fiscal years ended August 31, 2023 and 2022 respectively. The total payroll of employees covered by the TRS was \$43,633,399 and \$41,609,119, and the total payroll of employees covered by the Optional Retirement Program was \$10,690,571 and \$10,488,398 for fiscal years 2023 and 2022, respectively.

**11. Deferred Compensation Program**

The District's employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code 609.001. This plan is essentially an unfunded promise to pay by the employer to each of the plan participants. At August 31, 2023 and 2022, the District had no employees electing to defer compensation.

**12. Compensated Absences**

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

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**13. Health Care and Life Insurance Benefits**

Certain health care and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The State recognizes the cost of providing these benefits by expending the annual insurance premiums. The State's contribution per full-time employee was \$623 to \$1,220 and \$625 to \$1,222 for the years ended August 31, 2023 and 2022, depending on the coverage elected. The State's contribution totaled \$4,183,097 and \$4,176,195, for the years ended August 31, 2022 and 2021, respectively. The cost of providing those benefits for retirees is not separable from the cost of providing benefits for active employees. SB 1812, 83<sup>rd</sup> Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50 percent of eligible employees in the reporting district.

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

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

*OPEB Plan Fiduciary Net Position.* Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Comprehensive Annual Financial Report (CAFR) 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 18<sup>th</sup> Street, Austin, TX 78701; or by calling (877) 275-4377.

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

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

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

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

Maximum Monthly Employer Contribution  
Retiree Health and Basic Life Premium  
Fiscal Year 2022

Retiree only	\$ 624.82
Retiree & Spouse	1,339.90
Retiree & Children	1,103.58
Retiree & Family	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 Years Ended August 31, 2023 and 2022

	FY 2022	FY 2021
Employers	\$ 699,999,453	\$ 766,689,167
Members (Employees)	190,659,955	192,426,941
Non-employer Contributing Entity (State of Texas)	36,750,724	39,188,518

*Source: ERS FY2022 Comprehensive Annual Financial Report*

*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:

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

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

Significant Methods and Assumptions

Valuation Date	August 31, 2022
Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, open
Remaining Amortization Period	30 Years
Asset Valuation Method	Not applicable
<u>Actuarial Assumptions:</u>	
Discount Rate	3.59%
Projected Annual Salary Increase	2.30% to 8.95%, including inflation
Annual Healthcare Trend Rate	<u>HealthSelect</u> 5.60% for FY2024, 5.30% for FY2025, 5.00% for FY2026, 4.75% for FY2027, 4.60% for FY208, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2031 and later years
	<u>HealthSelect Medicare Advantage</u> 66.67% for FY2024, 24.00% for FY2025, 5.00% for FY2026, 4.75% for FY2027, 4.60% for FY2028, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY2031 and later years
Inflation Assumption Rate	2.30%
Ad hoc Postemployment Benefit Changes	None
Mortality Rate	<u>State Agency Members</u> a. Service Retirees, Survivors and other Inactive Members (Regular, Elected, CPO/ CO and JRS I and II Employee Classes): 2020 State Retirees of Texas Mortality table with a 1 year set forward for male CPO/CO members and Ultimate MP Projection Scale projected from the year 2020. b. Disability Retirees (Regular, Elected, CPO/CO and JRS I and II Employee Classes); 2020 State Retirees of Texas Mortality table with a 3 year set forward for males and females with minimum rates at all ages of 3.0% for males and 2.5% for females, respectively, and Ultimate MP Projection Scale projected from the year 2020. c. Active Members: Pub-2010 General Employees Active Member Mortality table for non-VPO/CO members and Pub-2010 Public Safety Active Member Mortality table for CPO/CO members with Ultimate MP Projection Scale from the year 2010.
	<u>Higher Education Members</u> a. Service Retirees, Survivors and other Inactive Members: Tables based on TRS experience with Ultimate MP Projection Scale from the year 2021. b. Disability Retirees: Tables based on TRS experience with Ultimate MP Projection Scale from the year 2021 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members. c. Active Members: Sex Distinct RP-2010 Amount Weighted Below-Median Income Teacher Mortality with a 2-year set forward for males with Ultimate MP-2021 Projection Scale from the year 2010.

Source: ERS FY2022 Annual Comprehensive Financial.

Many of the actuarial assumptions used in this valuation were based on the results of actuarial experience studies performed by the ERS and TRS retirement plan actuary as of August 31, 2019 and the TRS retirement plan actuary as of August 31, 2021.

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

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

*Investment Policy.* The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System's Board of Trustees adopted the amendment to the investment policy in August 2022 to require that all funds in 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 U.S. Treasury Bills.

*Discount Rate.* Because the State Retiree Health Plan does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bonds rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement year was 2.14%. The discount rate used to measure the total OPEB liability as of the end of the measurement period was 3.59%, which amounted to a increase of 1.45%.

The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go (PAYGO) basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of the projected benefit payments to which the long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable is zero years.

*Discount Rate Sensitivity Analysis.* The following schedule shows the impact on the District's proportionate share of the collective OPEB Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (3.59%) in measuring the net OPEB Liability.

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

*Healthcare Trend Rate Sensitivity Analysis.* The initial healthcare trend rate is 5.60% and the ultimate rate is 4.3%. The following schedule shows the impact on the District's proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used (5.6%) in measuring the net OPEB Liability.

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

*OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.* At August 31, 2023, the District reported a liability of \$49,800,918 for its proportionate share of the ERS's net OPEB liability. This liability reflects an increase for State support provided to the District for OPEB. The amount recognized by the

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

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

District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's Proportionate share of the collective net OPEB liability	\$49,800,918
State's proportionate share that is associated with District	40,469,161
Total	\$ 90,270,079

The net OPEB liability was measured as of August 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2021 thru August 31, 2022.

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

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

**Factors that Significantly Affect Trends in Amounts Reported**

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

*Demographic Assumptions*

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

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

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

*Economic Assumptions*

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

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

*Other Inputs*

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

*Changes of Benefit Terms Since Prior Measurement Date*

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

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

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



**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

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

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

Years Ended August 31:	OPEB Expense Amount
2024	\$ (1,597,099)
2025	(2,790,609)
2026	(3,356,845)
2027	(3,220,422)
2028	(1,676,695)
Thereafter	-
<b>Total</b>	<b>\$ (12,641,670)</b>

**15. Pending Lawsuits and Claims**

Blinn College District is not involved in material litigation as of August 31, 2023.

**16. Disaggregation of Receivables and Payables Balances**

Receivables consist of the following at August 31:

	<b>2023</b>	<b>2022</b>
Student Tuition and Fees	\$ 34,546,837	\$ 31,502,944
Ad Valorem Taxes	25,044	23,777
Federal Grants	471,028	310,572
State Grants	66,923	103,022
Other Receivables	867,263	874,535
	\$ 35,977,095	\$ 32,814,850
Allowance for Doubtful Accounts	(8,632,805)	(7,528,346)
Total Receivables	\$ 27,344,290	\$ 25,286,504

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**16. Disaggregation of Receivables and Payables Balances continued**

Payables consist of the following at August 31:

	2023	2022
Vendor Payables	\$ 1,582,509	\$ 5,030,858
Salaries and Benefits Payable	1,001,886	1,722,688
Student Payables	301,020	304,180
Accrued Interest	1,507,966	1,602,966
Other Payables	7,292,565	4,025,896
Total Payables	\$ 11,685,946	\$ 12,686,588

**17. Funds Held in Trust by Others**

As of August 31, 2023, there were no funds for the benefit of the District held in trust by others.

**18. Contract and Grant Awards**

Contract and grant awards are accounted for in accordance with the requirements of the American Institute of Certified Public Accounts (AICPA) audit and accounting guide, *State and Local Governments*, 8.99. For federal contract and grant awards, funds expended but not collected are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended but not collected are reported as Accounts Receivable on Exhibit 1. Contract and grant awards that funds are received but not yet expended are reported as Unearned Revenue. Contract and grant awards that are not yet funded, and for which the institution has not yet performed services, are not included in the financial statements. Contract and grant awards funds already committed, e.g., multi-year awards or funds awarded during fiscal years FY 2023 and FY 2022, for which monies have not been received nor funds expended totaled \$422,387 and \$307,156, respectively.

**19. Self Insurance**

Effective September 1, 2003, the District began participating in a public entity risk pool for worker's compensation. The participants of the pool include several other public junior and community colleges. The plan provides coverage to each participant with the District's individual loss fund maximum of \$300,000 and \$997,014 at August 31, 2023 and 2022, respectively, which is based on estimated payroll.

The liability for claims incurred but not reported under the self-insured plan is \$54,166 and \$61,029 as of August 31, 2023 and 2022, respectively, and is included in the accompanying statement of net position. Future payments for the claims will be paid from the accrued liability.

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**19. Self Insurance continued**

Self-insurance activity for the years ended August 31, 2023 and 2022 was as follows:

Liability for the Year Ended August 31	Liability at Beginning of Fiscal Year	Adjustments	Additions	Reductions for Claims Paid	Balance of Liability at End of Fiscal Year
2023	\$ 997,014	\$ (833,307)	\$ 270,436	\$ (134,143)	\$ 300,000
2022	\$ 838,670		\$ 248,367	\$ (90,023)	\$ 997,014

**20. Property Tax**

The District's ad valorem property tax is levied each October 1, on the assessed value listed as of the prior January 1, for all real, business/land personal property located in the tax area of the District. Property taxes are recorded on an accrual basis of accounting. At August 31:

	2023	2022
Assessed valuation of the College	\$ 6,640,381,928	\$ 5,863,440,593
Less exemptions	(1,041,928,836)	(577,399,572)
Net assessed valuation of the College	<u>\$ 5,598,453,092</u>	<u>\$ 5,286,041,021</u>

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

	2022		Total
	Current Operations	Debt Service	
Tax rate per \$100 valuation for authorized	\$ 0.0377		\$ 0.0377
Tax rate per \$100 valuation for assessed	\$ 0.0377		\$ 0.0377

Tax levied for the years ended August 31, 2023 and 2022 is \$2,262,089 and \$2,304,750, respectively (which includes any penalty and interest assessed if applicable). Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1, of the year following the year in which imposed.

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**20. Property Tax continued**

Taxes Collected at August 31,

	2023	2022
Current	\$ 2,318,274	\$ 2,313,098
Delinquent	30,013	35,465
Penalties and Interest	10,342	11,558
Total Gross Collections	\$ 2,358,629	\$ 2,360,121
Total Appraisal and Collection Fees	\$ (9,568)	\$ (8,775)
Total Net Collections	\$ 2,349,061	\$ 2,351,346

Tax collections for the year ended August 31, 2023 and 2022 were 98% and 100% of the respective tax levy, respectively. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or general obligation debt service.

