

Wylie Campus



Annual Comprehensive Financial Report

For the years Ending August 31, 2021 and 2020

Collin County Community College District

**Allen Celina Frisco
Farmersville McKinney
Plano Rockwall Wylie
Texas**

**Comprehensive Annual
Financial Report**

**For Fiscal Years Ended
August 31, 2021 and 2020**

**Prepared by:
Administrative Services**

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Annual Comprehensive Financial Report

Fiscal Years Ended August 31, 2021 and 2020

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Introductory Section



To the Board of Trustees:

It is my great pleasure to present you with the Annual Comprehensive Financial Report (ACFR) for Fiscal Year 2021. This review of the district's financial operations continues to show how your leadership has moved Collin College forward.

Your strong fiscal management and insightful planning continue to shape the future for current students and have provided more opportunities for potential students throughout our district's service area. The openings of the Farmersville and Celina campuses and the launch of the iCollin virtual campus will further expand the college's outreach to underserved areas of Collin County.

The Farmersville Campus opened its doors in March 2021 and has been embraced by the communities that it serves. Student interest and enrollment continue to grow. The campus will fill a significant need as the eastern part of our service area attracts more residents.

The Celina Campus, which opened in August 2021, is off to a strong start as well. Like Farmersville, the campus will provide a more accessible option for students who live in the growing cities of Celina and Prosper. Municipal and school district officials from both cities spoke glowingly of the new campus at the campus's ribbon cutting.

The college also launched a long-planned expansion of its distance learning capabilities with iCollin. The virtual campus provides students with greater access to online services, including coaching, tutoring, advising, counseling, and career planning. The campus currently offers 140 unique courses in core subject areas with a roster of faculty experienced in and dedicated to distance learning.

The IT Center, which opened at the Frisco Campus in August 2021, is another example of our college meeting the community's needs. The home to the Bachelor of Applied Technology in Cybersecurity, the

IT Center also has collaborative learning spaces for programming, computer animation, virtual and augmented reality, and video production.

The district's innovative spirit extends beyond the technology in our campuses. The college was recognized by the League for Innovation in the Community College with the 2020-2021 Innovation of the Year Award for its implementation of the CougarCare program, which offers students, adjunct faculty, and part-time staff free 24/7 access to telehealth services.

Countless hours of work by the college's Finance, Human Resources, Payroll, Technology Services, and other departments also came to fruition with the implementation of Workday. This new platform replaces outdated systems with a unified HR, finance, budget, and planning system featuring automated processes to streamline work, real-time budgets and reporting, and robust self-service. It will significantly improve the level of service provided by the college while enhancing the ways that we collaborate. Technology Services has already begun planning to implement Workday processes that will address student and continuing education needs.

I am also pleased to report that the college was named a "2021 Great College to Work For," marking the third year in a row that the college has been honored by The Great Colleges to Work For® program. And, in addition to being recognized as a "Best for Vets" college by Military Times, the college was honored with the gold-level status of the 2021 Veterans Education Excellence Recognition Award from the Texas Veterans Commission.

I am honored to work at a college district in which both students and employees can take pride. And I am honored to serve a Board that recognizes the benefits of investing in our students' futures.

Sincerely,



H. Neil Matkin, Ed.D.
District President
Collin College

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December 7, 2021

To: Dr. H. Neil Matkin, District President
Members of the Board of Trustees, and
The Citizens of Collin County Community College District

The following annual comprehensive financial report ("ACFR") of Collin County Community College District ("the District") for the fiscal years ended August 31, 2021 and 2020 is hereby submitted. This report aims to provide detailed information about the financial condition and performance of the District. Responsibility for data accuracy, completeness, and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the District's financial position and results of operations. All disclosures necessary to enable the reader to understand the District's financial activities have been included.

The District is a special-purpose government engaged solely in business-type activity (BTA). Adhering to Governmental Accounting Standards Board (GASB) Statements 34 and 35, this presentation of financial reporting combines all fund groups into a single column and resembles the format of the corporate presentation, thus facilitating comparison.

State statutes require an annual audit by independent certified public accountants. The District's Board of Trustees selected the accounting firm of Whitley Penn, LLP. In addition to meeting the requirements outlined in state statutes, the audit is also designed to meet the U.S. Office of Management and Budget (OMB) 2 Code of Federal Regulations (CFR) 200, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State of Texas Single Audit Circular*. Information related to the single audit is included in the single audit section of this report.

As a recipient of federal, state, and local financial funds, the District is responsible for providing an adequate internal control structure to ensure compliance with applicable laws and regulations related to those award programs. This internal control structure is subject to periodic review or evaluation by management and the District's independent auditors. As a part of the District's single audit, tests are made to determine the effectiveness of the internal control structure, including that portion related to major federal and state financial award programs. It is also used to determine that the District has complied with significant applicable laws and regulations.

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

A narrative introduction, overview, and analysis accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A), providing information on the District's financial activity and position. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. In addition to the transmittal letter and the MD&A, the Annual Comprehensive Financial Report (ACFR) consists of the following:

- Basic Financial Statements
- Required Supplemental Information
- Texas Higher Education Coordinating Board (THECB) Supplemental Schedules
- Statistical Section (Unaudited)
- Single Audit Section
- Supplementary Financial Information (Unaudited)

As demonstrated by the statements and schedules included in the financial section of this report, the District continues meeting its responsibility for sound financial management.

PROFILE OF THE DISTRICT

District Structure and Information

The District was established as a public community college in an election held in Collin County, Texas, on April 6, 1985, according to the State of Texas laws. It operates as a community college district under the Constitution of the State of Texas and the Texas Education Code. The District is governed by a Board of Trustees (hereinafter called the "Board"). The Board is a nine member governing board that serves without compensation and is elected at large for six-year terms of office by the voters of Collin County. The Board meets at least 10 times per year, and meetings are open to the public. The Collin County Community College District Trustees are committed to the mission and vision of the college. The Board provides leadership and direction, as well as represents the college in a wide range of community activities and committees.

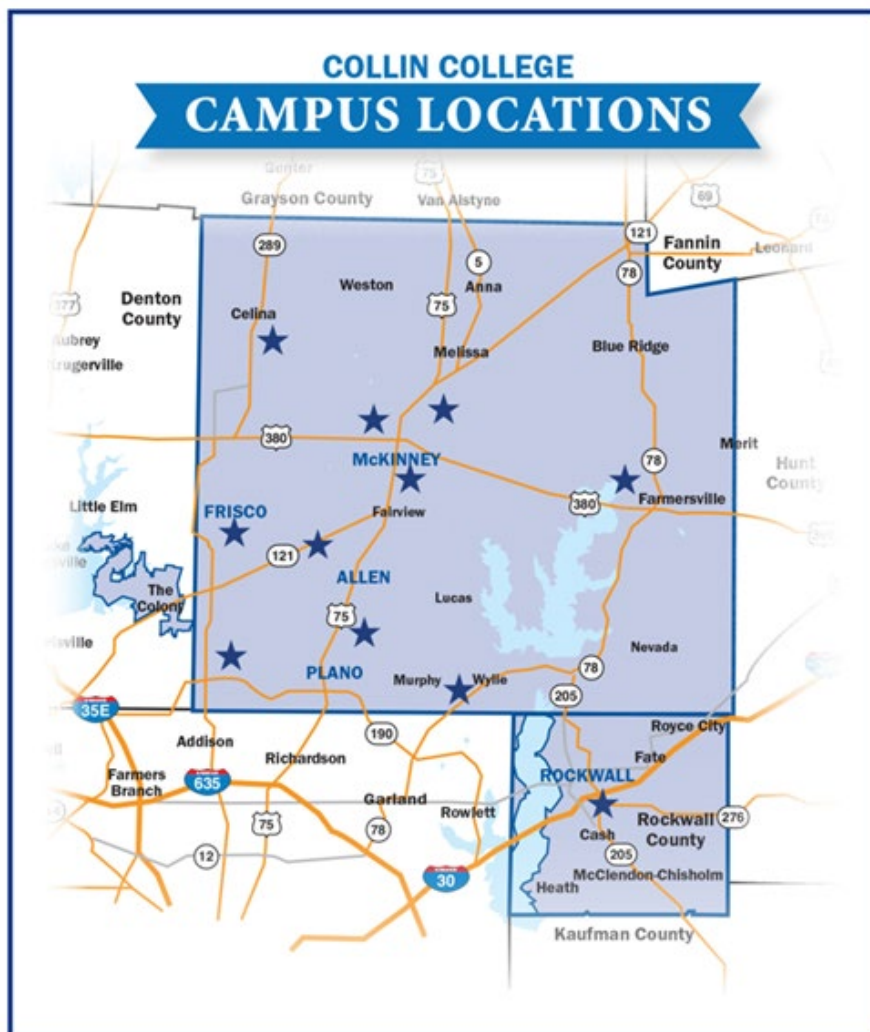
The Board manages and governs the District, provides policy direction, establishes goals, sets and collects tuition and fees, exercises fiduciary responsibilities in the management of the District's funds, and appoints and evaluates the District President. The Board is also responsible for the levy, assessment, and collection of taxes, the issuance of bonds, the adoption of an annual budget, and the performance of an annual audit. The Board sets campus admission standards consistent with the role and mission of the District

The District is accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) to award Bachelor's degrees, associate degrees, and certificates. A bachelor's degree is an award that generally requires four years of full-time equivalent college work. An associate degree is an award that typically requires at least two, but less than four years of full-time equivalent college work. In June, Governor Greg Abbott signed House Bill 3348 which allows Collin College to offer up to five total baccalaureate degrees. In 2020, the college began offering a BSN degree, designed for registered nurses, and a Bachelor of Applied Technology (BAT) in Cybersecurity degree. The college's Board of Trustees approved a third bachelor's degree in Construction Management with the intent to begin offering it in 2022. The college is in the process of initiating the next steps by seeking approvals from the Texas Higher

Education Coordinating Board, followed by the Southern Association of Colleges and Schools Commission on Colleges.

To maintain its status as an institution accredited by SACSCOC, the District must complete the accreditation process's reaffirmation every ten years. This process requires extensive self-study, including completing a compliance certification document reflecting compliance with all the Principles of Accreditation. On June 11, 2015 SACSCOC reaffirmed Collin College's accreditation, and on June 13, 2019 SACSCOC accredited Collin College to offer Bachelor's degrees. The District's next decennial reaffirmation will take place in 2025.

The District's mission is to provide students a community-centered institution committed to developing skills, strengthening character, and challenging the intellect. The student body is comprised mainly of residents of Collin County and surrounding communities.

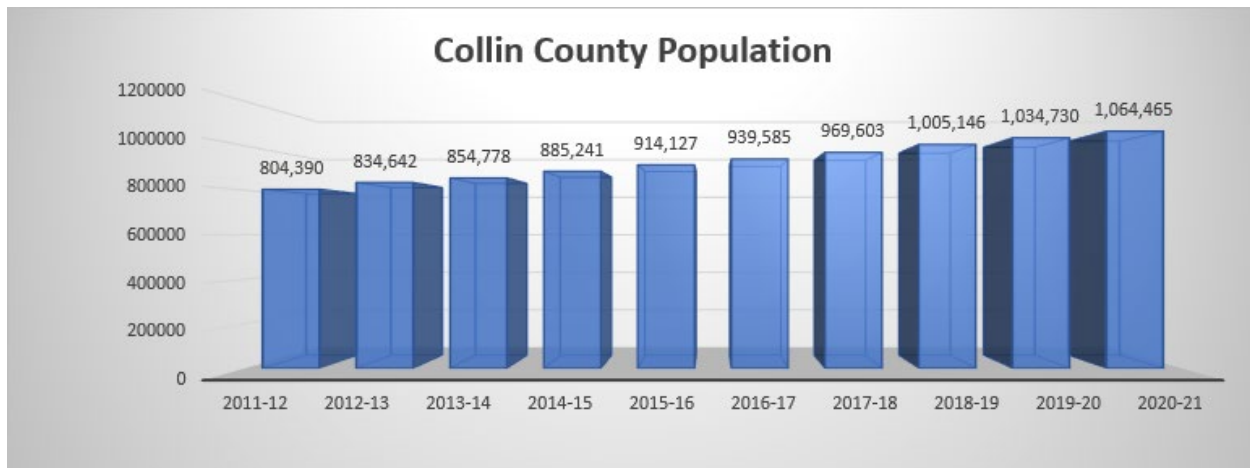


The District strives to offer affordable, small, personalized classes and award-winning faculty in a safe and friendly environment allowing students to fulfill their potential and achieve their goals.

The college promotes life-long learning and the opportunity for its residents to further their education regardless of their schedule, time, and distance constraints. The District continues to meet the community's needs in developing a professional workforce by expanding the educational opportunities available to its residents. The District provides training for many of the county's essential service positions, such as police officers, firefighters, emergency medical technicians, nurses, dental hygienists, and respiratory therapists.

The District is located in Collin County, which is in the Dallas metropolitan area of North Central Texas. The county consists of 886 square miles with a population density of approximately 1,201 residents per square mile in 2020. According to the U.S. Census Bureau, the population of Collin County was estimated to be about 1,064,465 in 2020.

Information provided by the U.S. Census Bureau as of 2021 shows an estimated 5.7% growth in population of the United States since 2011. In the past nine years, Collin County has experienced an increase in the population of 32.3%.



Component Units

The Collin County Community College District Foundation, Inc. ("Foundation") has been discretely presented in the District's statements as a component unit by the inclusion of the statements and footnotes of the Foundation in the District's statements and footnotes. The Foundation is a non-profit organization established in 1987 to maintain, develop, increase, and extend the District's facilities and services and provide broader educational service opportunities to its student, staff, and faculty.

Inter-local Agreements and Partnerships

The District's commitment to providing programs and services to the communities it serves is reflected by the many partnerships with local cities and schools. Such agreements are efficient and cost-effective. A partial list of our inter-local agreements and partnerships includes:

- The District has inter-local agreements with Rockwall ISD for a satellite campus to benefit students and staff.

- The District has reciprocal technical/occupational course agreements with the Dallas County Community College District, Tarrant County Community College District, and Grayson County College, allowing students to enroll in programs not available in their home district at the in-county tuition rate.
- The road to medical school and other health care professions is shorter thanks to the unique partnership between Collin College and Plano Independent School District (PISD). The unique PISD Health Sciences Academy offers selected students a head start on health care careers while they are still in high school, starting as early as ninth grade. Students can earn more than 50 hours of college credit and complete certifications that enable them to enter the health care workforce upon graduation from high school.
- A partnership exists between Collin College and Lewisville ISD for a Collegiate Academy at The Colony High School, allowing students to earn their Associates's Degree while still in high school.
- Allen ISD introduced the Associate Degree Pathway in the 2020-2021 school year. This project was started in Fall 2018 and is a partnership between Allen ISD, Collin College, and the University of North Texas (UNT).
- The District has inter-local agreements with Collin County, City of Plano, City of McKinney, Plano Independent School District, and Wylie Independent School District to complete fiber connections for the District's Fiber Optic Wide Area Network (WAN). It is approximately 88 miles long and comprises 58 miles of College-owned fiber and 30 miles of fiber supplied through the inter-local agreements. The fiber network surrounds the county and connects our campuses with high-speed communications.
- The District has an agreement with the Department of Homeland Security/Collin County Health Care Services to establish procedures to utilize the District's facilities and staff in a public health emergency.
- The District has agreements with five public universities to offer upper-level undergraduate courses and graduate degree programs at the Collin Higher Education Center. Universities have access to classrooms, computer lab facilities, and office spaces to serve their students in the growing Collin County area.
- The District partnered with the Cities of McKinney and Allen to construct a state-of-the-art Public Safety Training Center to train current and future emergency services professionals. The tri-agency facility provides fire science training grounds, a reality-based simulation village for police training, three separate shooting ranges, and nine classrooms.
- The District has partnerships with local law enforcement and fire departments to provide necessary training to ensure first responders are adequately prepared.
- The National Science Foundation awarded to the District's National Convergence Technology Center a \$3.9 million grant in April 2017, with an award period of 2017 through 2022. This

grant allows the District to meet the growing workforce needs for convergence technology workers and further establishes the District as a leading voice in this industry. A second National Science Foundation grant totaling \$3.8 million was awarded to the District in September 2018, with an award period of 2018 through 2022. The \$3.8 million award entitled, "Information Technology Skill Standards, 2020 and Beyond" will create a set of employer-led and verified Information Technology skill standards for high-demand job clusters.

Budget

Administrative Services, under the direction of the Chief Financial Officer, maintains the District's budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Trustees. Activities of the unrestricted, auxiliary, restricted, building, and debt service funds are included in the annual appropriated budget. The District also maintains an encumbrance accounting system that includes full-time payroll costs as a method for accomplishing budgetary control. Salary encumbrances lapse at year-end, while some encumbrances for outstanding purchase orders at year-end are carried over as part of the next year's budget.

ECONOMIC CONDITION

Local Economy

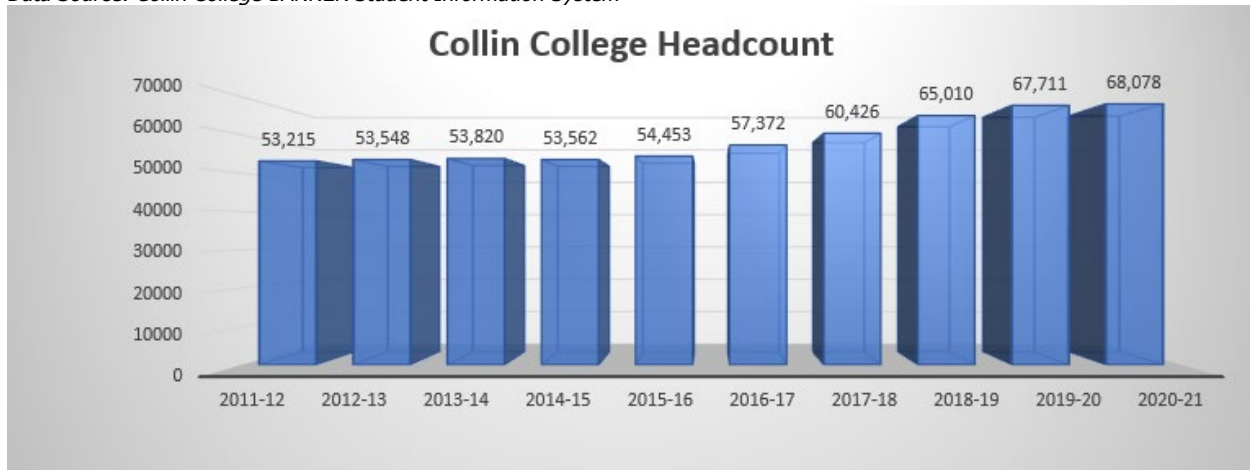
Major industries within Collin County consist of finance, retail, computer technology, insurance, education, manufacturing, telecommunications, health care, and the food industry. Possessing a well-educated workforce is a key factor in an area's ability to attract new businesses and maintain economic growth. Another critical factor for a growing economy is the availability of workforce training. The District regularly consults with employers in the area to determine their needs and develops training to fulfill those needs. Given the area's readily accessible workforce training, the desirability of the location, excellence of the school districts, the proximity of family entertainment (such as shopping, fine arts, professional sports, entertainment parks), and wealth of well-trained individuals, the District is optimistic that Collin County will continue to prosper.

Collin County's civilian-employed labor force as of August 2021 was 566,191, which was an increase of 3.3% over the prior year, according to the Texas Workforce Commission. According to the Bureau of Labor statistics, the latest unemployment rate for Collin County as of August 2021 was at 4.0%, compared to the State's rate of 5.9% and a national rate of 5.2%.

Community colleges continue to play an important role in the State's workforce and economic development. Economic development depends on the strength of having a trained and educated workforce. As the economy changes due to automation, increased productivity, and advanced technology, the demand for physical jobs decreases, and workers are under greater pressure to learn new skills. According to the Texas Higher Education Coordinating Board, 659,849 students were enrolled in Texas public community colleges during the fall of 2020 compared to 667,046 at Texas public universities and 13,756 at Texas State Technical Colleges.

The District headcount for credit enrollment for fall and spring increased 0.54% from 2019-20 to 2020-21.

Data Source: Collin College BANNER Student Information System



The 2020-2021 formula produced State appropriations that were \$1,579 per full-time student equivalent (FTSE). For years ending August 31, 2020, and 2019, the District received \$1,530, and \$1,358 per FTSE, respectively. (See Statistical Supplement 6b for additional information.)

The 2020-2021 tuition per credit hour remained unchanged from 2019-2020 for in-district, out-of-district, out-of-state/out-of-country residents. In-county tuition and fees remain the lowest among colleges and universities in the State of Texas. Quality education at the District remains a smart, economical choice and a wise investment.

Certified taxable values for Collin College increased 6.8% from \$176.7 billion in 2020 to \$188.7 billion in 2021. New construction declined slightly, from \$5.95 to \$5.81 billion from 2020 to 2021.

The District remains a valuable resource to the community in updating the skills necessary to obtain the new jobs of the 21st century by providing training and degrees in growth industries, such as technology, health care, and hospitality.

Long-Term Financial Planning

Collin College recently adopted and launched its new five-year Master and Strategic Plans for 2020-2025 with priorities and goals that are designed to help accomplish the goals outlined in the 60x30TX Strategic Higher Education Plan. Collin College's 2020-2025 priorities and goals include:

Master Plan Priorities

1. Streamline the college's administrative data systems to improve business processes and accommodate growth.
2. Implement planned and future components of the comprehensive safety and emergency management plan.

3. Strategically expand existing instruction and service delivery modalities to maximize access to college programs.
4. Examine and develop expansion plans for existing facilities and future programs to accommodate growth in the service area.
5. Complete Phase III and IV projects and prioritize repurposing of available facilities.
6. Assess current and proposed college facilities and extracurricular programs to identify and prioritize opportunities for improved student recruitment, engagement, and success.

Strategic Plan Goals

1. Improve student outcomes to meet or exceed local, state, and regional accreditation thresholds and goals.
2. Develop and implement strategies to become a national exemplar in program and student outcomes.
3. Create and implement comprehensive, integrated pathways to support student transitions
4. Implement the third Baccalaureate degree (in Construction Management) by Fall 2022 and continue adding 2+2 programs with university partners.
5. Develop and implement a comprehensive staffing and succession model.
6. Develop a coordinated and systematic approach to engage external stakeholders.

In May 2017, a \$600 million bond referendum was passed to fund the District's master plan, and in April 2018, \$250 million bonds were issued to fund capital projects. In April of the prior fiscal year, the remaining \$350 million in bonds were issued to complete the Farmersville campus, Celina campus, IT Center at the Frisco campus, the Trane project, and other minor projects. See the MD&A section labeled Capital Assets and Debt Administration for additional information on the 2017 Bond Election.

Relevant Financial Policies

Investment Policy: The District's investment policy is required by statute to be reviewed and updated annually. The Board approved the policy in August 2021. It is designed to provide safety of principal, liquidity to meet all operating requirements, and provide a reasonable market yield throughout the budgetary and economic cycles. Bank deposits were either insured by federal depository insurance or collateralized throughout the year.

Fund Balance Designation: Board policy dictates the District maintain a minimum fund balance equal to 25% of educational expenses adjusted for reserves and allocations. In addition, the Board continues to maintain designations totaling \$24.75 million for stabilization of maintenance and operations in the event ad valorem tax revenues were to decline based on fluctuations in appraised values. Health care reserves totaling \$30 million are being maintained in the event the State reduces its contribution to the District for health insurance.

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officer Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its ACFR for Fiscal Year ended August 31,

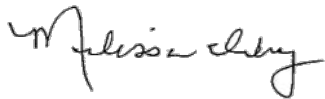
2020. This was the 24th consecutive year the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Administrative Services staff, particularly in the Accounting Department. We would also like to thank the accounting firm of Whitley Penn LLP for their assistance and timely completion of the audit. Due credit should be given to the governing Board and District Leadership for their interest in planning and conducting the operations of the District responsibly.

Respectfully submitted,



Melissa Irby, CPA
Chief Financial Officer



Julie Bradley, CPA
Associate Vice President, Controller/Student
Financial Services



Barbara Johnston, CPA
Associate Vice President, Financial Services and
Reporting



Keitha Carlton, CPA
Director of Accounting



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Collin County Community College District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2020

Christopher P. Morrill

Executive Director/CEO

BOARD OF TRUSTEES



Andrew Hardin
Chairman



Jim Orr
Secretary



Stacy Anne Arias



Dr. Stacey Donald

The Board of Trustees is a nine member governing board that serves without compensation and is elected at large for six-year terms of office by the voters of Collin County. The Board manages and governs the Collin County Community College District, provides policy direction, establishes goals, sets and collects tuition and fees, exercises fiduciary responsibilities in the management of the District's funds, and appoints and evaluates the District President. The Board is also responsible for the levy, assessment, and collection of taxes, the issuance of bonds, the adoption of an annual budget, and the performance of an annual audit. The Board of Trustees sets campus admission standards consistent with the role and mission of the District. The Board of Trustees meets at least 10 times per year, and meetings are open to the public. The Collin County Community College District Trustees are committed to the mission and vision of the college. The Board of Trustees provides leadership and direction, as well as represents the college in a wide range of community activities and committees.



Greg Gomel



Jay Saad
Vice Chairman



Dr. Raj Menon
Treasurer



Dr. J. Robert Collins



Fred Moses

Elected Officials

<u>Board of Trustees</u>	<u>City</u>	<u>Term Expires</u>
Andrew (Andy) Hardin Chairman, Place 9	Frisco, Texas	May, 2027
Jay Saad Vice Chairman, Place 2	Plano, Texas	May, 2023
Jim Orr Secretary, Place 7	Lucas, Texas	May, 2027
Raj Menon, Ph.D. Treasurer, Place 5	Plano, Texas	May, 2025
Stacy Anne Arias Place 6	Melissa, Texas	May, 2025
J. Robert (Bob) Collins, Ph.D. Place 8	Farmersville, Texas	May, 2027
Stacey Donald, Ph.D. Place 3	Plano, Texas	May, 2023
Greg Gomel Place 4	Plano, Texas	May, 2025
Fred Moses Place 1	Plano, Texas	May, 2023

Principal Administrative Officers

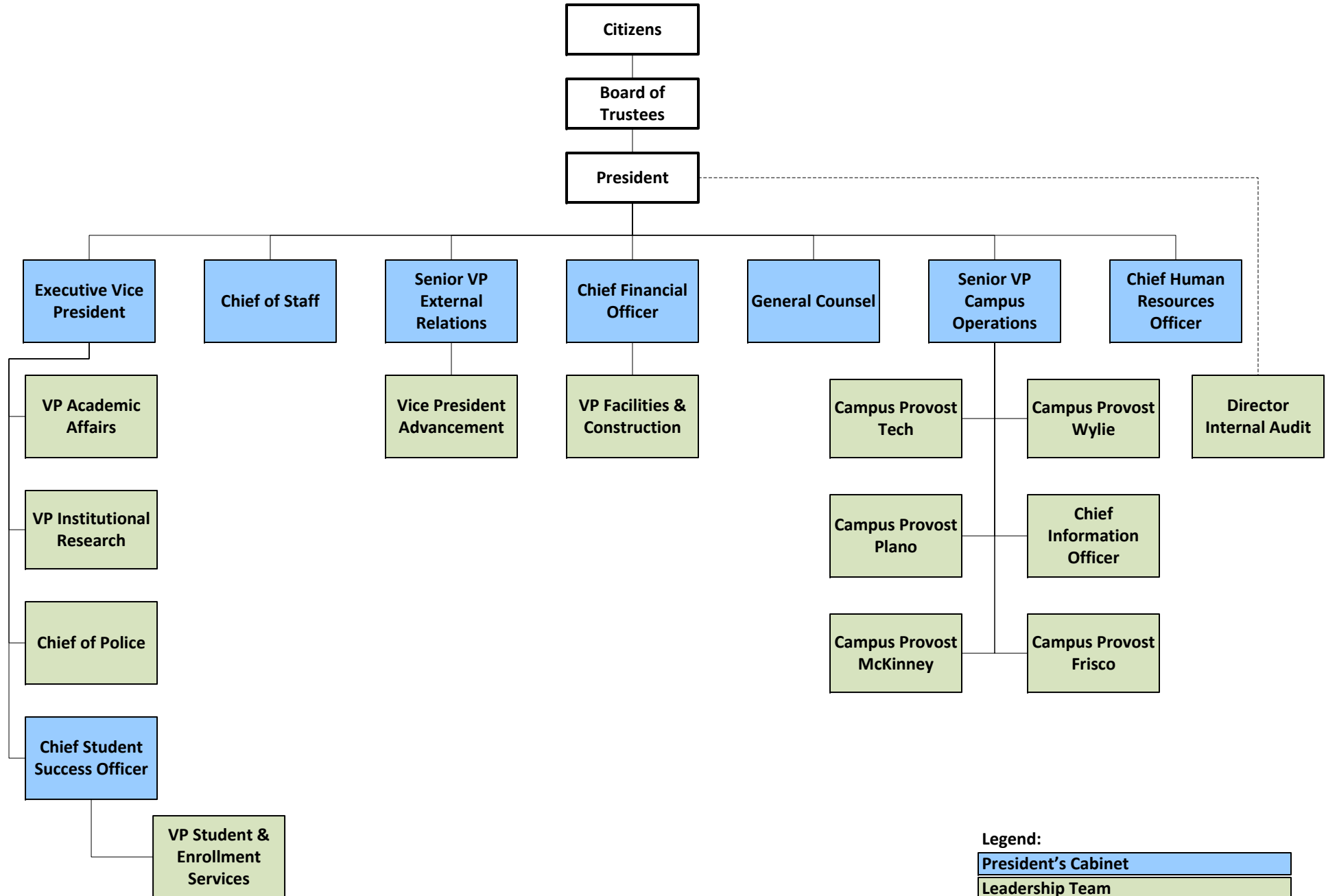
<u>Name</u>	<u>Position</u>
Neil Matkin, Ed.D.	District President
Sherry Schumann, Ph.D.	Executive Vice President
Kim Davison	Chief of Staff
Melissa Irby, CPA	Chief Financial Officer
Abe Johnson, Ed.D.	Senior Vice President Campus Operations
Steve Matthews	Senior Vice President External Relations
Floyd Nickerson	Chief Human Resources Officer
Monica Velazquez, J.D.	General Counsel

Financial Staff

<u>Name</u>	<u>Position</u>
Julie Bradley, CPA	Associate Vice President – Controller
Barbara Johnston, CPA	Associate Vice President – Financial Services & Reporting
Keitha Carlton, CPA	Director of Accounting

Collin County Community College District

Organizational Chart



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Financial Section

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Collin County Community College District

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Collin County Community College District (the District), as of and for the years ended August 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the discretely presented component unit's financial statements of the Collin County Community College Foundation (the Foundation) as of and for the years ended August 31, 2021 and 2020. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

To the Board of Trustees
Collin County Community College District

considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of August 31, 2021 and 2020, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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, 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Supplemental Schedules A through D as required by the Texas Higher Education Coordinating Board's (THECB) *Budget Requirements and Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges* are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost*

To the Board of Trustees
Collin County Community College District

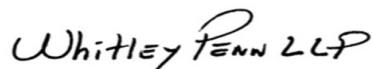
Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the Schedule of Expenditures of State Awards as required by the State of Texas *Uniform Grant Management Standards* and other information such as the introductory and statistical sections are also presented for additional analysis and are not a required part of the basic financial statements.

The Supplemental Schedules A through D, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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, the 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.

The introductory, statistical sections, and supplementary financial information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2021 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Dallas, Texas
December 7, 2021

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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

Introduction

Collin County Community College District ("the District") is proud to present its financial statements for fiscal years ended August 31, 2021 and 2020 which are in conformance with Governmental Accounting Standards Board (GASB) standards. The following Management's Discussion and Analysis (MD&A) reviews the District financial activity during the fiscal years ended August 31, 2021, 2020, and 2019. The MD&A is based on currently known facts, decisions, and conditions having an impact on financial activities of the District and other key financial data as required by GASB Statement No. 34 *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. It should be read in conjunction with the transmittal letter, the District's basic financial statements, and the notes to the financial statements. Responsibility for the completeness and fairness of the information in this section rests with the District management.

In accordance with GASB Statement No. 61 *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*, the District is including financial statements for the District's discrete component unit, Collin County Community College Foundation ("the Foundation"). The Foundation financial statements presented for fiscal years ending August 31, 2021 and 2020 are presented on separate pages behind the District's basic financial statements. The Foundation Notes may be found in Note 18 under Component Units.

Understanding the Financial Statements

The Financial section of the Annual Comprehensive Financial Report (ACFR) consists of:

Report of Independent Certified Public Accountants presents an unmodified opinion rendered by an independent certified public accounting firm, Whitley Penn, LLP on the fairness (in all material respects) of the financial statements.

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the District's financial activities.

Basic Financial Statements:

There are three basic financial statements presented: the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows. The statements are prepared on an accrual basis of accounting, whereby revenues are recognized when earned, and expenses are recorded when an obligation has been incurred.

Statement of Net Position presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position of the District as of the end of the fiscal year. It is a point in time financial statement. The purpose of the Statement of Net Position is to give financial statement readers a snapshot of the fiscal condition of the District. It presents end-of-year data for current and noncurrent assets, deferred outflows, current and noncurrent liabilities, deferred inflows and net position (assets and deferred outflows minus liabilities and deferred inflows).

Statement of Revenues, Expenses, and Changes in Net Position presents the revenues earned and expenses incurred by the District, both operating and non-operating, and any other revenues, expenses, gains and losses received or spent by the District. Operating expenses are

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

those paid to acquire or produce the goods and services provided in return for the operating revenue and to carry out the District's mission. Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as state appropriations, ad valorem taxes, and federal grants.

Statement of Cash Flows presents information related to cash inflows and outflows summarized by operating capital and non-capital financing, and investing activities. It provides relevant information when evaluating the financial viability of the District during the fiscal years ended August 31, 2021 and 2020. The Statement of Cash Flows can be used to assess the District's ability to meet current and future financial obligations.

Notes to the Basic Financial Statements (Notes) provide additional information to clarify and expand on the financial statements.

Required Supplemental Information (RSI) is required by GASB 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.

Texas Higher Education Coordinating Board (THECB) Supplement Schedules are required by THECB to provide comparative information on revenues, expenses and net position.

