
AMARILLO COLLEGE

ANNUAL FINANCIAL REPORT

**Years Ended August 31, 2023 and 2022
with Independent Auditor's Report**



CPAs and Professional Consultants

AMARILLO COLLEGE

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AMARILLO COLLEGE DISTRICT

ORGANIZATIONAL DATA

For the Year Ended August 31, 2023

BOARD OF REGENTS

OFFICERS		TERM EXPIRES
Ms. Anette Carlisle	Chairman	2027
Mr. Jay Barrett	Vice Chair	2029
Mr. John Betancourt	Secretary	2027
MEMBERS		
Mr. Johnny Mize	Amarillo, Texas	2025
Dr. Paul Proffer	Amarillo, Texas	2025
Dr. David C. Woodburn	Amarillo, Texas	2025
Ms. Peggy Thomas	Amarillo, Texas	2027
Ms. Michele Fortunato	Amarillo, Texas	2029
Ms. Irene Hughes	Amarillo, Texas	2029
NON-VOTING REPRESENTATIVES		
Ms. Sara Pesina	Hereford, Texas	2025
Ms. Kathie Fuston	Moore County, Texas	2025

CABINET MEMBERS

Dr. Russell Lowery-Hart	President
Mark White	Executive Vice President and General Counsel/Director of Athletics
Robert Austin	Vice President of Enrollment Management
Chris Sharp	Vice President of Business Affairs
Dr. Tamara Clunis	Vice President of Academic Affairs
Cheryl Jones	Vice President of Human Resources
Kevin Ball	Vice President of Communications and Marketing
Danese Skinner	Vice President of Student Affairs
Cara Crowley	Vice President of Strategic Initiatives
Joe Bill Sherrod	Vice President of Institutional Advancement/Executive Director of the AC Foundation



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

The Board of Regents
Amarillo College

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Amarillo College (the College), as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of August 31, 2023, and the respective changes in financial position, and 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of the Amarillo College Foundation, Incorporated, the discretely presented component unit, were not audited in accordance with *Government Auditing Standards*.

We are required to be independent of the College, 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.

Other Matter

The financial statements of the College for the year ended August 31, 2022 were audited by another auditor who expressed an unmodified opinion on those statements on February 28, 2023.

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 College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College'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 College'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 management's discussion and analysis, pension information, and other-post employment benefit information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information 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 College's basic financial statements. Supplemental Schedules A through D, as required by the Texas Higher Education Coordinating Board's (THECB) *Budget Requirements and Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*, the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Schedule of Expenditures of State Awards, as required by the Texas Comptroller of Public Accounts Texas Grant Management Standards (TxGMS), are also presented for additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Supplemental Schedules A through D, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the statistical supplement information 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 College'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 College'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 the College's internal control over financial reporting and compliance.

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

Odessa, Texas
November 28, 2023



AMARILLO COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS

Amarillo College, located in Amarillo, Texas, has a rich history dating back to 1929 when it was founded as Amarillo Junior College. It began as a small institution offering primarily night classes in Amarillo High School, with an initial enrollment of just 86 students. The College quickly expanded its offerings, becoming a pivotal source of education and community development in the Texas Panhandle. In 1942, during World War II, the College initiated a training program for the U.S. Army Air Force pilots, reflecting its adaptability and commitment to serving the needs of the region.

Over the decades, Amarillo College has consistently grown and adapted to meet the evolving educational need of the community. It expanded its campus, introduced new academic programs, and broadened its outreach to reach a diverse student body. The College has been a pioneer in workforce development, offering tailored programs to equip students with the skills needed for local job opportunities. Additionally, Amarillo College is known for its commitment to affordability, and accessibility, consistently ranked as one of the most affordable institutions in Texas. In 2023, The Aspen Institute, awarded Amarillo College the number one college in the nation. This is the signature recognition for community colleges in the nation.

Amarillo College continues to serve the Texas Panhandle region, offering a wide range of associate degrees and certificate programs, adult education and training, and dual-credit for high school students. Amarillo College remains a cornerstone of education, innovation, and progress in the Texas Panhandle, reflecting a proud history of growth, adaptability, and a steadfast commitment to student success and community enrichment.

Fiscal Notes

The following discussion and analysis provide an overview of the financial position and activities of Amarillo College for the fiscal year ending August 31, 2023. Management has prepared this discussion, which should be read in conjunction with the financial statements and footnotes.

Amarillo College (the College) follows the requirements set forth by Governmental Accounting Standards Board (GASB). Note that the audit reports under the GASB required format, Exhibits 1, 2, and 3 present the financial data from all funds consolidated into a single column.

Exhibit 1, the Statements of Net Position corresponds to the Balance Sheet on prior year statements. This exhibit presents the assets, liabilities, and net position of the College in a single columnar format as of the end of the fiscal year.

Exhibit 2, the Statements of Revenues, Expenses, and Changes in Net Position presents the activity that occurred in the assets, liabilities, and net position for the fiscal year that resulted in the presentation of those items on Exhibit 1. Local ad valorem taxes assessed by the College, investment income, Title IV financial aid program, and state appropriations are reported as non- operating revenues.

Exhibit 3, the Statements of Cash Flows presents the inflow and outflow of cash collected and disbursed by the College for the fiscal year.

Schedule A, the Schedule of Operating Revenues presents a detailed list of the operating revenues, classified as Educational Activities (Unrestricted, Restricted) and Auxiliary Enterprises.

Schedule B, the Schedule of Operating Expenses by Object, details the expenditures for the fiscal year classified by function (element of cost) and by natural (object code) classification.

Schedule C, the Schedule of Nonoperating Revenues and Expenses provides detail for the fiscal year classified as Unrestricted, Restricted and Auxiliary Enterprises.

AMARILLO COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Schedule D, the Schedule of Net Position by Source and Availability provides a reconciliation of fund balances to net position as well as funds available for current operations.

Schedule E, the Schedule of Expenditures of Federal Awards provides detail for the fiscal year for expenditures of federal financial assistance.

Schedule F, the Schedule of Expenditures of State of Texas Awards provides detail for the fiscal year for expenditures of state financial assistance.

Condensed Comparative Financial Information

Starting on October 1, 2001, the College adopted the provisions of Statement No. 34 issued by GASB. The financial presentation promulgated by that statement is very different from the governmental financial presentation that was generally accepted before the issuance of Statement No. 34. This discussion is intended to serve as an introduction to the College's basic financial statements presented in conformity with this accounting standard.

The College's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information, other supplementary information, and statistical information in addition to the basic financial statements themselves.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the finances of the College in a manner similar to a private-sector business.

The statement of net position presents information on all of the College's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the College is improving or deteriorating.

The statement of activities presents information showing how the College's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (e.g., uncollected taxes).

Both government-wide financial statements distinguish governmental activities – functions of the College that are principally supported by tuition and fees, taxes and State appropriations, internal revenues – from business-type activities – functions of the College that are intended to recover all or a significant portion of their costs through user fees and charges. The auxiliary activities of the College include the bookstore, Badger Café, East Campus Housing, Hagy Child Care Center, property rentals, Innovation Outpost, and athletics.

In addition to the financial statements of the College, the government-wide financial statements include information concerning two legally separate entities that are part of the College's financial reporting entity because of the College's oversight responsibility for their affairs. These entities include the Amarillo College Foundation, and the Radio and TV stations. This information is presented separately from that of the College because such component units are not legally or functionally an integral part of the College.

AMARILLO COLLEGE**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

Government-Wide Financial Analysis: Changes in assets over time may serve as a useful indicator of a college's financial position. Prior to the effective date of Statement No. 34 issued by the Governmental Accounting Standards Board, capital assets used in governmental fund activities were accounted for in a "general fixed assets group of accounts" and were not depreciated. Effective with its adoption of Statement No. 34 as of October 1, 2001, the College computed the accumulated depreciation on all governmental activity capital assets, including infrastructure. Therefore, changes in assets of both governmental and business-type activities, including capital assets as well as current assets, provide meaningful information to the reader. The table below reflects the College's net position as of August 31, 2023, compared to the prior year:

Condensed Statement of Net Position					
Year Ended August 31,					
	2023	(Restated) 2022	2021	2022 to 2023	2021 to 2022
Total Assets - Capital, net	\$ 178,760,749	\$ 160,503,515	\$ 123,829,679	\$ 18,257,234	\$ 36,673,836
Total Assets - Noncapital	77,133,038	106,951,518	101,861,634	(29,818,480)	5,089,884
Total Assets	255,893,787	267,455,033	225,691,313	(11,561,246)	41,763,720
Deferred Outflows of Resources	20,198,501	16,261,285	17,827,916	3,937,216	(1,566,631)
Total Liabilities - Long Term	188,002,560	196,733,157	150,599,837	(8,730,597)	46,133,320
Total Liabilities - Other	36,119,380	30,591,791	38,117,164	5,527,589	(7,525,373)
Total Liabilities	224,121,940	227,324,948	188,717,001	(3,203,008)	38,607,947
Deferred Inflows of Resources	23,660,809	24,515,955	27,254,904	(855,146)	(2,738,949)
Net Position					
Net investment in capital asset:	65,379,968	55,164,269	50,453,187	10,215,699	4,711,082
Restricted	34,499,047	35,814,154	37,579,174	(1,315,107)	(1,765,020)
Unrestricted	(71,569,476)	(59,103,008)	(60,485,037)	(12,466,468)	1,382,029
Total Net Position	\$ 28,309,539	\$ 31,875,415	\$ 27,547,324	\$ (3,565,876)	\$ 4,328,091

AMARILLO COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Condensed Statement of Revenues, Expenses and Changes in Net Position

	Year Ended August, 31, (Restated)			increase (Decrease)
	2023	2022	2021	2022 to 2023
Operating Revenues				
Tuition and Fees (net of discounts)	\$ 13,129,987	\$ 12,248,050	\$ 13,212,822	\$ 881,937
Grants and Contracts	23,358,623	24,897,460	27,876,609	(1,538,837)
Other Operating Revenues	2,022,663	1,153,465	1,194,602	869,198
Auxiliary Enterprises (net of discounts)	6,342,667	5,751,886	5,168,359	590,781
Total Operating Revenues	44,853,940	44,050,861	47,452,392	803,079
Operating Expenses				
Instruction	37,764,762	34,448,243	33,355,056	3,316,519
Public Service	3,606,098	3,574,016	3,548,946	32,082
Academic Support	5,291,727	6,509,171	5,695,342	(1,217,444)
Student Services	6,218,751	5,652,318	4,994,837	566,433
Institutional Support	16,366,471	12,956,893	14,977,547	3,409,578
Operations & Maint of Plant	10,833,590	8,875,922	7,744,018	1,957,668
Scholarship & Fellowships	15,224,377	17,673,022	17,955,273	(2,448,645)
Auxiliary enterprises	9,342,177	6,764,005	6,098,830	2,578,172
Depreciation	5,833,440	5,351,006	5,273,325	482,434
Total Operating Expenses	110,481,393	101,804,596	99,643,174	8,676,797
Operating Loss	(65,627,453)	(57,753,735)	(52,190,782)	(7,873,718)
Non-Operating Revenue/(Expense)				
State Appropriation	17,138,211	17,233,086	19,480,441	(94,875)
Ad Valorem Taxes	35,235,847	29,775,692	30,730,541	5,460,155
Federal Student Aid Grants	10,148,171	17,556,619	17,607,646	(7,408,448)
Investment Income (net)	2,940,561	(330,029)	1,435,560	3,270,590
Interest On Debt	(4,344,309)	(2,371,783)	(2,438,193)	(1,972,526)
Other	935,883	218,241	483,689	717,642
Total Non-Operating Income	62,054,364	62,081,826	67,299,684	(27,462)
Other Revenues				
Insurance Proceeds	7,213	-	-	7,213
Increase in Net Position	(3,565,876)	4,328,091	15,108,902	(7,893,967)
Net Position, Beginning of Year	31,875,415	27,547,324	12,438,422	4,328,091
Net Position, End of Year	<u>\$ 28,309,539</u>	<u>\$ 31,875,415</u>	<u>\$ 27,547,324</u>	<u>\$ (3,565,876)</u>

AMARILLO COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Analysis Of College's Overall Financial Position and Results Of Operations Revenues

State Appropriations - State appropriations for educational and general state is on a slight increase over the past five year. State appropriations for educational and general state support for 2022-23 is \$13,782,665 which is in the second year of the current biennium.

<u>Year</u>	<u>State Appropriations</u>	<u>Change From Prior Year</u>	<u>%Change</u>
2019	\$ 13,518,127	\$ 35,000	0.26%
2020	14,847,412	1,329,285	9.83%
2021	14,847,412	-	0.00%
2022	13,782,665	(1,064,747)	-7.17%
2023	13,782,665	-	0.00%

Auxiliary Enterprises - Profits from the College's auxiliary enterprises are down 1,987,339 directly due to return of Athletics to AC and the Innovation Outpost expenditures. The operation of family housing remains steady while the Hagy Child Care Center is down.

Investment Income - Interest rates have continued to increase over the last couple of years. For 2022-23 there was an increase in investment income due to improvement in the national economy that has continued since 2019. Conservative estimates for investment income are used when budgeting that revenue.

Ad Valorem Tax Base - The Amarillo Junior College District (the District) property appraisal increased \$2.54 billion or 12.53% to the 2023 tax year from the 2022 tax year, \$2.971billion or 17.16% from the 2022 tax year to the 2021 tax year, \$551 million or 3.29% from 2021 tax year to 2020 tax year, \$646 million or 4.01% from the 2020 tax year to the 2019 tax year. The increase is made up of new properties, improvements to existing properties, and increased valuations.

For the 2022-2023 budget, property appraisals increased \$2.54 billion or 12.53% over the prior year valuation. We anticipate property values to continue to increase in the foreseeable future.

The College did not issue, nor reissue any General Obligation Bonds in FY 2022-2023.

With the passage of the bond initiative in 2019 and the subsequent sale of \$89 million of construction bonds, the total tax rate for the 2023 tax year decreased to \$0.22031 per \$100 valuation. The maintenance and operations portion of the tax rate decreased to \$0.15893 from the previous year and the interest and sinking portion was decreased to \$0.06138.

In November of 2006, the voters of the District passed the local option to freeze ad valorem taxes for seniors and disabled. The Amarillo College Regents adopted Ordinance No. 7012 on December 19, 2006, providing for the creation of a contiguous geographic area within the College to be a zone known as the Tax Increment Zone Number One, College of Amarillo, Texas (TIRZ #1) and the establishment of a tax increment fund for the Zone. The District's boundaries encompass the TIRZ #1. At a special meeting in November of 2007, the Board of Regents approved participation in the TIRZ #1. The contribution by the College to the TIRZ #1 district for 2022-23, 2021-22, 2020-21, 2019-20, and 2018-19, was \$286,518 \$238,425, \$252,049, \$229,750, and \$158,822 respectively.

The Amarillo College Regents adopted Ordinance No. 7627 on November 08, 2016, providing for the creation of a second contiguous geographic area within the College to be a zone known as the East Gateway Tax Increment Zone Number 2, College of Amarillo, Texas (TIRZ #2) and the establishment of a tax increment fund for the Zone. The District's boundaries encompass the TIRZ #2. At a regular meeting on November 28, 2017, the Board of Regents approved participation in the TIRZ #2. The contribution by the College to the TIRZ #2 district for 2022-23, 2021-22, 2020-21, 2019-20, 2018-19 was \$72,822, \$39,790, \$38,155, \$27,034, and \$16,756, respectively.

AMARILLO COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Economic Outlook – As of the latest economic indicators, the City of Amarillo is experiencing a positive economic outlook. The State sales tax collected over the past five years has shown a robust increase. The 2023 final numbers are not in as of yet, but look to be slightly higher than last years. This is reflective of a strong, sustained economic growth and consumer spending in the region. Additionally, the August 2023 unemployment rate for Amarillo stands at a commendable low of 3.5%, indicating a healthy job market and employment opportunities for the community. The City and College can look forward to further economic improvements driven by ongoing infrastructure projects, expanding industries, and a diverse economy that includes agriculture, healthcare, and energy sectors. These factors position Amarillo for continued economic resilience and prosperity in the coming years. The College's enrollment has been gradually increasing every year since COVID. With the addition of new programs and marketing pushes, the College's economic outlooks will continue to be bright. The 2022-23 Legislative session saw the funding model for community colleges in the state change dramatically. Colleges are now funded on outcome measures as opposed to number of students. This change in the funding model has increased the College's state appropriations by an increase of \$4.7 million for the upcoming fiscal year. The College is predicting this upward trend in state funding to continue.

Expenses

Employee Health Insurance - The College offers health insurance to its employees through the Employees Retirement System of Texas (ERS). The amount funded by the state was \$4.4 million, \$3.5 million, \$3.7million, and \$3.7 million for fiscal years 2023, 2022, 2021, and 2020, respectively. Fortunately, AC has not seen an increase in healthcare coverage for the last five years. We are anticipating that trend to continue.

Capital Assets and Debt Administration

Capital assets are defined as those items costing over \$5,000 and which have a normal useful life of more than two years. Capital assets also include right to use lease assets and right to use subscriptions. Below is a summary of the capital assets, as of August 31:

	Year Ended August 31,			Increase (Decrease)	
	2023	(Restated) 2022	2021	2022 to 2023	2021 to 2022
Land	\$ 5,530,798	\$ 5,530,798	\$ 5,336,103	\$ -	\$ 194,695
Construction in progress	8,137,732	34,971,805	5,770,874	(26,834,073)	29,200,931
Buildings and building improvements	220,950,271	174,310,223	164,365,442	46,640,048	9,944,781
Other real estate improvements	11,600,849	10,226,084	9,303,982	1,374,765	922,102
Library books	325,623	351,591	348,116	(25,968)	3,475
Furniture, machinery, vehicles, and equipment	32,342,767	30,193,052	28,800,140	2,149,715	1,392,912
RTU lease assets	1,172,501	1,369,502	1,285,944	(197,001)	83,558
RTU subscription assets	356,597	69,435	69,435	287,162	-
	<u>280,417,138</u>	<u>257,022,490</u>	<u>215,280,036</u>	<u>23,394,648</u>	<u>41,742,454</u>
Accumulated depreciation/amortization	(101,656,389)	(96,518,975)	(91,380,922)	(5,137,414)	(5,138,053)
Net Capital Assets	<u>\$178,760,749</u>	<u>\$160,503,515</u>	<u>\$123,899,114</u>	<u>\$ 18,257,234</u>	<u>\$ 36,604,401</u>

The College has four construction contracts going during this fiscal year. These are all bond-related construction projects.

At August 31, 2023, the College had seven bond issues outstanding, consisting of a revenue bond and six general obligation bond issues. The outstanding balance as of August 31, 2023, on each of the issues is \$7,990,000, \$7,495,000, \$22,475,000, \$9,435,000, \$9,680,000, \$51,285,000 and \$2,255,000 for Series 2015, 2016, 2019, 2020, 2021 and 2022 and 2021 MCC, respectively.

AMARILLO COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Below is a summary of total long-term debt at August 31, 2023, 2022 and 2021:

	2023	2022	2021
General Obligation Bonds	\$ 108,360,000	\$ 114,705,000	\$ 67,770,000
Revenue Bonds	2,255,000	2,520,000	2,785,000
Total Outstanding Bonded Indebtedness	\$ 110,615,000	\$ 117,225,000	\$ 70,555,000

Additional information on the College's capital assets and noncurrent liabilities can be found in Notes 6, 7, and 8 respectively, to the basic financial statements.

Subsequent Events

Since August 31, 2023, the College has entered into architectural and construction agreements for the design and construction of the following projects:

First Responders Academy – Architect: Dekker, Perich, Sabatini, no construction contractor at this time.

Student Life Remodel – Architect: Sims, construction contract, Plains Builders

Ware Building, 3rd and 4th floor remodel – Architect Sims, construction contract, Plains Builders

All projects are, or will be, in construction phase by the spring of 2024.