**21. Income Taxes**

The District is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, Etc.*, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511 (a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, Etc., Organizations*. The District had no unrelated business income tax liability for the year ended August 31, 2023 and 2022.

**22. Component Units**

Blinn College District Foundation, Inc. – Discrete Component Unit

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

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

**BLINN COLLEGE DISTRICT**  
**Notes to Financial Statements**  
**August 31, 2023**

**23. Significant Commitments**

Blinn College District had three significant commitments related to construction as of August 31, 2023:

Construction Project	Vendor	Amount
Brenham College Avenue	Jon Tucker Construction	\$ 1,357,440
Bryan Campus Administration Building	Kirksey Architecture	\$ 1,306,674
Bryan Campus Administration Building	JT Vaughn Construction	\$ 27,179,011

**24. Related Parties**

Blinn College District had no related party transactions as of August 31, 2023.

**25. Prior Year Restatement**

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

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

**26. Subsequent Events**

Blinn College District had no subsequent event as of November 28, 2023 to the fiscal year ending August 31, 2023,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

**BLINN COLLEGE DISTRICT**  
**Notes to Required Supplementary Information (RSI)**  
**For Pensions**  
**Year Ended August 31, 2023**

**1. Changes of Benefit Terms**

The District implemented a 5 percent salary and wage increase effective September 1, 2022 for full time faculty/administrators and all staff.

**2. Changes of Assumptions**

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

- The total pension liability as of August 31, 2022 was developed using a roll-forward method from the August 31, 2021 valuation.
- The single discount rate used was 7.0%, lowered from the August 2021 of 7.25%.
- For a detail discussion regarding the changes of assumptions, please refer to the August 31, 2022 TRS Annual Comprehensive Financial Report.

**BLINN COLLEGE DISTRICT**  
**Notes to Required Supplementary Information (RSI)**  
**For OPEB**  
**Year Ended August 31, 2023**

**1. Changes of Benefit Terms**

Minor benefit revisions became effective September 1, 2022. These changes, which are not expected to have a significant impact on plan costs for FY2023, are provided for in the FY2023 Assumed Per Capita Health Benefit Costs.

**2. Changes of Assumptions**

Since the last valuation was prepared for this plan, demographic assumptions (including rates of retirement, disability, termination, and mortality, and assumed salary increases) for Higher Education members have been updated to reflect assumptions recently adopted by the TRS Trustees. These new assumptions were adopted to reflect an experience study on the TRS retirement plan performed by the TRS retirement plan actuary.

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

- Percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future retirees assumed to cover dependent children.
- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.
- Assumed Per Capita Health Benefit Costs and assumed Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.
- The Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act has been updated to reflect the most recent available information.
- The discount rate was changed from 2.14% to 3.59% as a result of requirements by GASB No. 75 to utilize the yield or index rate for 20-year, tax exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

**BLINN COLLEGE DISTRICT**  
**Schedule of Operating Revenues**  
**Year Ended August 31, 2023**  
**(With Memorandum Totals for the Year Ended August 31, 2022)**

	Educational Activities		Total	Auxiliary Enterprises	2023 Total	2022 Total
	Unrestricted	Restricted	Educational Activities			
<b>Tuition:</b>						
State funded credit courses:						
In-district resident tuition	\$ 398,863	\$ -	\$ 398,863	\$ -	\$ 398,863	\$ 391,761
Out-of-district resident tuition	40,703,958	-	40,703,958	-	40,703,958	38,660,072
Non-resident tuition	3,764,845	-	3,764,845	-	3,764,845	2,692,170
TPEG - credit (set aside) *	1,382,627	-	1,382,627	-	1,382,627	1,308,023
State funded continuing education	553,249	-	553,249	-	553,249	464,686
Non-State funded continuing education	122,400	-	122,400	-	122,400	121,350
Total Tuition	<u>46,925,942</u>	<u>-</u>	<u>46,925,942</u>	<u>-</u>	<u>46,925,942</u>	<u>43,638,062</u>
<b>Fees:</b>						
General fee	26,753,993	-	26,753,993	-	26,753,993	24,946,158
Laboratory and course fees	4,798,603	-	4,798,603	-	4,798,603	4,216,117
Incidental fees	174,394	-	174,394	-	174,394	162,736
Other fees	-	-	-	-	-	244,836
Total fees	<u>31,726,990</u>	<u>-</u>	<u>31,726,990</u>	<u>-</u>	<u>31,726,990</u>	<u>29,569,847</u>
<b>Allowances and discounts:</b>						
Bad debt allowance	(1,115,314)	-	(1,115,314)	-	(1,115,314)	(1,048,270)
Scholarship allowances	(1,003,089)	-	(1,003,089)	-	(1,003,089)	(862,188)
Remissions and exemptions	(4,242,456)	-	(4,242,456)	-	(4,242,456)	(3,381,243)
TPEG allowances	(596,977)	-	(596,977)	-	(596,977)	(549,820)
Federal and State grants to students	(6,935,541)	-	(6,935,541)	-	(6,935,541)	(6,316,490)
Other	-	-	-	-	-	-
Total allowances and discounts	<u>(13,893,377)</u>	<u>-</u>	<u>(13,893,377)</u>	<u>-</u>	<u>(13,893,377)</u>	<u>(12,158,011)</u>
Total net tuition and fees	<u>64,759,555</u>	<u>-</u>	<u>64,759,555</u>	<u>-</u>	<u>64,759,555</u>	<u>61,049,898</u>
<b>Additional operating revenues:</b>						
Federal grants and contracts	-	1,556,976	1,556,976	-	1,556,976	1,554,596
State grants and contracts	-	2,021,829	2,021,829	-	2,021,829	1,534,827
Sales and services of educational activities	285,831	-	285,831	-	285,831	770,439
Other operating revenues	598,636	-	598,636	-	598,636	529,477
Total additional operating revenues	<u>884,467</u>	<u>3,578,805</u>	<u>4,463,272</u>	<u>-</u>	<u>4,463,272</u>	<u>4,389,339</u>
<b>Auxiliary enterprises:</b>						
Residential life	-	-	-	4,332,863	4,332,863	3,856,069
Scholarships allowances and discounts	-	-	-	(695,474)	(695,474)	(621,914)
Net residential life	-	-	-	<u>3,637,389</u>	<u>3,637,389</u>	<u>3,234,155</u>
Cafeteria	-	-	-	4,668,438	4,668,438	3,894,693
Scholarship allowances and discounts	-	-	-	(337,491)	(337,491)	(312,562)
Net cafeteria	-	-	-	<u>4,330,947</u>	<u>4,330,947</u>	<u>3,582,131</u>
Bookstore	-	-	-	675,829	675,829	654,368
Scholarship allowances and discounts	-	-	-	(59,496)	(59,496)	(88,387)
Net bookstore	-	-	-	<u>616,333</u>	<u>616,333</u>	<u>565,981</u>
Parking	-	-	-	1,824,004	1,824,004	1,751,450
Other auxiliary	-	-	-	580,613	580,613	543,819
Total net auxiliary enterprises	-	-	-	<u>10,989,286</u>	<u>10,989,286</u>	<u>9,677,536</u>
Total Operating Revenues	<u>\$ 65,644,022</u>	<u>\$ 3,578,805</u>	<u>\$ 69,222,827</u>	<u>\$ 10,989,286</u>	<u>\$ 80,212,113</u>	<u>\$ 75,116,773</u>

(Exhibit 2)

(Exhibit 2)

\* In accordance with Education Code §56.033, \$1,382,627 and \$1,308,023 for the years ended August 31, 2023 and 2022, respectively, of tuition was set aside for Texas Public Education Grants (TPEG).

**BLINN COLLEGE DISTRICT**  
**Schedule of Operating Expenses By Object**  
**Year Ended August 31, 2023**  
**(With Memorandum Totals for the Year Ended August 31, 2022)**

	Operating Expenses			2023 Total	2022 Total	
	Salaries and Wages	Benefits				Other Expenses
		State	Local			
<b>Unrestricted - Educational Activities:</b>						
Instruction	\$ 32,718,615	\$ -	\$ 6,788,699	\$ 2,388,372	\$ 41,895,686	\$ 39,413,080
Public Service	-	-	-	2,500	2,500	11,396
Academic Support	6,634,035	-	1,452,293	2,828,885	10,915,213	10,271,968
Student Services	4,521,872	-	1,008,311	1,346,664	6,876,847	6,589,735
Institutional Support	6,622,026	-	683,317	1,580,711	8,886,054	12,460,730
Operation and Maintenance of Plant	4,064,187	-	1,457,433	13,479,535	19,001,155	21,939,297
Scholarships and Fellowships	-	-	-	1,198,599	1,198,599	1,030,235
Total Unrestricted - Educational Activities	<u>54,560,735</u>	<u>-</u>	<u>11,390,053</u>	<u>22,825,266</u>	<u>88,776,054</u>	<u>91,716,441</u>
<b>Restricted - Educational Activities:</b>						
Instruction	448,899	3,239,896	100,762	269,489	4,059,046	2,655,119
Public Service	214,170	-	72,152	587,364	873,686	281,977
Academic Support		727,224			727,224	515,736
Student Services		563,232			563,232	420,736
Institutional Support	167,433	1,786,675	37,128	540,106	2,531,342	3,062,468
Scholarships and Fellowships	-	-	-	12,394,790	12,394,790	12,024,881
Total Restricted - Educational Activities	<u>830,502</u>	<u>6,317,027</u>	<u>210,042</u>	<u>13,791,749</u>	<u>21,149,320</u>	<u>18,960,917</u>
Total Educational Activities	<u>55,391,237</u>	<u>6,317,027</u>	<u>11,600,095</u>	<u>36,617,015</u>	<u>109,925,374</u>	<u>110,677,358</u>
<b>Auxiliary Enterprises</b>	4,522,096	-	1,917,015	5,727,093	12,166,204	10,835,903
Amortization Expense - Intangibles				344,003	344,003	100,000
Amortization Expense - Leases				5,185,065	5,185,065	784,811
Depreciation Expense - Buildings and other real estate improvements	-	-	-	5,406,275	5,406,275	5,426,238
Depreciation Expense - Equipment, furniture and library books	-	-	-	1,649,018	1,649,018	1,268,138
Total Operating Expenses	<u>\$ 59,913,333</u>	<u>\$ 6,317,027</u>	<u>\$ 13,517,110</u>	<u>\$ 54,928,469</u>	<u>\$ 134,675,939</u>	<u>\$ 129,092,448</u>
				(Exhibit 2)	(Exhibit 2)	