Fiscal Year 2021 Financial Highlights

Some of the financial highlights of the fiscal year are as follows:

- Operating revenues increased approximately 21.3% or \$10.4 million from the prior year to the current fiscal year, due primarily to an increase in Coronavirus Aid, Relief, and Economic Security Act (CARES) funding received in the form of federal grants.
- Capital depreciable assets increased \$139.9 million with the completion of construction on the Celina and Farmersville Campuses, and the new IT Center at the Frisco Campus.
- Certified net assessed property values increased 7.5%, from \$148.3 billion in the prior year to \$159.5 billion in the current year; the assessed tax rate remained at \$0.081222/\$100, resulting in an increase in tax revenues totaling \$5.8 million based on final tax roll summary.
- Coronavirus Aid, Relief, and Economic Security Act (CARES) grant funding awarded to the District during the 2021 fiscal year helped offset a decrease in revenues, an increase in COVID-19 related expenses, and provide resources to students, totaled \$68.9 million. Funds were awarded directly from the Department of Education (\$66.2 million) as well as pass-through funds from the Texas Higher Education Coordinating Board-Governor's Emergency Education Relief (GEER) (\$2.5 million). The District has expended \$20.4 million during the current fiscal year, of which \$212 thousand was expended by subrecipients of the Texas Reskilling Support Fund.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Management’s Discussion and Analysis (unaudited)
Fiscal Years Ended August 31, 2021 and 2020**

**Condensed Statements of Net Position (in Millions)
Table 1: Condensed Statement of Net Position**

	Fiscal Year			Change	
	2021	2020	2019	2020 to 2021	2019 to 2020
Assets:					
Current assets	\$ 453.0	\$ 610.6	\$ 425.1	(25.8)%	43.6 %
Capital assets	792.7	719.1	502.6	10.2 %	43.1 %
Other noncurrent assets	36.1	9.2	25.0	292.4 %	(63.2)%
Total assets	<u>\$ 1,281.8</u>	<u>\$ 1,338.9</u>	<u>\$ 952.7</u>	(4.3)%	40.5 %
Deferred Outflows of Resources:	63.0	65.6	62.1	(4.0)%	5.6 %
Liabilities:					
Current liabilities	\$ 67.4	\$ 102.5	\$ 82.3	(34.2)%	24.5 %
Noncurrent liabilities	687.9	701.6	346.9	(2.0)%	102.2 %
Total liabilities	<u>\$ 755.3</u>	<u>\$ 804.1</u>	<u>\$ 429.2</u>	(6.1)%	87.3 %
Deferred Inflow of Resources:	28.0	27.5	28.6	1.8 %	(3.8)%
Net position:					
Net investment in capital assets	\$ 287.6	\$ 278.2	\$ 264.3	3.4 %	5.3 %
Restricted -- expendable	20.9	13.1	15.4	59.5 %	(14.9)%
Unrestricted	252.9	281.6	277.1	(10.2)%	1.6 %
Total net position	<u>\$ 561.4</u>	<u>\$ 572.9</u>	<u>\$ 556.8</u>	(2.0)%	2.9 %

From the information shown in Table 1, financial statement readers are able to determine the assets available to continue the operations of the District. The reader can also determine how much the institution owes vendors and bondholders. The net position and the availability of liquid assets for current expenses can be determined as well. Deferred inflows and outflows are transactions occurring in the current or prior periods, but related to future periods, and are not assets or liabilities. For purposes of explanation the deferred inflows and outflows presented in the District financial statements pertain to pension contributions and other post-employment benefits.

Net position is divided into three major categories.

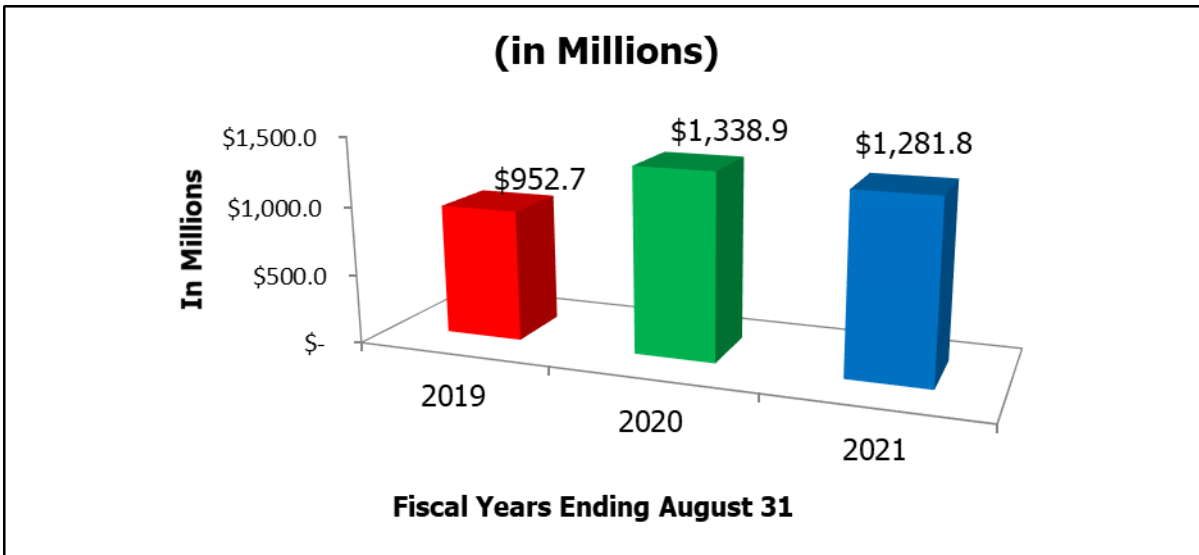
- Net investment in capital assets: provides the District’s equity in land, buildings and improvements, and equipment owned, net of related debt,
- Restricted Net Position: these assets have external limitations on the way in which they may be used, and are not accessible for general use,
- Unrestricted net position: assets in this category are available to be used for any lawful purpose of the District at the direction of the Board of Trustees.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

Total assets of the District for fiscal year 2020-21 declined slightly by 4.3% to \$1.2 billion, from the prior year of \$1.3 billion. In fiscal year 2019-20 assets increased 40.5% from fiscal year 2018-19 by \$386.2 million. The decrease in total assets, during the current year is due primarily to the utilization of bond proceeds, specifically current assets in the form of cash and cash equivalents in connection with payments to vendors related to the construction of Celina and Farmersville Campuses and the IT Center at the Frisco Campus. There was also a 21.4% decrease in short term investments totaling approximately \$18.6 million. Receivables were consistent in the current year with those from the prior year.

Graph 1: Total Assets



Cash resides in TexPool, TexStar, and Texas Term, all statewide investment pools and all are classified as cash equivalents. Proceeds received from the Series 2020 Limited Tax Bonds in fiscal year ending August 31, 2020 are held in TexPool and are being recorded as Restricted Cash and Cash Equivalents. Short term investments consist of Certificates of Deposits (CDs), Commercial Paper and Municipal Bonds with maturities less than one year. See Note 3 Authorized Investments and Note 4 Deposits and Investments for additional information on cash and investments.

While there was an overall decrease in total assets, there was an increase of 10.2% and 292.4% for capital assets and other noncurrent assets, respectively. Total capital assets increased due to the construction and capitalization of capital assets which includes land, land improvements, buildings, equipment, WAN/LAN network equipment, library books and construction in progress, net of accumulated depreciation. Construction costs associated with the Celina and Farmersville Campuses, and the IT Center at the Frisco Campus were capitalized upon completion at year end. Further information regarding capital assets is shown in Note 2 Summary of Significant Accounting Policies and Note 5 Capital assets, as well as in the MD&A paragraph under the heading Capital Assets and Debt Administration.

Other noncurrent assets consists of long term investments, which increased from \$9.2 million to \$36.1 million in the current fiscal year compared to the prior year. Long term investments are those with maturities greater than one year.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

Deferred outflows of resources have remained consistent over the three fiscal years presented in Table 1: Condensed Statement of Net Position, ranging from \$62.1 million in fiscal year ending 2019 to \$63.0 million in the current fiscal year. Deferred outflows consists of deferred outflows related to pensions and to other post-employment benefits (OPEB). Fluctuations in deferred outflows occurs as a result of recognizing the differences in projected and actual investment earnings at the plan level. In the current fiscal year, \$20.8 million of the \$63.0 million in deferred outflows of resources is for pensions, and \$42.2 million relates to deferred outflows of resources for OPEB. Deferred outflows of resources represent the District's proportionate share of pension and other post-employment benefits the District could make that will benefit employees in the future, but are not considered assets. See Note 9 Employees' Retirement Plan, and Note 13 Other Post-Employment Benefits for additional information on deferred outflows.

An overall decrease in total liabilities at the end the current fiscal year totaling almost \$48.8 million or 6.1% compared to the prior year is due primarily to a \$37.5 million decrease in accounts payable, including retainage payable to vendors providing goods and services for the construction projects, and a decrease in noncurrent bonds payable totaling \$23.5 million. The decrease in liabilities was offset by a 15.7% or \$5.7 million increase in net pension liability and a 5.1% or \$4.0 million increase in net OPEB liability in the current fiscal year compared to the prior year. See Note 14 Disaggregation of Receivables and Payables Balances for additional information on payables.

Current liabilities total \$67.4 million, make up 8.9% of total liabilities for the current fiscal year and consists of accounts payable, accrued liabilities, funds held for others, unearned revenues and the current portions for accrued compensable absences and bonds payable. A liability is considered to be current if it is due within one year. Accounts payable, unearned revenue, and the current portion of bonds payable make up 93.3% of total current liabilities, similar to the prior year with the same named liabilities making up 92.2% of total current liabilities.

Unearned revenue increased 11.8% compared to the prior year, from \$24.1 million to \$26.9 million and represents tuition payments students have made for the upcoming 2021 fall semester. The increase in unearned tuition revenue is due to an increase in tuition rates per credit hour beginning with Fall 2021 of \$3/credit hour for all residency categories. Credit hour enrollment declined slightly, 1.7% for Fall 2021 compared to an increase of 0.5% in the prior year.

The issuance of the Series 2020 Limited Tax Bonds totaling \$352.0 million in fiscal year 2020 accounts for the increase in the current portion of bonds payable from \$12.8 million in the prior year to \$15.9 million in the current year. See Note 6 and Note 8 for additional information on Liabilities and Bonds Payable, respectively.

For fiscal years 2020-21, 2019-20, and 2018-19 noncurrent liabilities make up 91.1%, 87.3%, and 80.8% of total liabilities, respectively, and consists of accrued compensable absences payable, pension liability, the noncurrent portion of bonds payable not due within one year, and OPEB liability. Noncurrent liabilities totaled \$687.9 million in the current fiscal year compared to \$701.6 million, and \$346.9 million in the two prior fiscal years. The significant increase in long term liabilities for the three years presented in the Condensed Statement of Net Position in Table 1 is due to the issuance of more than \$536.9 million in bonds during the prior three years. The second most significant noncurrent liability is net OPEB liability, which the District began reporting in fiscal year 2018. Since the first reporting of net OPEB liability, it has risen from \$31.3 million in 2018 to \$83.9 million for

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

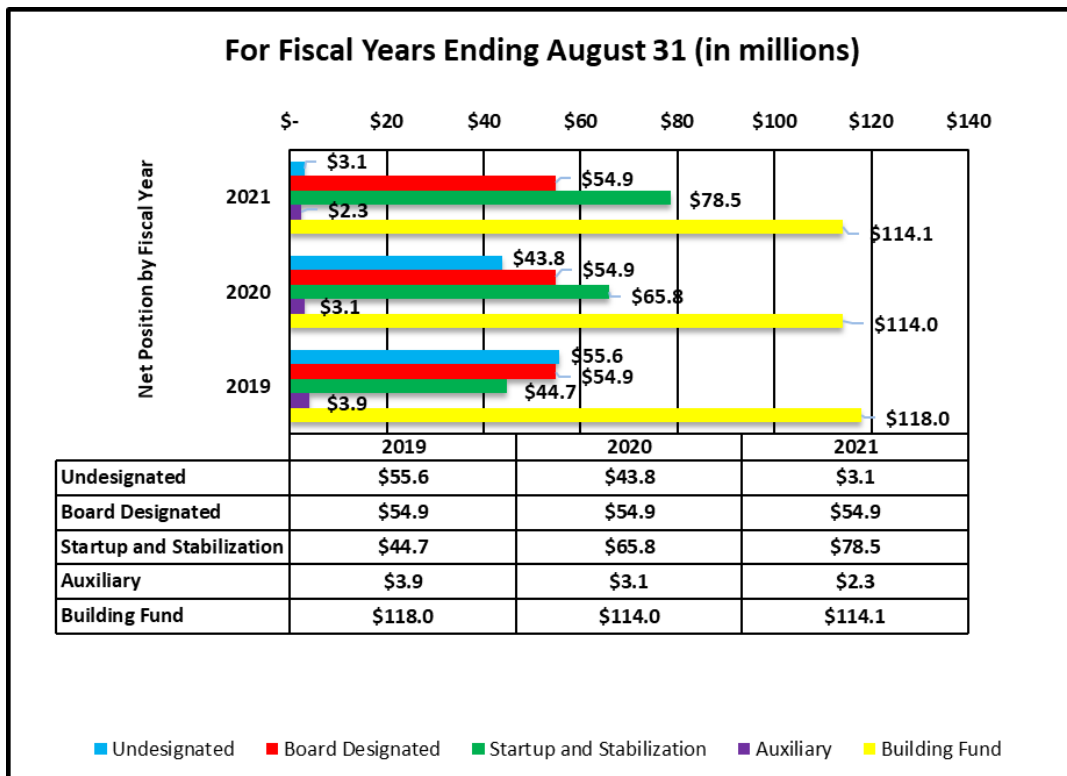
Management’s Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

the current fiscal year, an increase of 167.9%. Additional information on noncurrent liabilities may be found in Note 6.

Deferred inflows of resources are resources that represent an acquisition of net position related to future periods as required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits, Other than Pensions (OPEB)*. Deferred inflows of resources related to OPEB for fiscal years 2018-19, 2019-20, and 2020-21 was \$25.3 million, \$20.5 million, and \$22.0 million, respectively. Statement 75, Other Post-Employment Benefits was issued (OPEB) to provide more transparent reporting of the liability and useful information about the liability and costs of post-employment benefits other than pensions. The District participates in a cost-sharing OPEB and has recorded a liability, equal to our proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan. OPEBs pertain to all post-employment healthcare benefits, death benefits, life insurance, disability and long- term care benefits. See Note 9 Employees’ Retirement Plan, and Note 13 Other Post-Employment Benefits (OPEB) for additional information.

Net position represents the District’s equity, some of which is restricted for certain uses and some of which is unrestricted. Unrestricted net position decreased 10.2% or \$28.7 million from the prior year to the current year. Net investment in capital assets, increased approximately 3.4% as a result of the capitalization of new campuses completed during the fiscal year. See Graph 2 - Current Unrestricted Net Position for a graphical representation of the components of current unrestricted net position. The most significant change occurred in the Undesignated category, decreasing from \$43.8 million in the prior year to \$3.1 million in the current year. For additional information, see THECB Supplemental Schedules, Schedule D for a breakdown of net position, and Note 2 - Summary of Significant Accounting Policies-Board Designations for information on board designated unrestricted net position.

Graph 2: Current Unrestricted Net Position



COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Management’s Discussion and Analysis (unaudited)
Fiscal Years Ended August 31, 2021 and 2020**

Statement of Revenues, Expenses and Changes in Net Position

The purpose of the Statement of Revenues and Expenses, and Changes in Net Position is to present the revenues earned and expenses incurred by the District, both operating and non-operating, and any other revenues, expenses, gains, and losses received or spent by the District. Operating expenses are those paid to acquire or produce the goods and services provided in return for the operating revenue and to carry out the District’s mission. Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as ad valorem taxes, state appropriations, and federal grants. See Table 2 for a comparative Condensed Statement of Revenues, Expenses, and Changes in Net Position for fiscal years 2020-21, 2019-20, and 2018-19.

Table 2 – Condensed Statement of Revenues, Expenses and Changes in Net Position

	<u>Fiscal Year</u>			<u>Change</u>	
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2020 to 2021</u>	<u>2019 to 2020</u>
Operating revenues:					
Tuition and Fees (Net)	\$ 39.3	\$ 39.2	\$ 40.1	0.3 %	(2.2)%
Grants and Contracts	16.5	7.0	4.0	135.7 %	75.0 %
Auxiliary enterprises	2.9	2.0	2.3	45.0 %	(13.0)%
Other operating revenues	0.8	0.8	2.0	0.0 %	(60.0)%
Total operating revenues	<u>59.5</u>	<u>49.0</u>	<u>48.4</u>	21.4 %	1.2 %
Operating expenses:					
Instruction	107.5	94.8	85.1	13.4 %	11.4 %
Public service	0.7	0.6	0.4	16.7 %	50.0 %
Academic support	23.1	20.5	16.8	12.7 %	22.0 %
Student services	20.1	19.1	17.4	5.2 %	9.8 %
Institutional support	40.9	39.2	32.3	4.3 %	21.4 %
Operation and maintenance of plant	20.9	16.5	15.5	26.7 %	6.5 %
Scholarships	24.1	22.5	18.5	7.1 %	21.6 %
Auxiliary enterprises	3.8	4.0	2.5	(5.0)%	60.0 %
Depreciation	18.7	12.6	9.4	48.4 %	34.0 %
Total operating expenses	<u>259.8</u>	<u>229.8</u>	<u>197.9</u>	13.1 %	16.1 %
Operating loss	(200.3)	(180.8)	(149.5)	10.8 %	20.9 %
Non-operating revenues (expenses):					
State appropriations	49.5	50.8	44.0	(2.6)%	15.5 %
Ad-valorem taxes (Net)	124.2	118.4	110.5	4.9 %	7.1 %
Federal revenue, Non-operating	33.1	30.6	23.9	8.2 %	28.0 %
Gifts	0.1	6.1	6.2	(98.4)%	0.0 %
Interest on capital related debt	(19.0)	(12.6)	(9.3)	50.8 %	35.5 %
Investment income	0.7	5.4	12.1	(87.0)%	(55.4)%
Other non-operating revenues, net	0.2	0.2	0.2	0.0 %	0.0 %
Other non-operating expenses, net	-	(2.0)	-	100.0 %	0.0 %
Net non-operating revenues	<u>188.8</u>	<u>196.9</u>	<u>187.6</u>	(4.1)%	5.0 %
Increase (decrease) in net position	<u>(11.5)</u>	<u>16.1</u>	<u>38.1</u>	(171.4)%	(57.7)%
Net position - beginning of year	<u>572.9</u>	<u>556.8</u>	<u>518.7</u>	2.9 %	7.3 %
Net position - ending of year	<u>\$ 561.4</u>	<u>\$ 572.9</u>	<u>\$ 556.8</u>	(2.0)%	2.9 %

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

Because two of the three primary sources of revenue, state appropriations, and ad valorem taxes, which make up about 64.9% of total District revenues are reported as non-operating revenues, the District will typically report a net operating loss, as it does for the District in all fiscal years presented. Additionally, since depreciation on capital assets is reported as an operating expense, it also contributes to the operating loss.

Operating revenues consists of tuition and fees, net of discounts, grants and contracts, auxiliary revenues, and other operating revenues. As shown in Table 2 Condensed Statement of Revenues, Expenses and Changes in Net Position, total operating revenues increased 21.4% or approximately \$10.5 million as a result of a 135.7% increase in federal grants and contracts. The increase in Federal grants and contracts is a direct result of receiving funding from the Department of Education in the form of an Emergency Grant Relief for Collin College. Specifically, the grant provided relief for the District by allowing Collin to recover lost revenues due to the impact of COVID-19 totaling approximately \$4.1 million, and to reimburse the college for institutional expenses incurred as a result of COVID-19 totaling approximately \$7.8 million. Lost revenues were calculated utilizing a suggested methodology provided by the Department of Education and were reported as federal revenues. Lost revenues were calculated for both fiscal years ending 2020 and 2021 since the grant guidelines allowed retroactive consideration when determining lost revenues.

Factors affecting tuition and fees include changes in the tuition rate per credit hour, enrollment data, and scholarship allowances. Tuition rates remained unchanged from the prior year to the current year. See Statistical Supplements 4 and 15, Tuition and Fees, and Enrollment Details, respectively, for additional information on tuition and enrollment details.

For fiscal years ending 2020-21, 2019-20, and 2018-19, scholarship allowances and discounts were \$17.7, \$17.4, and \$11.3 million, respectively. Scholarship allowances reduce tuition revenue for amounts paid to students from financial aid or sources other than the student or third parties making payments on behalf of the student. The major components of scholarship allowances include remissions and exemptions, TPEG awarded, and Federal Grants awarded to students. Fluctuations in the components making up scholarship allowances has been minimal from the prior year to the current year. The District implemented a new waiver in fiscal year ending 2020 in which the difference between in-county tuition rates and all other residency tuitions rates was waived for all dual credit students resulting in an increase in waivers of \$1.7 and \$1.9 million for fiscal years ending 2020 and 21, respectively. See Schedule A Schedule of Operating Revenues within the Texas Higher Education Coordinating Board Supplemental Schedules for a breakdown of Tuition, Fees, and Scholarship allowances and discounts.

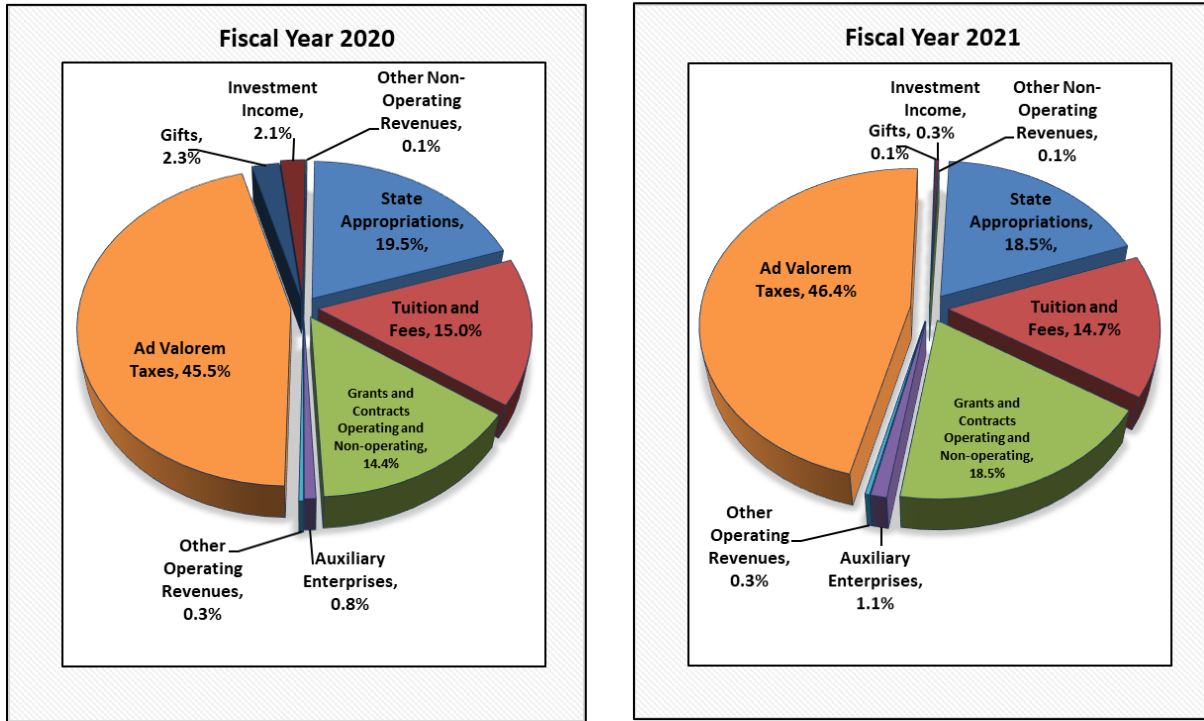
Non-operating revenues are non-exchange transactions where funds are received for goods and services provided to an entity, who are not the payors. The primary source of non-operating revenues are State appropriations, ad valorem taxes and federal revenues received from the Department of Education in the form of Title IV funds, i.e. Federal Pell Program, Federal Supplemental Educational Opportunity Grants and Federal Work-Study Program. During the current year, the student portion of the CARES funding totaling \$7,743,612 is shown in the Federal grants, non-operating section. A total of 14,868 students received CARES grants ranging from \$250 to \$800 depending on number of hours the student was enrolled in and his/her expected family contribution (EFC). This category increased 8.0% primarily due to the CARES funding.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Management’s Discussion and Analysis (unaudited)
Fiscal Years Ended August 31, 2021 and 2020**

Other non-operating revenues consist of net investment income, gifts, and other non-operating revenues. In the prior year, gifts received total \$6.1 million, in connection with a donation from Allen Independent School District for the Technical Campus construction. Investment income decreased by 87.4% due to the significant decrease in interest rates offered on investments.

Graph 3: 2020 and 2021 Total Operating and Non-Operating Revenues



Graph 3 displays a breakdown, by category, for total revenues, operating and non-operating for the District for fiscal years ending 2019-20 and 2020-21.

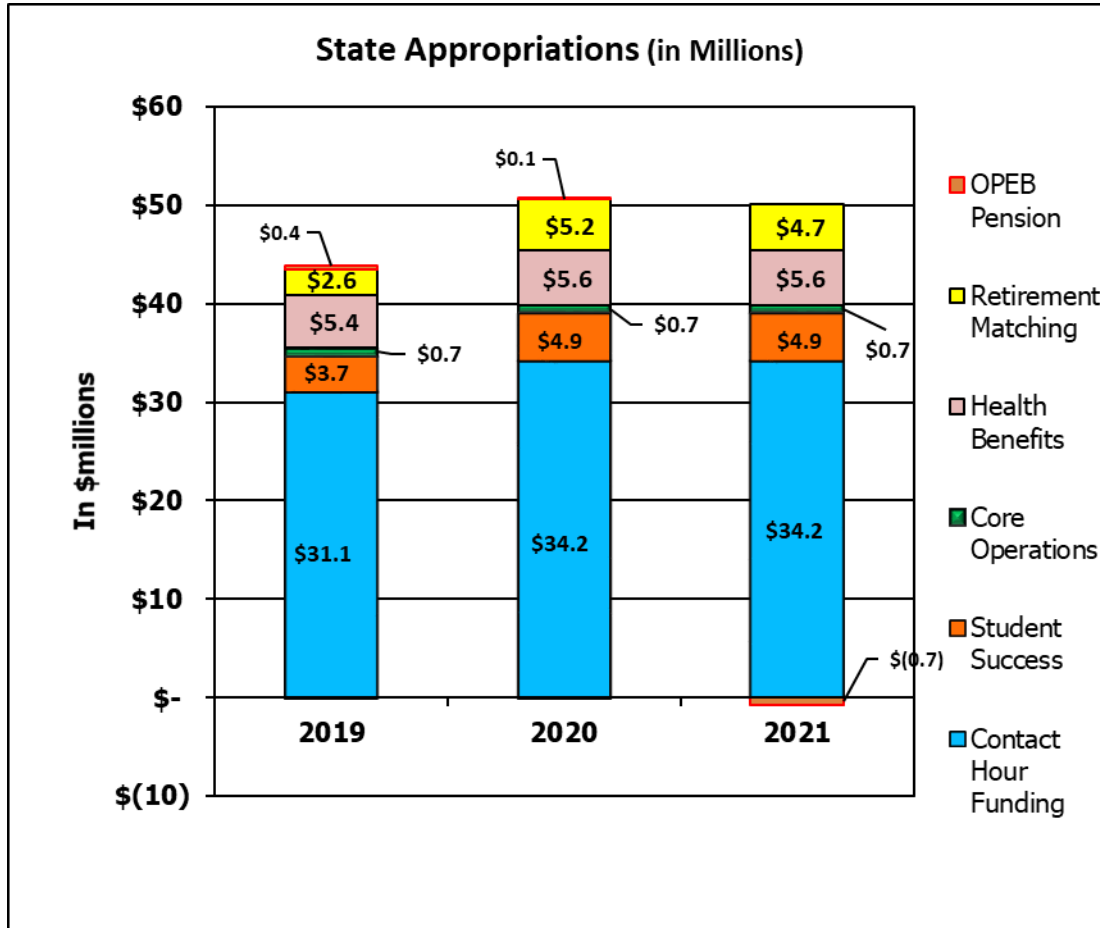
State appropriation funding consists of funding for education and general expenses, specifically based on contact hours, student success measures, and core operations, as well as providing for a portion of employee benefits in the form of health insurance and state retirement matching. This is the second year of the biennium, with appropriations remaining steady at \$39.8 million (not including benefits). State appropriations per full time student equivalent increased from \$1,530 in the prior year to \$1,579 in the current year. State appropriation per funded contact hour in the prior and current years was \$2.59 and \$2.57, respectively. See Statistical Supplements 6b and 6c for state appropriation per FTSE and contact hours.

As shown in Graph 4, state appropriations remained unchanged except for a decrease in the retirement expense, including the portion related to GASB Statement 68 *Accounting and Financial Reporting for Pensions*. The State provides benefits at 50% for all eligible employees. The District pays 100% of benefits for employees not covered by the state, excluding grant employees. Benefits for grant employees are paid with grant funds. See Notes 9 Employees’ Retirement Plan and Note 12 Healthcare and Life Insurance Benefits for additional information on benefits.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management’s Discussion and Analysis (unaudited)
Fiscal Years Ended August 31, 2021 and 2020

Graph 4: State Appropriations: Fiscal Years 2019 through 2021



Ad valorem taxes received for maintenance and operations (M&O) increased \$5.6 million over the prior year, or 4.9% due to increased property values. Over the last three years, the net assessed property values of the District for 2018-19, 2019-20, and 2020-21 was \$137.9, \$148.3, \$159.5 million, respectively. The District’s total assessed tax rate for the current fiscal year and the two prior years, per \$100 valuation: \$0.081222. See Note 16 Property Tax for additional information on property taxes.

Auxiliary enterprise revenues are generated by student housing, food and catering services, bookstore commission, and facilities leasing. There has been no significant fluctuations in auxiliary revenues over the last three years.

Interest expense on capital related debt has increased 50.4% from the prior year to the current year due to the issuance of the 2018 Series Bonds and the 2020 Series Bond totaling approximately \$586.3 million. See Notes 7 and 8 Debt Obligation and Bonds Payable, respectively, for additional information on debt service for the District.

Operating Expenses by Functional Classification

As the District is considered a single governmental program business-type activity, the District is subcategorized into functional areas with direct expenses attributable to each area. A comparison

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

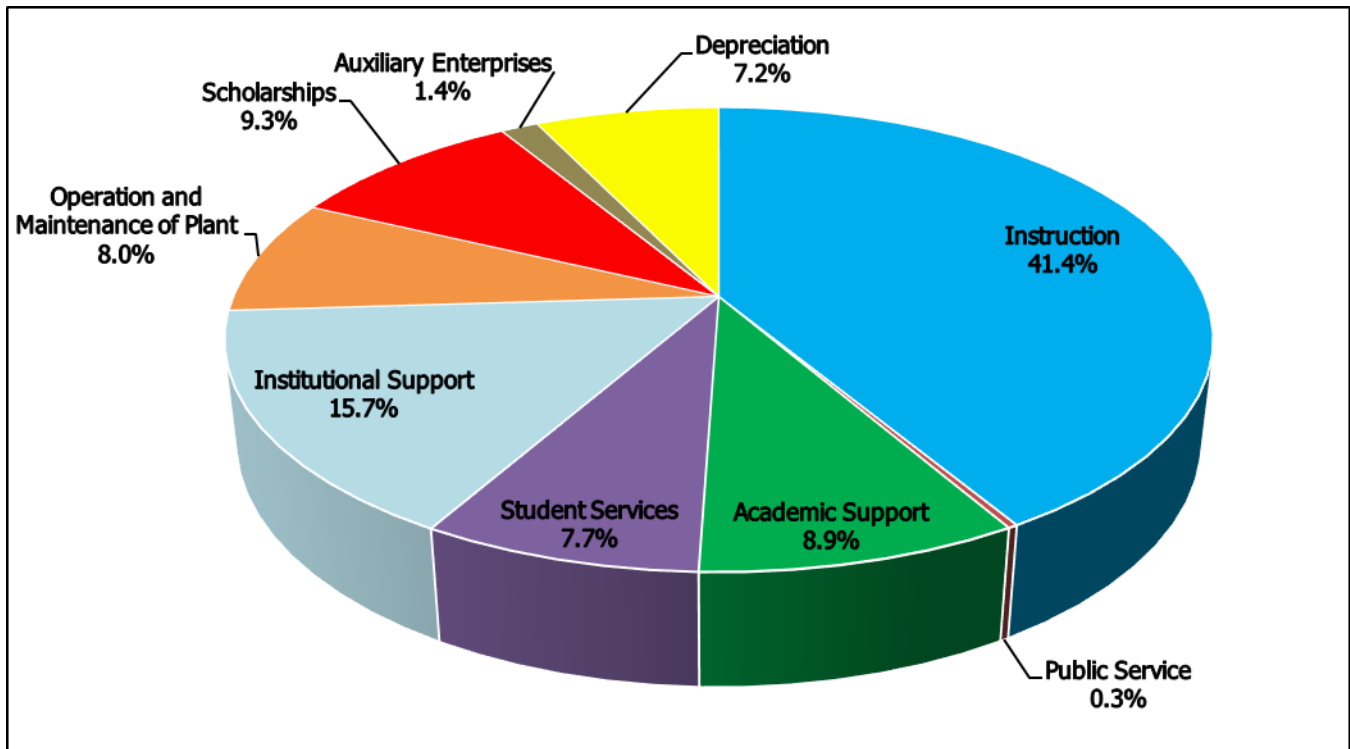
of the District's functional operating expenses spanning fiscal years ending 2019 through 2021 may be found in Table 2. Graph 5 Fiscal Year Operating Expenses by Functional Classification highlights the percentage of total operating expenses each program represents of the total \$259.8 million. A graphical representation of operating expenses by functional classification for the three-year period of 2018-19, 2019-20, and 2020-21 is depicted in Graph 6.

Overall operating expenses increased 16.1% and 13.1% from fiscal years 2018-19 to 2019-20 and from 2019-20 to 2020-21, respectively. The Board of Trustees approved a 2.0% salary increase for all employees in fiscal year 2020-21; A 3.5% salary increase was approved for fiscal year ending 2020. Other salary adjustments made for fiscal year ending 2020 included salary range adjustments, and market adjustments.

Benefits and salaries make up 91.5% of total instructional expenses in the current fiscal year compared to 93.3% in the prior year. There was an overall increase in instructional expenses totaling \$12.7 million of which 74.1% or \$9.4 million was due to the increases in salaries. The increase can be explained by the addition of approximately one hundred and seventeen new full-time faculty and lab personnel teaching at existing campuses and those hired in the current year that will be teaching at newly opened campuses in Fall 2021. New programs for which faculty were hired to teach beginning in fiscal year 2021 include automotive technology, banking and financial planning, biomedical equipment technology, collision technology, construction technology (carpentry, electrical, plumbing), veterinary technology, among others.

