

ANNUAL COMPREHENSIVE FINANCIAL REPORT

*For the Fiscal Years Ended
August 31, 2025 and 2024*



DEL MAR COLLEGE

101 Baldwin Blvd.
Corpus Christi, TX 78404-3897
www.delmar.edu



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DEL MAR COLLEGE

Annual Comprehensive Financial Report
For the Fiscal Years Ended August 31, 2025 and 2024

Prepared by:

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Del Mar College
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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INTRODUCTORY SECTION





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Transmittal Letter

December 9, 2025

To: President Mark Escamilla, Ph.D.
Members of the Board of Regents and
Citizens of the Del Mar College District

This Annual Comprehensive Financial Report (ACFR) and strategic overview highlight the institution's unwavering commitment to transparency, innovation, and student success. Through a robust framework of financial stewardship, strategic planning, instructional delivery, and workforce alignment, DMC continues to evolve as a dynamic, multi-campus institution serving nearly 23,000 learners. The following sections detail the College's financial health, strategic priorities, instructional infrastructure, regional economic context, and labor market trends, underscoring its role as a vital partner in shaping the future of education and economic resilience across the Corpus Christi Metropolitan Statistical Area and beyond.

The College's management assumes responsibility for establishing and maintaining an internal control framework to provide reasonable assurance that the ACFR is presented in a manner that is free of material misstatements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. This letter of transmittal should be read in conjunction with the Management's Discussion and Analysis (MD&A) which immediately follows the independent auditor's report. The MD&A includes a narrative introduction, overview, and analysis of the basic financial statements.

Annual Comprehensive Financial Report

The ACFR contains a wealth of financial information divided into four sections: Introductory, Financial, Statistical, and Federal and State Awards. The Introductory section includes this transmittal letter, a listing of the Board of Regents and Administration, the Certificate of Excellence in Financial Reporting, and an organization chart. The Financial section includes the independent auditor's report on the basic financial statements, MD&A, the basic financial statements, notes to the financial statements, and the required supplementary information. The Statistical section includes selected unaudited financial and demographic information that is presented on a multi-year basis. Lastly, the Federal and State Awards section includes the independent auditor's reports on the College's internal controls and compliance with grant requirements, expenditure schedules, and findings and question costs. The College's financial records are maintained on the accrual basis of accounting, whereby all revenues are recorded when earned, and all expenses are recorded when incurred.

Del Mar College has finalized its Annual Comprehensive Financial Report (ACFR) for the fiscal years ended August 31, 2025 and 2024. As mandated by Texas Education Code Section 44.008, the report has been audited by Adamson & Company, LLC. The ACFR serves as a comprehensive record of the College's financial condition and performance. It is prepared in accordance with Generally Accepted Accounting Principles (GAAP) established by the Governmental Accounting Standards Board (GASB) and complies with the Annual Financial Reporting Requirements set forth by the Texas Higher Education Coordinating Board (THECB). The accompanying notes to the financial statements are integral to the report and should be reviewed alongside the financial statements.

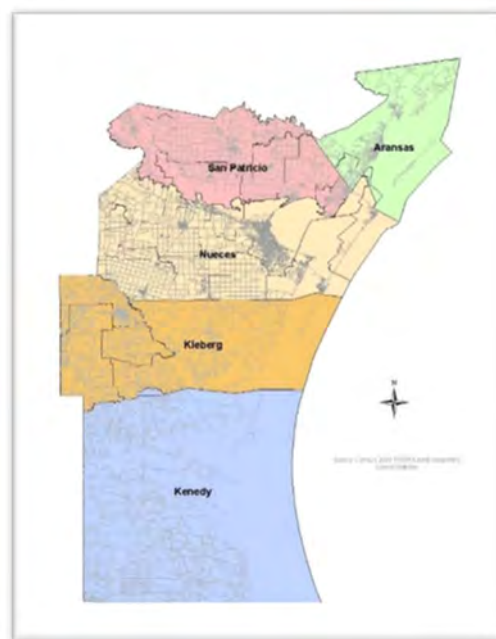
College Profile

Del Mar College District (DMC) is an independent political subdivision of the State of Texas, located in Nueces County. Established in 1935 under the governance of the Corpus Christi Independent School District's Board of Trustees, the College transitioned to an independent political subdivision in 1951, legally named Corpus Christi Junior College District. In 1999, the Board of Regents officially adopted the name Del Mar College District to reflect the institution's evolving mission and identity.

DMC provides access to a broad spectrum of affordable academic programs and holds accreditation from the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC). In its most recent reaffirmation process, the College achieved 100% compliance with all 74 standards, with no recommendations for improvements—a testament to its commitment to academic excellence.

For the academic year 2024-2025 Del Mar College served nearly 23,000 learners across academic, career and technical, and continuing education programs. Our eight instructional pathways are designed to help students map and complete their degree, certificate, or continuing education programs on a timely basis. Our pathways include Architecture, Aviation and Automotive; Business Administration and Entrepreneurship; Communication, Fine Arts & Social Sciences; Health Sciences; Industrial Technology; Kinesiology & Education; Public Service and Science, Technology, Engineering, and Math (STEM). The College takes great pride that our students continue their academic journey transferring to one of the seven Texas public university systems and private institutions including Texas A&M (62.5%), University of Texas (15.3%), Texas State University (5.9%), University of Houston (1.7%), and Baylor University (.3%).

DMC's certificate programs are designed to equip students with specialized skills for middle-skill careers, leading to immediate employment opportunities. Most certificate programs can be completed within one year. Additionally, these programs are developed in collaboration with regional industry partners to ensure graduates receive career-ready training aligned with workforce demands.






Through the following academic offerings, Del Mar College District continues to fuel the region's economic growth, preparing students for success in a rapidly evolving job market.

Accounting Technician	Electrician
Vocational Nurse Education	Environmental/Petrochemical Lab Technology
Health Information Technology Coding Specialist	Automotive Applied Technology
Child Development and Early Childhood Admin.	Air Conditioning Applied Technology
Dental Assisting	Industrial Machining Applied Technology
Medical Assisting	Millwright – Industrial Maintenance Mechanic
Hospitality Management	Network Administration and Information Security
Pharmacy Technician	Welding Applied Technology
Paramedic	Law Enforcement

Del Mar College Strategic Plan

On June 7, 2025, Del Mar College's Board of Regents formally ratified the institution's mission, vision, values, and five-year Strategic Plan for the 2024–2029 period. The plan was developed using the integrated planning model established by the Society of College & University Planning, ensuring a cohesive and forward-thinking approach to institutional growth. The strategic planning process engaged key stakeholders, including students, faculty, staff, community members, and the Del Mar College Board of Regents, fostering collaboration and alignment with the College's long-term objectives. Through this comprehensive strategic framework, Del Mar College remains committed to fostering academic excellence, expanding opportunities, and enhancing student success across all areas of learning and professional development. Charting the Viking Way is structured around three guiding stars, which serve as foundational priorities for the College's continued success:

-  **COMMUNICATE**
 - Goal 1:** Collaborate across the College.*
 - Goal 2:** Connect beyond the College.*
-  **ELEVATE**
 - Goal 1:** Increase completion for all students.*
 - Goal 2:** Maximize resources entrusted to the College.*
-  **CULTIVATE**
 - Goal 1:** Nurture our faculty and staff to achieve their full potential.*
 - Goal 2:** Optimize the Viking Student Experience.*

Financial Outlook

The College's forward motion is driven, in part, by our student value proposition which is to ensure they gain the necessary knowledge, skills, and experience to achieve their goals of academic completion paired with producing graduates who meet the workforce needs of our region. This is predicated, in part, on academic programming and student support service initiatives that will help drive up the trajectory of student outcomes described below. The activities to achieve student outcomes will be supported in part by grant funding including Del Mar, Conectamos, Continuamos, Completamos, and the SENDA grants and supported in part by investments in our instructional delivery space. It is also predicated on the State's and the region's economic stability paired with the College's financial resilience driven by prudent budget assumptions and positive operating results.

Student Outcomes

1. Increase the total number of students completing a degree, certificate or award every year for the next 5 years.
2. Increase the total number of students completing 15 semester credit hours in Dual Enrollment each year.
3. Increase the total number of high-demand institutional credentials leading to licensure by the first year and over the next five years.
4. Increase Fall to Fall retention each year for the next five years.
5. Increase the total number of transition students matriculating to credit every year for the next five years.
6. Increase Continuing Education enrollment and credit enrollment each year for the next five years.
7. Increase the number of students participating in college-sponsored activities by 10% each year for the next five years.

Del Mar, Conectamos, Continuamos, Completamos (DMC3) Grant

The DMC3 Grant awarded by the U.S. Department of Education, with a total value of \$2.9 million. Designed to support underprepared, socioeconomically disadvantaged, and low-income students, this grant aims to enhance student retention, persistence, and graduation rates. Key objectives include advancing culturally relevant pedagogy-focused professional development for faculty and staff. Additionally, the funding will facilitate the redesign of onboarding processes, strengthen advising services, expand professional development opportunities, and enhance student success coaching and peer mentoring initiatives.

SEDA Grant

The SENDA Grant is a five-year grant, valued at \$2.8 million, awarded by the U.S. Department of Education. This funding will support student advisory initiatives that empower students to make informed academic decisions, fostering on-time degree completion. The student advising framework incorporates strategic touchpoints at 15, 30, and 45 credit hour milestones to monitor academic progress. Additional student support services include technology-driven financial literacy education, financial peer coaching, and virtual career exploration. The College will leverage technology to expand student advising resources and ensure the delivery of high-quality advisory support.

Instructional Delivery Space

The College's instructional delivery space framework is a one-college multi-campus consisting of multiple campuses throughout our service district. They are curated to foster a positive learning environment, enhancing student life, and supporting a wide range of academic, professional, and mission-driven programs and services. The following is a listing of our off and on-site campuses.

ON-SITE LOCATIONS:

Heritage Campus: Supports Arts & Sciences and Business programs, offering transferable courses toward a bachelor's degree.

Windward Campus: Supports Health Sciences, Emerging Technologies, Public Safety, and Industrial/Technical Education programs.

Oso Campus: Supports the STEM programs such as architecture and biosciences, as well as the Culinary Institute.

OFF-SITE LOCATIONS:

Center for Economic Development: Used to deliver continuing education, workforce training, customized training, and personal enrichment courses.

Rockport Workforce Development Center: The College's most recent investment is planned for opening in 2026. The space will be used to deliver training in high-demand fields including Health Sciences, Manufacturing, Public Safety, Emergency Services, Construction Trades, and Small Business Development.

Corpus Christi International Airport Facility: Used to deliver technical training for certificate and associate degree programs in Aviation Maintenance Technology.

Service District Area High Schools: Hosts Del Mar College's Dual Credit Initiative, allowing high school students to earn college credits.

Economic Landscape

Located on the Gulf Coast, Corpus Christi is recognized as one of the largest industrial and energy-related project hubs in the world, as highlighted in the 2019 Coastal Bend Economic Development Guide. Since 2010, the region has experienced over \$57.4 billion in regional investments, supporting a diverse supply chain that fuels both regional and international economic development. The following are among the most significant investments in our region:

Gulf Coast Growth Ventures – A joint venture between ExxonMobil and SABIC. The \$9.48 billion facility is designed to convert ethane into ethylene, a key component in plastics manufacturing with projected six hundred new jobs.

Steel Dynamics, Inc – The \$1.9 billion investment is for the construction of a steel mill with projected six hundred new jobs.

Harbor Bridge – A \$1 billion investment enabling access for larger vessels access to the Port of Corpus Christi bolstering global trade and logistics capacity.

Key economic infrastructure includes Port of Corpus Christi, the largest U.S. port in terms of total revenue tonnage and the nation’s largest energy export gateway; Class 1 railroads, airport access, and highway network connectivity, that facilitate economic expansion; Texas Department of Transportation’s \$1 billion harbor bridge expansion project, launched in 2017 and completed in 2025. The region’s major industries include mining, oil & gas, construction, healthcare, agriculture, and hospitality & food services.

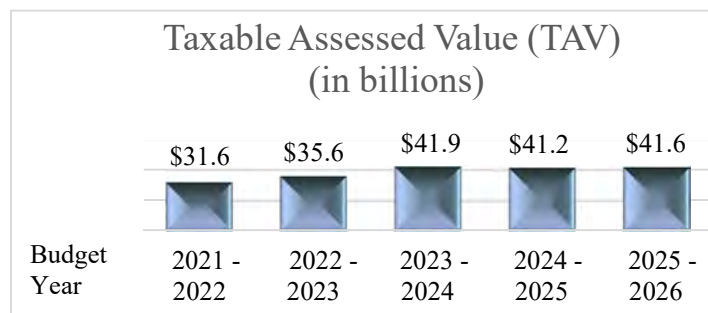
The Corpus Christi Metropolitan Service Area (CCMSA), which includes Aransas, San Patricio, Jim Wells, and Nueces counties, represents approximately 85.5% of the College’s regional labor force. Additionally, in Fall 2022, 90% of Del Mar College students were residents of one of these counties, reinforcing the institution’s role in regional workforce development.

Regional Economic Resilience

The District continues to demonstrate economic resilience throughout a complex landscape of fiscal and labor market conditions. A combination of recovering property valuations and gradually stabilizing real estate market conditions has helped ensure in part sufficient funding for the College’s upcoming budget year. In addition, state tax collections reached a new high with collections for the year 2025 totaling \$86.7 billion. The labor market reflects a steady expansion, with the most pronounced growth occurring in the private education and health services sectors. Although unemployment has edged slightly upward, it remains well below pandemic era highs signaling a region that continues to adopt and advance in the face of economic challenges.

Property Taxes / Housing Market

For the College, property tax revenue remains a critical source of financial support, closely tied to assessed property valuations and regional real estate activity. In the upcoming budget year 2025-2026, the College has successfully secured the funding necessary to sustain its operations. This is attributed in part by a modest 1% increase in assessed property valuations, which rose to \$41.6 billion. This is a reversal from the previous year’s decrease from \$41.9 billion to \$41.2 billion, a 1.7% decline largely due to legal disputes initiated by major petrochemical companies challenging their property valuations. However, those lawsuits have now been resolved through settlements.



The district's real estate market, after two years of slowdown, is showing signs of leveling off. This is attributed in part to recent easing in financing costs. According to Freddie Mac, the average 30-year loan interest rate decreased in August 2025 to 6.56% from a peak of 6.89% in January. However, rates remain elevated compared to 6.35% reported in August 2024 that is having an effect on the single- family home sales in the CCMSA.

After two consecutive years of decline in single-family home activity, recent data suggest signs of improvement. According to the Texas Real Estate Research Center at Texas A&M, sales for the seven months ending August 31, 2025 rose from 3,050 to 3,174. Additionally, the median sales price appreciated to \$297,500, compared to \$287,0162 a year ago. Despite this improvement, homes remain in the market for longer periods, with the average days to sale

New construction activity is also signaling signs of improvements for both housing and commercial growth in the area. The City of Corpus Christi reported an increase in permits issued during the 12 months ending September 30, 2025. Residential permits climbed to 1,426 from 1,070 the previous year, while commercial permits rose from 84 to 136.



Tax Abatement

The College is committed to supporting regional tax abatement initiatives through targeted investments in partnership with municipal and county governments that align with the College's mission. These agreements are designed to build a resilient infrastructure and economy and promote an agile workforce in our region by attracting industry partners, resulting in job creation paired with a need for a trained workforce.

In accordance with Government Accounting Standards Board (GASB) Statement No. 77, the College has disclosed the fiscal impact of the active agreement tax abatement in Note 21 to the Financial Statements below. The following describes the College's one active tax abatement agreement that aligns with our strategic plan and embedded into our annual budget process.

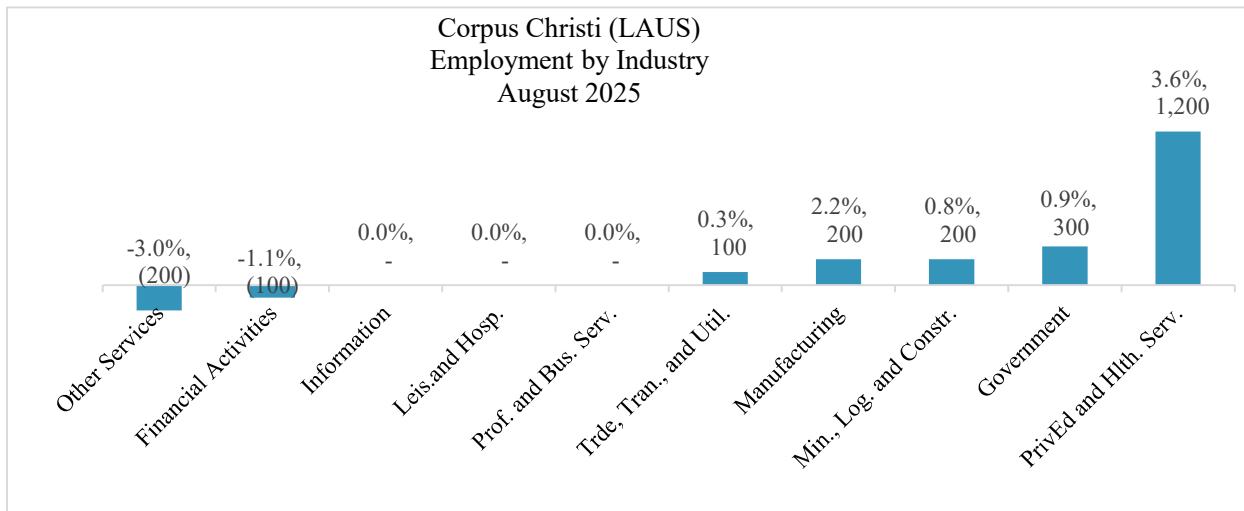
Epic Y-Grade Logistics – The tax abatement will support the construction and operation of critical energy infrastructure. This project will include investments in their supply chain including expanding and enhancing pipelines, fractionation facilities, and export terminals for natural gas liquids. This investment will create jobs and position the region as a major energy export hub requiring a highly skilled workforce.

State Tax Collections

DMC's state appropriation revenues are dependent, in part, on state taxes that are fueled by the state's economic activity. Based on the annual tax collection figures published by the Texas Comptroller of Public Accounts, the State experienced an increase in the 2025 annual tax collections reported at \$86.7 billion from the previous 12-months reported tax collections value of \$84.3 billion. The change is mainly from sales taxes (\$1.9 billion), insurance taxes (\$.35 billion), natural gas production taxes (\$.35 billion), offset by a decrease in oil production tax (\$.92 billion).

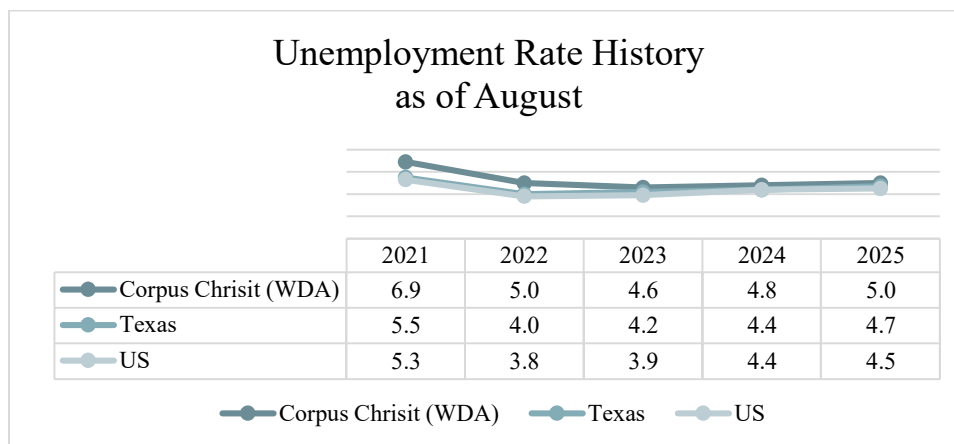
Labor Markets

As of August 2025, the region continues to show steady labor market expansion making its fifth consecutive year of growth. The region added 1,700 nonfarm positions over the past year, representing a nearly 1% year-over-year increase. The private education and health services sector had the most pronounced growth, adding 1,200 positions, while government employment and mining, logging and construction sectors added 300 and 200 positions, respectively. The state of Texas reported similar trends with a year-over-year growth of nonfarm employment of 1.4%.



* Local Area Unemployment Statistics (LAUS)

Despite this expansion, the region experienced a slight uptick in its unemployment rate to 5%. This is an increase from the preceding 12-month rate of 4.8%. However, the current rate remains significantly below the August 2021 reported high of 6.9%. Both the state of Texas and the US reported similar trends with unemployment rates of 4.4%.



* Workforce Development Area (WDA)

Budget Controls

Del Mar College's annual budget aligns with the strategic plan and is supported by diverse revenue sources, including tuition, property taxes, and state appropriations. The budget is developed under the guidance of the Vice President and Chief Financial Officer (CFO), with input from the Budget Office, Budget Committee, and leadership across the College. Budget requests are evaluated based on departmental unit assessment reports, which outline planned activities, measurable outcomes, and funding requirements aligned with institutional goals.

The College follows a structured budget approval process, including Board of Regents approval before September 1, in compliance with Texas Education Code Section 51.0051. Once approved, the budget is submitted to the Governor, Legislative Budget Board, Legislative Reference Library, and the Texas Higher Education Coordinating Board by December 1. The CFO provides monthly updates to the Board of Regents on the College's financial performance compared to the budget.

Other Information

Awards: Del Mar College maintains a tradition of excellence in financial reporting, earning prestigious accolades from the Government Finance Officers Association (GFOA) of the United States and Canada. Recent awards include the

- Triple Crown Award (FY 2024),
- Distinguished Budget Presentation Award (FY 2024),
- Certificate of Achievement for Excellence in Financial Reporting (FY 2024) and
- Award for Outstanding Achievement in Popular Annual Financial Reporting (FY 2024)

Independent Audits: The College undergoes multiple audits to ensure compliance with state and federal requirements. In accordance with the Texas Education Code Section 44.008, an independent audit is conducted annually. Federal and state grants are audited under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Part 200.501), as well as the Texas Single Audit Circular.

Del Mar College engaged Adamson & Company, LLC to perform these audits. The FY 2025 audits yielded an unmodified opinion, the highest level of assurance—confirming compliance with major federal and state programs, with no instances of material deficiencies or noncompliance. The auditors issued unmodified opinions for:

- The Del Mar College District Annual Comprehensive Financial Report
- Compliance with major federal programs
- Compliance with major state programs

Del Mar College District continues to demonstrate its commitment to academic excellence, financial transparency, and regional impact through strategic planning, sound fiscal management, and workforce alignment. With nearly 23,000 learners serving across diverse instructional pathways and campus, the College supports student success through robust programs, targeted grants, and innovative delivery models. Its financial resilience is underpinned by stable property valuations, state appropriations, and prudent budgeting practices. As Corpus Christi's economy grows through major industrial investments and labor market expansion, the College remains a vital partner that transforms lives, strengthening communities, and driving economic development.

The College's administration, Board of Regents, faculty, and staff all play a vital role in maintaining financial integrity. The institution is proud to submit this application for the Annual Comprehensive Financial Report and appreciates the collective efforts of its dedicated personnel.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Raul Garcia", with a stylized flourish at the end.

Raul Garcia, CPA, MBA
Vice President and Chief Financial Officer

Del Mar College Board of Regents

As of December 9, 2025

The Board of Regents, the governing body for Del Mar College, is elected by the citizens of the Del Mar College District. Three positions are filled every two years, with board members serving staggered six-year terms. In 1989, the Board adopted a modified single-member district plan with five Regents elected to represent single-member districts and four members elected at large. Vacancies on the Board are filled for an unexpired term according to Board bylaws.