BASIC FINANCIAL STATEMENTS

AMARILLO COLLEGE
STATEMENT OF NET POSITION
August 31, 2023 and 2022

Exhibit 1A
Page 1 of 2

	2023	(As Restated) 2022
Assets		
Current Assets		
Cash and cash equivalents	\$ 5,474,594	\$ 10,932,761
Short-term investments	12,878,017	21,876,530
Accounts receivable, net	10,148,353	8,671,062
Inventories	1,683,243	1,552,758
Other assets	898,576	610,382
Total Current Assets	31,082,783	43,643,493
Noncurrent Assets:		
Restricted cash and cash equivalents	11,176,180	27,911,759
Restricted investments	32,374,075	32,896,266
Endowment cash and cash equivalents	1,000,000	1,000,000
Endowment investments	1,500,000	1,500,000
Capital assets, net	178,760,749	160,503,515
Total Noncurrent Assets	224,811,004	223,811,540
Total Assets	255,893,787	267,455,033
Deferred Outflows of Resources:		
Deferred outflows related to pensions	7,282,464	4,465,182
Deferred outflows related to Other Post Employment Benefits (OPEB)	11,838,189	10,480,551
Deferred outflows related to refunding of debt	1,077,848	1,315,552
Total Deferred Outflows of Resources	20,198,501	16,261,285
Liabilities		
Current Liabilities		
Accounts payable	4,350,096	3,097,729
Accrued compensable absences - current portion	547,883	488,274
Retainage payable	1,384,000	1,361,383
Funds held for others	3,726,848	5,600,969
Unearned revenue	13,057,031	13,126,089
Other liabilities	4,988,541	-
Bonds payable – current portion	7,800,000	6,610,000
Right to use lease payable - current portion	200,473	307,347
SBITA payable - current portion	64,508	-
Total Current Liabilities	36,119,380	30,591,791
Noncurrent Liabilities:		
Accrued compensable absences	987,464	956,344
Deposits payable	205,658	188,983
Bonds payable	102,815,000	110,615,000
Right to use lease payable	394,468	526,164
SBITA payable	222,495	-
Unamortized bond premium	11,306,441	12,239,401
Net pension liability	17,978,415	7,779,639
Net OPEB liability	54,092,619	64,427,626
Total Noncurrent Liabilities	188,002,560	196,733,157
Total Liabilities	\$ 224,121,940	\$ 227,324,948

AMARILLO COLLEGE
STATEMENT OF NET POSITION
August 31, 2023 and 2022

Exhibit 1A
Page 2 of 2

	2023	(As Restated) 2022
Deferred Inflows of Resources		
Deferred inflows related to pensions	\$ 2,362,168	\$ 10,014,572
Deferred inflows related to OPEB	<u>21,298,641</u>	<u>14,501,383</u>
Total Deferred Inflows of Resources	<u>23,660,809</u>	<u>24,515,955</u>
Net Position		
Net investment in capital assets	65,379,968	55,164,269
Restricted for:		
Nonexpendable:		
Endowment - True	2,500,000	2,500,000
Expendable:		
Capital projects	22,142,758	23,443,485
Debt service	2,291,370	2,614,406
Other, primarily donor restrictions	7,564,919	7,256,263
Unrestricted	<u>(71,569,476)</u>	<u>(59,103,008)</u>
Total Net Position (Schedule D)	<u>\$ 28,309,539</u>	<u>\$ 31,875,415</u>

AMARILLO COLLEGE**Exhibit 1B****STATEMENT OF FINANCIAL POSITION OF AMARILLO COLLEGE FOUNDATION, INC.****(A COMPONENT UNIT OF AMARILLO COLLEGE)****December 31, 2023 and 2022**

Assets	2023	2022
Cash	\$ 191,188	\$ 185,394
Investment, at fair value	72,333,515	63,240,191
Unconditional promises to give	7,037,575	1,682,969
Accounts receivable	-	25,156
Computer software, net	-	1,559
Oil and gas properties	585,386	585,386
Total Assets	\$ 80,147,664	\$ 65,720,655
Liabilities and Net Assets		
Liabilities		
Related party payable	\$ 365,766	\$ 34,151
Accounts payable	5,228	3,587
Accrued compensation payable	24,204	20,142
Total Liabilities	395,198	57,880
Net Assets		
Net assets without donor restrictions		
Undesignated	9,962,813	4,328,121
Net assets with donor restrictions		
Purpose restrictions	33,593,918	25,935,547
Time-restricted for future purpose	36,195,735	35,399,107
Total Net Assets	79,752,466	65,662,775
Total Current Liabilities and Net Assets	\$ 80,147,664	\$ 65,720,655

AMARILLO COLLEGE**Exhibit 2A****STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION****August 31, 2023 and 2022**

	2023	2022 (as Restated)
Operating Revenues		
Tuition and fees (net of discounts of \$10,906,752 and \$11,003,815, respectively)	\$ 13,129,987	\$ 12,248,050
Federal grants and contracts	16,957,629	18,505,482
State grants and contracts	1,369,389	1,322,636
Local grants and contracts	2,224,555	2,085,194
Non-governmental grants and contracts	2,807,050	2,984,148
Sales and services of educational activities	166,634	142,660
Auxiliary enterprises	6,342,667	5,751,886
Other operating revenue	1,856,029	1,010,805
Total Operating Revenues (Schedule A)	44,853,940	44,050,861
Operating Expenses		
Instruction	37,764,762	34,448,243
Public service	3,606,098	3,574,016
Academic support	5,291,727	6,509,171
Student services	6,218,751	5,652,318
Institutional support	16,366,471	12,956,893
Operation and maintenance of plant	10,833,590	8,875,922
Scholarships and fellowships	15,224,377	17,673,022
Auxiliary enterprises	9,342,177	6,764,005
Depreciation	5,833,440	5,351,006
Total Operating Expenses (Schedule B)	110,481,393	101,804,596
Operating Loss	(65,627,453)	(57,753,735)
Non-Operating Revenues (Expenses)		
State appropriations	17,138,211	17,233,086
Property taxes for maintenance and operations	25,036,256	23,202,111
Property tax for debt service	10,199,591	6,573,581
Federal grants, non-operating	10,148,171	17,556,618
Gifts – noncapital	923,812	210,098
Investment income – not restricted to programs	2,940,561	(330,029)
Interest on capital – related debt	(4,344,309)	(2,371,783)
Gain on disposal of capital assets	12,071	8,144
Net Non-Operating Revenues (Schedule C)	62,054,364	62,081,826
Income before other revenues	(3,573,089)	4,328,091
Other Revenues		
Insurance Proceeds	7,213	-
Total Other Revenues	7,213	-
Decrease in Net Position	(3,565,876)	4,328,091
Net Position - Beginning of Year	31,875,415	27,547,324
Net Position - End of Year	\$ 28,309,539	\$ 31,875,415

AMARILLO COLLEGE**STATEMENT OF ACTIVITIES OF AMARILLO COLLEGE FOUNDATION, INC.****(A COMPONENT UNIT OF AMARILLO COLLEGE)****Year Ended August 31, 2023****Exhibit 2B****Page 1 of 2**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support:			
Contributions	\$ 5,709,690	\$ 4,647,377	\$ 10,357,067
Investment income, net	782,843	6,587,715	7,370,558
Oil and gas income	-	119,289	119,289
Miscellaneous revenue	-	4,684	4,684
Net assets released from restriction	2,904,066	(2,904,066)	-
Total Revenues	9,396,599	8,454,999	17,851,598
Expenses:			
Program Services:			
Grants and program services	2,292,435	-	2,292,435
Institutional activities	625,656	-	625,656
Total Program Services	2,918,091	-	2,918,091
Supporting Services:			
Management and general	799,148		
Fundraising	44,668		
Total Supporting Services	843,816	-	-
Total Expenses	3,761,907	-	2,918,091
Changes in Net Assets	5,634,692	8,454,999	14,089,691
Net Assets at Beginning of Year	4,328,121	61,334,654	65,662,775
Net Assets at End of Year	\$ 9,962,813	\$ 69,789,653	\$ 79,752,466

AMARILLO COLLEGE**STATEMENT OF ACTIVITIES OF AMARILLO COLLEGE FOUNDATION, INC.****(A COMPONENT UNIT OF AMARILLO COLLEGE)****Year Ended August 31, 2022****Exhibit 2B****Page 2 of 2**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains and Other Support:			
Contributions	\$ 1,980,319	\$ 3,346,913	\$ 5,327,232
Investment income, net	(496,818)	(11,229,468)	(11,726,286)
Oil and gas income	-	123,985	123,985
Miscellaneous revenue	-	7,042	7,042
Net assets released from restriction	2,774,274	(2,774,274)	-
Total Revenues	4,257,775	(10,525,802)	(6,268,027)
Expenses:			
Program Services:			
Grants and program services	1,614,645	-	1,614,645
Institutional activities	787,537	-	787,537
Total Program Services	2,402,182	-	2,402,182
Supporting Services:			
Management and general	692,025		
Fundraising	29,363		
Total Supporting Services	721,388	-	-
Total Expenses	3,123,570	-	2,402,182
Changes in Net Assets	1,134,205	(10,525,802)	(9,391,597)
Net Assets at Beginning of Year	3,193,916	71,860,456	75,054,372
Net Assets at End of Year	\$ 4,328,121	\$ 61,334,654	\$ 65,662,775

AMARILLO COLLEGE
STATEMENTS OF CASH FLOW
Years Ended August 31, 2023 and 2022

Exhibit 3A
Page 1 of 2

	2023	2022
Cash Flows from Operating Activities		
Receipts from students and other customers	\$ 19,644,583	\$ 19,829,875
Receipts from grants and contracts	21,751,084	25,571,358
Payments to suppliers for goods or services	(25,021,235)	(25,957,046)
Payments to or on behalf of employees	(62,565,184)	(69,448,036)
Payments of scholarships	(15,455,313)	(17,938,258)
Other cash receipts (payments)	(696,333)	4,126,215
Net Cash Used in Operating Activities	(62,342,398)	(63,815,892)
Cash Flows from Non-Capital and Related Financing		
Receipts from state allocations	17,139,521	17,232,769
Receipts from ad valorem taxes	35,069,450	29,819,306
Receipts from non-operating federal revenue	10,148,171	17,556,618
Receipts from gifts and grants other than for capital purposes	923,812	210,098
Student organizations and other agency transactions	41,970	(4,524)
Net Cash Provided by Non-Capital and Related Financing Activities	63,322,924	64,814,267
Cash Flows from Capital And Related Financing		
Proceeds from sale of capital assets	33,727	10,572
Payments on lease payable	(106,874)	(120,685)
Purchase of capital assets	(23,666,604)	(40,841,767)
Proceeds from bond issuance	-	52,185,000
Bonds issuance costs	489,449	(448,417)
Payments on capital debt and principal	(6,610,000)	(5,515,000)
Payments on capital debt interest	(4,605,035)	(1,694,643)
Refunding premium received	(923,979)	5,595,225
Net Cash (Used In) Provided by Capital and Related Financing Activities	(35,389,316)	9,170,285
Cash Flows from Investing Activities		
Receipts from sale and maturity of investments	75,820,681	32,941,856
Purchases of investments	(66,387,973)	(58,390,122)
Receipts from investment earnings	2,782,336	(1,861,984)
Net Cash Provided by (Used in) Investing Activities	12,215,044	(27,310,250)
Net Change in Cash and Cash Equivalents	(22,193,746)	(17,141,590)
Cash and Cash Equivalents – September 1 (Restricted and Unrestricted)	39,844,520	56,986,110
Cash and Cash Equivalents – August 31 (Restricted and Unrestricted)	\$ 17,650,774	\$ 39,844,520

AMARILLO COLLEGE
STATEMENT OF CASH FLOW
Years Ended August 31, 2023 and 2022

Exhibit 3A
Page 2 of 2

	<u>2023</u>	<u>2022</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities		
Operating loss	\$ (65,627,453)	\$ (57,753,735)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	5,833,440	5,351,006
Bad debt	326,500	606,000
Changes in deferred inflows of financial resources	(855,146)	(2,738,949)
Changes in deferred outflows of financial resources	(4,174,920)	1,328,927
Changes in assets and liabilities:		
Accounts receivable, net	(1,638,702)	4,135,937
Inventories	(130,485)	(116,044)
Other assets	(41,778)	79,623
Accounts payable	1,252,367	1,071,174
Other liabilities	4,988,541	-
Accrued compensated absences	90,729	(7,269)
Funds held for others	(2,176,877)	(12,031,753)
Unearned revenue	(69,058)	1,102,474
Net pension liability	10,198,776	(9,648,286)
Net OPEB liability	(10,335,007)	4,791,146
Deposits payable	16,675	13,857
Net Cash Used in Operating Activities	<u><u>\$ (62,342,398)</u></u>	<u><u>\$ (63,815,892)</u></u>

AMARILLO COLLEGE**Exhibit 3B****STATEMENT OF CASH FLOWS OF AMARILLO COLLEGE FOUNDATION, INC.****(A COMPONENT UNIT OF AMARILLO COLLEGE)****Years Ended August 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities:		
Changes in net assets	\$ 14,089,691	\$ (9,391,597)
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation	1,559	1,701
Realized and unrealized (gain)(loss on operating investments	(7,930,275)	11,602,301
Contributions restricted for endowment and other	(4,647,377)	(3,346,913)
Changes in operating assets and liabilities		
Promises to give	(5,354,606)	(1,682,969)
Other assets	25,156	(12,652)
Increase (decrease) in accounts payable - related party	331,615	(59,808)
Increase (decrease) in accounts payable	1,641	3,524
Increase (decrease) in accrued compensation payable	4,062	3,528
Net Cash Used in Operating Activities	<u>(3,478,534)</u>	<u>(2,882,885)</u>
Cash Flows from Investing Activities:		
Purchases of securities	(11,075,276)	(26,700,140)
Proceeds from sale of securities	9,912,227	26,337,271
Net Cash Used in Investing Activities	<u>(1,163,049)</u>	<u>(362,869)</u>
Cash Flows from Financing Activities:		
Proceeds from contributions restricted for endowment and other	4,647,377	3,346,913
Net Cash Provided by Financing Activities	<u>4,647,377</u>	<u>3,346,913</u>
Net Change in Cash and Cash Equivalents	5,794	101,159
Cash and Cash Equivalents at Beginning of Year	<u>185,394</u>	<u>84,235</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 191,188</u></u>	<u><u>\$ 185,394</u></u>

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Reporting Entity

Amarillo College (the College) was established in 1929, in accordance with the laws of the state of Texas, to serve the educational needs of Amarillo and the surrounding communities. The College is considered to be a special-purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement No. 14. While the College receives funding from local, state, and federal sources and must comply with the spending, reporting, and recordkeeping requirements of these entities, it is not a component unit of any other governmental entity.

The financial reporting entity includes both the primary institution and all of its component units. The Amarillo Foundation for Education and Business is considered to be a blended component unit. The blended component unit, although legally separate, is in substance part of the College's operations and, therefore, is reported as if it were part of the College.

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

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

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

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

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

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

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

Basis of Accounting (continued)

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

Tuition Discounting

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

- *Texas Public Education Grants:* Certain tuition amounts must be set aside for use as scholarships by qualifying students. This set aside, called the Texas Public Education Grant (TPEG), is shown with tuition and fee revenue amounts as a separate set aside amount (TEC §56.033). When the award is used by the student for tuition and fees, the College records the amount as tuition discount. If the amount is dispersed directly to the student, the College records the amount as a scholarship expense.
- *Title IV, Higher Education Act Program Funds:* Certain Title IV HEA Program funds are received by the College to pass through to the students. When the award is used by the student for tuition and fees, the College records the amount as tuition discount. If the amount is dispersed directly to the student, the College records the amount as a scholarship expense.
- *Other Tuition Discounts:* The College awards tuition and fee scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the College records the amount as a tuition discount. If the amount is dispersed directly to the student, the College records the amount as a scholarship expense.

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 College's Board of Regents 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 College'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. Cash held in endowments is not considered to be cash and cash equivalents for cash flow purposes as it is permanently restricted.

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

Restricted Cash

Restricted cash consists of restricted funds from donors and grantors, unspent bond proceeds, sinking funds, and cash belonging to the Amarillo Foundation for Education and Business (AFEB).

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 or are funds which have donor-imposed restrictions (endowments).

Inventories

Inventories consist of consumable office supplies, physical plant supplies (including fuel), computers, and bookstore stock. Inventories are valued at the lower of cost (under the first-in, first-out method) or market and are charged to expense as consumed.

Capital Assets

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use leased equipment and subscription assets, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the estimated useful lives shown below. As the College constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets and right-to-use subscription assets, the measurement of which is discussed in Note 8). Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Capital assets are long-lived assets in the service of the College and include land, buildings, improvements, equipment, and library books. Capital assets that are purchased are recorded at cost. Donated capital assets are recorded at acquisition value. For equipment, the College's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life in excess of one year. Renovation in excess of \$100,000 to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. The costs 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 College annually evaluates impairment of capital assets. The College does not believe any impairment exists as of August 31, 2023 and 2022.

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

Capital Assets (continued)

Depreciation and amortization expense is computed using the straight-line method over the following estimated useful lives of the assets:

Buildings	50 years
Facilities and Other Improvements	20 years
Library Books	15 years
Furniture, Machinery, Vehicles, and Equipment	10 years
Telecommunications and Peripheral Equipment	5 years
RTU Lease Assets	Depends on lease of PPP term
RTU Subscription Assets	Depends on term arrangement

Net Pension Liability - Teachers Retirement System of Texas

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

Net Other Post-Employment Benefits Liability - Employees Retirement System of Texas

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

Unearned Revenues

Tuition, fees, and other revenues received and related to the periods after August 31, 2023 and 2022, have been deferred. Tuition and fees of \$9,419,506 and \$9,343,082 have been reported as unearned revenue at August 31, 2023 and 2022, respectively. Additionally, \$3,602,774 and \$3,748,254 were reported as unearned revenue not related to tuition and fees at August 31, 2023 and 2022, respectively.

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

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

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

Deferred Inflows of Resources

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

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

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

Leases

The College is a lessee for a noncancellable lease of equipment. The College recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The College recognizes lease liabilities with an initial, individual value of \$5,000 or more.

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

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

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

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

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

Subscriptions Based Information Technology Arrangements (SBITA)

The College has several subscription-based information technology arrangements for software services. The College recognizes a subscription liability and an intangible right-to-use subscription asset in the statement of net position. The College recognizes lease liabilities with an initial, individual value of \$5,000 or more.

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

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

Subscriptions Based Information Technology Arrangements (SBITA) (continued)

Key estimates and judgments related to subscriptions include how the College determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) arrangement term, and (3) arrangement payments.

- The College uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the College generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The arrangement term includes the noncancellable period of the subscription. Arrangement payments included in the measurement of the subscription liability are composed of fixed payments.

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

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

Net Position

The College's net position is classified as follows:

Net investment in capital assets: This represents the College's total investment in capital assets, net of outstanding debt obligations and payables related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted - nonexpendable: This represents amounts subject to externally imposed stipulations that they be maintained in perpetuity by the College.

Restricted - expendable: This represents amounts whose use is subject to externally imposed legal or contractual obligations that require the amounts to be spent in accordance with the external restrictions.

Unrestricted: This represents resources derived from student tuition and fees, State appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises which are substantially self-supporting activities that provide services for students, faculty, and staff.

Classification of Revenues and Expenses

The College defines operating activities, for purposes of reporting on the Statements of Revenues, Expenses, and Changes in Net Position, as those activities that generally result from exchange transactions, such as payments received for providing services and payments made for goods or services received. With the exception of interest expense on long-term indebtedness, substantially all College expenses are considered to be operating expenses. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues, as defined by GASB Statement No. 35, including State appropriations, ad valorem taxes, Federal Title IV financial aid funds, and investment income.

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 2 - Summary of Significant Accounting Policies (continued)

Management Estimates

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

Income Taxes

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

Implementation of New Standards

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

Prior Year Restatement

In accordance with GASB 96, the College made a prior year restatement as lessee to recognize a subscription liability and an intangible right-to-use subscription assets which are included on the College's Statement of Net Position with an improvement to net position of \$33,208 in fiscal year 2022.