Another 12.4% or \$1.5 million of the total increase in the instructional area can be attributed to an increase in contractual services, with a large part of the increase due to additional costs associated with on-line testing and help desk services for students learning remotely. Additionally, there was an increase in contractual services with Texas Workforce Commission to provide contract training to students to increase the skill level and wages of the Texas workforce.

Graph 5: Fiscal Year 2020-21 Operating Expenses by Functional Classification (%)



COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

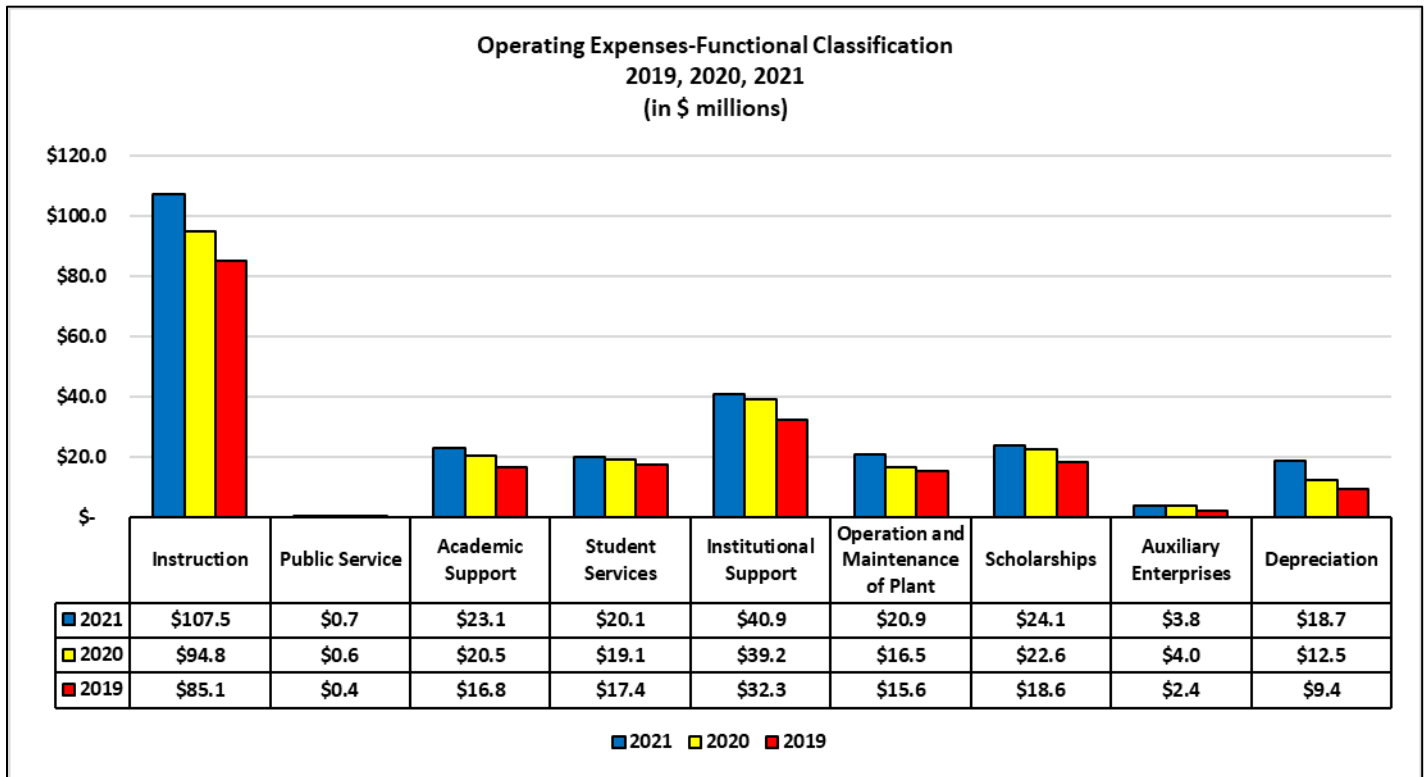
Management’s Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

The public service functional expense category is for funds expended for activities primarily to provide non-instructional services beneficial to individuals and groups external to the District. Expenses in this classification primarily relate to services provided by the Small Business Development Center, and avocational courses offered through the District. It represents less than 1.0% of the District’s total operating expenses in fiscal year 2020-21.

The academic support functional area includes expenses incurred to provide support services for the District’s primary programs of instruction. It includes academic administration (provosts, academic deans and associate deans), and library services. There was an approximate 12.7% increase in academic support expenses totaling \$2.6 million during the current fiscal year compared to the prior year, with 88.3% of the increase attributable to salaries and benefits. Throughout the year the District hired fifty-eight new employees providing academic support services, many of whom were hired for the newly opened Wylie and Technical Campuses, as well as the Celina, and Farmersville Campuses and the iCollin virtual Campus.

Student services includes expenses incurred to provide assistance and support the needs and interests of the students including counseling, advising, financial aid, admissions, and career guidance among others. Throughout the year approximately forty employees were hired to provide student services support. As noted in the explanations for the previous functional categories, salary and benefit expenses account for a significant part of the 5.5% or \$1.0 million increase in the student services category from the prior to the current fiscal year.

Graph 6: Operating Expenses by Functional Classification



Institutional support expenses consist of the District’s executive management, fiscal operations, general administration, public relations and development, debt service and information technology.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

Total institutional support expenses increased in the current year by 4.3% from \$39.2 million in the prior year to \$40.9 million in the current year. Salary and benefits make up approximately 70.6% of the total institutional expenses. Sixty-nine new employees were hired throughout the year for staffing at current and new Campuses, of which approximately twenty-nine employees were hired for the police department. There was a reduction in expense for non-capital expense totaling \$1.1 million from the prior year to the current year related to the installation of districtwide Campus access systems in fiscal year 2020.

During the current year, Operations and maintenance of plant increased \$4.3 million with salaries and benefits representing about 37.0% of the increase in this category. Salaries and benefits increased \$1.6 million with the addition of approximately thirty-four new employees throughout the year to service the Technical and Wylie Campuses, and prepare for opening the Farmersville and Celina Campuses. Contracted services expenses increased \$1.5 million with the addition of the new Campuses for custodial services and maintenance agreements.

Scholarship expense increased to \$24.0 million in the current fiscal year from \$22.5 million in the prior year. An increase in CARES student grants totaling \$2.6 million contributed to the increase in this category. This increase was offset by a decrease of approximately \$1.0 million combined for Pell grants and Texas Public Education Grants (TPEG). Scholarship allowances and discounts totaling \$17.7 million was consistent with the prior year's scholarship allowances and discounts. Scholarship allowances reduce scholarship expenses. See Schedule A – Schedule of Operating Revenues for additional information on scholarship allowances and discounts.

Auxiliary enterprises expenses decreased from \$4.0 million to \$3.8 million from the prior year to the current year. Salaries and benefits are consistent in the current year with the prior year. Non-capital furniture and equipment purchased for student housing in the prior year accounts for the decrease in expenses from prior year to the current year.

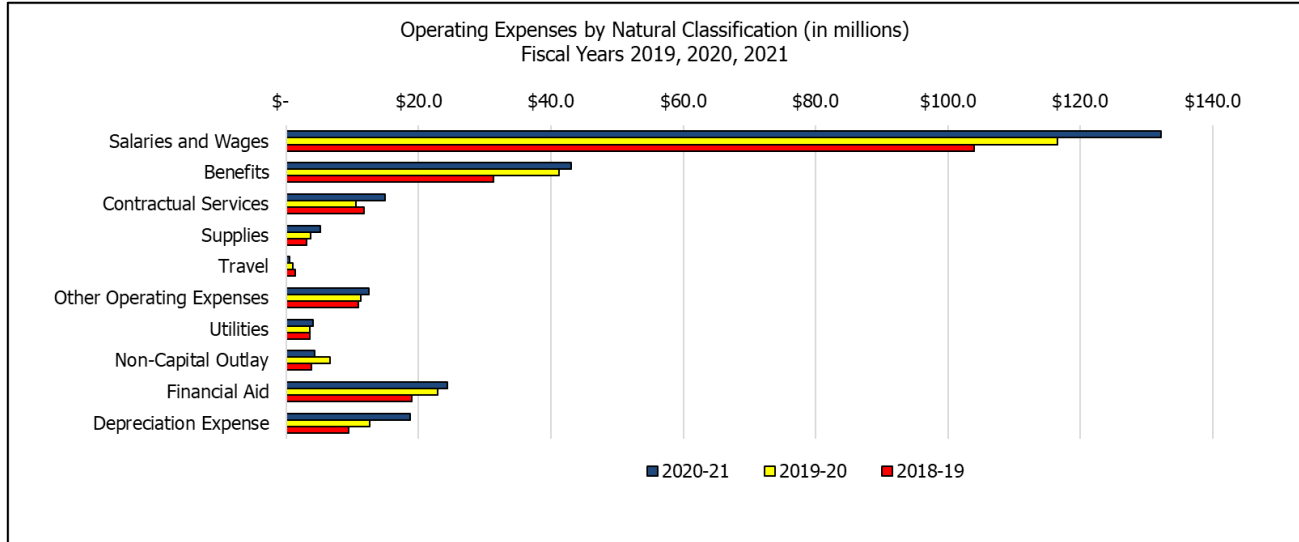
Depreciation expense increased \$6.1 million, or 48.9% from \$12.5 million in the prior year to \$18.6 million in the current year due to the addition of \$320 million for the Technical and Wylie Campuses at the end of the prior year and the capitalization of construction in progress and equipment for the Celina and Farmersville Campuses, and the IT Center at the Frisco Campus totaling \$158.6 million at the end of the current fiscal year. A half year's depreciation is taken the year of capitalization. Projects under construction are classified as construction in progress and no depreciation is taken until the construction is completed. See Notes 2 and 5 for additional information on capital assets and the District's capitalization and depreciation policies.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Management’s Discussion and Analysis (unaudited)
Fiscal Years Ended August 31, 2021 and 2020**

Operating Expenses-Natural Classification

Graph 7: Operating Expenses-Natural Classification



See Graph 7, which depicts the District’s operating expenses by natural classification, or broad expense types.

Salaries and benefits make up approximately 67.4%, 68.6% and 68.2% of total expenses for fiscal years ending 2021, 2020, and 2019. Financial aid is the next largest expense for the District with a 3-year average of approximately 9.7%. Operating expenses, exclusive of salaries and benefits, financial aid and depreciation, was consistent with amounts incurred in prior years.

Capital Assets and Debt Administration

In May 2017 Collin County voters approved a \$600 million bond referendum allowing the District to fund Collin College’s Facilities Master Plan (2017 Bond Program). The District’s “Vision 2020” plan to accommodate the projected population growth in Collin County over the next two decades consisted of building four new campuses: Wylie Campus, Technical Campus in Allen, Farmersville, and Celina Campus. Farmersville and Celina Campuses, and the IT Center at the Frisco Campus were completed in the current fiscal year, and opened for classes in Fall 2021. The Wylie and Technical Campuses were completed at the end of the prior fiscal year and opened for classes in Fall 2020.

The Celina Campus which is expected to accommodate 2,500 students is a 96,000 square foot facility sitting on approximately 75 acres with capitalized costs totaling approximately \$47.2 million. The Celina Campus offers general education and workforce courses. Total capitalized costs for the Farmersville Campus is \$24.0 million for the 52,000 square foot facility on a 76-acre site. The Farmersville Campus is expected to serve up to 1,250 students when fully utilized. The campus offers educational opportunities for traditional, dual credit, and continuing education learners, with both academic transfer courses and workforce training options.

The IT Center at the Frisco Campus is a three-story 92,000 square foot facility which can accommodate up to 2,000 students. Capitalized costs for the IT Center totaled approximately \$44.5 million. The new center provides students with specialized labs to support animation and game art,

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

video production, web and mobile development, geospatial information science, and the new Bachelor of Applied Technology in Cybersecurity degree. The infrastructure provides more than 800 computing devices to support all technology programs.

Priorities 4 and 5 of Collin College's Master 2020-2025 Plan, approved by the Board of Trustees in August 2020, involves completing the final phase of "Vision 2020". Specifically, Priority 4 is examining and developing expansion plans for existing facilities and future programs to accommodate growth in the service area, and Priority 5, is completing Phase 3 and 4 projects and prioritize repurposing of available facilities. At the end of the current fiscal year, construction in progress includes renovations and expansions on the McKinney Campus for a 38,426 square feet Welcome Center, replacing a parking lot, adding food service and expanding the dental hygiene clinic. The Frisco Campus additions and renovation project includes site upgrades to the parking lot, additions to Alumni Hall and renovations to other Frisco Campus buildings. Total construction in progress for the projects noted totals \$16.8 million at year end. At the end of the prior year, construction in progress totaled \$83.3 million and with the current year construction expenses, a total of \$146.1 million moved from construction in progress to capitalized buildings at the end of the current fiscal year.

AECOM continues to provide Program Management Services for all the projects paid with bond funds. From the outset, the District entered into an agreement with AECOM Technical Services to provide Program Management Services of the 2017 Bond program. The initial agreement called for AECOM to manage the construction of the Wylie and Technical Campuses or Phase 1 of the project at a cost of \$9.6 million. Phase 2 was added to the agreement to manage the construction of Farmersville and Celina Campuses as well as the IT Center at Frisco for \$2.75 million. AECOM's management fee for Phases 3 and 4 totals \$3.052 million. Phases 3 and 4 include the McKinney Welcome Center, the Trane project, and an accreditation-driven expansion and remodeling of the Dental Hygiene space at the McKinney Campus.

The Trane project was mostly completed in the current fiscal year, and includes high-efficiency lighting retrofits, building automation system retrofits, and revisions, chilled water system control optimization, electrical demand load control strategies, domestic water consumption reduction, landscape irrigation water control, and heating system optimization. Included in the capitalization schedule in Table 3: Capital Assets as equipment, the District capitalized \$23.2 million for the Trane project. The District is expected to realize operations, maintenance, and capital replacement savings of \$738 thousand yearly over the life of the project in addition to the "guaranteed" energy savings. Trane's fee for performance and furnishing of the service is \$3.2 million.

One of the measures the District took to improve the safety of the campuses in response to the onset of the Coronavirus pandemic was to contract with Trane to renovate the District's HVAC system to help with air filtration to prevent the spread of COVID-19, costing approximately \$2.1 million and being paid for with CARES funds.

The District administration, with the approval of the Board of Trustees, initiated the implementation of a new software system, Workday, to replace the existing system, Ellucian-Banner, in order to improve and streamline college services and system security. In addition to Workday, the District contracted with two implementation partners. The first partner, Accenture (formerly Sierra Cedar) provided the subject matter experts for Finance, Human Management Capital (HCM), Payroll and technical support for security and system integration. Precision Task Group provided overall project management, data conversion, and state reporting assistance. Total amount approved by the Board

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

of Trustees for Workday and the implementation services was \$12.4 million. The District went live with Workday on September 1, 2021, thus completing the implementation for Finance, HCM, and Payroll, and capitalized more than \$6.4 million at the end of the current fiscal year in accordance with GASB No. 51.

Capital furniture and equipment purchases related to the operations of the Farmersville, and Celina Campuses, and the IT Center at the Frisco Campus totaled \$13.6 million. This amount also includes some equipment committed for the Wylie and Technical Campuses that was received in the current fiscal year.

Table 3: Capital Assets

	2021	2020	2019
Land	\$ 44,610,763	\$ 44,610,763	\$ 44,610,763
Construction in progress	16,899,611	83,325,234	181,771,116
Buildings	675,943,155	567,878,184	256,946,297
Land improvements	6,286,981	6,890,597	7,508,284
Equipment	44,827,029	12,075,296	7,784,456
Library Books	4,098,307	4,329,328	3,892,234
WAN/LAN network equipment	20,955	22,507	24,059
Total	<u>\$ 792,686,801</u>	<u>\$ 719,131,909</u>	<u>\$ 502,537,209</u>

The preceding table shows the capital assets for fiscal years ending August 31, 2021, 2020, and 2019. Additional information regarding capital assets may be found in Note 5 Capital Assets.

In August 2020, the Board of Trustees approved a motion to redeem and defease the District's remaining Limited Tax Refunding Bonds, Series 2010. In September 2020, Limited Tax Refunding Bonds, Series 2010 totaling \$7.0 million in outstanding principal was defeased, thus saving the District \$.5 million in future interest payments.

In April 2018, the District sold \$234.2 million in bonds at a net premium of \$18.0 million receiving \$252.3 million less underwriter's discount of \$1.7 million. The District executed another bond issuance in April of the prior fiscal year, selling \$302.6 million general obligation bonds at a premium of \$49.4 million. Cost of bond issuance and underwriter's discount totaling \$2.085 million was incurred and expensed in the prior year in accordance with GASB Statement 65 *Items Previously Reported as Assets and Liabilities*. With the Series 2020 Bond Issuance, the District has sold all bonds authorized by the voters in the 2017 Bond Election.

Noted in Table 4 is the outstanding debt at the end of fiscal years 2019 through 2021. The recent bond issuances in fiscal years 2018 and 2020 has raised the District's debt service for the three years 2021, 2020, and 2019 to \$19.0, \$12.6, and \$9.3 million, respectively. See Note 6 Long Term Liabilities, Note 7 Debt Obligations, and Note 8 Bonds Payable for information on debt service.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

Table 4: Bond Obligations

	2021	2020	2019
General obligation bonds			
Series 2010	\$ -	\$ 7,126,043	\$ 9,803,649
Series 2018	228,817,954	237,911,068	246,684,183
Series 2020	346,929,229	351,274,716	-
Total	<u>\$ 575,747,183</u>	<u>\$ 596,311,827</u>	<u>\$ 256,487,832</u>

In March 2020, prior to the District's April 2020 bond issuance, Moody's Investors Service assigned a rating of Aaa, the highest rating available based on their detailed credit considerations of the economy and tax base, financial operations and reserves, as well as the District's liquidity, and debt structure. S&P Global Ratings assigned the District an AAA rating in March 2020, based on the following considerations:

- Large and expanding property tax base;
- Strong wealth and income;
- Strong finances, supported by diverse revenue streams and significant revenue-raising flexibility;
- Strong financial management; and
- Moderate to high overall net debt, expected to remain near current levels due to additional debt issuance, offset by ongoing tax base growth.

Economic Factors That Will Affect the Future

The economic position of the District is closely tied to that of Collin County and the State of Texas. An increase in taxable assessed values from the prior year totaling 4.9% is expected to generate additional tax revenues of \$2.7 million or 2.1% for the 2021-22 fiscal year. The tax rate for both maintenance and operations and for debt service has remained steady for the three years ending 2021 at \$0.079100 and \$0.002122, respectively, for a total of \$0.081222.

Collin County's civilian employed labor force as of August 2021 was 566,191, which was an increase of 3.3% over the prior year, according to the Texas Workforce Commission. The latest unemployment rate for Collin County as of August 2021 was at 4.0%, compared to the state's rate of 5.9% and a national rate of 5.2%.

The District received additional Student and Institutional CARES funding from the Department of Education during the current fiscal year totaling \$66.2 million. In addition to the funds received in the prior year totaling \$10.7 million, the District has approximately \$49.1 million left to expend in the upcoming year. The District has until April 2022 and May 2022 to expend the student and institutional portions, respectively, unless an extension is received to allow additional time to complete the grant.

The upcoming fiscal year is the first year of the biennium, with appropriations increasing \$4.7 million or 11.9%, excluding benefits. The District will continue to receive the majority (81.7%) of state funding based on contact hours, but a portion (16.7%) of the funding is tied to a success-points system in which colleges earn funding for students' academic milestones, such as earning an associate's degree, a certificate or transferring to a university. Also included in the District's State

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

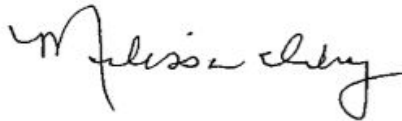
Management's Discussion and Analysis (unaudited) Fiscal Years Ended August 31, 2021 and 2020

appropriations is \$680,406 for core operations for each year of the biennium. Retirement benefits, as a percentage of salaries, will increase along with salary increases. The allocation for healthcare increased from \$5.6 million to \$6.1 million, or an 8.6% increase for fiscal year 2021-22.

Enrollment was budgeted to remain flat for 2021-22 fiscal year, due to the lingering effects of COVID-19. COVID-19's arrival was at a pivotal point in the District's implementation plans for two of its new campuses. Full implementation of the planned partnerships with local public schools to expand career and technology offerings has been delayed due to the timing of the pandemic. Tuition rates will increase beginning Fall 2021 with a \$3 per credit hour increase for all residency categories. The last increase in tuition rates occurred in Fall 2019.

Financial information can be obtained from the Collin County Community College District Business Office via written request to 3452 Spur 399, McKinney, Texas 75069 or by visiting our website at www.collin.edu, selecting *Required Links* under the *Policies* heading at the bottom of the web page, then selecting the *Financial Transparency* link.

Melissa Irby, CPA
Chief Financial Officer



Barbara Johnston, CPA
Associate Vice President,
Financial Services and Reporting



Julie Bradley, CPA
Associate Vice President, Controller



Keitha Carlton, CPA
Director of Accounting



COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Basic Financial Statements

The basic financial statements and related notes provide a summary overview of the financial position and results of operations of the District and the Collin County Community College Foundation.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Statement of Net Position
As of August 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 278,679,642	\$ 308,159,852
Restricted cash and cash equivalents	82,086,922	193,364,692
Accounts receivable (net of allowance for doubtful accounts of \$320,851 and \$287,497 respectively)	20,268,367	20,023,074
Short term investments	68,606,280	87,268,230
Tax receivable (net of allowance for doubtful accounts of \$708,769 and \$650,115 respectively)	676,398	627,699
Prepaid expenses	2,741,324	1,144,906
Total current assets	<u>453,058,933</u>	<u>610,588,453</u>
Noncurrent assets		
Long term investments	36,115,128	9,183,558
Capital assets, net		
Not subject to depreciation	61,510,374	127,935,998
Subject to depreciation	731,176,427	591,195,912
Total noncurrent assets	<u>828,801,929</u>	<u>728,315,468</u>
Total assets	<u>\$ 1,281,860,862</u>	<u>\$ 1,338,903,921</u>
Deferred outflows of resources		
Deferred outflows related to pensions	\$ 20,827,355	\$ 18,873,473
Deferred outflows related to OPEB	42,228,249	46,788,225
Total deferred outflows of resources	<u>\$ 63,055,604</u>	<u>\$ 65,661,698</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 20,083,842	\$ 57,586,202
Accrued interest	919,548	4,830,009
Funds held for others	443,423	381,342
Unearned revenue	26,972,343	24,122,550
Accrued compensable absences payable - current portion	208,425	102,025
Bonds payable - current portion	15,905,000	12,880,000
Net OPEB liability - current portion	2,895,395	2,612,800
Total current liabilities	<u>67,427,976</u>	<u>102,514,928</u>
Noncurrent liabilities		
Accrued compensable absences payable	1,738,364	1,658,761
Net Pension liability	42,433,966	36,646,040
Net OPEB liability	83,906,315	79,824,497
Bonds payable	559,842,183	583,431,827
Total noncurrent liabilities	<u>687,920,828</u>	<u>701,561,125</u>
Total liabilities	<u>\$ 755,348,804</u>	<u>\$ 804,076,053</u>
Deferred inflows of resources		
Deferred inflows related to pensions	\$ 5,976,026	\$ 6,977,084
Deferred inflows related to OPEB	22,097,053	20,566,705
Total deferred inflows of resources	<u>\$ 28,073,079</u>	<u>\$ 27,543,789</u>
Net position		
Net investment in capital assets	\$ 287,636,997	\$ 278,203,505
Restricted for:		
Expendable		
Student aid/non-governmental grants and contracts	5,773,548	1,423,211
Reserve for debt service	8,977,878	5,604,309
Reserve for bond funded projects	6,200,000	6,100,000
Unrestricted	<u>252,906,160</u>	<u>281,614,752</u>
Total net position	<u>\$ 561,494,583</u>	<u>\$ 572,945,777</u>

See accompanying notes to basic financial statements.

COLLIN COUNTY COMMUNITY COLLEGE FOUNDATION, INC.**Statement of Net Position
As of August 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$ 989,195	\$ 1,110,140
Accounts receivable	31,178	69,023
Pledges receivable, net of discount	281,281	331,606
Prepaid expenses	27,155	30,942
Investments	<u>19,687,301</u>	<u>15,573,610</u>
Total assets	<u>\$ 21,016,110</u>	<u>\$ 17,115,321</u>
Liabilities		
Accounts payable	\$ 19,761	\$ 17,024
Deferred revenues	<u>-</u>	<u>53,500</u>
Total liabilities	<u>19,761</u>	<u>70,524</u>
Net Assets		
Without donor restrictions	1,576,371	1,136,886
With donor restrictions	<u>19,419,978</u>	<u>15,907,911</u>
Total net assets	<u>20,996,349</u>	<u>17,044,797</u>
Total liabilities and net assets	<u>\$ 21,016,110</u>	<u>\$ 17,115,321</u>

See accompanying notes to basic financial statements.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended August 31, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Revenues		
Operating revenues:		
Tuition and fees (net of discounts of \$17,784,117 and \$17,470,883 respectively)	\$ 39,263,227	\$ 39,230,781
Federal grants and contracts	13,952,721	4,831,908
State grants and contracts	2,396,768	1,992,483
Non-governmental grants and contracts	134,939	179,103
Sales and services of educational activities	602,201	505,344
Auxiliary enterprises	2,956,851	2,039,803
Other operating revenues	241,892	317,769
Total operating revenues	<u>59,548,599</u>	<u>49,097,191</u>
Expenses		
Operating expenses:		
Instruction	107,515,025	94,808,531
Public service	706,221	633,445
Academic support	23,120,562	20,472,310
Student services	20,110,660	19,062,205
Institutional support	40,961,730	39,239,368
Operation and maintenance of plant	20,882,496	16,518,861
Scholarships	24,078,545	22,555,231
Auxiliary enterprises	3,828,317	4,038,776
Depreciation	18,691,859	12,552,149
Total operating expenses	<u>259,895,415</u>	<u>229,880,876</u>
Operating loss	<u>(200,346,816)</u>	<u>(180,783,685)</u>
Non-operating revenues (expenses):		
State appropriations	49,492,556	50,782,813
Ad-valorem taxes:		
Taxes for maintenance and operations	120,895,492	115,221,104
Taxes for general obligation bonds	3,330,636	3,157,002
Federal grants and contracts	33,107,077	30,649,045
Gifts	172,388	6,112,500
Investment income (net of investment expenses)	708,958	5,440,542
Interest on capital related debt	(19,060,180)	(12,675,077)
Other non-operating revenues	251,333	245,440
Other non-operating expenses	(2,638)	(2,095,127)
Net non-operating revenues	<u>188,895,622</u>	<u>196,838,242</u>
Increase/(Decrease) in net position	<u>(11,451,194)</u>	<u>16,054,557</u>
Net position - beginning of year	572,945,777	556,891,220
Net position - ending of year	<u>\$ 561,494,583</u>	<u>\$ 572,945,777</u>

See accompanying notes to basic financial statements.

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COLLIN COUNTY COMMUNITY COLLEGE FOUNDATION, INC.**Statement of Activities
Year End August 31, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Donations and grants, net of adjustment to discount on pledges receivable	\$ 10,088	\$ 1,384,847	\$ 1,394,935
Special events and fundraising	30,653	137,853	168,506
Less: cost of direct benefits to donors	(14,965)	-	(14,965)
Net investment returns	440,520	2,997,535	3,438,055
In-kind contributions	593,500	-	593,500
Net assets released from restrictions	<u>1,008,168</u>	<u>(1,008,168)</u>	<u>-</u>
Total revenues and other support	<u>2,067,964</u>	<u>3,512,067</u>	<u>5,580,031</u>
Expenses:			
Program expenses	<u>1,193,561</u>	<u>-</u>	<u>1,193,561</u>
Supporting services:			
General and administrative	118,713	-	118,713
Fundraising	<u>316,205</u>	<u>-</u>	<u>316,205</u>
Total supporting services	<u>434,918</u>	<u>-</u>	<u>434,918</u>
Total expenses	<u>1,628,479</u>	<u>-</u>	<u>1,628,479</u>
Total change in net assets	439,485	3,512,067	3,951,552
Net assets at beginning of year	<u>1,136,886</u>	<u>15,907,911</u>	<u>17,044,797</u>
Net assets at end of year	<u>\$ 1,576,371</u>	<u>\$ 19,419,978</u>	<u>\$ 20,996,349</u>

See accompanying notes to basic financial statements.

COLLIN COUNTY COMMUNITY COLLEGE FOUNDATION, INC.**Statement of Activities
Year End August 31, 2020**

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Donations and grants, net of adjustment to discount on pledges receivable	\$ 37,225	\$ 1,808,469	\$ 1,845,694
Special events and fundraising	93,306	142,644	235,950
Less: cost of direct benefits to donors	(72,975)	-	(72,975)
Net investment returns	177,976	906,777	1,084,753
In-kind contributions	692,811	-	692,811
Net assets released from restrictions	<u>914,787</u>	<u>(914,787)</u>	<u>-</u>
Total revenues and other support	<u>1,843,130</u>	<u>1,943,103</u>	<u>3,786,233</u>
Expenses:			
Program expenses	<u>1,133,446</u>	<u>-</u>	<u>1,133,446</u>
Supporting services:			
General and administrative	144,509	-	144,509
Fundraising	<u>348,200</u>	<u>-</u>	<u>348,200</u>
Total supporting services	<u>492,709</u>	<u>-</u>	<u>492,709</u>
Total expenses	<u>1,626,155</u>	<u>-</u>	<u>1,626,155</u>
Total change in net assets	216,975	1,943,103	2,160,078
Net assets at beginning of year	<u>919,911</u>	<u>13,964,808</u>	<u>14,884,719</u>
Net assets at end of year	<u>\$ 1,136,886</u>	<u>\$ 15,907,911</u>	<u>\$ 17,044,797</u>

See accompanying notes to basic financial statements.

Collin County Community College District

Statement of Cash Flows For the Years Ended August 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Receipts from students and other customers	\$ 45,372,106	\$ 59,378,870
Receipts from grants and contracts	16,484,428	7,003,494
Other receipts	241,892	317,769
Payments to or on behalf of employees:		
Payments to employees	(131,988,867)	(115,981,223)
Payments for employee benefits	(20,128,623)	(16,167,397)
Payments to suppliers for goods and services	(81,021,053)	(26,115,474)
Payments for scholarships	(24,040,629)	(22,909,928)
Net cash used in operating activities	<u>(195,080,746)</u>	<u>(114,473,889)</u>
Cash flows from noncapital financing activities		
Receipts from state appropriations	39,843,128	39,845,411
Receipts from ad valorem taxes	121,110,120	115,464,477
Receipts from gifts, grants and contracts (other than capital)	33,107,077	30,661,545
Receipts for student organizations and other agency transactions	62,081	16,115
Net cash provided by noncapital financing activities	<u>194,122,406</u>	<u>185,987,548</u>
Cash flows from capital and related financing activities		
Proceeds from issuance of general obligation bonds	-	352,084,877
Bond issuance costs	-	(2,095,127)
Receipts from ad valorem taxes	3,318,646	3,158,839
Payments for capital assets	(92,175,649)	(229,146,850)
Payments on capital debt - principal	(20,564,644)	(12,260,882)
Payments on capital debt - interest	(22,971,991)	(8,261,849)
Receipts from gifts, grants and contracts - capital	100,000	6,100,000
Net cash provided/(used) by capital and related financing activities	<u>(132,293,638)</u>	<u>109,579,008</u>
Cash flows from investing activities		
Proceeds from sales and maturities of investments	92,269,477	135,867,763
Interest on investments	902,926	5,067,527
Purchase of investments	(100,678,405)	(105,997,902)
Net cash provided/(used) used in investing activities	<u>(7,506,002)</u>	<u>34,937,388</u>
Increase (decrease) in cash and cash equivalents	(140,757,980)	216,030,055
Cash and cash equivalents - beginning of year	501,524,544	285,494,489
Cash and cash equivalents - end of year	<u>\$ 360,766,564</u>	<u>\$ 501,524,544</u>
Reconciliation of cash and cash equivalents to Exhibit 1:		
Cash and cash equivalents	278,679,642	\$ 308,159,852
Restricted cash and cash equivalents	82,086,922	193,364,692
	<u>\$ 360,766,564</u>	<u>\$ 501,524,544</u>

See accompanying notes to basic financial statements.

Collin County Community College District
Statement of Cash Flows - continued
For the Years Ended August 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (200,346,816)	\$ (180,783,685)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	18,691,859	12,552,149
Payments made directly by state for benefits	10,374,642	10,862,570
Net OPEB expense	9,079,141	10,330,765
Pension expense	2,832,986	3,593,686
Changes in assets and liabilities		
Receivables, net	(299,966)	17,404,367
Inventories	-	5,545
Prepaid expenses	(1,596,418)	(480,027)
Deferred outflows related to pensions	(4,786,868)	(5,083,337)
Deferred outflows related to OPEB	(5,244,379)	(12,286,415)
Accounts payable & other accrued liabilities	(37,502,353)	11,515,573
Unearned revenue	2,849,794	198,575
Accrued salary and benefits	186,003	476,259
Pension liability	5,787,926	1,442,008
OPEB liability	4,364,413	16,926,807
Deferred inflows related to pensions	(1,001,058)	3,641,327
Deferred inflows related to OPEB	1,530,348	(4,790,056)
Net cash used in operating activities	<u>\$ (195,080,746)</u>	<u>\$ (114,473,889)</u>
Schedule of non-cash investing, capital, and financing activities:		
Payments made directly by state for benefits	\$ 23,737,197	\$ 18,650,302
Change in fair value of investments	72,165	(61,920)
Donated capital asset	72,388	209,422
Net amortization of bond premiums and discounts	(3,444,644)	(930,721)
Net non-cash investing, capital, and financing activities	<u>\$ 20,437,106</u>	<u>\$ 17,867,083</u>

NOTE 1. REPORTING ENTITY

The Collin County Community College District (“the District”) was established in 1985, in accordance with the laws of the State of Texas, to serve the educational needs of the District. The District’s student body is comprised mainly of residents of Collin County and surrounding communities. The District is considered to be a special-purpose entity, primary government according to the definition in Governmental Accounting Standards Board (“GASB”) Statement No. 14, *The Financial Reporting Entity*. While the District receives funding from local, state, and federal sources and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, gives guidance in determining whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationship with the primary government. It requires reporting as a component unit if the organization raises and holds economic resources for the direct benefit of the governmental unit and the component unit is significant compared to the primary government. GASB Statement No. 61 has been applied as required in the preparation of these financial statements, and as such, the District is including the Collin County Community College District Foundation (the “Foundation”) as a component unit, as noted below. The Foundation’s Financial Statements included in the District’s Annual Comprehensive Financial Report include the Statements of Financial Position as of August 31, 2020 and 2021, the Statement of Activities for the fiscal years ended August 31, 2021 and 2020.