	Term Ending	Position
Carol Scott, Chair	2026	At-Large
Dr. Nicholas L. Adame, First Vice Chair	2026	At-Large
Libby Averyt, Second Vice Chair	2028	At-Large
Rudy Garza, Jr., Secretary	2030	District 1
Dr. Anantha Babbili	2030	At-Large
Carl E. Crull, P.E.	2028	District 5
David Loeb	2028	District 2
William (Bill) J. Kelly	2030	District 3
Dr. Laurie Turner	2026	District 4

Administration

President and CEO	Dr. Mark S. Escamilla
General Counsel	Augustin Rivera, Jr.
Executive Vice President and Chief Operating Officer	Lenora Keas
Vice President and Chief Academic Officer	Dr. Jonda Halcomb
Vice President of Administration and Human Resources	Tammy McDonald
Vice President and Chief Financial Officer	Raul Garcia
Vice President of and Chief Information Officer	Ali Kolahdouz
Vice President and Chief Facilities Officer	Vacant
Vice President for Student Affairs	Patricia Benavides-Dominguez
Vice President of Communications and Marketing	Jeff Olson
Vice President of Dual Enrollment and Continuing Education	Dr. Leonard Rivera
Associate Vice President, Institutional Effectiveness and Academics	Dr. Sydney Saumby
Associate Vice President for Student Affairs	Cheryl G. Sanders
Associate Vice President, Institutional Research and Analytics	Sushil Pallemoni
Dean, Communication, Fine Arts and Social Sciences	Dr. Cynthia Bridges
Dean, Business, Entrepreneurship and Health Sciences	Dr. Jennifer Sramek
Dean, STEM, Kinesiology And Education	Dr. Jack Southard
Dean, Industry and Public Service	Davis Merrill
Dean, Learning Resources	Cody Gregg
Dean, Student Engagement and Retention	Rita Hernandez
Dean, Student Outreach and Enrollment Services	Graciela Martinez
Dean, Continuing and Community Education	Rachel Benavides
Dean, Workforce Programs and Corporate Services	Dan Korus



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Del Mar College
Texas**

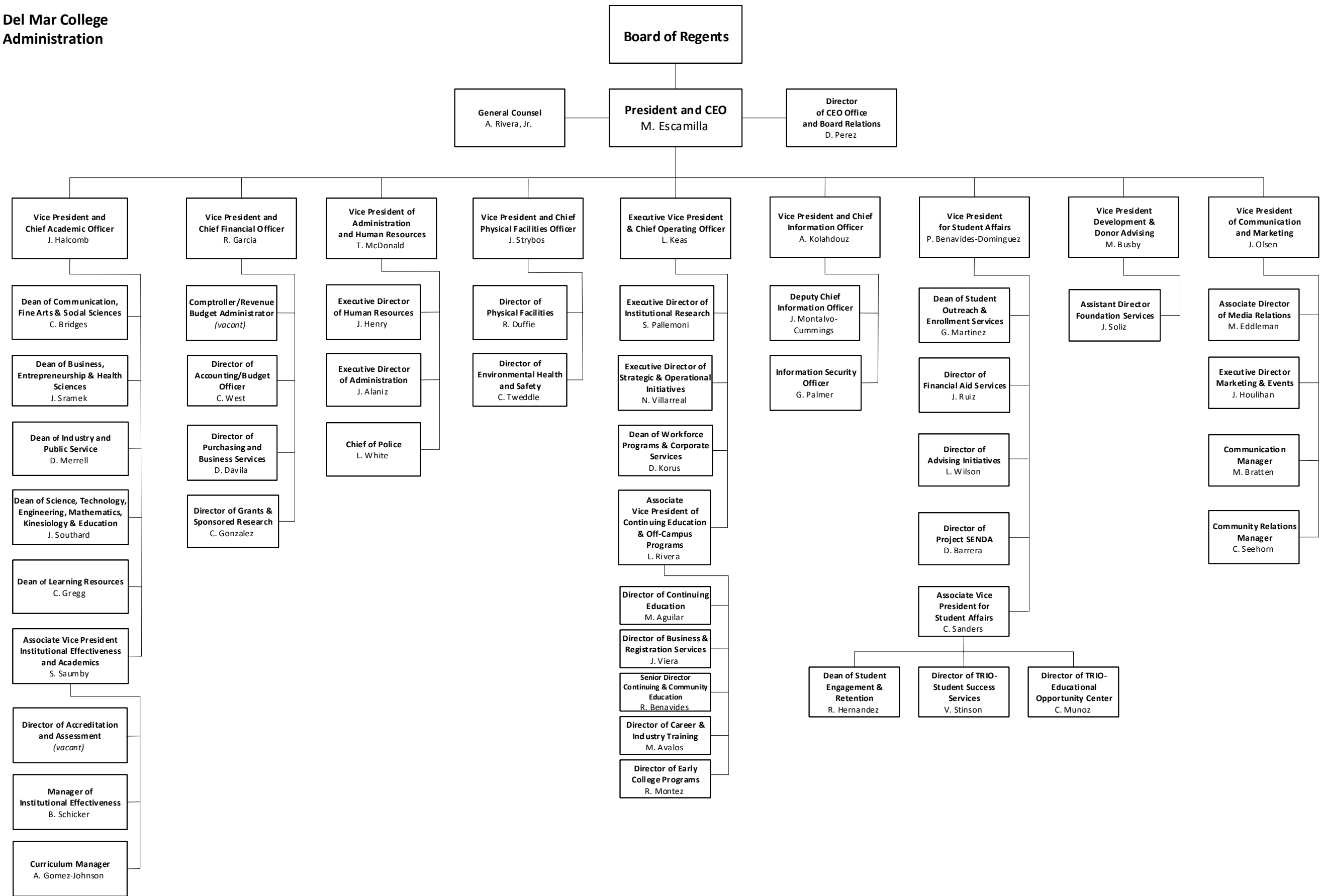
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2024

Christopher P. Morill

Executive Director/CEO

**Del Mar College
Administration**





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FINANCIAL SECTION





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Craig A. Adamson, CPA CFF-Partner
Austin Adamson, CPA MAcc-Partner
Jennifer M. Perales, CPA MBA-Partner
Trevor R. Prewett, MAcc-Partner

Caitlin J. Chupe, CPA MAcc-Partner
Adam R. Miller, CPA MBA-Partner
Jeremy C. Moore, CPA MAcc-Partner
Priyanka B. Desai, CPA MAcc-Partner

INDEPENDENT AUDITOR'S REPORT

December 9, 2025

Board of Regents
Del Mar College District
Corpus Christi, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Del Mar College District (the College) and its discretely presented component unit, as of and for the year ended August 31, 2025 and June 30, 2025, respectively, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College and its discretely presented component unit, as of August 31, 2025 and June 30, 2025, respectively, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Prior Period Financial Statements

The financial statements of Del Mar College District and its discretely presented component unit, as of August 31, 2024 and June 30, 2024, respectively, were audited by other auditors whose report dated December 5, 2024 expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information on pages 21 through 39, and pages 98 through 101 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the College's basic financial statements. The 2025 information presented in Schedules A through D on pages 103 through 106 are required by the Texas Higher Education Coordinating Board and 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 (Schedule E) on pages 143 through 145, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of State Awards (Schedule F) on pages 153 and 154, as required by the *State of Texas Single Audit Circular* issued by the Governor's Office of Budget and Planning, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules required by the Texas Higher Education Coordinating Board; Schedule of Expenditures of Federal Awards; and Schedule of Expenditures of State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The 2024 information presented in Schedules A through D on pages 103 through 106 was subjected to the auditing procedures applied in the 2024 audit of the basic financial statements by other auditors, whose report on such information stated that it was fairly stated in all material respects to the 2024 financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2025, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Adamson & Company, LLC

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Introduction

This section of Del Mar College's Annual Comprehensive Financial Report presents Management's Discussion and Analysis of the College's financial position and activities for the years ended August 31, 2025, and 2024, and comparative information for the year ended August 31, 2023. Since this Management's Discussion and Analysis is designed to focus on current activities, resulting change and currently known facts, it should be read in conjunction with the College's Basic Financial Statements and the footnotes. Responsibility for the completeness and fairness of this information rests with the College.

Financial Section

The financial section of this annual report consists of three parts – Management's Discussion and Analysis, the Basic Financial Statements, and schedules required by the Texas Higher Education Coordinating Board. The financial statements, consisting of the Statements of Net Position; the Statements of Revenues, Expenses, and Changes in Net Position; and, the Statements of Cash Flows are prepared in accordance with U. S. Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB).

These three statements will assist the reader in determining whether the College is performing financially better as compared to the prior year. These statements are prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

The Statements of Net Position include all assets and liabilities as well as deferred inflows and outflows of resources. The College's net position (which is the difference between assets plus deferred outflows, and liabilities plus deferred inflows) is one indicator of the College's financial health.

Over time, increases or decreases in net position indicate the improvement or erosion of the College's financial health, when considered with non-financial facts, such as enrollment levels and the condition of the facilities.

The Statements of Revenues, Expenses and Changes in Net Position present the revenues earned and expenses incurred during the year. Activities are reported as either operating or non-operating. The College's dependency on state allocations and ad-valorem taxes will result in operating deficits, because state allocations and ad-valorem taxes are non-operating revenues.

Another important factor to consider, when evaluating financial viability, is the College's ability to meet financial obligations as they mature. The Statements of Cash Flows present information related to cash inflows and outflows summarized by operating, non-capital financing, capital and related financing and investing activities.

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Overview of the Financial Statements and Financial Analysis

The following is management's discussion and analysis of the financial activity of Del Mar College (the College) for the fiscal years ended August 31, 2025 and 2024. The discussion and analysis provides summary financial information reflected in the statements and therefore, should be read in conjunction with the accompanying financial statements and footnotes. The financial statements consist of the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position, the Statements of Cash Flows, the Notes to Financial Statements, and the Required Supplementary Information. The accrual basis of accounting is employed. This means transactions are recorded as incurred rather than when cash changes hands. Each one of these statements will be discussed.

Financial Statements for the College's component unit, the Del Mar College Foundation (Foundation) are issued independent of the College. The Foundation's financial information for fiscal years 2025 and 2024 is shown on separate pages behind the College's basic financial statements. Refer to Note 24 in the Notes to the Financial Statements for more detail on the Foundation.

The following summary and management discussion and analysis of the results is intended to provide readers with an overview of the basic financial statements.

Financial Highlights

Some of the financial highlights of fiscal year 2025 are as follows:

- Capital assets increased \$4 million due to the near completion of construction projects to renovate facilities on the Heritage and Windward Campuses.
- Certified net assessed property values decreased slightly from \$41.9 billion in fiscal year 2024 to \$41.2 billion in 2025, reflecting modest declines in commercial and industrial valuations and adjustments from appraisal protests following the prior year's reappraisal cycle. Despite the lower valuations, maintenance and operating property tax revenues increased by \$10.1 million resulting from the College's property tax rate increase to .26174 from the previous year of .237002 per \$100 of valuation approved by the Board of Regents to support ongoing operations and programs.
- Total liabilities and deferred inflows of resources decreased by \$14.2 million primarily attributable to the principal payments of \$12 million that reduced the College's outstanding bond balance.

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Net Position

The Statement of Net Position presents all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector Colleges. Net position, the difference between assets and liabilities, is one way to measure the financial health of the College. The Statement of Net Position is a point in time financial statement. The purpose of the Statement of Net Position is to present, to the readers of the financial statements, a fiscal snapshot of the Del Mar College District.

The Statement of Net Position presents end-of-year data concerning Assets (current and noncurrent), Deferred Outflows, Liabilities (current and noncurrent), Deferred Inflows, and Net Position. Current assets are things of value, which are available to the College in the short term, which is considered to be one year or less. Current liabilities are amounts owed which are expected to be paid in one year or less. Deferred outflows of resources represent a consumption of net position applicable to a future period. The College's deferred outflows of resources include deferred outflows related to pensions and other post-employment benefits. Deferred inflows of resources represent an acquisition of net position applicable to a future reporting period. The College's deferred inflows of resources include deferred inflows related to pensions, other post-employment benefits and leasing arrangements (the College as lessor).

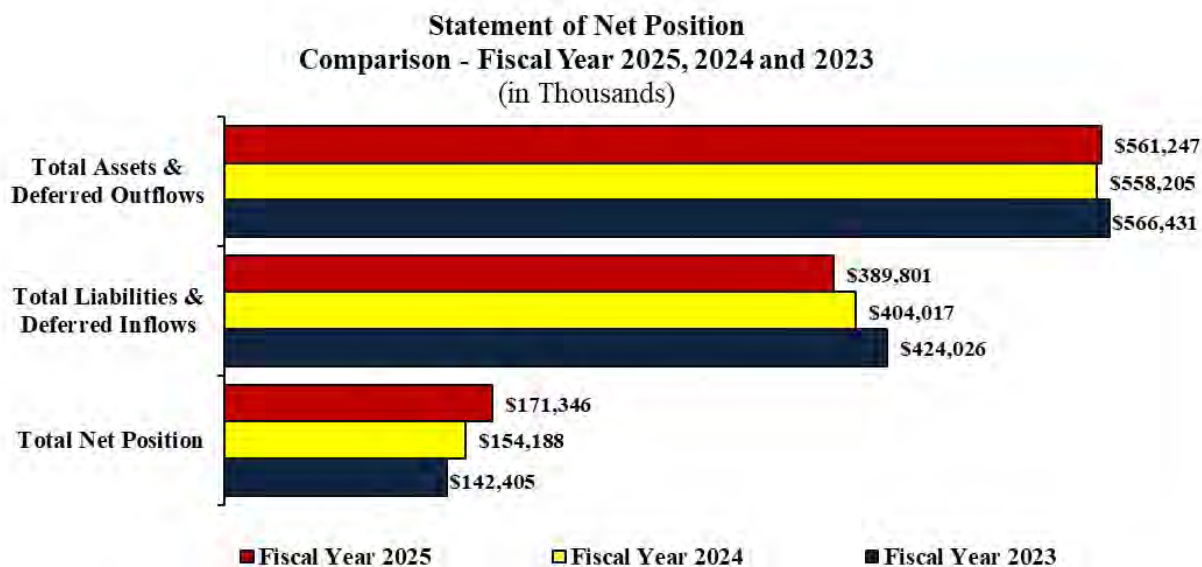
From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of the College. They are also able to determine how much the College owes vendors and bond holders. Finally, the Statement of Net Position provides a picture of the net position (Total Assets and Deferred Outflows of Resources minus Total Liabilities and Deferred Inflows of Resources) and their availability for expenditure by the College.

Net Position is divided into three major categories. The first category, the net investment in capital assets, represents the College's equity in property, plant and equipment owned by the college, net of debt. The next category is the restricted component of net position. Expendable restricted resources are available for expenditures by the College but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted. These resources are available to the College for any lawful purpose of the College.

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Net Position (Continued)

Statement of Net Position Comparison - Fiscal Year 2025, 2024 and 2023 (In Thousands)					
	Fiscal Year 2025	Fiscal Year 2024	Fiscal Year 2023	2025-2024 Variance	2024-2023 Variance
Current Assets	\$ 86,259	\$ 83,520	\$ 86,196	\$ 2,739	\$ (2,676)
Non-Current Assets:					
Capital Assets, Net of Depreciation	454,856	450,856	443,102	4,000	7,754
Lease Receivable	1,944	2,131	2,317	(187)	(186)
Restricted Cash & Investments	11,025	9,344	22,360	1,681	(13,016)
Total Assets	554,084	545,851	553,975	8,233	(8,124)
Deferred Outflows	7,063	12,354	12,456	(5,291)	(102)
Total Assets & Deferred Outflows of Resources	561,147	558,205	566,431	2,942	(8,226)
Current Liabilities	38,489	36,538	40,932	1,951	(4,394)
Non-Current Liabilities	338,729	348,780	363,636	(10,051)	(14,856)
Total Liabilities	377,218	385,318	404,568	(8,100)	(19,250)
Deferred Inflows	12,583	18,699	19,458	(6,116)	(759)
Total Liabilities & Deferred Inflows of Resources	389,801	404,017	424,026	(14,216)	(20,009)
Net Position:					
Net Investment in Capital Assets	186,659	171,903	165,395	14,756	6,508
Restricted	12,433	10,383	9,633	2,050	750
Unrestricted	(27,746)	(28,098)	(32,623)	352	4,525
Total Net Position	\$ 171,346	\$ 154,188	\$ 142,405	\$ 17,158	\$ 11,783



DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Net Position (Continued)

2024-2025

- For fiscal year 2025, total assets and deferred outflows of resources increased by approximately \$3 million. This increase includes the increase in capital assets of \$4 million as the building renovation projects on the Heritage and Windward campuses near completion, the increase in property taxes receivable of \$1.9 million related to the increase in maintenance and operating property tax collections due to the College's property tax rate increase to .26174 from the previous year of .237002 per \$100 of valuation and a \$2.1 million increase in account receivables which is largely related to the increase in student Pell awards for fiscal year 2025.
- Total liabilities and deferred inflows of resources decreased by \$14.2 million from the prior fiscal year. The largest portion of the decrease in liabilities was the principal payments of \$12 million which reduced the College's outstanding bond balance. The College's proportionate share of the TRS's net pension liability decreased by \$4 million, but was partially offset by an increase of \$1.2 million in the College's proportionate share of the ERS's other post-employment benefits (OPEB) liability and deferred inflow.
- The College's net position increased by \$17.2 million. This increase includes the increase in Net investment in capital assets of \$4 million related to the building renovation projects on the Heritage Campus. Bonds payable decreased \$12 million as a result of principle payments reducing the outstanding bond balance. Maintenance and operations property tax revenues increased \$10 million following a Board-Approved tax rate increase for FY 2025 to support ongoing operations and programs. Financial Aid for Swift Transfer (FAST) funding increased \$2 million reflecting the increase in dual credit course enrollment among high school students within the College's service area. These increases were offset by operating expense increases which include an increase in employee compensation of \$6.6 million due to salary increases of 5 to 6% approved for FY 2025. Expense increases of \$4.7 million were the result of upgrades to instructional program furniture and equipment and addressing the deferred maintenance needs of the College's physical facilities.

2023-2024

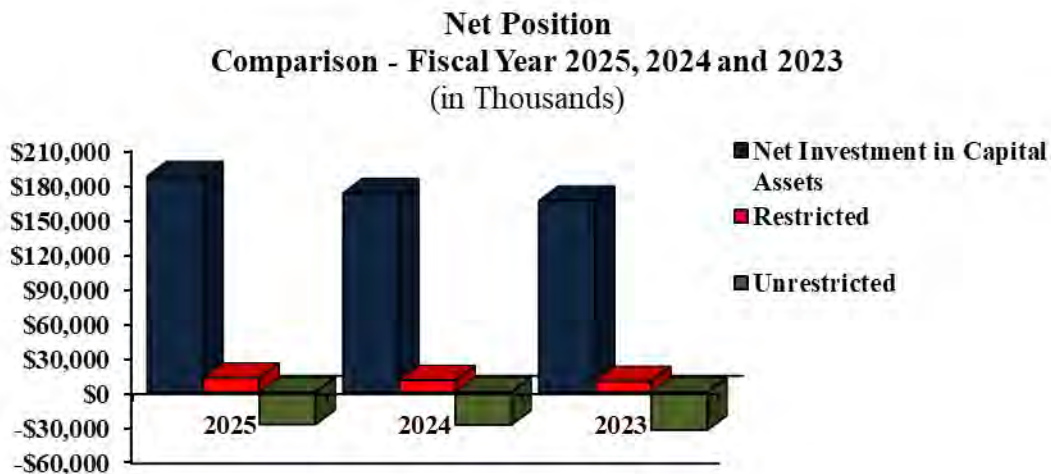
- For fiscal year 2024, total assets and deferred outflows of resources decreased by approximately \$8.2 million. This decrease includes the decrease in cash and investments of \$19.8 due to continued building renovation costs on the Heritage campus. The decrease in cash and investments was offset by the increase in capital assets of \$7.8 million as building renovation projects continue, the increase in property taxes receivable of \$2.2 million related to settlement of valuation disputes related to two large petrochemical industries within the College's district, which in the prior year, resulted in uncertainty of amounts that would be ultimately collected and a \$1.9 million increase in account receivables which is largely related to the increase in student Pell awards for fiscal year 2024.

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Net Position (Continued)

- Total liabilities and deferred inflows of resources decreased by \$20 million. The largest portion of the decrease in liabilities was the principal payments of \$11.5 million that reduces the outstanding bond balance. The College's proportionate share of the ERS's OPEB liability decreased by \$4.1 million, but was offset by an increase in the College's proportionate share of the TRS's net pension liability of \$3.6 million. Current liabilities decreased by \$4.4 million largely due to the decrease of \$2.6 million in accounts payable due to the building renovation projects on the Heritage Campus nearing completion and the \$1.5 million decrease in unearned revenue related to the discontinuation of the CARES Act Higher Education Emergency Relief program that provided funding during the pandemic for enrollment losses, student financial needs, and health and safety supplies needs.
- The College's net position increased by \$11.8 million due to the \$6.5 increase in net investment in capital assets related to the continued building renovation projects on the Heritage Campus, offset by the \$5.9 million write-off in ERP implementation costs. The \$4.5 million increase in Unrestricted net position resulted from the change in fair value of investments of \$3.2 million, the increase maintenance ad valorem tax collections of \$2.6 million and the additional \$2.1 million received in state appropriation funding as a result of the State's new performance funding model, offset by the \$4.7 million increase in pension and other post-employment benefits costs as determined by the Employee Retirement System and the Teachers Retirement System of Texas.

The following is a graphic illustration of net position at August 31, 2025, 2024 and 2023:



DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Revenues, Expenses and Changes in Net Position

Changes in total net position, as presented on the Statement of Net Position, are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The purpose of the statement is to present the revenues earned by the College, both operating and non-operating, and the expenses incurred by the College, operating and non-operating, and any other revenues, expenses, gains and losses received or spent by the College.

Operating revenues are received for providing goods and services to the various customers and constituencies of the College. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the mission of the College. Non-operating revenues are revenues received for which goods and services are not provided. Non-operating expenses are those expenses incurred as the result of activities other than the primary function of the College.

Statement of Revenues, Expenses and Changes in Net Position
Years Ended August 31, 2025 Through 2023

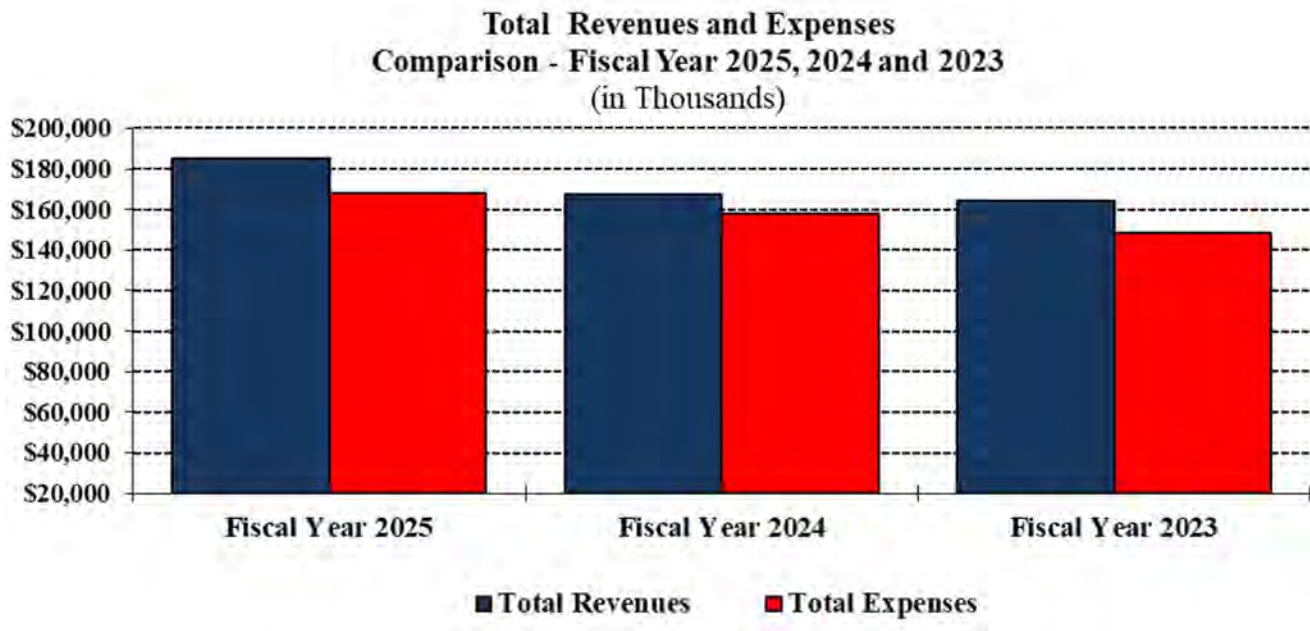
(In Thousands)

	Fiscal Year 2025	Fiscal Year 2024	Fiscal Year 2023	2025-2024 Variance	2024-2023 Variance
Operating Revenues	\$ 24,689	\$ 20,126	\$ 23,089	\$ 4,563	\$ (2,963)
Non-Operating Revenues	160,561	147,404	140,889	13,157	6,515
Total Revenues	185,250	167,530	163,978	17,720	3,552
Operating Expenses	159,308	142,152	137,422	17,156	4,730
Non-Operating Expenses	8,795	15,486	10,765	(6,691)	4,721
Total Expenses	168,103	157,638	148,187	10,465	9,451
Contributions from Other Agencies	11	1,891	49	(1,880)	1,842
Increase (Decrease) in Net Position	17,158	11,783	15,840	5,375	(4,057)
Net Position Beginning of Year	154,188	142,405	126,565	11,783	15,840
Net Position End of Year	\$ 171,346	\$ 154,188	\$ 142,405	\$ 17,158	\$ 11,783

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Revenues, Expenses and Changes in Net Position (Continued)

The following is a graphic illustration of total revenues and expenses for the years ended August 31, 2025, 2024 and 2023:



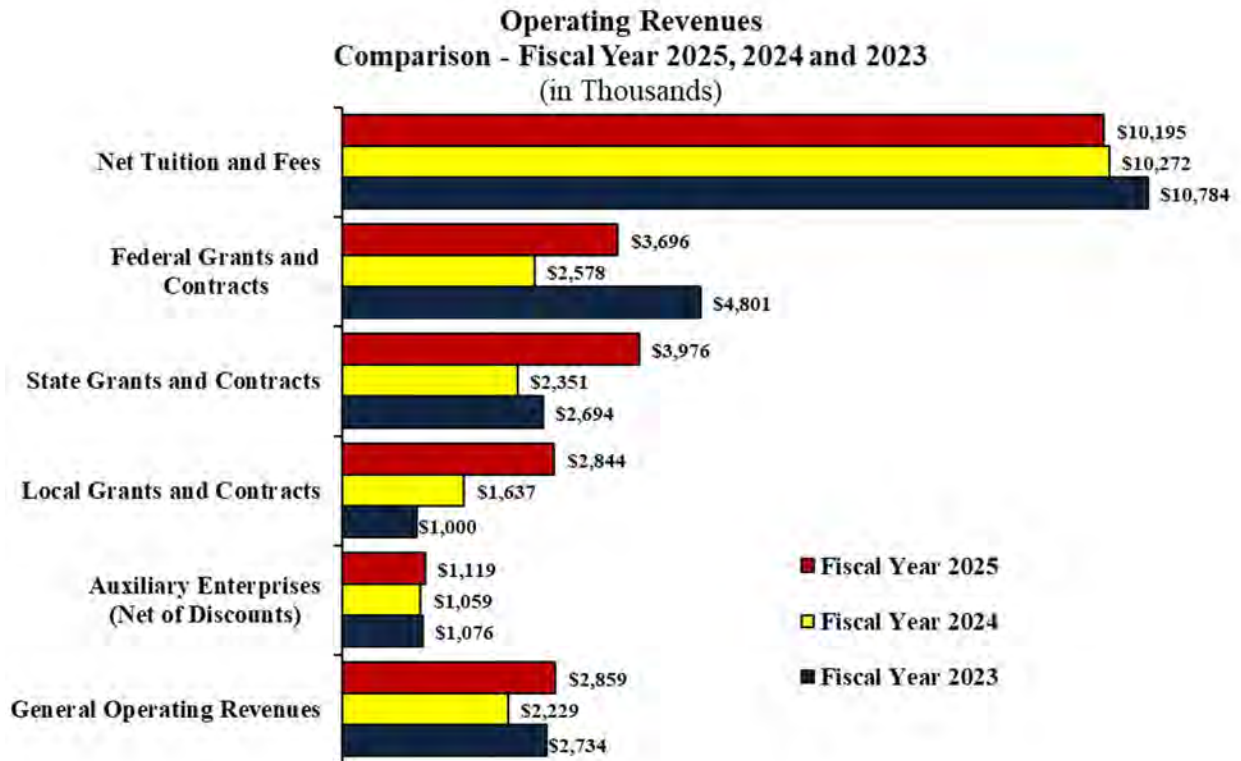
Operating revenues consisted of the following:

Operating Revenues Years Ended August 31, 2025 through 2023 (In Thousands)					
Operating Revenues	Fiscal Year 2025	Fiscal Year 2024	Fiscal Year 2023	2025-2024 Variance	2024-2023 Variance
Tuition and Fees	\$ 28,863	\$ 26,463	\$ 26,987	\$ 2,400	\$ (524)
Scholarship Allowances and Discounts	(18,668)	(16,191)	(16,203)	(2,477)	12
Federal Grants and Contracts	3,696	2,578	4,801	1,118	(2,223)
State Grants and Contracts	3,976	2,351	2,694	1,625	(343)
Local Grants and Contracts	2,844	1,637	1,000	1,207	637
Auxiliary Enterprises (Net of Discounts)	1,119	1,059	1,076	60	(17)
General Operating Revenues	2,859	2,229	2,734	630	(505)
Total	\$ 24,689	\$ 20,126	\$ 23,089	\$ 4,563	\$ (2,963)

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Revenues, Expenses and Changes in Net Position (Continued)

The following is a graphic illustration of total operating revenues for the years ended August 31, 2025, 2024 and 2023:



Key factors impacting total operating revenues:

2024-2025

- Federal operating grant revenues increased by \$1.1 million in FY 2025, primarily due to higher Texas Workforce Commission grant funding supporting workforce training and education initiatives. The increase reflects expanded program participation that enhanced funding availability.
- State grants and contracts increased by 1.6 million primarily due to an increase in the number of students eligible to receive Texas Educational Opportunity Grant awards.
- Local grants and contracts increased by \$1.2 million in FY 2025 due to higher awards from local governmental and foundation partners to support workforce training and student success initiatives.
- General operating revenues increased by \$630 thousand related to increases in continuing education program course fees.