Note 3 - Authorized Investments

The College is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the state of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute.

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 4 - Deposits and Investments**

Cash and cash equivalents included on Exhibit 1A, Statements of Net Position, are reported below:

	2023	2022
Demand Deposits	\$ 1,409,609	\$ 1,929,111
Public Funds Investment Pools	16,223,065	37,876,609
Petty cash	18,100	38,800
	<u>\$ 17,650,774</u>	<u>\$ 39,844,520</u>

Investments as reported on Exhibit 1A, Statement of Net Position consisted of the following types of securities at fair value and are reported below:

	Market Value	
	2023	2022
Mutual funds	\$ 11,144,006	\$ 11,340,578
Certificates of deposit/CDARs	35,608,086	44,932,218
	<u>\$ 46,752,092</u>	<u>\$ 56,272,796</u>

Reconciliation of deposits and investments between Note 4 and Exhibit 1, Statements of Net Position on August 31, 2023 and 2022 is as follows:

Type of Security	Market Value August 31, 2023	Market Value August 31, 2022
Total Cash and Deposits	\$ 17,650,774	\$ 39,844,520
Total Investments	46,752,092	56,272,796
Total Deposits and Investments	<u>\$ 64,402,866</u>	<u>\$ 96,117,316</u>
Current Cash and Cash Equivalents	\$ 5,474,594	\$ 10,932,761
Short Term Investments	12,878,017	21,876,530
Restricted Cash and Cash Equivalents	11,176,180	27,911,759
Restricted Investments	32,374,075	32,896,266
Endowment Cash and Cash Equivalents	1,000,000	1,000,000
Endowment Investments	1,500,000	1,500,000
Total Deposits and Investments (Exh. 1)	<u>\$ 64,402,866</u>	<u>\$ 96,117,316</u>

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

Investment Type	Market Value	Percent	Maturity (Years)	Rating
Mutual funds	\$ 11,144,006	24%	Less than 1	BBB
Certificates of deposit/CDARs	35,608,086	76%	Less than 1	Unrated
Total Investments	<u>\$ 46,752,092</u>	<u>100%</u>		

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 4 - Deposits and Investments (continued)**

As of August 31, 2022, the College had the following investments and maturities:

Investment Type	Fair Value	Percent	Maturity (Years)	Rating
Mutual funds	\$ 11,340,578	20%	Less than 1	BBB
Certificates of deposit/CDARs	44,932,218	80%	Less than 1	Unrated
Total Investments	\$ 56,272,796	100%		

Interest Rate Risk - Interest rate risk occurs when potential purchasers of debt securities do not agree to pay face value for those securities if interest rates rise. In accordance with state law and Board policy, the College does not purchase any investments with maturities greater than one year except for endowed funds which can be invested to a maximum of five years. The College uses the specific identification method to disclose interest rate risk.

Concentration of Credit Risk - Concentration risk is defined as positions of 5% or more in the securities of a single issuer. The College's investment policy states that the balance in external investment pools shall not exceed 35% of the total College investment portfolio unless approved by the Investment Committee of the Board of Regents. The College had no concentration of more than 5% as of August 31, 2023. Also, the College has approximately \$16,200,000 in TexPool. This amount is 26% of deposits and investments.

Credit Risk - In accordance with state law and the College's investment policy, with the exception of endowed investments, 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 least A.

Custodial Credit Risk - For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of August 31, 2023, the College's bank balances of \$6,177,054 was not exposed to custodial risk.

Participation in External Investment Pools

As of August 31, 2023, the carrying amount of amounts invested in investment pools was \$16,223,065. Investment pools are recorded at cost, which approximated market value at August 31, 2023. All investment pools are uninsured and are not registered with the Securities and Exchange Commission. Investment pools are not subject to custodial credit risk as they are not evidenced by securities that exist in physical or book entry form.

The College's investment in investment pools is TexPool Participant Services. TexPool Participant Services' regulatory oversight agent is the Texas Treasury Safekeeping Trust Company and their credit risk rating is AAAm. Their financial reports may be obtained by writing Federated Investment Management Company, 1001 Texas Avenue, Suite 1400, Houston, TX 77002.

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 5 - Fair Value Measurements**

GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value for certain investments. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets of liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

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

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

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

The College had the following investments measured at fair value at August 31, 2023 and 2022:

August 31, 2023				
Investment Type	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	Fair Value
	Level 1	Level 2	Level 3	
Mutual funds	\$ 11,144,006	\$ -	\$ -	\$ 11,144,006
Certificates of deposit/CDARs	-	35,608,086	-	35,608,086
Total	\$ 11,144,006	\$ 35,608,086	\$ -	\$ 46,752,092

August 31, 2022				
Investment Type	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	Fair Value
	Level 1	Level 2	Level 3	
Mutual funds	\$ 11,340,578	\$ -	\$ -	\$ 11,340,578
Certificates of deposit/CDARs	-	44,932,218	-	44,932,218
Total	\$ 11,340,578	\$ 44,932,218	\$ -	\$ 56,272,796

For the valuation of money market funds and mutual funds, at August 31, 2023 and 2022, the College used quoted prices in principal active markets for identical assets as of the valuation date (Level 1).

For the valuation of CDARS and certificates of deposit at August 31, 2023 and 2022, the College used significant other observable inputs as of the valuation date, particularly dealer market price for comparable investments as of the valuation date (Level 2).

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 6 - Capital Assets

The College implemented GASB 96 accounting principle related to recognizing subscription-based information technology arrangements as a right-to-use asset in fiscal year 2023. For comparative purposes, the prior fiscal year 2022 has been restated to reflect right-to-use subscription assets.

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

	Balance September 1, 2022 (Restated)	Increases	Decreases	Balance August 31, 2023
Not Depreciated:				
Land	\$ 5,530,798	\$ -	\$ -	\$ 5,530,798
Construction in progress	34,971,805	21,254,487	48,088,560	8,137,732
Total Capital Assets – Not Depreciated	40,502,603	21,254,487	48,088,560	13,668,530
Other Capital Assets:				
Buildings and building improvements	174,310,223	46,640,048	-	220,950,271
Other real estate improvements	10,226,084	1,374,765	-	11,600,849
Total Buildings and Other Improvements	184,536,307	48,014,813	-	232,551,120
Library books	351,591	19,548	45,516	325,623
Furniture, machinery, vehicles, and equipment	30,193,052	2,941,617	791,902	32,342,767
RTU lease assets	1,369,502	112,483	309,484	1,172,501
RTU subscription assets	69,435	356,597	69,435	356,597
Total Capital Assets – Depreciable	216,519,887	51,445,058	1,216,337	266,748,608
Total Capital Assets	257,022,490	72,699,545	49,304,897	280,417,138
Accumulated Depreciation/Amortization:				
Buildings and building improvements	65,009,341	3,743,046	-	68,752,387
Other real estate improvements	5,596,034	471,300	-	6,067,334
Total Buildings and Other Improvements	70,605,375	4,214,346	-	74,819,721
Library books	208,652	17,574	47,894	178,332
Furniture, machinery, vehicles, and equipment	25,116,995	1,604,620	665,233	26,056,382
RTU lease assets	551,726	307,456	263,171	596,011
RTU subscription assets	36,227	39,151	69,435	5,943
Total Accumulated Depreciation/Amortization	96,518,975	6,183,147	1,045,733	101,656,389
Net Capital Assets	\$ 160,503,515	\$ 66,516,398	\$ 48,259,164	\$ 178,760,749

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 6 - Capital Assets (continued)**

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

	Balance September 1, 2021 (Restated)	Increases	Decreases	Balance August 31, 2022 (Restated)
Not Depreciated:				
Land	\$ 5,336,103	\$ 194,695	\$ -	\$ 5,530,798
Construction in progress	5,770,874	36,117,050	6,916,119	34,971,805
Total Capital Assets – Not Depreciated	11,106,977	36,311,745	6,916,119	40,502,603
Other Capital Assets:				
Buildings and building improvements	164,365,442	9,944,781	-	174,310,223
Other real estate improvements	9,303,982	922,102	-	10,226,084
Total Buildings and Other Improvements	173,669,424	10,866,883	-	184,536,307
Library books	348,116	15,711	12,236	351,591
Furniture, machinery, vehicles, and equipment	28,800,140	1,854,410	461,498	30,193,052
RTU lease assets	1,285,944	140,420	56,862	1,369,502
RTU subscription assets	69,435	-	-	69,435
Total Capital Assets – Depreciable	204,173,059	12,877,424	530,596	216,519,887
Total Capital Assets	215,280,036	49,189,169	7,446,715	257,022,490
Accumulated Depreciation/Amortization:				
Buildings and building improvements	61,639,737	3,369,604	-	65,009,341
Other real estate improvements	5,198,955	397,079	-	5,596,034
Total Buildings and Other Improvements	66,838,692	3,766,683	-	70,605,375
Library books	204,869	16,019	12,236	208,652
Furniture, machinery, vehicles, and equipment	24,043,983	1,532,077	459,065	25,116,995
RTU lease assets	293,378	315,210	56,862	551,726
RTU subscription assets	-	36,227	-	36,227
Total Accumulated Depreciation/Amortization	91,380,922	5,666,216	528,163	96,518,975
Net Capital Assets	\$ 123,899,114	\$ 43,522,953	\$ 6,918,552	\$ 160,503,515

The College has entered into construction commitments for various projects including the renovation of facilities and the construction of buildings. At August 31, 2023 and 2022, the outstanding commitment under construction contracts for facilities and other projects is approximately \$14.4 million and \$9.0 million, respectively.

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 7 - Noncurrent Liabilities

In accordance with GASB 96, the College makes a prior year restatement as lessee to recognize a right-to-use subscription liability.

Noncurrent liability activity for the year ended August 31, 2023, was as follows:

	Balance September 1, 2022 (Restated)	Increases	Decreases	Balance August 31, 2023 (Restated)	Due Within One Year
Bonds					
General obligation bonds	\$ 114,705,000	\$ -	\$ 6,345,000	\$ 108,360,000	\$ 7,530,000
Revenue bonds	2,520,000	-	265,000	2,255,000	270,000
Total Bonds	<u>117,225,000</u>	<u>-</u>	<u>6,610,000</u>	<u>110,615,000</u>	<u>7,800,000</u>
Accrued compensable absences	1,444,618	90,729	-	1,535,347	547,883
Deposits	188,983	16,675	-	205,658	-
Right to use lease payable	833,511	112,483	351,053	594,941	200,473
SBITA payable	-	356,597	69,594	287,003	64,508
Unamortized bond premium	12,239,401	-	932,960	11,306,441	-
Net pension liability	7,779,639	11,611,884	1,413,108	17,978,415	-
Net OPEB liabilities	64,427,626	4,850,953	15,185,960	54,092,619	-
Total Long-Term Liabilities	<u>\$ 204,138,778</u>	<u>\$ 17,039,321</u>	<u>\$ 24,562,675</u>	<u>\$ 196,615,424</u>	<u>\$ 8,612,864</u>

Noncurrent liability activity for the year ended August 31, 2022, was as follows:

	Balance September 1, 2021 (Restated)	Increases	Decreases	Balance August 31, 2022 (Restated)	Due Within One Year
Bonds					
General obligation bonds	\$ 67,770,000	\$ 52,185,000	\$ 5,250,000	\$ 114,705,000	\$ 6,345,000
Revenue bonds	2,785,000	-	265,000	2,520,000	265,000
Total Bonds	<u>70,555,000</u>	<u>52,185,000</u>	<u>5,515,000</u>	<u>117,225,000</u>	<u>6,610,000</u>
Accrued compensable absences	1,451,887	35,564	42,833	1,444,618	488,274
Deposits	175,126	56,592	42,735	188,983	-
Right to use lease payable	1,002,846	140,420	309,755	833,511	307,347
SBITA payable	69,435	-	69,435	-	-
Unamortized bond premium	6,653,157	6,519,205	932,961	12,239,401	-
Net pension liability	17,427,925	-	9,648,286	7,779,639	-
Net OPEB liabilities	59,636,480	16,427,971	11,636,825	64,427,626	-
Total Long-Term Liabilities	<u>\$ 156,971,856</u>	<u>\$ 75,364,752</u>	<u>\$ 28,197,830</u>	<u>\$ 204,138,778</u>	<u>\$ 7,405,621</u>

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Debt and Lease Obligations

General information related to bonds payable is summarized below:

Limited Tax Refunding Bonds, Series 2015

- Limited Tax Refunding Bonds, Series 2015, used to refund part of General Obligations Bonds Series 2008.
- Issued July 2, 2015
- Average Interest rate of bonds: 4.022%
- Proceeds from Series 2015: \$9,946,064 received, less cost of issuance of \$171,193, of which the remainder, \$9,774,871, was used in refunding part the General Obligations Bonds Series 2008.
- Source of revenue for the debt service - Ad valorem tax levied by the College on taxable property. Outstanding balance at August 31, 2023 and 2022: \$7,990,000 and \$8,520,000, respectively.
- The bonds are due in annual installments varying from \$343,450 to \$1,779,800, including interest with the interest rates from 4.00% to 4.50%, with the final installment due in 2028.

Limited Tax Refunding Bonds, Series 2016

- Limited Tax Refunding Bonds, Series 2016, used to refund a portion of the General Obligations Bond Series 2008 and the General Obligation Bonds Series 2009.
- Issued September 1, 2016
- Average Interest rate of bonds: 3.1211 %
- Proceeds from Series: \$19,321,621 received, less cost of issuance of \$148,080, of which the remainder, \$19,173,541, was used in refunding part of the General Obligations Bonds Series 2008 and 2009.
- Source of revenue for the debt service - Ad Valorem tax levied by the College. Outstanding balance at August 31, 2023 and 2022 was \$7,495,000 and \$9,410,000, respectively.
- The bonds are due in annual installments varying from \$1,343,363 to \$2,701,938 including interest with the interest rates from 2.00% to 4.00%, with the final installment due in 2029.

General Obligation Bonds, Series 2019

- General Obligation Bonds, Series 2019, used for the construction, acquisition, renovation, and equipment of school buildings for the College and the purchase of necessary sites therefor and to pay the cost of issuance of the Bonds.
- Issued on: September 12, 2019
- Average Interest Rate of Bonds: 4.2765%
- Net proceeds from series: \$31,310,897 received, less cost of issuance of \$159,959 and underwriter's discount of \$150,938, of which the remainder \$31,000,000 will be used to fund the projects.
- Source of revenue for debt service - Ad valorem tax levied by the College. Outstanding balance at August 31, 2023 and August 31, 2022 was \$22,475,000 and \$23,400,000, respectively.
- The bonds are due in semi-annual installments. The total annual payments vary from \$1,872,200 to \$2,562,850 including interest with interest rates from 3% to 5%.
- Maturity date: Bonds mature on February 15, 2029 and are callable on February 15, 2028.

Limited Tax Refunding Bonds, Series 2020

- Limited Tax Refunding Bonds, Series 2020, used to refund the General Obligations Bond Series 2010.
- Issued on March 12, 2020
- Average interest rate of bonds: 2.8942%
- Proceeds from series: \$13,850,076 received, less cost of issuance of \$211,901, of which the remainder, \$13,638,174 was used in refunding the General Obligation Bonds Series 2010.
- Source of revenue for the debt service -Ad valorem tax levied by the District. Outstanding balance at August 31, 2023 and August 31, 2022, was \$9,435,000 and \$10,640,000, respectively.
- The bonds are due in semi-annual installments with the total annual installments varying from \$1,335,800 to \$1,493,075 including interest with interest rates from 2.00% to 3.00%, with the final installment due in 2030.

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Debt and Lease Obligations (continued)

Limited Tax Refunding Bonds, Series 2021

- Limited Tax Refunding Bonds, Series 2021, used to refund the General Obligations Bond Series 2012.
- Issued March 2021
- Average interest rate of bonds: 2.3726%.
- Proceeds from series: \$11,005,740 received, less cost of issuance of \$455,740, of which the remainder, \$10,550,000 was used in refunding the General Obligation Bond Series 2012.
- Source of revenue for the debt service -Ad valorem tax levied by the District. Outstanding balance at August 31, 2023 and August 31, 2022, was \$9,680,000 and \$10,550,000, respectively.
- The bonds are due in annual installments with the total annual installments varying from \$111,320 to \$1,212,556 including interest with interest rates from 1.59% to 4.00%, with the final installment due in 2032.

Combined Fee Revenue Refunding Bonds, Series 2021 MCC

- Combined Fee Revenue Refunding Bonds, Series 2021 MCC, used to refund the Combined Fee Revenue Bonds Series 2011.
- Issued March 2021.
- Average interest rate of bonds: 1.25%.
- Proceeds from series: \$2,785,000 received, less cost of issuance of \$55,000, of which the remainder, \$2,730,000 was used in refunding the Combined Fee Revenue Bonds Series 2011.
- Source of revenue for the debt service - Certain pledged revenues consisting primarily of a portion of tuition charges and other fees. Outstanding balance at August 31, 2023 and August 31, 2022 was \$2,255,000 and \$2,520,000, respectively.
- The bonds are due in annual installments with the total annual installments varying from \$294,913 to \$300,938 including interest with interest rates from 1.00% to 1.25%, with the final installment due in 2031.

General Obligation Bonds, Series 2022

- General Obligation Bonds, Series, 2022, used for construction, acquisition, renovation and equipment of school buildings for the College and purchase of necessary sites and to pay the cost of issuance of the Bonds.
- Issued April 2022.
- Average Interest Rate of Bonds: 4.13%
- Proceeds from series: \$8,704,205 received, less cost of issuance of \$214,287 and underwriter's discount of \$283,918, of which the remainder \$58,260,000 will be used to fund the projects.
- Source of revenue for debt service - Ad valorem tax levied by the college. Outstanding balance at August 31, 2023 and 2022 was \$51,285,000 and \$52,185,000, respectively.
- The bonds are due in semi-annual installments. The total annual payments vary from \$3,892,527 to \$19,470,200 including interest with interest rates from 3% to 5%.
- Maturity date: Bonds mature on February 15, 2042.

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 8 - Debt and Lease Obligations (continued)**

Debt service requirements on August 31, 2023, were as follows:

For the Year Ended August 31,	General Obligation Bonds			Revenue Bonds			Total Bonds		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 7,530,000	\$ 4,004,441	\$ 11,534,441	\$ 270,000	\$ 28,188	\$ 298,188	\$ 7,800,000	\$ 4,032,629	\$ 11,832,629
2025	7,845,000	3,687,216	11,532,216	270,000	24,813	294,813	8,115,000	3,712,029	11,827,029
2026	8,155,000	3,379,041	11,534,041	275,000	21,437	296,437	8,430,000	3,400,478	11,830,478
2027	8,455,000	3,075,741	11,530,741	280,000	18,000	298,000	8,735,000	3,093,741	11,828,741
2028	8,780,000	2,756,726	11,536,726	285,000	17,000	302,000	9,065,000	2,773,726	11,838,726
2029-2033	27,945,000	10,064,745	38,009,745	875,000	19,437	894,437	28,820,000	10,084,182	38,904,182
2034-2038	23,415,000	5,427,400	28,842,400	-	-	-	23,415,000	5,427,400	28,842,400
2039-2043	16,235,000	1,207,475	17,442,475	-	-	-	16,235,000	1,207,475	17,442,475
Total	\$108,360,000	\$33,602,785	\$141,962,785	\$ 2,255,000	\$ 128,875	\$ 2,383,875	\$110,615,000	\$33,731,660	\$144,346,660

General information related to right to use lease payable and SBITA payable is summarized below:

The College as a lessee, has entered into various agreements for vehicles and equipment. The agreements include annual installments ranging from \$334 to \$69,774. The imputed interest rates range from 0.46% to 5.12% and the due dates range from November 2023 to January 2028. The balance outstanding as August 31, 2023 was \$594,941 and the future obligations are as follow:

Right-To-Use Lease Payable			
For the Year Ended August 31,	Principal	Interest	Total
2024	\$ 200,473	\$ 7,102	\$ 207,575
2025	163,984	4,508	168,492
2026	121,140	2,218	123,358
2027	85,898	660	86,558
2028	23,446	39	23,485
Total	\$ 594,941	\$ 14,527	\$ 609,468

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 8 - Debt and Lease Obligations (continued)**

The College as a lessee, has entered into a subscription agreements for certain software. Under these agreements, the annual installments range from \$69,594 to \$81,415. Imputed interest rates ranging is 2.74% and a maturity date of August 2027. The balance outstanding at August 31, 2023 was \$287,003 and the future obligations are as follow:

For the Year Ended August 31,	SBITA Payable		
	Principal	Interest	Total
2024	\$ 64,508	\$ 7,870	\$ 72,378
2025	69,172	6,101	75,273
2026	74,080	4,204	78,284
2027	79,243	2,173	81,416
Total	\$ 287,003	\$ 20,348	\$ 307,351

Note 9 - Defined Benefit Plan – Teacher Retirement System of Texas**Plan Description**

The College participates in the Teacher Retirement System of Texas (TRS), which is a public employee retirement system that is a multiple employer, cost-sharing, defined benefit pension plan that has a special funding situation. TRS 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.