**BLINN COLLEGE DISTRICT**  
**Schedule of Nonoperating Revenues and Expenses**  
**Year Ended August 31, 2023**  
**(With Memorandum Totals for the Year Ended August 31, 2022)**

	<b>2023</b>			<b>2022</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
<b>Non-Operating Revenues:</b>				
State appropriations:				
Education and General state support	\$ 25,353,970	\$ -	\$ 25,353,970	\$ 25,353,968
State group insurance	-	4,183,097	4,183,097	4,176,195
State retirement matching	-	2,139,033	2,139,033	1,234,027
Total state appropriations	<u>25,353,970</u>	<u>6,322,130</u>	<u>31,676,100</u>	<u>30,764,190</u>
Property taxes	2,325,284	-	2,325,284	2,331,621
Federal revenue, non operating		17,412,409	17,412,409	50,476,739
Gifts		618,428	618,428	1,263,147
Investment income	4,108,153		4,108,153	925,973
Insurance Proceeds		844,907	844,907	3,388,834
Gain on disposal of capital assets		27,363	27,363	-
Unrealized gain (loss) on investments	318,531		318,531	(847,044)
Other			-	-
Total non-operating revenues	<u>32,105,938</u>	<u>25,225,237</u>	<u>57,331,175</u>	<u>88,303,460</u>
<b>Non-Operating Expenses:</b>				
Interest on capital related debt	3,383,964	-	3,383,964	3,594,616
Bond issuance costs		-	-	-
Loss on disposal of capital assets			-	1,637,750
Other expenses			-	17,153,777
Total non-operating expenses	<u>3,383,964</u>	<u>-</u>	<u>3,383,964</u>	<u>22,386,143</u>
Net non-operating revenues	<u>\$ 28,721,974</u>	<u>\$ 25,225,237</u>	<u>\$ 53,947,211</u>	<u>\$ 65,917,317</u>
			(Exhibit 2)	(Exhibit 2)

**BLINN COLLEGE DISTRICT**  
**Schedule of Net Position by Source and Availability**  
**Year Ended August 31, 2023**  
**(With Memorandum Totals for the Year Ended August 31, 2022)**

	Detail by Source						Available for Current Operations	
	Unrestricted	Restricted		Capital Assets Net of Depreciation and Related Debt	Total	Yes	No	
		Expendable	Non- Expendable					
<b>Current:</b>								
Unrestricted	\$ (25,083,246)	\$ -	\$ -	\$ -	\$ (25,083,246)	\$ (25,083,246)	\$ -	
Student aid		1,616,548	-	-	1,616,548	-	1,616,548	
Auxiliary enterprises	33,892,931	-	-	-	33,892,931	33,892,931	-	
<b>Plant:</b>								
Debt service	-	7,539,103	-	-	7,539,103	-	7,539,103	
Leases				19,187,742	19,187,742	19,187,742		
Investment in plant	-	-	-	109,106,630	109,106,630	-	109,106,630	
<b>Total Net Position, August 31, 2023</b>	<b>8,809,685</b>	<b>9,155,651</b>	<b>-</b>	<b>128,294,372</b>	<b>146,259,708</b> <small>(Exhibit 1)</small>	<b>27,997,427</b>	<b>118,262,281</b>	
<b>Total Net Position, August 31, 2022</b>	<b>15,615,506</b>	<b>10,499,425</b>	<b>-</b>	<b>118,422,509</b>	<b>144,537,440</b>	<b>25,872,003</b>	<b>118,665,437</b>	
Adjustment to Net Position, Beginning of Year				2,238,883	2,238,883		2,238,883	
<b>Adjusted Net Position August 31, 2022</b>	<b>15,615,506</b>	<b>10,499,425</b>	<b>-</b>	<b>120,661,392</b>	<b>146,776,323</b> <small>(Exhibit 2)</small>	<b>25,872,003</b>	<b>120,904,320</b>	
<b>Net Increase (Decrease) in Net Position</b>	<b>\$ (6,805,821)</b>	<b>\$ (1,343,774)</b>	<b>\$ -</b>	<b>\$ 7,632,980</b>	<b>\$ (516,615)</b> <small>(Exhibit 2)</small>	<b>\$ 2,125,424</b>	<b>\$ (2,642,039)</b>	

**BLINN COLLEGE DISTRICT**  
**Schedule of Expenditures of Federal Awards**  
**For The Year Ended August 31, 2023**

<u>Federal Grantor/Pass Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures and Pass Through Disbursements</u>
<u>U.S. Department of Education</u>			
Direct Programs:			
Student Financial Assistance Cluster			
Federal Supplemental Education Opportunity Grant	84.007	P007A223969	368,043
			<u>368,043</u>
Federal Work Study Program	84.033	P033A223969	311,676
Federal Work Study Program	84.033	P033A213969	33,964
			<u>345,640</u>
Federal Pell Grant	84.063	P063P222262	16,472,086
Federal Pell Grant	84.063	P063P212262	346
			<u>16,472,432</u>
Federal Direct Student Loan Program	84.268	P268K232262	22,525,853
Federal Direct Student Loan Program	84.268	P268K222262	(2,999)
			<u>22,522,854</u>
			<u>39,708,969</u>
Total Student Financial Assistance Cluster			
Texas Higher Education Coordinating Board			
Carl Perkins Vocational Education	84.048	2242020271	629,345
			<u>629,345</u>
Texas Workforce Commission			
Brazos Valley Council of Governments			
Federal Audit Education Literacy	84.002	1618ALA000	22,014
Federal Audit Education Literacy-Correctional Facility	84.002	1618ALA000	1,074
Federal Audit Education Literacy- IET	84.002	1618ALA000	1,658
Federal Audit Education Literacy- Professional Development	84.002	1618ALA000	739
Federal Audit Education Literacy- Intensive	84.002	1618ALA000	1,548
Federal Audit Education Literacy-AEFLA Career Services	84.002	1618ALA000	1,020
Federal Audit Education Literacy- EL Civics Career Services	84.002	1618ALA000	1,125
Federal Audit Education Literacy- EL Civics Basics	84.002	1618ALA000	4,070
Federal Audit Education Literacy	84.002	1618ALA000	221,625
Federal Audit Education Literacy-Correctional Facility	84.002	1618ALA000	30,768
Federal Audit Education Literacy- IET	84.002	1618ALA000	63,389
Federal Audit Education Literacy- Professional Development	84.002	1618ALA000	3,955
Federal Audit Education Literacy-EL-Civics	84.002	1618ALA000	33,738
Federal Audit Education Literacy-Performance Bonus	84.002	1618ALA000	886
Pre-Apprenticeship Bridge Program	84.002	1623AEL001	45,860
			<u>433,469</u>
Total U.S. Department of Education			
			<u>40,771,783</u>
<u>U.S. Small Business Administration</u>			
Pass-Through from:			
University of Houston:			
Small Business Development Center	59.037	R-23-0112	99,661
Small Business Development Center	59.037	R-22-0087	48,861
Total U.S. Small Business Administration			<u>148,522</u>
<u>U.S. Department of Education</u>			
Pass-Through from:			
Texas Higher Education Coordinating Board			
Education Stabilization Fund -Governor's Emergency Education Relief Fund			
Texas Reskilling and Upskilling for Education TRUE (GEER)	84.425C	2020-GE-84425C	693
Work-Based Learning Opportunity Grant (GEER)	84.425C	2020-GE-84425C	13,362
Nursing Innovation Grant Program (GEER II)	84.425C	S425C210050	394,953
Nursing Shortage Reduction Program (GEER II)	84.425C	S425C210050	23,211
Accelerated Student Success Planning (GEER)	84.425C	2020-GE-84425C	5,467
Digital Transformation Initiative (GEER)	84.425C	2020-GE-84425C	26,677
Student Success Acceleration Program-Implementation (GEER II)	84.425C	S425C210050	107,571
Total U.S. Department of Education			<u>571,934</u>
Total Expenditures of Federal Awards			
			<u>\$ 41,492,239</u>
<u>Federal Direct Student Loan Program, CFDA 84.268, includes the following:</u>			
Direct Subsidized Loans			\$ 8,764,372
Direct Unsubsidized Loans			10,596,859
Direct PLUS Loans			3,161,623
			<u>\$ 22,522,854</u>

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



**BLINN COLLEGE DISTRICT**  
**Schedule of Expenditures of State Awards**  
**For the Year Ended August 31, 2023**

<b>Grantor Agency Program Title</b>	<b>Grant Contract Number</b>	<b>Expenditures and Pass Through Disbursements</b>
Texas Comptroller of Public Accounts Law Enforcement Officer Standards and Education (LEOSE)		523
		<u>523</u>
Texas Higher Education Coordinating Board:		
Texas Educational Opportunity Grant Program (TEOG)		1,362,077
Texas State Work Study		59,717
Nursing Shortage Reduction Program FY 19 Over 70	NSRPFY19O70	12,675
Nursing Shortage Reduction Program FY 20 Regular	NSRPFY20O70	679
Nursing Shortage Reduction Program FY 21 Regular	NSRPFY21REG	19,305
Nursing Shortage Reduction Program FY 22 Regular	NSRPFY22REG	2,426
		<u>1,456,879</u>
Texas Workforce Commission		
Skills Development-Oak Grove Management Company LLC	1622SDF001	418,086
Skills Development-Southeast Service Corporation	1621SDF002	107,737
Skills Development-Shell Oil	1621SDF001	38,604
		<u>564,427</u>
 Total Expenditures of State Awards		 <u>\$ 2,021,829</u>

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

**BLINN COLLEGE DISTRICT**  
**Notes to Schedules of Expenditures of Federal and State Awards**  
**Year Ended August 31, 2023**

**1. Relationship to Financial Statements**

	Federal	State
Federal Grants and Contracts Revenue -Per Schedule A	\$ 1,556,976	\$ 2,021,829
Add Financial Aid Loans	22,522,854	
Add Non-operating Federal Revenue -Per Schedule C	17,412,409	
Total per Schedule of Expenditures of Federal and State Awards	\$ 41,492,239	\$ 2,021,829

**2. Significant Accounting Policies Used in Preparing the Schedules**

The schedules present the activity of all Federal and State programs of the District for the year ended August 31, 2023. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds which have been expended by the District for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The District has followed all applicable guidelines issued by various entities in the preparation of the schedules. Since the District does not have an agency approved indirect recovery rate, it has elected to use the 10% de minimis cost rate as per permitted in the UG, section 200.414.