The Foundation is a nonprofit organization with the sole purpose of supporting the education and other activities of the District. The District does not appoint a voting majority, nor is it obligated to pay debt related to the Foundation. The Foundation solicits donations and acts as coordinator of gifts made by other parties. The Foundation made restricted payments to or on behalf of the District in amounts totaling approximately \$1,103,517 and \$1,079,143 during the years ending August 31, 2021 and 2020, respectively. During the fiscal year, the District furnished certain services, such as office space, utilities and staff assistance to the Foundation. District funds used to support the Foundation for fiscal year ending August 31, 2021 and 2020 totaled \$580,138 and \$617,929, respectively. The costs of these services were not significant to the District. The financial position and results of operations of the Foundation are included in these financial statements in accordance with GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units – an Amendment of GASB Statement No. 14*, and Statement No. 61 *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34* as an affiliated entity because the Foundation’s sole function is to fund the District and its students.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Guidelines

The significant accounting policies followed by the District in preparing these financial statements are in accordance with the Texas Higher Education Coordinating Board's ("THECB") Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges. The District applies all applicable GASB pronouncements. The District is reported as a special-purpose government engaged in business-type activities. The District complies with the financial statement presentation format required by the THECB.

Tuition Discounting

Texas Public Education Grants

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. These funds, called the Texas Public Education Grant ("TPEG"), are shown with tuition and fee revenue amounts as a separate set aside amount (Texas Education Code §56.0333). When the award for tuition is used by the student, the amount is recorded as tuition and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount disbursed is recorded as scholarships expense.

Title IV Higher Education Authority (HEA) Program Funds

Certain Title IV HEA Program funds (Pell grants and FSEOG) are received by the District to pass through to the student. These funds are initially received by the District and recorded as restricted revenue. When the student is awarded and uses these funds for tuition and fees, a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

Other Tuition Discounts

The District awards tuition and fee scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the amounts are recorded as tuition and fee revenue and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as scholarship expense.

Basis of Accounting

The financial statements of the District are reported using the economic resources measurement focus and the accrual basis of accounting, whereby all revenues are recorded when earned and all expenses are recorded when the liability is incurred and they have been reduced to a legal or contractual obligation to pay.

Budgetary Data

Each community college district in Texas is required by law to prepare an annual operating budget of anticipated revenues and expenses for the fiscal year beginning September 1. The District's Board of Trustees adopts the budget, which is prepared on an accrual basis of accounting. A copy of the approved budget and subsequent amendments must be filed with the THECB, Legislative Budget Board, Legislative Reference Library, and Governor's Office of Budget and Planning by December 1. Board policy requires that the District maintain a minimum fund balance

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

equal to 25% of educational expenses adjusted for reserves and allocations. For the years ended August 31, 2021 and 2020, respectively, the minimum unrestricted fund balance to be maintained was \$48,349,554 and \$40,614,879. The District exceeded this minimum required fund balance for both years.

Cash and Cash Equivalents

The District considers cash and cash equivalents as cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The District also considers funds on deposit with TexPool, Texas Term, and TexSTAR, which are statewide investment pools, as cash and cash equivalents.

Investments

In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, 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 include investments with original maturities greater than one year at the time of purchase. The District intends to hold these investments until maturity.

Capital Assets

The District records capital assets at cost at the date of acquisition or fair value at the date of donation. The District's capitalization policy includes all assets with a purchase cost of \$5,000 or more and an estimated useful life in excess of one year. The District charges costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives to operating expense in the year in which the expense is incurred.

Depreciation on buildings and site improvements is calculated using the half-year convention, straight-line method with residual value of 10%. Depreciation on assets other than buildings and site improvements is computed using the straight-line method over the estimated useful lives of the assets applying the half-year convention and no residual value. Depreciation is not allocated to the functional expense categories. Expenditures for construction/work in progress are capitalized as incurred, but are not depreciable until assets are put into service.

The District reports capital assets net of accumulated depreciation. The following lives are used:

Buildings	50 years
Land Improvements	20 years
Library Books	15 years
Furniture, Equipment, and Vehicles	10 years
Telecommunications and Peripheral Equipment	5 years

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**Deferred Outflows of Resources**

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

Other Post-Employment Benefits (OPEB)

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

Pensions

The District participates in the Teacher Retirement System of Texas (TRS) pension plan, a multiple-employer cost sharing defined benefit pension plan with a special funding situation. The fiduciary net position of TRS has been determined 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.

Supplemental Tax-Sheltered Retirement Plan

Full time, benefits-eligible employees may elect to participate in a College District-sponsored supplemental tax-sheltered retirement plan that includes a dollar-for-dollar match of an employee's contributions to an individual tax-sheltered retirement account, up to a maximum of three percent of the employee's full-time salary.

Unearned Revenues

Unearned revenues primarily consist of tuition and fees related to academic terms in the next fiscal year. Unearned revenues related to grant funds pertain to funds received, but not yet expended.

Deferred Inflows of Resources

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

permitted to report deferred inflows of resources in circumstances specifically authorized by the GASB.

Estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Operating and Non-Operating Revenue and Expense Policy

The District distinguishes operating revenues and expenses from non-operating items. The District reports as a business type activity ("BTA") and as a single proprietary fund. Operating revenues and expenses generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues are tuition and related fees, auxiliary enterprises, and federal grants and contracts, excluding Title IV financial aid programs. The major non-operating revenues consist of state appropriations, property tax collections, federal grant revenue related to Title IV financial aid programs, and investment income. Operating expenses include providing educational services, administrative expenses, and depreciation on capital assets. Non-operating expenses consist of interest on capital related debt.

Income Tax Status

The District is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, etc.*, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, etc., Organizations*. The District had no significant unrelated business income tax liability for the years ended August 31, 2021 and 2020, and therefore, has not recorded a liability for income taxes.

Board Designations

Included in unrestricted net position are certain amounts that have been set aside by the Board. The Board has designated \$24,750,000 to provide maintenance and operations stabilization. Although maintenance and operations costs are budgeted yearly, this amount was set aside in case of decreased property values. The District also designated \$100,000 to cover insurance deductibles in the event of a catastrophic loss and \$30,000,000 for a health insurance reserve.

New Accounting Pronouncement-Implemented

GASB Statement No. 84, *Fiduciary Activities*.

The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement establishes criteria for identifying fiduciary activities of all state and local governments. Separate criteria are included to identify fiduciary component units and post-employment benefit arrangements that are fiduciary activities. This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Due to the immateriality of the total fiduciary activities throughout the fiscal year and the asset and liability balances at fiscal year

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

ending 2021, the District has chosen not to present the fiduciary financial statements separately. Instead, the liabilities are presented in the current liabilities section as Funds held for others in the Exhibit 1 - Statement of Net Position.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*

This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

The objective of this statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This is accomplished by postponing the effective dates of certain provisions in statements and implementation guides that first became effective or are scheduled to become effective for reporting periods beginning after June 15, 2018 and later. The effective dates of certain provisions contained in the following pronouncements are postponed by one year: Statement Nos. 83, 84, 88, 89, 90, 91, 92, 93, and Implementation Guide Nos. 2017-3, 2018-1, 2019-1, and 2019-2. The effective dates of the following pronouncements are postponed by 18 months: Statement No. 87 and Implementation Guide No. 2019-3.

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*.

The primary objectives of this statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this statement will improve financial reporting by providing users of financial statements with essential information related to presentation of majority equity interests in legally separate organizations.

GASB Statement No. 98, *The Annual Comprehensive Financial Report* – This statement was issued in October 2021 and establishes the term annual comprehensive financial report and its acronym ACFR. This new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This statement is effective for fiscal years ending after December 15, 2021, but earlier application is encouraged. The District implemented this statement in fiscal year 2021.

Pending Pronouncements

The following GASB pronouncements have been issued but not yet implemented by the District:

GASB Statement No. 87, *Leases*.

The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, as lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of

resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Implementation of this Statement for community colleges was originally planned for fiscal year 2021 but is now postponed to fiscal year 2022 as a result of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

GASB Statement No. 91, *Current Debt Obligations*.

The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period. Implementation of this Statement for community colleges was originally planned for fiscal year 2022, but is now postponed to fiscal year 2023 as a result of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

GASB Statement No. 92, *Omnibus 2020*.

The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. The statement addresses a variety of topics and includes the following: Statement No. 87, Statement No. 73, Statement No. 74, Statement No. 84, and other topics. The application of this statement is expected to provide more comparable reporting and improve the usefulness for financial statement users. Implementation of some requirements of this Statement for community colleges is planned for fiscal year 2020 and others are postponed to fiscal year 2022 as a result of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

GASB Statement No. 93, *Replacement of Interbank Offered Rates (IBOR)*.

The objective of this statement is to address accounting and financial reporting implications resulting from global reference rate reform. Government agreements in which variable payments made or received depend on IBOR, most notably the London Interbank Offered Rate (LIBOR), will be affected, as LIBOR will cease to exist at the end of 2021. Rate provisions in Statements 53 and 87 will also be affected. Implementation of this Statement for community colleges was

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

originally planned for fiscal year 2021, but is now postponed to fiscal year 2022 as a result of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs)*.

The objective of this statement is to improve financial reporting related to PPPs and APAs by establishing the definitions of these arrangements and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. This statement will enhance the decision usefulness of financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PP transactions. Implementation of this Statement for community colleges is planned for fiscal year 2023.

GASB Statement No. 96, *Subscriptions-Based Information Technology Arrangements (SBITA)*.

The objective of this statement is to (1) define a SBITA; (2) establish SBITA results in a right-to-use subscription (intangible) asset and a corresponding subscription liability; (3) provide the capitalization criteria for outlays other than subscription payments; and (4) require note disclosures regarding a SBITA. The statement provides an exception for short-term SBITAs with a maximum contract term of 12 months. Subscription payments for short-term SBITAs should be recognized as outflows of resources. Implementation of this Statement for community colleges is planned for fiscal year 2023.

GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment to GASB Statement No. 14 and 84, and a Supersession of GASB Statement No. 32*.

The primary objectives of this statement are the following: (1) increase consistency and comparability in the reporting of fiduciary component units where the potential component unit does not have a governing board and the primary government performs those duties; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and other employee benefit plans as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The requirements of reporting defined contribution plans, defined contribution OPEB plans, or other employee benefit plans that are administered through trusts are effective immediately. Implementation for the requirements related to reporting on fiduciary component units and 457 plans are planned for implementation by community college in fiscal year 2022.

NOTE 3. AUTHORIZED INVESTMENTS

The Board of Trustees of the District has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act (Sec. 2256, Texas Government Code, the "Act") as amended. This policy is reviewed and approved by the Board of Trustees annually. The policy allows the District to invest in selected investments authorized by the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include the following:

- Treasury bills, treasury notes, and treasury bonds of the United States and other direct obligations of the agencies and instrumentalities of the United States,
- FDIC insured or collateralized time or demand deposits issued by a state or national bank domiciled in this state that are guaranteed by the FDIC or secured by obligations described in Public Funds Collateral Act, Chapter 2257,
- Fully collateralized repurchase agreements as expressly defined by Texas Government Code 2256.011,
- Local government investment pools approved by the College District's Board, by resolution, with a continuous rating of no lower than AAA or an equivalent rating by at least one nationally recognized rate service, and striving to maintain a \$1 net asset value,
- No-load AAA-rated money market mutual funds as permitted by Texas Government Code 2256.014,
- Domestic commercial paper rated A1/P1 or equivalent with a maximum maturity of 270 days,
- Obligations of state, agencies, counties, cities, and other political subdivisions of any US state rated A or equivalent by a nationally recognized investment rating agency,
- FDIC insured, brokered certificates of deposit securities issued by any bank in the US delivered versus payment to the District's safekeeping agent, and
- Share certificates of credit unions domiciled in the state insured by the National Credit Union Insurance Fund,
- Interest bearing accounts in any bank in Texas, FDIC insured or collateralized in accordance with this policy.

NOTE 4. DEPOSITS AND INVESTMENTS

At August 31, 2021 and 2020, the net carrying amount of the District’s deposits were \$151,391 and (\$265,828) after reclassifying overdrafts of \$3,773,137 and \$6,007,233, respectively. Bank balances up to \$250,000 are covered by the Federal Depository Insurance Corporation and the remainder was covered by collateral pledged in the District’s name. The collateral was held in the District’s name by the safekeeping department of the Federal Reserve Bank, which acts as the pledging bank’s agent and had a fair value of \$649,133 as of August 31, 2021. The District is subject to custodial credit risk in the event of the bank’s nonperformance under the collateral agreement.

Cash and cash equivalents, as reported on Exhibit 1, Statements of Net Position, consist of the following items:

Cash and Cash Equivalents	As of August 31,	
	2021	2020
Petty cash on hand	\$ 38,600	\$ 23,600
Checking account	151,391	(265,828)
TexPool	315,869,057	457,081,555
TexSTAR	39,578,077	39,559,117
Texas TERM	5,129,439	5,126,100
Total cash and cash equivalents	<u>\$ 360,766,564</u>	<u>\$ 501,524,544</u>

In accordance with GASB Statement No. 79 – *Certain External Investment Pools and Pool Participants*, colleges may also report money market and other short-term, highly liquid investments at amortized cost, provided that the fair market value is not significantly different. This GASB Statement considers U.S. Treasury and agency obligations with maturities of less than one year to be money market investments.

As of August 31, 2021, the District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			Rating
		Less than 1 Year	1 to 2 Years	2 to 3 Years	
US Government Agencies	\$ 29,994,407	\$ -	\$ 5,000,062	\$ 24,994,345	AAA
Municipal Bonds	17,037,369	10,916,649	6,120,720	-	AA
Certificates of Deposit	47,563,456	47,563,456	-	-	FDIC insured
Commercial Paper	9,997,414	9,997,414	-	-	A1/P1
AIG 457(f)	128,762	128,762	-	-	
Total Fair Value	<u>\$ 104,721,408</u>	<u>\$ 68,606,281</u>	<u>\$ 11,120,782</u>	<u>\$ 24,994,345</u>	

NOTE 4. DEPOSITS AND INVESTMENTS-continued

Reconciliation of Deposits and Investments between Note 4 and Exhibit 1, Statement of Net Position at August 31, 2021 and 2020 is as follows:

	As of August 31,	
	2021	2020
Total cash and cash equivalents	\$ 360,766,564	\$ 501,524,544
Total investments - current	68,606,280	87,268,230
Total investments - noncurrent	36,115,128	9,183,558
Total	<u>\$ 465,487,972</u>	<u>\$ 597,976,332</u>

	As of August 31,	
	2021	2020
Per Exhibit 1:		
Cash and cash equivalents	\$ 278,679,642	\$ 308,159,852
Restricted cash and cash equivalents	82,086,922	193,364,692
Short term investments	68,606,280	87,268,230
Long term investments	36,115,128	9,183,558
Total	<u>\$ 465,487,972</u>	<u>\$ 597,976,332</u>

Restricted cash and cash equivalents represent unspent proceeds from the 2020 bond issuance. For additional information on the bond issuance, see Note 8 Bonds Payable.

Credit Risk

A primary stated objective of the District's Board-adopted Investment Policy is the safety of principal and avoidance of principal loss while meeting cash flow needs. Risk is controlled by investment only in the highest credit quality investments as defined by Policy. The investments primary objective is to ensure that capital losses are avoided, whether from security defaults or erosion of market value.

Credit risk within authorized investments of the District's portfolio is represented by only:

- Certificates of deposit from Texas banks and negotiable certificates of deposit of any bank,
- Repurchase agreements,
- Brokered certificate of deposit securities,
- Commercial paper, and
- Obligations of any state of the United States or any political subdivision of any U.S. state.

NOTE 4. DEPOSITS AND INVESTMENTS-continued

US Treasury and agency obligations are all AAA rated. The policy also includes a procedure for monitoring and liquidating any security which loses its required credit rating.

State law and the District's adopted Investment Policy restrict both time and demand deposits to those with banks doing business in the State of Texas and further require full FDIC insurance and 102% collateralization above FDIC coverage on all deposits. Collateral is held in an independent third-party institution and is marked to market on a monthly basis as a contractual responsibility of the bank. Collateral is restricted to fully guaranteed obligations of the US Government, its agencies or instrumentalities and reported by the custodian monthly.

Repurchase agreements are limited to those with defined termination dates and executed only with a primary dealer (as defined by the Federal Reserve) or a Texas bank. The transaction requires an industry standard, written master repurchase agreement and a minimum 102% margin on collateral as well as delivery versus payment settlement and independent safekeeping. Reverse repurchase securities must be matched to the underlying reverse maturity.

Commercial paper is restricted by Policy and state law to A1/P1 or equivalent by at least two nationally recognized rating agencies. Policy restricts the securities to 270 days to stated maturity.

The adopted Investment Policy restricts investment in money market mutual funds to those which are regulated by the SEC and comply with Rule 2a-7 of the SEC. The fund must be rated AAA or equivalent and strive to maintain a \$1 net asset value.

Local government investment pools are restricted by state law and policy. Pools for the District must strive to maintain a \$1 net asset value. Local government investment pools in Texas are required to be rated AAA, or equivalent by at least one nationally recognized rating agency.

Governmental debt of states, agencies, counties, cities, and other political subdivisions of any US state must be rated A or better by one national recognized credit rating agency.

Share certificates of credit unions in Texas must be insured by the National Credit Union Insurance Fund.

As of August 31, 2021, percentages of each investment type to the total portfolio:

- Local government debt obligations represented 3.68%,
- Commercial paper represented 2.15%,
- US agency obligations represented 6.45%,
- Investment in local government investment pools represented 77.49%,
- Certificates of deposit represented 10.22%, and
- Depository demand deposits represented 0.02%.

NOTE 4. DEPOSITS AND INVESTMENTS-continued

Concentration of Credit Risk

The District recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The adopted Investment Policy establishes diversification as a major objective of the investment program.

As of August 31, 2021, all funds were diversified as shown above.

Interest Rate Risk

In order to limit interest and market rate risk from changes in interest rates, the District’s adopted Investment Policy sets a maximum maturity limit of three (3) years. The maximum weighted average maturity (WAM) is restricted to twelve (12) months.

As of August 31, 2021, the portfolio contained:

- No holdings with a stated maturity date beyond 1,092 days,
- Holdings maturing beyond one year represented 7.76% of the total portfolio,
- The dollar weighted average maturity of the Pooled Funds portfolio was 99 days,
- The portfolio contained six (6) structured notes as shown below.

Issuer	Par	Coupon	Purchase Date	Maturity Date	Call Date	Structure	Book Value	Market Value
FFCB	\$ 5,000,000	0.300%	9/16/2020	9/1/2023	9/1/2021	Callable anytime w/5 business day notice	\$ 5,000,000	\$ 5,000,062
FFCB	5,000,000	0.280%	9/16/2020	9/14/2023	9/14/2021	Callable anytime w/5 business day notice	4,999,818	4,998,432
State of Hawaii	3,000,000	0.429%	10/29/2020	10/1/2022	8/31/2021	M-W call anytime	3,000,000	3,008,730
FHLB	5,000,000	0.400%	3/12/2021	3/12/2024	9/12/2021	Callable monthly w/5 business day notice	5,000,000	5,000,487
FHLB	10,000,000	0.400%	6/28/2021	6/28/2024	12/28/2021	Callable quarterly w/5 business day notice	10,000,000	9,994,227
FHLB	5,000,000	0.500%	8/30/2021	8/28/2024	2/28/2022	Callable quarterly w/5 business day notice	5,000,000	5,001,200
Total							<u>\$ 32,999,818</u>	<u>\$ 33,003,138</u>

Custodial Credit Risk

To control custody and safekeeping risk, state law and the District’s adopted Investment Policy requires collateral for all time and demand deposits, as well as collateral for repurchase agreements, be transferred delivery versus payment and held by an independent party approved by the District and held in the District’s name. The custodian is required to provide original safekeeping receipts and monthly reporting of positions with position descriptions. Repurchase agreements and deposits must be collateralized to 102% and be executed under written agreements. The counter-party of each type transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

NOTE 4. DEPOSITS AND INVESTMENTS-continued

As of August 31, 2021, the portfolio:

- Contained no repurchase agreements,
- All bank deposits were fully insured and collateralized to 102%, and
- All pledged bank collateral for demand deposits was held by an independent institution outside the bank’s holding company.

Following is a list of the individual investments held and their respective credit ratings as of August 31, 2021:

Investment Type	Rating
U.S. Government	
FFCB	AAA
FHLB	AAA
Municipal Bonds	
State of Connecticut	AA-
State of Hawaii	AA
Jersey City NJ	MIG1
Commercial Paper	
Barclays Bank	A1/P1
Certificates of Deposit	
East West Bank	Collateralized

Fair Value of Financial Instruments

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to their fair value measurement of the instrument. 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 District 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.

Because the District investments are restricted by Policy and state law to active secondary market, the *market approach* is being used for valuation. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities.

NOTE 4. DEPOSITS AND INVESTMENTS-continued

The *exit* or fair market prices used for these market valuations of the portfolio are all Level 1 and Level 2 and represent unadjusted quoted prices in active markets for identical assets and liabilities that have been accessed at the measurement date.

Fair Value Hierarchy of investments at August 31, 2021 and 2020:

	Fiscal Year 2021			Fiscal Year 2020	
	Level 1	Level 2	Level 3	Total	Total
US Government Agencies	29,994,407	-	-	29,994,407	-
Municipal Obligations	17,037,369	-	-	17,037,369	9,183,558
Commercial Paper	-	9,997,414	-	9,997,414	39,944,658
Total Fair Value	<u>\$ 47,031,776</u>	<u>\$ 9,997,414</u>	<u>\$ -</u>	<u>\$ 57,029,190</u>	<u>\$ 49,128,216</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements
August 31, 2021 and 2020****NOTE 5. CAPITAL ASSETS**

The following table summarizes changes in capital assets balances for the year ended August 31, 2021:

	Balance 8/31/2020	Increases	(Decreases) Adjustments	Balance 8/31/2021
Not Depreciated				
Land	\$ 44,610,763	\$ -	\$ -	\$ 44,610,763
Construction/Work in Progress	83,325,235	79,706,523	(146,132,147)	16,899,611
Subtotal	<u>127,935,998</u>	<u>79,706,523</u>	<u>(146,132,147)</u>	<u>61,510,374</u>
Depreciable Assets				
Buildings	657,323,935	121,210,551	-	778,534,486
Land Improvements	20,180,710	-	-	20,180,710
Equipment	34,536,129	37,105,827	(689,555)	70,952,401
Library Books	10,774,298	380,872	(206,512)	10,948,658
WAN/LAN Network Equipment	2,940,746	-	-	2,940,746
Subtotal	<u>725,755,818</u>	<u>158,697,250</u>	<u>(896,067)</u>	<u>883,557,001</u>
Accumulated Depreciation				
Buildings	89,445,751	13,145,580	-	102,591,331
Land Improvements	13,290,113	603,616	-	13,893,729
Equipment	22,460,833	4,329,217	(664,679)	26,125,371
Library Books	6,444,970	611,894	(206,512)	6,850,352
WAN/LAN Network Equipment	2,918,239	1,552	-	2,919,791
Subtotal	<u>134,559,906</u>	<u>18,691,859</u>	<u>(871,191)</u>	<u>152,380,574</u>
Net Depreciable Assets	<u>591,195,912</u>	<u>140,005,391</u>	<u>(24,876)</u>	<u>731,176,427</u>
Net Capital Assets	<u>\$ 719,131,910</u>	<u>\$ 219,711,914</u>	<u>\$ (146,157,023)</u>	<u>\$ 792,686,801</u>

NOTE 5. CAPITAL ASSETS-continued

For comparison purposes, the following table summarizes changes in capital assets balances for the year ended August 31, 2020:

	Balance 8/31/2019	Increases	(Decreases) Adjustments	Balance 8/31/2020
Not Depreciated				
Land	\$ 44,610,763	\$ -	\$ -	\$ 44,610,763
Construction/Work in Progress	181,771,116	221,594,116	(320,039,997)	83,325,235
Subtotal	<u>226,381,879</u>	<u>221,594,116</u>	<u>(320,039,997)</u>	<u>127,935,998</u>
Depreciable Assets				
Buildings	337,283,938	320,039,997	-	657,323,935
Land Improvements	20,180,710	-	-	20,180,710
Equipment	29,608,124	6,529,025	(1,601,020)	34,536,129
Library Books	10,484,298	1,023,709	(733,709)	10,774,298
WAN/LAN Network Equipment	2,940,746	-	-	2,940,746
Subtotal	<u>400,497,816</u>	<u>327,592,731</u>	<u>(2,334,729)</u>	<u>725,755,818</u>
Accumulated Depreciation				
Buildings	80,337,641	9,108,110	-	89,445,751
Land Improvements	12,672,426	617,687	-	13,290,113
Equipment	21,823,668	2,238,185	(1,601,020)	22,460,833
Library Books	6,592,064	586,615	(733,709)	6,444,970
WAN/LAN Network Equipment	2,916,687	1,552	-	2,918,239
Subtotal	<u>124,342,486</u>	<u>12,552,149</u>	<u>(2,334,729)</u>	<u>134,559,906</u>
Net Depreciable Assets	<u>276,155,330</u>	<u>315,040,582</u>	<u>-</u>	<u>591,195,912</u>
Net Capital Assets	<u>\$ 502,537,209</u>	<u>\$ 536,634,698</u>	<u>\$ (320,039,997)</u>	<u>\$ 719,131,910</u>

NOTE 6. LONG-TERM LIABILITIES

The following table summarizes changes in long-term liabilities for the year ended August 31, 2021:

	Balance 9/1/2020	Additions	Reductions	Amortization of Premium	Amortization of Discount	Balance 8/31/2021	Current Portion	Non-Current Portion
Bonds								
General obligation bonds								
Series 2010	\$ 7,126,043	\$ -	\$ (7,000,000)	\$ (126,043)	\$ -	\$ -	\$ -	\$ -
Series 2018	237,911,068	-	(8,205,000)	(931,437)	43,322	228,817,953	8,530,000	220,287,953
Series 2020	351,274,716	-	(1,915,000)	(2,430,486)	-	346,929,230	7,375,000	339,554,230
Subtotal	596,311,827	-	(17,120,000)	(3,487,966)	43,322	575,747,183	15,905,000	559,842,183
Accrued Compensable Absence	1,760,786	3,874,265	(3,688,262)	-	-	1,946,789	208,425	1,738,364
Net Pension Liability	36,646,040	9,056,977	(3,269,051)	-	-	42,433,966	-	42,433,966
Net OPEB Liability	82,437,297	20,712,462	(16,348,049)	-	-	86,801,710	2,895,395	83,906,315
Total	\$ 717,155,950	\$ 33,643,704	\$ (40,425,362)	\$ (3,487,966)	\$ 43,322	\$ 706,929,648	\$ 19,008,820	\$ 687,920,828

For comparison purposes, the following table summarizes changes in long-term liabilities for the year ended August 31, 2020:

	Balance 9/1/2019	Additions	Reductions	Amortization of Premium	Amortization of Discount	Balance 8/31/2020	Current Portion	Non-Current Portion
Bonds								
General obligation bonds								
Series 2010	\$ 9,803,649	\$ -	\$ (2,635,000)	\$ (42,606)	\$ -	\$ 7,126,043	\$ 2,760,000	\$ 4,366,043
Series 2018	246,684,183	-	(7,885,000)	(931,437)	43,322	237,911,068	8,205,000	229,706,068
Series 2020	-	352,084,877	-	(810,161)	-	351,274,716	1,915,000	349,359,716
Subtotal	256,487,832	352,084,877	(10,520,000)	(1,784,204)	43,322	596,311,827	12,880,000	583,431,827
Accrued Compensable Absences	1,284,527	3,088,020	(2,611,761)	-	-	1,760,786	102,025	1,658,761
Net Pension Liability	35,204,032	1,442,008	-	-	-	36,646,040	-	36,646,040
Net OPEB Liability	65,510,490	16,926,807	-	-	-	82,437,297	2,612,800	79,824,497
Total	\$ 358,486,881	\$ 373,541,712	\$ (13,131,761)	\$ (1,784,204)	\$ 43,322	\$ 717,155,950	\$ 15,594,825	\$ 701,561,125

NOTE 7. DEBT AND LEASE OBLIGATIONS

Debt service requirements as of August 31, 2021, were as follows:

Included in operating expenses is \$716,679 and \$518,195 of rental and operating leases paid during fiscal years 2021 and 2020, respectively.

Year Ended <u>August 31,</u>	General Obligation Bonds		
	Principal	Interest	Total
2022	\$ 15,905,000	\$ 22,069,156	\$ 37,974,156
2023	18,215,000	21,273,906	39,488,906
2024	20,485,000	20,363,156	40,848,156
2025	21,615,000	19,338,906	40,953,906
2026	22,695,000	18,258,156	40,953,156
2027-31	131,540,000	73,218,331	204,758,331
2032-36	164,105,000	40,651,226	204,756,226
2037-40	119,910,000	9,006,100	128,916,100
Subtotal	<u>514,470,000</u>	<u>224,178,937</u>	<u>738,648,937</u>
Net Premium/ Discount	61,277,183	-	61,277,183
Total	<u>\$ 575,747,183</u>	<u>\$ 224,178,937</u>	<u>\$ 799,926,120</u>

Future minimum lease payments under non-cancelable operating leases having an initial term in excess of one year as of August 31, 2021 are as follows:

Year Ended	Future Minimum Lease Payments
2022	\$ 546,222
2023	546,222
2024	77,016
2025	77,016
2026	167,712
2027	-
	<u>\$ 1,414,188</u>

NOTE 8. BONDS PAYABLE

Bonds payable as of August 31, 2021 and 2020 consisted of the following:

Bond issue	Purpose	Date Issued	Amount Issued and Authorized	Revenue Source	Outstanding Balance August 31, 2021	Outstanding Balance August 31, 2020
Series 2010 Limited Tax Refunding Bonds	Refunded 2002 and 2003 Tax Bonds	11/2/2010	\$ 24,099,912	Ad valorem taxes	\$ -	\$ 7,126,043
Series 2018 Limited Tax Bonds	Constructing, renovating, improving and equipping school buildings and purchasing necessary sites	4/12/2018	\$ 252,308,336	Ad valorem taxes	\$ 228,817,953	\$ 237,911,068
Series 2020 Limited Tax Bonds	Constructing, renovating, improving and equipping school buildings and purchasing necessary sites	4/7/2020	\$ 352,084,877	Ad valorem taxes	\$ 346,929,230	\$ 351,274,716
Total					\$ 575,747,183	\$ 596,311,827

Bonds payable are due in annual principal installments varying from \$1,345,000 to \$23,506,200 with interest rates of 3.00% to 5.00% and the final installments are due in 2040.

On September 28, 2010, the Board approved the sale of \$23,800,000 Limited Tax Refunding Bonds. The sale closed and funds were received on November 2, 2010 with an average coupon rate of 4.2 percent. Proceeds from the sale totaling \$26,805,157, including \$543,227 in premium, were used to refund \$24,090,000 of the District’s outstanding Limited Tax Improvement Bonds, Series 2002, and Series 2003, lowering the overall debt service requirements for the District. Issuance costs related to the refunding totaled \$243,315. As required by GASB Statement No. 65, debt issuance costs are now required to be expensed in the year they are incurred. The District expensed the remaining issuance costs totaling \$190,040 in 2014. The net premium continues to be amortized over the life of the bonds using the straight-line method. An economic gain (the difference between net present values of the debt service payments on the old and new debt adjusted for cash paid out) of \$1,472,957 was obtained by the refunding. The Limited Tax Refunding Bonds, Series 2010 was paid off in the amount of \$7,021,540 in September 2020.

On January 23, 2018, the Board approved the sale of Limited Tax Bonds, Series 2018 with the following parameters:

- Maximum principal amount not to exceed \$250 million

NOTE 8. BONDS PAYABLE-continued

- Maximum borrowing cost as measured by the True Interest Cost not to exceed 4.25%
- Final maturity on or before August 15, 2038

The sale of the bond issue closed on April 12, 2018 with an average coupon rate of 3.95%. Proceeds from the sale totaling \$252,308,336 included a net premium of \$18,058,336. The bonds are payable over 20 years, and the net premium is amortized over the life of the bonds using the straight-line method. The District paid and expensed as Other non-operating expenses in fiscal year 2018 a total of \$2.3 million for bond issuance cost and underwriter's discount in connection with the Series 2018 bond issuance.

On February 25, 2020 the Board approved the sale of Limited Tax Bonds, Series 2020 with the following parameters:

- Maximum principal amount not to exceed \$350 million
- Maximum borrowing cost as measured by the True Interest Cost not to exceed 4.0%
- Final maturity on or before August 15, 2040

The sale of the bond issue closed on April 7, 2020 with an average coupon rate of 4.11%. Proceeds from the sale totaling \$352,084,877 included a net premium of \$49,419,877. The bonds are payable over 20 years, and the net premium is amortized over the life of the bonds using the straight-line method. The District paid and expensed as Other non-operating expenses in the current fiscal year a total of \$2.1 million for bond issuance cost and underwriter's discount in connection with the Series 2020 bond issuance.

The tax rates authorized and assessed to pay principal and interest on the Series 2010, Series 2018 and Series 2020 bonds are discussed in Note 16.

NOTE 9. EMPLOYEES' RETIREMENT PLAN**Defined Benefit Plan****Plan Description**

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

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

Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at https://www.trs.texas.gov/Pages/about_archive_cafr.aspx (select *About TRS*, then *Publications*, then *Financial Reports*); or write to TRS at 1000 Red River Street, Austin, TX 78701-2698.

Benefits Provided

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

Texas Government Code Section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years or, if the amortization period already exceeds 31 years, the period would be increased by such action.

NOTE 9. EMPLOYEES’ RETIREMENT PLAN-continued

Contributions

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

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

	<u>Contribution Rates</u>	
	2021	2020
Member	7.70%	7.70%
Non-Employer Contributing Entity (State) and Employer (District)	7.50%	7.50%
FY2020 Member Contributions	\$ 6,035,565	
FY2020 District Contributions	\$ 3,278,320	
FY2020 State of Texas On-Behalf Contributions	\$ 2,621,649	

The District’s contributions to the TRS pension plan in fiscal year 2021 was \$3,928,024, as reported in the Schedule of District Contributions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for fiscal year 2021 was \$3,127,055.

- 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.

NOTE 9. EMPLOYEES’ RETIREMENT PLAN-continued

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

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

Actuarial Assumptions

The total pension liability in the August 31, 2020, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	8/31/2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Single Discount Rate	7.25%
Long-term expected Investment Rate of Return	7.25%
Municipal Bond Rate	2.33%
Last year ending August 31 in the 2016 to 2115	
Projection period (100 years)	2119
Inflation	2.30%
Salary Increases including inflation	3.05% to 9.05%
Ad hoc post-employment benefit changes	None

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 used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2020.