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Revenues, Expenses and Changes in Net Position (Continued)

2023-2024

- Tuition and Fees, net of discounts, decreased by \$512 thousand due to the decrease in dual credit tuition of \$1.1 million that is now being funded through the State of Texas's new Financial Aid for Swift Transfer (FAST) funding program rather than charging students directly for dual credit courses. This decrease was offset by the \$550 thousand increase in tuition and fees as a result of a \$2 per semester hour increase in tuition and the 2.6% increase in enrollment for fiscal year 2024.
- Federal grants and contracts decreased by \$2.2 million due primarily to the discontinuation of the CARES Act Higher Education Emergency Relief program that provided funding during the pandemic for enrollment losses, student financial needs, and health and safety supplies needs.
- General operating revenues decreased by \$505 thousand due a decrease in continuing education program course fees.

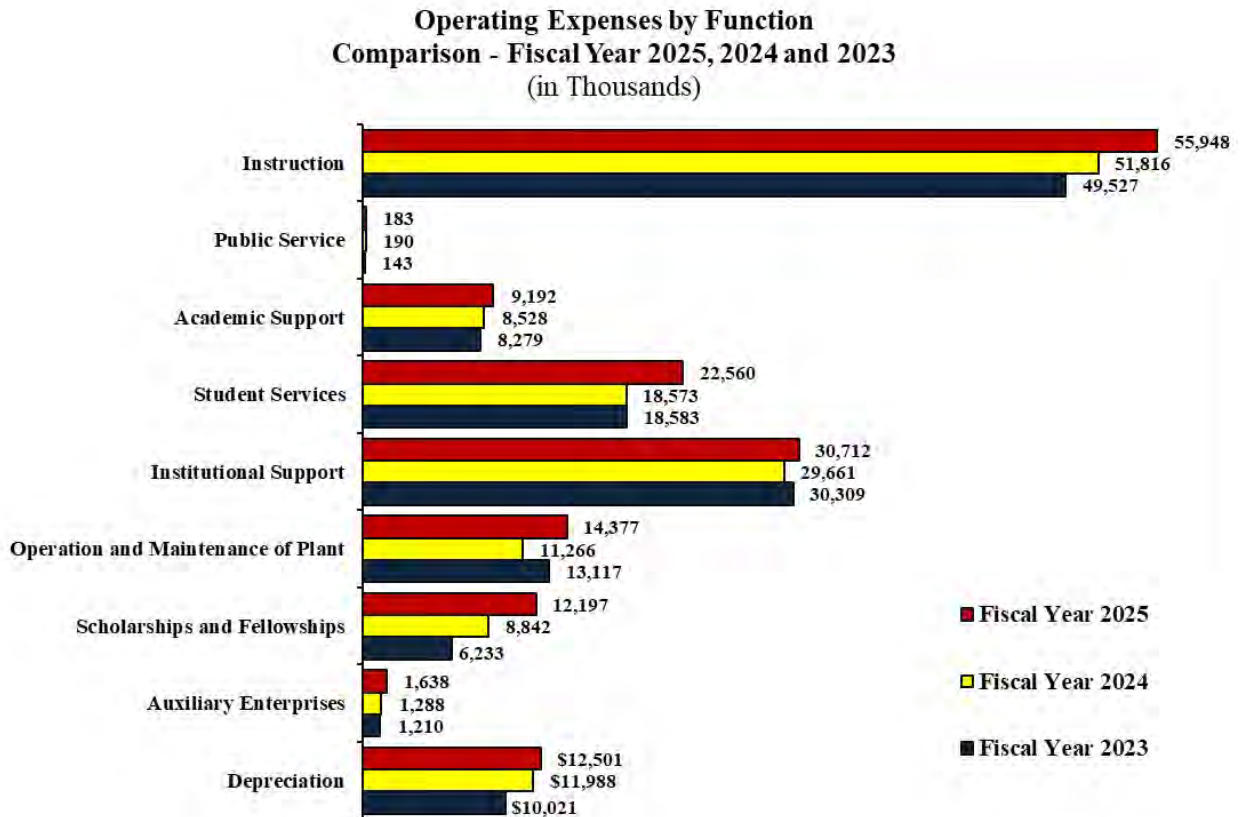
Operating expenses consisted of the following:

Operating Expenses					
Years Ended August 31, 2025 through 2023					
(In Thousands)					
Operating Expenses	Fiscal Year 2025	Fiscal Year 2024	Fiscal Year 2023	2025-2024 Variance	2024-2023 Variance
Instruction	\$ 55,948	\$ 51,816	\$ 49,527	\$ 4,132	\$ 2,289
Public Service	183	190	143	(7)	47
Academic Support	9,192	8,528	8,279	664	249
Student Services	22,560	18,573	18,583	3,987	(10)
Institutional Support	30,712	29,661	30,309	1,051	(648)
Operation and Maintenance of Plant	14,377	11,266	13,117	3,111	(1,851)
Scholarships and Fellowships	12,197	8,842	6,233	3,355	2,609
Auxiliary Enterprises	1,638	1,288	1,210	350	78
Depreciation	12,501	11,988	10,021	513	1,967
Total	\$ 159,308	\$ 142,152	\$ 137,422	\$ 17,156	\$ 4,730

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Revenues, Expenses and Changes in Net Position (Continued)

The following is a graphic illustration of total operating expenses for the years ended August 31, 2025, 2024 and 2023:



Key factors impacting total operating expenses:

2024-2025

For the fiscal year, operating expenses increased by \$17.2 million. The primary factors contributing to this increase are:

- Employee compensation increased \$6.6 million resulting from the salary increases of 5 to 6% approved by the Board of Regents for FY 2025.
- Expense increases of \$4.7 million were due to upgrades to instructional program furniture and equipment and addressing the deferred maintenance needs of the College's physical facilities.
- Scholarships awarded to eligible students increased by \$3.4 million due to an increase in student enrollment for FY 2025 and an increase in scholarships funds available from the Del Mar College Foundation.

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Revenues, Expenses and Changes in Net Position (Continued)

- Student support services expenses increased by \$3 million. The increase in federal, state and local grant funding supported the increase in expenses to provide additional student support activities in advising, financial aid counseling, tutoring and career readiness.

2023-2024

For the fiscal year, operating expenses increased by \$4.7 million. Items having the largest impact on this increase were:

- Employee benefits increased by \$5 million. At fiscal year end, the College accounted for its share of pension and other post-employment benefit costs, as determined by the Employee Retirement System and the Teachers Retirement System of Texas. This year, the net adjustment for these benefit costs increased by \$4.7 million compared to the previous year.
- Depreciation expense increased by \$2 million is primarily due to the addition of new and renovated building projects to capital assets. As these projects are completed and capitalized, their depreciation is recognized, resulting in an increase in depreciation expense.
- Salary expenses offset the increases to operating expenses with a decrease of \$1.1 million which is attributed to the decision to not implement salary raises and strategically limiting the filling positions as they became vacant for fiscal year 2024.

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Revenues, Expenses and Changes in Net Position (Continued)

Non-operating revenues and expenses consisted of the following:

Non-Operating Revenues and Expenses
Years Ended August 31, 2025 through 2023
(In Thousands)

	Fiscal Year 2025	Fiscal Year 2024	Fiscal Year 2023	2025-2024 Variance	2024-2023 Variance
Non-Operating Revenues					
State Appropriations	\$ 33,417	\$ 30,886	\$ 25,354	\$ 2,531	\$ 5,532
Maintenance Ad Valorem Taxes	78,638	68,541	65,972	10,097	2,569
Debt Service Ad Valorem Taxes	22,123	22,017	23,203	106	(1,186)
Federal Revenue, Non Operating	21,647	17,693	17,113	3,954	580
Investment Income	4,878	3,538	2,806	1,340	732
Change In Fair Value of Investments	(412)	3,201	2,107	(3,613)	1,094
Other Non-Operating Revenues	<u>270</u>	<u>1,528</u>	<u>4,334</u>	<u>(1,258)</u>	<u>(2,806)</u>
Total Non-Operating Revenues	<u>160,561</u>	<u>147,404</u>	<u>140,889</u>	<u>13,157</u>	<u>6,515</u>
Non-Operating Expenses					
Interest on Capital Related Debt	8,759	9,190	9,570	(431)	(380)
Other Non-Operating Expenses	6	336	1,191	(330)	(855)
Loss on Disposal of Capital Assets	<u>30</u>	<u>5,960</u>	<u>4</u>	<u>(5,930)</u>	<u>5,956</u>
Total Non-Operating Expenses	<u>8,795</u>	<u>15,486</u>	<u>10,765</u>	<u>(6,691)</u>	<u>4,721</u>
Net Non-Operating Revenues	<u>\$ 151,766</u>	<u>\$ 131,918</u>	<u>\$ 130,124</u>	<u>\$ 19,848</u>	<u>\$ 1,794</u>

Key factors impacting non-operating revenues and expenses:

2024-2025

- State appropriations increased by \$2.5 million primarily due to the increase in Financial Aid for Swift Transfer (FAST) funding reflecting the increase in dual credit course enrollment among high school students in the College's service area.
- Maintenance and operating property tax revenues increased by \$10.1 million resulting from the College's property tax rate increase to .26174 from the previous year of .237002 per \$100 of valuation approved by the Board of Regents to support ongoing operations and programs.

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Statement of Revenues, Expenses and Changes in Net Position (Continued)

- The increase of \$4 million federal revenue, non-operating was attributable to the increase in student enrollment and a corresponding rise in students eligible to receive Pell Grant funding.
- The change in fair value of investments decreased \$3.6 million from FY 2024 to FY 2025. The prior-year gain reflected recovery of low-rate investments purchased during the COVID-19 period that matured at par, while FY 2025 experienced only a modest \$0.4 million unrealized loss as investment values stabilized in a higher-rate environment.
- Non-operating expenses decreased \$5.9 million in FY 2025 due to recognition in the prior-year of the one-time loss from the disposal of undepreciated capitalized costs from the unimplemented college-wide Enterprise Resource Planning (ERP) system.

2023-2024

- State appropriations increased by \$5.5 million. For fiscal year 2024, the College received an additional \$2.1 million in state appropriation funding as a result of the State's change in the funding methodology for community colleges moving from a funding model based on student's time in class to a performance-based funding system. Also included in the appropriation increase was \$1.3 million of the State of Texas's new Financial Aid for Swift Transfer (FAST) funding to cover the tuition and fees for eligible dual credit students. At fiscal year end the College accounted for its share of pension and other post-employment obligations as determined by the Employee Retirement System and the Teachers Retirement System of Texas that resulted in state retirement contributions increasing to \$3.4 million in fiscal year 2024 from \$1.9 million in fiscal year 2023.
- Maintenance and operating ad valorem taxes collected during the year increased by \$2.6 million. The additional tax revenue resulted from a 17.8% increase in property tax values. The property tax rate decreased from .266104 to .237002 per hundred-dollar valuation.
- The increase in the Change in Fair Value of Investments of \$1 million was due to the investments in the College's investment portfolio that were purchased during the COVID-19 pandemic when the market interest rates were near zero maturing in fiscal year 2024.
- Other non-operating revenues decreased by \$2.8 million due primarily to the discontinuation of the CARES Act Higher Education Emergency Relief program that provided funding during the pandemic for enrollment losses, student financial needs, and health and safety supplies needs.

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

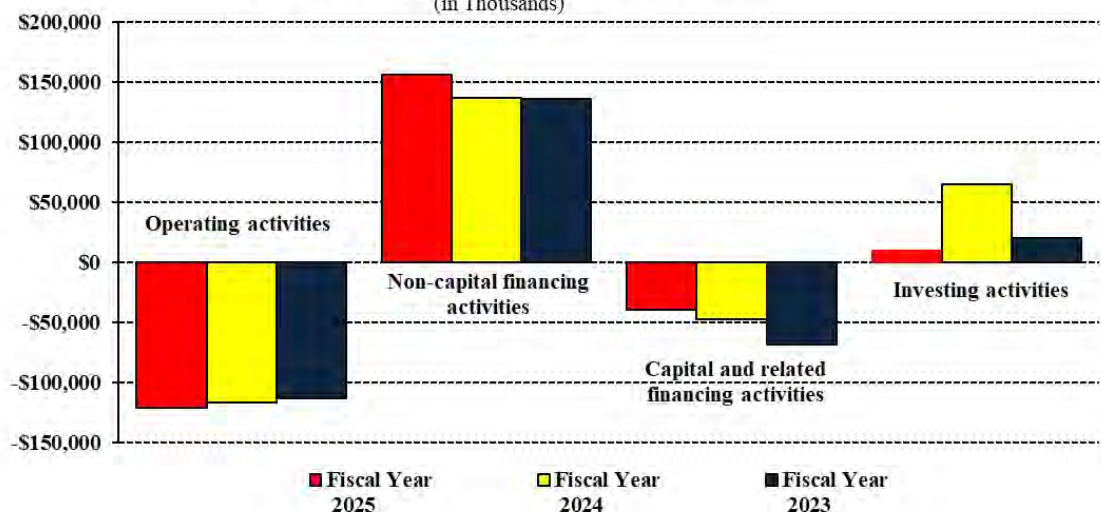
Statement of Cash Flows

The final statement presented by Del Mar College is the Statement of Cash Flows. The Statement of Cash Flows presents detailed information about the cash activity of the College during the year. The statement is divided into five parts. The first part deals with operating cash flows and shows the net cash used by the operating activities of the College. The second section reflects cash flows from non-capital financing activities. This section reflects the cash received and spent for non-operating, non-investing, and non-capital financing purposes. The third section deals with cash flows from capital and related financing activities. This section deals with the cash used for the acquisition and construction of capital assets and related items. The fourth section reflects the cash flows from investing activities and shows the purchases, proceeds, and interest received from investing activities. The fifth section reconciles the net cash used to the operating income or loss reflected on the Statement of Revenues, Expenses, and Changes in Net Position. Condensed financial information from the Statement of Cash Flows is as follows:

Statement of Cash Flows
Years Ended August 31, 2025 through 2023
(In Thousands)

	Fiscal Year 2025	Fiscal Year 2024	Fiscal Year 2023
Cash provided (used) by:			
Operating activities	\$ (121,288)	\$ (116,208)	\$ (113,379)
Non-capital financing activities	156,128	136,746	136,528
Capital and related financing activities	(39,262)	(46,917)	(68,112)
Investing activities	10,140	65,223	20,113
Net change in cash and cash equivalents	5,718	38,844	(24,850)
Cash and cash equivalents - September 1	44,836	5,992	30,842
Cash and cash equivalents - August 31	\$ 50,554	\$ 44,836	\$ 5,992

Statement of Cash Flows
Comparison - Fiscal Year 2025, 2024 and 2023
(in Thousands)



DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

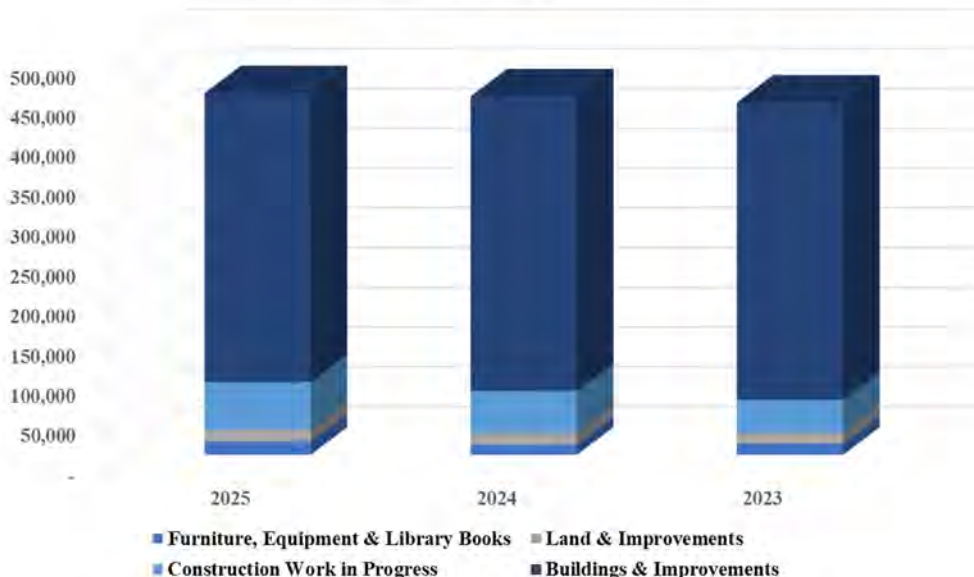
Capital Asset and Debt Administration

The College had \$455 million invested in capital assets on August 31, 2025, and \$451 million on August 31, 2024. Capital assets are net of accumulated depreciation of \$149 million and \$141 million for fiscal years 2025 and 2024, respectively. Depreciation charges totaled \$12.5 million and \$12 million for fiscal years 2025 and 2024, respectively. New equipment purchases of \$2.4 million and \$1.7 million were made for fiscal years 2025 and 2024, respectively.

Capital Assets
(Net of Depreciation)
Years Ended August 31, 2025 through 2024
(In Thousands)

	2025	2024	2023
Land	\$ 13,325	\$ 13,325	\$ 12,649
Construction in Progress	59,369	52,446	40,860
Buildings and Improvements	363,520	370,499	374,212
Land Improvements	2,338	2,381	1,669
Library Books	678	709	711
Equipment	10,609	10,444	11,033
Right-to-use Leased Equipment	646	139	209
Right-to-use Subscription Assets	4,371	913	1,758
Net capital assets	\$ 454,856	\$ 450,856	\$ 443,101

Capital Asset Comparison
Fiscal Years 2025, 2024 and 2023
(In Thousands)



DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Capital Asset and Debt Administration (Continued)

Total bond payable liability balances at August 31, 2025, 2024, and 2023 are as follows:

	(In Thousands)		
Outstanding Debt - Bonds	2025	2024	2023
Del Mar College District Limited Tax Refunding Bonds, Series 2013	-	3,725	7,345
Del Mar College District Limited Tax Refunding and Improvement Bonds, Series 2015	9,340	9,615	9,880
Del Mar College District Limited Tax Bonds, Series 2016	55,535	57,140	58,665
Del Mar College District Combined Fee Revenue Refunding Bonds, Series 2016	5,315	6,920	8,450
Del Mar College District Limited Tax Bonds, Series 2017	6,085	6,480	6,860
Del Mar College District Limited Tax Bonds, Series 2018A	39,155	40,100	41,000
Del Mar College District Limited Tax Bonds, Series 2018B	50,820	52,040	53,200
Del Mar College District Limited Tax Bonds, Series 2020A	20,910	21,545	22,150
Del Mar College District Limited Tax Bonds, Series 2020B	53,210	54,785	56,285
Total	\$ 240,370	\$ 252,350	\$ 263,835

The College's bond ratings for the two issuances dated June 1, 2020, are "Aa2", and "AA" by Moody's Investor Service and Fitch Ratings, Inc., respectively. Certain of the District's outstanding tax supported debt has an underlying rating of "Aa2" by Moody's and/or "AA" by Standard and Poor's Global. See Notes 8 and 9 for additional information.

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Economic Factors That Will Affect the Future

The economic condition of the Del Mar College District is influenced by the economic position of the State of Texas and the Coastal Bend Region. Fiscal year 2024 was the first year that state appropriation funding was based on the new outcomes-based community college funding model that ties state funding more closely to student outcomes. As a result of this change, the College received an additional \$2.1 in state appropriation funding for fiscal year 2024. In Fiscal year 2025, the Texas Legislature further refined the model by strengthening transfer pathways, broadened eligibility for the Financial Aid for Swift Transfer (FAST) dual-credit program and improved statewide data collection and reporting. FAST reimbursements now stand at about \$57 per semester credit hour for eligible students in fiscal year 2025 with an increase to \$58 for fiscal year 2026. These enhancements reinforce the College's strategy of guided pathways advising, retention initiatives and workforce alignment.

The Corpus Christi and Coastal Bend Region continues to experience steady economic growth supported by energy production, port-related trade and ongoing industrial development. The Port of Corpus Christi remains a major driver of commerce and investment, with continued growth in crude oil, liquefied natural gas, and petrochemical exports contributing to regional employment and taxable property values. Infrastructure improvements, including harbor channel deepening, expansion of export terminals and completion of the new Harbor Bridge are expected to enhance logistics efficiency and attract additional private-sector investment. Continued strength in the energy sector, coupled with expansion in healthcare, education and service industries, supports a positive long-term economic outlook for the region. As a leading provider of workforce education and training, Del Mar College is well positioned to respond to evolving industry demands to support the region's sustained economic vitality.

Property tax revenues remain a cornerstone of the College's financial stability. Taxable assessed valuations did decrease slightly to \$41.2 billion in fiscal year 2025 from \$41.9 billion in fiscal year 2024. To maintain revenues the Board of Regents adopted a total tax rate of \$.26174 per \$100 valuation for fiscal year 2025, up from \$.23700 the prior year. The maintenance and operations rate rose to \$.20438 while the debt service rate edged down to \$.05736 per \$100 valuation. The continued property valuation and growth reflects the strong local economy in the College's tax base.

The College's enrollment continues a robust post-pandemic recovery. From fiscal year 2023 to 2024, overall enrollment grew by 2.6% with fall 2024 up 5.5% over Fall 2023. Momentum accelerated dramatically in fall 2025 with total preliminary academic headcount reaching 11,701 students, a 14% increase from the previous fall. A key driver is the College's new Freedom to Dream initiative launched in the fall of 2025 which offers up to three years of tuition and fee waivers for qualifying first-time students, recent GED recipients, eligible dual-credit graduates and certain adult learners who enroll full-time and meet academic standards. At the same time, demand for workforce development programs remains strong especially in petrochemical, healthcare and tourism. The College has expanded eight-week course formats, hybrid/online delivery and industry-aligned curricula, while maintaining competitive tuition and robust financial aid. Enhanced student-success services and targeted retention strategies further support this growth.