**3. Relationship to Federal and State Financial Reports**

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

**STATISTICAL SUPPLEMENTS (UNAUDITED)**

## Blinn College District

**Net Position by Component**  
**Fiscal Years 2014 to 2023**  
(Unaudited)

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net Investment in capital assets	\$ 128,294	\$ 118,422	\$ 101,200	\$ 94,246	\$ 91,307	\$ 91,525	\$ 83,337	\$ 74,486	\$ 74,169	\$ 67,994
Restricted - expendable	9,156	10,500	10,345	10,388	10,966	7,710	7,283	7,540	5,836	5,588
Restricted - nonexpendable	-	-	-	-	9,376	9,776	9,737	9,618	9,622	9,599
Unrestricted	8,810	15,615	21,051	5,133	(1,355)	(16,893)	26,749	18,580	3,160	15,913
<b>Total</b>	<b>\$ 146,260</b>	<b>\$ 144,537</b>	<b>\$ 132,596</b>	<b>\$ 109,767</b>	<b>\$ 110,294</b>	<b>\$ 92,118</b>	<b>\$ 127,106</b>	<b>\$ 110,224</b>	<b>\$ 92,787</b>	<b>\$ 99,094</b>
Net position, beginning of year	144,537	132,596	109,767	110,294	92,118	127,106	110,224	92,787	99,094	91,594
Adjustments to Net Position, beginning of year	2,239									
Adjusted Net Position, Beginning of Year	146,776	132,596	109,767	110,294	92,118	127,106	110,224	92,787	99,094	91,594
Increase (decrease) in net position	\$ (516)	\$ 11,941	\$ 22,829	\$ (527)	\$ 18,176	\$ (34,988)	\$ 16,882	\$ 17,437	\$ (6,307)	\$ 7,500

Blinn College District

Revenues by Source  
Fiscal Years 2014 to 2023  
(Unaudited)

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Tuition and fees (net of discounts)	\$ 64,760	\$ 61,050	\$ 60,732	\$ 61,999	\$ 60,569	\$ 57,000	\$ 55,653	\$ 55,048	\$ 48,807	\$ 45,156
Governmental grants and contracts										
Federal Grants and Contracts	1,557	1,555	1,463	1,196	1,230	801	655	633	574	662
State and local grants and contracts	2,021	1,535	1,348	2,356	3,344	2,634	2,035	2,025	1,994	1,494
Sales and services of educational activities	286	770	370	372	605	513	565	692	386	441
Auxiliary enterprises (net of discounts)	10,989	9,678	7,629	10,702	14,161	13,526	11,925	11,908	7,986	8,372
Other operating revenues	599	529	307	145	378	651	459	581	277	249
<b>Total Operating Revenues</b>	<b>80,212</b>	<b>75,117</b>	<b>71,849</b>	<b>76,771</b>	<b>80,287</b>	<b>75,125</b>	<b>71,292</b>	<b>70,887</b>	<b>60,024</b>	<b>56,374</b>
State appropriations	31,676	30,764	31,891	32,890	30,709	30,832	30,815	30,198	27,873	26,928
Ad valorem taxes	2,325	2,332	2,275	2,191	1,939	1,966	1,831	1,823	1,671	1,638
Federal revenue, nonoperating	17,412	50,477	47,984	28,383	21,181	19,768	18,907	18,594	19,751	19,334
Federal grant related to capital dept	-	-	-	-	-	-	-	-	-	-
Unrealized gain on investments	319	-	67	493	133	4	-	205	-	318
Investment income	4,108	925	749	2,275	2,865	1,654	1,052	619	293	307
Insurance Proceeds	845	3,389								
Other non-operating revenues	646	1,263	770	155	1,927	626	1,037	2,401	226	289
<b>Total Non-Operating Revenues</b>	<b>57,331</b>	<b>89,150</b>	<b>83,736</b>	<b>66,387</b>	<b>58,754</b>	<b>54,850</b>	<b>53,642</b>	<b>53,840</b>	<b>49,814</b>	<b>48,814</b>
<b>Total Revenues</b>	<b>\$ 137,543</b>	<b>\$ 164,267</b>	<b>\$ 155,585</b>	<b>\$ 143,158</b>	<b>\$ 139,040</b>	<b>\$ 129,975</b>	<b>\$ 124,934</b>	<b>\$ 124,727</b>	<b>\$ 109,838</b>	<b>\$ 105,188</b>

For the Year Ended August 31,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Tuition and fees (net of discounts)	47.08%	37.17%	39.03%	43.31%	43.56%	43.85%	44.55%	44.13%	44.44%	42.93%
Governmental grants and contracts										
Federal grants and contracts	1.13%	0.95%	0.94%	0.84%	0.88%	0.62%	0.52%	0.51%	0.52%	0.63%
State grants and contracts	1.47%	0.93%	0.87%	1.65%	2.40%	2.03%	1.63%	1.62%	1.82%	1.42%
Sales and services of educational activities	0.21%	0.47%	0.24%	0.26%	0.44%	0.39%	0.45%	0.55%	0.35%	0.42%
Auxiliary enterprises	7.99%	5.89%	4.90%	7.48%	10.18%	10.41%	9.55%	9.55%	7.27%	7.96%
Other operating revenues	0.44%	0.32%	0.20%	0.10%	0.27%	0.50%	0.37%	0.47%	0.25%	0.23%
<b>Total Operating Revenues</b>	<b>58.32%</b>	<b>45.73%</b>	<b>46.18%</b>	<b>53.63%</b>	<b>57.74%</b>	<b>57.80%</b>	<b>57.06%</b>	<b>56.83%</b>	<b>54.64%</b>	<b>53.59%</b>
State appropriations	23.03%	18.73%	20.50%	22.97%	22.09%	23.72%	24.67%	24.21%	25.38%	25.60%
Ad valorem taxes	1.69%	1.42%	1.46%	1.53%	1.39%	1.51%	1.47%	1.46%	1.52%	1.56%
Federal revenue, nonoperating	12.66%	30.73%	30.84%	19.83%	15.23%	15.21%	15.13%	14.91%	17.98%	18.38%
Federal grant related to capital debt	-	-	-	-	-	-	-	-	-	-
Unrealized gain on investments	0.23%	0.00%	0.04%	0.34%	0.10%	0.00%	-	0.16%	-	0.30%
Investment income	2.99%	0.56%	0.48%	1.59%	2.06%	1.27%	0.84%	0.50%	0.27%	0.29%
Insurance Proceeds	0.61%	2.06%								
Other non-operating revenues	0.47%	0.77%	0.49%	0.11%	1.39%	0.48%	0.83%	1.93%	0.21%	0.27%
<b>Total Non-Operating Revenues</b>	<b>41.68%</b>	<b>54.27%</b>	<b>53.82%</b>	<b>46.37%</b>	<b>42.26%</b>	<b>42.20%</b>	<b>42.94%</b>	<b>43.17%</b>	<b>45.36%</b>	<b>46.41%</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>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Blinn College District**

**Program Expenses by Function**

**SS-3**

**Fiscal Years 2014 to 2023  
(Unaudited)**

**For the Year Ended August 31,**

**(amounts expressed in thousands)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Instruction	\$ 45,955	\$ 42,068	\$ 45,091	\$ 44,722	\$ 43,573	\$ 39,706	\$ 41,675	\$ 41,288	\$ 41,774	\$ 39,598
Public service	876	293	747	1,267	2,819	1,883	1,702	1,653	1,315	970
Academic support	11,642	10,788	10,832	10,764	9,627	8,590	6,500	6,230	5,950	4,639
Student services	7,440	7,010	7,278	7,329	6,821	6,428	6,368	6,328	6,064	5,682
Institutional support	11,417	15,523	15,805	17,368	15,473	14,633	14,473	14,459	11,332	10,248
Operation and maintenance of plant	19,001	21,940	19,213	14,214	12,123	13,395	8,553	11,420	8,193	8,901
Scholarships and fellowships	13,594	13,055	12,941	12,447	12,791	14,170	12,412	11,172	13,025	14,071
Auxiliary enterprises	12,166	10,836	9,228	9,778	10,092	9,247	9,130	8,741	8,570	8,415
Amortization	5,529	885	100	100						
Depreciation	7,055	6,694	5,784	5,126	5,251	4,218	4,162	4,568	4,254	3,950
<b>Total Operating Expenses</b>	<b>134,675</b>	<b>129,092</b>	<b>127,018</b>	<b>123,114</b>	<b>118,569</b>	<b>112,270</b>	<b>104,975</b>	<b>105,859</b>	<b>100,477</b>	<b>96,474</b>
Interest on capital related debt	3,384	3,595	4,020	3,116	2,422	2,068	2,925	1,102	1,148	1,262
Other non-operating expenses	0	17,154	3,861	7,071	188	-	-	322	114	-
Loss on disposal of fixed assets	0	1,638	14	-	-	-	15	2	-	16
Unrealized loss on investments	0	847	-	-	-	-	173	-	289	-
<b>Total Non-Operating Expenses</b>	<b>3,384</b>	<b>23,234</b>	<b>7,896</b>	<b>10,188</b>	<b>2,610</b>	<b>2,068</b>	<b>3,113</b>	<b>1,426</b>	<b>1,551</b>	<b>1,278</b>
<b>Total Expenses</b>	<b>\$ 138,059</b>	<b>\$ 152,326</b>	<b>\$ 134,914</b>	<b>\$ 133,302</b>	<b>\$ 121,180</b>	<b>\$ 114,338</b>	<b>\$ 108,088</b>	<b>\$ 107,285</b>	<b>\$ 102,028</b>	<b>\$ 97,752</b>