NOTE 9. EMPLOYEES' RETIREMENT PLAN-continued

Discount Rate

The single discount rate used to measure the total pension liability was 7.25%. The single discount rate was based on the expected rate of return on pension plan investments of 7.25%. 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 session. It is assumed that future employer and state contributions will be 8.50% of payroll in fiscal year 2020 gradually increasing to 9.55% of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all 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.

The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the system's target asset allocation, are summarized below:

NOTE 9. EMPLOYEES' RETIREMENT PLAN-continued

Asset Class	Target Allocation¹ %	Long-Term Expected Geometric Real Rate of Return²	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.0%	3.9%	1.0%
Non-U.S. Developed	13.0%	5.1%	0.9%
Emerging Markets	9.0%	5.6%	0.8%
Private Equity	14.0%	6.7%	1.4%
Stable Value			
Government Bonds	16.0%	-0.7%	-0.1%
Stable Value Hedge Funds	5.0%	1.9%	0.1%
Absolute Return (Including Credit Sensitive Investments)	-	1.8%	-
Real Return			
Real Assets	15.0%	4.6%	1.0%
Energy, Natural Resources and Infrastructure	6.0%	6.0%	0.4%
Commodities	-	0.8%	-
Risk Parity			
Risk Parity	8.0%	3.0%	0.3%
Asset Allocation Leverage			
Cash	2.0%	-1.5%	0.0%
Asset Allocation Leverage	-6.0%	-1.3%	0.1%
Inflation Expectation	-	-	2.0%
Volatility Drag ³	-	-	-0.7%
Expected Return	100.00%		7.33%

¹ Target allocations are based on the FY2020 policy model

² Capital Market Assumptions come from Aon Hewitt (as of 8/31/2020)

³ The volatility drag results from the conversion between arithmetic and geometric mean returns

NOTE 9. EMPLOYEES’ RETIREMENT PLAN-continued

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (7.25%) in measuring the 2020 Net Pension Liability.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Collin County Community College District proportionate share of the net pension liability	\$ 65,432,416	\$ 42,433,966	\$ 23,748,229

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

At August 31, 2021, the District reported a liability of \$42,433,966 for its proportionate share of the TRS’s net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

Collin County Community College District's proportionate Share of the collective net pension liability	\$ 42,433,966
State's proportionate share that is associated with the District	33,725,103
Total	<u>\$ 76,159,069</u>

The net pension liability was measured as of August 31, 2020, and rolled forward to August 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer’s proportion of the net pension liability was based on the employer’s contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2019, through August 31, 2020.

At the measurement date of August 31, 2020, the employer’s proportion of the collective net pension liability was .0792299893% which was an increase of .0087339597% from its proportion measured as of August 31, 2019.

NOTE 9. EMPLOYEES' RETIREMENT PLAN-continued

Changes Since the Prior Actuarial Valuation

- The actuarial assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019. For a full description of these assumptions, please see the actuarial valuation report dated November 14, 2019.

For the year ended August 31, 2021, the District recognized pension expense of \$6,751,741 and an additional on-behalf revenue and expense of \$4,056,381 for support provided by the State. Refer to the fiscal year 2019 Schedule of On-Behalf Contributions for this information posted on the TRS website under GASB Statements 67 & 68.

At August 31, 2021, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 77,481	\$ 1,184,219
Changes in actuarial assumptions	9,846,190	4,186,531
Net differences between projected and actual investment earnings	859,039	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	6,116,621	605,276
Contributions paid to TRS subsequent to the measurement date	3,928,024	-
Total	<u>\$ 20,827,355</u>	<u>\$ 5,976,026</u>

NOTE 9. EMPLOYEES’ RETIREMENT PLAN-continued

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

<u>Year ended August 31:</u>	<u>Pension Expense Amount</u>	
2021	\$	1,858,973
2022		3,369,834
2023		3,430,198
2024		1,760,385
2025		333,725
Thereafter		170,188
 Total	 \$	 <u>10,923,303</u>

Optional Retirement Plan-Defined Contribution Plan

Plan Description

Participation in the Optional Retirement Program 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 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 Legislature. The percentages of participant salaries currently contributed by the state and each participant are 6.60% and 6.65%, respectively. The District contributes 1.75% for employees who were participating in the optional retirement. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the State has no additional or unfunded liability for this program. Senate Bill (S.B.) 1812, 83rd Texas Legislature, Regular Session, effective September 1, 2013 limits the amount of the State’s contribution to 50% of eligible employees in the reporting District.

The retirement expense to the state for the District for ORP was \$692,754 and \$648,832 for fiscal years ended August 31, 2021 and 2020, respectively. This amount represents the portion of expended appropriations made by the Legislature on behalf of the District.

The total payroll for all college employees was \$132,174,866 and \$116,469,272 for fiscal years 2021 and 2020, respectively. The total payroll of employees covered by the TRS was \$94,008,898 and \$78,435,332, and the total payroll of employees covered by the Optional Retirement Program was \$20,992,550 and \$19,661,576 for fiscal years 2021 and 2020, respectively.

Other

Part-time employees of the District are required to participate in the Program for Extra Retirement Compensation (the PERC plan) unless exempt. The PERC plan, as established by the District under the provisions of the Omnibus Budget Reconciliation Act of 1990, requires participants to

NOTE 9. EMPLOYEES' RETIREMENT PLAN-continued

contribute 7.5% of their pay to a tax-sheltered annuity administered by Metropolitan Life Insurance Company. Contributions to the PERC plan are immediately 100% vested. The District makes no contributions to the PERC plan. Total payroll of participants in the PERC plan was \$13,496,770 and \$14,650,763 for the years ended August 31, 2021 and 2020, respectively.

NOTE 10. DEFERRED COMPENSATION PROGRAM

Employees of the District may elect to defer a portion of their earnings for income tax and investment purposes pursuant to the authority granted under Government Code 609.001.

<u>Deferred Compensation Programs</u>	<u>2021</u>	<u>2020</u>
403(b) Tax Sheltered Annuity (TSA)		
Number of Participants	1,012	838
Employee Contributions	\$ 4,329,706	\$ 3,841,944
Employer Contributions	\$ 1,959,975	\$ 1,780,906
Section 457 Deferred Compensation (DCP)		
Number of Participants	47	44
Employee Contributions	\$ 496,941	\$ 449,336
Section 457 Roth Deferred Compensation (DCP)		
Number of Participants	23	14
Employee Contributions	\$ 161,856	\$ 72,721

The District established the *Collin Invests Enhanced Retirement Savings Plan (The Plan)* and began offering benefits of The Plan beginning September 2019. The Plan allows for full-time benefits-eligible employees to participate in a College District-sponsored supplemental tax - sheltered retirement plan that includes a dollar-for-dollar match of an employee’s contributions to an individual tax-sheltered retirement account (up to a maximum of three percent of the employee’s full-time salary). Employer contributions are subject to budget availability. Employer expenses for the 403(b) District matching TSA recorded for fiscal year ending 2021 totaled \$1,959,975. Of the 1,012 participants, 278 were not vested at year end.

The District does not contribute to the Section 457 DCP. The DCP is not included in the basic financial statements because the programs’ assets are assets of the plan participants and not of the District.

NOTE 11. COMPENSABLE ABSENCES

Vacation is earned in varying amounts up to a maximum of 21 days for employees with 11 years or more of service. Unused vacation leave carried forward from one year to the next is limited to 15 days for each employee. Upon termination, employees are paid for earned but unused vacation for the current year and up to the 10-day maximum allowed for unused vacation carried over from the prior year. The District recognized the accrued liability for the unpaid annual leave in the amounts of \$1,946,789 and \$1,760,786 for the years ended August 31, 2021 and 2020, respectively.

District employees are entitled to sick leave, which is accumulated, but does not vest. Therefore, no liability for accumulated sick leave has been recorded in the accompanying basic financial statements.

NOTE 12. HEALTHCARE AND LIFE INSURANCE BENEFITS

Certain health care and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing these benefits by expending the annual insurance premiums. SB 1812, effective September 1, 2013, limits the amount of the state’s contribution to fifty percent of eligible employees in the reporting district. The employees’, and the state’s/employer’s contributions per full time employee per month are noted below.

HealthSelect of Texas Plan	2021		2020	
	Employee Contribution	State/Employer Contribution	Employee Contribution	State/Employer Contribution
Member Only	\$ -	\$ 624.82	\$ -	\$ 624.82
Member & Spouse	\$ 357.54	\$ 982.36	\$ 358.00	\$ 982.82
Member & Child(ren)	\$ 239.38	\$ 864.20	\$ 239.70	\$ 864.52
Member & Family	\$ 596.92	\$ 1,221.74	\$ 597.70	\$ 1222.52

These on-behalf payments are recognized as revenues and expenses by the District in the period expended.

In addition to the pension benefits described in Note 9, the State provides certain healthcare and life insurance benefits for active retired employees. Almost all of the employees may be eligible for those benefits if they reach normal retirement age with at least ten years of TRS/ORP eligible service credit while working for the State. See Note 13 for additional information on retiree benefits. The cost of retirees and active employees’ health care is provided in the table below:

State/Employer Contribution for Health Care Insurance
(includes basic life insurance rate)

Cost of Providing Health Care Insurance	2021	2020
Number of Retirees	302	273
Cost of Health Benefits for Retirees	\$ 2,597,710	\$ 2,313,451
Number of Active Full Time Employees	1,497	1,353
Cost of Health Benefits for Active Full Time Employees	\$ 12,807,325	\$ 11,361,203
State Appropriation for Health Insurance	\$ 5,627,503	\$ 5,627,503
District's Expense	\$ 9,777,532	\$ 8,047,151

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS (OPEB)**Plan Description**

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

OPEB Plan Fiduciary Net Position

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

Benefits Provided

Retiree health benefits offered through the GBP are available to most State of Texas retirees and their eligible dependents. Participants need at least ten years of service credit with an agency or institution that participates in the GBP to be eligible for GBP retiree insurance. The GBP provides self-funded group health (medical and prescription drug) benefits for eligible retirees under HealthSelect. The GBP also provide 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.

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued

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

**Maximum Monthly Employer Contribution
Retiree Health and Basic Life Premium
Fiscal Year 2020**

	2020
Retiree only	\$ 624.82
Retiree & Spouse	\$ 982.82
Retiree & Children	\$ 864.52
Retiree & Family	\$ 1,222.52

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

**Premium Contributions by Source
Group Benefits Program Plan
For the Years Ended August 31, 2020 and 2019**

	2020	2019
Employer	\$ 7,896,606	\$ 7,067,769
Members (Employees)	\$ 4,290,540	\$ 3,824,137
Nonemployer Contributing Entity (State of Texas)	\$ 5,627,503	\$ 5,396,028

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of August 31, 2020 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued

**Actuarial Assumptions
ERS Group Benefits Program Plan**

Valuation Date	August 31, 2020
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Pay, Open
Remaining Amortization Period	30 Years
Asset Valuation Method	N/A
Discount Rate	2.20%
Projected Annual Salary Increase (includes inflation)	2.30% to 9.05%, including inflation
Annual Healthcare Trend Rate	<p><u>Health Select</u>: 8.80% for FY22, 5.25% for FY23, 5.00% for FY24, 4.75% for FY25, 4.60% for FY26, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY29 and later years.</p> <p><u>Health Select Medicare Advantage</u>: - 53.30% for FY22, 0.0% for FY23, 66.67% for FY24, 24.00% for FY25, 4.60% for FY26, decreasing 10 basis points per year to an ultimate rate of 4.30% for FY29 and later years.</p> <p><u>Pharmacy</u>: 10.00% for FY22 and FY23, decreasing 100 basis points per year to 5.00% for FY28 and 4.30% for FY29 and later years.</p>
Inflation Assumption Rate	2.30%
Ad hoc post-employment benefit changes	None
Mortality Assumptions:	<p><u>State Agency Members</u></p> <p>- <i>Service Retirees, Survivors and other inactive Members (Regular, Elected, CPO/CO and its JRS I and II Employee Classes)</i>: 2020 State Retirees of Texas Mortality table with a 1 year set forward for male CPO/CO members and Ultimate MP Projection Scale projected from the year 2020</p>

**Notes to Basic Financial Statements
August 31, 2021 and 2020**

	<p>- <i>Disability Retirees (Regular, Elected CPO/CO and JRS I and II Employee Classes):</i> 2020 State Retirees of Texas Mortality table with a 3 year set forward for males and females with minimum rates at all ages of 3.0% for males and 2.5% for females, and Ultimate MP Projection Scale projected from the year 2020</p> <p>- <i>Active Members:</i> Pub-2010 General Employees Active Member Mortality table for non-CPO/CO members and Pub-2010 Public Safety Active Member Mortality table for CPO/CO members with Ultimate MP Projection Scale from the year 2010</p> <p><u>Higher Education Members</u></p> <p>- <i>Service Retirees, Survivors and other Inactive Members:</i> Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018</p> <p>- <i>Disability Retirees:</i> Tables based on TRS experience with Ultimate MP Projection Scale projected from the year 2018 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members</p> <p>- <i>Active Members:</i> Sex Distinct RP-2014 Employee Mortality multiplied by 90% with Ultimate MP Projection Scale from the year 2014</p>
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NOTE 13. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued

Investment Policy

The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System’s Board of Trustees adopted the amendment to the investment policy in August 2017 to require that all funds in the plan be invested in short-term fixed income securities and specify that the expected rate of return on these investments is 2.4%.

Discount Rate

Because the GBP does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bonds rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement year was 2.97%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 2.20%, which amounted to a decrease of 0.77%. The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds average credit quality is roughly equivalent to Moody’s Investors Service’s Aa2 rating and Standard & Poor’s Corp’s AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go 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.

Discount Rate Sensitivity Analysis

The following schedule shows the impact on the District’s proportionate share of the collective net OPEB Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (2.20%) in measuring the net OPEB Liability.

	1% Decrease in Discount Rate (1.20%)	Discount Rate (2.20%)	1% Increase in Discount Rate (3.20%)
Collin County Community College District proportionate share of the net OPEB liability	\$ 103,169,955	\$ 86,801,710	\$ 73,978,659

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued

Healthcare Trend Rate Sensitivity Analysis

The initial healthcare trend rate is 8.8% and the ultimate rate is 4.3%. The following schedule shows the impact on the District's proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used (8.8% decreasing to 4.3%) in measuring the net OPEB Liability.

	1% Decrease (HealthSelect: 7.80% decreasing to 3.30%; HealthSelect Medicare Advantage: -54.30% to 3.30%; Pharmacy: 9.00% decreasing to 3.30%)	(HealthSelect: 8.80% decreasing to 4.30%; HealthSelect Medicare Advantage: -53.30% to 4.30%; Pharmacy: 10.00% decreasing to 4.30%)	1% Increase (HealthSelect: 9.80% decreasing to 5.30%; HealthSelect Medicare Advantage: -52.30% to 5.30%; Pharmacy: 11.00% decreasing to 5.30%)
Collin County Community College District proportionate share of the net OPEB liability	\$ 72,647,322	\$ 86,801,710	\$ 105,356,636

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

At August 31, 2021, the District reported a liability of \$86,801,710 for its proportionate share of the ERS's net OPEB liability. This liability reflects a reduction for State support provided to the District for OPEB. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

Collin County Community College District's proportionate Share of the collective net OPEB liability	\$ 86,801,710
State's proportionate share that is associated with the District	61,859,090
Total	<u>\$ 148,660,800</u>

The net OPEB liability was measured as of August 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2019, thru August 31, 2020.

At the measurement date of August 31, 2020, the employer's proportion of the collective net OPEB liability was 0.26268022%.

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued

For the year ended August 31, 2021, the District recognized OPEB expense of \$11,380,967 and an additional on-behalf revenue and expense of \$725,214 for support provided by the State.

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

- Demographic assumptions (including rates of retirement, disability, termination, mortality, and assumed salary increases) for higher education members have been updated to reflect assumptions recently adopted by the trustees from the Teachers Retirement System of Texas.
- 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.
- The percentage of future female retirees assumed to be married and electing coverage for their spouse.
- The percentage of future retirees and future retiree spouses assumed to use tobacco have been updated to reflect recent plan experience and expected trends.
- The discount rate assumption was changed from 2.97% to 2.20% as a result of requirements by GASB No. 74 to utilize the yield or index rate for 20-year, tax-exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.
- Assumed Per Capita Health Benefit Costs and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.
- The Patient-Centered Outcome Research Institute (PCORI) fees payable under the ACA have been updated since the previous valuation to reflect IRS Notice 2020-44 published June 8, 2020.
- Assumed inflation has been updated to reflect an assumption adopted by the ERS Trustees since the last valuation date.

Changes of Benefit Terms Since Prior Measurement Date – The following benefit revisions have been adopted since the prior valuation:

- Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY21, are provided for in the FY21 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is Primary.

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued

At August 31, 2021, the District reported its proportionate share of the ERS plan’s collective deferred outflows of resources and deferred inflows or resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 3,394,858
Changes in actuarial assumptions	5,025,216	18,702,195
Net difference between projected and actual investment earnings	25,905	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	36,255,543	-
Contributions paid to ERS subsequent to the measurement date	921,585	-
Total	\$ 42,228,249	\$ 22,097,053

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

<u>Year ended August 31:</u>	<u>OPEB Expense Amount</u>
2022	\$ 4,531,568
2023	7,020,924
2024	6,410,460
2025	1,261,965
2026	(15,303)
Thereafter	-
Total	\$ 19,209,614

**NOTE 14. DISAGGREGATION OF RECEIVABLES AND PAYABLES
BALANCES**

Receivables at August 31 were as follows:

	2021	2020
Student Receivables	\$ 9,842,499	\$ 10,036,026
Federal and State Receivables	7,895,342	3,395,434
Interest Receivable	147,331	100,305
Other Receivables	2,704,046	6,778,806
Subtotal	<u>20,589,218</u>	<u>20,310,571</u>
Less: Allowance for Doubtful Accounts	<u>(320,851)</u>	<u>(287,497)</u>
Total Accounts Receivable	<u>\$ 20,268,367</u>	<u>\$ 20,023,074</u>
Taxes Receivable	\$ 1,385,167	\$ 1,277,814
Less: Allowance for Doubtful Accounts	<u>(708,769)</u>	<u>(650,115)</u>
Total Taxes Receivable	<u>\$ 676,398</u>	<u>\$ 627,699</u>

An allowance for doubtful accounts estimated at \$320,851 has been established for student receivables based on the uncertainty of collectability. A corresponding bad debt expense has been recorded to institutional support. One hundred percent allowance was established for student receivables aged two or more years and a seventy five percent allowance was set up for student receivables more than one year, but less than two years old. In August 2012, the District contracted with two collection agencies to provide collection services for outstanding student receivables. See the Student Receivables Placed with Collection Agencies Table below for additional information on student receivables.

Student Receivables Placed with Collection Agencies	Balance at 8/31/2020	Addition	Collections	Adjustments	Returned to Collin College	Balance 8/31/2021
First Placement Collection Agency	\$ 241,142	\$ 239,517	\$ (123,490)	\$ (2,191)	\$ (209,985)	\$ 144,993
Second Placement Collection Agency	104,877	208,432	(13,829)	(67)	(90,562)	208,851
Total Student Receivables Placed with Collections	<u>346,019</u>	<u>447,949</u>	<u>(137,319)</u>	<u>(2,258)</u>	<u>(300,547)</u>	<u>353,844</u>
Allowance for doubtful accounts	(287,497)	(83,920)	-	(45,284)	95,850	(320,851)
Net Receivables Placed with Collections	<u>\$ 58,522</u>	<u>\$ 364,029</u>	<u>\$ (137,319)</u>	<u>\$ (47,542)</u>	<u>\$ (204,697)</u>	<u>\$ 32,993</u>

**NOTE 14. DISAGGREGATION OF RECEIVABLES AND PAYABLES
BALANCES-continued**

Payables at August 31 were as follows:

	<u>2021</u>	<u>2020</u>
Vendors Payable	\$ 17,916,538	\$ 55,423,798
Salary and Benefits Payable	992,206	1,025,222
Students Payable	1,175,098	1,137,182
Total Accounts Payable	<u>\$ 20,083,842</u>	<u>\$ 57,586,202</u>

NOTE 15. RISK MANAGEMENT

GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, requires that a liability be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Accrued liabilities include provisions for claims reported and claims incurred but not reported.

The District pays a premium for fixed cost and the loss fund maximum to Deep East Texas, a guaranteed cost program within a workers' compensation self-insurance fund. Fixed costs are primarily affected by payroll; the loss costs, however, are determined by expected losses, which are determined primarily by historical loss experience. The fixed costs cover claims administration and loss control and are not recoverable by the District. Loss costs are only paid if the District experiences losses.

The District has other insurance coverage such as property, general liability, and automobile insurance. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage in each of the past three fiscal years.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Notes to Basic Financial Statements
August 31, 2021 and 2020**

NOTE 16. PROPERTY TAX

The District’s ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. 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. Property taxes attach an automatic enforceable lien on property the first day of January. The lien is removed if taxes are paid by February 1.

Exemptions include \$30,000 for over age 65 and \$20,000 for disabled persons in addition to Homestead and Veteran exemptions. If a person who is disabled or is sixty-five (65) years of age or older receives a residence homestead exemption, the total amount of ad valorem taxes imposed by the District may not be increased while it remains the residence homestead of that person or that person’s spouse who is disabled or sixty-five (65) years of age or older and receives the residence homestead exemption on the homestead. This tax limitation cannot be repealed or rescinded.

At August 31,	2021	2020
Assessed Valuation of the District:	\$ 188,791,935,841	\$ 176,741,386,622
Less: Exemptions	(28,871,421,897)	(28,055,735,606)
Less: Abatements	(354,028,805)	(306,126,302)
Net Assessed Valuation of the District	159,566,485,139	148,379,524,714
Plus: Supplements through August 31	33,729,643	27,718,416
Adjusted Assessed Valuation	<u>\$ 159,600,214,782</u>	<u>\$ 148,407,243,130</u>

Tax rates for the years ended August 31, 2021 and 2020, are as follows:

	FY 2021			FY 2020		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Per \$100 valuation:						
Authorized Tax Rate (Maximum per enabling legislation)	\$0.080000	\$0.120000	\$0.200000	\$0.080000	\$0.120000	\$0.200000
Assessed Tax Rate	\$0.079100	\$0.002122	\$0.081222	\$0.079100	\$0.002122	\$0.081222

NOTE 16. PROPERTY TAX-continued

Taxes levied for the years ended August 31, 2021 and 2020, were \$127,033,943 and \$121,041,066, respectively, including any penalty and interest assessed. 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.

	FY 2021			FY 2020		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Current Taxes Collected	\$122,674,502	\$3,293,299	\$ 125,967,801	\$116,873,397	\$3,135,339	\$ 120,008,736
Delinquent Taxes Collected	255,450	12,073	267,523	312,215	8,390	320,605
Penalties & Interest collected	645,279	13,274	658,553	651,947	13,697	665,644
Total Gross Collections	<u>123,575,231</u>	<u>3,318,646</u>	<u>126,893,877</u>	<u>117,837,559</u>	<u>3,157,426</u>	<u>120,994,985</u>
Tax Appraisal and Collection Fee	(1,279,873)	-	(1,279,873)	(1,254,011)	-	(1,254,011)
Bad Debt Expense	36,709	11,990	48,699	25,173	(424)	24,749
Total Net Collections	<u>\$122,332,067</u>	<u>\$3,330,636</u>	<u>\$ 125,662,703</u>	<u>\$116,608,721</u>	<u>\$3,157,002</u>	<u>\$ 119,765,723</u>

Tax collections for the year ended August 31, 2021 and 2020, were 99.68% and 99.70% respectively, of the current tax levy. Allowances for uncollectible taxes are based on historical experience in collecting property taxes. The use of tax proceeds is restricted for the use of maintenance and/or general obligation debt service.

The District participates in one tax incremental financing district (TIF). The following table summarizes the obligations of the District’s involvement in the TIF:

TIF Title	Percentage of Incremental Tax Committed	Taxes Forgone in 2021	Taxes Forgone in 2020
City of Frisco TIF 1	100%	\$ 1,436,575	\$ 1,387,617
Total Taxes Forgone		<u>\$ 1,436,575</u>	<u>\$ 1,387,617</u>

Tax Abatement

The District has entered into property tax abatement agreements with several entities as provided by Tax Code Chapter 312 Property Redevelopment and Tax Abatement Act.

NOTE 16. PROPERTY TAX-continued

For fiscal year ending August 31, 2021, the District abated property taxes totaling \$287,549 on property valued at \$354,028,805.

<u>Start Date</u>	<u>Agreement</u>	<u>Taxable Assessed Value</u>	<u>Tax Rate Per \$100 valuation</u>	<u>Taxes Abated</u>
2012	Texas Instruments	<u>\$ 354,028,805</u>	0.081222	<u>\$ 287,549</u>
	Total	<u><u>\$ 354,028,805</u></u>		<u><u>\$ 287,549</u></u>

Based on abatement agreements currently in place, the taxable assessed value of remaining abatements for fiscal year 2022 is anticipated to be \$300,853,010, resulting in abated taxes of \$244,359.

NOTE 17. CONTRACT AND GRANT AWARDS

Contract and grant awards are accounted for in accordance with generally accepted accounting principles ("GAAP"). Grant funds are considered to be earned when all eligibility requirements have been met and to the extent of expenses made under the provisions of the grant. Accordingly, when such funds are received in advance, they are recorded as unearned revenue until earned. Revenues recognized are presented on Exhibit 2 and Schedules A and C. Funds expended for federal and non-federal contract and grant awards, but not collected, are reported within accounts receivable on Exhibit 1 and in Note 14. Contract and grant awards that are not yet funded and for which the District has not yet performed services are not included in the basic financial statements.

Contract and grant award commitments, e.g. multi-year awards, or funds awarded for which no expenses have yet been incurred are noted in the table below.

	<u>2021</u>	<u>2020</u>
Federal Contracts and Grant Awards	\$ 53,003,354	\$ 10,212,577
State Contracts and Grant Awards	380,958	1,034,879
Total	<u>\$ 53,384,312</u>	<u>\$ 11,247,456</u>

NOTE 18. COMPONENT UNITS

Complete financial statements of **Collin County Community College District Foundation, Inc.** can be obtained from the administrative offices of the Foundation.

Background

Collin County Community College District Foundation, Inc. (the "Foundation") is a nonprofit corporation established to maintain, develop, increase, and extend the facilities and services of the Collin County Community College District (the "District") and to provide broader educational service opportunities to its students, staff, and faculty. The Foundation is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) as other than a private foundation.

Significant Accounting Policies

Basis of Accounting - The financial statements of the Foundation have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when the obligation is incurred. The financial statements have been prepared using accounting principles generally accepted in the United States of America ("U.S. GAAP.")

Basis of Presentation - Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled or both.

Revenues and Support - Revenues and support for the Foundation are primarily derived through contributions, grants, and fundraising activities.

Programs - The Foundation pursues its objectives through the execution of the following programs:

Scholarships - Student scholarships represent the largest fundraising priority for the Foundation. Thanks to the generosity of individual, corporate, foundation, and alumni donors, the Foundation is able to offer scholarships to outstanding students with financial need.

Significant Accounting Policies-Continued

Scholarship reception - The Foundation hosts two scholarship receptions per year: a large event celebrating fall scholarships and a smaller event honoring spring recipients. At these receptions, donors meet the students who receive their scholarships and learn first-hand how their gifts are making a difference.

Program enhancements - The Foundation also assists in securing support for strategic academic and technical programs for the District. To name just a few, past projects have included support for veteran center programming, career center initiatives, fire science equipment, IT lab equipment, health science camps, cybersecurity camps and more.

Cash and Cash Equivalents - For purposes of reporting cash flows, the Foundation considers all bank deposits and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to endowments that are perpetual in nature or other long-term purposes are excluded from this definition.

Pledges Receivable - Pledges receivable are comprised of uncollected pledges and are considered fully collectible as of August 31, 2021 and 2020.

Investments - As required by the Not-for-Profit Entities Investments of Debt and Equity Securities topic of the FASB ASC, investments in marketable equity securities with readily determinable fair values and investments in debt securities are valued at their fair values in the statements of financial position. Net realized and unrealized gains and losses are included in the changes in net assets.

Deferred Revenues - Deferred revenues consist primarily of donations related to events for the upcoming year.

Donated Assets - Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation.

Donated Services and Facilities - Individuals volunteer their time and perform a variety of tasks that help the Foundation pursue its objectives. The value of these donated services is not reflected in the financial statements.

The District allows the Foundation to use designated office space, personnel, and equipment at no cost. The value of these in-kind contributions was \$593,500 and \$692,811 for the years ended August 31, 2021 and 2020, respectively, and is included in revenues and expenses on the accompanying statements of activities. Of these amounts, \$301,765 and \$346,159, respectively, are considered fundraising expenses for the years ended August 31, 2021 and 2020.

Significant Accounting Policies-Continued

Use of Estimates - Management used estimates and assumptions in preparing these financial statements in accordance with U.S. GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Functional Allocation of Expenses - The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited on the basis of estimates of time and effort.

Income Taxes - The Foundation follows the Income Taxes topic of the FASB ASC, which prescribes a comprehensive model for the financial statement recognition, measurement, presentation and disclosure of uncertain tax positions taken or expected to be taken in income tax returns. The Foundation is not aware of any activities that would jeopardize its tax-exempt status and is not aware of any activities that are subject to tax on unrelated business income. As of August 31, 2021, the Foundation has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements and does not expect this to change in the next twelve months. The 2018 through 2021 tax years remain subject to examination by the Internal Revenue Service.

Endowment Funds - The Foundation maintains endowment funds for the purpose of providing scholarships to students of the District. The Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair values of the original donor-restricted gifts to the endowment funds, as of the gift dates, absent explicit donor stipulations to the contrary.

The Foundation has adopted an investment policy that seeks to make a reasonable effort to preserve capital and produce long-term results sufficient to meet the Foundation's objectives. Under this policy, endowment assets are primarily invested in marketable securities and exchange-traded mutual funds.

The majority of the Foundation's scholarship endowment agreements include a spending policy that allows for 80% of the earnings to be made available for scholarships, 10% of the earnings to be returned to the corpus of the endowment funds, and 10% of the earnings to be distributed to the operating fund for administrative purposes.

Concentration of Credit Risk - The Foundation maintains accounts at financial institutions which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts, and management believes that the Foundation is not exposed to any significant credit risks on such accounts.

Subsequent Events - Management has evaluated subsequent events for potential disclosure November 12, 2021, which is the date the financial statements were available to be issued.

Liquidity and Availability of Resources

Financial assets available for general expenditure, that is, without donor restrictions limiting their use or without requiring specific action of the Board, within one year of the dates of the statements of financial position, are comprised of the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 989,195	\$ 1,110,140
Investments	19,687,301	15,573,610
	<u>20,676,496</u>	<u>16,683,750</u>
Donor-restricted funds	<u>(19,419,978)</u>	<u>(15,907,911)</u>
Financial assets available to meet general expenditure needs within one year	<u>\$ 1,256,518</u>	<u>\$ 775,839</u>

Pledges Receivable

Pledges are recognized as revenues in the period that they are made. Pledges due in one year or more have been discounted to present value using a 3.25% discount rate as of August 31, 2021 and 2020, respectively.

Pledges receivable as of August 31, 2021 and 2020 are summarized as follows:

	<u>2021</u>	<u>2020</u>
Pledge receivable	\$ 288,641	\$ 344,891
Less: discount to present value	<u>(7,360)</u>	<u>(13,285)</u>
Pledge receivable, net of discounts	<u>\$ 281,281</u>	<u>\$ 331,606</u>

Fair Value Measurements and Disclosures

The Foundation follows the Fair Value Measurements topic of the FASB ASC for all financial assets and liabilities measured at fair value on a recurring basis. The topic establishes a framework for measuring fair value and enhances disclosure requirements for fair value measurements. The Fair Value Measurements topic of the FASB ASC defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The topic establishes market or observable inputs as the preferred sources of values, followed by assumptions based on hypothetical transactions in the absence of market inputs.

The topic establishes a hierarchy for grouping these assets and liabilities based on the significance level of the following inputs:

Fair Value Measurements and Disclosures-continued

Level I – Quoted prices in active markets for identical assets or liabilities.

Level II – Quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations whose inputs are observable or whose significant drivers are observable.

Level III – Significant inputs to the valuation model are unobservable.

The following is a listing of investments measured at fair value on a recurring basis and where they are classified within the hierarchy as of August 31, 2021 and 2020:

	2021		
	Level I	Level II	Level III
Cash equivalents and short-term investments	\$ 265,769	\$ -	\$ -
Equity securities	15,828,683	-	-
Fixed income securities	3,568,041	-	-
Alternative investments	24,808	-	-
	<u>\$ 19,687,301</u>	<u>\$ -</u>	<u>\$ -</u>
	2020		
	Level I	Level II	Level III
Cash equivalents and short-term investments	\$ 391,582	\$ -	\$ -
Equity securities	11,255,382	-	-
Fixed income securities	3,540,631	-	-
Alternative investments	386,015	-	-
	<u>\$ 15,573,610</u>	<u>\$ -</u>	<u>\$ -</u>

Net Assets With Donor Restrictions

The balances of net assets with donor restrictions as of August 31, 2021 and 2020 relate to certain contributions for which the donors have imposed restrictions. These restrictions require the Foundation to expend such funds for scholarships and program enhancements as follows:

Net Assets With Donor Restrictions-continued

	2021	2020
Endowments Funds	\$ 14,314,115	\$ 11,049,261
Excellence Funds	599,844	516,794
Quasi Endowments	2,703,929	2,690,626
Scholarship Funds	1,802,090	1,651,230
	<u>\$ 19,419,978</u>	<u>\$ 15,907,911</u>

Endowment Funds represent funds not yet appropriated for expenditure for endowed scholarships. Excellence Funds represent funds not yet appropriated for expenditure for strategic academic and technical programs, as well as special achievement awards and scholarships. Quasi Endowments represent a) funds which have not yet reached the level required to become endowment funds or which do not yet have signed endowment agreements, or b) funds which are controlled by the District's Board of Trustees. Scholarship Funds represent funds not yet appropriated for expenditure for non-endowed scholarships.

During the year ended August 31, 2021 and 2020, net assets with donor restrictions in the amounts of \$1,008,168 and \$914,787, respectively, have been expended in accordance with donor restrictions and have been reclassified to net assets without donor restrictions.