DEL MAR COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

With a diversifying regional economy, performance-driven state funding, an expanding property tax revenue stream and surging enrollment aided by the Freedom to Dream program, Del Mar College enters Fiscal Year 2026 in a position of strength. The College's ongoing focus on affordability, workforce readiness and measurable student success ensures it can meet the evolving educational and training needs of the Coastal Bend region while sustaining long-term financial stability.

Requestion for Information

This financial report is designed to provide the District's citizens, taxpayers, students, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. Requests for additional financial information may be addressed to the Del Mar College Fiscal Affairs Office, 101 Baldwin Blvd., Corpus Christi, Texas 78404.

A handwritten signature in dark ink, appearing to read "Catherine West". The signature is fluid and cursive, with the first name "Catherine" written in a larger, more prominent script than the last name "West".

Catherine West, Ed.D., CPA
Director of Accounting/Treasury Officer
Del Mar College



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Del Mar College Statements of Net Position

	August 31,	
	2025	2024
ASSETS		
Current Assets:		
Cash and Cash Equivalents (Note 4)	\$ 39,529,666	\$ 35,491,678
Short Term Investments (Note 4)	28,329,003	33,542,457
Accounts Receivable, Net (Note 6)	12,235,145	10,030,748
Lease Receivable - Current Portion (Note 10)	186,649	186,651
Taxes Receivable (Note 6)	5,455,501	4,268,974
Prepaid Expenses	523,415	-
Total Current Assets	86,259,379	83,520,508
Noncurrent Assets:		
Restricted Cash and Cash Equivalents (Note 4)	11,024,639	9,343,914
Lease Receivable (Note 10)	1,944,069	2,130,718
Capital Assets, Net (Note 7)	454,856,234	450,855,605
Total Noncurrent Assets	467,824,942	462,330,237
Total Assets	554,084,321	545,850,745
Deferred Outflows of Resources		
Deferred Loss on Refunding Bonds	171,266	282,830
Deferred Outflows Related to Pensions (Note 11)	5,553,826	10,546,642
Deferred Outflows Related to OPEB (Note 16)	1,337,539	1,524,422
Total Deferred Outflows of Resources	7,062,631	12,353,894
Total Assets and Deferred Outflows of Resources	561,146,952	558,204,639
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities (Note 6)	8,649,286	7,483,620
Accrued Compensable Absences - Current Portion (Note 8 and 14)	793,625	676,376
Lease Liability - Current Portion (Note 10)	158,901	73,604
Subscription Based Information Technology Arrangement - Current Portion (Note 22)	1,233,419	410,498
Net OPEB Liability - Current Portion (Note 16)	1,545,690	1,392,616
Funds Held for Others	1,591,761	2,101,971
Unearned Revenues (Note 6)	12,191,422	12,418,859
Bonds Payable - Current Portion (Note 8 and 9)	12,325,000	11,980,000
Total Current Liabilities	38,489,104	36,537,544
Noncurrent Liabilities:		
Accrued Compensable Absences (Note 8 and 14)	7,545,580	7,297,425
Lease Liability (Note 10)	495,679	65,780
Subscription Based Information Technology Arrangement Liability (Note 8 and 22)	3,391,991	152,395
Net Pension Liability (Note 11)	24,313,075	28,361,304
Net OPEB Liability (Note 16)	52,906,628	48,394,531
Bonds Payable (Note 8 and 9)	250,076,304	264,508,840
Total Noncurrent Liabilities	338,729,257	348,780,275
Total Liabilities	377,218,361	385,317,819
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions (Note 11)	1,119,370	1,176,107
Deferred Inflows Related to OPEB (Note 16)	9,332,165	15,205,241
Deferred Inflows Related to Lease Receivable (Note 10)	2,130,803	2,317,443
Total Deferred Inflows of Resources	12,582,338	18,698,791
Total Liabilities and Deferred Inflows of Resources	389,800,699	404,016,610
NET POSITION		
Net Investment in Capital Assets	186,658,635	171,903,087
Restricted for:		
Expendable		
Debt Service	12,431,827	10,381,602
Loan Funds	1,927	1,419
Unrestricted	(27,746,136)	(28,098,079)
Total Net Position (Schedule D)	\$ 171,346,253	\$ 154,188,029

See Notes to Financial Statements

(Continued)

**Del Mar College
Component Unit
Statements of Financial Position**

	Del Mar College Foundation, Inc. June 30,	
ASSETS	2025	2024
Cash and Cash Equivalents (Note 4)	\$ 2,789,768	\$ 1,409,575
Accounts Receivable	3,082	4,116
Investments (Note 4 and 24)	17,734,314	16,837,821
Unconditional Promises to Give (Note 6)	1,867,510	252,944
Beneficial Interest in Irrevocable Trust (Note 24)	67,052	-
Total Current Assets	22,461,726	18,504,456
Endowment Investments (Note 4)	17,900,152	15,634,325
Long-Term Unconditional Promises to Give (Note 6)	322,321	111,379
Beneficial Interest in Irrevocable Charitable Trust (Note 24)	945,496	856,684
Total Assets	41,629,695	35,106,844
LIABILITIES		
Accounts Payable	2,455	8,593
Due to Del Mar College	113,361	317,854
Total Liabilities	115,816	326,447
NET ASSETS		
Without Donor Restrictions	10,326,904	8,717,234
With Donor Restrictions	31,186,975	26,063,163
Total Net Assets	\$ 41,513,879	\$ 34,780,397

See Notes to Financial Statements.

Del Mar College
Statements of Revenues, Expenses and Changes in Net Position

Year Ended August 31,

	2025	2024
Operating Revenues		
Tuition and Fees (net of discounts of \$18,668,049 and \$16,190,672, respectively)	\$ 10,194,798	\$ 10,272,564
Federal Grants and Contracts	3,695,990	2,577,486
State Grants and Contracts	3,976,493	2,350,741
Local Grants and Contracts	2,843,893	1,637,037
Auxiliary Enterprises	1,118,985	1,058,306
General Operating Revenues	2,859,413	2,229,282
Total Operating Revenues (Schedule A)	24,689,572	20,125,416
Operating Expenses		
Instruction	55,948,109	51,816,207
Public Service	182,505	189,910
Academic Support	9,192,498	8,527,759
Student Services	22,559,709	18,572,905
Institutional Support	30,712,157	29,661,009
Operation and Maintenance of Plant	14,377,475	11,266,427
Scholarships and Fellowships	12,196,918	8,841,668
Auxiliary Enterprises	1,637,766	1,287,553
Depreciation	12,501,258	11,988,467
Total Operating Expenses (Schedule B)	159,308,395	142,151,905
Operating Loss	(134,618,823)	(122,026,489)
Non-Operating Revenues (Expenses)		
State Appropriations	33,416,470	30,886,454
Maintenance Ad Valorem Taxes	78,637,508	68,541,016
Debt Service Ad Valorem Taxes	22,123,648	22,016,865
Federal Revenue, Non Operating	21,647,334	17,693,360
Loss on Disposal of Capital Assets	(29,969)	(5,959,981)
Investment Income	4,877,938	3,538,319
Change in Fair Value of Investments	(412,001)	3,200,432
Interest on Capital Related Debt	(8,758,523)	(9,189,901)
Other Non-Operating Revenues	270,141	1,527,951
Other Non-Operating Expenses	(6,109)	(336,156)
Net Non-Operating Revenues (Schedule C)	151,766,437	131,918,359
Capital Contributions		
Contributions from Other Agencies	10,610	1,891,320
Increase in Net Position	17,158,224	11,783,190
Net Position		
Net Position - Beginning of Year	154,188,029	142,404,839
Net Position - End of Year	\$ 171,346,253	\$ 154,188,029

See Notes to Financial Statements

(Continued)

**Del Mar College
Component Unit
Statements of Activities**

Del Mar College Foundation, Inc.				
Year Ended June 30, 2025 With Comparative Totals				
For the Year Ended June 30, 2024				
	Without Donor Restrictions	With Donor Restrictions	Total	
			2025	2024
Support, Revenue and Gains:				
Scholarship Contributions	\$ 21,880	\$ 3,516,219	\$ 3,538,099	\$ 1,202,306
Designated Scholarship Contributions	-	338,947	338,947	358,407
Grants, Managed Funds, and Other Contributions	318,627	2,788,078	3,106,705	1,226,341
Net Investment Income	1,727,673	2,646,786	4,374,459	3,890,105
Contributed Services and Expenses	733,980	-	733,980	779,844
Net Assets Released from Restrictions	4,218,575	(4,218,575)	-	-
Total Support, Revenue and Gains	7,020,735	5,071,455	12,092,190	7,457,003
Expenses				
Program Services:				
Foundation Services	4,962,099	-	4,962,099	3,783,790
Development Services	343,308	-	343,308	412,655
Total Services Provided to College	5,305,407	-	5,305,407	4,196,445
Supporting Services:				
General and Administrative	53,301	-	53,301	41,940
Total Expenses	5,358,708	-	5,358,708	4,238,385
Change in Net Assets	1,662,027	5,071,455	6,733,482	3,218,618
Net Assets, Beginning of Year	8,717,234	26,063,163	34,780,397	31,561,779
Transfers and Reclassifications	(52,357)	52,357	-	-
Net Assets - End of Year	\$ 10,326,904	\$ 31,186,975	\$ 41,513,879	\$ 34,780,397

See Notes to Financial Statements.

**Del Mar College
Statements of Cash Flows**

	Year Ended August 31,	
	2025	2024
Cash Flows from Operating Activities:		
Receipts from Students and Other Customers	\$ 7,468,366	\$ 11,227,582
Receipts from Grants and Contracts	10,174,698	4,881,311
Receipts from Student Organizations and Other Agency Transactions	1,459,314	1,459,314
Payments to Student Organizations and Other Agency Transactions	(1,969,524)	(1,386,272)
Payments to Suppliers for Goods and Services	(33,244,169)	(36,473,676)
Payments to or on Behalf of Employees	(84,499,503)	(79,412,257)
Payments for Scholarships and Fellowships	(23,461,384)	(18,658,513)
Other General Operating Receipts	2,784,413	2,154,282
Net Cash Used by Operating Activities	(121,287,789)	(116,208,229)
Cash Flows from Non-Capital Financing Activities:		
Receipts from State Appropriations	33,061,071	31,025,603
Receipts from Ad Valorem Taxes	99,574,629	88,313,278
Receipts from Non Operating Federal Revenue	23,492,300	17,406,500
Net Cash Provided by Non-Capital Financing Activities	156,128,000	136,745,381
Cash Flows from Capital and Related Financing Activities:		
Purchases of Capital Assets	(16,521,246)	(23,811,297)
Payments on Capital Debt - Principal	(11,980,000)	(11,485,000)
Payments on Capital Debt - Interest	(10,760,604)	(11,621,023)
Net Cash Used by Capital and Related Financing Activities	(39,261,850)	(46,917,320)
Cash Flows from Investing Activities:		
Proceeds from Sales and Maturities of Investments	41,433,603	106,787,298
Interest on Investments	5,338,899	3,359,673
Purchase of Investments	(36,632,150)	(44,923,678)
Net Cash Provided by Investing Activities	10,140,352	65,223,293
Increase (Decrease) in Cash and Cash Equivalents	5,718,713	38,843,125
Cash and Cash Equivalents—September 1	44,835,592	5,992,467
Cash and Cash Equivalents—August 31	\$ 50,554,305	\$ 44,835,592
See Notes to Financial Statements		

(Continued)

Del Mar College Statements of Cash Flows

	<u>Year Ended August 31,</u>	
	<u>2025</u>	<u>2024</u>
Reconciliation of Net Operating Loss to Net Cash		
Used by Operating Activities:		
Operating Loss	(134,618,823)	(122,026,489)
Adjustments to Reconcile Net Loss to Net Cash		
Used by Operating Activities:		
Depreciation Expense	12,501,258	11,988,467
Bad Debt Expense	149,874	178,903
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:		
Receivables, Net	(4,034,658)	(208,336)
Prepaid Expenses	(523,415)	-
Lease Receivable	186,651	186,654
Accounts Payable and Accrued Liabilities	1,165,666	(2,553,748)
Compensated Absences	365,404	39,535
Funds Held for Others	(510,210)	73,042
Unearned Revenues	(227,437)	(1,653,905)
Net Pension Liability	(4,048,229)	3,643,945
Net OPEB Liability	4,665,171	(4,115,072)
Net Lease Liability	515,196	(72,607)
Net SBITA Liability	4,062,517	(881,954)
Deferred Outflows of Resources	5,179,699	(47,652)
Deferred Inflows of Resources	(6,116,453)	(759,012)
Net Cash Used by Operating Activities	<u>(121,287,789)</u>	<u>(116,208,229)</u>
Noncash Investing, Capital and Financing Activities:		
Contribution of Capital Assets	\$ 10,610	\$ 1,891,320
Change in Fair Value of Investments	(412,001)	3,200,432
Capital Assets Acquired Through Accounts Payable	687,569	1,602,331
Right-to-use Lease Assets Acquired Through New Lease Obligations and Related Lease Liabilities Recognized	688,121	111,217
Software Subscription Right-to-use Assets Acquired Through New SBITA Obligations and Related SBITA Liabilities Recognized	4,991,580	247,224
Total Noncash Investing, Capital and Financing Activities	<u>\$ 5,965,879</u>	<u>\$ 7,052,524</u>

See Notes to Financial Statements

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 1 - Reporting Entity

Del Mar College District, the College, was established in 1935, in accordance with the laws of the state of Texas, to serve the educational needs of Corpus Christi and the surrounding communities. The College is considered to be a special purpose, primary government engaged in business type activities. While the College 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.

Discrete Component Unit

Using the criteria established by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*, the College's management has determined the Del Mar College Foundation ("the Foundation") should be reported as a discrete component unit of the College because of the nature and significance of its relationship with the College. The Foundation is a component unit if the Foundation raises and holds economic resources for the direct benefit of the College and the Foundation is significant compared to the College.

Del Mar College Foundation ("the Foundation") is a Texas nonprofit corporation, chartered in 1983, to provide supplemental financial resources to advance the institutional goals and expand the educational services of the College. It is the intention of the Foundation to support educational initiatives which will enhance the quality of facilities and instruction, increase and diversify educational services, and improve accessibility to educational opportunities for students, faculty, staff, and residents of the geographic areas served by the College. The Foundation is accounted for separately in the Basic Financial Statements of the College and has a June 30 fiscal year end. The Foundation's Notes to Financial Statements are disclosed in Note 24. Complete financial statements of Del Mar College Foundation can be obtained from the administrative offices of the Foundation.

Note 2 - Summary of Significant Accounting Policies

A. Reporting Guidelines

The significant accounting policies followed by the College in preparing these financial statements, are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community Colleges*. The College applies all applicable GASB pronouncements. The College is reported as a special-purpose government engaged in business-type activities.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

B. Nature of Operations

Del Mar College is a political subdivision of the State of Texas located in Nueces County. The College offers academic, general occupational, developmental, and continuing adult education programs. The College is governed by a nine member Board of Regents who serve staggered six-year terms. Five Regents are elected to represent single-member districts and four members are elected at large. Three positions are filled every two years. Vacancies on the Board are filled for an unexpired term according to Board bylaws.

C. Tuition Discounting

Texas Public Education Grants

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

Title IV, Higher Education Agency Program Funds

Certain Title IV HEA Program funds are received by the College to pass through to the student. These funds are initially received by the College and recorded as revenue. When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Other Tuition Discounts

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

D. Basis of Accounting

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

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

E. Budgetary Data

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

F. Cash and Cash Equivalents

The College's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition.

G. Investments

Investments consist of balances in privately managed public funds investment pools, municipal notes, commercial paper and investments in United States (U.S.) Agency securities. The College reports all investments at fair value, except for investment pools. The College's investment pools are valued and reported at amortized cost, which approximates fair value. (The governing board has designated public funds investment pools to be short-term and included in cash and cash equivalents.) Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase. Restricted cash and investments are for capital projects funded by external debt issuances and reserves set aside in accordance with bond covenants for certain bond issuances.

H. Capital Assets

Capital assets are stated at cost. Donated capital assets are valued at their estimated acquisition value on the date received. Purchases of items with a life expectancy of greater than one year and with a cost in excess of \$5,000 are considered capital assets. Renovations to buildings, infrastructure and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operating expense in the year in which the expense is incurred.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The following lives are used:

Buildings	50 years
Facilities and Other Improvements	20 years
Library Books	15 years
Furniture, Machinery, Vehicles and Other Equipment	10 years
Telecommunications and Peripheral Equipment	5 years
Works of Art	Not depreciated

Right to Use Asset

A right to use asset conveys control of the right to use another entity's nonfinancial asset over the duration of an agreed-upon lease term or other arrangement in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Right of use assets derived from leases are amortized over the shorter of the lease term or the useful life of the underlying asset.

Subscription Asset

A subscription asset derives from subscription-based information technology arrangements (SBITAs) that convey control of the right to use another entity's information technology software, alone or in combination with tangible capital assets, for a specified period in an exchange or exchange-like transaction. Right of use assets derived from SBITAs are amortized over the subscription term.

I. 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 the 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.

J. Pensions

The College participates in the Teacher Retirement System of Texas (TRS) pension plan, a multiple-employer cost sharing defined benefit pension plan with a special funding situation. The fiduciary net position of TRS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, and liabilities and additions

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable, in accordance with the benefit terms. Investments are reported at fair value.

K. Deferred Outflows of Resources

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

The gain or loss on the early retirement of debt is deferred and amortized over the shorter of (1) the remaining amortization period that was used in the original refunding or (2) the life of the newly issued debt.

L. Funds Held in Trust for Others

At August 31, 2025 and 2024, the College held, in trust funds, amounts of \$1,591,761 and \$2,101,971 respectively, that pertain primarily to student organizations. These funds are not available to support the College's programs.

M. Unearned Revenues

Unearned revenues include the (1) amounts received for tuition and fees for the fall term of the next fiscal year and are not revenue in the current year, (2) unearned lease revenue that has not been earned, and (3) amounts received from grants and contract sponsors that also have not been earned.

N. Bond Discounts/Premiums

Bond discounts/premiums are deferred and amortized over the term of the bond. Bond discounts/premiums are presented as a reduction/addition of the face amount of bonds payable.

O. Deferred Inflows of Resources

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

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

P. Estimates

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

Q. Operating and Non-Operating Revenue and Expense Policy

The College distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the College's principal ongoing operations. As business-type activities, the College's operating revenues and expenses generally result from providing services in connection with the college's principal ongoing operations. The principal operating revenues are tuition and related fees, net of discounts. The College also recognizes as operating revenue Federal/State/Local Grants, Non-Governmental Grants and Contracts, Auxiliary Enterprises, and Other Operating Revenues. The Texas Higher Education Coordinating Board requires colleges to classify the revenue received for federal Title IV grant programs (i.e., Pell grants) as operating revenue rather than non-operating revenue. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. The operation of the bookstore is not performed by the College.

R. Restricted and Unrestricted Resources

When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first when allowable, then unrestricted resources as they are needed.

S. Net Position

The College's net position is classified as follows:

Net investment in capital assets: This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets.

Restricted net position: Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 2 - Summary of Significant Accounting Policies (Continued)

Unrestricted net position: Unrestricted net position represents resources derived from student tuition and fees, state appropriations, sales and services of educational departments and auxiliary enterprises which are substantially self-supporting activities that provide services for students, faculty and staff. These resources are used for transactions relating to the educational and general operations of the College, and may be used at the discretion of the governing board to meet current expenses for any purpose. When an expense is incurred that can be paid using either restricted or unrestricted resources, the College's policy is to first apply the expense towards restricted resources.

Note 3 - Authorized Investments

Del Mar College is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) constant-dollar, Texas Local Government Investment Pools, (3) money market mutual funds, (4) certificates of deposit, and (5) other instruments and obligations authorized by the statute.

Note 4 - Deposits and Investments

Cash and cash equivalents included on Exhibit 1, Statement of Net Position, consist of the items reported below:

Reconciliation of Cash and Cash Equivalents to Exhibit 1, Statement of Net Position

	2025		2024	
	College	Foundation	College	Foundation
Demand Deposits	\$ 67,541	\$ 78,734	\$ 156,270	\$ 233,387
Money Market	-	2,708,757	-	1,173,778
Sweep Account	4,088,098	-	4,874,095	-
Logic Pool	46,379,010	-	39,784,671	-
Petty Cash on Hand	19,656	2,277	20,556	2,410
Total Cash and Deposits	\$ 50,554,305	\$ 2,789,768	\$ 44,835,592	\$ 1,409,575
Exhibit 1				
Cash and Cash Equivalents	\$ 39,529,666	\$ 2,789,768	\$ 35,491,678	\$ 1,409,575
Restricted Cash and Cash Equivalents	11,024,639	-	9,343,914	-
	\$ 50,554,305	\$ 2,789,768	\$ 44,835,592	\$ 1,409,575

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 4 – Deposits and Investments (Continued)

Investments included on Exhibit 1, Statement of Net Position, consist of the items reported below:

Reconciliation of Investments to Exhibit 1, Statement of Net Position

Type of Security	2025		2024	
	College	Foundation	College	Foundation
U.S. Treasury Obligations	\$ 15,065,430	\$ -	\$ -	\$ -
Municipal Notes	-	-	3,715,000	-
Mutual Funds	-	34,641,782	-	31,439,813
Commercial Paper	13,263,573	-	14,870,432	-
U.S. Government Agencies	-	-	14,957,025	-
Alternative Investments	-	992,684	-	1,032,333
Total Investments	\$ 28,329,003	\$ 35,634,466	\$ 33,542,457	\$ 32,472,146
Exhibit 1				
Short Term Investments	\$ 28,329,003	\$ 17,734,314	\$ 33,542,457	\$ 16,837,821
Restricted Investments	-	17,900,152	-	15,634,325
	\$ 28,329,003	\$ 35,634,466	\$ 33,542,457	\$ 32,472,146

Interest Rate Risk

College

In order to limit interest and market rate risk from changes in interest rates, the College's adopted Investment Policy sets a maximum stated maturity limit of two years for operating funds and five years for reserve funds. The maximum weighted average maturity (WAM) is restricted to one-year for the operating and reserve funds portfolios and compared quarterly to the six-month and one year Treasury Bill. As of August 31, 2025, the College's portfolio had no holdings with stated maturities beyond 471 days.

Foundation

In order to limit interest and market rate risk from changes in interest rates, the Foundation's Investment Policy sets a maximum stated maturity limit of one year for capital campaigns, special projects and short-term funds. Short-term funds will be held in limited-risk investment vehicles.

The Foundation's endowment assets will have a long-time life span which parallels the life of the institution. As such, assets are invested in funds with maturities that extend well beyond a normal market cycle. However, by careful management and sufficient portfolio diversification, there will be lessened volatility in the investments, which will help to assure a reasonable consistency of returns.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 4 – Deposits and Investments (Continued)

Credit Risk

College

In accordance with state law and the College's investment policy, investments in U.S. government agencies, mutual funds, and local governmental investment pools must be rated at least AAA; commercial paper must be rated at least A-1 or P-1; investments in municipal notes must be rated at least AA.

As of August 31, 2025, the College's investments in local governmental investment pools were all rated AAA by Standard and Poor's. The College's commercial paper investments were rated A-1 by Standard and Poor's and P-1 by Moody's.

Foundation

It is the Foundation's investment policy to invest in equity securities, fixed income investment bonds and various other investment alternatives as deemed appropriate. The principal category of equity investments are mutual funds, with emphasis on high quality, investment grade, dividend-paying stocks in companies that are financially sound and that have favorable prospects for earnings growth. In recognition of the increasing opportunities available in today's dynamic investment universe to seek returns that may be less correlated to the traditional broad equity and fixed income markets, the Trustees may allocate up to 30% of the Fund Assets to alternative investments. Fixed Income bonds are invested in domestic, high quality corporate bonds with a minimum of an AA rating.

Concentration of Credit Risk

College

The College 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 and sets diversification limits for all authorized investment types which are monitored on at least a quarterly basis.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 4 - Deposits and Investments (Continued)

Diversification limits are set as follows:

<u>Investment Type</u>	<u>Percentage of Portfolio</u>	
	<u>Allowable</u>	<u>Actual</u>
U.S. Obligations	80%	19%
U.S. Agencies/Instrumentalities	75%	0%
Certificates of Deposit	75%	0%
Repurchase Agreements	100%	0%
Local Governmental Investment Pools	100%	59%
Money Market Mutual Funds	50%	5%
Commercial Paper	30%	17%
Bankers Acceptances	20%	0%
Mutual Funds	10%	0%
State & Municipal Obligations	30%	0%
Corporate Obligations	25%	0%
Negotiable Certificates of Deposit	25%	0%
Interest Bearing Accounts - Texas Banks	100%	0%

Foundation

The Foundation recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The Investment Policy establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types which are monitored on at least a quarterly basis. The general policy is to diversify investments of long-term funds among both equity and fixed-income securities so as to provide a balance that will enhance total return while avoiding undue risk concentration in any single asset class or investment category. As a long-term guideline, the investment categories should be 0%-66% equities, 0%-30% alternatives, and 0%-50% fixed income and 0%-20% cash.