**For the Year Ended August 31,**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Instruction	33.29%	27.62%	33.42%	33.55%	35.96%	34.73%	38.56%	38.48%	40.94%	40.51%
Public service	0.63%	0.19%	0.55%	0.95%	2.33%	1.65%	1.58%	1.54%	1.29%	0.99%
Academic support	8.43%	7.08%	8.03%	8.08%	7.94%	7.51%	6.01%	5.81%	5.83%	4.75%
Student services	5.39%	4.60%	5.39%	5.50%	5.63%	5.62%	5.89%	5.90%	5.94%	5.81%
Institutional support	8.27%	10.19%	11.72%	13.03%	12.77%	12.80%	13.39%	13.48%	11.11%	10.48%
Operation and maintenance of plant	13.76%	14.40%	14.24%	10.66%	10.00%	11.72%	7.91%	10.64%	8.03%	9.11%
Scholarships and fellowships	9.85%	8.57%	9.59%	9.34%	10.56%	12.39%	11.48%	10.41%	12.77%	14.39%
Auxiliary enterprises	8.81%	7.11%	6.84%	7.34%	8.33%	8.09%	8.45%	8.15%	8.40%	8.61%
Depreciation	9.11%	4.98%	4.36%	3.92%	4.33%	3.69%	3.85%	4.26%	4.17%	4.04%
<b>Total Operating Expenses</b>	<b>97.55%</b>	<b>84.75%</b>	<b>94.15%</b>	<b>92.36%</b>	<b>97.85%</b>	<b>98.19%</b>	<b>97.12%</b>	<b>98.67%</b>	<b>98.48%</b>	<b>98.69%</b>
Interest on capital related debt	2.45%	2.36%	2.98%	2.34%	2.00%	1.81%	2.71%	1.03%	1.13%	1.29%
Bond issuance costs	0.00%	11.26%	2.86%	5.30%	0.16%	0.00%	-	0.30%	0.11%	-
Loss on disposal of fixed assets	0.00%	1.08%	0.01%	0.00%	0.00%	0.00%	0.01%	0.00%	-	0.02%
Unrealized loss on investments	0.00%	0.56%	0.00%	0.00%	0.00%	0.00%	0.16%	-	0.28%	-
<b>Total Non-Operating Expenses</b>	<b>2.45%</b>	<b>15.25%</b>	<b>5.85%</b>	<b>7.64%</b>	<b>2.15%</b>	<b>1.81%</b>	<b>2.88%</b>	<b>1.33%</b>	<b>1.52%</b>	<b>1.31%</b>
<b>Total Expenses</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Blinn College District

Tuition and Fees  
Last Ten Academic Years  
(Unaudited)

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

Academic Year (Fall)	Registration Fee (per student)	Activity, Bldg. Use Fees (per student)	In-District Tuition	In-Service Area Tuition	Out-of-Service Area Tuition	Technology Fees	General Fees	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District
2023	-	-	61		120	6	75	1,704	2,412	8.40%	6.35%
2022	-	-	59		117	-	72	1,572	2,268	3.15%	2.16%
2021	-	-	57		115	-	70	1,524	2,220	4.10%	3.35%
2020	-	-	55		112	-	67	1,464	2,148	3.39%	2.29%
2019	-	-	54		111	-	64	1,416	2,100	5.36%	3.55%
2018	-	-	52		109	-	60	1,344	2,028	10.89%	6.96%
2017	-	-	50		107	-	51	1,212	1,896	7.45%	-3.07%
2016	-	-	48	102	117	-	46	1,128	1,956	5.62%	19.85%
2015	-	-	45		92	-	44	1,068	1,632	0.00%	0.00%
2014	-	-	45		92	-	37	984	1,548	7.89%	4.88%

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

Academic Year (Fall)	Registration Fee (per student)	Activity, Bldg. Use Fees (per student)	Non-Resident Tuition Out of State	Non-Resident Tuition International	Technology Fees	General Fees	Cost for 12 SCH Out-of-State	Cost for 12 SCH International	Increase from Prior Year Out-of-State	Increase from Prior Year International
2023	-	-	277	277	6	75	4,296	4,296	2.87%	2.87%
2022	-	-	276	276	-	72	4,176	4,176	1.16%	1.16%
2021	-	-	274	274	-	70	4,128	4,128	1.47%	1.47%
2020	-	-	272	272	-	67	4,068	4,068	1.19%	1.19%
2019	-	-	271	271	-	64	4,020	4,020	2.45%	2.45%
2018	-	-	267	267	-	60	3,924	3,924	5.14%	5.14%
2017	-	-	260	260	-	51	3,732	3,732	26.42%	26.42%
2016	-	-	200	200	-	46	2,952	2,952	16.59%	16.59%
2015	-	-	167	167	-	44	2,532	2,532	3.43%	3.43%
2014	-	-	167	167	-	37	2,448	2,448	1.49%	1.49%

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

Blinn College District

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

Fiscal Year	(Amounts expressed in thousands)			Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)		Maintenance & Operations (a)	Debt Service (a)	Total (a)
2022-23	\$ 6,640,382	\$ (1,041,929)	5,598,453	84.31%	0.036300		0.036300
2021-22	5,863,441	(577,400)	5,286,041	90.15%	0.037700	-	0.037700
2020-21	4,651,663	(946,823)	3,704,840	79.65%	0.051300	-	0.051300
2019-20	4,353,315	(891,819)	3,461,496	79.51%	0.056000	-	0.056000
2018-19	4,239,094	(843,588)	3,395,506	80.10%	0.056000	-	0.056000
2017-18	3,662,571	(754,632)	2,907,939	79.40%	0.060100	-	0.060100
2016-17	3,231,517	(581,745)	2,649,772	82.00%	0.060100	-	0.060100
2015-16	3,188,948	(530,002)	2,658,946	83.38%	0.060100	-	0.060100
2014-15	2,972,792	(472,745)	2,500,047	84.10%	0.058400	-	0.058400
2013-14	2,847,226	(445,830)	2,401,396	84.34%	0.060000	-	0.060000

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



## Blinn College District

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

Fiscal Year	State Appropriation	Appropriation per FTSE		Appropriation per Contact Hour				State Appropriation per Contact Hour
		FTSE <sup>1</sup>	State Appropriation per FTSE	Academic Contact Hours	Voc/Tech Contact Hours	Continuing Education Contact Hours	Total Contact Hours	
2022-23	31,676,100	12,594	2,515	5,968,764	720,096	54,271	6,743,131	4.70
2021-22	30,764,190	11,386	2,702	5,975,408	680,288	74,765	6,730,461	4.57
2020-21	31,891,453	12,617	2,528	6,086,720	628,176	74,765	6,789,661	4.70
2019-20	32,890,482	13,479	2,440	6,799,248	637,776	50,505	7,487,529	4.39
2018-19	30,708,803	13,794	2,226	6,888,032	690,832	109,253	7,688,117	3.99
2017-18	30,832,306	13,446	2,293	6,738,448	703,136	115,464	7,557,048	4.08
2016-17	30,814,918	13,774	2,237	6,792,288	677,632	108,282	7,578,202	4.07
2015-16	30,198,162	14,092	2,143	6,902,944	694,464	105,461	7,702,869	3.92
2014-15	27,872,570	14,286	1,951	7,163,232	708,740	188,531	8,060,503	3.46
2013-14	26,928,177	13,830	1,947	6,923,216	812,944	132,628	7,868,788	3.42

## Note:

FTSE as reported for Texas Higher Education Coordinating Board (<http://www.txhighereddata.org>)

Obtain data from IER

Blinn College District

Principal Taxpayers  
Last Ten Tax Years  
(Unaudited)

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)									
		2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Magnolia Oil & Gas Operating LLC	Oil and Gas	481,415	161,305	80,296	142,670						-
Geosouthern Chalk II LLC	Oil and Gas	111,019	90,719								-
Blue Bell Creameries	Manufacturing	110,991	68,054	84,317	69,105	64,602	66,007	68,553	67,693	73,986	56,281
Aspen Midstream, LLC	Oil and Gas	82,063	65,604	62,824							-
Chesapeake Operating Inc	Oil and Gas	75,090	59,874	54,800							-
LCRA Transmission Services	Utilities	70,248	48,317	68,081	65,627	58,396	58,208	55,969	62,059	44,382	36,274
Valmont/ALS	Manufacturing	47,172	42,584	34,612	16,321	18,135	24,125	22,679	30,124	24,163	25,607
Ironroc Energy	Oil and Gas	39,342	21,969								-
Apache Corporation	Oil and Gas	29,672	20,698								-
Geosouthern Operating II LLC	Oil and Gas	25,828	15,931	24,628	38,023	15,226					-
Bluebonnet Electric Coop.	Utilities	23,118	15,915		17,569	16,793	15,798	15,776	15,543	14,285	11,792
BNSF Railway Company	Transportation	22,531	15,399		18,413	17,662	15,630	15,185	13,930	13,975	13,917
Germania Farm Mutual Aid	Insurance	17,825	15,272	13,672			13,326	11,834	11,844	11,743	11,652
Sabra Texas Holdings, LP	Healthcare	17,127	15,201				8,000				-
Whitethorn Pipeline LLC	Pipeline	12,730	12,901	12,587							-
Wink to Webster Pipeline LLC	Pipeline	12,694	12,024								-
R.R. Donnelley	Manufacturing	12,583	11,025								-
Sealy Texas Management, Inc.	Manufacturing			14,246			13,925	12,120			-
ExxonMobil Pipeline	Pipeline										-
Seminole Pipeline Company	Pipeline			13,066							-
Lowe's Homecenters, Inc.	Retail			9,865			9,267	9,176	8,966	8,953	9,037
ETC Texas Pipeline, LTD	Pipeline			11,074	19,793	23,067	23,845	30,236	21,781	20,178	17,908
PFL Properties, LP	Oil and Gas			8,382			7,209	6,444			-
Moore Wallace North America	Manufacturing			8,344				6,796	7,556	8,258	7,564
ARI-Automotive Rentals, Inc.	Transportation									7,263	-
Brenham Wholesale Grocery	Groceries						7,196	7,660	8,055	8,215	8,082
DCP Austin Gathering LP	Oil and Gas										-
Del Sol Food Co Inc	Consumer Goods						7,555				-
Enervest Operating #397	Oil and Gas					13,918			8,920	13,089	8,841
Enervest Operating #399	Oil and Gas					26,023	24,918	23,802	44,369	70,188	69,593
Enervest Operating LLC	Oil and Gas					26,023	16,049	15,215	26,832		-
HD Development Properties, LP	Commercial										-
Hyperion Energy LP	Oil and Gas								9,447	8,718	7,760
Imus, John D ET UX	Private							6,427			-
Longwood Elastomers, Inc.	Manufacturing						10,889	11,040	10,836	10,145	9,015
MIC Group LLC (West)	Manufacturing						7,292	11,456	16,492	19,341	19,586
MIC LLC (East)	Manufacturing						7,666	9,771	11,036	11,005	11,487
Mount Vernon Mill, Inc.	Manufacturing										-
PI Components Corp.	Manufacturing						7,228	7,293	10,649	9,908	10,248
Sealy Mattress	Manufacturing								11,366		7,027
Southern Bay Operating, LLC	Oil and Gas										-
Southwestern Telephone Company	Telephone										-
Tarlton Supply Company	Oil and Gas										-
Valmont/ALS - Abated	Manufacturing								8,531	8,874	8,814
Wal-Mart Properties #4109	Retail										-
Wal-Mart Real Estate Business	Retail						7,727	7,196		7,600	7,694
Wildhorse Resources Mgmt Co/Chesapeake	Oil and Gas				45,216						-
<b>Totals</b>		<b>\$ 1,191,448</b>	<b>\$ 692,792</b>	<b>\$ 500,794</b>	<b>\$ 432,737</b>	<b>\$ 279,845</b>	<b>\$ 351,860</b>	<b>\$ 354,628</b>	<b>\$ 406,029</b>	<b>\$ 394,269</b>	<b>\$ 358,179</b>
<b>Total Taxable Assessed Value</b>		<b>\$ 5,286,041</b>	<b>\$ 3,704,840</b>	<b>\$ 3,461,496</b>	<b>\$ 3,395,506</b>	<b>\$ 2,907,939</b>	<b>\$ 2,649,772</b>	<b>\$ 2,658,946</b>	<b>\$ 2,500,047</b>	<b>\$ 2,401,396</b>	<b>\$ 2,320,905</b>