The following is a summary of changes in endowment fund net assets for the year ended August 31, 2021 and 2020:

Balance at August 31, 2019	\$ 9,472,574
Contributions	1,057,703
Earnings	737,326
Appropriations	<u>(218,342)</u>
Balance at August 31, 2020	<u>\$ 11,049,261</u>
Contributions	576,848
Earnings	2,907,189
Appropriations	<u>(219,183)</u>
Balance at August 31, 2021	<u>\$ 14,314,115</u>

NOTE 19. Subsequent Event

In August 2021, the Board of Trustees approved the District President to negotiate the purchase of parcels of land available for future District instructional and support facilities to expand services to under-served populations within Collin County. In November 2021, the District purchased a tract of land consisting of 104.6 acres in Anna, Texas for approximately \$9.1 million.



Required
Supplemental
Information



Required Supplemental Information Section

**COLLIN COUNTY COMMUNITY COLLEGE
DISTRICT**

Required Supplementary Information Schedules

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of the District's Proportionate Share of Net Pension Liability
Last Seven Fiscal Years

Fiscal years ending August 31,*	2021	2020	2019
District's proportion of collective net pension liability (%)	0.000792300	0.000704960	0.000639580
District's proportionate share of collective net pension liability (\$)	\$ 42,433,966	\$ 36,646,040	\$ 35,204,032
State's proportionate share of net pension liability associated with the District	33,725,103	29,191,219	28,372,524
Total	\$ 76,159,069	\$ 65,837,259	\$ 63,576,556
District's covered payroll	\$ 78,435,332	\$ 67,685,206	\$ 57,589,464
District's proportionate share of collective net pension liability as a percentage of covered payroll	54.1%	54.1%	61.1%
Plan fiduciary net position as percentage of the total pension liability	75.54%	75.24%	73.74%

Fiscal years ending August 31,*	2018	2017	2016	2015
District's proportion of collective net pension liability (%)	0.000615622	0.000561923	0.000614874	0.000645782
District's proportionate share of collective net pension liability (\$)	\$ 19,684,288	\$ 21,234,239	\$ 21,734,977	\$ 17,249,730
State's proportionate share of net pension liability associated with the District	15,746,369	19,980,257	15,657,455	12,568,650
Total	\$ 35,430,657	\$ 41,214,496	\$ 37,392,432	\$ 29,818,380
District's covered payroll	\$ 53,246,493	\$ 50,608,925	\$ 41,402,433	\$ 35,073,700
District's proportionate share of collective net pension liability as a percentage of covered payroll	37.0%	42.0%	52.5%	49.2%
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.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of the District's Contributions for Pensions
Last Seven Fiscal Years

Fiscal years ending August 31,*	2021	2020	2019
Legally required contributions	\$ 3,928,024	\$ 3,278,320	\$ 2,453,559
Actual contributions	3,928,024	3,278,320	2,453,559
Contributions deficiency (excess)	\$ -	\$ -	\$ -
District's covered payroll amount	\$ 94,008,898	\$ 78,435,332	\$ 67,685,206
Contributions as a percentage of covered payroll	4.2%	4.2%	3.6%

Fiscal years ending August 31,*	2018	2017	2016	2015
Legally required contributions	\$ 2,171,617	\$ 1,988,654	\$ 1,896,229	\$ 1,745,156
Actual contributions	2,171,617	2,010,704	1,803,918	1,822,000
Contributions deficiency (excess)	\$ -	\$ (22,050)	\$ 92,311	\$ (76,844)
District's covered payroll amount	\$ 57,589,464	\$ 53,246,493	\$ 50,608,925	\$ 45,965,875
Contributions as a percentage of covered payroll	3.8%	3.8%	3.6%	4.0%

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

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

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of the District's Proportionate Share of Net OPEB Liability
Last Four Fiscal Years

Fiscal years ending August 31,*	2021	2020	2019	2018
District's proportion of collective net OPEB liability (%)	0.26268022%	0.23851539%	0.22103739%	0.09191797%
District's proportionate share of collective net OPEB liability (\$)	\$ 86,801,710	\$ 82,437,298	\$ 65,510,490	\$ 31,319,220
State's proportionate share of net OPEB liability associated with the District	61,859,090	62,938,382	53,074,547	28,185,772
	<u>\$ 148,660,800</u>	<u>\$ 145,375,680</u>	<u>\$ 118,585,037</u>	<u>\$ 59,504,992</u>
District's covered payroll	\$ 98,096,908	\$ 86,588,184	\$ 76,655,205	\$ 71,436,733
District's proportionate share of collective net OPEB liability as a percentage of covered payroll	88.5%	95.2%	85.5%	43.8%
Plan fiduciary net position as percentage of the total OPEB liability	0.32%	0.17%	1.27%	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.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of the District's Contributions for OPEB
Last Four Fiscal Years

Fiscal years ending August 31,*	2021	2020	2019	2018
Legally required contributions	\$ 921,585	\$ 815,700	\$ 400,846	\$ 967,914
Less: Actual contributions	921,585	815,700	400,846	967,914
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District covered payroll amount	\$ 113,823,550	\$ 98,096,908	\$ 86,588,184	\$ 76,655,205
Ratio of: Actual contributions / ER covered payroll amount	0.8%	0.8%	0.5%	1.3%

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

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

Changes since Prior Actuarial Valuation for Pensions:

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

- The actuarial assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019.

Changes of Assumptions for OPEB:

Demographic Assumptions

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

- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence
- Percentage of future female retirees assumed to be married and electing coverage for their spouse

Economic Assumptions

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

The discount rate was changed from 2.97% to 2.20% 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.

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THECB
Supplemental
Schedules



THECB Supplemental Schedules Section

**COLLIN COUNTY COMMUNITY COLLEGE
DISTRICT**

THECB Supplemental Schedules

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Operating Revenues
For the year ended August 31, 2021
(with comparative totals at August 31, 2020)

	<u>Unrestricted</u>	<u>Restricted</u>	Total Educational <u>Activities</u>	Auxiliary <u>Enterprises</u>	Total <u>2021</u>	<u>2020</u>
Tuition						
State funded courses						
In-district resident tuition	\$ 23,428,306	\$ -	\$ 23,428,306	\$ -	\$ 23,428,306	\$ 24,222,730
Out-of-district resident tuition	15,074,413	-	15,074,413	-	15,074,413	15,036,449
TPEG Credit (set aside)*	1,827,885	-	1,827,885	-	1,827,885	1,908,454
Non-resident tuition	10,171,600	-	10,171,600	-	10,171,600	9,354,974
Continuing education	3,493,947	-	3,493,947	-	3,493,947	3,366,002
TPEG Non-Credit (set aside)*	278,990	-	278,990	-	278,990	210,239
Non-state funded continuing education	126,891	-	126,891	-	126,891	79,049
Total tuition	<u>54,402,032</u>	<u>-</u>	<u>54,402,032</u>	<u>-</u>	<u>54,402,032</u>	<u>54,177,897</u>
General fees	703,881	-	703,881	-	703,881	575,077
Student activity fee	1,313,616	-	1,313,616	-	1,313,616	1,326,003
Laboratory fee	627,815	-	627,815	-	627,815	622,687
Total fees	<u>2,645,312</u>	<u>-</u>	<u>2,645,312</u>	<u>-</u>	<u>2,645,312</u>	<u>2,523,767</u>
Scholarship allowances and discounts						
Remissions and exemptions	(3,997,674)	-	(3,997,674)	-	(3,997,674)	(3,861,939)
TPEG awarded	(2,106,875)	-	(2,106,875)	-	(2,106,875)	(2,197,533)
Federal grants to students	(10,963,714)	-	(10,963,714)	-	(10,963,714)	(10,768,624)
Other	(715,854)	-	(715,854)	-	(715,854)	(642,787)
Total scholarship allowances	<u>(17,784,117)</u>	<u>-</u>	<u>(17,784,117)</u>	<u>-</u>	<u>(17,784,117)</u>	<u>(17,470,883)</u>
Total net tuition and fees	<u>\$ 39,263,227</u>	<u>\$ -</u>	<u>\$ 39,263,227</u>	<u>\$ -</u>	<u>\$ 39,263,227</u>	<u>\$ 39,230,781</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Operating Revenues
For the year ended August 31, 2021
(with comparative totals at August 31, 2020)

	<u>Unrestricted</u>	<u>Restricted</u>	Total		Total	
			<u>Educational Activities</u>	<u>Auxiliary Enterprises</u>	<u>2021</u>	<u>2020</u>
Additional operating revenues						
Federal grants and contracts	\$ 1,132,774	\$ 12,819,947	\$ 13,952,721	\$ -	\$ 13,952,721	\$ 4,831,908
State grants and contracts	370	2,396,398	2,396,768	-	2,396,768	1,992,483
Nongovernmental grants and contracts	-	134,939	134,939	-	134,939	179,103
Sales and services of educational activities	602,201	-	602,201	-	602,201	505,344
Other operating revenues	241,892	-	241,892	-	241,892	317,769
Total additional operating revenues	<u>1,977,237</u>	<u>15,351,284</u>	<u>17,328,521</u>	<u>-</u>	<u>17,328,521</u>	<u>7,826,607</u>
Auxiliary enterprises	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,956,851</u>	<u>2,956,851</u>	<u>2,039,803</u>
Total Operating Revenues	<u>\$ 41,240,464</u>	<u>\$ 15,351,284</u>	<u>\$ 56,591,748</u>	<u>\$ 2,956,851</u>	<u>\$ 59,548,599</u> (Exhibit 2)	<u>\$ 49,097,191</u> (Exhibit 2)

* In accordance with Education Code 56.033; \$2,106,875 was set aside for Texas Public Education Grants (TPEG).

Collin County Community College District

Schedule of Operating Expenses by Object
For the year ended August 31, 2021
(with comparative totals at August 31, 2020)

	Operating Expenses			Total		
	Salaries and Wages	Benefits		2021	2020	
		State	Local			Other Expenses
Unrestricted - educational activities						
Instruction	\$ 76,774,003	\$ -	\$ 17,139,503	\$ 6,741,093	\$ 100,654,599	\$ 87,626,497
Public service	16,224	-	44,705	7,600	68,529	83,256
Academic support	14,973,004	-	3,947,289	2,349,159	21,269,452	18,158,084
Student services	12,942,809	-	3,484,987	1,205,198	17,632,994	16,272,792
Institutional support	19,339,272	-	6,072,263	10,090,786	35,502,321	35,829,792
Operation and maintenance of plant	5,147,655	-	1,402,212	14,259,149	20,809,016	16,409,835
Total unrestricted educational activities	<u>129,192,967</u>	<u>-</u>	<u>32,090,959</u>	<u>34,652,985</u>	<u>195,936,911</u>	<u>174,380,256</u>
Restricted - educational activities						
Instruction	194,040	4,245,523	24,247	2,396,616	6,860,426	7,182,034
Public service	403,470	836	92,361	141,025	637,692	550,189
Academic support	338,013	1,092,433	81,407	339,257	1,851,110	2,314,226
Student services	430,170	1,052,676	742,722	252,098	2,477,666	2,789,413
Institutional support	220,816	3,257,963	30,821	1,949,809	5,459,409	3,409,576
Operation and maintenance of plant	73,480	-	-	-	73,480	109,026
Scholarships	-	-	-	24,078,545	24,078,545	22,555,231
Total restricted educational activities	<u>1,659,989</u>	<u>9,649,431</u>	<u>971,558</u>	<u>29,157,350</u>	<u>41,438,328</u>	<u>38,909,695</u>
Total educational activities	130,852,956	9,649,431	-	63,810,335	237,375,239	213,289,951
Auxiliary enterprises	1,321,914	-	320,810	2,185,593	3,828,317	4,038,776
Depreciation expense - buildings and other real estate improvements	-	-	-	13,749,196	13,749,196	9,725,797
Depreciation expense - equipment and furniture	-	-	-	4,942,663	4,942,663	2,826,352
Total operating expenses	<u>\$ 132,174,870</u>	<u>\$ 9,649,431</u>	<u>\$ 320,810</u>	<u>\$ 84,687,787</u>	<u>\$ 259,895,415</u>	<u>\$ 229,880,876</u>
				(Exhibit 2)	(Exhibit 2)	

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Non-Operating Revenues and Expenses
For the year ended August 31, 2021
(with comparative totals at August 31, 2020)**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary enterprises</u>	<u>2021</u>	<u>Totals</u> <u>2020</u>
Non-operating revenues:					
State appropriations					
Education and general state support	\$ 39,843,128	\$ -	\$ -	\$ 39,843,128	\$ 39,845,411
State group insurance	-	5,627,503	-	5,627,503	5,627,503
State retirement matching	-	4,747,139	-	4,747,139	5,235,067
OPEB revenue / (expenses)	-	(725,214)	-	(725,214)	74,832
Total state appropriations	<u>39,843,128</u>	<u>9,649,428</u>	<u>-</u>	<u>49,492,556</u>	<u>50,782,813</u>
Ad valorem taxes	120,895,492	3,330,636	-	124,226,128	118,378,106
Federal contracts and grants	135,697	32,971,380	-	33,107,077	30,649,045
Gifts	172,388	-	-	172,388	6,112,500
Investment income (net of investment expenses)	708,958	-	-	708,958	5,440,542
Other non-operating revenues	<u>251,333</u>	<u>-</u>	<u>-</u>	<u>251,333</u>	<u>245,440</u>
Total non-operating revenues	<u>162,006,996</u>	<u>45,951,444</u>	<u>-</u>	<u>207,958,440</u>	<u>211,608,446</u>
Non-operating expenses:					
Interest on capital related debt	-	(19,060,180)	-	(19,060,180)	(12,675,077)
Other non-operating expenses	<u>(2,638)</u>	<u>-</u>	<u>-</u>	<u>(2,638)</u>	<u>(2,095,127)</u>
Total non-operating expenses	<u>(2,638)</u>	<u>(19,060,180)</u>	<u>-</u>	<u>(19,062,818)</u>	<u>(14,770,204)</u>
Net non-operating revenues	<u>\$ 162,004,358</u>	<u>\$ 26,891,264</u>	<u>\$ -</u>	<u>\$ 188,895,622</u>	<u>\$ 196,838,242</u>
				(Exhibit 2)	(Exhibit 2)

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Net Position by Source and Availability
As of August 31, 2021
(with comparative totals at August 31, 2020)

	Detail by Source				Available for Current Operations		
	Unrestricted	Restricted		Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
		Expendable	Non- Expendable				
Current:							
Unrestricted:							
Undesignated	\$ 3,100,787	\$ -	\$ -	\$ -	\$ 3,100,787	\$ 3,100,787	\$ -
Board designated -							
Stabilization of maintenance and operations	24,750,000	-	-	-	24,750,000	-	24,750,000
Insurance deductibles	100,000	-	-	-	100,000	-	100,000
Health Reserve	30,000,000	-	-	-	30,000,000	-	30,000,000
Restricted:							
Student aid/non-governmental grants and contracts	-	5,773,548	-	-	5,773,548	-	5,773,548
Auxiliary enterprises	2,362,245	-	-	-	2,362,245	2,362,245	-
Startup and stabilization	78,490,180	-	-	-	78,490,180	78,490,180	-
Plant:							
Unexpended	114,102,948	-	-	-	114,102,948	-	114,102,948
Bond capital projects	-	6,200,000	-	-	6,200,000	-	6,200,000
Debt service	-	8,977,878	-	-	8,977,878	-	8,977,878
Investment in plant	-	-	-	287,636,997	287,636,997	-	287,636,997
Total net position - August 31, 2021	252,906,160	20,951,426	-	287,636,997	561,494,583 (Exhibit 2)	83,953,212	477,541,371
Total net position - August 31, 2020	281,614,752	14,240,414	-	277,090,611	572,945,777 (Exhibit 2)	112,777,031	460,168,746
Net increase in net position	<u>\$ (28,708,592)</u>	<u>\$ 6,711,012</u>	<u>\$ -</u>	<u>\$ 10,546,386</u>	<u>\$ (11,451,194)</u> (Exhibit 2)	<u>\$ (28,823,819)</u>	<u>\$ 17,372,625</u>

Note: Board policy requires that the District maintain a minimum fund balance equal to 25% of educational expenses adjusted for reserves and allocations. For the years ended August 31, 2021 and August 31, 2020, the minimum required unrestricted fund balance was \$48,349,554 and \$40,614,879, respectively. This amount is included as part of the undesignated balance.



Statistical Section

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Statistical Section

These statistical tables provide selected financial and demographic information. The statistical tables are for informational purposes only and are not audited.

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Statistical Section (unaudited)

Tables in the statistical section present detailed information as a context for understanding what the information contained in the financial statements, note disclosures, and required supplementary information says about the overall financial health of the District.

Financial Trends- Statistical Supplements 1-3

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

Revenue Capacity- Statistical Supplements 4-8

These supplements contain information to help the reader assess the District's significant revenue sources.

Debt Capacity- Statistical Supplements 9-11

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

Demographic and Economic Information- Statistical Supplements 12-13

These supplements offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information- Statistical Supplements 14-18

These supplements contain employment, enrollment and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Net Position by Component
Fiscal Years 2012 to 2021
(unaudited)**

For the Fiscal Year Ended August 31,

	(a) Restated				
	2021	2020	2019	2018	2017
Net investment in capital assets	\$ 287,636,997	\$ 278,203,505	\$ 264,285,928	\$ 262,417,005	\$ 300,132,133
Restricted - expendable	20,951,426	13,127,520	15,454,451	1,299,745	2,480,187
Unrestricted	252,906,160	281,614,752	277,150,841	255,065,611	217,860,753
Total Net Position	<u>\$ 561,494,583</u>	<u>\$ 572,945,777</u>	<u>\$ 556,891,220</u>	<u>\$ 518,782,361</u>	<u>\$ 520,473,073</u>
Total Change in Net Position	<u>\$ (11,451,194)</u>	<u>\$ 16,054,557</u>	<u>\$ 38,108,859</u>	<u>\$ (1,690,712)</u>	<u>\$ 34,657,446</u>

For the Fiscal Year Ended August 31,

	(b) Restated				
	2016	2015	2014	2013	2012
Net investment in capital assets	\$ 271,788,069	\$ 252,327,218	\$ 222,287,496	\$ 216,482,469	\$ 209,933,352
Restricted - expendable	1,630,910	965,347	2,704,038	3,941,734	3,402,218
Unrestricted	212,396,648	210,788,781	235,676,401	218,899,001	204,678,278
Total Net Position	<u>\$ 485,815,627</u>	<u>\$ 464,081,346</u>	<u>\$ 460,667,935</u>	<u>\$ 439,323,204</u>	<u>\$ 418,013,848</u>
Total Change in Net Position	<u>\$ 21,734,281</u>	<u>\$ 3,413,411</u>	<u>\$ 21,344,731</u>	<u>\$ 21,309,356</u>	<u>\$ 25,141,044</u>

Notes:

(a) The financial statements were restated in fiscal year 2018 to reflect changes in other post-employment benefits reporting per the adoption of GASB 75.

Increase in net position per Exhibit 2	\$ 34,867,985
Cumulative effect of change in accounting principle	(36,558,697)
Total Change in Net Position	<u>\$ (1,690,712)</u>

(b) The financial statements were restated in fiscal year 2015 to reflect changes in pension reporting per the adoption of GASB 68.

Increase in net position per Exhibit 2	\$ 22,957,426
Cumulative effect of change in accounting principle	(19,544,015)
Total Change in Net Position	<u>\$ 3,413,411</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Revenues by Source
Fiscal Years 2012 to 2021
(unaudited)****For the Fiscal Year Ended August 31,**

	2021	2020	2019	2018	2017
Tuition and Fees (Net of Discounts)	\$ 39,263,227	\$ 39,230,781	\$ 40,182,049	\$ 35,922,095	\$ 34,777,289
Governmental Grants and Contracts					
Federal Grants and Contracts	13,952,721	4,831,908	2,171,735	1,864,618	1,650,574
State Grants and Contracts	2,396,768	1,992,483	1,609,536	2,836,838	2,477,397
Non-Governmental Grants and Contracts	134,939	179,103	150,053	237,701	276,616
Sales & Services of Educational Activities	602,201	505,344	919,031	995,562	744,120
Auxiliary Enterprises	2,956,851	2,039,803	2,376,831	1,970,718	1,740,221
Other Operating Revenues	241,892	317,769	1,089,590	365,138	469,662
Total Operating Revenues	59,548,599	49,097,191	48,498,825	44,192,670	42,135,879
State Appropriations	49,492,556	50,782,813	44,026,968	44,006,835	40,859,962
Ad Valorem Taxes	124,226,128	118,378,106	110,489,653	98,490,012	89,111,771
Federal Grants and Contracts	33,107,077	30,649,045	23,865,674	23,330,718	19,783,712
Gifts	172,388	6,112,500	6,209,422	30,070	3,620,000
Investment Income	708,958	5,440,542	12,134,040	6,375,739	2,183,790
Other Non-Operating Revenues	251,333	245,440	250,233	200,000	199,250
Total Non-Operating Revenues	207,958,440	211,608,446	196,975,990	172,433,374	155,758,485
Total Revenues	\$ 267,507,039	\$ 260,705,637	\$ 245,474,815	\$ 216,626,044	\$ 197,894,364

For the Fiscal Year Ended August 31,

	2021	2020	2019	2018	2017
Tuition and Fees (Net of Discounts)	14.68%	15.05%	16.37%	16.58%	17.58%
Governmental Grants and Contracts					
Federal Grants and Contracts	5.22%	1.85%	0.88%	0.86%	0.83%
State Grants and Contracts	0.90%	0.76%	0.66%	1.31%	1.25%
Non-Governmental Grants and Contracts	0.05%	0.07%	0.06%	0.11%	0.14%
Sales & Services of Educational Activities	0.23%	0.19%	0.37%	0.46%	0.38%
Auxiliary Enterprises	1.11%	0.78%	0.97%	0.91%	0.88%
Other Operating Revenues	0.09%	0.12%	0.44%	0.17%	0.24%
Total Operating Revenues	22.28%	18.82%	19.75%	20.40%	21.30%
State Appropriations	18.50%	19.48%	17.94%	20.31%	20.65%
Ad Valorem Taxes	46.42%	45.42%	45.02%	45.48%	45.02%
Federal Grants and Contracts	12.38%	11.76%	9.72%	10.77%	10.00%
Gifts	0.06%	2.34%	2.53%	0.01%	1.83%
Investment Income	0.27%	2.09%	4.94%	2.94%	1.10%
Other Non-Operating Revenues	0.09%	0.09%	0.10%	0.09%	0.10%
Total Non-Operating Revenues	77.72%	81.18%	80.25%	79.60%	78.70%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Revenues by Source
Fiscal Years 2012 to 2021
(unaudited)**

	For the Fiscal Year Ended August 31,				
	2016	2015	2014	2013	2012
Tuition and Fees (Net of Discounts)	\$ 30,671,124	\$ 28,426,123	\$ 27,967,481	\$ 26,569,192	\$ 23,740,042
Governmental Grants and Contracts					
Federal Grants and Contracts	2,192,596	6,687,572	7,229,621	6,067,520	2,087,054
State Grants and Contracts	1,637,637	1,797,840	964,194	628,453	807,249
Non-Governmental Grants and Contracts	74,452	8,950	13,320	-	6,939
Sales & Services of Educational Activities	681,057	644,103	550,913	426,387	364,115
Auxiliary Enterprises	5,036,125	8,829,679	9,240,358	9,617,775	10,023,129
Other Operating Revenues	356,464	311,361	350,264	406,538	338,787
Total Operating Revenues	40,649,455	46,705,628	46,316,151	43,715,865	37,367,315
State Appropriations	40,667,403	38,713,358	38,457,174	35,504,958	34,416,713
Ad Valorem Taxes	80,461,197	72,016,212	66,978,476	65,149,280	63,326,803
Federal Grants and Contracts	20,046,602	23,834,018	24,431,878	25,332,176	27,115,496
Gifts	1,650	62,538	31,200	49,005	6,798
Investment Income	803,614	212,730	113,223	238,855	239,901
Other Non-Operating Revenues	198,500	198,500	200,000	200,000	543,862
Total Non-Operating Revenues	142,178,966	135,037,356	130,211,951	126,474,274	125,649,573
Total Revenues	\$ 182,828,421	\$ 181,742,984	\$ 176,528,102	\$ 170,190,139	\$ 163,016,888

	For the Fiscal Year Ended August 31,				
	2016	2015	2014	2013	2012
Tuition and Fees (Net of Discounts)	16.78%	15.64%	15.84%	15.61%	14.56%
Governmental Grants and Contracts					
Federal Grants and Contracts	1.20%	3.68%	4.10%	3.57%	1.28%
State Grants and Contracts	0.90%	0.99%	0.55%	0.37%	0.50%
Non-Governmental Grants and Contracts	0.04%	0.00%	0.01%	0.00%	0.00%
Sales & Services of Educational Activities	0.37%	0.35%	0.31%	0.25%	0.22%
Auxiliary Enterprises	2.75%	4.86%	5.23%	5.65%	6.15%
Other Operating Revenues	0.19%	0.17%	0.20%	0.24%	0.21%
Total Operating Revenues	22.23%	25.69%	26.24%	25.69%	22.92%
State Appropriations	22.24%	21.30%	21.79%	20.86%	21.11%
Ad Valorem Taxes	44.02%	39.64%	37.94%	38.28%	38.86%
Federal Grants and Contracts	10.96%	13.11%	13.84%	14.88%	16.63%
Gifts	0.00%	0.03%	0.02%	0.03%	0.00%
Investment Income	0.44%	0.12%	0.06%	0.14%	0.15%
Other Non-Operating Revenues	0.11%	0.11%	0.11%	0.12%	0.33%
Total Non-Operating Revenues	77.77%	74.31%	73.76%	74.31%	77.08%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Program Expenses by Function
Fiscal Years 2012 to 2021
(unaudited)**

For the Fiscal Year Ended August 31,

	2021	2020	2019	2018	2017
Instruction	\$ 107,515,025	\$ 94,808,531	\$ 85,053,537	\$ 74,863,647	\$ 70,813,288
Public Service	706,221	633,445	438,331	533,546	701,327
Academic Support	23,120,562	20,472,310	16,817,374	14,226,341	12,194,878
Student Services	20,110,660	19,062,205	17,416,367	15,406,930	12,965,133
Institutional Support	40,961,730	39,239,368	32,273,267	26,911,239	24,213,569
Operation and Maintenance of Plant	20,882,496	16,518,861	15,561,126	13,444,347	12,933,541
Scholarships and Fellowships	24,078,545	22,555,231	18,571,380	18,760,158	16,856,378
Auxiliary Enterprises	3,828,317	4,038,776	2,470,080	2,253,950	3,038,575
Depreciation	18,691,859	12,552,149	9,423,418	9,053,254	8,788,326
Total Operating Expenses	259,895,415	229,880,876	198,024,880	175,453,412	162,505,015
Interest on Capital Related Debt	19,060,180	12,675,077	9,341,076	3,982,439	731,903
Other Non-operating Expenses	2,638	2,095,127	-	2,309,087	-
Loss on Disposal of Fixed Assets	-	-	-	13,121	-
Total Non-Operating Expenses	19,062,818	14,770,204	9,341,076	6,304,647	731,903
Total Expenses	\$ 278,958,233	\$ 244,651,080	\$ 207,365,956	\$ 181,758,059	\$ 163,236,918

For the Fiscal Year Ended August 31,

	2021	2020	2019	2018	2017
Instruction	38.54%	38.75%	41.02%	41.19%	43.39%
Public Service	0.25%	0.26%	0.21%	0.29%	0.43%
Academic Support	8.29%	8.37%	8.11%	7.83%	7.47%
Student Services	7.21%	7.79%	8.40%	8.48%	7.94%
Institutional Support	14.69%	16.05%	15.57%	14.80%	14.83%
Operation and Maintenance of Plant	7.49%	6.75%	7.50%	7.40%	7.92%
Scholarships and Fellowships	8.63%	9.22%	8.96%	10.32%	10.33%
Auxiliary Enterprises	1.37%	1.65%	1.19%	1.24%	1.86%
Depreciation	6.70%	5.13%	4.54%	4.98%	5.38%
Total Operating Expenses	93.17%	93.97%	95.50%	96.53%	99.55%
Interest on Capital Related Debt	6.83%	5.17%	4.50%	2.19%	0.45%
Other Non-operating Expenses	0.00%	0.86%	0.00%	1.27%	0.00%
Loss on Disposal of Fixed Assets	0.00%	0.00%	0.00%	0.01%	0.00%
Total Non-Operating Expenses	6.83%	6.03%	4.50%	3.47%	0.45%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Program Expenses by Function
Fiscal Years 2012 to 2021
(unaudited)****For the Fiscal Year Ended August 31,**

	2016	2015	2014	2013	2012
Instruction	\$ 72,044,666	\$ 64,578,677	\$ 58,718,787	\$ 56,679,653	\$ 52,319,020
Public Service	1,260,478	758,294	556,778	560,542	561,438
Academic Support	11,908,733	15,485,516	15,605,938	14,847,063	10,193,826
Student Services	11,875,226	10,430,474	9,716,643	8,941,731	8,374,056
Institutional Support	19,966,816	18,940,401	15,469,145	14,401,055	13,664,780
Operation and Maintenance of Plant	11,666,212	10,388,845	13,274,011	13,557,062	11,802,975
Scholarships and Fellowships	16,342,810	19,417,452	20,149,733	20,731,109	22,207,900
Auxiliary Enterprises	6,413,444	9,548,337	10,899,311	10,048,826	10,032,534
Depreciation	8,392,630	7,711,950	7,544,508	7,315,549	6,790,160
Total Operating Expenses	159,871,015	157,259,946	151,934,854	147,082,590	135,946,689
Interest on Capital Related Debt	1,223,125	1,525,612	1,664,760	1,797,093	1,929,155
Other Non-operating Expenses	-	-	1,583,757	1,100	-
Loss on Disposal of Fixed Assets	-	-	-	-	-
Total Non-Operating Expenses	1,223,125	1,525,612	3,248,517	1,798,193	1,929,155
Total Expenses	\$ 161,094,140	\$ 158,785,558	\$ 155,183,371	\$ 148,880,783	\$ 137,875,844

For the Fiscal Year Ended August 31,

	2016	2015	2014	2013	2012
Instruction	44.74%	40.67%	37.85%	38.07%	37.95%
Public Service	0.78%	0.48%	0.36%	0.38%	0.41%
Academic Support	7.39%	9.75%	10.06%	9.97%	7.39%
Student Services	7.37%	6.57%	6.26%	6.01%	6.07%
Institutional Support	12.39%	11.93%	9.97%	9.67%	9.91%
Operation and Maintenance of Plant	7.24%	6.54%	8.55%	9.11%	8.56%
Scholarships and Fellowships	10.14%	12.23%	12.98%	13.92%	16.11%
Auxiliary Enterprises	3.98%	6.01%	7.02%	6.75%	7.28%
Depreciation	5.21%	4.86%	4.86%	4.91%	4.92%
Total Operating Expenses	99.24%	99.04%	97.91%	98.79%	98.60%
Interest on Capital Related Debt	0.76%	0.96%	1.07%	1.21%	1.40%
Other Non-operating Expenses	0.00%	0.00%	1.02%	0.00%	0.00%
Loss on Disposal of Fixed Assets	0.00%	0.00%	0.00%	0.00%	0.00%
Total Non-Operating Expenses	0.76%	0.96%	2.09%	1.21%	1.40%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Tuition and Fees
Last Ten Academic Years
(unaudited)**

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

Academic Year (Fall)	Records Fee (per student)	Tuition		Building Use Fee (per hour)	Student Activity Fee (per hour)	Cost for 12 SCH		Change from Prior Year	
		In-District	Out-of-District			In-District	Out-of-District	In-District	Out-of-District
2020	2	52	98	-	2	650	1,202	0.0%	0.0%
2019	2	52	98	-	2	650	1,202	8.0%	4.2%
2018	2	48	94	-	2	602	1,154	8.7%	9.1%
2017	2	44	86	-	2	554	1,058	9.5%	6.0%
2016	2	41	82	-	1	506	998	7.7%	6.4%
2015	2	32	71	6	1	470	938	0.0%	0.0%
2014	2	32	71	6	1	470	938	2.6%	4.0%
2013	2	31	68	6	1	458	902	11.7%	10.3%
2012	2	27	61	6	1	410	818	0.0%	0.0%
2011	2	27	61	6	1	410	818	0.0%	11.4%

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

Academic Year (Fall)	Records Fee (per student)	Tuition		Building Use Fee (per hour)	Student Activity Fee (per hour)	Cost for 12 SCH		Change from Prior Year	
		Out of State	International			In-District	Out-of-District	In-District	Out-of-District
2020	2	165	165	-	2	2,006	2,006	0.0%	0.0%
2019	2	165	165	-	2	2,006	2,006	3.1%	3.1%
2018	2	160	160	-	2	1,946	1,946	8.7%	8.7%
2017	2	147	147	-	2	1,790	1,790	4.2%	4.2%
2016	2	142	142	-	1	1,718	1,718	3.6%	3.6%
2015	2	131	131	6	1	1,658	1,658	0.0%	0.0%
2014	2	131	131	6	1	1,658	1,658	2.2%	2.2%
2013	2	128	128	6	1	1,622	1,622	14.4%	14.4%
2012	2	111	111	6	1	1,418	1,418	(4.1%)	(4.1%)
2011	2	116	116	6	1	1,478	1,478	6.0%	6.0%

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

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

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

Fiscal Year	Assessed Valuation of Property	Less: Exemptions / Abatements	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
					Maintenance & Operations (a)	Debt Service (a)	Total (a)
2020-21	\$188,791,935,841	\$ 29,225,450,705	\$ 159,566,485,139	84.52%	0.079100	0.002122	0.081222
2019-20	176,741,386,622	28,361,861,908	148,379,524,714	83.95%	0.079100	0.002122	0.081222
2018-19	165,358,186,889	27,407,338,073	137,950,848,816	83.43%	0.078190	0.003032	0.081222
2017-18	150,997,988,054	25,735,409,816	125,262,578,238	82.96%	0.077118	0.002692	0.079810
2016-17	134,712,150,568	24,102,439,926	110,609,710,642	82.11%	0.078174	0.003048	0.081222
2015-16	119,250,034,517	21,520,774,913	97,729,259,604	81.95%	0.078965	0.002995	0.081960
2014-15	103,609,292,320	15,479,038,414	88,130,253,906	85.06%	0.078965	0.002995	0.081960
2013-14	93,973,412,369	13,502,474,479	80,470,937,890	85.63%	0.080000	0.003643	0.083643
2012-13	88,709,272,519	12,927,884,421	75,781,388,098	85.43%	0.080000	0.006299	0.086299
2011-12	85,669,094,108	12,076,099,414	73,592,994,694	85.90%	0.080000	0.006300	0.086300

Source: Collin County Central Appraisal District
 Note: Property is assessed at full market value.
 (a) per \$100 Taxable Assessed Valuation

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**General Appropriations Act Before Contact Hour Adjustments¹
Last Ten Fiscal Years
(unaudited)**

Appropriation Funding Elements	For the Year Ended August 31,				
	2021	2020	2019*	2018	2017
State Appropriation Contact Hour Funding (CH)	\$ 34,207,367	\$ 34,207,367	\$ 31,084,468	\$ 31,084,468	\$ 29,864,582
State Appropriation Student Success Points (SSP)	4,946,247	4,946,247	3,735,127	3,735,128	3,320,992
State Appropriation Core Operations (CO)	680,406	680,406	680,406	680,406	500,000
Recouped Funds/Audit Adj	9,108	11,391	11,391	11,391	-
Total	\$ 39,843,128	\$ 39,845,411	\$ 35,511,392	\$ 35,511,393	\$ 33,685,574

¹ General Appropriations Act, SB 1, 85th Texas Legislature, Section 1 (pageIII-209) - Informational Listing of Appropriated Funds

² Formula funding methodology changed in fiscal year 2014

Source: THECB - Ten Pay Schedule 2012-2019; District records 2010-2011

*FY Year Formula Funding Changed Methodology

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**General Appropriations Act Before Contact Hour Adjustments¹
Last Ten Fiscal Years
(unaudited)**

Appropriation Funding Elements	For the Year Ended August 31,				
	2016	2015	2014 ²	2013	2012
State Appropriation Contact Hour Funding (CH)	\$ 29,923,738	\$ 29,252,294	\$ 29,252,294	\$ 29,422,391	\$ 29,422,391
State Appropriation Student Success Points (SSP)	3,320,993	3,383,781	3,383,781	-	-
State Appropriation Core Operations (CO)	500,000	500,000	500,000	-	-
Recouped Funds/Audit Adj	-	-	-	1,043,828	187,193
Total	\$ 33,744,731	\$ 33,136,075	\$ 33,136,075	\$ 30,466,219	\$ 29,609,584

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**State Appropriation per FTSE
Last Ten Fiscal Years**

Fiscal Year	State Appropriation (Unrestricted) From Sch C	FTSE¹	State Appropriation per FTSE
2021	\$ 39,843,128	25,240	\$ 1,579
2020	39,845,411	26,044	1,530
2019*	35,511,392	26,155	1,358
2018	35,512,154	25,052	1,418
2017	33,739,730	24,314	1,388
2016	33,685,576	23,709	1,421
2015	33,136,075	22,319	1,485
2014	33,136,075	23,185	1,429
2013	31,087,895	23,510	1,322
2012	30,210,041	22,694	1,331

¹ Fiscal Year (FY) FTSE is equal to The Sum of State Funded (Fall SCH + Spring SCH + Summer SCH for the Current FY/30SCH) plus State Funded Continuing Education (Fall CH + Spring CH + Summer CH for the Current FY/120 CH).