Custodial Credit Risk

College

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The College's Investment Policy and state law require that a third party hold collateral for all time and demand deposits and repurchase agreements in the College's name. All demand deposits balances were secured by the depository institution pledging collateral to the College. The collateral was held by an independent institution and maintained at 102%.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 4 - Deposits and Investments (Continued)

Foundation

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Foundation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Foundation maintains its cash and cash equivalents with financial institutions and money market accounts with investment companies. The Foundation's deposits at financial institutions exceeded federal depository insurance by \$202,898 and \$31,946 as of June 30, 2025 and 2024, respectively. Management believes that the risk of loss is minimal due to the strength of the institutions. Cash and cash equivalents held with investment companies exceeded federal depository insurance by \$2,004,403 and \$391,832 as of June 30, 2025 and 2024, respectively.

Note 5 – 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 government can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Because the investments are restricted by Policy and state law to an 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.

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

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 5 – Fair Value of Financial Instruments (Continued)

As of August 31, 2025 and 2024 the College's securities to be priced in the portfolio were as follows:

		Fair Value Measurements Using:	
		Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
August 31, 2025:	Fair Value		
U. S. Treasury Obligations	\$ 15,065,430	\$ 15,065,430	\$ -
Commercial Paper	13,263,573	-	13,263,573
Total	\$ 28,329,003	\$ 15,065,430	\$ 13,263,573
August 31, 2024:	Fair Value	(Level 1)	(Level 2)
Municipal Notes	\$ 3,715,000	\$ -	\$ 3,715,000
Commercial Paper	14,870,432	-	14,870,432
U.S. Gov't Agencies	14,957,025	-	14,957,025
Total	\$ 33,542,457	\$ -	\$ 33,542,457

Note 6 - Disaggregation of Receivables, Payables, and Unearned Revenues

Receivables at August 31, 2025 and 2024 were as follows:

Accounts Receivable, Net:

	2025	2024
Student Receivables	\$ 9,706,172	\$ 7,217,256
Federal Receivables	3,440,113	3,005,124
Interest Receivables	24,641	485,602
Total Receivables	13,170,926	10,707,982
Less: Allowance for Doubtful Accounts	935,781	677,234
Accounts Receivable, Net	\$ 12,235,145	\$ 10,030,748

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 6 - Disaggregation of Receivables, Payables, and Unearned Revenues (Continued)

Taxes Receivable, Net:

	<u>2025</u>	<u>2024</u>
Taxes Receivable	\$ 5,981,733	\$ 4,757,977
Less Allowance for Doubtful Accounts	526,232	489,003
Taxes Receivable, Net	<u>\$ 5,455,501</u>	<u>\$ 4,268,974</u>

The Foundation has received promises and been awarded grants. Unconditional promises to give at June 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Student Scholarships	\$ 2,210,104	\$ 369,444
Less Unamortized Discount	(20,273)	(5,121)
Net Unconditional Promises to Give	2,189,831	364,323
Less Amount Due in One Year or Less	1,867,510	252,944
Net Long-Term Unconditional Promises to Give	<u>\$ 322,321</u>	<u>\$ 111,379</u>

Long-term promises to give are expected to be collected during the year ended June 30, 2027, through the year ended June 30, 2029. The discount rates of 3.68 percent and 4.52 percent were used on long-term promises to give as of June 30, 2025 and 2024, respectively. The Foundation considers promises to give fully collectible; accordingly, no allowance for uncollectible promises has been provided.

Accounts Payable and Accrued Liabilities:

Payables at August 31, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Vendors Payable	\$ 7,542,282	\$ 5,827,293
Salaries & Benefits Payable	679,998	1,207,861
Accrued Interest	427,006	448,466
Total Payables	<u>\$ 8,649,286</u>	<u>\$ 7,483,620</u>

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 6 - Disaggregation of Receivables, Payables, and Unearned Revenues (Continued)

Unearned Revenues:

Unearned revenues at August 31, 2025 and 2024 were as follows:

	2025	2024
Tuition and Fees	\$ 8,895,784	\$ 9,360,447
Unearned Lease Revenue	856,250	931,250
Federal, State and Local Grants	2,439,388	2,127,162
	<u>\$ 12,191,422</u>	<u>\$ 12,418,859</u>

Note 7 - Capital Assets

Capital assets activity for the year ended August 31, 2025 was as follows:

	Balance Sept 1, 2024	Increase	Decrease	Balance August 31, 2025
Capital Assets Not Depreciated:				
Land	\$ 13,324,733	\$ -	\$ -	\$ 13,324,733
Construction in Progress	52,445,945	8,368,532	1,445,162	59,369,315
Total Capital Assets Not Depreciated	65,770,678	8,368,532	1,445,162	72,694,048
Capital Assets Being Depreciated:				
Building and Improvements	460,913,119	1,430,843	-	462,343,962
Land Improvements	13,139,835	14,319	-	13,154,154
Library Books	7,246,630	65,440	-	7,312,070
Furniture, Machinery, Vehicles, and other Equipment	41,001,434	3,083,110	2,711,945	41,372,599
Right-To-Use Leased Equipment	367,561	688,121	256,344	799,338
Right-To-Use Subscription Asset	2,943,850	4,991,580	1,437,750	6,497,680
Total Capital Assets Being Depreciated	525,612,429	10,273,413	4,406,039	531,479,803
Less Accumulated Depreciation:				
Buildings and Improvements	90,414,450	8,409,354	-	98,823,804
Land Improvements	10,758,800	57,766	-	10,816,566
Library Books	6,537,286	97,066	-	6,634,352
Furniture, Machinery, Vehicles, and other Equipment	30,557,824	2,252,442	2,047,007	30,763,259
Right-To-Use Leased Equipment	228,278	151,431	226,437	153,272
Right-To-Use Subscription Asset	2,030,864	1,533,199	1,437,699	2,126,364
Total Accumulated Depreciation	140,527,502	12,501,258	3,711,143	149,317,617
Net Capital Assets Being Depreciated	385,084,927	(2,227,845)	694,896	382,162,186
Capital Assets, Net	\$ 450,855,605	\$ 6,140,687	\$ 2,140,058	\$ 454,856,234

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 7 - Capital Assets (Continued)

During 2024, the College disposed of \$5,941,069 of undepreciated capitalized costs related to an unimplemented college-wide Enterprise Resource Planning system. This is reported as a loss on disposal of capital assets in the statement of revenues, expenses and changes in net position.

Capital assets activity for the year ended August 31, 2024 was as follows:

	<u>Balance</u> <u>Sept 1, 2023</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>August 31, 2024</u>
Capital Assets Not Depreciated:				
Land	\$ 12,649,523	\$ 675,210	\$ -	\$ 13,324,733
Construction in Progress	40,859,919	22,368,026	10,782,000	52,445,945
Total Capital Assets Not Depreciated	53,509,442	23,043,236	10,782,000	65,770,678
Capital Assets Being Depreciated:				
Building and Improvements	456,208,258	4,704,861	-	460,913,119
Land Improvements	12,387,655	752,180	-	13,139,835
Library Books	7,145,816	100,814	-	7,246,630
Furniture, Machinery, Vehicles, and other Equipment	40,047,150	1,691,426	737,142	41,001,434
Right-To-Use Leased Equipment	387,038	111,217	130,694	367,561
Right-To-Use Subscription Asset	2,830,406	247,224	133,780	2,943,850
Total Capital Assets Being Depreciated	519,006,323	7,607,722	1,001,616	525,612,429
Less Accumulated Depreciation:				
Buildings and Improvements	81,996,116	8,418,334	-	90,414,450
Land Improvements	10,718,416	40,384	-	10,758,800
Library Books	6,434,621	102,665	-	6,537,286
Furniture, Machinery, Vehicles, and other Equipment	29,014,565	2,256,456	713,197	30,557,824
Right-To-Use Leased Equipment	177,683	78,912	28,317	228,278
Right-To-Use Subscription Asset	1,072,928	1,091,716	133,780	2,030,864
Total Accumulated Depreciation	129,414,329	11,988,467	875,294	140,527,502
Net Capital Assets Being Depreciated	389,591,994	(4,380,745)	126,322	385,084,927
Capital Assets, Net	\$ 443,101,436	\$ 18,662,491	\$ 10,908,322	\$ 450,855,605

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 8 – Noncurrent Liabilities

Noncurrent liability activity for the year ended August 31, 2025 was as follows:

	<u>Balance Sept. 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance Aug. 31, 2025</u>	<u>Current Portion</u>
<u>Bonds Payable</u>					
General obligation bonds	\$ 245,430,000	\$ -	\$ 10,375,000	\$ 235,055,000	\$ 10,640,000
Bond premium	24,138,840	-	2,107,536	22,031,304	-
Revenue bonds	6,920,000	-	1,605,000	5,315,000	1,685,000
Total Bonds Payable	276,488,840	-	14,087,536	262,401,304	12,325,000
SBITA Liability	562,893	4,987,400	924,883	4,625,410	1,233,419
Lease Liability	139,384	688,121	172,925	654,580	158,901
Accrued Compensable Absences	7,973,801	1,592,987	1,227,583	8,339,205	793,625
Net Pension Liability	28,361,304	-	4,048,229	24,313,075	-
Net OPEB Liability	49,787,147	4,665,171	-	54,452,318	1,545,690
Total Noncurrent liabilities	\$ 363,313,369	\$ 11,933,679	\$ 20,461,156	\$ 354,785,892	\$ 16,056,635

Noncurrent liability activity for the year ended August 31, 2024 was as follows:

	<u>Balance Sept. 1, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance Aug. 31, 2024</u>	<u>Current Portion</u>
<u>Bonds Payable</u>					
General obligation bonds	\$ 255,385,000	\$ -	\$ 9,955,000	\$ 245,430,000	\$ 10,375,000
Bond premium	26,383,531	-	2,244,691	24,138,840	-
Revenue bonds	8,450,000	-	1,530,000	6,920,000	1,605,000
Total Bonds Payable	290,218,531	-	13,729,691	276,488,840	11,980,000
SBITA Liability	1,444,847	247,224	1,129,178	562,893	410,498
Lease Liability	211,991	111,217	183,824	139,384	73,604
Accrued Compensable Absences	7,934,266	727,283	687,748	7,973,801	676,376
Net Pension Liability	24,717,359	3,643,945	-	28,361,304	-
Net OPEB Liability	53,902,219	-	4,115,072	49,787,147	1,392,616
Total Noncurrent liabilities	\$ 378,429,213	\$ 4,729,669	\$ 19,845,513	\$ 363,313,369	\$ 14,533,094

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 9 – Bonds and Notes Payable

Bonds Payable

- Limited Tax Refunding Bonds, Series 2013
 - To refund a portion of Limited Tax Bonds, Series 2006
 - Issued October 1, 2013
 - Total authorized and issued \$9,010,000
 - Source of revenue for debt service is ad valorem taxes
 - Outstanding principal balance as of August 31, 2025 and 2024 is \$0 and \$3,725,000
 - Bond payable installments vary from \$250,350 to \$3,840,350, with interest rates at 2% to 3%, and with the final installment paid in 2025
- Limited Tax Refunding and Improvement Bonds, Series 2015
 - To refund a portion of Limited Tax Bonds, Series 2006 and provide funds to construct and equip school facilities within the district
 - Issued February 3, 2015
 - Total authorized \$157,000,000; \$23,580,000 issued
 - Source of revenue for debt service is ad valorem taxes
 - Outstanding principal balance as of August 31, 2025 and 2024 is \$9,340,000 and \$9,615,000
 - Bond payable installments vary from \$493,787 to \$4,345,687, with interest rates at 2% to 5%, and with the final installment due in 2040
- Combined Fee Revenue Refunding Bonds, Series 2016
 - To refund Combined Fee Revenue Bonds, Series 2005
 - Issued February 8, 2016
 - Total authorized and issued \$15,110,000
 - Advance refunding of the 2005 Series Bonds reduced the College's debt service payments over the next twelve years by \$1,843,819
 - Economic Gain – (\$1,481,048) difference between the net present value of the old and new debt service payments
 - Source of revenue for debt service includes pledged building use fees, matriculation fees, tuition fees and interest earnings on certain funds, including the Unrestricted Local Maintenance Fund
 - Outstanding principal balance as of August 31, 2025 and 2024 is \$5,315,000 and \$6,920,000
 - Bond payable installments vary from \$1,950,750 to \$1,955,500, with interest rates at 4% to 5%, and with the final installment due in 2028

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 9 – Bonds and Notes Payable (Continued)

- Limited Tax Bonds, Series 2016
 - To construct and equip school buildings in the District and to pay the cost of issuing bonds
 - Issued July 13, 2016
 - Total authorized \$157,000,000; \$67,645,000 issued
 - Source of revenue for debt service is ad valorem taxes
 - Outstanding principal balance as of August 31, 2025 and 2024 is \$55,535,000 and \$57,140,000
 - Bond payable installments vary from \$3,792,150 to \$3,797,400, with interest rates at 2% to 5%, and with the final installment due in 2046
- Limited Tax Bonds, Series 2017
 - To construct and equip classrooms, laboratories, and infrastructure for an undeveloped site, and other facilities related to Phase 1 of the District's new Oso Creek Campus
 - Issued June 1, 2017
 - Total authorized \$139,000,000; \$9,070,000 issued
 - Source of revenue for debt service is ad valorem taxes
 - Outstanding principal balance as of August 31, 2025 and 2024 is \$6,085,000 and \$6,480,000
 - Bond payable installments vary from \$48,400 to \$1,258,400, with interest rates at 2% to 4%, and with the final installment due in 2037
- Limited Tax Bonds, Series 2018A
 - To construct and equip school buildings, classrooms, laboratories, infrastructure for workforce technology and training programs, academic transfer courses, high school dual credit classes, student support services and library facilities, and renovating and/or replacing certain existing education facilities
 - Issued July 15, 2018
 - Total authorized \$157,000,000; \$44,275,000 issued
 - Source of revenue for debt service is ad valorem taxes
 - Outstanding principal balance as of August 31, 2025 and 2024 is \$39,155,000 and \$40,100,000
 - Bond payable installments vary from \$2,840,000 to \$2,845,250, with interest rates at 4% to 5%, and with the final installment due in 2048

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 9 – Bonds and Notes Payable (Continued)

- Limited Tax Bonds, Series 2018B
 - To construct and equip school buildings, classrooms, laboratories, infrastructure for an undeveloped site, and other facilities relating to Phase 1 of the District’s new Oso Creek Campus
 - Issued August 15, 2018
 - Total authorized \$139,000,000; \$57,305,000 issued
 - Source of revenue for debt service is ad valorem taxes
 - Outstanding principal balance as of August 31, 2025 and 2024 is \$50,820,000 and \$52,040,000
 - Bond payable installments vary from \$3,532,100 to \$3,537,100, with interest rates at 4% to 5%, and with the final installment due in 2048
- Limited Tax Bonds, Series 2020A
 - To construct and equip school buildings, classrooms, laboratories, infrastructure for workforce technology and training programs, academic transfer courses, high school dual credit classes, student support services and library facilities, and renovating and/or replacing certain existing education facilities
 - Issued June 30, 2020
 - Total authorized \$157,000,000; \$22,150,000 issued
 - Source of revenue for debt service is ad valorem taxes
 - Outstanding principal balance as of August 31, 2025 and 2024 is \$20,910,000 and \$21,545,000
 - Bond payable installments vary from \$857,800 to \$1,467,300 with interest rates at 3% to 5%, and with the final installment due in 2045
- Limited Tax Bonds, Series 2020B
 - To construct and equip school buildings, classrooms, laboratories, infrastructure for an undeveloped site, and other facilities relating to Phase 1 of the District’s new Oso Creek Campus
 - Issued June 30, 2020
 - Total authorized \$139,000,000; \$56,285,000 issued
 - Source of revenue for debt service is ad valorem taxes
 - Outstanding principal balance as of August 31, 2025 and 2024 is \$53,210,000 and \$54,785,000
 - Bond payable installments vary from \$2,490,450 to \$3,994,950 with interest rates at 4% to 5%, and with the final installment due in 2045.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 9 – Bonds and Notes Payable (Continued)

The principal and interest requirements for all general obligation and revenue bonds for the next five years and beyond are summarized below:

Year Ending August 31	General Obligation Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest
2026	10,640,000	9,982,388	1,685,000	265,750
2027	7,315,000	9,454,488	1,770,000	181,500
2028	7,670,000	9,095,988	1,860,000	93,000
2029	8,045,000	8,719,988	-	-
2030	8,450,000	8,325,538	-	-
2031-2035	48,520,000	35,306,288	-	-
2036-2040	57,600,000	24,308,526	-	-
2041-2045	65,615,000	12,517,550	-	-
2046-2048	21,200,000	1,727,700	-	-
Total 8-31-2025	\$ 235,055,000	\$ 119,438,454	\$ 5,315,000	\$ 540,250

Notes Payable

During fiscal year 2025, the College entered into a financing arrangement with the Texas State Energy Conservation Office (SECO) under the State Energy Conservation Office Loan Program. The financing is associated with energy conservation measures implemented pursuant to the Energy Policy and Conservation Act (42 U.S.C. 6321, et seq.).

The College has an approved loan amount of \$6,000,000 under this program. Under the arrangement, approved reimbursements are treated as distributions of principal and reduce the remaining principal available for borrowing. As of August 31, 2025, the College had not requested reimbursement, and no principal borrowings or related distributions had been made under the arrangement.

A formal loan repayment schedule will be established by SECO upon completion of the projects. The projects are expected to be completed during fiscal year 2027. The loan bears interest at 2.5% per annum until repaid in full.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 10 - Leases

Right-To-Use Lease

The College (Lessee) entered into Right-To-Use lease agreements, as defined by GASB *Statement No. 87, Leases* (GASB 87), with Xerox Business Solutions Southwest (Lessor), Toshiba Business Solutions (Lessor), and Dex Imaging, LLC (Lessor) for copying equipment. The estimated useful life of the copying equipment is the same as the lease terms. The following table includes the leased equipment asset and liability amounts recorded along with the term and interest rate of the lease agreement:

Lease Description	State Date	End Date	Interest Rate	Lease Liabilities			Right-to-use Assets, Net	
				Original Amount	August 31, 2025	August 31, 2024	August 31, 2025	August 31, 2024
Xerox Copiers	7/17/2020	6/17/2025	4%	\$ 256,344	\$ -	\$ 46,201	\$ -	\$ 46,997
Toshiba Copiers	12/20/2022	2/1/2030	4%	428,002	352,707	93,183	348,997	92,286
Dex Imaging Copiers	9/20/2024	8/20/2029	4%	371,336	301,873	-	297,069	-
				<u>\$1,055,682</u>	<u>\$ 654,580</u>	<u>\$ 139,384</u>	<u>\$ 646,066</u>	<u>\$ 139,283</u>

The future minimum lease payment requirements are as follows:

Year Ending August 31	Principal	Interest	Total
2026	\$ 158,901	\$ 23,291	\$ 182,192
2027	165,375	16,817	182,192
2028	148,835	10,380	159,215
2029	146,985	4,560	151,545
2030	34,484	384	34,868
	<u>\$ 654,580</u>	<u>\$ 55,432</u>	<u>\$ 710,012</u>

Lease Agreement – Del Mar College as Lessor

In February 2013, the College (Lessor) entered into an “Expiring Term Lease” with South Texas Public Broadcasting System, Inc. (STPBS) (Lessee) to build a facility adjacent to and adjoining the existing Del Mar College Center for Economic Development bounded between South Staples Street, Kostoryz Road and Orlando Drive. Under a joint-use agreement, STPBS will occupy the facility and provide equipment and training opportunities for Del Mar College students. The term of this lease shall be for 20 years, unless sooner terminated or extended, and may be extended up to four times for an additional term of 10 years each, with each renewal being upon written notice given by STPBS to the College either before or after the expiration of the existing term of this lease. Upon execution of the agreement, STPBS contributed \$1.5M toward the cost of construction. The funds contributed were recorded as deferred lease revenue and are being amortized over the term of the lease. Total construction costs attributable to the facilities being leased by STPBS was \$5,232,265 and this is recorded as a capital asset by the College.

Inflows of resources at August 31, 2025 and 2024 were recorded as lease revenue of \$186,640 for both years and interest revenue of \$33,480 and \$36,280, respectively. The unpaid balance of

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 10 – Leases (Continued)

construction costs is due in monthly installments of \$15,551 by STPBS commencing on February of 2017 for a period of 240 months. In addition, a quarterly rent payment in an amount equal to the average yield per quarter on the unpaid balance of the lease shall be paid to the College. The rate shall be the same as the College's cost of funds for the "Interest Accrual Period" with the implementation of GASB 87 on September 1, 2020, the present value of the lease receivable was recorded and will be amortized over the life of the lease. The amount of unearned lease revenue related to the lease receivable at August 31, 2025 and 2024 was \$856,250 and \$931,250, respectively.

Also recorded on September 1, 2020 was the deferred inflow of resources associated with the lease. The deferred inflow of resources will be amortized over the life of the lease and recognized as rental income. The amount of deferred inflows related to the lease at August 31, 2025 and 2024 was \$2,130,803 and \$2,317,443, respectively.

The schedule of future payments for the lease receivable for the STPBS lease for the next five years and beyond are summarized below:

Year Ending			
August 31	Principal	Interest	Total
2026	186,649	30,680	217,329
2027	186,646	27,880	214,526
2028	186,642	25,080	211,722
2029	186,639	22,281	208,920
2030	186,636	19,481	206,117
2031-2035	933,133	55,408	988,541
2036-2037	264,373	2,975	267,348
Total 8-31-25	\$ 2,130,718	\$ 183,785	\$ 2,314,503

Non-Exchange Rental Transactions

Lease Obligation – Bay Area Healthcare Group, LTD

In February 2010, the College entered into an "Expiring Term Lease with Bay Area Healthcare Group, LTD" for a building located at 13725 Northwest Boulevard, Corpus Christi, Texas. The commencement date of the lease is February 15, 2010 and the expiration date is February 20, 2020. The college is currently operating under the "Automatic One Year Extension Terms" of the lease. Under those terms, the parties agreed that the lease could be extended automatically for an additional one year term unless otherwise notified by the Landlord. Under the terms of the lease, the College was required to pay \$1 per year which was defined as the "Annual Base Rent". The College was responsible for general upkeep of the property during the term of the lease along with all normally incurred general expenses associated with the property. The College was notified by the Landlord during fiscal year 2024 that they were no longer extending the lease agreement. The Del Mar College Northwest Center was closed after spring classes ended in May 2024.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 10 – Leases (Continued)

Lease Obligation – City of Corpus Christi – Aviation Hangar

In May 2011, the College entered into an “Expiring Term Lease with the City of Corpus Christi” for land, existing hanger, parking lot, and office area located at the Corpus Christi International Airport. Under the terms of the lease the College is required to make improvements to the facility in order to provide an Aviation Maintenance Technical Education Program to its students. The lease is for a base term of fifteen years and may be extended for an additional ten year term, upon agreement of the City Manager and College President. So long as the College uses the entire premises solely for the program stated above the annual rent shall be \$1 per year, the payment of which is due on January 1st of each year. The College is responsible for all upkeep of the property during the term of the lease along with all normally incurred general expenses associated with the property.

Lease Obligation – City of Corpus Christi – Police Training Academy and Substation

In April 2021, the College entered into an “Expiring Term Lease with the City of Corpus Christi” to locate the City’s Police Training Academy on the College property that is located on Yorktown Blvd on the College’s Oso Creek Campus. In January 2023, the agreement was amended to locate the City’s Police Substation on the Oso Creek Campus. Under the terms of the contract, the City may use the premises to develop, construct, and operate a Police Training Academy and Substation, and for no other purpose without the written consent of the College. The Police Training Academy and the Substation may consist of single or multiple buildings, including a parking lot. Any buildings, improvements, additions, alterations, and fixtures constructed, placed, or maintained on any of the leased premises during the lease term are the property of the City. Upon expiration or termination of the lease, all premises become the property of the College, unless the College elects not to retain the property, in which case, the City must remove, any and all property, within 12 months. The term of this lease shall be for 50 years and may be extended up to 50 additional years by giving the College written notice of the City’s intention to do so within the last two years before the lease term expires but no later than six months before it expires. So long as the City uses the entire premises solely for the contractual terms the stated rent is \$10 per year.

Lease Obligation – Communities in Schools of the Coastal Bend (CISCB)

In March 2025, the College entered into an “Expiring Term Lease with the Communities in Schools of the Coastal Bend (CISCB)” to locate the CISCB Central Office on College property. Under the terms of the contract, CISCB may use the premises for office space for its central staff as designated by the College President and CEO, as well as for events, board meetings, trainings, staff, and partnership meetings at no cost to the tenant, provided the space is available. The term of the lease commences May 1, 2025, and ends April 30, 2045, with the option for renewal upon written notice at least 60 days prior to expiration. The College is responsible for all utilities and service charges, including electricity, natural gas, water, sewer, telephone, internet, cable, and custodial services. Rent under this lease is stated as \$1 per year.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 11 – Defined Benefit Pension Plan

Plan Description

The College 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). It is a defined benefit pension plan 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 contributions rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

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

Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report is available at <http://www.trs.texas.gov> or write to TRS at 1000 Red River Street, Austin, Texas, 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, whose formulas use the three highest annual salaries. 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 under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs, can be granted by the Texas Legislature as noted in the Plan description above.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 11 – Defined Benefit Pension 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 to 2025.

	<u>2025</u>	<u>2024</u>
Member	8.25%	8.25%
Non-Employer Contributing Entity (State)	8.25%	8.25%
Employers	8.25%	8.25%
College Contributions	\$ 2,547,023	\$ 2,249,314
Member Contributions	4,512,587	4,068,462
State of Texas On-behalf Contributions	1,779,622	1,669,368

The College's contribution to the TRS pension plan for plan year 2025 was \$2,547,023 as reported in the Schedule of College's contribution for pension in the required supplemental information section of these financial statements. Estimated state of Texas on-behalf contribution for 2025 was \$1,779,622.