Blinn College District

Principal Taxpayers  
Last Ten Tax Years  
(Unaudited)

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year									
		2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Blue Bell Creameries	Manufacturing	2.10%	1.84%	2.44%	2.04%	2.22%	2.49%	2.58%	2.71%	3.08%	2.42%
Geosouthern Chalk II LLC	Oil and Gas	2.10%	2.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Magnolia Oil & Gas Operating LLC	Oil and Gas	9.11%	4.35%	2.32%	4.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
LCRA Transmission Services	Utilities	1.33%	1.30%	1.97%	1.93%	2.01%	2.20%	2.10%	2.48%	1.85%	1.56%
Aspen Midstream, LLC	Oil and Gas	1.55%	1.77%	1.81%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Chesapeake Operating Inc	Oil and Gas	1.42%	1.62%	1.58%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Valmont/ALS	Manufacturing	0.89%	1.15%	1.00%	0.48%	0.62%	0.91%	0.85%	1.20%	1.01%	1.10%
Ironroc Energy	Oil and Gas	0.74%	0.59%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Geosouthern Operating II LLC	Oil and Gas	0.49%	0.43%	0.71%	1.12%	0.52%	0.00%	0.00%	0.00%	0.00%	0.00%
Sealy Texas Management, Inc.	Manufacturing	0.00%	0.00%	0.41%	0.00%	0.00%	0.53%	0.46%	0.00%	0.00%	0.00%
Germania Farm Mutual Aid	Insurance	0.34%	0.41%	0.39%	0.00%	0.00%	0.50%	0.45%	0.47%	0.49%	0.50%
Seminole Pipeline Company	Pipeline	0.00%	0.00%	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Apache Corporation	Oil and Gas	0.56%	0.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Whitethorn Pipeline LLC	Pipeline	0.24%	0.35%	0.36%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Wink to Webster Pipeline LLC	Pipeline	0.24%	0.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
R.R. Donnelley	Manufacturing	0.24%	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ETC Texas Pipeline, LTD	Pipeline	0.00%	0.00%	0.32%	0.58%	0.79%	0.90%	1.14%	0.87%	0.84%	0.77%
Lowe's Homecenters, Inc.	Retail	0.00%	0.00%	0.28%	0.00%	0.00%	0.35%	0.35%	0.36%	0.37%	0.39%
PFL Properties, LP	Oil and Gas	0.00%	0.00%	0.24%	0.00%	0.00%	0.27%	0.24%	0.00%	0.00%	0.00%
Moore Wallace North America	Manufacturing	0.00%	0.00%	0.24%	0.00%	0.00%	0.00%	0.26%	0.30%	0.34%	0.33%
ARI-Automotive Rentals, Inc.	Transportation	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.30%	0.00%
Brenham Wholesale Grocery	Groceries	0.00%	0.00%	0.00%	0.00%	0.00%	0.27%	0.29%	0.32%	0.34%	0.35%
DCP Austin Gathering LP	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Del Sol Food Co Inc	Consumer Goods	0.00%	0.00%	0.00%	0.00%	0.00%	0.29%	0.00%	0.00%	0.00%	0.00%
Enervest Operating #397	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.48%	0.00%	0.00%	0.36%	0.55%	0.38%
Enervest Operating #399	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.89%	0.94%	0.90%	1.77%	2.92%	3.00%
Enervest Operating LLC	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.89%	0.61%	0.57%	1.07%	0.00%	0.00%
HD Development Properties, LP	Commercial	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hyperion Energy LP	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.38%	0.36%	0.33%
Imus, John D ET UX	Private	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.24%	0.00%	0.00%	0.00%
Longwood Elastomers, Inc.	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%	0.41%	0.42%	0.43%	0.42%	0.39%
MIC Group LLC (West)	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%	0.28%	0.43%	0.66%	0.81%	0.84%
MIC LLC (East)	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%	0.29%	0.37%	0.44%	0.46%	0.49%
Mount Vernon Mill, Inc.	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
PI Components Corp.	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%	0.27%	0.27%	0.43%	0.41%	0.44%
Sabra Texas Holdings, LP	Healthcare	0.32%	0.41%	0.00%	0.00%	0.00%	0.30%	0.00%	0.00%	0.00%	0.00%
Sealy Mattress	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.45%	0.00%	0.30%
Southern Bay Operating, LLC	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Southwestern Telephone Company	Telephone	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Tarleton Supply Company	Oil and Gas	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Valmont/ALS - Abated	Manufacturing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.34%	0.37%	0.38%
Wal-Mart Properties #4109	Retail	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Wal-Mart Real Estate Business	Retail	0.00%	0.00%	0.00%	0.00%	0.00%	0.29%	0.27%	0.00%	0.32%	0.33%
Bluebonnet Electric Coop.	Utilities	0.44%	0.43%	0.00%	0.52%	0.58%	0.60%	0.59%	0.62%	0.59%	0.51%
BNSF Railway Company	Transportation	0.43%	0.42%	0.00%	0.54%	0.61%	0.59%	0.57%	0.56%	0.58%	0.60%
Wildhorse Resources Mgmt Co/Chesapeake	Oil and Gas	0.00%	0.00%	0.00%	1.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Totals</b>		<b>22.54%</b>	<b>18.70%</b>	<b>14.47%</b>	<b>12.74%</b>	<b>9.62%</b>	<b>13.28%</b>	<b>13.34%</b>	<b>16.24%</b>	<b>16.42%</b>	<b>15.43%</b>

Source: Washington County Appraisal District

## Blinn College District

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

<b>Fiscal Year Ended August 31</b>	<b>Levy (a)</b>	<b>Cumulative Levy Adjustments</b>	<b>Adjusted Tax Levy (b)</b>	<b>Collections - Year of Levy (c)</b>	<b>Percentage</b>	<b>Current Collections of Prior Levies (b) (c)</b>	<b>Total Collections</b>	<b>Cumulative Collections of Adjusted Levy</b>
2023	2,300,993	(49,135)	2,251,858	2,319,048	102.98%	30,013	2,349,061	104.32%
2022	2,300,300	(51,656)	2,248,644	2,315,881	102.99%	35,465	2,351,346	104.57%
2021	2,252,307	(47,426)	2,204,881	2,267,614	102.85%	31,080	2,298,694	104.25%
2020	2,221,183	(47,065)	2,174,118	2,181,577	100.34%	32,011	2,213,588	101.82%
2019	2,067,287	(23,398)	2,043,889	2,040,819	99.85%	30,941	2,071,760	101.36%
2018	1,981,872	(45,420)	1,936,452	1,894,260	97.82%	30,594	1,924,854	99.40%
2017	1,851,272	(38,570)	1,812,702	1,775,179	97.93%	27,305	1,802,484	99.44%
2016	1,838,348	(35,031)	1,803,317	1,767,777	98.03%	25,916	1,793,693	99.47%
2015	1,680,949	(26,917)	1,654,032	1,621,330	98.02%	29,302	1,650,632	99.79%
2014	1,649,667	(31,658)	1,618,009	1,582,334	97.80%	33,684	1,616,018	99.88%

Source: Washington County Tax Assessor/Collector

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

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

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

## Blinn College District

**Ratios of Outstanding Debt  
Last Ten Fiscal Years  
(Unaudited)**

	For the Year Ended August 31 (amounts expressed in thousands)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Other Debt</b>										
Revenue bonds	\$ 99,465	\$ 104,475	\$ 109,265	\$ 98,755	\$ 102,300	\$ 76,635	\$ 80,140	\$ 83,805	\$ 40,730	\$ 34,315
Unamortized Bond Premiums										
Capital lease obligations	-	-	-	-	-	-	-	-	-	-
<b>Total Outstanding Debt</b>	<b>\$ 99,465</b>	<b>\$ 104,475</b>	<b>\$ 109,265</b>	<b>\$ 98,755</b>	<b>\$ 102,300</b>	<b>\$ 76,635</b>	<b>\$ 80,140</b>	<b>\$ 83,805</b>	<b>\$ 40,730</b>	<b>\$ 34,315</b>
 <b>Total Outstanding Debt Ratios</b>										
Per Capita	2.75	2.88	2.98	2.75	2.91	2.18	2.29	2.41	1.17	1.00
Per FTSE	8.74	9.18	8.66	7.33	7.42	5.70	5.82	5.95	2.85	2.48
As a percentage of Taxable Assessed Value	1.88%	2.82%	3.16%	2.91%	3.52%	2.89%	3.01%	3.35%	1.70%	1.48%

Notes: Ratios calculated using population and TAV from current year. Debt per student calculated using full-time-student-equivalent enrollment.