*FY Year Formula Funding Changed Methodology

Source: CBM004 and CBM00C

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**State Appropriation per Contact Hour
Last Ten Fiscal Years
(unaudited)**

Fiscal Year	CH - State Appropriation (Unrestricted)¹	Academic Contact Hours	Technical Contact Hours	Continuing Education Contact Hours	Total Contact Hours	CH - State Appropriation per Funded Contact Hour
2021	\$ 34,207,367	10,640,136	2,269,184	394,167	13,303,487	\$ 2.57
2020	34,207,367	10,907,704	1,762,720	521,754	13,192,178	2.59
2019*	31,084,468	10,904,854	1,606,672	625,733	13,137,259	2.37
2018	31,084,468	10,451,199	1,421,600	625,735	12,498,534	2.49
2017	29,864,582	9,890,990	1,369,872	633,393	11,894,255	2.51
2016	29,923,738	9,555,760	1,348,656	665,890	11,570,306	2.59
2015	29,252,294	8,977,240	1,363,840	615,142	10,956,222	2.67
2014	29,252,294	9,332,840	1,388,352	629,499	11,350,691	2.58
2013	29,422,391	9,377,528	1,372,912	659,484	11,409,924	2.58
2012	29,422,391	9,300,792	1,322,016	585,755	11,208,563	2.62

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

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

*FY Year formula Funding Changed Methodology

Source CBM004 and CBM00C

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**State Appropriation Per Student Success Point - Annualized
Last Eight Fiscal Years¹
(unaudited)**

Fiscal Year	SSP - State Appropriation (Unrestricted)²	3-Year Average Student Success Points³	Appropriation per Student Success Point
2021	\$ 4,946,247	55,486	\$ 89
2020	4,946,247	55,486	89
2019*	3,735,127	43,544	86
2018	3,735,128	43,544	86
2017	3,320,992	38,485	86
2016	3,320,993	38,485	86
2015	3,383,781	36,557	93
2014	3,383,781	36,557	93

¹Schedule is intended to include 10 years, additional years will be presented as they become available.

² State Funded student success point appropriation as presented in Schedule 6a

³ Source: THECB - Ten Pay Schedule

*FY Year formula Funding Changed Methodology. The formula funding methodology was changed in fiscal year 2014 to include appropriations based on student success points. As such, appropriations per student success point are not applicable for fiscal years prior to 2014.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Student Success Points (SSP)
Last Five Fiscal Years¹
(unaudited)**

For the Fiscal Year Ended August 31,

Success Point Elements²	2020	2019	2018	2017	2016
Degrees or Certs in Critical Fields	1,986	1,400	1,136	1,008	889
Degrees, CCCs, or Certs (Undup)	6,671	8,946	8,338	8,078	7,312
Math Readiness	1,744	961	1,040	1,064	837
Read Readiness	556	486	478	488	383
Student Transfers to a 4-Yr Inst	11,943	6,788	6,196	5,988	6,254
Students Who Complete 15 SCH	10,901	10,201	9,538	9,205	8,130
Students Who Complete 30 SCH	9,943	6,227	5,927	5,523	5,217
Students Who Pass FCL Math Course	7,791	6,729	6,054	5,728	5,529
Students Who Pass FCL Read Course	7,031	7,002	6,368	5,940	5,450
Students Who Pass FCL Write Course	6,913	6,877	6,215	5,765	5,309
Write Readiness	263	199	332	458	357
Annual Success Points Total	65,742	55,816	51,622	49,245	45,667

¹ Student Success Points funding was established by The General Appropriations Act, SB1, 83rd Texas Legislature. As such, SSP data is only available beginning in year 2016 and forward. Schedule is intended to show 10 years, additional years will be displayed as they become available.

² These are annual weighted SSP, not 3-year rolling averages.

* Formula funding methodology changed in Fiscal Year 2014.

Source: THECB Ten-Pay Schedule

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Principal Taxpayers
Last Ten Tax Years
(unaudited)**

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year				
		2021	2020	2019	2018	2017
394 Pacific DCD LLC	Commercial	\$ -	\$ -	\$ -	\$ 187,235,847	\$ 168,000,000
AT&T Mobility LLC	Telephone Utility	-	-	-	189,870,432	149,825,169
Atmos Energy/Mid Tex Division	Commercial	295,259,831	272,524,706	253,817,943	174,619,058	-
Bank of America	Commercial	175,165,343	319,273,489	280,562,279	248,522,533	198,249,810
BCS Office Investments One LP	Commercial	-	-	-	-	-
Blue Star HQ Inc	Commercial	224,437,922	224,713,504	210,342,421	201,017,500	-
Briar Preston Ridge Shop. Ctr.	Commercial	-	-	-	-	-
Capital One National Association	Commercial	232,887,100	237,730,753	232,838,352	216,428,297	190,788,000
Cisco Systems	Commercial	-	-	-	-	-
Cisco Systems Sales & Service Inc	Commercial	-	159,000,000	194,800,000	181,600,000	155,000,000
Corporate Properties Trust I SPE #1 LLC	Commercial	707,032,327	725,887,092	711,682,592	720,068,550	685,493,462
CXA-16 Corporation	Commercial	332,634,547	-	-	-	-
Electronic Data Systems Corp	Computer Center	-	-	-	-	-
EMC Corp	Commercial	-	-	-	-	-
Health Care Service Corporation	Commercial	333,160,554	342,496,820	335,422,191	292,703,563	257,500,000
HP Enterprise Services LLC	Commercial	-	-	-	-	178,540,755
HSP of Texas Inc	Commercial	-	-	-	-	149,281,614
IBM Credit	Commercial	-	-	-	-	-
JC Penney Co. Inc.	Commercial	-	-	-	-	-
JP Morgan Chase Bank NA	Commercial	565,051,815	433,884,153	362,487,692	312,538,085	140,967,122
KBSIII Legacy Town Center LLC	Commercial	167,200,000	165,382,954	-	163,915,077	154,458,567
Legacy Campus LP	Commercial	-	-	-	-	139,524,292
Legacy West Investors LP	Commercial	372,527,440	392,564,484	378,750,238	340,861,050	221,702,635
Liberty Mutual Plano LLC	Commercial	377,170,909	385,270,425	377,568,425	345,798,915	-
Oncor Electric Delivery Company	Public Utility	666,336,300	586,563,240	-	-	-
Oncor/TXU/Lone Star Gas	Public Utility	-	-	570,400,831	544,867,308	511,950,135
Qorvo Texas LLC	Manufacturer	178,972,094	174,902,640	196,551,827	-	-
SI DFW01 ABS LLC	Commercial	-	-	224,700,000	-	-
Silos Harvesting Partners LP	Commercial	-	397,480,240	389,652,603	310,000,000	245,000,000
Stonebriar Mall Ltd. Partnership	Commercial	327,766,669	354,194,082	330,831,345	321,459,957	294,907,713
T-Mobile West LLC	Commercial	197,673,166	-	167,217,724	-	-
Texas Heart Hospital of the Southwest LLP	Commercial	162,571,929	169,745,271	177,346,413	-	-
Texas Instruments, Inc	Manufacturer	235,321,892	179,559,887	171,414,883	190,297,524	195,581,438
T5@Dallas LLC	Commercial	-	-	-	-	-
Toyota Motor North America INC	Manufacturer	624,549,283	634,470,917	613,365,733	592,679,891	358,473,658
UDR Legacy Village LLC	Commercial	163,556,782	163,000,000	-	155,600,000	142,527,900
United Dominion Realty LP	Commercial	-	-	-	-	-
VAA Improvements LLC	Commercial	-	160,680,000	162,926,685	160,963,346	-
Village at Allen LP	Commercial	-	-	-	-	154,189,216
Wal-Mart Stores Texas LLC	Commercial	-	-	-	-	-
Watters Creek LLC	Commercial	-	-	-	-	-
Willow Bend Shopping Center	Commercial	-	-	-	-	-
Totals		\$ 6,339,275,903	\$ 6,479,324,657	\$ 6,342,680,177	\$ 5,851,046,933	\$ 4,691,961,486
Total Taxable Assessed Value		\$ 159,566,485,139	\$ 148,379,524,714	\$ 137,950,848,816	\$ 125,262,578,238	\$ 110,609,710,642

Source: Tax Assessor/Collector of Collin County

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Principal Taxpayers
Last Ten Tax Years
(unaudited)

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year				
		2016	2015	2014	2013	2012
394 Pacific DCD LLC	Commercial	\$ -	\$ -	\$ -	\$ -	\$ -
AT&T Mobility LLC	Telephone Utility	161,911,224	180,969,477	175,236,979	137,198,694	150,721,071
Atmos Energy/Mid Tex Division	Commercial	-	-	-	-	-
Bank of America	Commercial	438,945,810	386,940,931	320,720,305	321,486,177	132,676,129
BCS Office Investments One LP	Commercial	362,453,234	329,153,747	-	-	-
Blue Star HQ Inc	Commercial	-	-	-	-	-
Briar Preston Ridge Shop. Ctr.	Commercial	121,936,281	121,815,390	121,741,860	-	118,250,000
Capital One National Association	Commercial	149,429,000	147,883,770	142,606,357	-	-
Cisco Systems	Commercial	-	163,176,492	159,890,798	163,098,708	171,484,217
Cisco Systems Sales & Service Inc	Commercial	135,112,776	122,829,796	115,958,112	-	-
Corporate Properties Trust I SPE #1 LLC	Commercial	-	-	-	-	-
CXA-16 Corporation	Commercial	-	-	-	-	-
Electronic Data Systems Corp	Computer Center	-	-	-	135,149,181	-
EMC Corp	Commercial	-	122,159,054	137,003,309	-	-
Health Care Service Corporation	Commercial	234,520,075	234,520,075	211,520,075	209,172,377	208,172,377
HP Enterprise Services LLC	Commercial	151,351,731	146,470,263	-	-	-
HSP of Texas Inc	Commercial	143,641,649	144,545,391	114,469,428	-	-
IBM Credit	Commercial	-	-	116,205,684	135,149,181	-
JC Penney Co. Inc.	Commercial	166,000,000	165,336,836	161,355,729	164,974,971	163,195,767
JP Morgan Chase Bank NA	Commercial	-	-	-	-	-
KBSIII Legacy Town Center LLC	Commercial	-	-	113,067,926	-	-
Legacy Campus LP	Commercial	133,735,904	139,950,145	126,045,001	-	152,500,000
Legacy West Investors LP	Commercial	-	-	-	-	-
Liberty Mutual Plano LLC	Commercial	-	-	-	-	-
Oncor Electric Delivery Company	Public Utility	-	-	-	-	-
Oncor/TXU/Lone Star Gas	Public Utility	543,516,118	541,253,800	519,537,661	495,218,356	461,211,196
Qorvo Texas LLC	Manufacturer	190,075,709	-	-	-	-
SI DFW01 ABS LLC	Commercial	-	-	-	-	-
Silos Harvesting Partners LP	Commercial	-	-	-	-	-
Stonebriar Mall Ltd. Partnership	Commercial	287,982,811	276,304,342	260,753,175	239,971,384	232,137,734
T-Mobile West LLC	Commercial	-	-	-	-	-
Texas Heart Hospital of the Southwest LLP	Commercial	-	-	-	-	-
Texas Instruments, Inc	Manufacturer	-	-	-	-	-
T5@Dallas LLC	Commercial	146,000,000	125,500,000	112,001,268	-	-
Toyota Motor North America INC	Manufacturer	-	-	-	-	-
UDR Legacy Village LLC	Commercial	-	-	-	-	-
United Dominion Realty LP	Commercial	122,947,560	-	-	-	-
VAA Improvements LLC	Commercial	-	-	-	-	-
Village at Allen LP	Commercial	147,302,454	144,273,092	144,127,995	142,468,550	136,534,873
Wal-Mart Stores Texas LLC	Commercial	-	139,644,608	125,878,773	-	-
Watters Creek LLC	Commercial	117,750,824	-	-	-	-
Willow Bend Shopping Center	Commercial	140,600,000	200,800,000	142,581,631	-	-
Totals		\$ 3,895,213,160	\$ 3,833,527,209	\$ 3,320,702,066	\$ 2,143,887,579	\$ 1,926,883,364
Total Taxable Assessed Value		\$ 97,729,259,604	\$ 88,130,253,906	\$ 80,470,937,890	\$ 75,781,388,098	\$ 73,592,994,694

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Property Tax Levies and Collections
Last Ten Tax Years
(unaudited)
(amounts expressed in thousands)**

Fiscal Year Ended August 31	Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections Year of Levy (c)	Percentage	Collections of Prior Years (d)	Collections of Penalties and Interest (e)	Total Collections (C+D+E)	Cumulative Collections of Adjusted Levy
2021	\$ 126,519	\$ 514	\$ 127,033	\$ 125,968	99.16%	\$ 268	\$ 659	\$ 126,895	99.89%
2020	121,041	2,933	123,974	120,008	96.80%	321	666	120,995	97.60%
2019	112,145	2,631	114,776	111,448	97.10%	830	619	112,897	98.36%
2018	100,783	2,267	103,050	99,383	96.44%	844	544	100,771	97.79%
2017	91,096	2,941	94,037	89,217	94.87%	1,157	648	91,022	96.79%
2016	82,019	2,092	84,111	80,484	95.69%	1,239	597	82,320	97.87%
2015	73,897	1,544	75,441	72,385	95.95%	818	496	73,699	97.69%
2014	68,790	1,208	69,998	67,645	96.64%	499	437	68,581	97.98%
2013	66,738	691	67,429	65,697	97.43%	683	403	66,783	99.04%
2012	64,923	585	65,508	63,852	97.47%	577	417	64,846	98.99%

Source:

- (a) As reported in notes to the financial statement for the year of the levy.
- (b) As of August 31st of the current reporting year.
- (c) Property tax only - does not include penalties and interest.
- (d) Represents cumulative collections of prior years not collected in the current year or the year of the tax levy.
- (e) Represents current year collections of prior years levies.

Total Collections = C + D + E

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Statistical Supplement 9

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

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

For the Fiscal Year Ended August 31,

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
General Bonded Debt					
General Obligation Bonds	\$ 575,747,183	\$ 596,311,827	\$ 256,487,832	\$ 264,388,553	\$ 14,843,861
Less: Funds restricted for debt service	(10,188,965)	(7,378,630)	(6,342,738)	(2,250,198)	(894,905)
Net General Bonded Debt	<u>565,558,218</u>	<u>588,933,197</u>	<u>250,145,094</u>	<u>262,138,355</u>	<u>13,948,956</u>
Other Debt					
Revenue Bonds	-	-	-	-	1,095,000
Net Revenue Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,095,000</u>
Total Net Outstanding Debt	<u>\$ 565,558,218</u>	<u>\$ 588,933,197</u>	<u>\$ 250,145,094</u>	<u>\$ 262,138,355</u>	<u>\$ 15,043,956</u>
Total Gross Amount of Outstanding Debt	<u>\$ 575,747,183</u>	<u>\$ 596,311,827</u>	<u>\$ 256,487,832</u>	<u>\$ 264,388,553</u>	<u>\$ 15,938,861</u>
General Bonded Debt Ratios					
Per Capita	531.31	569.17	248.86	270.36	14.85
Per FTSE	22,407	22,613	9,564	10,464	574
As a percentage of Taxable Assessed Value	0.35%	0.40%	0.18%	0.21%	0.01%
Total Outstanding Debt Ratios					
Per Capita	540.88	576.30	255.17	272.68	16.96
Per FTSE	22,407	22,613	9,564	10,464	619
As a percentage of Taxable Assessed Value	0.35%	0.40%	0.18%	0.21%	0.01%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

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

For the Fiscal Year Ended August 31,

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Bonded Debt					
General Obligation Bonds	\$ 17,206,467	\$ 31,787,200	\$ 34,805,723	\$ 37,694,245	\$ 40,467,768
Less: Funds restricted for debt service	(552,079)	(364,843)	-	(3,755,162)	(3,375,209)
Net General Bonded Debt	<u>16,654,388</u>	<u>31,422,357</u>	<u>34,805,723</u>	<u>33,939,083</u>	<u>37,092,559</u>
Other Debt					
Revenue Bonds	<u>2,160,000</u>	<u>3,195,000</u>	<u>4,195,000</u>	<u>5,165,000</u>	<u>6,111,000</u>
Net Revenue Bonds	<u>2,160,000</u>	<u>3,195,000</u>	<u>4,195,000</u>	<u>5,165,000</u>	<u>6,111,000</u>
Total Outstanding Debt	<u>\$ 18,814,388</u>	<u>\$ 34,617,357</u>	<u>\$ 39,000,723</u>	<u>\$ 39,104,083</u>	<u>\$ 43,203,559</u>
Total Gross Amount of Outstanding Debt	<u>\$ 19,366,467</u>	<u>\$ 34,982,200</u>	<u>\$ 39,000,723</u>	<u>\$ 42,859,245</u>	<u>\$ 46,578,768</u>
General Bonded Debt Ratios					
Per Capita	18.22	35.50	40.72	40.66	46.11
Per FTSE	702	1,408	1,501	1,444	1,634
As a percentage of Taxable Assessed Value	0.02%	0.04%	0.04%	0.04%	0.05%
Total Outstanding Debt Ratios					
Per Capita	21.19	39.52	45.63	51.35	57.91
Per FTSE	794	1,551	1,682	1,663	1,904
As a percentage of Taxable Assessed Value	0.02%	0.04%	0.05%	0.05%	0.06%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)**

	For the Year Ended August 31				
	2021	2020	2019	2018	2017
Taxable Assessed Value	\$ 159,566,485,139	\$ 148,379,524,714	\$ 137,950,848,816	\$ 125,262,578,238	\$ 110,609,710,642
General Obligations					
Statutory/Tax Levy/Limit for Debt Service	\$19,147,978,217	\$17,805,542,966	\$16,554,101,858	\$15,031,509,389	\$13,273,165,277
Less: Funds Restricted for Repayment of General Obligations	10,188,965	7,378,630	6,342,738	2,250,198	894,905
Total Net General Obligation Debt	19,137,789,252	17,798,164,336	16,547,759,120	15,029,259,191	13,272,270,372
Less: Current Year Debt Service Requirements Excess Statutory Limit for Debt Service Over Current Requirements	46,979,928	22,263,613	20,561,942	3,107,481	3,095,281
	<u>\$ 19,090,809,324</u>	<u>\$ 17,775,900,723</u>	<u>\$ 16,527,197,178</u>	<u>\$ 15,026,151,710</u>	<u>\$ 13,269,175,091</u>
Net Current Requirements as a % of Statutory Limit	0.30%	0.17%	0.16%	0.04%	0.03%

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

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)**

	For the Year Ended August 31				
	2016	2015	2014	2013	2012
Taxable Assessed Value	\$ 97,729,259,604	\$ 88,130,253,906	\$ 80,470,937,890	\$ 75,781,388,098	\$ 73,592,994,694
General Obligations					
Statutory/Tax Levy/Limit for Debt Service	\$11,727,511,152	\$10,575,630,469	\$9,656,512,547	\$9,093,766,572	\$8,831,159,363
Less: Funds Restricted for Repayment of General Obligations	552,079	364,843	2,063,560	3,755,162	3,375,209
Total Net General Obligation Debt	11,726,959,073	10,575,265,626	9,654,448,987	9,090,011,410	8,827,784,154
Less: Current Year Debt Service Requirements	4,567,230	4,470,731	4,447,626	4,381,998	4,356,365
Excess Statutory Limit for Debt Service Over Current Requirements	\$ 11,722,391,843	\$ 10,570,794,895	\$ 9,650,001,361	\$ 9,085,629,412	\$ 8,823,427,789
Net Current Requirements as a % of Statutory Limit	0.04%	0.05%	0.07%	0.09%	0.09%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Pledged Revenue Coverage
Last Ten Fiscal Years
(unaudited)**

Revenue Bonds

Fiscal Year Ended August 31	Pledged Revenues			
	Tuition	Building Fees	Interest Income	Food Services
2021 ¹	\$ -	\$ -	\$ -	\$ -
2020	-	-	-	-
2019	-	-	-	-
2018	1,050,668	-	4,058,101	638,312
2017	968,370	-	2,160,097	353,272
2016	921,998	3,326,064	795,600	93,547
2015	906,060	3,288,927	210,829	100,000
2014	1,312,365	3,265,810	109,513	100,840
2013	952,965	3,283,382	232,155	78,813
2012	947,430	3,238,390	233,034	85,387

¹ Currently the District has no outstanding or pledged revenue bonds

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Pledged Revenue Coverage
Last Ten Fiscal Years
(unaudited)**

Pledged Revenues		Debt Service Requirements			
Bookstore Commission	Total	Principal	Interest	Total	Coverage Ratio
\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-
-	-	-	-	-	-
853,467	6,600,548	1,095,000	16,261	1,111,261	5.94
740,618	4,222,357	1,065,000	48,337	1,113,337	3.79
4,253,551	9,390,760	1,035,000	79,522	1,114,522	8.43
7,795,310	12,301,126	1,000,000	109,742	1,109,742	11.08
8,260,036	13,048,564	970,000	138,996	1,108,996	11.77
8,599,022	13,146,337	945,000	167,434	1,112,434	11.82
9,063,221	13,567,462	915,000	195,055	1,110,055	12.22

Statistical Supplement 12

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Demographic and Economic Statistics
Last Ten Fiscal Years
(unaudited)**

Fiscal Year	District Population¹	District Personal Income (\$ in thousands)²	District Personal Income Per Capita	District Unemployment Rate³
2021	1,064,465	\$ 70,852,208	\$ 68,474	4.0%
2020	1,034,730	66,212,712	65,874	5.4%
2019	1,005,146	62,078,378	64,025	3.1%
2018	969,603	57,482,679	61,179	3.4%
2017	939,585	62,113,034	63,911	3.7%
2016	914,127	58,385,800	61,866	3.8%
2015	885,241	54,420,085	59,532	3.6%
2014	854,778	52,358,740	59,146	5.0%
2013	834,642	47,457,632	55,520	5.5%
2012	804,390	46,837,453	56,117	6.3%

1 Source: Population for 2010 from US Census Bureau. 2011 and 2012 information from the North Central Texas Council of Governments. 2013 estimate from May 2013 Census Bureau estimate. 2014 estimate from September 2014 Census Bureau estimate. 2015 estimate from July 2014 Census Bureau estimate. 2016 estimate from July 2015 Census Bureau estimate. 2018 from July 2017 Census Bureau estimate. 2019 from July 2018 US Census Bureau estimate. 2020 from July 2019 US Census Bureau estimate.

2 Personal Income from U.S. Bureau of Economic Analysis - 2014 and prior. Data for 2011, 2018, 2019, 2020 and 2021 obtained from Texas Association of Counties. Bureau of Economic Analysis Personal Income Summary for 2016 and 2017

3 Unemployment rate from Texas Workforce Commission LCMI Tracer. Data for 2018 obtained from Texas Association of Counties. Data for 2019 from Texas Workforce Commission, 2017 data. Data for 2020 from Texas Workforce Commission.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Principal Employers
Current Fiscal Year to Nine Years Prior
(unaudited)**

Employer	2021		2012	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Texas Instruments	9,100	1.66%	-	-
Bank of America Home Loans	8,000	1.46%	12,311	3.10%
Plano Independent School District	6,500	1.18%	6,443	1.62%
Frisco Independent School District	5,000	0.14%	-	-
Capital One Finance	4,500	0.82%	4,915	1.24%
HP Enterprise Services	4,500	0.82%	-	-
LifeCare	4,500	0.82%	-	-
AT&T	4,300	0.78%	1,350	0.34%
Nortel	4,300	0.78%	-	-
Toyota Motor Corp	4,000	0.73%	-	-
Raytheon	3,600	0.66%	1,500	0.38%
University of Texas at Dallas	3,500	0.64%	3,000	0.76%
Stonebriar Center	3,456	0.63%	-	-
Shops at Willow Bend	3,240	0.59%	-	-
Blue Cross Blue Shield of Texas	3,100	0.56%	-	-
J.C. Penney	3,000	0.55%	3,800	0.96%
Ericsson	2,650	0.48%	-	-
McKinney Independent School District	2,550	0.46%	-	-
Alcatel	2,500	0.45%	2,000	0.50%
Frito Lay	2,500	0.45%	2,500	0.63%
Collin Creek Mall	2,418	0.44%	-	-
Allen Independent School District	2,345	0.43%	2,229	0.56%
Dell	2,250	0.41%	-	-
Verizon Business	2,250	0.41%	-	-
SBC Communicaitons	2,140	0.39%	-	-
AT&T Inc	2,140	0.39%	-	-
United Healthcare	1,700	0.31%	-	-
Cisco Systems	1,700	0.31%	-	-
Texas Health Presbyterian Hospital Plano	1,680	0.31%	1,488	0.37%
Goodman Networks	1,550	0.28%	-	-
Fujitsu Network Communications	1,500	0.27%	-	-
T-Mobile USA	1,500	0.27%	-	-
Centre at Preston Ridge	1,500	0.27%	-	-
Collin County Community College	-	-	1,894	0.48%
Electronic Systems Data Corp/HP	-	-	10,000	2.52%
Medical Center of Plano (HCA Medical Ctr)	-	-	3,000	0.76%
Walmart	-	-	3,261	0.82%
	109,469	19.15%	59,691	15.04%

2021 data from Collin County website and various Collin County City websites
 2012 from Collin County CAFR FY12
 Percentages are calculated based on the total number employed in Collin County

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Faculty, Staff, and Administrators Statistics
Last Ten Tax Years
(unaudited)**

	Fiscal Year				
	2021	2020	2019	2018	2017
Faculty					
Full-Time	532	472	436	402	395
Part-Time	881	982	952	1,000	945
Total	<u>1413</u>	<u>1454</u>	<u>1388</u>	<u>1,402</u>	<u>1,340</u>
Percent					
Full-Time	37.7%	32.5%	31.4%	28.7%	29.5%
Part-Time	62.3%	67.5%	68.6%	71.3%	70.5%
Staff and Administrators					
Full-Time	946	808	735	685	648
Part-Time	425	740	576	599	599
Total	<u>1371</u>	<u>1548</u>	<u>1311</u>	<u>1,284</u>	<u>1,247</u>
Percent					
Full-Time	69.0%	52.2%	56.1%	53.3%	52.0%
Part-Time	31.0%	47.8%	43.9%	46.7%	48.0%
FTSE per Full-Time Faculty	47.44	55.18	59.99	62.32	61.55
FTSE per Full-Time Staff Member	26.68	32.23	35.59	36.57	37.52
Average Annual Faculty Salary	\$ 70,855	\$ 68,070	\$ 69,311	\$ 66,728	\$ 65,167

Source: FTSE as reported on CBM001/CBM00A
 Source: 2020 https://www.collin.edu/hr/personnel_head_count.html

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Faculty, Staff, and Administrators Statistics

Last Ten Tax Years

(unaudited)

	Fiscal Year				
	2016	2015	2014	2013	2012
Faculty					
Full-Time	409	396	372	361	356
Part-Time	905	885	880	845	846
Total	1,314	1,281	1,252	1,206	1,202
Percent					
Full-Time	31.1%	30.9%	29.7%	29.9%	29.6%
Part-Time	68.9%	69.1%	70.3%	70.1%	70.4%
Staff and Administrators					
Full-Time	626	638	614	577	580
Part-Time	583	610	578	555	565
Total	1,209	1,248	1,192	1,132	1,145
Percent					
Full-Time	51.8%	51.1%	51.5%	51.0%	50.7%
Part-Time	48.2%	48.9%	48.5%	49.0%	49.3%
FTSE per Full-Time Faculty	57.97	56.36	62.33	65.12	63.75
FTSE per Full-Time Staff Member	37.87	34.98	37.76	40.75	39.13
Average Annual Faculty Salary	\$ 62,315	\$ 60,412	\$ 57,209	\$ 56,614	\$ 54,821

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

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

Student Classification	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	27,068	76%	24,311	69%	22,928	68%	21,319	67%	19,706	66%
31-60 hours	6,367	18%	8,004	23%	7,839	23%	7,444	24%	7,174	24%
> 60 hours	1,957	6%	2,829	8%	2,910	9%	2,856	9%	2,823	10%
Total	35,392	100%	35,144	100%	33,677	100%	31,619	100%	29,703	100%

Semester Hour Load	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	163	0%	154	0%	136	0%	216	1%	219	1%
3-5 semester hours	7,936	22%	7,653	21%	7,451	22%	6,712	21%	6,105	21%
6-8 semester hours	9,586	27%	9,347	27%	9,138	27%	8,489	26%	7,949	27%
9-11 semester hours	6,949	20%	7,230	21%	6,290	19%	5,971	19%	5,788	19%
12-14 semester hours	8,153	23%	8,557	24%	8,701	26%	8,431	27%	8,018	27%
15-17 semester hours	2,338	7%	1,984	6%	1,777	5%	1,623	5%	1,476	5%
18 & Over	267	1%	219	1%	184	1%	177	1%	148	0%
Total	35,392	100%	35,144	100%	33,677	100%	31,619	100%	29,703	100%

Average course load	8.3	8.3	8.4	8.4	8.5
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Tuition Status	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
TX Resident (In-District)	23,577	67%	23,749	68%	23,310	69%	21,810	69%	20,912	70%
TX Resident (Out-of-District)	8,727	24%	8,647	24%	7,837	23%	6,685	21%	6,381	22%
Non-Resident Tuition	3,088	9%	2,748	8%	2,530	8%	3,124	10%	2,410	8%
Total	35,392	100%	35,144	100%	33,677	100%	31,619	100%	29,703	100%

Source: Collin College's Institutional Research Office based on official Fall Census Headcount reports.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

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

Student Classification	Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	18,351	65%	18,005	64%	18,363	66%	17,845	65%	17,379	64%
31-60 hours	7,089	25%	7,244	26%	6,839	24%	7,175	26%	7,611	28%
> 60 hours	2,747	10%	2,742	10%	2,770	10%	2,404	9%	2,198	8%
Total	<u>28,187</u>	<u>100%</u>	<u>27,991</u>	<u>100%</u>	<u>27,972</u>	<u>100%</u>	<u>27,424</u>	<u>100%</u>	<u>27,188</u>	<u>100%</u>

Semester Hour Load	Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	186	1%	284	1%	223	1%	241	1%	190	1%
3-5 semester hours	5,890	21%	5,528	20%	5,682	20%	5,577	20%	4,900	18%
6-8 semester hours	7,340	26%	6,897	24%	7,274	26%	6,917	25%	7,162	26%
9-11 semester hours	5,330	19%	5,383	19%	5,150	18%	5,012	18%	5,042	19%
12-14 semester hours	7,700	27%	8,116	29%	7,939	28%	7,845	29%	8,419	30%
15-17 semester hours	1,563	5%	1,626	6%	1,543	6%	1,632	6%	1,264	5%
18 & Over	178	1%	157	1%	161	1%	200	1%	211	1%
Total	<u>28,187</u>	<u>100%</u>	<u>27,991</u>	<u>100%</u>	<u>27,972</u>	<u>100%</u>	<u>27,424</u>	<u>100%</u>	<u>27,188</u>	<u>100%</u>

Average course load 8.5 8.7 8.6 8.8 8.8

Tuition Status	Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
TX Resident (In-District)	19,660	70%	19,405	70%	19,309	69%	18,597	67%	19,298	71%
TX Resident (Out-of-District)	5,845	20%	5,951	21%	6,057	22%	5,909	22%	5,770	21%
Non-Resident Tuition	2,682	10%	2,635	9%	2,606	9%	2,918	11%	2,120	8%
Total	<u>28,187</u>	<u>100%</u>	<u>27,991</u>	<u>100%</u>	<u>27,972</u>	<u>100%</u>	<u>27,424</u>	<u>100%</u>	<u>27,188</u>	<u>100%</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Student Profile
Last Ten Fiscal Years
(unaudited)**

Gender	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Male	15,113	43%	15,489	44%	14,899	44%	14,214	45%	13,315	45%
Female	20,279	57%	19,655	56%	18,778	56%	17,405	55%	16,388	55%
Total	35,392	100%	35,144	100%	33,677	100%	31,619	100%	29,703	100%