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

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any or all of an employee's salary is paid by federal, private, local or non-educational and general 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.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 11 – Defined Benefit Pension Plan (Continued)

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 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2023 rolled forward to August 31, 2024
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term expected Investment Rate of Return	7.00%
Last year ended August 31, in Projection period (100 years)	2123
Inflation	2.30%
Salary Increases including inflation	2.95% to 8.95%
Ad hoc post-employment benefit changes	None

Actuarial methods and assumptions were selected by the TRS 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, 2023.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.87%. The projection of cash flows used to determine the single discount rate assumed that contributions from active members, employers, and the non-employer contributing entity will be made by the rates set by the Legislature during the 2019 session. It is assumed that future employer and state contributions will be 9.54% of payroll in fiscal year 2025 and thereafter. 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.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 11 – Defined Benefit Pension Plan (Continued)

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

Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2024 are summarized below:

Asset Class	Target Allocation %**	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long- Term Portfolio Returns
Global Equity			
U. S.	18.0%	4.4%	1.0%
Non-U. S. Developed	13.0	4.2	0.8
Emerging Markets	9.0	5.2	0.7
Private Equity	14.0	6.7	1.2
Stable Value			
Government Bonds	16.0	1.9	0.4
Absolute Return (Including Credit Sensitive Investments)	--	4.0	--
Stable Value Hedge Funds	5.0	3.0	0.2
Real Return			
Real Estate	15.0	6.6	1.2
Energy and Natural Resources and Infrastructure	6.0	5.6	0.4
Commodities	--	2.5	--
Risk Parity			
Risk Parity	8.0	4.0	0.4
Asset Allocation Leverage			
Cash	2.0	1.0	--
Asset Allocation Leverage	(6.00)	1.3	(0.1)
Inflation Expectation			2.4
Volatility Drag***			(0.7)
Expected Return	100.0%		7.9%

* Absolute Returns includes Credit Sensitive investments.

** Target Allocations are based on the FY2024 policy model.

*** Capital Market Assumptions (CMA) come from 2024 SAA Study CMA Survey (as of 12/31/2023).

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

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 11 – Defined Benefit Pension Plan (Continued)

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.00%) in measuring the 2024 Net Pension Liability.

	<u>1% Decrease in Discount Rate (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>1% Increase in Discount Rate (8.00%)</u>
Del Mar proportionate share of net pension liability:	<u>\$ 38,834,142</u>	<u>\$ 24,313,075</u>	<u>\$ 12,281,339</u>

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

At August 31, 2025 and 2024, the College reported a liability of \$24,313,075 and \$28,361,304 respectively, for its proportionate share of the TRS's net pension liability. This liability reflects a increase for State pension support provided to the College. The amount recognized by the College as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the College were as follows:

Fiscal Year Ended August 31, 2025:

College's Proportionate share of collective net pension liability	\$ 24,313,075
State's Proportionate share associated with College	<u>19,290,137</u>
Total	<u>\$ 43,603,212</u>

Fiscal Year Ended August 31, 2024:

College's Proportionate share of collective net pension liability	\$ 28,361,304
State's Proportionate share associated with College	<u>22,308,200</u>
Total	<u>\$ 50,669,504</u>

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 11 – Defined Benefit Pension Plan (Continued)

The net pension liability was measured as of August 31, 2024 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, 2023 thru August 31, 2024.

At the measurement date of August 31, 2024, the employer's proportion of the collective net pension liability was .0398% which was a decrease of .0015% from its proportion measured as of August 31, 2023.

Changes Since the Prior Actuarial Valuation

- The total pension liability as of August 31, 2024 was developed using a roll-forward method from the August 31, 2023 valuation.
- Demographic assumptions including postretirement mortality, termination rates, and rates of retirement were updated based on the experience study performed for TRS for the period ending August 31, 2021.
- Economic assumptions including rates of salary increase for individual participants was updated based on the same experience study.
- The single discount rate as of August 31, 2024 was 7.00% and 7.00% as of August 31, 2023.

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

For the year ended August 31, 2025, the College recognized pension expense of \$2,305,494 and revenue of \$2,305,494 for support provided by the State.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 11 – Defined Benefit Pension Plan (Continued)

At August 31, 2025 and 2024, the College reported its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Fiscal Year Ended August 31, 2025:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,340,104	\$ 189,825
Changes in actuarial assumptions	1,255,336	168,298
Differences between projected and actual investment earnings	147,791	-
Changes in proportion and difference between employer's contributions and the proportionate share of contributions	263,572	761,247
Contributions paid to TRS subsequent to measurement date	2,547,023	-
Total	<u><u>\$ 5,553,826</u></u>	<u><u>\$ 1,119,370</u></u>

Fiscal Year Ended August 31, 2024:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,010,523	\$ 343,424
Changes in actuarial assumptions	2,682,424	656,450
Differences between projected and actual investment earnings	4,127,258	-
Changes in proportion and difference between employer's contributions and the proportionate share of contributions	477,123	176,233
Contributions paid to TRS subsequent to measurement date	2,249,314	-
Total	<u><u>\$ 10,546,642</u></u>	<u><u>\$ 1,176,107</u></u>

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 11 – Defined Benefit Pension Plan (Continued)

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$2,547,023 and \$2,249,314 will be recognized as a reduction of the net pension liability for the measurement year ending August 31, 2026 and 2025, respectively (i.e. recognized in the College's financial statements August 31, 2026). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended August 31:	Pension Expense Amount
2025	\$ 70,747
2026	2,485,903
2027	117,309
2028	(779,828)
2029	(6,698)
	<u>\$ 1,887,433</u>

Note 12 – Optional and Alternate Retirement Plans

Optional Retirement Plan

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

Funding Policy. Contribution requirements are not actuarially determined but are established and amended by the Texas Legislature. The percentages of participant salaries currently contributed by the state and each participant are 6.6% and 6.65%, respectively. The College contributes an additional 1.90% for employees who were participating in the optional retirement program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program. Senate Bill (SB) 1812, 83rd Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 12 – Optional and Alternate Retirement Plans (Continued)

The retirement expense to the state for the College was \$2,296,229 and \$2,157,168 for the fiscal years ended August 31, 2025 and 2024, respectively. This amount represents the portion of expended appropriations made by the Legislature on behalf of the College.

The total payroll of employees covered by the Teacher Retirement System was \$54,699,551 and \$49,316,723 and the total payroll of employees covered by the Optional Retirement Program was \$8,584,436 and \$9,118,489 for fiscal years 2025 and 2024, respectively.

Note 13 - Deferred Compensation Program

College employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code 609.001. The plan is essentially an unfunded promise to pay by the employer to each of the plan participants.

As of August 31, 2025, the College had 94 employees vested and participating in the program. A total of \$656,402 in contributions was invested in the plan during the fiscal year.

As of August 31, 2024, the College had 97 employees vested and participating in the program. A total of \$802,441 in contributions was invested in the plan during the fiscal year.

Note 14 - Compensable Absences

Twelve-month employees and personnel, whose duties are not primarily teaching, earn annual vacation leave from 80 to 120 hours per year, depending on the number of years employed by the College. The College's policy is that an employee may carry his/her accrued leave forward from one fiscal year to another fiscal year up to a maximum of 120 hours. Persons terminating employment will receive, in lieu of the vacation itself, cash payment for unused vacation not to exceed 120 hours of vacation.

The College grants sick leave to regular full-time employees and to regular part-time employees who work twenty or more hours per week, and full-time term employees whose term is for one semester or longer. Sick leave, which can be accumulated, is earned at the rate of up to 10 hours per month for a maximum of 960 hours. It is paid to an employee who misses work because of illness or to the estate of an employee in the event of his/her death. Up to 640 hours of unused sick leave may be paid to an employee, upon his/her retirement from the College, with at least ten (10) years of service at Del Mar College and with eligibility for normal age retirement or early age service retirement under the definitions as set forth by the regulations of the Teacher Retirement System (TRS). The College's policy is to accrue the cost of the sick leave when earned.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 14 – Compensable Absences (Continued)

At August 31, 2025 and 2024, the College had an accrued liability for the unpaid vacation and sick leave as follows:

	<u>2025</u>	<u>2024</u>
Vacation	\$ 1,302,956	\$ 1,210,041
Sick Leave	7,036,249	6,763,760
Total Liability for Compensable Absences	<u>\$ 8,339,205</u>	<u>\$ 7,973,801</u>

The College recognized \$793,625 and \$676,376 of the liability above as a current liability for fiscal years August 31, 2025 and 2024, respectively.

Note 15 – Health Care and Life Insurance Benefits

Certain health care and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing the benefits by expending the annual insurance premiums. The state's contribution per full-time employee ranged from \$625 to \$1,222 per month for both fiscal years ended August 31, 2025 and August 31, 2024 and totaled \$4,400,750 and \$4,246,848, respectively. The cost of providing those benefits for 417 retirees was \$3,588,976 for the year ended 2025 and \$3,597,619 for 421 retirees in 2024. For 841 active employees, the cost of providing benefits was \$6,525,749 for the year ended August 31, 2025. Active employee benefits for 776 employees cost \$6,319,663 for the year ended August 31, 2024. SB 1812, 83rd Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50 percent of eligible employees in the reporting district.

Note 16 – Other Post-Employment Benefits (OPEB)

Plan Description

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

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

Benefit and contribution provisions of the GBP are authorized by state law and may be amended by the Texas Legislature.

OPEB Plan Fiduciary Net Position

Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Annual Comprehensive Financial Report (ACFR) that includes financial statements, notes to the financial statements and required supplementary information. That report may be obtained on the Internet at <https://ers.texas.gov/about-ers/reports-and-studies/reports-on-overall-ers-operations-and-financial-ma/2022-acfr.pdf>; or by writing ERS at: 200 East 18th Street, Austin, TX 78701; or by calling (877) 275-4377.

Benefits Provided

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

Contribution

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

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

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

Maximum Monthly Employer Contribution
Retiree Health and Basic Life Premium
Fiscal Year 2025

	<u>FY2024</u>	<u>FY2023</u>
Retiree Only	\$ 625	\$ 625
Retiree & Spouse	1,341	1,341
Retiree & Children	1,104	1,104
Retiree & Family	1,820	1,820

Contribution 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, 2024 and 2023

	<u>FY 2024</u>	<u>FY2023</u>
Employers	\$1,337,539	\$1,205,637
Member (Employees)	-0-	-0-
Non-employer Contributing Entity (State of Texas)	4,246,848	4,281,372

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of August 31, 2024 using the following actuarial assumptions, applied to all periods included in the measurement, unless other specified:

Actuarial Assumption
ERS Group Benefits Program Plan

Valuation Date	August 31, 2024
Actuarial cost method	Entry Age
Amortization method	Level Percent of Payroll, Open
Remaining amortization period	30 Years
Asset valuation method	Not Applicable
Discount rate	3.87%
Projected annual salary increase	2.3% to 8.95%, including inflation
Annual healthcare trend rate	5.6% for FY 2026, 5.6% for FY 2027, 5.25% for FY2028, 5.00% for FY2029, 4.75 % for FY 2030, 4.5% for FY 2031, decreasing 10 basis points per year to an ultimate rate of 4.3% for FY 2033 and later years
Inflation assumption rate	2.3%
Ad hoc post-employment benefit changes	None
Mortality Assumptions:	Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021
Service retirees, survivors and other Inactive members	
Disability retirees	Tables based on TRS experience with Ultimate MP Projection Scale from the year 2021 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members
Active members	Sex Distinct Pub-2010 Amount-Weighted Below-Medium Income Teacher Mortality with 2-year set forward for males with Ultimate MP Projection Scale from the year 2010

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

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

Investment Policy

The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System’s Board of Trustees amended the investment statement in August 2022 to require that all funds in the plan be invested in cash and equivalent securities.

Discount Rate

Because the State Retiree Health Plan does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bonds rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement year was 3.81%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 3.87%, which amounted to an increase of .06%. The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds average credit quality is roughly equivalent to Moody’s Investors Service’s Aa2 rating and Standard & Poor’s Corp’s AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go (PAYGO) basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable is zero years.

Discount Rate Sensitivity

The following schedule shows the impact on the College’s proportionate share of the collective net OPEB Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (3.87%) in measuring the net OPEB Liability:

	Sensitivity of Net OPEB Liability to Changes In Discount Rate		
	State Retiree Health Plan		
	1% Decrease in Discount Rate <u>(2.87%)</u>	Discount Rate <u>(3.87%)</u>	1% Increase in Discount Rate <u>(4.87%)</u>
College’s proportionate Share of the net OPEB liability:	\$63,355,586	\$54,452,318	\$47,307,346

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

Healthcare Cost Trend Rate Sensitivity Analysis

The initial healthcare trend rate is 5.60% for HealthSelect and 36.00% for HealthSelect Medicare Advantage and the ultimate rate is 4.30%. The following schedule shows the impact on the College'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 (4.3%) in measuring the net OPEB Liability.

**Sensitivity of Net OPEB Liability to Changes in
Healthcare Cost Trend Rates
State Retiree Health Plan**

	1% Decrease in Trend Rates <u>(3.30%)</u>	Current Trend Rates <u>(4.30%)</u>	1% Increase in Trend Rates <u>(5.30%)</u>
College's proportionate Share of the net OPEB liability	\$46,722,827	\$54,452,318	\$64,305,335

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

At August 31, 2025, the College reported a liability of \$54,452,318 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 College as it's 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 College were as follows:

Fiscal Year Ended August 31, 2025:

College's proportionate share of the collective net OPEB liability	\$ 54,452,318
State's proportionate share that is associated with the College	<u>40,810,639</u>
Total	<u>\$ 95,262,957</u>

Fiscal Year Ended August 31, 2024:

College's proportionate share of the collective net OPEB liability	\$ 49,787,147
State's proportionate share that is associated with the College	<u>38,357,169</u>
Total	<u>\$ 88,144,316</u>

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

The net OPEB liability was measured as of August 31, 2024, 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 contribution to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2023 thru August 31, 2024.

At the measurement date of August 31, 2024, the employer's proportion of the collective net OPEB liability was 0.1858%, which was a decrease of .0005% from its proportionate share measured at August 31, 2023.

For the year ended August 31, 2025, the District recognized OPEB expense of \$8,409 and revenue of \$8,409 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:

- Discount rate increased from 3.81% to 3.87%;
- The percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence;
- Proportion of future retirees assumed to cover dependent children;
- The proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement;
- Assumptions for Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends.
- The discount rate was changed from 3.81% as of August 31, 2023 to 3.87% as of August 31, 2024 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.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

Changes of Benefit Terms Since Prior Measurement Date

Benefit changes have been reflected in the fiscal year 2025 Assumed Per Capita Health Benefit Costs.

At August 31, 2025, the College reported its proportionate share of the ERS plan's collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

For the Year Ended August 31, 2025:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 898,400
Changes in actuarial assumptions	-	7,866,075
Changes in proportion and differences between the employer's contribution and the proportionate share of contributions	-	2,081
Differences between projected and actual investment earnings	-	565,609
Contributions paid to ERS subsequent to measurement date	1,337,539	-
Total	<u>\$ 1,337,539</u>	<u>\$ 9,332,165</u>

For the Year Ended August 31, 2024:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 1,316,897
Changes in actuarial assumptions	-	13,888,344
Changes in proportion and differences between the employer's contribution and the proportionate share of contributions	4,021	-
Differences between projected and actual investment earnings	314,764	-
Contributions paid to ERS subsequent to measurement date	1,205,637	-
Total	<u>\$ 1,524,422</u>	<u>\$ 15,205,241</u>

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

Deferred outflows of resources related to OPEBs resulting from contributions subsequent to the measurement date of \$1,337,539 and \$1,205,637 will be recognized as a reduction of the net pension liability for the measurement year ending August 31, 2026 and 2025, respectively (i.e., recognized in the College's financial statements for August 31, 2026). Other amounts reported as deferred outflows and inflows of resources related to OPEBs will be recognized in pension expense as follows:

Year ended August 31:	OPEB Expense
	Amount
2026	\$ (3,417,457)
2027	(3,506,602)
2028	(2,427,370)
2029	(183,667)
2030	202,931
	<u>\$ (9,332,165)</u>

Note 17 – On-behalf Payments

For the fiscal years ended August 31, 2025 and 2024, the College recorded the following State on-behalf contributions as revenues and expenses in the accompanying basic financial statements:

	2025	2024
Teacher Retirement System	\$ 1,779,622	\$ 1,669,368
Optional Retirement Programs	300,063	319,099
Health Insurance	4,400,750	4,648,848
Total On-behalf Payments	<u>\$ 6,480,435</u>	<u>\$ 6,637,315</u>

Note 18 - Pending Lawsuits and Claims

At August 31, 2025, various lawsuits and claims involving Del Mar College were pending. While the ultimate liability, with respect to litigation asserted against the College, cannot be reasonably estimated at this time, this liability, to the extent not provided for by insurance or otherwise, is not likely to have a material effect on the College.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 19 - Contract and Grant Awards

For federal contract and grant awards, funds expended but not collected, are reported as Federal Receivables in Note 6. Non-federal contract and grant awards, for which funds are expended but not collected, are reported in Accounts Receivable on Exhibit 1. Revenues are recognized on Exhibit 2 and Schedule A. Contract and grant awards that are not yet funded and for which the institution has not performed services are not included in the financial statements. Contract and grant award funds already committed, e.g. multi-year awards, or funds awarded during fiscal year 2025 and 2024 for which monies have not been received nor funds expended totaled \$9,296,894 and \$8,292,667 respectively. Of these amounts, \$4,466,889 and \$5,981,883 were from Federal Contract and Grant Awards; \$661,927 and \$894,458 were from State Contract and Grant awards; \$4,168,077 and \$1,416,326 were from Private Contract and Grant Awards, for the fiscal years ended 2025 and 2024, respectively.

Note 20 - Ad Valorem Tax

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

	<u>2025</u>	<u>2024</u>
Assessed Valuation of the College District	\$ 48,835,307,309	\$ 50,063,872,178
Less: Exemptions	<u>7,682,590,972</u>	<u>8,129,147,699</u>
Net Assessed Valuation of the College District	<u>\$ 41,152,716,337</u>	<u>\$ 41,934,724,479</u>

Tax Rate per \$100 Valuation	Operations	Debt Service	Total	Operations	Debt Service	Total
for authorized	\$0.5000	\$0.5000	\$1.0000	\$0.5000	\$0.5000	\$1.0000
for assessed	\$0.2044	\$0.0573	\$0.2617	\$0.1794	\$0.0576	\$0.2370

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 20 – Ad Valorem Tax (Continued)

Taxes levied, including any penalty and interest assessed, are due on receipt of the tax bill and delinquent if not paid before February 1 of the year following the year in which imposed. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or interest and sinking expenditures.

	<u>2025</u>	<u>2024</u>
Taxes Levied	<u>\$ 102,316,705</u>	<u>\$ 95,984,946</u>
Maintenance and Operations Taxes:		
Current Taxes Collected	75,989,912	65,739,882
Delinquent Taxes Collected	1,017,746	487,565
Penalties and Interest Collected	721,409	610,605
Total Maintenance and Operations Taxes	<u>77,729,067</u>	<u>66,838,052</u>
Debt Service Taxes:		
Current Taxes Collected	21,321,946	21,087,209
Delinquent Taxes Collected	313,943	192,693
Penalties and Interest Collected	213,771	198,544
Total Debt Service Taxes	<u>21,849,660</u>	<u>21,478,446</u>
Total Taxes Collected	<u>\$ 99,578,727</u>	<u>\$ 88,316,498</u>
Current Tax Levy Collection Percent	<u>97%</u>	<u>92%</u>

Note 21 – Tax Abatements

The College enters into property tax abatement agreements with local businesses. These agreements are authorized by the Texas Property Redevelopment and Tax Abatement Act, Texas Tax Code, Chapter 312, as amended (the “Act”), and is subject to the laws of the State of Texas and the charter, ordinances, and orders of the Governmental Unit.

Tax abatements are a reduction in tax revenue that result from an agreement between the College and an entity in which (a) the College promises to forgo tax revenues to which it would be otherwise entitled and (b) the entity promises to take a specific action after the agreement has been entered into that contributes to the economic development to the local community and its citizens.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 21 – Tax Abatements (Continued)

For the fiscal year ended August 31, 2025, the College had a property tax abatement agreement with the following entity:

EPIC Y-Grade Logistics – The abatement covers as eligible property any supplemental improvements to the eligible property that are added or constructed during the abatement period. The abatement period shall commence January 1, 2019, and shall continue for up to ten years. In no event shall the abatement period extend beyond December 31 of the 10th year. The facility has been identified as a basic manufacturing facility and the percentage of tax abatement shall be in accordance with the following schedule conditioned upon the facility providing at least 10 net new full-time jobs. During the construction phase (not to exceed 3 years) the percentage of abatement is 100%. For years 4 through 10 the amount abated shall be 50%. At the time of execution of the agreement the added value comprising permanent improvements upon completion of the construction phase is estimated to be \$200 million. In the event that completion of the construction phase the added value of permanent improvements, as determined by the Appraisal District, shall at any time thereafter during the period of abatement be less than eighty-five percent (85%) of the estimated value, not due to circumstances beyond the control of owner, the owner agrees to pay, as additional taxes, hereunder, an amount equal to the then current tax rate of the District applied to the difference between the added value from eighty-five percent (85%) of the estimated added value, multiplied by 100% minus the net percentage of abatement provided under the agreement.

In the event that completion of the construction phase the added value of permanent improvements, as determined by the Appraisal District, shall at any time thereafter during the period of abatement be less than 85% percent of the estimated value, not due to circumstances beyond the control of the owner, the owner agrees to pay, as additional taxes, hereunder, an amount equal to the then-current tax rate of the District applied to the difference between the added value from eighty-five percent (85%) of the estimated added value, multiplied by 100% minus the net percentage of abatement provided under the agreement.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 21 – Tax Abatements (Continued)

Below is the abatement information as required by GASB Statement No. 77 for M&O purposes. It includes the net benefit to the District but does not include any I&S impact.

Entity	Project Value 2025	Percent Abated 2025	Tax Rate per \$100 Valuation 2025	Foregone Taxes 2025
EPIC Y-Grade Logistics	\$ 225,726,250	50%	0.204382	\$ 230,672

Note 22 – Subscription Based Information Technology Agreements

The College has a total of fifteen (15) arrangements subject to the requirements of GASB *Statement No. 96, Subscription-Based Information Technology Arrangements* (SBITA). These agreements can be described in groups – those related to the provision of assisting students, those related to the training of professors and support personnel, and those used for administrative purposes. The College makes monthly, quarterly, or annual payments and the agreements are for varying terms. The SBITA liability is the present value of these payments using the College’s incremental borrowing rate. The liability is amortized providing the principal and interest components of the payments over the SBITA term. The SBITA asset is measured as the SBITA Liability plus any capitalized expenditures/expenses incurred in the initial implementation stage. The SBITA asset is depreciated (amortized) using a straight-line depreciation method over the term of the SBITA arrangement.

Total Amount of Subscription Assets and Accumulated Amortization:

	Term in Months	SBITA Assets, Net	
		<u>August 31, 2025</u>	<u>August 31, 2024</u>
Educational Assistance for Students	24-60	\$ 927,940	\$ 464,751
Training Programs for Faculty and Support Staff	36	12,232	28,333
Administrative Software	21-60	3,431,144	419,902
		<u>\$ 4,371,316</u>	<u>\$ 912,986</u>

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 22 – Subscription Based Information Technology Agreements (Continued)

SBITA Liabilities and Associated Principal and Interest Requirements:

	Term in <u>Months</u>	Interest <u>Rate</u>	SBITA Liabilities	
			<u>August 31, 2025</u>	<u>August 31, 2024</u>
Educational Assistance for Students	24-60	4.00%	\$ 826,809	\$ 193,077
Training Programs for Faculty and Support Staff	36	4.00%	-	18,164
Administrative Software	21-60	4.00%	3,798,601	351,652
			<u>\$ 4,625,410</u>	<u>\$ 562,893</u>

The future principal and interest SBITA arrangement payments as of fiscal year-end are follows:

<u>Year Ended August 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,233,419	\$ 185,016	\$ 1,418,435
2027	1,046,260	135,680	1,181,940
2028	1,065,979	93,885	1,159,864
2029	1,116,161	51,295	1,167,456
2030	163,591	6,544	170,135
	<u>\$ 4,625,410</u>	<u>\$ 472,420</u>	<u>\$ 5,097,830</u>

Commitments and Impairments:

There were no additional commitments made before the commencement of the SBITA term(s).
There were also no impairments or modifications to be reported during the reporting period.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 23 - Income Taxes

The College 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 College had no unrelated business income tax liability for the years ended August 31, 2025 and 2024.

Note 24 - Component Unit

Del Mar College Foundation (the Foundation) was established as a separate nonprofit organization in 1983 to raise funds to provide student scholarships and assistance in the development and growth of the College. Accordingly, the Foundation financial statements are included in the College's annual report as a discrete component unit (see table of contents).

Significant Accounting Policies

The financial statements of the Foundation have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, net assets and changes therein are classified as follows:

Net Assets

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grant) restrictions. The governing board may designate, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Net Assets With Donor Restrictions - Net assets subject to donor (or certain grantor) 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 are perpetual in nature, where the donor stipulates those 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.