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

	<b>For the Year Ended August 31 (amount expressed in thousands)</b>									
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Taxable Assessed Value	\$ 5,598,453	\$ 5,286,041	\$ 3,704,840	\$ 3,461,496	\$ 3,395,506	\$ 2,907,939	\$ 2,649,772	\$ 2,658,946	\$ 2,500,047	\$ 2,401,396
General Obligation Bonds										
Statutory Tax Levy Limit for Debt Service	27,992	26,430	18,524	17,307	16,978	14,540	13,249	13,295	12,500	12,007
Less: Funds Restricted for Repayment of General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Total Net General Obligation Debt	27,992	26,430	18,524	17,307	16,978	14,540	13,249	13,295	12,500	12,007
Current Year Debt Service Requirements	-	-	-	-	-	-	-	-	-	-
Excess of Statutory Limit for Debt Service over Current Requirements	\$ 27,992	\$ 26,430	\$ 18,524	\$ 17,307	\$ 16,978	\$ 14,540	\$ 13,249	\$ 13,295	\$ 12,500	\$ 12,007
Net Current Requirements as a % of Statutory Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

**Blinn College District**

**Pledged Revenue Coverage - Revenue Bonds  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year Ended August 31	Pledged Revenues (\$000 omitted)							Debt Service Requirements (\$000 omitted)			Coverage Ratio
	Tuition	General Fees, Activity and Building Use	Laboratory and Course Fees	Housing Income	Bookstore Income	Other Auxiliary	Total	Principal	Interest	Total	
2023	8,059	26,754	4,798	1,056	616	3,400	44,683	5,010	3,733	8,743	5.11
2022	7,693	24,946	4,216	756	566	2,295	40,472	4,790	3,956	8,746	4.63
2021	7,275	25,156	5,163	806	482	1,294	40,176	4,075	4,539	8,614	4.66
2020	7,618	27,220	3,599	1,392	810	2,847	43,486	3,545	2,679	6,224	6.99
2019	7,604	25,518	2,971	2,633	880	4,356	43,962	3,460	2,801	6,261	7.02
2018	7,656	23,051	1,939	2,410	926	3,922	39,904	3,505	2,921	6,426	6.21
2017	8,002	20,429	1,849	2,273	937	2,956	36,446	3,665	3,167	6,832	5.33
2016	8,377	18,157	1,918	2,409	1,149	2,356	34,366	3,525	1,530	5,055	6.80
2015	6,613	18,157	1,893	2,376	1,011	1,256	31,306	3,405	1,231	4,636	6.75
2014	6,814	14,771	1,704	1,650	1,374	-	26,313	3,260	1,346	4,606	5.71

## Blinn College District

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

<b>Calendar Year</b>	<b>District Population</b>	<b>District Personal Income (thousands of dollars)</b>	<b>District Personal Income Per Capita</b>	<b>Unemployment Rate</b>
2023	36,159	Not available	Not available	4.1%
2022	36,223	Not available	Not available	3.8%
2021	35,891	2,199,924	60,548	5.1%
2020	36,654	2,089,960	58,426	5.7%
2019	35,882	2,053,296	57,635	8.1%
2018	35,108	1,834,903	52,265	3.7%
2017	35,043	1,673,002	47,741	4.2%
2016	34,821	1,679,690	48,238	5.1%
2015	34,869	1,716,523	49,228	4.8%
2014	34,411	1,738,494	50,521	4.6%

## Sources:

Population from U.S. Bureau of the Census.

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

Unemployment rate from Texas Workforce Commission.



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

<b>2023</b>		<b>2014</b>	
<b>Employer</b>	<b>Type of Business</b>	<b>Employer</b>	<b>Type of Business</b>
Baylor Scott & White Medical Center	Hospital	Blinn College	Higher Education
Blinn College	Higher Education	Blue Bell Creameries	Ice Cream Manufacturer
Blue Bell Creameries	Ice Cream Manufacturer	Brenham I.S.D.	Independent School District
Brenham Clinic	Hospital	Brenham State Supported Living Center	Mental Health/Retardation Services
Brenham I.S.D.	Independent School District	City of Brenham	Government
Brenham Nursing & Rehabilitation	Nursing Home and Rehabilitation Services	Germania Insurance	Insurance Services
Brenham State Supported Living Center	Mental Health/Retardation Services	Scott & White Hospital	Hospital
Brenham Wholesale	Grocers-Wholesale	Sealy Mattress Company	Mattress Manufacturer
Germania Insurance	Insurance Services	Valmont Industries	Steel Lighting Standards Manufacturer
Wal-Mart Supercenter	Retail Department Store	Wal-Mart Supercenter	Retail Department Store

Notes:

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

Blinn College District

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

Fiscal Year

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Faculty:</b>										
Full-Time	387	377	387	406	407	386	400	398	393	367
Part-Time	367	334	299	284	337	335	225	250	295	318
Total	754	711	686	690	744	721	625	648	688	685
<b>Percent</b>										
Full-Time	51.3%	53.0%	56.4%	58.8%	54.7%	53.5%	64.0%	61.4%	57.1%	53.6%
Part-Time	48.7%	47.0%	43.6%	41.2%	45.3%	46.5%	36.0%	38.6%	42.9%	46.4%
<b>Staff and Administrators:</b>										
Full-Time	432	413	413	348	364	360	388	401	365	349
Part-Time	119	106	291	105	124	138	81	93	99	438
Total	551	519	704	453	488	498	469	494	464	787
<b>Percent</b>										
Full-Time	78.4%	79.6%	58.7%	76.8%	74.6%	72.3%	82.7%	81.2%	78.7%	44.3%
Part-Time	21.6%	20.4%	41.3%	23.2%	25.4%	27.7%	17.3%	18.8%	21.3%	55.7%
FTSE per Full-time Faculty	33	33	33	33	34	35	34	35	36	38
FTSE per Full-Time Staff Member	29	31	31	39	38	37	36	35	39	40
Average Annual Faculty Salary*	\$69,199	\$63,219	\$62,701	\$56,076	\$63,635	\$60,028	\$58,041	\$56,944	\$56,792	\$58,041





Blinn College District

Student Profile  
Last Ten Fiscal Years  
(Unaudited)

Gender	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	8,916	50.79%	8,637	50.58%	9,533	53.09%	9,997	52.11%	9,805	51.30%	9,359	50.69%	9,781	51.71%	9,821	51.27%	9,728	51.83%	9,463	51.81%
Male	8,638	49.21%	8,440	49.42%	8,422	46.91%	9,186	47.89%	9,308	48.70%	9,106	49.31%	9,133	48.29%	9,336	48.73%	9,041	48.17%	8,803	48.19%
Total	17,554	100.00%	17,077	100.00%	17,955	100.00%	19,183	100.00%	19,113	100.00%	18,465	100.00%	18,914	100.00%	19,157	100.00%	18,769	100.00%	18,266	100.00%

Ethnic Origin	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	10,177	57.98%	10,180	59.61%	10,692	59.55%	11,322	59.02%	11,137	58.27%	11,190	60.60%	11,689	61.80%	12,033	62.81%	11,988	63.87%	11,797	64.58%
Hispanic	4,325	24.64%	4,107	24.05%	4,274	23.80%	4,428	23.08%	4,459	23.33%	4,016	21.75%	3,898	20.61%	3,785	19.76%	3,610	19.23%	3,396	18.59%
African American	1,225	6.98%	1,292	7.57%	1,482	8.25%	1,811	9.44%	2,212	11.57%	1,990	10.78%	2,059	10.89%	1,980	10.34%	1,888	10.06%	1,916	10.49%
Asian	515	2.93%	445	2.61%	430	2.39%	459	2.39%	460	2.41%	456	2.47%	459	2.43%	498	2.60%	430	2.29%	368	2.01%
Foreign	96	0.55%	72	0.42%	55	0.31%	66	0.34%	91	0.48%	114	0.62%	135	0.71%	157	0.82%	171	0.91%	170	0.93%
Native American	108	0.62%	91	0.53%	93	0.52%	102	0.53%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Multi-Racial	613	3.49%	657	3.85%	654	3.64%	697	3.63%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Unknown	495	2.82%	233	1.36%	275	1.53%	298	1.55%	754	3.94%	699	3.79%	674	3.56%	704	3.67%	682	3.63%	619	3.39%
Total	17,554	100.00%	17,077	100.00%	17,955	100.00%	19,183	100.00%	19,113	100.00%	18,465	100.00%	18,914	100.00%	19,157	100.00%	18,769	100.00%	18,266	100.00%

Age	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014		Fall 2013	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	1,929	10.99%	1,319	7.72%	1,499	8.35%	1,802	9.39%	1,921	10.05%	1,698	9.20%	1,693	8.95%	1,639	8.56%	1,466	7.81%	1,552	8.50%
18 - 21	12,886	73.41%	12,448	72.89%	13,121	73.08%	14,255	74.31%	14,009	73.30%	13,629	73.81%	13,838	73.16%	14,150	73.86%	13,796	73.50%	13,180	72.16%
22 - 24	1,348	7.68%	1,685	9.87%	1,631	9.08%	1,426	7.43%	1,434	7.50%	1,459	7.90%	1,596	8.44%	1,629	8.50%	1,656	8.82%	1,594	8.73%
25 - 29	684	3.90%	740	4.33%	842	4.69%	925	4.82%	860	4.50%	878	4.75%	907	4.80%	850	4.44%	1,277	6.80%	918	5.03%
30 - 34	277	1.58%	375	2.20%	375	2.09%	354	1.85%	419	2.19%	341	1.85%	387	2.05%	383	2.00%	467	2.49%	388	2.12%
35 & Over	430	2.45%	510	2.99%	487	2.71%	421	2.19%	470	2.46%	460	2.49%	493	2.61%	506	2.64%	107	0.57%	634	3.47%
Total	17,554	100.00%	17,077	100.00%	17,955	100.00%	19,183	100.00%	19,113	100.00%	18,465	100.00%	18,914	100.00%	19,157	100.00%	18,769	100.00%	18,266	100.00%

Average Age	21	21	21	21	21	22	23	24	26	27
-------------	----	----	----	----	----	----	----	----	----	----

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

Blinn College District

Transfers to Senior Institutions  
 2021-2022 Graduates, Completers, and Non-Returners  
 (Includes only public senior colleges in Texas)  
 (Unaudited)