Pension Plan Fiduciary Net Position

TRS issues a publicly available, audited Annual Comprehensive Financial Report that includes financial statements, notes and required supplementary information. This report may be obtained on the internet at <https://www.trs.texas.gov/TRS%20Documents/annual-financial-report-2022.pdf> or by writing to TRS at 1000 Red River Street, Austin, Texas 78701-2698; or by calling (512) 542-6592.

Benefits Provided

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard workload and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by TRS. TRS provides retirement, disability, and death benefits. State law requires the plan to be actuarially sound in order for the legislature to consider a benefit enhancement, such as a supplemental payment to the retirees. The pension became actuarially sound in May 2019 when the 86th Texas legislature approved the TRS Pension Reform Bill (SB12) that provided gradual contribution increases from the State, participating employers and active employees for the fiscal years 2019 through 2024.

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 9 - Defined Benefit Plan – Teacher Retirement System of Texas (continued)

Contributions

Contribution requirements are established or amended pursuant to Article **XVI**, 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 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025.

Contribution amounts are as follows:

Current fiscal year employer contributions	\$	1,716,950
Current fiscal year member contributions	\$	2,716,195
2020 measurement year NECE on-behalf contributions	\$	859,768

Contribution rates for Plan fiscal years (September to August) 2021 and 2020 follow:

Contribution Rates	2023	2022
Member	8.00%	8.00%
Non-Employer Contributing entity (State)	7.50%	7.75%
Employers	7.50%	7.75%

Contributors to the plan include members, employers, and the State of Texas as the only non- employer contributing entity. The State contributes to the Plan in accordance with state statutes and the General Appropriations Act (GAA).

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

AMARILLO COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 9 - Defined Benefit Plan – Teacher Retirement System of Texas (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	Market Value
Single Discount Rate	7.00%
Long-Term Expected Investment Rate of Return*	7.00%
Municipal Bond Rate*	3.91
Last year ending August 31 in the Projection period (100 years)	2121
Inflation	2.30%
Salary increases including inflation	2.95% to 8.95%
Benefit changes during the year	None
Ad HOC post-employment benefit change	None

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

The actuarial valuation was performed as of August 31, 2021. Update procedures were used to roll forward the total pension liability to August 31, 2022.

The total pension liability is determined by an annual actuarial valuation. The actuarial methods and assumptions were selected by the Board of Trustees based upon analysis and recommendations by the System's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the Plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the four-year period ending August 31, 2021 and were adopted in July 2022.

The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioners Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published projection scale ("U-MP"). The active mortality rates were based on the published PUB(2010) Mortality Tables for Teachers, below median, also with full generational mortality.

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.

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 9 - Defined Benefit Plan – Teacher Retirement System of Texas (continued)****Discount Rate (continued)**

The long-term expected rate of return on pension plan investments is 7.00 percent. The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

Asset Class	Target Allocation²	Long-Term Expected Arithmetic Real Rate of Return³	Expected Contribution to Long-Term Portfolio Returns
Global Equity:			
U.S.	18.00%	4.60%	1.12%
Non-U.S. Developed	13.00%	4.90%	0.90%
Emerging Markets	9.00%	5.40%	0.75%
Private Equity	14.00%	7.70%	1.55%
Stable Value:			
Government Bonds	16.00%	1.00%	0.22%
Absolute Return ¹	0.00%	3.70%	0.18%
Stable Value Hedge Funds	5.00%	3.40%	0.00%
Real Return:			
Real Estate	15.00%	4.10%	0.94%
Energy, Natural Resources and Infrastructure	6.00%	5.10%	0.37%
Commodities	0.00%	3.60%	0.00%
Risk Parity:			
Risk Parity	8.00%	4.60%	0.43%
Leverage			
Cash	2.00%	3.00%	0.01%
Asset Allocation Leverage	-6.00%	3.60%	-0.05%
Inflation Expectation			2.70%
Volatility Drag ⁴	0.00%		-0.91%
Expected return	100%		8.21%

¹ Absolute Return includes Credit Sensitive Investments.

² Target allocations are based on the fiscal year 2022 policy model.

³ Capital Market Assumptions come from Aon Hewitt as of August 31, 2022.

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

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 9 - Defined Benefit Plan – Teacher Retirement System of Texas (continued)****Sensitivity of the College's Share of the Net Pension Liability**

The following table represents the net pension liability of the plan using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
College District's Proportionate share of the Net Pension Liability:	\$ 27,967,597	\$ 17,978,415	\$ 9,881,714

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

At August 31, 2023, the College reported a liability of \$17,978,415 for its proportionate share of the net pension liability that reflects a reduction for State pension support provided to the College. The amount recognized by the College 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 College were as follows:

District's proportionate share of the collective net pension liability	\$ 17,978,415
State's proportionate share that is associated with the District	<u>10,938,490</u>
Total	<u><u>\$ 28,916,905</u></u>

The net pension liability for fiscal year 2023 was measured as of August 31, 2021 and rolled forward to August 31, 2022. The total pension liability was determined by an actuarial valuation as of that date.

The College's proportion of the net pension liability for fiscal year 2023 was based on the College's contributions to the pension plan relative to the contribution 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 College's proportional share of the collective net pension liability was 0.0303% which was an increase of 0.0003% from its proportion measured as of August 31, 2021.

The changes in assumptions since the prior measurement date are summarized in the notes to required supplemental schedules.

For the fiscal year ended August 31, 2023, the College recognized pension expense of \$1,443,512 which includes revenues of \$1,550,190 representing pension expense incurred by the State on behalf of the College.

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 9 - Defined Benefit Plan – Teacher Retirement System of Texas (continued)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

At August 31, 2023, the College reported its proportionate share of the TRS's deferred outflows or 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	\$ 260,686	\$ (391,963)
Changes in actuarial assumptions	3,349,964	(834,905)
Net difference between projected and actual investment earnings	1,776,210	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	178,654	(1,135,300)
Contributions paid to TRS subsequent to the measurement date*	1,716,950	-
Total	\$ 7,282,464	\$ (2,362,168)

The \$1,716,950 reported as deferred outflows of resources related to pensions resulting from the College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending August 31, 2024.

Other amounts reported as deferred outflows or resources and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended August 31:	
2024	\$ 820,952
2025	378,835
2026	(74,913)
2027	1,864,644
2028	213,827
Thereafter	1
	\$ 3,203,346

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 10 - Other Employees' Retirement Plans

Optional Retirement Plan - Defined Contribution Plan

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

Funding Policy

Contribution requirements are not actuarially determined, but are established and amended by the Texas State Legislature. The percentage of participant salaries currently contributed by the state and each participant is 6.6% for fiscal years 2023 and 2022. The College contributes 1.31% 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. S.B. 1812, effective September 1, 2013, limits the amounts of the state's contribution to 50% of eligible employees in the reporting district.

The retirement expense to the state for the College was approximately \$248,000, \$250,000, and \$246,000, for the fiscal years ended August 31, 2023, 2022, and 2021, respectively. This amount represents the portion of expended appropriations made by the state legislature on behalf of the College for TRS and the Optional Retirement Program. The total payroll of employees covered by the Optional Retirement Program was approximately \$7,529,000, \$7,587,000, and \$7,450,000 for fiscal years 2023, 2022, and 2021, respectively.

College-Sponsored Benefit Plans

The College has a voluntary employee defined contribution 403(b) plan administered by the Plan's trustee. The Plan is funded by matching employee and employer contributions of 6.65% of employee compensation. Plan funds are held in trust and are administered by the College's Vice- President of Business Affairs with oversight by the Board of Regents. The Plan was amended during the year ended August 31, 2016 to allow for loans against the participants' investments and to allow for participant directed investing. Full-time employees and certain part-time employees are eligible to participate and are fully vested at all times. At August 31, 2023, 2022, and 2021, there were 1,497, 1,389, and 1,221, respectively, plan participants. The related expense was approximately \$2,109,000, \$1,796,000, and \$1,813,000 for the years ended August 31, 2023, 2022, and 2021, respectively.

Part-time employees meet the state's requirement to participate in a retirement program by their required participation in Amarillo College Retirement Plan. Upon hire, part-time employees are placed into the Amarillo College Retirement Plan at a mandatory 3.75% employee contribution rate. Amarillo College will match 100% of employee contributions of 3.75%.

Note 11 - Deferred Compensation Program

College employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code 609.001.

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 12 - Compensable Absences

Full-time employees earn annual leave from eight to twelve hours per month depending on the number of years employed with the College. The College's policy is that an employee may carry his accrued leave forward from one fiscal year to another fiscal year with a maximum number of hours up to 160 for those employees with five or less years of service, up to 200 hours for those employees with more than five years but under ten years of service, and up to 240 hours for those employees with more than ten years of service. Employees with at least three months of service who terminate their employment are entitled to payment for all accumulated annual leave up to the maximum allowed. The College recognized the accrued liability for the unpaid annual leave in the amount of \$1,535,347 and \$1,444,618 as of August 31, 2023 and 2022, respectively. Sick leave, which can be accumulated up to 120 days, is earned at the rate of eight hours per month; however, sick leave is not paid at termination. The College's policy is to recognize the cost of sick leave when utilized by employees.

Note 13 - Endowments

KACV-1V (the Station) is part of and is operated by the College. In 1999, the Station received \$1,000,000 from the Sybil B. Harrington Living Trust (Harrington Trust) which was specified as an endowment. In 2005, the Station received an additional \$500,000 gift from an anonymous donor that was to be held as an endowment. The College also received a \$1,000,000 endowment from the Harrington Trust for the Harrington Library Consortium (HLC). Appreciation on the Station's fund is approximately \$550,000 and can be spent on operating expenses of the Station. The appreciation on the HLC funds is spent annually for expenses related to HLC. The appreciation is approximately \$71,000. The Station's appreciated value is shown in net position as Expendable: Other primary donor restrictions. HLC's appreciated is shown as Funds Held for Others.

Note 14 - Commitments, Contingencies And Lawsuits

The College participates in various state and federal grant programs, which are governed by various rules and regulations of the granter agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the granter agencies. In the opinion of the College's management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Additionally, the College's students participate in the Federal Direct Loan Program for which the proceeds are used for tuition and education-related costs. Regulations require that default rates pertaining to loans to persons attending the College not exceed certain levels at the College. In the event that specific levels were exceeded, the program could be discontinued at the College; however, the College does not anticipate this occurring. The total amount of Direct Loans made during 2023 and 2022 was \$10,118,387 and \$10,508,195, respectively.

In August 2017, the College committed to participate in the expansion of the ACE mission by establishing and participating in the ACE Amarillo Scholarship Fund to be maintained at the Amarillo Area Foundation for the benefit of Amarillo Independent School District high school graduates. The College will participate in the funding of this project with three other partners. Contributions from the College should not exceed \$3,500,000 and will be made over a six-year period. During 2023 and 2022 the College spent approximately \$20,000 and \$44,000, respectively.

On August 31, 2023, various claims involving the College were pending. While the ultimate liability with respect to litigation and other claims asserted against the College cannot be reasonably estimated at this time, this liability, if any, to the extent not provided for by insurance or otherwise, is not likely to have a material effect on the College.

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 15 - Disaggregation of Receivables And Payables Balances****Accounts Receivable**

Accounts receivable at August 31, 2023 and 2022 were as follows:

	2023	2022
Student receivables	\$ 2,788,784	\$ 2,735,540
Taxes receivable	1,051,816	819,135
Governmental grants and contracts	5,437,355	4,775,577
Other receivables	1,031,720	707,754
Subtotal	10,309,675	9,038,006
Allowance for doubtful accounts	(161,322)	(366,944)
Total Accounts Receivable, Net	\$ 10,148,353	\$ 8,671,062

Accounts Payable

Accounts payable at August 31, 2023 and 2022, were as follows:

	2023	2022
Vendors payable	\$ 2,019,568	\$ 855,128
Salaries and benefit payable	2,147,538	1,984,025
Interest payable	182,990	258,576
Total Accounts Payable	\$ 4,350,096	\$ 3,097,729

Note 16 - Contract and Grant Awards

Contract and grant awards are accounted for in accordance with the requirements of the American Institute of Certified Public Accountants (AICPA) Industry Audit Guide, *Audits of Colleges and Universities*. Revenues are recognized on Exhibit 2A, Schedule A, and Schedule C.

For federal and nonfederal contract and grant awards, funds expended, but not collected, are reported as accounts receivable on Exhibit 1A. For federal and nonfederal contract and grant awards, funds received, but not yet expended, are reported as deferred revenue on Exhibit 1A. 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 2023 and 2022 for which monies have not been received nor funds expended, totaled \$15,006,712 and \$25,855,486, respectively. Of these amounts, \$8,195,866 and \$18,370,401 were from federal contracts and grant awards, \$4,091,984 and \$3,351,896 were from state contract and grant awards, and \$2,718,862 and \$4,133,190 were from private contract and grant awards for the fiscal years ended 2023 and 2022, respectively.

Note 17 - Self-Insured Plans

The College does not participate in public entity risk pools. Claims and judgments are accounted for in accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. Property and casualty risks are insured through insurance contracts. Workers' compensation risks are substantially covered by insurance. Health claims are fully covered by the state of Texas.

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 18 - Health Care And Life Insurance Benefits

Certain healthcare 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 approximately \$623 and \$625 per month for the years ended August 31, 2023 and 2022, respectively, and totaled \$3,536,992 and \$3,536,988, respectively. The cost of providing those benefits for retirees in the years ended 2023 and 2022 was \$1,748,135 and \$1,784,256, respectively. For active employees, the cost of providing benefits was \$1,788,853 and \$1,752,732 for the years ended 2023 and 2022, respectively. Beginning September 1, 2013, S.S. 1812 limited the state's contribution to 50% of eligible employees for community colleges.

Note 19 - Post-Employment Benefits Other Than Pensions (OPEB) - Employee Retirement System of Texas

Plan Description

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

OPEB Plan Fiduciary Net Position

Detailed information about the SRHP's fiduciary net position is available in the separately issued ERS Annual Comprehensive Financial Report 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/gasb-requirements> or by writing to ERS at: 200 East 18th Street, Austin, TX 78701; or by calling (877) 275-4377. The fiduciary net position of the plan has been determined using the same basis used by the OPEB plan.

Benefits Provided

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

Contributions

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

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 19 - Post-Employment Benefits Other Than Pensions (OPEB) - Employee Retirement System of Texas (continued)****Contributions (continued)**

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

	2023	2022
Retiree only	\$ 622.60	\$ 624.82
Retiree & Spouse	1,338.60	1,339.90
Retiree & Children	1,102.00	1,103.58
Retiree & Family	1,818.00	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:

	2023	2022
Employers	\$ 2,007,317	\$ 2,082,473
Members (employees)	-	-
Nonemployer Contributing Entity (State of Texas)	3,536,988	4,051,924

Actuarial Assumptions

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

Valuation date	August 31, 2022
Actuarial cost method	Entry Age
Amortization method	Level Percent of Pay, Open
Remaining amortization period	30 years
Asset valuation method	N/A
Discount rate	3.59%
Projected annual salary increase (includes inflation)	2.30% to 8.95%
Annual healthcare trend rate	5.60% for FY2024, 5.30% 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

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 19 - Post-Employment Benefits Other Than Pensions (OPEB) - Employee Retirement System of Texas (continued)

The mortality assumptions used in the valuation were as follows:

State Agency Members:

- 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. Generational mortality improvements in accordance with the Ultimate MP-2019 Projection Scale are projected from the year 2020.
- b. Disability Retirees (Regular, Elected, CPO/CO and JRS I and II Employee Classes): 2020 State Retirees of Texas Mortality table set forward three years for males and females. Generational mortality improvements in accordance with the Ultimate MP-2019 Projection Scale are projected from the year 2020. Minimum rates of 3.0% and 2.5% apply at all ages for males and females, respectively.
- c. Active Members: Pub-2010 General Employees Active Member Mortality table for non-CPO/CO members. Pub-2010 Public Safety Active Member Mortality table for CPO/CO members. Generational mortality improvements in accordance with the Ultimate MP-2019 Projection Scale are projected from the year 2010.

Higher Education Members:

- a. Service Retirees, Survivors and other Inactive Members
Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021.
- b. Disability Retirees -
Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members.
- c. Active Members -
Sex Distinct Pub-2010 Amount-Weighted Below-Median Income Teacher Mortality with a 2-year set forward for males with Ultimate MP-2021 Projection Scale from the year 2010.

Investment Policy

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

Discount Rate

Because the SRHP does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bond rates. The discount rate used to determine the total OPEB liability as of the end of the measurement year was 3.59% to reflect the requirements of GASB 75. The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA rating. Projected cash flows into the SRHP are equal to projected benefit payments out of the plan. Because SRHP operates on a pay-as-you-go basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable is zero years.

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 19 - Post-Employment Benefits Other Than Pensions (OPEB) - Employee Retirement System of Texas (continued)****Discount Rate Sensitivity Analysis**

The following schedule shows the impact of the College's proportionate share of the collective Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that 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%
District's Proportionate Share of the Net OPEB Liability	\$ 63,088,344	\$ 54,092,619	\$ 46,898,209

Healthcare Cost Trend Rates Sensitivity Analysis

	1% Decrease Healthcare Cost Trend Rates	Current Healthcare Cost Trend Rates	1% Increase in Healthcare Cost trend Rates
District's Proportionate Share of the Net OPEB Liability	\$ 46,322,898	\$ 54,092,619	\$ 64,012,465

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

At August 31, 2023, the College reported a liability of \$54,092,619 for its proportionate share of the ERS's net OPES liability. This liability reflects a reduction for State OPES support provided to the College. The amount recognized by the College as its proportionate share of the net OPES liability, the related State support, and the total portion of the net OPEB liability that was associated with the College were as follows:

District's Proportionate Share of the Collective Net OPEB Liability	\$ 54,092,619
State's Proportionate Share that is Associated with District	34,171,758
Total	\$ 88,264,377

The net OPES 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 College's portion of the net OPES liability was based on the College's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At the measurement date, August 31, 2022, the College's proportion of the collective net OPEB liability was 0.1899%, which was an increase of 0.0103% from its proportion measured as of August 31, 2021.

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 19 - Post-Employment Benefits Other Than Pensions (OPEB) - Employee Retirement System of Texas (continued)****OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (continued)**

For the year ended August 31, 2023, the College recognized total OPEB expense of \$(6,140,085) and revenue for support provided by state and federal sources of \$(1,244,702). At August 31, 2023, the College reported its proportionate share of the ERS's collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ (1,706,687)
Changes in actuarial assumptions	3,178,157	(16,720,542)
Difference between projected and actual investment earnings	9,330	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	6,643,385	(2,871,412)
Contributions paid to ERS subsequent to the measurement date*	2,007,317	-
Total	\$ 11,838,189	\$ (21,298,641)

Deferred outflows of resources resulting from College contributions subsequent to the measurement date in the amount of \$2,007,317 will be recognized as a reduction of the net OPEB liability in the year ended August 31, 2024.