Revenue Recognition

Contributions are recognized when cash, securities or other assets, unconditional promises to give, or notification of a beneficial interest is received. Conditional promises to give, including grant contracts with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 24 – Component Unit (Continued)

The Foundation utilizes donor agreements in an on-going attempt to further clarify donors' intentions. If it becomes clear the fund classification was incorrect, or if the donor changes their intention, the funds are appropriately reclassified and shown as a transfer from one fund type to another.

Fair Value Measurement

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Foundation uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net asset values of the shares held by the Foundation in active markets at the reporting date.

Level 3 Fair Value Measurement

The fair value of the beneficial interest in the irrevocable charitable trust that holds a structured settlement with future stream of cash flow is based on unobservable inputs. There is currently no market in which beneficial interests in charitable trusts trade, so no observable exit price will exist for a beneficial interest.

Alternative investments are principally investments in limited partnerships whose underlying assets include residential and commercial real estate. The fair values for alternative investments have been estimated using the net assets value per share provided by the fund and partnerships managers, which are primarily valued with level 3 inputs.

FASB ASU 820 also requires disclosures about transfers into and out of Level 1 and 2 investments and separate disclosures about purchases, sales issuance and settlements in the reconciliation for fair value measurements using significant unobservable inputs (Level 3).

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 24 – Component Unit (Continued)

The Foundation's investments are reported at fair value in the accompanying statement of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Fair values of assets measured on a recurring basis at June 30, 2025 and 2024 are as follows:

		Fair Value Measurement Using:	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)
	Fair Value		
June 30, 2025			
Investments:			
Mutual Funds	\$ 34,641,782	\$ 34,641,782	\$ -
Alternative Investments	992,684	-	992,684
Total Investments	<u>35,634,466</u>	<u>34,641,782</u>	<u>992,684</u>
Beneficial Interest in Irrevocable Charitable Trust	1,012,548	-	1,012,548
Total	<u>\$ 36,647,014</u>	<u>\$ 34,641,782</u>	<u>\$ 2,005,232</u>
June 30, 2024			
Investments:			
Mutual Funds	\$ 31,439,813	\$ 31,439,813	\$ -
Alternative Investments	1,032,333	-	1,032,333
Total Investments	<u>32,472,146</u>	<u>31,439,813</u>	<u>1,032,333</u>
Beneficial Interest in Irrevocable Charitable Trust	856,684	-	856,684
Total	<u>\$ 33,328,830</u>	<u>\$ 31,439,813</u>	<u>\$ 1,889,017</u>

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 24 – Component Unit (Continued)

Fair Value Measurements Using Significant Unobservable Inputs (Level 3) at June 30, 2025 and 2024:

	Beneficial Interest in Irrevocable Trust	Alternative Investments	Total
Beginning Balance, July 1, 2023	\$ 818,243	\$ 1,169,671	\$ 1,987,914
Purchases	-	-	-
Sales	-	(202,886)	(202,886)
Total Unrealized Gain			
Included in Changes in Net Assets	38,441	65,548	103,989
Ending Balance, June 30, 2024	856,684	1,032,333	1,889,017
Purchases	-	45,537	45,537
Sales	-	-	-
Total Unrealized Gain			
Included in Changes in Net Assets	155,864	(85,186)	70,678
Ending Balance, June 30, 2025	\$ 1,012,548	\$ 992,684	\$ 2,005,232

Note 25 - Risk Management

The College is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal years 2025 and 2024, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

Note 26 - Workers' Compensation Aggregate Deductible

During the year ended August 31, 2025, the College met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Workers' Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members injured employees.

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

DEL MAR COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2025 and 2024

Note 26 – Workers’ Compensation Aggregate Deductible (Continued)

The Fund and its members are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the Fund’s self-insured retention of \$2 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2024, the Fund carries a discounted reserve of \$50,247,590 for future development on reported claims and claims that have been incurred but not yet reported. For the year-ended August 31, 2025, the Fund anticipated no additional liability to members beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

The Fund engages the services of independent auditors to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund’s Board of Trustees in February of the following year. The Fund’s audited financial statements as of August 31, 2024, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

DEL MAR COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
EXHIBIT 4

Fiscal Year Ended August 31, *	Measurement Date Year Ended August 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
College's Proportion of the Net Pension Liability	0.00039803	0.00041289	0.00041635	0.00041044	0.00041131	0.000395742	0.000398877	0.000381252	0.000370818	0.000347864
College's Proportionate Share of Net Pension Liability	\$24,313,075	\$28,361,304	\$24,717,359	\$10,452,505	\$22,030,050	\$20,571,896	\$21,955,179	\$12,190,380	\$14,012,665	\$12,296,529
State's Proportionate Share of the Net Pension Liability Associated with the District	19,290,137	22,308,200	19,630,257	8,326,741	17,617,867	16,319,588	17,400,379	9,751,441	10,697,440	9,047,629
TOTAL	\$43,603,212	\$50,669,504	\$44,347,616	\$18,779,246	\$39,647,917	\$36,891,484	\$39,355,558	\$21,941,821	\$24,710,105	\$21,344,158
College's Covered Payroll	\$49,316,723	\$47,938,019	\$45,141,670	\$41,962,673	\$40,713,466	\$36,895,354	\$35,500,740	\$32,929,636	\$30,129,463	\$26,992,189
College's Proportional Share of the Net Pension Liability as a percentage of its Covered Payroll	49.30%	59.16%	54.76%	24.91%	54.11%	55.76%	61.84%	37.02%	46.51%	45.56%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.51%	73.15%	75.62%	88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%

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

DEL MAR COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COLLEGE'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
EXHIBIT 5

	Fiscal Year Ended August 31,									
* Fiscal Year Ended August 31, *	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contributions	\$2,547,023	\$2,249,314	\$2,162,743	\$1,966,278	\$1,783,331	\$1,724,517	\$1,383,030	\$1,344,534	\$1,249,598	\$1,178,183
Contribution in Relation to the Contractually Required Contribution	(2,547,023)	(2,249,314)	(2,162,743)	(1,966,278)	(1,783,331)	(1,724,517)	(1,383,030)	(1,344,534)	(1,249,598)	(1,178,183)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
College's Covered Payroll	\$54,699,551	\$49,316,723	\$47,938,019	\$45,141,670	\$41,962,673	\$40,713,466	\$36,895,354	\$35,500,740	\$32,929,636	\$30,129,463
Contribution as a Percentage of Covered Payroll	4.66%	4.56%	4.51%	4.36%	4.25%	4.24%	3.75%	3.79%	3.79%	3.91%

DEL MAR COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
EMPLOYEES RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2025
EXHIBIT 6

	Measurement Year Ended August 31,							
	2024	2023	2022	2021	2020	2019	2018	2017
College's Proportion of the Net OPEB Liability (Asset)	0.1858086400%	0.1863463700%	0.1892171300%	0.1869042800%	0.1853133800%	0.1744136400%	0.1881207300%	0.2169992500%
College's Proportionate Share of the Net OPEB Liability (Asset)	\$ 54,452,318	\$ 49,787,147	\$ 53,902,219	\$ 67,052,857	\$ 61,236,124	\$ 60,282,020	\$ 55,754,737	\$ 73,938,180
State's Proportionate Share of the Net OPEB Liability (Asset) associated with the College	40,810,639	38,357,169	41,363,445	50,891,805	46,865,554	51,410,699	43,247,818	56,463,411
Total	<u>\$ 95,262,957</u>	<u>\$ 88,144,316</u>	<u>\$ 95,265,664</u>	<u>\$ 117,944,662</u>	<u>\$ 108,101,678</u>	<u>\$ 111,692,719</u>	<u>\$ 99,002,555</u>	<u>\$ 130,401,591</u>
College's Covered-Employee Payroll	\$ 36,465,520	\$ 36,676,952	\$ 36,995,084	\$ 34,261,193	\$ 34,494,924	\$ 33,597,726	\$ 33,096,904	\$ 32,924,204
College's Proportionate Share of the Net OPEB Liability (Asset) as a percentage of its Covered-Employee Payroll	149.33%	135.75%	145.70%	195.71%	177.52%	179.42%	168.46%	224.57%
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	0.47%	0.63%	0.57%	0.38%	0.32%	0.17%	1.27%	2.04%

* The amount presented are as of the the College's most recent fiscal year end.

** There are no assets accumulated in a trust that meets the criteria of GASB Codification P22.101 (or P52.101) to pay related benefits for the OPEB plan.

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

DEL MAR COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE COLLEGE'S CONTRIBUTIONS FOR OPEB
EMPLOYEES RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2025
EXHIBIT 7

	Fiscal Year Ended August 31,									
	2025	2024	2023	2022	2021	2020	2019	2018		
Contractually Required Contribution	\$ 1,337,539	\$ 1,205,637	\$ 1,209,400	\$ 1,076,376	\$ 1,200,056	\$ 2,058,220	\$ 2,032,179	\$ 2,039,351		
Contribution in Relation to the Contractually Required Contribution	(1,337,539)	(1,205,637)	(1,209,400)	(1,076,376)	(1,200,056)	(2,058,220)	(2,032,179)	(2,039,351)		
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
College's Covered-Employee Payroll	\$ 39,486,134	\$ 36,465,520	\$ 36,676,952	\$ 36,995,084	\$ 34,261,193	\$ 34,494,924	\$ 33,597,726	\$ 33,096,904		
Contributions as a percentage of covered-employee payroll	3.39%	3.31%	3.30%	2.91%	3.50%	5.97%	6.05%	6.16%		

* The amount presented are as of the the College's most recent fiscal year end.

** There are no assets accumulated in a trust that meets the criteria of GASB Codification P22.101 (or P52.101) to pay related benefits for the OPEB plan.

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



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Del Mar College
Schedule of Operating Revenues
Year Ended August 31, 2025 (With Memorandum Totals for the Year Ended August 31, 2024)

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	2025 Total	2024 Total
Tuition:						
State Funded Credit Courses:						
In-District Resident Tuition	\$ 9,619,343	\$ -	\$ 9,619,343	\$ -	\$ 9,619,343	\$ 8,799,187
Out-of-District Resident Tuition	3,792,131	-	3,792,131	-	3,792,131	3,338,563
Non-Resident Tuition	634,544	-	634,544	-	634,544	625,116
TPEG - Credit (Set Aside) *	877,813	-	877,813	-	877,813	794,869
State-Funded Continuing Education	760,816	-	760,816	-	760,816	636,089
TPEG - Non-Credit (Set Aside) *	158,581	-	158,581	-	158,581	140,060
Non-State Funded Educational Programs	18,251	-	18,251	-	18,251	62,313
Total Tuition	15,861,479	-	15,861,479	-	15,861,479	14,396,197
Fees:						
Building Use Fee	2,400,074	-	2,400,074	-	2,400,074	2,236,202
General Fee	6,886,987	-	6,886,987	-	6,886,987	6,412,621
Student Service Fee	-	-	-	406,272	406,272	379,982
Out-of-District Fee	2,009,541	-	2,009,541	-	2,009,541	1,857,527
Class Repeat Fee	191,250	-	191,250	-	191,250	191,150
Dual Credit Fee	39,658	-	39,658	-	39,658	40,649
Non-Instructional Contract Training Fees	605,350	-	605,350	-	605,350	519,106
Laboratory Fees	462,236	-	462,236	-	462,236	429,802
Total Fees	12,595,096	-	12,595,096	406,272	13,001,368	12,067,039
Scholarship Allowances and Discounts:						
Bad Debt Allowance	(149,874)	-	(149,874)	-	(149,874)	(178,903)
Remissions and Exemptions - State	(5,556,986)	-	(5,556,986)	-	(5,556,986)	(4,767,615)
Remissions and Exemptions - Local	(2,268,055)	-	(2,268,055)	-	(2,268,055)	(1,990,508)
Title IV Federal Grants	(10,501,537)	-	(10,501,537)	-	(10,501,537)	(8,983,727)
Other Federal Grants	(1,350)	-	(1,350)	-	(1,350)	(14,031)
TPEG Awards	(148,148)	-	(148,148)	-	(148,148)	(183,032)
Other State Grants	(42,099)	-	(42,099)	-	(42,099)	(72,856)
Total Scholarship Allowances	(18,668,049)	-	(18,668,049)	-	(18,668,049)	(16,190,672)
Total Net Tuition and Fees	9,788,526	-	9,788,526	406,272	10,194,798	10,272,564
Additional Operating Revenues:						
Federal Grants and Contracts	-	3,695,990	3,695,990	-	3,695,990	2,577,486
State Grants and Contracts	-	3,976,493	3,976,493	-	3,976,493	2,350,741
Local Grants and Contracts	-	2,843,893	2,843,893	-	2,843,893	1,637,037
General Operating Revenues	2,859,413	-	2,859,413	-	2,859,413	2,229,282
Total Additional Operating Revenues	2,859,413	10,516,376	13,375,789	-	13,375,789	8,794,546
Auxiliary Enterprises:						
Food Service	-	-	-	470,173	470,173	418,528
Vending	-	-	-	63,197	63,197	63,345
Rents	-	-	-	48,604	48,604	68,283
Childcare Center	-	-	-	194,437	194,437	146,546
Other	-	-	-	342,574	342,574	361,604
Total Net Auxiliary Enterprises	-	-	-	1,118,985	1,118,985	1,058,306
Total Operating Revenues	\$ 12,647,939	\$ 10,516,376	\$ 23,164,315	\$ 1,525,257	\$ 24,689,572	\$ 20,125,416
					(Exhibit 2)	(Exhibit 2)

* In accordance with Education Code 56.033, tuition of \$1,036,394 and \$934,929 for years August 31, 2025 and 2024, respectively, was set aside for Texas Public Education Grants (TPEG).

Schedule B

Del Mar College
Schedule of Operating Expenses by Object
Year Ended August 31, 2025 (With Memorandum Totals for the Year Ended August 31, 2024)

	Operating Expenses				2025 Total	2024 Total
	Salaries and Wages	Benefits		Other Expenses		
		State	Local			
Unrestricted - Educational Activities						
Instruction	\$ 39,202,504	\$ -	\$ 7,992,817	\$ 3,381,038	\$ 50,576,359	\$ 46,567,203
Public Service	138,518	-	20,960	8,941	168,419	175,673
Academic Support	5,808,391	-	1,458,002	946,225	8,212,618	7,566,337
Student Services	5,802,852	-	1,389,500	1,061,822	8,254,174	7,498,933
Institutional Support	13,604,327	-	3,091,794	11,938,128	28,634,249	27,615,505
Operation and Maintenance of Plant	2,094,374	-	581,852	11,310,203	13,986,429	10,890,338
Total Unrestricted Educational Activities	66,650,966	-	14,534,925	28,646,357	109,832,248	100,313,989
Restricted - Educational Activities						
Instruction	-	5,371,750	-	-	5,371,750	5,249,004
Public Service	-	14,086	-	-	14,086	14,237
Academic Support	-	979,880	-	-	979,880	961,422
Student Services	3,272,360	1,379,325	662,846	8,991,004	14,305,535	11,073,972
Institutional Support	-	2,077,908	-	-	2,077,908	2,045,504
Operation and Maintenance of Plant	-	391,046	-	-	391,046	376,089
Scholarships and Fellowships	-	-	-	12,196,918	12,196,918	8,841,668
Total Restricted Educational Activities	3,272,360	10,213,995	662,846	21,187,922	35,337,123	28,561,896
Total Educational Activities	69,923,326	10,213,995	15,197,771	49,834,279	145,169,371	128,875,885
Auxiliary Enterprises	610,261	-	200,722	826,783	1,637,766	1,287,553
Depreciation Expense - Buildings and other real estate improvements	-	-	-	8,467,120	8,467,120	8,458,717
Depreciation Expense - Equipment and furniture	-	-	-	4,034,138	4,034,138	3,529,750
Total Operating Expenses	\$ 70,533,587	\$ 10,213,995	\$ 15,398,493	\$ 63,162,320	\$ 159,308,395	\$ 142,151,905
					(Exhibit 2)	(Exhibit 2)

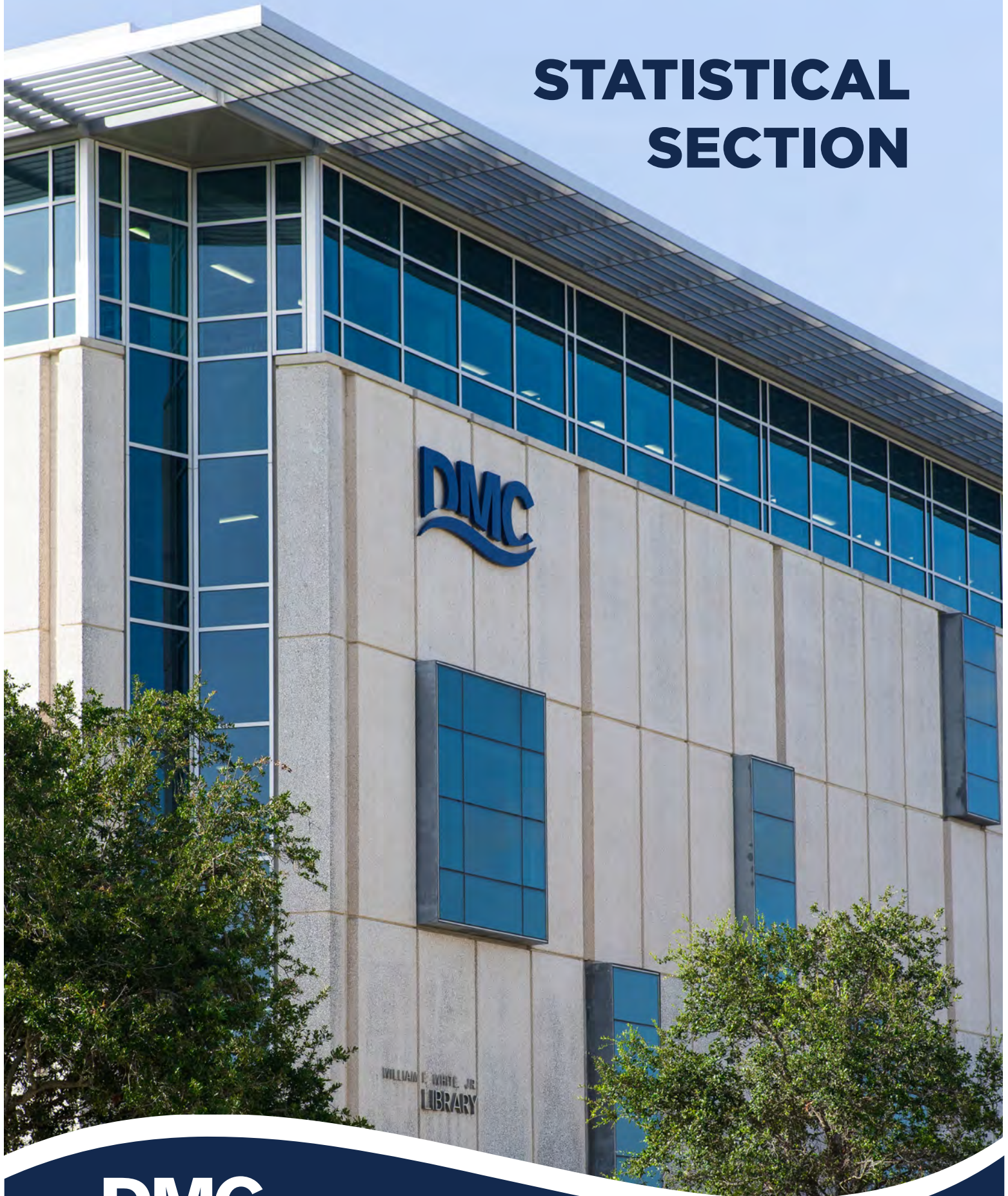
Del Mar College
Schedule of Non-Operating Revenues and Expenses
Year Ended August 31, 2025 (With Memorandum Totals for the Year Ended August 31, 2024)

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Auxiliary Enterprises</u>	<u>2025 Total</u>	<u>2024 Total</u>
NON-OPERATING REVENUES:					
State Appropriations:					
Education and General State Support	\$ 20,035,685	\$ -	\$ -	\$ 20,035,685	\$ 19,745,299
FAST Appropriation	3,166,788	-	-	3,166,788	1,259,766
State Group Insurance	-	5,613,658	-	5,613,658	4,351,517
State Retirement Matching	-	4,600,339	-	4,600,339	5,529,872
Total State Appropriations	23,202,473	10,213,997	-	33,416,470	30,886,454
Maintenance Ad Valorem Taxes	78,637,508	-	-	78,637,508	68,541,016
Debt Service Ad Valorem Taxes	-	22,123,648	-	22,123,648	22,016,865
Federal Revenue, Non Operating	-	21,647,334	-	21,647,334	17,693,360
Investment Income	4,877,938	-	-	4,877,938	3,538,319
Change in Fair Value of Investment	(412,001)	-	-	(412,001)	3,200,432
Other Non-Operating Revenue	270,141	-	-	270,141	1,527,951
Total Non-Operating Revenues	106,576,059	53,984,979	-	160,561,038	147,404,397
NON-OPERATING EXPENSES:					
Interest on Capital Related Debt	8,758,523	-	-	8,758,523	9,189,901
Loss on Disposal of Capital Assets	29,969	-	-	29,969	5,959,981
Other Non-Operating Expense	6,109	-	-	6,109	336,156
Total Non-Operating Expenses	8,794,601	-	-	8,794,601	15,486,038
Net Non-Operating Revenues	\$ 97,781,458	\$ 53,984,979	\$ -	\$ 151,766,437	\$ 131,918,359
				(Exhibit 2)	(Exhibit 2)

Del Mar College
Schedule of Net Position by Source and Availability
Year Ended August 31, 2025 (With Memorandum Totals for the Year Ended August 31, 2024)

	Detail by Source				Available for	
	Restricted		Net Investment in Capital Assets	Total	Current Operations	
	Unrestricted	Expendable			Yes	No
Current:						
Unrestricted	\$ (28,931,763)	\$ -	\$ -	\$ (28,931,763)	\$ (28,931,763)	\$ -
Restricted	-	-	-	-	-	-
Auxiliary enterprises	2,060,360	-	-	2,060,360	2,060,360	-
Loan	-	1,927	-	1,927	-	1,927
Endowment:						
Quasi:						
Unrestricted	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Endowment						
True	-	-	-	-	-	-
Term (per instructions at maturity)	-	-	-	-	-	-
Life Income Contracts	-	-	-	-	-	-
Annuities	-	-	-	-	-	-
Plant:						
Unexpended	(874,733)	-	-	(874,733)	-	(874,733)
Renewals	-	-	-	-	-	-
Debt Service	-	12,431,827	-	12,431,827	-	12,431,827
Investment in Plant	-	-	186,658,635	186,658,635	-	186,658,635
Total Net Position, August 31, 2025	\$ (27,746,136)	\$ 12,433,754	\$ 186,658,635	\$ 171,346,253 (Exhibit 1)	\$ (26,871,403)	\$ 198,217,656
Total Net Position, August 31, 2024	(28,098,079)	10,383,021	171,903,087	154,188,029 (Exhibit 1)	(31,607,001)	185,795,030
Net Increase (Decrease) in Net Position	\$ 351,943	\$ 2,050,733	\$ 14,755,548	\$ 17,158,224 (Exhibit 2)	\$ 4,735,598	\$ 12,422,626

STATISTICAL SECTION





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Statistical Information

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

CONTENTS	PAGE
Financial Trends (Schedules 1-3, 19) <i>These schedules contain trend information to help the reader understand how the College’s financial performance and well-being have changed over time.</i>	111-113, 129
Revenue Capacity (Schedules 4-8, 20-21) <i>These schedules contain information to help the reader assess the College’s most significant local revenue sources, including the property tax.</i>	114-118, 130-131
Debt Capacity (Schedules 9-11, 22) <i>These schedules present information to help the reader assess the affordability of the College’s current levels of outstanding debt and the College’s ability to issue additional debt in the future</i>	119-121, 132
Demographic and Economic Information (Schedules 12-13) <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the College’s financial activities take place.</i>	122-123
Operating and Other Information (Schedules 14-18) <i>These schedules contain service, infrastructure and other data to help the reader understand how the information in the College’s financial report relates to the services the government provides and the activities it performs.</i>	124-128

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



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Del Mar College
Statistical Supplement 1
Net Position by Component
Fiscal Years 2016 to 2025
(unaudited)

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

		2025		2024		2023		2022		2021		2020		2019		2018		2017		2016
Net investment in capital assets	\$	186,659	\$	171,903	\$	165,395	\$	147,654	\$	140,281	\$	126,543	\$	120,406	\$	100,961	\$	95,287	\$	90,491
Restricted - expendable		12,433		10,383		9,633		8,541		8,176		8,431		8,161		12,247		12,343		12,251
Unrestricted		(27,746)		(28,098)		(32,623)		(29,630)		(31,871)		(41,688)		(52,328)		(58,722)		23,231		23,076
Total primary government net position	\$	171,346	\$	154,188	\$	142,405	\$	126,565	\$	116,586	\$	93,286	\$	76,239	\$	54,486	\$	130,861	\$	125,818

Source: Annual Comprehensive Financial Report

Del Mar College
Statistical Supplement 2
Revenues by Source
Fiscal Years 2016 to 2025
(unaudited)