		Transfer Student Count Academic	Transfer Student Count Technical	Total of all Sample Transfer Students	% of all Sample Transfer Students
1	Texas A&M University	5557	88	5,645	65.67%
2	Sam Houston State University	389	31	420	4.89%
3	Texas State University	257	7	264	3.07%
4	Blinn College District	187	25	212	2.47%
5	University of Houston	176		176	2.05%
6	Texas A&M University - Corpus Christi	133	3	136	1.58%
7	Texas A&M University System Health Science Center	121	20	141	1.64%
8	The University of Texas at Austin	100	1	101	1.17%
9	Tarleton State University	88	9	97	1.13%
10	Texas Tech University	84		84	0.98%
11	University of North Texas	75	1	76	0.88%
12	Austin Community College	59	5	64	0.74%
13	The University of Texas at San Antonio	56		56	0.65%
14	Stephen F. Austin State University	55		55	0.64%
15	Houston Community College	47	7	54	0.63%
16	The University of Texas at Arlington	45	2	47	0.55%
17	Lone Star College - CyFair	44	3	47	0.55%
18	Prairie View A&M University	43	1	44	0.51%
19	Texas A&M University - Commerce	34	3	37	0.43%
20	Lone Star College - Montgomery	33	7	40	0.47%
21	Lamar University	27		27	0.31%
22	Texas A&M University at Galveston	26	1	27	0.31%
23	The University of Texas at Dallas	26		26	0.30%
24	Texas A&M University - Kingsville	24		24	0.28%
25	Texas Woman's University	24	3	27	0.31%
26	San Jacinto College	23	2	25	0.29%
27	Texas A&M International University	23	2	25	0.29%
28	West Texas A&M University	23	1	24	0.28%
29	Dallas College	20	1	21	0.24%
30	The University of Texas at Tyler	20	1	21	0.24%
31	Lone Star College - Tomball	19	3	22	0.26%
32	McLennan Community College	19	9	28	0.33%
33	Lone Star College - Kingwood	17	1	18	0.21%
34	Texas State Technical College in Waco	16		16	0.19%
35	Texas A&M University - Texarkana	16		16	0.19%
36	Collin County Community College District	15	2	17	0.20%
37	Tarrant County College District	15	5	20	0.23%
38	University of Houston - Victoria	15	2	17	0.20%
39	University of Houston - Clear Lake	14	1	15	0.17%
40	The University of Texas Medical Branch at Galveston	14	1	15	0.17%
41	Wharton County Junior College	13	3	16	0.19%
42	Angelo State University	12	1	13	0.15%
43	Lone Star College - University Park	11	1	12	0.14%
44	Navarro College	11	3	14	0.16%
45	Texas A&M University - Central Texas	10	1	11	0.13%
46	Texas Southern University	10	2	12	0.14%
47	University of Houston - Downtown	10	1	11	0.13%
48	Tyler Junior College	9	4	13	0.15%
49	Texas A&M University - San Antonio	9	2	11	0.13%
50	Central Texas College	8	2	10	0.12%
51	College of the Mainland Community College District	8		8	0.09%
52	Lone Star College - North Harris	8	1	9	0.10%
53	Temple College	8		8	0.09%
54	Weatherford College	8	1	9	0.10%
55	ACCD - Northwest Vista College	7	1	8	0.09%
56	Angelina College	6		6	0.07%
57	Lone Star College - Connect Campus	6	5	11	0.13%
58	Trinity Valley Community College	6		6	0.07%
59	Victoria College	6	3	9	0.10%

60	Texas Tech University Health Sciences Center	6		6	0.07%
61	The University of Texas Health Science Center at Houston	6		6	0.07%
62	Alvin Community College	5		5	0.06%
63	Del Mar College	5	2	7	0.08%
64	Galveston College	5		5	0.06%
65	HCJCD - Howard College	5		5	0.06%
66	Kilgore College	5		5	0.06%
67	Lee College	5	1	6	0.07%
68	North Central Texas College	5	1	6	0.07%
69	South Plains College	5		5	0.06%
70	Texas State Technical College Connect	5	2	7	0.08%
71	ACCD - Northeast Lakeview College	4	1	5	0.06%
72	ACCD - San Antonio College	4	2	6	0.07%
73	Lone Star College - Houston North	4		4	0.05%
74	Ranger College	4		4	0.05%
75	South Texas College	4	2	6	0.07%
76	The University of Texas - Rio Grande Valley	4		4	0.05%
77	The University of Texas Health Science Center at San Antonio	4	2	6	0.07%
78	University of North Texas Health Science Center	4		4	0.05%
79	ACCD - St. Philip's College	3	1	4	0.05%
80	Brazosport College	3	1	4	0.05%
81	Coastal Bend College	3	3	6	0.07%
82	El Paso Community College District	3		3	0.03%
83	Panola College	3		3	0.03%
84	Paris Junior College	3		3	0.03%
85	Texas State Technical College in Fort Bend County	3		3	0.03%
86	Western Texas College	3	1	4	0.05%
87	Cisco College	2		2	0.02%
88	Lamar State College - Orange	2	3	5	0.06%
89	Lamar State College - Port Arthur	2		2	0.02%
90	Odessa College	2	1	3	0.03%
91	Southwest Texas Junior College	2		2	0.02%
92	Texas Southmost College	2		2	0.02%
93	Texas State Technical College in Marshall	2		2	0.02%
94	Midwestern State University	2	1	3	0.03%
95	Sul Ross State University	2		2	0.02%
96	ACCD - Palo Alto College	1		1	0.01%
97	Amarillo College	1		1	0.01%
98	Grayson College	1	1	2	0.02%
99	Lamar Institute of Technology	1	2	3	0.03%
100	Midland College	1		1	0.01%
101	Texarkana College	1		1	0.01%
102	Texas State Technical College in Harlingen	1		1	0.01%
103	Texas State Technical College in West Texas	1		1	0.01%
104	Vernon College	1		1	0.01%
105	The University of Texas at El Paso	1		1	0.01%
106	University of North Texas at Dallas	1		1	0.01%
107	The University of Texas M.D. Anderson Cancer Center	1		1	0.01%
108	The University of Texas Southwestern Medical Center	1		1	0.01%
109	Texas State Technical College in North Texas		1	1	0.01%
<b>Total</b>		<b>8289</b>	<b>307</b>	<b>8,596</b>	<b>100.00%</b>

Sources: Blinn College Institutional Research and Effectiveness  
National Student Clearinghouse Subsequent Enrollment Report

Blinn College District

Schedule of Capital Asset Information  
Fiscal Years 2014 to 2023  
(Unaudited)

	Fiscal Year									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Academic buildings	26	26	25	24	23	23	22	22	22	22
Square footage	750,338	750,338	670,338	597,338	587,273	587,273	502,675	502,675	502,675	502,675
Libraries	2	2	2	2	2	2	2	2	2	2
Square footage	51,016	51,016	51,016	51,016	51,016	51,016	51,016	51,016	51,016	51,016
Number of Volumes	165,075	165,075	165,075	165,075	183,816	185,555	186,980	186,468	188,217	187,692
Administrative and support buildings	6	6	6	6	6	6	6	6	6	6
Square footage	71,158	71,158	71,158	71,158	71,158	71,158	71,158	71,158	71,158	71,158
Dormitories	9	9	12	12	12	12	12	12	12	12
Square footage	175,594	175,594	209,985	209,985	209,985	209,985	209,985	209,985	209,985	209,985
Number of Beds	777	777	974	974	974	974	974	974	974	974
Apartments	8	8	8	8	8	8	8	8	8	8
Square footage	106,211	106,211	106,211	106,211	106,211	106,211	106,211	106,211	106,211	106,211
Number of beds	338	338	338	338	338	338	338	338	338	338
Dining Facilities	1	1	1	1	1	1	1	1	1	1
Square footage	60,191	60,191	60,191	60,191	60,191	60,191	60,191	60,191	60,191	60,191
Average daily customers	1,000	1,000	1,000	1,000	1,000	1,000	900	900	900	900
Athletic Facilities	8	8	8	8	8	8	7	6	6	6
Square footage	130,727	130,727	130,727	130,727	130,727	130,727	93,054	81,870	81,870	81,870
Stadiums	2	2	2	2	2	2	2	2	2	2
Gymnasiums	2	2	2	2	2	2	2	2	2	2
Tennis Court	1	1	1	1	1	1	1	1	1	1
Plant facilities	5	5	5	5	5	5	5	5	5	5
Square footage	44,687	44,687	44,687	44,687	44,687	44,687	44,687	44,687	44,687	44,687
Transportation										
Cars	3	3	3	3	5	5	11	14	12	14
Light Trucks/Vans	44	42	39	38	32	28	25	25	25	27
Buses	4	6	6	6	4	4	4	4	4	3
Other	1	-	-	-	-	-	-	-	-	-



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



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

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

KILLEEN • COPPERAS COVE • TEMPLE

Member of  
American Institute & Texas Society of  
Certified Public Accountants

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

Board of Trustees  
Blinn College District  
Brenham, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Blinn College District (the District), as of and for the years ended August 31, 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 November 28, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



Temple, Texas  
November 28, 2023



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

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

KILLEEN • COPPERAS COVE • TEMPLE

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

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

Board of Trustees  
Blinn College District  
Brenham, Texas

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

**Opinion on Each Major Federal Program and State Program**

We have audited Blinn College District's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and The State of Texas Single Audit Circular that could have a direct and material effect on each of Blinn College District's major federal and state programs for the year ended August 31, 2023. Blinn College District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

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

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

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

**Responsibilities of Management for Compliance**

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

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

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

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

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

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

### **Report on Internal Control over Compliance**

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

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

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

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

*Jatt, Vernon & Co. P.C.*

Temple, Texas  
November 28, 2023

**BLINN COLLEGE DISTRICT**  
**Schedule of Findings and Questioned Costs**  
**August 31, 2023**

I. Summary of Audit Results

**Financial Statements**

1. Type of auditor’s report issued: *unmodified*
  
2. Internal control over financial reporting:  
 Material weakness(es) identified? \_\_\_\_\_ yes  X  no  
 Significant deficiencies identified that  
 are not considered to be material  
 weakness(es)? \_\_\_\_\_ yes  X  none reported
  
3. Noncompliance material to financial  
 statements noted? \_\_\_\_\_ yes  X  no

**Federal and State Awards**

4. Internal control over major programs:  
 Material weakness(es) identified? \_\_\_\_\_ yes  X  no  
 Significant deficiencies identified that  
 are not considered to be material  
 weakness(es)? \_\_\_\_\_ yes  X  none reported
  
5. Type of auditor’s report issued on  
 compliance for major programs: *unmodified*
  
6. Any audit findings disclosed that are  
 required to be reported in accordance with  
 section 200.516a of the Uniform Guidance  
 or the State of Texas Single Audit Circular  
 and Uniform Grant Management Standards? \_\_\_\_\_ yes  X  no
  
7. Identification of major programs:

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

**BLINN COLLEGE DISTRICT**  
**Schedule of Findings and Questioned Costs (Continued)**  
**August 31, 2023**

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