The net amounts of the College's balances of deferred outflows and inflows of resources related to OPEB, other than deferred outflows of resources for contributions made subsequent to the measurement date of the net OPEB liability, will be recognized in expense as follows:

<u>Year Ended August 31:</u>	
2024	\$ (4,228,275)
2025	(1,977,864)
2026	(2,075,772)
2027	(1,978,184)
2028	(1,207,674)
	<u>\$ (11,467,769)</u>

AMARILLO COLLEGE**NOTES TO THE FINANCIAL STATEMENTS (continued)****Note 20 - Ad Valorem Tax**

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

	At August 31,	2023	2022
Assessed Valuation of the District (at January 1, 2022 and 2021)		\$ 26,404,886,284	\$ 17,310,075,627
v		(4,957,773,719)	(2,569,107,034)
Net Assessed Valuation of the District		\$ 21,447,112,565	\$ 14,740,968,593

Taxes levied for the year ended August 31, 2023 and 2022, were \$37,37,657,736 and \$30,248,436 (which includes penalty and interest assessed and adjustments, 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.

	At August 31,	2023			2022		
		Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Current taxes collected	\$	26,996,200	\$ 10,024,553	\$ 37,020,753	\$ 23,240,525	\$ 6,474,136	\$ 29,714,661
Delinquent taxes collected		189,417	50,637	240,054	190,232	67,284	257,516
Penalties and interest collected		287,614	19,715	307,329	227,854	48,405	276,259
Total collections	\$	27,473,231	\$ 10,094,905	\$ 37,568,136	\$ 23,658,611	\$ 6,589,825	\$ 30,248,436

	At August 31,	2023			2022		
		Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Authorized tax rate per \$100 valuation (Maximum per enabling legislation)		0.20000	0.50000	0.70000	0.20000	0.50000	0.70000
Assessed tax rate per \$100 valuation		0.15913	0.06410	0.22323	0.16499	0.04630	0.21129

Tax collections for the year ended August 31, 2023 and 2022, were 99.09% and 99.49%, respectively, of the current tax levy. Allowance for uncollectible taxes is based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or interest and sinking fund expenditures.

Note 21 - Tax Abatements

The College receives reduced property tax revenues as a result of exemptions granted by the City of Amarillo. The exemptions are intended to promote economic development in the Amarillo area. For the fiscal year ended August 31, 2023, the College's property tax revenues were reduced by \$361,834 in incentive payments and \$97,497 in property tax rebates under these exemptions. There are no significant abatements made by the College.

AMARILLO COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 22 - Branch Campus Maintenance Tax

A branch campus maintenance tax that is established by election is levied by Moore County and Hereford Independent School District. It is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. Collections are transferred to the College to be used for operation of a branch campus in Dumas, Texas, and Hereford, Texas. This revenue is reported under local grant contracts. Collections in fiscal years 2023 and 2022 (including penalties and interest) from Moore County totaled approximately \$1,217,203 and \$1,123,000, respectively, and from Hereford Independent School District totaled approximately \$941,274 and \$928,000, respectively.

Note 23 - Related Parties

The Amarillo College Foundation, Incorporated (the Foundation) is a nonprofit organization with the primary purpose of supporting the educational and other activities of various entities, including the College. The Foundation solicits donations and awards scholarships, including substantial scholarships to students not attending the College. The College does not appoint a voting majority to the board of directors nor does it fund or is it obligated to pay debt related to the Foundation. Accordingly, the Foundation has not been presented as a discrete component unit of the College.

The Foundation remitted restricted gifts of approximately \$480,000 and \$50,000 to the College during the years ended August 31, 2023 and 2022, respectively. During the fiscal year, the College furnished certain services, such as office space, utilities, and some staff assistance, to the Foundation. The amount of such services provided by the College has not been determined.

Note 24 - Subsequent Events

Management has evaluated subsequent events through November 28, 2023, the date which the financial statements were available to be issued.



REQUIRED SUPPLEMENTAL INFORMATION



AMARILLO COLLEGE

SCHEDULE OF COLLEGE'S PROPORTIONATE SHARE OF NET PENSION LIABILITY

TEACHERS RETIREMENT SYSTEM OF TEXAS

Last Nine Measurement Years

Measurement Years Ended August 31,	2022	2021	2020	2019	2018
District's proportionate share of collective net pension liability (%)	0.0303%	0.0305%	0.0325%	0.0331%	0.0341%
District's proportionate share of collective net pension liability	\$ 17,978,415	\$ 7,779,639	\$ 17,427,925	\$ 17,223,734	\$ 18,764,815
State's proportionate share of net pension liability associated with District	10,938,490	4,982,340	11,217,733	10,900,636	11,693,410
Total	\$ 28,916,905	\$ 12,761,979	\$ 28,645,658	\$ 28,124,370	\$ 30,458,225
District's covered payroll amount	\$ 29,422,954	\$ 28,380,596	\$ 29,334,006	\$ 28,056,500	\$ 27,413,051
District's proportionate share of collective net pension liability as a percentage of covered payroll	61.10%	27.41%	59.41%	61.39%	68.45%
Plan fiduciary net position as percentage of the total pension liability	75.62%	88.79%	75.24%	73.74%	73.74%
Measurement Years Ended August 31,	2017	2016	2015	2014	
District's proportionate share of collective net pension liability (%)	0.0320%	0.0355%	0.0432%	0.0394%	
District's proportionate share of collective net pension liability	\$ 10,237,600	\$ 13,430,302	\$ 15,270,837	\$ 10,529,921	
State's proportionate share of net pension liability associated with District	6,276,976	6,960,228	5,604,542	6,837,829	
Total	\$ 16,514,576	\$ 20,390,530	\$ 20,875,379	\$ 17,367,750	
District's covered payroll amount	\$ 24,718,018	\$ 24,505,834	\$ 25,103,781	\$ 24,102,504	
District's proportionate share of collective net pension liability as a percentage of covered payroll	41.42%	54.80%	60.83%	43.69%	
Plan fiduciary net position as percentage of the total pension liability	82.17%	78.00%	78.43%	83.25%	

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

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

AMARILLO COLLEGE**SCHEDULE OF COLLEGE'S CONTRIBUTIONS FOR PENSIONS****TEACHER'S RETIREMENT SYSTEM PENSION****Last Nine Fiscal Years**

Fiscal Years Ended August 31,	2023	2022	2021	2020	2019
Legally required contributions	\$ 1,716,950	\$ 1,415,636	\$ 1,303,652	\$ 1,341,842	\$ 1,160,042
Actual contributions	(1,716,950)	(1,415,636)	(1,303,652)	(1,341,842)	(1,160,042)
Contributions deficiency (excess)	-	-	-	-	-
District's covered payroll amount	\$ 31,777,279	\$ 29,422,954	\$ 28,380,593	\$ 29,334,006	\$ 28,056,500
Contributions as a percentage of covered payroll	5.40%	4.81%	4.59%	4.57%	4.13%

Fiscal Years Ended August 31,	2018	2017	2016	2015
Legally required contributions	\$ 1,154,173	\$ 1,051,068	\$ 1,137,359	\$ 1,240,322
Actual contributions	(1,154,173)	(1,051,068)	(1,137,359)	(1,240,322)
Contributions deficiency (excess)	-	-	-	-
District's covered payroll amount	\$ 27,413,051	\$ 24,718,018	\$ 24,505,834	\$ 25,103,781
Contributions as a percentage of covered payroll	4.21%	4.25%	4.64%	4.94%

The amounts presented above are as of the Districts most recent fiscal year-end.

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

AMARILLO COLLEGE

SCHEDULE OF COLLEGE'S PROPORTIONATE SHARE OF NET OPEB LIABILITY (ERS)

Last Six Measurement Years

Measurement Years ended August 31,	2022	2021	2020	2019	2018
District's proportionate share of collective net OPEB liability (%)	0.1899%	0.1796%	0.1805%	0.1710%	0.1794%
District's proportionate share of collective net OPEB liability (\$)	\$ 54,092,619	\$ 64,427,626	\$ 59,636,480	\$ 59,085,863	\$ 53,163,257
State's proportionate share of net OPEB liability associated with District	34,171,758	48,366,336	41,264,811	47,637,483	39,326,419
Total	\$ 88,264,377	\$ 112,793,962	\$ 100,901,291	\$ 106,723,346	\$ 92,489,676
District's covered-employee payroll	\$ 21,599,560	\$ 24,542,339	\$ 23,391,139	\$ 24,386,916	\$ 24,922,800
District's proportionate share of collective net pension liability as a percentage of covered-employee payroll	250%	263%	255%	242%	213%
Plan fiduciary net position as percentage of the total OPEB liability	0.57%	0.38%	0.32%	0.17%	1.27%
 Measurement Years ended August 31,*	 2017**				
District's proportionate share of collective net OPEB liability (%)	0.2099%				
District's proportionate share of collective net OPEB liability (\$)	\$ 71,519,923				
State's proportionate share of net OPEB liability associated with District	60,737,347				
Total	\$ 132,257,270				
District's covered-employee payroll	\$ 22,247,788				
District's proportionate share of collective net pension liability as a percentage of covered-employee payroll	321%				
Plan fiduciary net position as percentage of the total OPEB liability	2.04%				

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

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

AMARILLO COLLEGE**SCHEDULE OF COLLEGE'S CONTRIBUTIONS FOR NET OPEB LIABILITY (ERS)****Last Six Fiscal Years**

Fiscal years ended August 31,	2023	2022	2021	2020	2019	2018
Legally required contributions	\$ 2,007,317	\$ 2,082,473	\$ 2,028,106	\$ 2,055,705	\$ 1,939,577	\$ 1,993,992
Actual contributions	<u>(2,007,317)</u>	<u>(2,082,473)</u>	<u>(2,028,106)</u>	<u>(2,055,705)</u>	<u>(1,939,577)</u>	<u>(1,993,992)</u>
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll amount	\$ 22,285,372	\$ 21,599,560	\$ 24,542,339	\$ 23,391,139	\$ 24,386,916	\$ 24,922,800
Contributions as a percentage of covered employee-payroll	9.01%	9.64%	8.26%	8.79%	7.95%	8.00%

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

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

AMARILLO COLLEGE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Year Ended August 31, 2023

1. Schedules for Pensions - Net Pension Liability

The following changes to actuarial assumptions and other inputs affected the measurement of the amounts reported in the RSI schedules related to pensions:

- The discount rate changed from 7.25% to 7.00%.

2. Schedules for Other Post-Employment Benefits (OPEB) - Net OPEB Liability

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

- The percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their 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. The 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 Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effect 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 information.
- The discount rate was changed from 2.14% to 3.59% as a result of requirements by GASB No. 74 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.



SCHEDULES

AMARILLO COLLEGE
SCHEDULE OF OPERATING REVENUES
Year Ended August 31, 2023
with Memorandum Totals for the Year Ended August 31, 2022

Schedule A
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	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises
Tuition:				
State-funded credit courses:				
In-district resident tuition	\$ 8,852,124	\$ -	\$ 8,852,124	\$ -
Out-of-district tuition	1,954,161	-	1,954,161	-
Non-resident tuition	1,095,392	-	1,095,392	-
TPEG credit set aside*	448,179	-	448,179	-
State-funded continuing education	1,449,969	85,333	1,535,302	-
TPEG non-credit set aside*	86,998	10,697	97,695	-
Non-state funded educational programs	430,639	-	430,639	-
Total Tuition	14,317,462	96,030	14,413,492	-
Fees:				
Distance learning fee	1,516,334	-	1,516,334	-
General fee	4,112,800	-	4,112,800	-
Technology fee	1,587,379	-	1,587,379	-
Student service fee	279,895	-	279,895	-
Laboratory fee	324,197	-	324,197	-
Other fees	1,798,009	4,633	1,802,642	-
Total Fees	9,618,614	4,633	9,623,247	-
Scholarship Allowances and Discounts:				
Scholarship Allowances and Discounts:	(1,290,456)	-	(1,290,456)	-
State remissions and exemptions	(2,293,467)	-	(2,293,467)	-
TPEG allowances	(419,601)	-	(419,601)	-
State grants to students	(376,742)	-	(376,742)	-
Federal grants to students	(6,230,645)	-	(6,230,645)	-
Local grants to students	(295,841)	-	(295,841)	-
Total Scholarship Allowances	(10,906,752)	-	(10,906,752)	-
Total Net Tuition and Fees	13,029,324	100,663	13,129,987	-
Other Operating Revenues:				
Federal grants and contracts	183,006	16,774,623	16,957,629	-
State grants and contracts	9,533	1,359,856	1,369,389	-
Local grants and contracts	2,224,555	-	2,224,555	-
Nongovernmental grants and contracts	448,317	2,358,733	2,807,050	-
Sales and services of educational activities	166,634	-	166,634	-
General operating revenues	847,210	1,008,819	1,856,029	-
Total Other Operating Revenues	3,879,255	21,502,031	25,381,286	-
Auxiliary Enterprises:				
Bookstore	-	-	-	3,652,595
Less: discounts	-	-	-	(1,376,228)
Food service	-	-	-	238,966
Residential	-	-	-	3,170,048
Student programs	-	-	-	4,942
Child care	-	-	-	499,494
Athletics	-	-	-	10,458
Innovation outpost	-	-	-	29,731
Other auxiliaries enterprises	-	-	-	112,661
Total Net Auxiliary Enterprises	-	-	-	6,342,667
Total Operating Revenues	\$ 16,908,579	\$ 21,602,694	\$ 38,511,273	\$ 6,342,667

* In accordance with Education Code 56.033, \$535,117 and \$509,178 for years ending August 31, 2023 and 2022, respectively, of tuition was set aside for Texas Public Education Grants (TPEG).

AMARILLO COLLEGE
SCHEDULE OF OPERATING REVENUES
Year Ended August 31, 2023
with Memorandum Totals for the Year Ended August 31, 2022

Schedule A
Page 2 of 2

	2023 Total	2022 Total
Tuition:		
State-funded credit courses:		
In-district resident tuition	\$ 8,852,124	\$ 7,792,114
Out-of-district tuition	1,954,161	2,504,581
Non-resident tuition	1,095,392	1,238,275
TPEG credit set aside*	448,179	439,679
State-funded continuing education	1,535,302	1,270,155
TPEG non-credit set aside*	97,695	75,356
Non-state funded educational programs	430,639	443,920
Total Tuition	14,413,492	13,764,080
Fees:		
Distance learning fee	1,516,334	1,469,430
General fee	4,112,800	3,988,545
Technology fee	1,587,379	1,543,963
Student service fee	279,895	271,751
Laboratory fee	324,197	156,636
Other fees	1,802,642	2,057,460
Total Fees	9,623,247	9,487,785
Scholarship Allowances and Discounts:		
Scholarship Allowances and Discounts:	(1,290,456)	(1,019,316)
State remissions and exemptions	(2,293,467)	(2,135,184)
TPEG allowances	(419,601)	(499,506)
State grants to students	(376,742)	(469,531)
Federal grants to students	(6,230,645)	(6,564,886)
Local grants to students	(295,841)	(315,392)
Total Scholarship Allowances	(10,906,752)	(11,003,815)
Total Net Tuition and Fees	13,129,987	12,248,050
Other Operating Revenues:		
Federal grants and contracts	16,957,629	18,505,482
State grants and contracts	1,369,389	1,322,636
Local grants and contracts	2,224,555	2,085,194
Nongovernmental grants and contracts	2,807,050	2,984,148
Sales and services of educational activities	166,634	142,660
General operating revenues	1,856,029	1,010,805
Total Other Operating Revenues	25,381,286	26,050,925
Auxiliary Enterprises:		
Bookstore	3,652,595	3,320,535
Less: discounts	(1,376,228)	(1,261,089)
Food service	238,966	152,882
Residential	3,170,048	2,980,574
Student programs	4,942	5,955
Child care	499,494	467,669
Athletics	10,458	-
Innovation outpost	29,731	-
Other auxiliaries enterprises	112,661	85,360
Total Net Auxiliary Enterprises	6,342,667	5,751,886
Total Operating Revenues	\$ 44,853,940	\$ 44,050,861
	(Exhibit 2)	(Exhibit 2)

AMARILLO COLLEGE
Schedule B
SCHEDULE OF OPERATING EXPENSES BY OBJECT
Year Ended August 31, 2023
with Memorandum Totals for the Year Ended August 31, 2022

	Salary & Wages	State	Local	Other Expenses	Total 2023	Total 2022 restated
Unrestricted - Educational Activities						
Instruction	\$ 22,821,437	\$ -	\$ 5,373,487	\$ 2,504,759	\$ 30,699,683	\$ 28,565,872
Public service	1,839,845	-	409,002	167,371	2,416,218	2,290,754
Academic support	3,498,315	-	756,595	765,530	5,020,440	6,169,054
Student services	4,076,905	-	1,111,111	575,524	5,763,540	5,177,437
Institutional support	9,484,972	-	(3,225,039)	6,550,010	12,809,943	4,279,446
Operation and maintenance of plant	3,656,927	-	1,454,207	5,722,456	10,833,590	8,875,922
Total Unrestricted Educational Activities	45,378,401	-	5,879,363	16,285,650	67,543,414	55,358,485
Restricted - Educational Activities						
Instruction	1,987,920	1,901,841	399,091	2,776,227	7,065,079	5,882,371
Public service	158,863	152,444	54,220	824,353	1,189,880	1,283,262
Academic support	-	271,287	-	-	271,287	340,117
Student services	-	455,211	-	-	455,211	474,881
Institutional support	389,918	756,209	114,749	2,295,652	3,556,528	8,677,447
Scholarship and fellowships	-	-	-	15,224,377	15,224,377	17,673,022
Total Unrestricted Educational Activities	2,536,701	3,536,992	568,060	21,120,609	27,762,362	34,331,100
Total Educational Activities	47,915,102	3,536,992	6,447,423	37,406,259	95,305,776	89,689,585
Auxiliary Enterprises	2,684,434	-	868,232	5,789,511	9,342,177	6,764,005
Depreciation Expense – Buildings and other real estate improvements	-	-	-	4,143,906	4,143,906	3,766,683
Depreciation Expense – Equipment and furniture	-	-	-	1,689,534	1,689,534	1,584,323
Total Operating Expenses	\$ 50,599,536	\$ 3,536,992	\$ 7,315,655	\$ 49,029,210	\$ 110,481,393	\$ 101,804,596
					(Exhibit 2)	(Exhibit 2)

AMARILLO COLLEGE**Schedule C****SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES****Year Ended August 31, 2023****with Memorandum Totals for the Year Ended August 31, 2022**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary Enterprises</u>	<u>2023 Total</u>	<u>2022 Total</u>
Non-Operating Revenues:					
State Appropriations:					
Education and general support	\$ 13,800,325	\$ -	\$ -	\$ 13,800,325	\$ 13,798,938
State group insurance	(1,244,702)	3,536,992	-	2,292,290	3,163,870
State retirement matching	1,045,596	-	-	1,045,596	270,278
Total State Appropriations	<u>13,601,219</u>	<u>3,536,992</u>	<u>-</u>	<u>17,138,211</u>	<u>17,233,086</u>
Property taxes for maintenance and operations	25,036,256	-	-	25,036,256	23,202,111
Property taxes for debt service	-	10,199,591	-	10,199,591	6,573,581
Federal revenue, non-operating	57,461	10,090,710	-	10,148,171	17,556,618
Gifts – noncapital	818,324	105,488	-	923,812	210,098
Investment income (loss) – not restricted to programs	680,057	2,260,504	-	2,940,561	(330,029)
Gain on disposal of capital assets	-	12,071	-	12,071	8,144
Total Non-Operating Revenues	<u>40,193,317</u>	<u>26,205,356</u>	<u>-</u>	<u>66,398,673</u>	<u>64,453,609</u>
Non-Operating Expenses:					
Interest on capital-related debt	-	(4,344,309)	-	(4,344,309)	(2,371,783)
Total Non-Operating Expenses	<u>-</u>	<u>(4,344,309)</u>	<u>-</u>	<u>(4,344,309)</u>	<u>(2,371,783)</u>
Net Non-Operating Revenues	<u>\$ 40,193,317</u>	<u>\$ 21,861,047</u>	<u>\$ -</u>	<u>\$ 62,054,364</u>	<u>\$ 62,081,826</u>
				(Exhibit 2)	(Exhibit 2)