Ethnic Origin	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	16,574	46%	16,751	48%	16,309	49%	15,508	49%	14,961	51%
Hispanic	7,395	21%	7,386	21%	6,867	20%	6,249	20%	5,699	19%
African American	4,142	12%	3,955	11%	3,798	11%	3,644	12%	3,361	11%
Asian	4,193	12%	3,907	11%	3,641	11%	3,292	10%	2,903	10%
Foreign	538	2%	725	2%	794	2%	1,008	3%	1,173	4%
Native American	131	0%	123	0.0%	135	0%	134	0%	136	0%
Other	2,419	7%	2,297	7%	2,133	7%	1,784	6%	1,470	5%
Total	35,392	100%	35,144	100%	33,677	100%	31,619	100%	29,703	100%

Age	Fall 2020		Fall 2019		Fall 2018		Fall 2017		Fall 2016	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	9,556	27%	8,339	23%	7,224	21%	5,530	17%	4,533	15%
18 - 21	15,172	43%	15,634	44%	15,180	45%	14,678	46%	13,681	46%
22 - 24	3,714	10%	4,076	12%	3,932	12%	4,019	13%	3,813	13%
25 - 35	4,439	13%	4,536	13%	4,607	13%	4,636	15%	4,730	16%
36 - 50	2,023	6%	2,024	6%	2,191	7%	2,263	7%	2,386	8%
51 & Over	488	1%	535	2%	543	2%	493	2%	560	2%
Total	35,392	100%	35,144	100%	33,677	100%	31,619	100%	29,703	100%

Average Age (Fall)	21.8	22.1	22.4	22.8	23.3
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Source: Collin College's Institutional Research Office based on official Fall Census Headcount reports.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Student Profile
Last Ten Fiscal Years
(unaudited)**

Gender	Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Male	12,697	45%	12,371	44%	12,393	44%	11,931	44%	11,719	43%
Female	15,490	55%	15,620	56%	15,579	56%	15,493	56%	15,469	57%
Total	28,187	100%	27,991	100%	27,972	100%	27,424	100%	27,188	100%

Ethnic Origin	Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	14,676	52%	14,786	53%	15,262	55%	15,440	57%	15,834	58%
Hispanic	5,360	20%	5,190	19%	4,898	18%	4,435	16%	4,313	16%
African American	3,264	12%	3,384	12%	3,376	12%	3,228	12%	3,168	12%
Asian	2,592	9%	2,396	9%	2,297	8%	2,268	8%	2,317	9%
Foreign	908	3%	891	3%	826	3%	842	3%	635	2%
Native American	137	0%	124	0%	135	0%	124	0%	393	1%
Other	1,250	4%	1,220	4%	1,178	4%	1,087	4%	528	2%
Total	28,187	100%	27,991	100%	27,972	100%	27,424	100%	27,188	100%

Age	Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	3,765	13%	3,161	11%	3,061	11%	2,685	10%	2,613	9%
18 - 21	13,052	47%	12,787	46%	12,342	44%	11,643	42%	13,023	48%
22 - 24	3,670	13%	3,701	13%	3,623	13%	3,527	13%	5,387	20%
25 - 35	4,619	16%	4,879	17%	5,109	18%	5,451	20%	3,929	14%
36 - 50	2,466	9%	2,761	10%	3,070	11%	3,318	12%	2,233	8%
51 & Over	615	2%	702	3%	767	3%	800	3%	408	1%
Total	28,187	100%	27,991	100%	27,972	100%	27,424	100%	27,593	100%

Average Age (Fall)	23.7	24.3	24.7	25.3	24.7
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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Transfers to Senior Institutions
2019 Fall Students as of Fall 2020
(Includes community, technical and public senior colleges in Texas)
(unaudited)**

Transfer Destination	Transfer Student Count			Total	Percentage
	Academic	Technical	Tech-Prep		
Universities					
Angelo State University	12	4	-	16	0.2023%
Lamar University	8	2	-	10	0.1264%
Midwestern State University	25	18	-	43	0.5437%
Prairie View A&M University	17	9	-	26	0.3287%
Sam Houston State University	44	15	-	59	0.7460%
Stephen F. Austin State University	90	52	-	142	1.7954%
Sul Ross State University	-	-	-	-	0.0000%
Tarleton State University	70	17	-	87	1.1000%
Texas A&M International University	2	-	-	2	0.0253%
Texas A&M University	411	194	-	605	7.6495%
Texas A&M University - Central Texas	3	-	-	3	0.0379%
Texas A&M University - Commerce	235	43	-	278	3.5150%
Texas A&M University - Corpus Christi	20	11	-	31	0.3920%
Texas A&M University - Galveston	14	1	-	15	0.1897%
Texas A&M University - Kingsville	1	-	-	1	0.0126%
Texas A&M University - San Antonio	3	3	-	6	0.0759%
Texas A&M University - Texarkana	4	3	-	7	0.0885%
Texas Southern University	2	4	-	6	0.0759%
Texas State University - San Marcos	191	74	-	265	3.3506%
Texas Tech University	429	277	-	706	8.9265%
Texas Woman's University	324	117	-	441	5.5759%
The University of Texas - Rio Grande Valley	2	2	-	4	0.0506%
The University of Texas at Arlington	224	101	-	325	4.1092%
The University of Texas at Austin	324	130	-	454	5.7403%
The University of Texas at Dallas	1,695	587	-	2,282	28.8532%
The University of Texas at El Paso	4	1	-	5	0.0632%
The University of Texas at San Antonio	22	8	-	30	0.3793%
The University of Texas at Tyler	31	26	-	57	0.7207%
The University of Texas of the Permian Basin	14	3	-	17	0.2149%
University of Houston	50	17	-	67	0.8471%
University of Houston - Clear Lake	1	1	-	2	0.0253%
University of Houston - Downtown	4	-	-	4	0.0506%
University of Houston - Victoria	-	1	-	1	0.0126%
University of North Texas	1,480	275	-	1,755	22.1899%
University of North Texas at Dallas	28	4	-	32	0.4046%
West Texas A&M University	9	5	-	14	0.1770%
Total	5,793	2,005	-	7,798	98.5965%
Health Science Institutions					
Texas A&M Univ Health Science Center	10	5	-	15	0.1897%
Texas Tech Univ Health Sciences Center	19	37	-	56	0.7081%
Texas Tech Univ Health Sciences Center - El Paso	-	-	-	-	0.0000%
The Univ of Texas Health Science Ctr at Houston	3	-	-	3	0.0379%
The Univ of Texas Health Science Ctr at San Antonio	2	-	-	2	0.0253%
The Univ of Texas MD Anderson Cancer Center	-	-	-	-	0.0000%
The Univ of Texas Health Science Center at Tyler	-	1	-	1	0.0126%
The Univ of Texas Medical Branch at Galveston	4	4	-	8	0.1012%
The University of Texas Southwestern Medical Center	3	2	-	5	0.0632%
The University of Texas - Rio Grande Valley - Medical Schoc	-	1	-	1	0.0126%
University of N Texas Health Science Ctr	15	5	-	20	0.2529%
Total	56	55	-	111	1.4035%
Grand Total	5,849	2,060	-	7,909	100.00%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Capital Asset Information
Last Ten Fiscal Years
(unaudited)**

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Academic Building	22	19	12	12	11	11	9	9	9	9
Square Footage	1,943,305	1,708,744	1,244,952	1,244,952	1,105,585	1,105,585	957,433	957,433	957,433	957,433
Libraries	7	5	3	3	3	3	3	3	3	3
Square Footage	352,108	334,842	295,429	295,429	295,429	295,429	295,429	295,429	295,429	295,429
Number of Volumes**	515,295	367,991	321,252	242,696	235,396	233,569	233,693	246,192	262,427	252,135
Administrative and Support Buildings										
Square Footage*	580,429	580,429	456,649	456,649	449,314	449,314	449,314	449,314	449,314	429,227
Dining Facilities	4	4	2	2	2	2	2	2	2	2
Square Footage	29,117	29,117	11,926	11,926	11,926	11,926	11,926	11,926	11,926	11,926
Athletic Facilities	4	4	3	3	3	3	3	3	3	3
Square Footage	97,647	97,647	89,647	89,647	89,647	89,647	89,647	89,647	89,647	89,647
Gymnasiums	1	1	1	1	1	1	1	1	1	1
Fitness Centers	4	4	3	3	3	3	3	3	3	3
Tennis Courts	10	10	10	10	10	10	10	10	10	10
Student Housing Facilities	1	1	1	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Square Footage	86,308	86,308	86,308	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Plant Facilities	6	6	4	4	4	4	4	4	4	4
Square Footage	45,808	45,808	20,381	20,381	20,381	20,381	20,381	20,381	20,381	20,381
Transportation										
Cars	27	29	7	7	11	11	13	12	10	9
Light Trucks/Vans	40	32	42	30	24	22	20	23	17	17

* Comprise parts of various buildings.
**Includes accessible e-books

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Single Audit Section

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

To the Board of Trustees
Collin County Community College District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Collin County Community College District (the District), which comprise the statement of financial position as of and for the year ended August 31, 2021, and the related statement of activities and cash flows for the year then ended, and notes to the financial statements which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 7, 2021. Our report includes a reference to other auditors who audited the financial statements of Collin County Community College Foundation (the "Foundation"), as described in our report on the District's financial statements. The financial statements of the Foundation, audited by other auditors, were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial or instances of reportable noncompliance associated with the Foundation.

Internal Control over Financial Reporting

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

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

To the Board of Trustees
Collin County Community College District

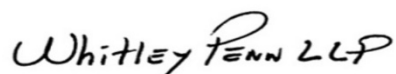
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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

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

Dallas, Texas
December 7, 2021

INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND THE STATE OF TEXAS *UNIFORM GRANT MANAGEMENT STANDARDS*

To the Board of Trustees
Collin County Community College District

Report on Compliance for Each Major Federal and State Program

We have audited Collin County Community College District’s (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and State of Texas *Uniform Grant Management Standards* that could have a direct and material effect on each of the District’s major federal and state programs for the year ended August 31, 2021. The District’s major federal and state programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the District’s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State of Texas *Uniform Grant Management Standards*. Those standards, the Uniform Guidance and the State of Texas *Uniform Grant Management Standards* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the District’s compliance.

To the Board of Trustees
Collin County Community College District

Opinion on Each Major Federal and State Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2021.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State of Texas *Uniform Grant Management Standards*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in the District's internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Whitley Penn LLP

Dallas, Texas
December 7, 2021

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Expenditures of Federal Awards
For the year ended August 31, 2021

Federal Grantor/Cluster/Program Title/Pass-Through Grantor Pass-Through Grantor's Award Number	Assistance Listing Number	Direct Awards	Expenditures		Subrecipients Expenditures
			Pass-Through Awards	Total	
U.S. Department of Education					
Direct Programs:					
Student Financial Assistance Cluster					
Federal Supplemental Educational Opportunity Grants	84.007	\$ 432,477	\$ -	\$ 432,477	\$ -
Federal Work-Study Program	84.033	259,768	-	259,768	-
Federal Pell Grant Program	84.063	24,034,673	-	24,034,673	-
Federal Direct Student Loans	84.268	13,570,663	-	13,570,663	-
Total Student Financial Assistance Cluster		38,297,581	-	38,297,581	-
Direct Program:					
COVID-19 - Education Stabilization Fund - Emergency Grant Assistance for Students	84.425E	7,743,612	-	7,743,612	-
COVID-19 - Education Stabilization Fund - Emergency Grant Relief for Institution	84.425F	12,037,282	-	12,037,282	-
Pass-Through from:					
Texas Higher Education Coordinating Board					
COVID-19 - Education Stabilization Fund - Governor's Emergency Education Relief 2020-GE-84425C	84.425C	-	226,516	226,516	-
COVID-19 - Education Stabilization Fund - Texas Reskilling Support Fund- Round One 2020-GE-84425C	84.425C	-	338,917	338,917	212,655
COVID-19 - Education Stabilization Fund - Texas Reskilling Support Fund- Round Two 2020-GE-84425C	84.425C	-	71,114	71,114	-
Total Education Stabilization Fund	84.425	19,780,894	636,547	20,417,441	212,655
Pass-Through from:					
Texas Higher Education Coordinating Board					
Career and Technical Education - Basic Grants to States - 214223	84.048	-	639,672	639,672	-
Total U.S. Department of Education		58,078,475	1,276,219	59,354,694	212,655
U.S. Department of Commerce					
Cluster Grant					
Direct Program:					
Economic Development Administration	11.020	1,178	-	1,178	-
U.S. Department of Labor					
Pass-Through from:					
Texas Workforce Commission					
Employment Service/Wagner-Peyser Funded Activities - ES-33416-19-55-A-48	17.207	-	63,845	63,845	-
Apprenticeship USA Grants - AP-33514-19-60-A-48	17.285	-	4,011	4,011	-
Columbus State Community College					
H-1B Job Training Grants - HG-33028-19-60-A-39	17.268	-	168,138	168,138	-
Total Department of Labor		-	235,994	235,994	-
National Science Foundation					
Research and Development Cluster					
Direct Program:					
Education and Human Resources	47.076	522,601	-	522,601	52,861
Education and Human Resources	47.076	331,383	-	331,383	45,162
Total National Science Foundation	47.076	853,984	-	853,984	98,023
U.S. Small Business Administration					
Pass-Through from:					
Dallas County Community College District:					
Small Business Development Centers - SBAHQ-20-B-0014	59.037	-	30,275	30,275	-
Small Business Development Centers - SBAHQ-21-B-0038	59.037	-	345,014	345,014	-
Small Business Development Centers - SBAHQ-20-C-0059	59.037	-	120,000	120,000	-
Total U.S. Small Business Administration	59.037	-	495,289	495,289	-
Total Federal Financial Assistance		\$ 58,933,637	\$ 2,007,502	\$ 60,941,139	\$ 310,678

Notes to schedule on following page

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Notes to Schedule of Expenditures of Federal Awards
For the year ended August 31, 2021**

Note 1: Federal assistance reconciliation

	FY 21
Additional Operating Revenues - Federal grants and contracts - per Schedule A	\$ 12,819,947
Add: Indirect/Administrative Costs Recoveries - per Schedule A	1,132,774
Add: Non Operating Revenues - Federal contracts and grants - per Schedule C	<u>33,107,077</u>
Total Federal Revenues per Schedule A and C	<u>47,059,798</u>
Reconciling items:	
Add: Funds passed through to others	310,678
Add: Direct Student Loans	<u>13,570,663</u>
Total Federal Expenditures per Schedule of Expenditures of Federal Awards	<u><u>\$ 60,941,139</u></u>

Note 2: Significant accounting policies used in preparing the schedule

The expenditures included in the schedule are reported for the District's fiscal year using the accrual basis of accounting. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended by the District for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from the 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 District has followed all applicable guidelines issued by various entities in the preparation of the schedule. Since the District has agency approved Indirect Recovery Rate it has elected not to use the 10% de minimis cost rate as permitted in the UG, section 200.414.

Note 3: Amounts passed-through by the District

The following amounts were passed through to the listed subrecipients by the District. These amounts were from the Education and Human Resources Program CFDA 47.076 from the National Science Foundation:

NSF DUE-1700530:	
Dallas County Community College	
Florida State College at Jacksonville	\$ 10,761
Georgia Southern University	15,181
Lansing Community College	3,797
Lone Star College	447
Sinclair Community College	14,687
University of North Texas	<u>7,988</u>
Subtotal NSF DUE-1700530	<u>52,861</u>
NSF DUE-1838535	
Lake Washington Institute of Technology	17,252
Lone Star College	3,379
Suffolk County Community College	<u>24,531</u>
Subtotal NSF DUE-1700530	<u>45,162</u>
Total amount passed-through	<u><u>\$ 98,023</u></u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Notes to Schedule of Expenditures of Federal Awards
For the year ended August 31, 2021**

Note 3: Amounts passed-through by the District (continued)

The following amounts were passed through to the listed subrecipients by the District. These amounts were originally from the U.S. Department of Education CFDA 84.425 - Governor's Emergency Education Relief Fund. U.S. Department of Education provided these two grants to Texas Higher Education Coordinating Board (THECB) from the Governor's Emergency Education Relief(GEER) Fund. The North Texas Consortium, led by Collin College, in partnership with North Central Community College, Texas A&M University-Commerce, University of North Texas, The University of Texas at Dallas, and Texas Woman's University, awarded these funds from THECB to cover tuition and fees for students that stepped out and are within one year of completing a certification or degree.

Texas Reskilling Support Fund 2020-GE-84425C: Round One

North Central Community College	\$ 6,800	
Texas A&M University-Commerce	106,487	
University of North Texas	23,362	
The University of Texas at Dallas	31,233	
Texas Woman's University	44,773	
Subtotal Round One:	<u>212,655</u>	
Total amount passed-through		<u>\$ 212,655</u>

Schedule F

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Expenditures of State Awards
For the year ended August 31, 2021**

Grantor/Pass-through Grantor/ Program Title	Grantor's Number	Disbursements and Expenses
Texas Workforce Commission		
Skills Development in Partnership with a Manufacturing Consortium	0419SDF002	\$ 103,812
Skills Development in Partnership with a Business Consortium	0419SDF005	119,882
Skills Development in Partnership with a Manufacturing Consortium	0420SDF001	568,938
Skills for Small Business Program	0421SSD001	8,087
Skills Development in Partnership with a Business Consortium	0421SDF001	92,299
Total Texas Workforce Commission		893,018
Texas Higher Education Coordinating Board		
2018 College Readiness and Success Models for 60x30TX	20515	61,170
Professional Nursing Shortage Program		79,016
Professional Nursing Shortage Reduction Over 70 Program		93,014
Texas Education Opportunity Grant-Renewal Year		499,875
Texas Education Opportunity Grant-Initial Year		645,098
Texas College Work-Study		29,046
Total Texas Higher Education Coordinating Board		1,407,219
Pass-through from:		
Dallas County Community College District		
Small Business Development Center 19/20	SBAHQ-20-B-0014	14,732
Small Business Development Center 20/21	SBAHQ-21-B-0038	81,799
Total Small Business Development Center		96,531
Total State Financial Assistance		\$ 2,396,768

Notes to schedule on following page.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Notes to Schedule of Expenditures of State Awards
For the year ended August 31, 2021**

Note 1: State Assistance Reconciliation

State Revenues - per Schedule A
State Financial Assistance

Per Schedule of Expenditures of State Awards	\$ 2,396,768
Total State Revenues per Schedule A	<u>\$ 2,396,768</u>

Note 2: Significant accounting policies used in preparing the schedule

The accompanying schedule is presented using the accrual basis of accounting. These expenditures are reported on the District'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 District for the purpose 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 the 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 District has followed all applicable guidelines issued by various entities in the preparation of the schedule.

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 Uniform Grant Management Standards?	No

Identification of major programs:

Name of Federal Programs or Cluster	CFDA Numbers
Student Financial Aid Cluster	
Federal Supplemental Educational Opportunity Grants	84.007
Federal Work-Study Program	84.033
Federal Pell Grant Program	84.063
Federal Direct Student Loans	84.268
COVID-19 – Education Stabilization Fund – Emergency Grant Assistance for Students	84.425E
COVID-19 – Education Stabilization Fund – Emergency Grant Relief for Institution	84.425F
COVID-19 – Education Stabilization Fund – Governor's Emergency Education Relief	84.425C
COVID-19 – Education Stabilization Fund – Texas Reskilling Support Fund – Round One	84.425C
COVID-19 – Education Stabilization Fund – Texas Reskilling Support Fund – Round Two	84.425C

Summary of Auditors' Results (continued)

Name of State Programs

Texas Educational Opportunity Grant Program	N/A
Professional Nursing Shortage Program	N/A
Professional Nursing Shortage Reduction Over 70 Program	N/A

Dollar Threshold used to Distinguish between
 Type A and B Programs

Federal	\$ 1,828,234
State	\$ 300,000

Auditee qualified as a low-risk auditee

Federal	Yes
State	Yes

II. Financial Statement Findings

There are no current year findings.

III. Federal and State Award Findings and Questioned Costs

There are no current year findings and questioned costs.

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Supplementary Financial Information Section

**COLLIN COUNTY COMMUNITY COLLEGE
DISTRICT**

**Supplementary Financial Information
(Schedules for Comparative Review)**

These fund schedules are presented for comparison to previous financial reports and are unaudited.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Net Position by Fund
As of August 31, 2021
(with comparative totals at August 31, 2020)
(unaudited)

	Unrestricted Funds			Total
	Unrestricted	Startup & Stabilization	Auxiliary Enterprises	
Assets				
Cash and cash equivalents	\$ 97,732,257	\$ 89,918,976	\$ 1,900	\$ 187,653,133
Restricted cash and cash equivalents	-	-	-	-
Investments	66,698,387	-	-	66,698,387
Restricted investments	-	-	-	-
Accounts receivable (net of allowance for doubtful accounts of \$320,851 and \$287,497)	11,947,648	-	98,243	12,045,891
Tax receivable (net of allowance for doubtful accounts of \$708,769 and \$650,115)	567,472	-	-	567,472
Prepaid expenses	2,588,217	-	153,107	2,741,324
Capital assets	-	-	-	-
Total assets	\$ 179,533,981	\$ 89,918,976	\$ 253,250	\$ 269,706,207
Deferred outflows related to pensions	\$ 20,827,355	\$ -	\$ -	\$ 20,827,355
Deferred outflows related to OPEB	42,228,249	-	-	42,228,249
Total deferred outflows of outflows	\$ 63,055,604	\$ -	\$ -	\$ 63,055,604
Liabilities:				
Accounts payable / accrued liabilities	\$ 16,414,740	\$ 29,214	\$ 204,945	\$ 16,648,899
Interfund payable/(receivable)	(14,505,557)	11,399,582	(3,505,196)	(6,611,171)
Unearned revenues	23,030,648	-	1,191,256	24,221,904
Accrued compensable absences payable	1,946,789	-	-	1,946,789
Amounts held for others	443,423	-	-	443,423
Net pension liability	42,433,966	-	-	42,433,966
Net OPEB liability	86,801,710	-	-	86,801,710
Bonds payable	-	-	-	-
Total liabilities	\$ 156,565,719	\$ 11,428,796	\$ (2,108,995)	\$ 165,885,520
Deferred inflows related to pensions	\$ 5,976,026	\$ -	\$ -	\$ 5,976,026
Deferred inflows related to OPEB	22,097,053	-	-	22,097,053
Total deferred inflows of resources	\$ 28,073,079	\$ -	\$ -	\$ 28,073,079
Unrestricted:				
Designated:				
Insurance deductibles	\$ 100,000	\$ -	\$ -	\$ 100,000
Stabilization of maintenance and operations	24,750,000	-	-	24,750,000
Health insurance reserve	30,000,000	-	-	30,000,000
Undesignated	3,100,787	78,490,180	2,362,245	83,953,212
Restricted:				
Student aid/non-governmental grants and contracts	-	-	-	-
Reserve for debt service	-	-	-	-
Reserve for bond capital projects	-	-	-	-
Net investment in plant	-	-	-	-
Total net position	\$ 57,950,787	\$ 78,490,180	\$ 2,362,245	\$ 138,803,212

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Net Position by Fund - continued
As of August 31, 2021
(with comparative totals at August 31, 2020)
(unaudited)**

					Totals (memorandum only)	
Building Fund	Plant Funds 2020 Bond Fund	Investment in Plant	Debt Service	Restricted	2021	2020
\$ 80,837,544	\$ -	\$ -	\$ 10,188,965	\$ -	\$ 278,679,642	\$ 308,159,852
-	82,086,922	-	-	-	82,086,922	193,364,692
38,023,021	-	-	-	-	104,721,408	96,451,788
-	-	-	-	-	-	-
101,699	225,435	-	-	7,895,342	20,268,367	20,023,075
-	-	-	108,926	-	676,398	627,699
-	-	-	-	-	2,741,324	1,144,906
-	-	792,686,801	-	-	792,686,801	719,131,910
<u>\$ 118,962,264</u>	<u>\$ 82,312,357</u>	<u>\$ 792,686,801</u>	<u>\$ 10,297,891</u>	<u>\$ 7,895,342</u>	<u>\$ 1,281,860,862</u>	<u>\$ 1,338,903,922</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,827,355	\$ 18,873,473
-	-	-	-	-	42,228,249	46,788,225
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,055,604</u>	<u>\$ 65,661,698</u>
\$ -	\$ 2,912,550	\$ -	\$ 919,548	\$ 522,393	\$ 21,003,390	\$ 62,416,212
4,859,316	(6,139,892)	8,642,320	400,465	(1,151,038)	-	-
-	-	-	-	2,750,439	26,972,343	24,122,550
-	-	-	-	-	1,946,789	1,760,786
-	-	-	-	-	443,423	381,342
-	-	-	-	-	42,433,966	36,646,040
-	-	-	-	-	86,801,710	82,437,297
-	79,339,699	496,407,484	-	-	575,747,183	596,311,827
<u>\$ 4,859,316</u>	<u>\$ 76,112,357</u>	<u>\$ 505,049,804</u>	<u>\$ 1,320,013</u>	<u>\$ 2,121,794</u>	<u>\$ 755,348,804</u>	<u>\$ 804,076,054</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,976,026	\$ 6,977,084
-	-	-	-	-	22,097,053	20,566,705
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,073,079</u>	<u>\$ 27,543,789</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
-	-	-	-	-	24,750,000	24,750,000
-	-	-	-	-	30,000,000	30,000,000
114,102,948	-	-	-	-	198,056,160	226,764,752
-	-	-	-	5,773,548	5,773,548	1,423,211
-	-	-	8,977,878	-	8,977,878	5,604,309
-	6,200,000	-	-	-	6,200,000	6,100,000
-	-	287,636,997	-	-	287,636,997	278,203,505
<u>\$ 114,102,948</u>	<u>\$ 6,200,000</u>	<u>\$ 287,636,997</u>	<u>\$ 8,977,878</u>	<u>\$ 5,773,548</u>	<u>\$ 561,494,583</u>	<u>\$ 572,945,777</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Changes in Net Position by Fund
For the year ended August 31, 2021
(with comparative totals for the year ended August 31, 2020)
(unaudited)**

	Unrestricted Funds			Total
	Unrestricted	Startup & Stabilization	Auxiliary Enterprises	
Net Position - beginning of year	\$ 98,723,987	\$ 65,798,096	\$ 3,104,948	\$ 167,627,031
Revenues and other additions:				
Unrestricted current funds revenue	203,518,733	46,673	2,956,851	206,522,257
State on behalf benefits	-	-	-	-
Tax revenues for debt service	-	-	-	-
Federal grants and contracts	-	-	-	-
State grants and contracts	-	-	-	-
Non-governmental grants and contracts	-	-	-	-
TPEG set aside	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
Bond proceeds	-	-	-	-
Net decrease in bonds payable	-	-	-	-
Expended for plant facilities	-	-	-	-
Total revenues and other additions	<u>203,518,733</u>	<u>46,673</u>	<u>2,956,851</u>	<u>206,522,257</u>
Expenses and other deductions:				
Expenses	192,851,667	2,394,044	3,872,180	199,117,891
Increase in bonds payable	-	-	-	-
Retirement of indebtedness (bond principal)	-	-	-	-
Interest on indebtedness	-	-	-	-
Depreciation expense	-	-	-	-
Total expenditures and other additions	<u>192,851,667</u>	<u>2,394,044</u>	<u>3,872,180</u>	<u>199,117,891</u>
Transfers - additions (deductions):				
Mandatory transfers:				
Grant matching	(109,650)	-	-	(109,650)
Non-mandatory transfers	(51,330,616)	15,039,455	172,626	(36,118,535)
Total transfers - additions (deductions)	<u>(51,440,266)</u>	<u>15,039,455</u>	<u>172,626</u>	<u>(36,228,185)</u>
Net increase (decrease) for the fiscal year	<u>(40,773,200)</u>	<u>12,692,084</u>	<u>(742,703)</u>	<u>(28,823,819)</u>
Net Position - end of year	<u>\$ 57,950,787</u>	<u>\$ 78,490,180</u>	<u>\$ 2,362,245</u>	<u>\$ 138,803,212</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Changes in Net Position by Fund - continued
For the year ended August 31, 2021
(with comparative totals for the year ended August 31, 2020)
(unaudited)

Plant funds					Totals (memorandum only)	
Building Fund	2020 Bond Fund	Investment in Plant	Debt service	Restricted	2021	2020
\$ 113,987,721	\$ 6,100,000	\$ 278,203,505	\$ 5,604,309	\$ 1,423,211	\$ 572,945,777	\$ 556,891,220
-	-	-	-	-	206,522,257	202,185,389
-	-	-	-	9,649,428	9,649,428	10,937,402
-	-	-	3,330,636	-	3,330,636	3,157,002
-	-	-	-	45,791,327	45,791,327	35,081,233
-	-	-	-	2,367,338	2,367,338	1,922,962
-	-	-	-	134,940	134,940	191,604
-	-	-	-	2,106,875	2,106,875	2,118,693
115,227	-	-	104,578	882	220,687	1,652,983
-	100,000	-	-	-	100,000	6,100,000
-	-	-	-	-	-	352,084,877
-	81,241,399	17,120,000	-	-	98,361,399	223,717,124
-	-	92,271,625	-	-	92,271,625	229,146,850
<u>115,227</u>	<u>81,341,399</u>	<u>109,391,625</u>	<u>3,435,214</u>	<u>60,050,790</u>	<u>460,856,512</u>	<u>1,068,296,119</u>
-	81,241,399	24,875	-	55,810,103	336,194,268	451,212,335
-	-	81,241,399	-	-	81,241,399	565,282,001
-	-	-	17,120,000	-	17,120,000	10,520,000
-	-	-	19,060,180	-	19,060,180	12,675,077
-	-	18,691,859	-	-	18,691,859	12,552,149
-	<u>81,241,399</u>	<u>99,958,133</u>	<u>36,180,180</u>	<u>55,810,103</u>	<u>472,307,706</u>	<u>1,052,241,562</u>
-	-	-	-	109,650	-	-
-	-	-	36,118,535	-	-	-
-	-	-	<u>36,118,535</u>	<u>109,650</u>	-	-
115,227	100,000	9,433,492	3,373,569	4,350,337	(11,451,194)	16,054,557
<u>\$ 114,102,948</u>	<u>\$ 6,200,000</u>	<u>\$ 287,636,997</u>	<u>\$ 8,977,878</u>	<u>\$ 5,773,548</u>	<u>\$ 561,494,583</u>	<u>\$ 572,945,777</u>

Financial Supplement 3

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Changes in Net Position
Current Unrestricted Funds - Auxiliary Enterprises
For the year ended August 31, 2021
(unaudited)**

	Cell Tower <u>Rental</u>	Student <u>Housing</u>	<u>Scholarships</u>	Intercollegiate <u>Athletics</u>
Net Position - beginning of year	\$ 82,641	\$ (472,674)	\$ -	\$ -
Revenues and other additions:				
Sales and services	116,096	1,058,456	-	-
Commission	-	-	-	-
Miscellaneous income	-	53,574	-	339
Total revenue	<u>116,096</u>	<u>1,112,030</u>	<u>-</u>	<u>339</u>
Expenses and other deductions:				
Salaries and wages	-	330,137	-	130,400
Staff benefits	-	86,507	-	22,745
Financial Aid	-	-	81,649	251,773
Other operating expenses	-	733,123	-	173,434
Total expenditures	<u>-</u>	<u>1,149,767</u>	<u>81,649</u>	<u>578,352</u>
Excess (deficit) of revenue over (under) expenditure	<u>116,096</u>	<u>(37,737)</u>	<u>(81,649)</u>	<u>(578,013)</u>
Transfers - additions (deductions):				
Other fund transfers:				
Student activities-SAFAC	-	-	-	172,626
Outsourced Bookstore	-	-	-	405,387
Rental Income Scholarships	(81,649)	-	81,649	-
Total transfers - additions(deductions)	<u>(81,649)</u>	<u>-</u>	<u>81,649</u>	<u>578,013</u>
Net increase (decrease) for the fiscal year	<u>34,447</u>	<u>(37,737)</u>	<u>-</u>	<u>-</u>
Net Position - end of year	<u>\$ 117,088</u>	<u>\$ (510,411)</u>	<u>\$ -</u>	<u>\$ -</u>

Financial Supplement 3

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Changes in Net Position - continued
Current Unrestricted Funds - Auxiliary Enterprises
For the year ended August 31, 2021
(unaudited)**

Food Services	Bookstore	Facilities Rental	Auxiliary Administration	Print Shop	Total
\$ (1,335,844)	\$ 5,074,434	\$ 106,693	\$ (366,112)	\$ 15,810	\$ 3,104,948
869,252	-	20,395	-	50,181	2,114,380
-	733,736	-	-	-	733,736
43,707	-	-	11,115	-	108,735
<u>912,959</u>	<u>733,736</u>	<u>20,395</u>	<u>11,115</u>	<u>50,181</u>	<u>2,956,851</u>
526,144	-	117,550	165,181	52,500	1,321,912
130,930	-	32,367	34,257	14,005	320,811
-	-	-	-	-	333,422
947,341	26,911	1,045	4,451	9,728	1,896,033
<u>1,604,415</u>	<u>26,911</u>	<u>150,962</u>	<u>203,889</u>	<u>76,233</u>	<u>3,872,178</u>
<u>(691,456)</u>	<u>706,825</u>	<u>(130,567)</u>	<u>(192,774)</u>	<u>(26,052)</u>	<u>(915,327)</u>
-	-	-	-	-	172,626
-	(405,387)	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>(405,387)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>172,626</u>
<u>(691,456)</u>	<u>301,438</u>	<u>(130,567)</u>	<u>(192,774)</u>	<u>(26,052)</u>	<u>(742,701)</u>
<u>\$ (2,027,300)</u>	<u>\$ 5,375,872</u>	<u>\$ (23,874)</u>	<u>\$ (558,886)</u>	<u>\$ (10,242)</u>	<u>\$ 2,362,247</u>

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Celina Campus

2505 Kinship Parkway
Celina, Texas 75009

Farmersville Campus

501 S. Collin Parkway
Farmersville, Texas 75442

Frisco Campus

9700 Wade Blvd.
Frisco, Texas 75035

McKinney Campus

2200 West University Drive
McKinney, Texas 75071

Plano Campus

2800 East Spring Creek Parkway
Plano, Texas 75074

Technical Campus

2550 Bending Branch Way
Allen, Texas 75013

Wylie Campus

391 Country Club Road
Wylie, Texas 75098

Collin Higher Education Center

3452 Spur 399
McKinney, Texas 75069

Courtyard Center

4800 Preston Park Blvd.
Plano, Texas 75093

Public Safety Training Center

3600 Redbud Blvd.
McKinney, Texas 75069

Rockwall Center

Dr. Gene Burton College &
Career Academy
2301 South John King Blvd.
Rockwall, Texas 75032

iCollin Virtual Campus

2800 E. Spring Creek Parkway
Plano, Texas 75074
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