AMARILLO COLLEGE
Schedule D
SCHEDULE OF NET POSITION BY SOURCE AND AVAILABILITY
Year Ended August 31, 2023
with Memorandum Totals for the Year Ended August 31, 2022

	Details by Source				Details by Source	Available for Current Operations	
	Restricted			Net Investment in Capital Assets	Total	Yes	No
	Unrestricted	Expendable	Non-Expendable				
Current:							
Unrestricted, undesignated	\$ (72,911,800)	\$ -	\$ -	\$ -	\$ (72,911,800)	\$ (72,911,800)	\$ -
Unrestricted, board designated	-	-	-	-	-	-	-
Restricted	-	1,702,634	-	-	1,702,634	1,702,634	-
Auxiliary enterprises	1,342,324	-	-	-	1,342,324	1,342,324	-
Loans	-	-	-	-	-	-	-
Endowment							
Quasi:							
Unrestricted	-	5,862,285	-	-	5,862,285	-	5,862,285
Restricted	-	-	2,500,000	-	2,500,000	-	2,500,000
True	-	-	-	-	-	-	-
Term (per instructions at maturity)	-	-	-	-	-	-	-
Life income contracts	-	-	-	-	-	-	-
Annuities	-	-	-	-	-	-	-
Plant:							
Unexpended	-	22,142,758	-	-	22,142,758	-	22,142,758
Renewals	-	-	-	-	-	-	-
Debt service	-	2,291,370	-	-	2,291,370	-	2,291,370
Investment in plant	-	-	-	65,379,968	65,379,968	-	65,379,968
Total Net Position, August 31, 2023	(71,569,476)	31,999,047	2,500,000	65,379,968	28,309,539	(69,866,842)	98,176,381
Total Net Position, August 31, 2022	(59,103,008)	33,314,154	2,500,000	55,164,269	31,875,415	(67,045,859)	98,921,274
					(Exhibit 1)		
Net Increase (Decrease) in Net Position	\$ (12,466,468)	\$ (1,315,107)	\$ -	\$ 10,215,699	\$ (3,565,876)	\$ (2,820,983)	\$ (744,893)

AMARILLO COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2023

Schedule E

Federal Grantor/Pass Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Direct Awards	Pass-Through Awards	Expenditures and Pass-Through Disbursements	Subrecipients Expenditures
U.S. Department of Education						
Direct Programs:						
Federal Supplemental Educational Opportunity Grants	84.007		\$ 402,782	\$ -	\$ 402,782	\$ -
Federal College Work Study Program	84.033		217,847	-	217,847	-
Federal Pell Grant Program	84.063		19,478,684	-	19,478,684	-
Federal Direct Student Loans	84.268		10,118,387	-	10,118,387	-
IASG award for veterans	84.408		4,063	-	4,063	-
Total Student Financial Assistance Cluster (ALN 84.007, 84.033, 84.063, 84.268, 84.408)			30,221,763	-	30,221,763	-
Title III - Hispanic Serving Institutions Science, Technology, Engineering and Math	84.031C		759,221	-	759,221	-
Title IV - Childcare Access Means Parents in School	84.335A		229,852	-	229,852	-
Trio - Student Support Services	84.042A		530,885	-	530,885	-
Total TRIO Cluster (ALN 84.042)			530,885	-	530,885	-
Higher Education Emergency Relief Fund - Student Aid - COVID-19	84.425F		2,204,074	-	2,204,074	-
Higher Education Emergency Relief Fund - Hispanic Serving Institutions - COVID-19	84.425L		(1,000)	-	(1,000)	-
Pass-Through Texas Higher Education Coordinating Board						
Texas Reskilling and Upskilling for Education	84.425C	2020-GE-84425C	-	185,057	185,057	-
Total ALN 84.425			2,203,074	185,057	2,388,131	-
Carl Perkins Vocational Education Basic	84.048	2142020271	-	837,683	837,683	-
Perkins Equity	84.048	2342020271	-	108,324	108,324	-
Total ALN 84.048			-	946,007	946,007	-
Texas Workforce Commission						
Adult Education and Literacy	84.002A	0118ALAE00	-	991,671	991,671	75,352
Adult Education and Literacy	84.002A	0118ALAF00	-	21,587	21,587	-
Total ALN 84.002			-	1,013,258	1,013,258	75,352
Total U.S. Department of Education			33,944,795	2,144,322	36,089,117	75,352
U.S. Department of Agriculture						
Direct Programs:						
TX A&M AgriLife Research National Institute of Food and Agriculture (NIFA)	10.310	2021-67013-33943	18,693	-	18,693	-
Total U.S. Department of Agriculture			18,693	-	18,693	-
U.S. Department of Labor						
Direct Programs:						
Strengthening community Colleges Training SSC2 DOL	17.261		78,753	-	78,753	-
Total U.S. Department of Labor			78,753	-	78,753	-
National Science Foundation						
Pass-Through Texas Higher Education Coordinating Board						
National Science Foundation - Pipeline	47.076	1644179	-	21,766	21,766	-
National Science Foundation - Cybersecurity	47.076	1644179	-	35,915	35,915	-
Total ALN 47.076			-	57,681	57,681	-
Total National Science Foundation			-	57,681	57,681	-
U.S. Department of Treasury						
Pass-Through Texas Higher Education Coordinating Board						
TRUE Construction Reskill	21.027	2021-C5-21027	-	239,098	239,098	-
TRU2 Construction Reskill for ED	21.027	2021-C5-21027	-	447,814	447,814	-
Total ALN 21.027			-	686,912	686,912	-
Total U.S. Department of Treasury			-	686,912	686,912	-
U.S. Department of Health and Human Services						
Pass-Through Partnership for Environmental Technology Education (PETE)						
National Institute for Environmental Health Sciences (NIEHS)	93.142	10836 DOE Y11	-	293,031	293,031	-
Total U.S. Department of Health and Human Services			-	293,031	293,031	-

AMARILLO COLLEGE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended August 31, 2023

Note 1 – Federal Assistance Reconciliation

A reconciliation of federal financial assistance per the schedule of operating revenues and nonoperating revenues to the Schedule of Expenditures of Federal Awards is as follows:

Federal grants and contracts revenue, Operating Schedule A	\$ 16,957,629
Federal grants and contracts revenue, Non-Operating Schedule C	10,148,171
Federal Direct Student Loans	<u>10,118,387</u>
Total Federal Revenues Per Schedule of Expenditures of Federal Awards	<u>\$ 37,224,187</u>

Note 2 – Significant Accounting Policies Used in Preparing The Schedule

The expenditures included in the schedule are reported for the College's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended by the College for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The College has followed all applicable guidelines issued by various entities in the preparation of the schedule. The College did not use the 10% de minimus rule allowed by Uniformed Guidance section 200.414.

Note 3 – Federal Student Loan Program

The College participates in Federal Direct Student Loans program (ALN 84.268). Loans under the Federal Direct Student Loans program are made directly by the federal government to students. Loans disbursed during the fiscal year ended August 31, 2023 totaled \$10,118,387 and are presented as current year federal expenditures.

Note 4 -Amounts Passed-Through By Amarillo College

U.S. Department of Education

Passed through Texas Higher Education Coordinating Board (ALN 84.002)
Clarendon College \$75,352

Note 5 -Noncash Awards

There were no federal noncash awards in fiscal year 2023 other than Federal Direct Student Loans discussed in Note 3 above.

AMARILLO COLLEGE**SCHEDULE OF EXPENDITURES OF STATE OF TEXAS AWARDS****For the Year Ended August 31, 2023****Schedule F**

Grantor Agency/Program Title	Grant/ Contract Number	Disbursement and Expenditures
Texas Workforce Commission		
<i>Adult Education and Literacy</i>	0118ALAE00	\$ 139,069
<i>Adult Education and Literacy</i>	0118ALAF00	14,898
<i>Jobs and Education for Texans</i>	0122JET002	346,597
Total Texas Workforce Commission		500,564
Texas Department of Criminal Justice		
Pass Through from Panhandle Regional Planning Commission		
<i>Law Enforcement Academy</i>	1426918	27,503
<i>Law Enforcement In-service</i>	1426918	44,005
Total Texas Department of Criminal Justice		71,508
Texas Higher Education Coordinating Board		
<i>Texas Educational Opportunity Grant</i>	TEOG	621,473
<i>Nursing Shortage Reduction Regular</i>	28826	104,786
<i>Nursing Shortage Reduction <70</i>	28714	40,787
<i>GEER II - Nursing Innovation Grant Program</i>	18864	28,930
<i>Comprehensive College Readiness and Success Models</i>	17446	1,341
Total Texas Higher Education Coordinating Board		797,317
Total Expenditures of State Awards		\$ 1,369,389

AMARILLO COLLEGE**NOTES TO SCHEDULE OF EXPENDITURES OF STATE OF TEXAS AWARDS*****For the Year Ended August 31, 2023*****Note 1 – Significant Accounting Policies Used in Preparing The Schedule**

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

Note 2 – Subrecipients

None

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



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

The Board of Regents
Amarillo College

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Amarillo College (the "College"), as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated November 28, 2023. The financial statements of the Foundation were not audited in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Foundation.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College'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 College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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*.

The Board of Regents
Amarillo College

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Whitley Penn LLP

Odessa, Texas
November 28, 2023

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

To the Board of Regents
Amarillo College

Report on Compliance for Each Major Federal and State Program

Opinion On Each Major Program

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

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

Basis for Opinion On Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); 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 Texas Grant Management Standards (TxGMS). Our responsibilities under those standards, the Uniform Guidance, and the TxGMS are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

To the Board of Regents
Amarillo College

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

Whitley Penn LLP

Odessa, Texas
November 28, 2023

AMARILLO COLLEGE
SCHEDULE OF FINDING AND QUESTIONED COSTS
For the Year Ended August 31, 2023

I. Summary of Auditors' Results

Financial Statements

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

Federal and State Awards

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

Identification of major programs:

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

<i>Higher Education Emergency Relief Fund - Student Aid - COVID-19</i>	<i>84.425F</i>
<i>Higher Education Emergency Relief Fund - Hispanic Serving Institutions - COVID-19</i>	<i>84.425L</i>
<i>Texas Reskilling and Upskilling for Education</i>	<i>84.425C</i>

Student Financial Assistance Cluster

<i>Federal Supplemental Educational Opportunity Grants</i>	<i>84.007</i>
<i>Federal College Work Study Program</i>	<i>84.033</i>
<i>Federal Pell Grant Program</i>	<i>84.063</i>
<i>Federal Direct Student Loans</i>	<i>84.268</i>
<i>IASG award for veterans</i>	<i>84.408</i>

Name of State Program

Texas Educational Opportunity Grant	N/A
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Dollar Threshold Considered Between Type A and Type B Federal Programs	\$1,116,726
Dollar Threshold Considered Between Type A and Type B State Programs	\$750,000

Auditee qualified as low risk auditee?	Yes
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AMARILLO COLLEGE

SCHEDULE OF FINDING AND QUESTIONED COSTS (continued)

For the Year Ended August 31, 2023

II. Financial Statement Findings

None Noted

III. Federal Awards Findings and Questioned Costs

None Noted

AMARILLO COLLEGE

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended August 31, 2023

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

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

The Summary Schedule of Prior Audit Findings for the year ended August 31, 2022 has been prepared to address these responsibilities.

I. Prior Audit Findings

Finding 2022-001

Condition: Quarterly reports are reflecting life to date totals versus quarterly details as well as combing student aid and minority serving institutions.

Status: *Resolved*

Finding 2022-002

Condition: The quarterly reports for the Institutional Portion were not posted to the college's website.

Status: *Resolved*

Finding 2022-003

Condition: The quarterly reports reflect expenditures for debt forgiveness that was institutional debt before March 13, 2020. These expenditures were not in compliance with the period of performance.

Status: *Resolved*

Finding 2022-004

Condition: Cash drawdowns were not applied to expenditures within three days of draw from GS.

Status: *Resolved*

AMARILLO COLLEGE
CORRECTIVE ACTION PLAN
Year Ended August 31, 2023

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

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

I. Corrective Action Plan

Not Applicable

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STATISTICAL SUPPLEMENT



STATISTICAL SUPPLEMENT (UNAUDITED)

This part of Amarillo College District's annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

The information contained within this section is being presented to provide the reader with a better understanding of five objectives:

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

SS1 – Net Position by Component

SS2 – Revenue by Source

SS3 – Program Expenses by Function

- Revenue Capacity – Assessing the District's ability to generate revenue by examining its major revenue sources.

SS4 – Tuition and Fees

SS5 – Assessed Value and Taxable Assessed Value of Property *formerly SS10*

SS6 – State Appropriation per FTSE and Contact Hour

SS7 – Principal Taxpayers

SS8 – Property Tax Levies and Collections

- Debt Capacity – Assessing the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

SS9 – Ratios of Outstanding Debt

SS10 – Legal Debt Margin Information

SS11 – Pledged Revenue Coverage

- Demographic and Economic Information – Providing demographic and economic indicators to help in understanding the environment within which the District's financial activities take place.

SS12 – Demographic and Economic Statistics – Taxing District

SS13 – Principal Employers

- Operating Information – Providing information about how the District's financial report relates to the services it provides and the activities it performs.

SS14 – Faculty, Staff, and Administrator Statistics

SS15 – Fall Enrollment Details

SS16 – Student Profile

SS17 – Transfer to Senior Institutions

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

AMARILLO COLLEGE
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Unaudited)

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Page 1 of 2

	For the Fiscal Year Ended August 31,				
	2023	2022	2021	2020	2019
Invested in Capital Assets, Net of Related Debt	\$ 65,380	\$ 55,164	\$ 50,453	\$ 40,964	\$ 66,154
Restricted - expendable	31,999	33,314	35,079	40,765	12,288
Restricted - nonexpendable	2,500	2,500	2,500	2,500	2,500
Unrestricted	(71,569)	(59,103)	(60,485)	(71,790)	(71,024)
Total Primary Government Net Position	\$ 28,310	\$ 31,875	\$ 27,547	\$ 12,438	\$ 9,918

AMARILLO COLLEGE
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Unaudited)

SS1
Page 2 of 2

	For the Fiscal Year Ended August 31,				
	2018	2017	2016	2015	2014
Invested in Capital Assets, Net of Related Debt	\$ 66,195	\$ 64,555	\$ 62,423	\$ 61,401	\$ 58,952
Restricted - expendable	9,615	8,157	8,470	8,766	9,024
Restricted - nonexpendable	2,500	2,500	2,500	2,500	2,500
Unrestricted	(71,746)	11,369	10,665	14,522	27,441
Total Primary Government Net Position	\$ 6,564	\$ 86,581	\$ 84,058	\$ 87,189	\$ 97,917

AMARILLO COLLEGE**REVENUES BY SOURCE****Last Ten Fiscal Years****(Unaudited)****SS2****Page 1 of 2**

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

	2023	2022	2021	2020	2019
Tuition and Fees (Net of Discounts)	\$ 13,130	\$ 12,248	\$ 13,213	\$ 13,054	\$ 14,507
Governmental Grants and Contracts					
Federal Grants and Contracts	16,958	18,505	22,708	3,996	3,918
State Grants and Contracts	1,369	1,323	1,408	1,098	1,475
Local Grants and Contracts	2,225	2,085	1,961	1,989	1,927
Non-Governmental Grants and Contracts	2,807	2,984	1,800	1,706	1,586
Sales and Services of Educational Activities	167	143	173	149	525
Auxiliary Enterprises	6,343	5,752	5,168	5,036	5,526
Other Operating Revenues	1,856	1,011	1,018	1,049	771
Total Operating Revenues	44,855	44,051	47,449	28,077	30,235
State Appropriations	17,138	17,233	19,480	20,653	18,800
Ad Valorem Taxes	35,236	29,776	307,361	29,737	26,530
Federal Revenue, Non-Operating	10,148	21,253	17,608	16,614	17,948
Gifts	924	210	514	13	321
Investment income	2,941	(330)	1,436	1,407	912
Other Non-Operating Revenues	12	8	(2,468)	(2,972)	(1,949)
Total Non-Operating Revenues	66,399	68,150	343,931	65,452	62,562
Total Revenues	\$ 111,254	\$ 112,201	\$ 391,380	\$ 93,529	\$ 92,797

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

	2023	2022	2021	2020	2019
Tuition and Fees (Net of Discounts)	11.80%	10.92%	3.38%	13.96%	15.63%
Governmental Grants and Contracts					
Federal Grants and Contracts	15.24%	16.49%	5.80%	4.27%	4.22%
State Grants and Contracts	1.23%	1.18%	0.36%	1.17%	1.59%
Local Grants and Contracts	2.00%	1.86%	0.50%	2.13%	2.08%
Non-Governmental Grants and Contracts	2.52%	2.66%	0.46%	1.83%	1.71%
Sales and Services of Educational Activities	0.15%	0.13%	0.04%	0.16%	0.57%
Auxiliary Enterprises	5.70%	5.13%	1.32%	5.38%	5.96%
Other operating revenues	1.67%	0.90%	0.26%	1.12%	0.83%
Total Operating Revenues	40.31%	39.26%	12.12%	30.02%	32.59%
State Appropriations	15.40%	15.36%	4.98%	22.08%	20.26%
Ad valorem taxes	31.67%	26.54%	78.53%	31.79%	28.56%
Federal Revenue, Non-Operating	9.12%	18.94%	4.50%	17.76%	19.34%
Gifts	0.83%	0.19%	0.13%	0.01%	0.35%
Investment income	2.64%	-0.29%	0.37%	1.50%	0.98%
Other Non-Operating Revenues	0.01%	0.01%	-0.63%	-3.18%	-2.10%
Total Non-Operating Revenues	59.67%	60.74%	87.88%	69.96%	67.41%
Total Revenues	99.98%	100.00%	100.00%	100.00%	100.00%

AMARILLO COLLEGE
REVENUES BY SOURCE
Last Ten Fiscal Years
(Unaudited)

SS2
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	For the Year Ended August 31, (amounts expressed in thousands)				
	2018	2017	2016	2015	2014
Tuition and Fees (Net of Discounts)	\$ 14,417	\$ 14,318	\$ 15,372	\$ 14,447	\$ 14,944
Governmental Grants and Contracts					
Federal Grants and Contracts	6,468	2,848	4,399	5,130	5,228
State Grants and Contracts	1,548	1,300	1,642	2,093	2,364
Local Grants and Contracts	1,830	1,944	2,187	2,003	2,004
Non-Governmental Grants and Contracts	1,655	1,727	1,410	2,337	1,535
Sales and Services of Educational Activities	506	455	457	455	506
Auxiliary Enterprises	5,561	5,582	5,605	6,181	6,204
Other Operating Revenues	496	244	49	84	76
Total Operating Revenues	32,480	28,418	31,121	32,730	32,861
State Appropriations	21,455	18,255	18,092	19,409	19,045
Ad Valorem Taxes	25,846	24,509	23,466	22,557	21,087
Federal Revenue, Non-Operating	16,805	16,288	15,205	15,416	15,921
Gifts	235	1,286	2,141	1,566	310
Investment income	931	642	396	(10)	586
Other Non-Operating Revenues	(2,071)	(2,424)	3	(2,896)	-
Total Non-Operating Revenues	63,202	58,556	59,303	56,042	56,949
Total Revenues	\$ 95,681	\$ 86,974	\$ 90,424	\$ 88,772	\$ 89,810

	For the Year Ended August 31, (amounts expressed in thousands)				
	2018	2017	2016	2015	2014
Tuition and Fees (Net of Discounts)	15.07%	16.46%	17.00%	16.27%	16.64%
Governmental Grants and Contracts					
Federal Grants and Contracts	6.76%	3.27%	4.86%	5.78%	5.82%
State Grants and Contracts	1.62%	1.49%	1.82%	2.36%	2.63%
Local Grants and Contracts	1.91%	2.24%	2.42%	2.26%	2.23%
Non-Governmental Grants and Contracts	1.73%	1.99%	1.56%	2.63%	1.71%
Sales and Services of Educational Activities	0.53%	0.52%	0.51%	0.51%	0.56%
Auxiliary Enterprises	5.81%	6.42%	6.20%	6.96%	6.91%
Other operating revenues	0.52%	0.28%	0.05%	0.09%	0.08%
Total Operating Revenues	33.95%	32.67%	34.42%	36.86%	36.58%
State Appropriations	22.42%	20.99%	20.01%	21.86%	21.21%
Ad valorem taxes	26.99%	28.16%	25.93%	25.41%	23.48%
Federal Revenue, Non-Operating	17.56%	18.73%	16.82%	17.37%	17.73%
Gifts	0.25%	1.48%	2.37%	1.76%	0.35%
Investment income	0.97%	0.74%	0.44%	-0.01%	0.65%
Other Non-Operating Revenues	-2.16%	-2.79%	0.00%	-3.26%	0.00%
Total Non-Operating Revenues	66.05%	67.33%	65.58%	63.14%	63.42%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%

AMARILLO COLLEGE
PROGRAM BY EXPENSES BY FUNCTION
Last Ten Fiscal Years
(Unaudited)

SS3
Page 1 of 2

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

	2023	2022	2021	2020	2019
Instruction	\$ 37,765	\$ 34,448	\$ 33,355	\$ 35,184	\$ 35,718
Public service	3,606	3,574	3,549	3,364	3,668
Academic support	5,292	6,509	5,695	4,393	3,698
Student services	6,219	5,652	4,995	4,991	4,975
Institutional support	16,366	12,957	14,791	15,148	14,126
Operation and maintenance of plant	10,834	8,876	7,744	7,689	6,939
Scholarships and fellowships	15,224	17,673	17,955	8,379	9,907
Auxiliary enterprises	9,342	6,764	6,099	5,475	6,126
Depreciation	5,833	5,351	5,326	5,422	5,693
Total Operating Expenses	110,481	101,805	99,509	90,046	90,850
Interest on capital related debt	4,344	2,372	2,438	3,052	2,051
Gain (loss) on disposal of fixed assets	12	8	(30)	(79)	(103)
Total Non-Operating Expenses	4,356	2,380	2,408	2,972	1,949
Total Expenses	\$ 114,837	\$ 104,184	\$ 101,917	\$ 93,018	\$ 92,798

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

	2023	2022	2021	2020	2019
Instruction	32.89%	33.07%	32.73%	37.83%	38.49%
Public service	3.14%	3.43%	3.48%	3.62%	3.95%
Academic support	4.61%	6.25%	5.59%	4.72%	3.99%
Student services	5.42%	5.43%	4.90%	5.37%	5.36%
Institutional support	14.25%	12.44%	14.51%	16.29%	15.22%
Operation and maintenance of plant	9.43%	8.52%	7.60%	8.27%	7.48%
Scholarships and fellowships	13.26%	16.96%	17.62%	9.01%	10.68%
Auxiliary enterprises	8.14%	6.49%	5.98%	5.89%	6.60%
Depreciation	5.08%	5.14%	5.23%	5.83%	6.13%
Total Operating Expenses	96.22%	97.72%	97.64%	96.83%	97.90%
Interest on capital related debt	3.78%	2.28%	2.39%	3.28%	2.21%
Loss on disposal of fixed assets	0.01%	0.01%	-0.03%	-0.09%	-0.11%
Total Non-Operating Expenses	3.79%	2.29%	2.36%	3.17%	2.10%
Total Expenses	100.01%	100.00%	100.00%	100.00%	100.00%

AMARILLO COLLEGE
PROGRAM BY EXPENSES BY FUNCTION
Last Ten Fiscal Years
(Unaudited)

SS3
Page 2 of 2

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

	2018	2017	2016	2015	2014
Instruction	\$ 38,152	\$ 26,532	\$ 33,752	\$ 32,858	\$ 32,878
Public service	3,892	2,441	3,671	3,715	3,696
Academic support	3,607	2,433	2,826	3,108	2,833
Student services	5,061	3,969	4,656	4,522	4,458
Institutional support	15,376	15,005	17,227	16,186	13,665
Operation and maintenance of plant	7,156	6,705	6,803	7,454	7,406
Scholarships and fellowships	8,476	9,219	8,322	9,380	9,902
Auxiliary enterprises	6,281	6,015	5,980	6,411	6,239
Depreciation	5,827	5,785	5,833	6,036	5,747
Total Operating Expenses	93,828	78,104	89,070	89,670	86,824
Interest on capital related debt	2,191	2,432	2,661	2,844	2,856
Gain (loss) on disposal of fixed assets	(120)	(78)	3	52	3,703
Total Non-Operating Expenses	2,071	2,354	2,664	2,896	6,559
Total Expenses	\$ 95,899	\$ 80,458	\$ 91,734	\$ 92,566	\$ 93,383

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

	2018	2017	2016	2015	2014
Instruction	39.78%	32.98%	36.79%	35.50%	35.21%
Public service	4.06%	3.03%	4.00%	4.01%	3.96%
Academic support	3.76%	3.02%	3.08%	3.36%	3.03%
Student services	5.28%	4.93%	5.08%	4.89%	4.77%
Institutional support	16.03%	18.65%	18.78%	17.49%	14.63%
Operation and maintenance of plant	7.46%	8.33%	7.42%	8.05%	7.93%
Scholarships and fellowships	8.84%	11.46%	9.07%	10.13%	10.60%
Auxiliary enterprises	6.55%	7.48%	6.52%	6.93%	6.68%
Depreciation	6.08%	7.19%	6.36%	6.52%	6.15%
Total Operating Expenses	97.84%	97.07%	97.10%	96.87%	92.96%
Interest on capital related debt	2.28%	3.02%	2.90%	3.07%	3.06%
Loss on disposal of fixed assets	-0.13%	-0.10%	0.00%	0.06%	3.97%
Total Non-Operating Expenses	2.16%	2.93%	2.90%	3.13%	7.04%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%

AMARILLO COLLEGE**TUITION AND FEES****Last Ten Academic Years****(Unaudited)****SS4****Page 1 of 4****Resident****Fees per Semester Credit Hour (SCH)**

Academic Year (Fall)	Learning Resource Fee (Per Student)	In-District Tuition	Out-of- District Tuition	Matriculation & General Fee	Technology Fee
2023	\$ -	\$ 47	\$ 43	\$ 29	\$ 11
2022	-	47	43	29	11
2021	-	47	43	29	11
2020	-	47	43	29	11
2019	-	47	43	29	11
2018	-	47	43	29	11
2017	-	44	43	28	10
2016	-	44	43	28	10
2015	-	44	43	28	10
2014	-	42	41	26	10

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

AMARILLO COLLEGE
TUITION AND FEES
Last Ten Academic Years
(Unaudited)

SS4
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Resident
Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Student Activity 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	\$ 2	\$ 1,068	\$ 1,584	0.00%	0.00%
2022	2	1,068	1,584	0.00%	0.00%
2021	2	1,068	1,584	0.00%	0.00%
2020	2	1,068	1,584	0.00%	0.00%
2019	2	1,068	1,584	0.00%	0.00%
2018	2	1,068	1,584	6.27%	4.14%
2017	2	1,005	1,521	0.00%	0.00%
2016	2	1,005	1,521	0.00%	0.00%
2015	2	1,005	1,521	5.02%	4.97%
2014	2	957	1,449	0.00%	0.00%

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

AMARILLO COLLEGE**TUITION AND FEES****Last Ten Academic Years****(Unaudited)****SS4****Page 3 of 4****Non - Resident****Fees per Semester Credit Hour (SCH)**

Academic Year	Learning	Non-Resident	Non-Resident	Matriculation	Technology
(Fall)	Resource Fee	Tuition	Tuition	& General Fee	Fee
	(Per Student)	Out of State	International		
2023	\$ -	\$ 154	\$ -	\$ 29	\$ 11
2022	-	154	-	29	11
2021	-	154	-	29	11
2020	-	154	-	29	11
2019	-	154	-	29	11
2018	-	154	-	29	11
2017	-	151	-	28	10
2016	-	151	-	28	10
2015	-	151	-	28	10
2014	-	144	-	26	10

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

AMARILLO COLLEGE
TUITION AND FEES
Last Ten Academic Years
(Unaudited)

SS4
Page 4 of 4

Non - Resident
Fees per Semester Credit Hour (SCH)

Academic Year	Student	Cost for 12	Cost for 12	Increase from	Increase from
(Fall)	Activity Fees	SCH Out of State	SCH International	Prior Year Out of State	Prior Year International
2023	\$ 2	\$ 2,352	\$ -	0.00%	0.00%
2022	2	2,352	-	0.00%	0.00%
2021	2	2,352	-	0.00%	0.00%
2020	2	2,352	-	0.00%	0.00%
2019	2	2,352	-	0.00%	0.00%
2018	2	2,352	-	2.75%	0.00%
2017	2	2,289	-	0.00%	0.00%
2016	2	2,289	-	0.00%	0.00%
2015	2	2,289	-	4.95%	0.00%
2014	2	2,181	-	0.00%	0.00%

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

AMARILLO COLLEGE

SS5

ASSESSED VALUE AND TAXABLE 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	\$ 20,281,526	\$ 3,493,700	\$ 16,787,826	82.77%		0.15913	0.06410	0.22323
2021-22	17,310,076	2,569,107	14,740,969	85.16%		0.16499	0.04630	0.21129
2020-21	16,664,155	2,418,730	14,245,425	85.49%		0.16499	0.06291	0.22790
2019-20	16,071,654	2,251,650	13,820,005	85.99%		0.16499	0.06291	0.22790
2018-19	15,513,295	2,230,483	13,282,812	85.62%		0.16499	0.04251	0.20750
2017-18	15,082,945	2,168,266	12,914,679	85.62%		0.15619	0.05131	0.20750
2016-17	14,257,793	2,074,263	12,183,530	85.45%		0.16669	0.04081	0.20750
2015-16	13,660,035	2,007,616	11,652,419	85.30%		0.16369	0.04381	0.20750
2014-15	13,178,836	1,970,945	11,207,891	85.04%		0.16221	0.04529	0.20750
2013-14	12,666,735	1,818,863	10,847,872	85.64%		0.15521	0.04429	0.19950

AMARILLO COLLEGE

SS6

STATE APPROPRIATION PER FTSE AND CONTACT HOUR*Last Ten Fiscal Years***(Unaudited)**

Appropriation per FTSE				Appropriation per Contact Hour			
Fiscal Year	State Appropriation	FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (a)	Voc/Tech Contact Hours (b)	Total Contact Hours	State Appropriation per Contact Hour
2022-23	\$ 13,783	\$ 6,195	\$ 2,225	2,355	1,449	3,804	3.62
2021-22	13,783	6,229	2,213	2,341	1,336	3,677	3.75
2020-21	14,851	6,183	2,402	2,478	1,282	3,760	3.95
2019-20	14,852	6,629	2,240	2,536	1,369	3,905	3.80
2018-19	13,522	6,599	2,049	2,574	1,489	4,063	3.33
2017-18	13,523	6,810	1,986	1,720	1,270	2,990	4.52
2016-17	13,815	6,746	2,048	2,049	1,273	3,322	4.16
2015-16	13,793	6,678	2,065	2,361	1,426	3,787	3.64
2014-15	15,289	6,951	2,200	2,554	2,053	4,607	3.32
2013-14	15,278	7,340	2,081	2,690	1,825	4,515	3.38

AMARILLO COLLEGE
PRINCIPAL TAXPAYERS
Last Ten Tax Years
(Unaudited)

SS7
Page 1 of 2

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)				
		2022	2021	2020	2019	2018
Southwestern Public Service	Electric Utility	\$ 232,673	\$ 232,673	\$ 231,902	\$ 197,562	\$ 168,216
Bell Helicopter Textron Inc	Osprey Production	146,523	146,523	173,465	134,095	139,623
BSA Hospital LLC	Hospital	129,421	129,421	137,568	138,817	140,723
BNSF Railway Co	Railroad	101,703	101,703	103,485	95,123	92,836
Atmos Energy	Utility	98,710	98,710	97,083	88,465	83,332
UHS of Amarillo Inc	Hospital	59,228	59,228	-	-	-
Bell Textron	Aerospace Manufacturer	48,622	48,622	-	-	-
Amarillo National Bank	Bank	46,733	46,733	44,834	44,148	42,321
Wal Mart Real Estate	Retail Store	43,553	43,553	93,373	95,786	100,647
Jamal Enterprises Inc	Management Service	35,059	35,059	-	-	-
Northwest Texas Healthcare Systems Inc	Hospital	30,746	30,746	89,699	87,071	88,405
Amarillo Economic Development Corp.	Commercial/Economic Development	28,259	28,259	-	53,217	52,040
Case Properties	Apartment Complexes	-	-	77,511	81,404	80,130
Toot N Totum INC	Retail Store	-	-	50,298	49,760	51,146
Ben E. Keith Company	Grocery Wholesale	-	-	32,735	32,009	30,947
Amarillo Mall LCC	Shopping Mall/Westgate Mall	-	-	28,486	61,879	63,402
Totals		<u>\$ 1,001,230</u>	<u>\$ 1,001,230</u>	<u>\$ 1,160,439</u>	<u>\$ 1,159,336</u>	<u>\$ 1,133,768</u>
Total Taxable Assessed Value		<u>\$ 14,740,968</u>	<u>\$ 14,740,968</u>	<u>\$ 14,245,425</u>	<u>\$ 13,820,004</u>	<u>\$ 13,282,812</u>

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year				
		2022	2021	2020	2019	2018
Southwestern Public Service	Electric Utility	1.58%	1.58%	1.63%	1.43%	1.27%
Bell Helicopter Textron I	Osprey Production	0.99%	0.99%	1.22%	0.97%	1.05%
BSA Hospital LLC	Hospital	0.88%	0.88%	0.97%	1.00%	1.06%
BNSF Railway Co	Railroad	0.69%	0.69%	0.73%	0.69%	0.70%
Atmos Energy	Utility	0.67%	0.67%	0.68%	0.64%	0.63%
UHS of Amarillo Inc	Hospital	0.40%	0.40%	-	-	-
Bell Textron	Aerospace Manufacturer	0.33%	0.33%	-	-	-
Amarillo National Bank	Bank	0.32%	0.32%	0.31%	0.32%	0.32%
Wal Mart Real Estate	Retail Store	0.30%	0.30%	0.66%	0.69%	0.76%
Northwest Texas Healthcare Systems Inc	Hospital	0.21%	0.21%	0.63%	0.63%	0.67%
Amarillo Economic Development Corp.	Commercial/Economic Development	0.19%	0.19%	-	0.39%	0.39%
Case Properties	Apartment Complexes	-	-	0.54%	0.59%	0.60%
Toot N Totum INC	Retail Store	-	-	0.35%	0.36%	0.39%
Ben E. Keith Company	Grocery Wholesale	-	-	0.23%	0.23%	0.23%
Amarillo Mall LCC	Shopping Mall/Westgate Mall	-	-	0.20%	0.45%	0.48%
Totals		<u>6.56%</u>	<u>6.56%</u>	<u>8.15%</u>	<u>8.39%</u>	<u>8.55%</u>

AMARILLO COLLEGE
PRINCIPAL TAXPAYERS
Last Ten Tax Years
(Unaudited)

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Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)				
		2017	2016	2015	2014	2013
Southwestern Public Service	Electric Utility	\$ 163,882	\$ 127,188	\$ 132,952	\$ 113,495	\$ 99,601
Bell Helicopter Textron Inc	Osprey Production	105,618	62,349	-	-	-
BSA Hospital LLC	Hospital	136,693	127,643	105,867	103,240	102,539
BNSF Railway Co	Railroad	83,968	80,238	75,728	74,309	73,579
Atmos Energy	Utility	72,962	62,578	55,503	53,249	48,110
UHS of Amarillo Inc	Hospital	-	-	-	-	-
Bell Textron	Aerospace Manufacturer	-	-	-	-	-
Amarillo National Bank	Bank	42,755	40,193	39,349	39,715	39,528
Wal Mart Real Estate	Retail Store	100,848	101,808	88,569	81,821	84,187
Jamal Enterprises Inc	Management Service	-	-	-	-	-
Northwest Texas Healthcare Systems Inc	Hospital	85,745	89,048	93,917	91,014	88,859
Amarillo Economic Development Corp.	Commercial/Economic Development	51,559	48,957	43,635	-	-
Case Properties	Apartment Complexes	80,620	80,147	-	38,113	-
Toot N Totum INC	Retail Store	50,666	44,299	41,550	42,774	38,419
Ben E. Keith Company	Grocery Wholesale	30,281	31,381	-	-	39,709
Amarillo Mall LCC	Shopping Mall/Westgate Mall	63,968	63,856	63,835	63,961	63,896
Totals		<u>\$ 1,069,565</u>	<u>\$ 959,685</u>	<u>\$ 740,905</u>	<u>\$ 701,691</u>	<u>\$ 678,427</u>
Total Taxable Assessed Value		<u>\$ 12,914,679</u>	<u>\$ 12,183,529</u>	<u>\$ 11,652,419</u>	<u>\$ 11,207,891</u>	<u>\$ 10,847,872</u>

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year				
		2017	2016	2015	2014	2013
Southwestern Public Service	Electric Utility	1.27%	1.04%	1.14%	1.01%	0.92%
Bell Helicopter Textron I	Osprey Production	0.82%	0.51%	-	-	-
BSA Hospital LLC	Hospital	1.06%	1.05%	0.91%	0.92%	0.95%
BNSF Railway Co	Railroad	0.65%	0.66%	0.65%	0.66%	0.68%
Atmos Energy	Utility	0.56%	0.51%	0.48%	0.48%	0.44%
UHS of Amarillo Inc	Hospital	-	-	-	-	-
Bell Textron	Aerospace Manufacturer	-	-	-	-	-
Amarillo National Bank	Bank	0.33%	0.33%	0.34%	0.35%	0.36%
Wal Mart Real Estate	Retail Store	0.78%	0.84%	0.76%	0.73%	0.78%
Northwest Texas Healthcare Systems Inc	Hospital	0.66%	0.73%	0.81%	0.81%	0.82%
Amarillo Economic Development Corp.	Commercial/Economic Development	0.40%	0.40%	0.37%	-	-
Case Properties	Apartment Complexes	0.62%	0.66%	-	0.34%	-
Toot N Totum INC	Retail Store	0.39%	0.36%	0.36%	0.38%	0.35%
Ben E. Keith Company	Grocery Wholesale	0.23%	0.26%	-	-	0.37%
Amarillo Mall LCC	Shopping Mall/Westgate Mall	0.50%	0.52%	0.55%	0.57%	0.59%
Totals		<u>8.27%</u>	<u>7.87%</u>	<u>6.37%</u>	<u>6.25%</u>	<u>6.26%</u>

AMARILLO COLLEGE
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Tax Years
(Unaudited)

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Fiscal Year Ended August 31,	Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections - Year of Levy (c)	Percentage
2023	\$37,475	\$ (2,029)	\$ 35,446	\$ 35,040	98.85%
2022	31,146	(1,279)	29,868	29,629	99.20%
2021	32,465	(513)	31,953	30,546	95.60%
2020	29,834	(128)	29,706	29,468	99.20%
2019	26,544	(39)	26,505	26,242	99.01%
2018	25,813	(62)	25,751	25,531	99.15%
2017	24,440	(31)	24,410	24,166	99.00%
2016	23,391	(5)	23,386	23,151	98.99%
2015	22,530	(39)	22,491	22,202	98.72%
2014	21,056	(38)	21,018	20,736	98.66%

AMARILLO COLLEGE
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Tax Years
(Unaudited)

SS8
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Fiscal Year Ended August 31,	Prior Collections of Prior Levies (d)	Current Collections of Prior Levies (e)	Total Collections (C+D+E)	Cumulative Collections of Adjusted Levy
2023	\$ -	\$ 255	\$ 35,295	99.57%
2022	-	258	29,887	100.05%
2021	-	266	30,812	96.42%
2020	-	225	29,693	99.95%
2019	-	176	26,418	99.66%
2018	-	179	25,710	99.83%
2017	-	203	24,369	99.82%
2016	-	215	23,366	99.91%
2015	-	270	22,472	99.92%
2014	-	-	20,736	98.66%

AMARILLO COLLEGE
RATIOS OF OUTSTANDING DEBT
Last Ten Fiscal Years
(Unaudited)

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	For the Year Ended August 31 (amounts expressed in thousands)				
	2023	2022	2021	2020	2019
General Bonded Debt					
General obligation bonds	\$60,968	\$62,520	\$67,770	\$73,365	\$ 52,355
Notes	-	-	-	-	-
Less: Funds restricted for debt service	-	-	-	-	-
Net general bonded debt	60,968	62,520	67,770	73,365	52,355
Other Debt					
Revenue bonds	1,985	2,255	2,520	2,950	3,160
Notes	-	-	-	402	500
Capital lease obligations	414	2	119	389	109
Total Outstanding Debt	<u>\$63,367</u>	<u>\$64,777</u>	<u>\$70,409</u>	<u>\$77,106</u>	<u>\$ 56,124</u>
General Bonded Debt Ratios					
Per Capita	\$ 0.30	\$ 0.31	\$ 0.34	\$ 0.37	\$ 0.26
Per FTSE	9.84	10.04	10.96	11.07	7.93
As a percentage of Taxable Assessed Value	0.41%	0.42%	0.49%	0.53%	0.39%
Total Outstanding Debt Ratios					
Per Capita	\$ 0.31	\$ 0.32	\$ 0.35	\$ 0.39	\$ 0.28
Per FTSE	10.23	10.40	11.39	11.63	8.50
As a percentage of Taxable Assessed Value	0.38%	0.44%	0.51%	0.56%	0.42%

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

AMARILLO COLLEGE
RATIOS OF OUTSTANDING DEBT
Last Ten Tax Years
(Unaudited)

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	For the Year Ended August 31 (amounts expressed in thousands)				
	2018	2017	2016	2015	2014
General Bonded Debt					
General obligation bonds	\$55,735	\$58,905	\$61,905	\$64,470	\$66,965
Notes	-	-	-	-	-
Less: Funds restricted for debt service	-	-	-	-	-
Net general bonded debt	55,735	58,905	61,905	64,470	66,965
Other Debt					
Revenue bonds	3,365	3,560	3,750	3,935	4,115
Notes	-	-	-	-	112
Capital lease obligations	-	-	69	-	-
Total Outstanding Debt	<u>\$59,100</u>	<u>\$62,465</u>	<u>\$65,724</u>	<u>\$68,405</u>	<u>\$71,192</u>
General Bonded Debt Ratios					
Per Capita	\$ 0.28	\$ 0.29	\$ 0.31	\$ 0.32	\$ 0.34
Per FTSE	8.18	8.73	9.27	9.27	9.12
As a percentage of Taxable Assessed Value	0.43%	0.48%	0.53%	0.58%	0.62%
Total Outstanding Debt Ratios					
Per Capita	\$ 0.30	\$ 0.31	\$ 0.33	\$ 0.34	\$ 0.36
Per FTSE	8.68	9.26	9.84	9.84	9.70
As a percentage of Taxable Assessed Value	0.46%	0.51%	0.56%	0.61%	0.66%

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

AMARILLO COLLEGE
LEGAL DEBT MARGIN INFORMATION
Last Ten Tax Years
(Unaudited)

SS10
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	For the Year Ended August 31 (amount expressed in thousands)				
	2023	2022	2021	2020	2019
Taxable Assessed Value	<u>\$16,787,829</u>	<u>\$14,740,969</u>	<u>\$13,745,425</u>	<u>\$13,820,005</u>	<u>\$13,282,812</u>
General Obligation Bonds					
Statutory Tax Levy Limit for Debt Service	\$ 83,939	\$ 73,705	\$ 68,727	\$ 69,100	\$ 66,414
Less: Funds Restricted for Repayment of General Obligation Bonds					
Total Net General Obligation Debt	<u>83,939</u>	<u>73,705</u>	<u>68,727</u>	<u>69,100</u>	<u>66,414</u>
Current Year Debt Service Requirements	<u>7,653</u>	<u>7,547</u>	<u>7,546</u>	<u>8,086</u>	<u>5,680</u>
Excess of Statutory Limit for Debt Service over Current Requirements	<u>\$ 76,286</u>	<u>\$ 66,158</u>	<u>\$ 61,181</u>	<u>\$ 61,014</u>	<u>\$ 60,734</u>
Net Current Requirements as a % of Statutory Limit	9.12%	10.24%	10.98%	11.70%	8.55%

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.

AMARILLO COLLEGE
LEGAL DEBT MARGIN INFORMATION
Last Ten Tax Years
(Unaudited)

SS10
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	For the Year Ended August 31 (amount expressed in thousands)				
	2018	2017	2016	2015	2014
Taxable Assessed Value	<u>\$12,914,679</u>	<u>\$12,183,530</u>	<u>\$11,652,419</u>	<u>\$11,207,891</u>	<u>\$10,847,872</u>
General Obligation Bonds					
Statutory Tax Levy Limit for Debt Service	\$ 64,573	\$ 60,918	\$ 58,262	\$ 56,039	\$ 54,239
Less: Funds Restricted for Repayment of General Obligation Bonds					
Total Net General Obligation Debt	<u>64,573</u>	<u>60,918</u>	<u>58,262</u>	<u>56,039</u>	<u>54,239</u>
Current Year Debt Service Requirements	<u>5,422</u>	<u>5,264</u>	<u>5,247</u>	<u>5,029</u>	<u>4,902</u>
Excess of Statutory Limit for Debt Service over Current Requirements	<u>\$ 59,151</u>	<u>\$ 55,654</u>	<u>\$ 53,015</u>	<u>\$ 51,010</u>	<u>\$ 49,338</u>
Net Current Requirements as a % of Statutory Limit	8.40%	8.64%	9.01%	8.97%	9.04%

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.

AMARILLO COLLEGE
PLEDGED REVENUE COVERAGE
(Unaudited)
SS11

Fiscal Year Ended August 31	Pledged Revenues (\$000's omitted)											Debt Service Requirements (\$000's omitted)			
	Tuition	General Fee	Matriculation Fees	Distance Learning	Out of District Fees	Misc Income Fees	Interest Income	Indirect Cost Recovery	Unrestricted Private Grants	Sales of Educational Activities	Total	Principal	Interest	Total	Coverage Ratio
2023	\$ 2,402	\$ 4,113	\$ -	\$ 1,419	\$ -	\$ 2,319	\$ 547	\$ 169	\$ 324	\$ 237	\$ 11,530	\$ 270	\$ 28	\$ 298	38.67
2022	2,350	3,989	-	1,469	-	1,919	43	132	337	155	10,394	265	34	299	34.76
2021	2,933	4,100	-	1,476	-	2,094	(76)	287	396	172	11,382	220	118	338	33.68
2020	3,059	4,346	-	1,563	-	2,093	266	84	352	187	11,950	210	126	336	35.52
2019	3,023	4,255	-	1,546	-	2,299	661	162	477	279	12,702	205	135	340	37.36
2018	3,082	4,428	-	1,567	-	2,138	411	174	402	262	12,464	195	140	335	37.21
2017	2,387	4,324	-	1,548	-	1,878	175	128	249	169	10,858	190	140	335	32.41
2016	2,354	4,297	-	1,553	-	1,839	84	151	142	175	10,595	185	152	337	31.44
2015	2,354	4,093	-	1,024	-	1,611	54	288	377	381	10,182	180	155	335	30.39
2014	2,401	4,315	-	480	-	1,341	49	214	2,219	512	11,531	180	159	339	34.02

AMARILLO COLLEGE**SS12****DEMOGRAPHIC AND ECONOMIC STATISTICS – TAXING DISTRICT****Last Ten Calendar Years****(Unaudited)**

Calendar Year	District Population	District Personal Income (a) (thousands of dollars)	District Personal Income Per Capita	District Unemployment Rate
2022	\$ 201,291	*	*	2.9%
2021	200,393	11,271,705	56,248	3.8%
2020	199,747	10,210,268	51,116	5.0%
2019	199,371	9,582,767	48,065	2.5%
2018	199,924	9,222,694	46,131	2.7%
2017	199,826	8,756,375	43,820	3.0%
2016	199,582	8,714,548	43,664	3.1%
2015	198,645	8,670,457	43,648	3.1%
2014	197,254	8,188,014	41,510	3.6%
2013	196,429	7,856,767	39,998	4.6%
2012	195,250	7,485,885	38,340	4.8%



AMARILLO COLLEGE**SS13****PRINCIPAL EMPLOYERS****Last Ten Calendar Years****(Unaudited)**

Employer	Number of Employees	Percentage of Total Employment
Amarillo Independent School District	4,500	3.41%
Tyson Foods, Inc.	4,300	3.26%
CNS Pantex	3,844	2.91%
BSA Health System/Don and Sybil Harrington Cancer Center	3,100	2.35%
Northwest Texas Healthcare System	2,150	1.63%
City of Amarillo	1,953	1.48%
Xcel Energy	1,431	1.08%
Affiliated Foods/TriState Baking/Plains Dairy	1,250	0.95%
Canyon ISD	1,168	0.88%
Amarillo VA Health Care System	984	0.75%
Total	24,680	18.70%

AMARILLO COLLEGE
FACULTY, STAFF, AND ADMINISTRATORS STATISTICS
Last Ten Calendar Years
(Unaudited)

SS14
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	Fiscal Year (Year Ending)				
	2023	2022	2021	2020	2019
Faculty					
Full-Time	174	173	178	185	193
Part-Time	195	397	381	435	329
Total	369	570	559	620	522
Percent					
Full-Time	47.2%	30.4%	31.8%	29.8%	37.0%
Part-Time	52.8%	69.6%	68.2%	70.2%	63.0%
Staff and Administrators					
Full-Time	498	464	430	438	420
Part-Time	382	243	218	214	229
Total	880	707	648	652	649
Percent					
Full-Time	56.6%	65.6%	66.4%	67.2%	64.7%
Part-Time	43.4%	34.4%	33.6%	32.8%	35.3%
FTSE per Full-time Faculty	35.60	36.01	34.74	35.83	34.19
FTSE per Full-Time Staff Member	12.44	13.42	14.38	15.13	15.71
Average Annual Faculty Salary	\$75,912	\$70,042	\$69,108	\$68,352	\$65,419
Notes:					
FTSE	6,195	6,229	6,183	6,629	6,599

AMARILLO COLLEGE
FACULTY, STAFF, AND ADMINISTRATORS STATISTICS
Last Ten Calendar Years
(Unaudited)

SS14
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	Fiscal Year (Year Ending)				
	2018	2017	2016	2015	2014
Faculty					
Full-Time	194	171	225	219	225
Part-Time	326	400	646	537	601
Total	520	571	871	756	826
Percent					
Full-Time	37.3%	29.9%	25.8%	29.0%	27.2%
Part-Time	62.7%	70.1%	74.2%	71.0%	72.8%
Staff and Administrators					
Full-Time	425	422	397	433	472
Part-Time	172	253	212	206	270
Total	597	675	609	639	742
Percent					
Full-Time	71.2%	62.5%	65.2%	67.8%	63.6%
Part-Time	28.8%	37.5%	34.8%	32.2%	36.4%
FTSE per Full-time Faculty	35.10	39.45	29.68	31.74	32.62
FTSE per Full-Time Staff Member	16.02	15.99	16.82	16.05	15.55
Average Annual Faculty Salary	\$56,495	\$59,330	\$60,206	\$61,928	\$66,795
Notes:					
FTSE	6,810	6,746	6,678	6,951	7,340

AMARILLO COLLEGE
ENROLLMENT DETAILS
Last Five Fiscal Years
(Unaudited)

SS15

Student Classification	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	5,635	61.91%	5,703	62.66%	5,459	59.98%	6,162	63.10%	6,259	63.58%
31-60 hours	2,385	26.20%	2,468	27.11%	2,658	29.20%	2,642	27.05%	2,622	26.64%
> 60 hours	910	10.00%	969	10.65%	985	10.82%	962	9.85%	963	9.78%
Total	8,930	98.11%	9,140	100.42%	9,102	100.00%	9,766	100.00%	9,844	100.00%

Semester Hour Load	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	121	1.33%	118	1.30%	57	0.63%	47	0.48%	58	0.59%
3-5 semester hours	1,685	18.51%	1,893	20.80%	1,927	21.17%	2,163	22.15%	2,230	22.65%
6-8 Semester hours	2,628	28.87%	2,561	28.14%	2,669	29.32%	2,724	27.89%	2,812	28.57%
9-11 semester hours	1,423	15.63%	1,622	17.82%	1,446	15.89%	1,653	16.93%	1,723	17.50%
12-14 semester hours	2,552	28.04%	2,474	27.18%	2,392	26.28%	2,610	26.73%	2,397	24.35%
15-17 semester hours	406	4.46%	373	4.10%	482	5.30%	442	4.53%	503	5.11%
18 & over	115	1.26%	99	1.09%	129	1.42%	127	1.30%	121	1.23%
Total	8,930	98.1%	9,140	100.4%	9,102	100.0%	9,766	100.0%	9,844	100.0%

Average course load	8.5	8.5	8.5	8.4
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Tuition Status	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-District)	6,065	66.63%	6,298	69.19%	6,413	70.46%	6,905	70.70%	6,985	70.96%
Texas Resident (out-of-District)	2,287	25.13%	2,362	25.95%	2,324	25.53%	2,490	25.50%	2,524	25.64%
Non-Resident Tuition	578	6.35%	480	5.27%	365	4.01%	371	3.80%	335	3.40%
Total	8,930	98.11%	9,140	100.42%	9,102	100.00%	9,766	100.00%	9,844	100.00%

AMARILLO COLLEGE
SS16
STUDENT PROFILE
Last Five Fiscal Years
(Unaudited)

Gender	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	5,729	64.15%	5,931	64.89%	6,013	66.06%	6,013	66.06%	6,314	64.65%
Male	3,201	35.85%	3,209	35.11%	3,089	33.94%	3,089	33.94%	3,452	35.35%
Total	8,930	100.00%	9,140	100.00%	9,102	100.00%	9,102	100.00%	9,766	100.00%

Ethnic Origin	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	3,521	39.43%	3,774	41.29%	3,899	42.84%	3,899	42.84%	4,259	43.61%
Hispanic	4,050	45.35%	4,097	44.82%	3,998	43.92%	3,998	43.92%	4,179	42.79%
African American	509	5.70%	536	5.86%	480	5.27%	480	5.27%	505	5.17%
Asian	272	3.05%	283	3.10%	294	3.23%	294	3.23%	315	3.23%
Foreign	28	0.31%	22	0.24%	26	0.29%	26	0.29%	51	0.52%
Native American	67	0.75%	65	0.71%	63	0.69%	63	0.69%	71	0.73%
Other	483	5.41%	363	3.97%	342	3.76%	342	3.76%	386	3.95%
Total	8,930	100.00%	9,140	100.00%	9,102	100.00%	9,102	100.00%	9,766	100.00%

Age	Fall 2022		Fall 2021		Fall 2020		Fall 2019		Fall 2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	1,816	20.34%	1,952	21.36%	1,926	21.16%	1,926	21.16%	2,072	21.22%
18 - 21	3,548	39.73%	3,432	37.55%	3,432	37.71%	3,432	37.71%	3,834	39.26%
22 - 24	966	10.82%	1,041	11.39%	996	10.94%	996	10.94%	1,054	10.79%
25 - 35	1,756	19.66%	1,835	20.08%	1,909	20.97%	1,909	20.97%	1,877	19.22%
36 - 50	713	7.98%	736	8.05%	709	7.79%	709	7.79%	770	7.88%
51 & over	131	1.47%	144	1.58%	130	1.43%	130	1.43%	159	1.63%
Total	8,930	100.00%	9,140	100.00%	9,102	100.00%	9,102	100.00%	9,766	100.00%

Average Age	23	23	23	23	23
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AMARILLO COLLEGE
SS17
TRANSFERS TO SENIOR INSTITUTIONS
Page 1 of 2
2021-2022 Graduates, Completers, and Non-Returners as of Fall 2022
(Includes only public senior colleges in Texas)
(Unaudited)

	Transfer Student County Academic	Transfer Student Count Technical	Transfer Student Count Tech- Prep	Transfer Student Count CEU Grads	Total of all Sample Transfer Students	% of all Sample Transfer Students
ACCD - Northwest Vista College	1				1	0.05%
ACCD - Palo Alto College	1				1	0.05%
ACCD - San Antonio College	1				1	0.05%
ACCD - St. Philip's College		1	1		2	0.11%
Amarillo College	295	218	49		562	29.97%
Angelo State University	3				3	0.16%
Austin Community College	4				4	0.21%
Blinn College District	2	1	2		5	0.27%
Central Texas College	1	1			2	0.11%
Clarendon College	11	2	2		15	0.80%
Coastal Bend College			1		1	0.05%
Collin County Community College District	2		1		3	0.16%
Dallas College	2		1		3	0.16%
El Paso Community College District	2	1			3	0.16%
Frank Phillips College	10	7	7		24	1.28%
Galveston College		1			1	0.05%
HCJCD - Howard College	2				2	0.11%
Hill College		1			1	0.05%
Lamar Institute of Technology		1			1	0.05%
Lamar University	5				5	0.27%
Lone Star College - CyFair	1				1	0.05%
Lone Star College - Tomball	1				1	0.05%
Midland College	3	1			4	0.21%
Midwestern State University	2		1		3	0.16%
Northeast Texas Community College	1	6			7	0.37%
Odessa College	1	2			3	0.16%
Paris Junior College			1		1	0.05%
Prairie View A&M University	1		1		2	0.11%
Sam Houston State University	4				4	0.21%
South Plains College	16	4	5		25	1.33%
Stephen F. Austin State University	3				3	0.16%
Tarleton State University	8				8	0.43%
Tarrant County College District	2				2	0.11%
Texas A&M University	46				46	2.45%
Texas A&M University - Commerce	1				1	0.05%
Texas A&M University - Corpus Christi	3				3	0.16%
Texas A&M University - San Antonio		1			1	0.05%
Texas A&M University at Galveston	1				1	0.05%
Texas A&M University System Health Science Center	2				2	0.11%
Texas Southern University	1				1	0.05%
Texas State University	11				11	0.59%

AMARILLO COLLEGE**SS17****TRANSFERS TO SENIOR INSTITUTIONS****Page 2 of 2****2021-2022 Graduates, Completers, and Non-Returners as of Fall 2022****(Includes only public senior colleges in Texas)****(Unaudited)**

	Transfer Student County Academic	Transfer Student Count Technical	Transfer Student Count Tech- Prep	Transfer Student Count CEU Grads	Total of all Sample Transfer Students	% of all Sample Transfer Students
Texas Tech University	191	4	5		200	10.67%
Texas Tech University Health Sciences Center	17		6		23	1.23%
Texas Woman's University	11	1	1		13	0.69%
The University of Texas at Arlington	14		4		18	0.96%
The University of Texas at Austin	29				29	1.55%
The University of Texas at Dallas	10				10	0.53%
The University of Texas at El Paso	2				2	0.11%
The University of Texas at San Antonio	9				9	0.48%
The University of Texas at Tyler			1		1	0.05%
The University of Texas Permian Basin	5				5	0.27%
Tyler Junior College		1			1	0.05%
University of Houston	5				5	0.27%
University of Houston - Victoria	1				1	0.05%
University of North Texas	15				15	0.80%
University of North Texas Health Science Center	1				1	0.05%
Vernon College		1			1	0.05%
Victoria College	1				1	0.05%
Weatherford College	1	1			2	0.11%
West Texas A&M University	691	27	49		767	40.91%
Western Texas College	1				1	0.05%
	<u>1,454</u>	<u>283</u>	<u>138</u>	<u>-</u>	<u>1,875</u>	<u>100.00%</u>

NOTE: Totals may not equal those from the Automated Student and Adult Learner Follow-up System Results since non-disclosure students are not included in this report.

Information taken from Automated Student & Adult Learner Follow-up Report from the Coordinating Board.

This information comes from the Automated Student & Adult Learner Follow-up Report from the Coordinating Board.