For the Fiscal Year Ended August 31,
(in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Operating Revenues:										
Tuition and Fees (Net of Discounts)	\$ 10,195	\$ 10,272	\$ 10,784	\$ 9,619	\$ 11,890	\$ 12,541	\$ 12,574	\$ 12,528	\$ 12,755	\$ 11,976
Federal Grants and Contracts	3,696	2,578	4,801	15,712	2,181	2,182	2,103	3,181	3,268	4,650
State Grants and Contracts	3,976	2,351	2,694	1,856	2,647	2,129	2,399	2,342	3,718	4,334
Local Grants and Contracts	2,844	1,637	1,000	1,852	3,762	1,800	1,404	524	548	2,212
Auxiliary enterprises	1,119	1,059	1,076	1,239	491	1,079	1,675	1,390	1,249	1,323
General Operating Revenues	2,859	2,229	2,734	2,387	2,203	2,925	3,606	2,188	1,768	2,305
Total Operating Revenues	24,689	20,126	23,089	32,665	23,174	22,656	23,761	22,153	23,306	26,800
Non-Operating Revenues:										
State Appropriations	33,417	30,886	25,354	24,081	23,517	25,499	23,437	22,928	20,176	19,800
Maintenance Ad Valorem Taxes	78,638	68,541	65,972	60,516	57,023	58,319	54,449	51,689	47,179	46,704
Debt Service Ad Valorem Taxes	22,123	22,017	23,203	23,000	23,200	19,158	18,706	13,423	12,387	8,338
Federal Revenue, Non Operating	21,647	17,693	17,113	20,756	27,236	20,413	16,860	16,238	16,715	16,323
Investment Income	4,878	3,538	2,806	1,307	1,101	3,442	5,755	2,308	1,108	337
Change in Fair Value of Investments	(412)	3,201	2,107	(4,960)	(330)	-	-	-	-	-
Other Non-Operating Revenues	270	1,528	4,334	2,465	2,331	26	37	28	12	22
Total Non-Operating Revenues	160,561	147,404	140,889	127,165	134,078	126,857	119,244	106,614	97,577	91,524
Total Revenues	\$ 185,250	\$ 167,530	\$ 163,978	\$ 159,830	\$ 157,252	\$ 149,513	\$ 143,005	\$ 128,767	\$ 120,883	\$ 118,324
Percentage of Total										
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Operating Revenues:										
Tuition and fees (net of discounts)	5.50%	6.13%	6.58%	6.02%	7.56%	8.39%	8.79%	9.73%	10.55%	10.12%
Federal grants and contracts	2.00%	1.54%	2.93%	9.83%	1.39%	1.46%	1.47%	2.47%	2.70%	3.93%
State grants and contracts	2.15%	1.41%	1.64%	1.16%	1.68%	1.42%	1.68%	1.82%	3.08%	3.66%
Local grants and contracts	1.53%	0.98%	0.61%	1.16%	2.39%	1.20%	0.98%	0.41%	0.45%	1.87%
Auxiliary enterprises	0.60%	0.63%	0.66%	0.78%	0.31%	0.72%	1.17%	1.08%	1.03%	1.12%
General Operating Revenues	1.54%	1.33%	1.67%	1.49%	1.40%	1.96%	2.52%	1.70%	1.46%	1.95%
Total Operating Revenues	13.32%	12.02%	14.09%	20.44%	14.73%	15.15%	16.61%	17.21%	19.27%	22.65%
Non-Operating Revenues:										
State Appropriations	18.04%	18.44%	15.46%	15.07%	14.97%	17.05%	16.39%	17.81%	16.69%	16.73%
Maintenance Ad Valorem Taxes	42.45%	40.91%	40.23%	37.86%	36.26%	39.01%	38.07%	40.14%	39.03%	39.47%
Debt Service Ad Valorem Taxes	11.94%	13.14%	14.15%	14.39%	14.75%	12.81%	13.08%	10.42%	10.25%	7.05%
Federal Revenue, Non Operating	11.69%	10.56%	10.44%	12.99%	17.32%	13.65%	11.79%	12.61%	13.83%	13.80%
Investment Income	2.63%	2.11%	1.71%	0.82%	0.70%	2.30%	4.03%	1.79%	0.92%	0.28%
Change in Fair Value of Investments	-0.22%	1.91%	1.28%	-3.10%	-0.21%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Non-Operating Revenues	0.15%	0.91%	2.64%	1.53%	1.48%	0.03%	0.03%	0.02%	0.01%	0.02%
Total Non-Operating Revenues	86.68%	87.98%	85.91%	79.56%	85.27%	84.85%	83.39%	82.79%	80.73%	77.35%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Annual Comprehensive Financial Report

Del Mar College
Statistical Supplement 3
Program Expenses by Function
Fiscal Years 2016 to 2025
(unaudited)

For the Fiscal Year Ended August 31,
(in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Operating Expenses:										
Instruction	\$ 55,948	\$ 51,816	\$ 49,527	\$ 47,369	\$ 47,091	\$ 48,349	\$ 46,483	\$ 46,536	\$ 43,909	\$ 39,580
Public service	183	190	143	119	151	95	155	151	129	111
Academic support	9,192	8,528	8,279	7,807	7,202	7,914	7,531	7,734	7,189	6,946
Student services	22,560	18,573	18,583	27,285	19,211	17,319	15,349	15,662	16,487	18,040
Institutional support	30,712	29,661	30,309	27,859	23,240	23,607	21,195	20,888	19,430	18,690
Operation and maintenance of plant	14,377	11,266	13,117	11,108	7,572	9,859	9,023	8,786	10,128	9,702
Scholarships and fellowships	12,197	8,842	6,233	9,511	12,006	6,668	5,940	5,826	5,906	5,111
Auxiliary enterprises	1,638	1,288	1,210	1,265	1,073	1,587	1,228	1,400	1,484	1,417
Depreciation	12,501	11,988	10,021	7,727	6,592	7,106	5,369	5,430	5,566	5,516
Total Operating Expenses	159,308	142,152	137,422	140,050	124,138	122,504	112,273	112,413	110,228	105,113
Non-Operating Expenses:										
Interest on capital related debt	8,759	9,190	9,570	9,874	10,465	9,945	8,952	5,285	5,075	4,091
Other Non-Operating Expenses	36	6,296	1,195	212	180	78	34	1,825	602	86
Total Non-Operating Expenses	8,795	15,486	10,765	10,086	10,645	10,023	8,986	7,110	5,677	4,177
Total Expenses	\$ 168,103	\$ 157,638	\$ 148,187	\$ 150,136	\$ 134,783	\$ 132,527	\$ 121,259	\$ 119,523	\$ 115,905	\$ 109,290
Percentage of Total	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Operating Expenses:										
Instruction	33.28%	32.87%	33.42%	31.55%	34.94%	36.48%	38.33%	38.93%	37.88%	36.22%
Public service	0.11%	0.12%	0.10%	0.08%	0.11%	0.07%	0.13%	0.13%	0.11%	0.10%
Academic support	5.47%	5.41%	5.59%	5.20%	5.34%	5.97%	6.21%	6.47%	6.20%	6.36%
Student services	13.42%	11.78%	12.54%	18.17%	14.25%	13.07%	12.66%	13.10%	14.22%	16.51%
Institutional support	18.27%	18.82%	20.45%	18.56%	17.24%	17.81%	17.48%	17.48%	16.76%	17.10%
Operation and maintenance of plant	8.55%	7.15%	8.85%	7.40%	5.62%	7.44%	7.44%	7.35%	8.74%	8.88%
Scholarships and fellowships	7.26%	5.61%	4.21%	6.33%	8.91%	5.03%	4.90%	4.87%	5.10%	4.68%
Auxiliary enterprises	0.97%	0.82%	0.82%	0.84%	0.80%	1.20%	1.01%	1.17%	1.28%	1.30%
Depreciation	7.44%	7.60%	6.76%	5.15%	4.89%	5.37%	4.43%	4.55%	4.81%	5.03%
Total Operating Expenses	94.77%	90.18%	92.74%	93.28%	92.10%	92.44%	92.59%	94.05%	95.10%	96.18%
Non-Operating Expenses:										
Interest on capital related debt	5.21%	5.83%	6.46%	6.58%	7.76%	7.50%	7.38%	4.42%	4.38%	3.74%
Other Non-Operating Expenses	0.02%	3.99%	0.80%	0.14%	0.14%	0.06%	0.03%	1.53%	0.52%	0.08%
Total Non-Operating Expenses	5.23%	9.82%	7.26%	6.72%	7.90%	7.56%	7.41%	5.95%	4.90%	3.82%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Annual Comprehensive Financial Report

Del Mar College
Statistical Supplement 4
Tuition and Fees
Per Semester Credit Hour
Last Ten Academic Years
(unaudited)

Resident

Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	In-District Tuition	Out-of- District Tuition	Building Use Fee	General Use Fee	Matriculation Fee	Student Activity Fees	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	% Increase from Prior Year In-District	% Increase from Prior Year Out-of-District
2024	\$ 75	\$ 125	\$ 12	\$ 12	\$ 12	\$ 85	\$ 1,417	\$ 2,017	1.72%	1.20%
2023	73	123	12	12	12	85	1,393	1,993	1.75	1.22
2022	71	121	12	12	12	85	1,369	1,969	1.78	1.23
2021	69	119	12	12	12	85	1,345	1,945	0.00	0.00
2020	69	119	12	12	12	85	1,345	1,945	1.82	1.25
2019	67	117	12	12	12	85	1,321	1,921	6.45	4.35
2018	61	111	12	12	12	77	1,241	1,841	5.08	3.37
2017	56	106	12	12	12	77	1,181	1,781	0.00	0.00
2016	56	106	12	12	12	77	1,181	1,781	0.00	0.00
2015	56	106	12	12	12	77	1,181	1,781	1.03	0.68

Non - Resident

Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Non- Resident Tuition Out of State	Non- Resident Tuition Internati onal	Building Use Fee	General Use Fee	Matriculation Fee	Student Activity Fees	Cost for 12 SCH Out of State	Cost for 12 SCH International	% Increase from Prior Year Out of State	% Increase from Prior Year International
2024	\$ 162	\$ 162	\$ 12	\$ 12	\$ 12	\$ 85	\$ 2,461	\$ 2,461	0.98%	0.98%
2023	160	160	12	12	12	85	2,437	2,437	0.99	0.99
2022	158	158	12	12	12	85	2,413	2,413	1.00	1.00
2021	156	156	12	12	12	85	2,389	2,389	0.00	0.00
2020	156	156	12	12	12	85	2,389	2,389	1.01	1.01
2019	154	154	12	12	12	85	2,365	2,365	3.50	3.50
2018	148	148	12	12	12	77	2,285	2,285	2.70	2.70
2017	143	143	12	12	12	77	2,225	2,225	0.00	0.00
2016	143	143	12	12	12	77	2,225	2,225	0.00	0.00
2015	143	143	12	12	12	77	2,225	2,225	0.54	0.54

Note: (1) Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees and certification fees

(2) Registration Fee: Not applicable

Source: Annual Comprehensive Financial Report

Del Mar College
Statistical Supplement 5
Assessed Value and Taxable Assessed Value of Property
Last Ten Fiscal Years
(unaudited)

Fiscal Year	(in Thousands)			Direct Rate			
	Assessed Valuation of Property (a)	Less: Exemptions	Taxable Assessed Value (TAV)	% Ratio of Taxable Assessed Value to Assessed Value	Maintenance & Operations (b)	Debt Service (b)	Total (b)
2024-25	\$ 48,835,307	\$ 7,682,591	\$ 41,152,716	0.84	\$ 0.204382	\$ 0.057358	\$ 0.261740
2023-24	50,063,872	8,129,147	41,934,725	0.84	0.179436	0.057566	0.237002
2022-23	42,118,448	6,532,116	35,586,332	0.84	0.196870	0.069234	0.266104
2021-22	38,514,875	6,883,587	31,631,288	0.82	0.205296	0.078044	0.283340
2020-21	35,539,719	6,487,532	29,052,187	0.82	0.205296	0.083304	0.288600
2019-20	35,034,885	6,061,795	28,973,090	0.83	0.211260	0.069405	0.280665
2018-19	33,527,327	6,301,621	27,225,706	0.81	0.209700	0.072200	0.281900
2017-18	31,619,662	5,950,780	25,668,882	0.81	0.205700	0.053463	0.259163
2016-17	29,841,475	4,975,595	24,865,880	0.83	0.194718	0.051441	0.246159
2015-16	27,500,612	4,683,363	22,817,249	0.83	0.210549	0.037524	0.248073
2014-15	25,746,282	4,622,735	21,123,547	0.82	0.207910	0.040163	0.248073

Source: Local Appraisal District

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

Del Mar College
Statistical Supplement 6
State Appropriation per FTSE and Contact Hour
Last Ten Fiscal Years
(unaudited)

Fiscal Year	Appropriation per FTSE			Appropriation per Contact Hour			
	State Appropriation (in thousands)	Annual FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (in thousands) (b)	Voc/Tech Contact Hours (in thousands) (b)	Total Contact Hours (in thousands)	State Appropriation per Contact Hour
2024-25	\$ 33,417	6,528	\$ 5,119	2,237	2,158	4,395	\$ 7.60
2023-24	30,886	6,142	5,029	2,164	1,961	4,125	7.49
2022-23	25,354	5,996	4,228	2,158	1,856	4,014	6.32
2021-22	24,081	6,093	3,952	2,252	1,877	4,342	5.55
2020-21	23,517	6,524	3,605	2,513	1,829	4,342	5.42
2019-20	25,499	7,271	3,507	2,788	2,046	4,834	5.27
2018-19	23,437	7,064	3,318	2,817	1,833	4,650	5.04
2017-18	22,928	7,103	3,228	2,757	1,873	4,630	4.95
2016-17	20,176	7,290	2,768	2,827	1,939	4,766	4.23
2015-16	19,800	6,948	2,850	2,715	1,820	4,535	4.37
2014-15	19,918	6,590	3,022	2,655	1,660	4,315	4.62

Notes:

Full-time Student Equivalent (FTSE) is defined by the THECB as the annual total semester credit hours divided by 30

State Appropriation (Schedule C) include benefits/ORP contributions

(a) Source: Coordinating Board Management Report 004/0CS.

(b) Source: Coordinating Board Management Report 004/0CS (includes funded and non-funded excess developmental and three-peat hours)

Del Mar College
Statistical Supplement 7
Principal Taxpayers
Taxable Assessed Value
Last Ten Tax Years
(unaudited)
(in Thousands)

Taxpayer	Type of Business	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Flint Hills Resources West LP	Petrochemical	\$ 756,123	\$ 747,429	\$ 1,849,308	\$ 1,337,014	\$ 1,272,928	\$ 1,396,033	\$ 1,275,786	\$ 994,320	\$ 901,967	\$ 795,171
Valero Refining Texas LP (W)	Petrochemical	850,981	858,428	1,656,308	1,273,099	1,228,795	1,335,095	1,180,094	992,798	782,638	982,007
Citgo Refining/Chemical Co LP	Petrochemical	753,065	784,729	784,729	823,096	647,031	717,443	662,713	636,937	598,035	576,842
Corpus Christi Polymers LLC	Petrochemical	492,992	519,077	329,200	297,257	271,329	532,193	532,193	-	-	-
Equistar Chemicals LP	Petrochemical	-	-	437,357	437,357	437,357	450,375	476,587	498,921	525,325	187,352
Equistar Chemicals LP	Petrochemical	597,675	592,699	-	164,390	150,811	-	-	169,513	178,657	-
Flint Hills Resources East LP	Petrochemical	-	-	388,624	189,161	184,602	202,176	192,216	174,379	154,846	165,685
AEP Texas Central Company	Utility	434,354	467,620	427,197	384,113	387,831	325,205	375,892	290,124	249,585	197,103
Valero Marketing & Supply	Petrochemical	186,087	261,767	253,598	-	-	185,721	187,744	186,973	-	-
Epic Y-Grade Logistics LP	Petrochemical	-	178,252	-	161,902	174,867	181,276	173,917	-	-	-
Nueces Bay WLE	Utility	-	-	-	-	-	-	-	-	-	179,958
Buckeye Texas Processing LLC	Petrochemical	263,625	266,988	271,063	272,640	267,564	277,459	281,540	266,934	252,476	255,721
Buckeye Texas HUB LLC	Petrochemical	-	-	-	-	-	-	-	166,772	177,212	161,468
Barney M Davis LP	Utility	-	-	-	-	-	-	-	-	132,802	182,407
Flint Hills Res LLC-West Plant	Petrochemical	241,581	258,043	-	-	-	-	-	-	-	-
Corpus Christi Housing Authority	Public Housing	186,087	-	-	-	-	-	-	-	-	-
Totals		\$ 4,762,570	\$ 4,935,032	\$ 6,397,384	\$ 5,340,029	\$ 5,023,115	\$ 5,602,976	\$ 5,338,682	\$ 4,377,671	\$ 3,953,543	\$ 3,683,714
Total Taxable Assessed Value		\$ 41,152,716	\$ 41,934,725	\$ 35,586,332	\$ 31,631,288	\$ 29,052,187	\$ 28,973,090	\$ 27,225,706	\$ 25,668,882	\$ 24,865,880	\$ 22,817,249

% of Taxable Assessed Value (TAV) by Tax Year

Taxpayer	Type of Business	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Flint Hills Resources LP	Petrochemical	1.84%	1.78%	5.20%	4.23%	4.38%	4.82%	4.69%	3.87%	3.63%	3.48%
Valero Refining Texas LP	Petrochemical	2.07%	2.05	4.65	4.02	4.23	4.61	4.33	3.87	3.15	4.30
Citgo Refining/Chemical Co LP	Petrochemical	1.83%	1.87	2.21	2.60	2.23	2.48	2.43	2.48	2.41	2.53
Corpus Christi Polymers LLC	Petrochemical	1.20%	1.24	0.93	0.94	0.93	1.84	1.95	0.00	0.00	0.00
Equistar Chemicals LP	Petrochemical	0.00%	0.00	1.23	1.38	1.51	1.55	1.75	1.94	2.11	0.82
Equistar Chemicals LP	Petrochemical	1.45%	1.41	0.00	0.52	0.52	0.00	0.00	0.66	0.72	0.00
Flint Hills Resources East LP	Petrochemical	0.00%	0.00	1.09	0.60	0.64	0.70	0.71	0.68	0.62	0.73
AEP Texas Central Company	Utility	1.06%	1.12	1.20	1.21	1.33	1.12	1.38	1.13	1.00	0.86
Valero Marketing & Supply	Petrochemical	0.45%	0.62	0.71	0.00	0.00	0.64	0.69	0.73	0.00	0.00
Epic Y-Grade Logistics LP	Petrochemical	0.00%	0.43	0.00	0.51	0.60	0.63	0.64	0.00	0.00	0.00
Nueces Bay WLE	Utility	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.79
Buckeye Texas Processing LLC	Petrochemical	0.64%	0.64	0.76	0.86	0.92	0.96	1.03	1.04	1.02	1.12
Buckeye Texas HUB LLC	Petrochemical	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.65	0.71	0.71
Barney M Davis LP	Utility	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.53	0.80
Flint Hills Res LLC-West Plant	Petrochemical	0.59%	0.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Corpus Christi Housing Authority	Public Housing	0.45%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals		11.58%	11.78%	17.98%	16.87%	17.29%	19.35%	19.60%	17.05%	15.90%	16.14%

Source: Local County Appraisal District as of valuation date

Note: Tax assessed value is the basis for following FY Maintenance Ad Valorem taxes

Del Mar College
Statistical Supplement 8
Property Tax Levies and Collections
(unaudited)
(in Thousands)

Fiscal Year Ended August 31	Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections - Year of Levy (c)	Percentage	Prior Collections of Prior Levies (d)	Current Collections of Prior Levies (e)	Total Collections (c+d+e)	% Cumulative Collections of Adjusted Levy
2025	\$ 102,317	\$ (1,630)	\$ 100,687	\$ 97,527	96.86%	\$ -	\$ 1,237	\$ 98,764	98.09%
2024	95,985	(7,526)	88,459	87,086	98.45	-	532	87,618	99.05
2023	91,193	(1,587)	89,606	85,677	95.62	-	2,973	88,650	98.93
2022	86,355	(781)	85,574	81,690	95.46	-	1,147	82,837	96.80
2021	85,042	(610)	84,432	79,363	94.00	-	810	80,173	94.96
2020	80,012	(791)	79,221	75,442	95.23	-	1,410	76,852	97.01
2019	74,310	(866)	73,444	71,737	97.68	-	950	72,687	98.97
2018	65,697	(381)	65,316	63,078	96.57	-	1,661	64,739	99.12
2017	60,296	(838)	59,458	57,956	97.47	-	1,082	59,038	99.29
2016	56,481	(1,617)	54,864	53,473	97.46	-	39	53,512	97.54

Source: Local Tax Assessor/Collector and District records

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

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

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

(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

Del Mar College
Statistical Supplement 9
Ratios of Outstanding Debt
Last Ten Fiscal Years Ending August 31

(in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Bonded Debt										
General obligation bonds	\$ 235,055	\$ 245,430	\$ 255,385	\$ 266,750	\$ 278,040	\$ 288,060	\$ 219,355	\$ 228,195	\$ 134,695	\$ 132,860
Premium	22,031	24,139	26,384	28,731	31,185	34,115	20,749	22,800	14,907	15,649
Net general bonded debt	\$ 257,086	\$ 269,569	\$ 281,769	\$ 295,481	\$ 309,225	\$ 322,175	\$ 240,104	\$ 250,995	\$ 149,602	\$ 148,509
Other Debt										
Revenue bonds	\$ 5,315	\$ 6,920	\$ 8,450	\$ 9,910	\$ 11,300	\$ 12,620	\$ 13,890	\$ 15,110	\$ 16,345	\$ 17,530
SBITA liability	4,626	563	1,445	1,423	-	-	-	-	-	-
Lease liability	655	139	212	126	179	-	-	-	-	-
Accrued compensable absences	8,339	7,974	7,934	7,878	7,750	7,181	7,181	6,634	6,268	5,716
Net Pension liability	24,313	28,361	24,717	10,453	22,030	20,572	21,955	12,191	14,013	12,297
Net OPEB liability	54,452	49,787	53,902	67,053	61,236	60,282	55,755	73,938	-	-
Total Outstanding Debt	\$ 354,786	\$ 363,313	\$ 378,429	\$ 392,324	\$ 411,720	\$ 422,830	\$ 338,885	\$ 358,868	\$ 186,228	\$ 184,052

General Bonded Debt Ratios

Per Capita	\$ 728.03	\$ 765.19	\$ 801.22	\$ 836.63	\$ 875.55	\$ 889.26	\$ 662.79	\$ 692.85	\$ 414.16	\$ 410.78
Per FTSE	39,382	43,889	46,993	48,495	47,398	44,310	33,947	35,336	20,522	21,374
As a percentage of Taxable Assessed Value	0.72%	0.72%	0.88%	1.03%	1.12%	1.20%	0.96%	1.05%	0.65%	0.69%

Total Outstanding Debt Ratios

Per Capita	\$ 1,004.70	\$ 1,031.29	\$ 1,076.08	\$ 1,110.84	\$ 1,165.76	\$ 1,167.09	\$ 935.46	\$ 990.62	\$ 515.55	\$ 509.09
Per FTSE	54,348	59,152	63,114	64,389	63,109	58,153	47,912	50,523	25,546	26,490
As a percentage of Taxable Assessed Value	0.99%	0.97%	1.19%	1.37%	1.49%	1.57%	1.36%	1.50%	0.81%	0.86%

Notes: Ratios calculated using population and TAV from current year. Debt per student calculated using full-time-equivalent enrollment
(a) 2024 information not yet available

Source: Annual Comprehensive Financial Report

Del Mar College
Statistical Supplement 10
Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)

For the Year Ended August 31 (in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Taxable Assessed Value	\$48,835,307	\$50,063,872	\$42,118,448	\$38,514,875	\$35,539,719	\$35,034,885	\$33,527,327	\$25,668,882	\$24,865,880	\$22,817,249
General Obligation Bonds										
Statutory Tax Levy Limit for Debt Service	244,177	250,319	210,592	192,574	177,699	175,174	167,637	128,344	124,329	114,086
Less: Funds Restricted for Repayment of General Obligation Bonds	(8,684)	(7,012)	(5,758)	(4,661)	(4,309)	(4,646)	(4,478)	(4,099)	(3,865)	(3,831)
Total Net General Obligation Debt	235,493	243,307	204,834	187,913	173,390	170,528	163,159	124,245	120,464	110,255
Current Year Debt Service Requirements	21,850	21,478	23,203	22,953	23,184	19,084	18,654	13,407	12,387	8,649
Excess of Statutory Limit for Debt Service over Current Requirements	\$ 213,643	\$ 221,829	\$ 181,631	\$ 164,960	\$ 150,206	\$ 151,444	\$ 144,505	\$ 110,838	\$ 108,077	\$ 101,606
Net Current Requirements as a % of Statutory Limit	5.39%	5.78%	8.28%	9.50%	10.62%	8.24%	8.46%	7.25%	6.85%	4.22%

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

Source: Annual Comprehensive Financial Report

Del Mar College
Statistical Supplement 11
Pledged Revenue Coverage
Last Ten Fiscal Years
(unaudited)

Revenue Bonds

Fiscal Year Ended August 31	Pledged Revenues (in Thousands)					Debt Service Requirements (in Thousands)			
	Tuition Fee	Building Use Fee	Matriculation Fee	Income Revenues	Total	Principal	Interest	Total	Coverage Ratio
2025	\$3,965	\$2,400	\$2,400	\$3,949	\$12,714	\$1,605	\$346	\$1,951	6.52
2024	3,594	2,236	2,236	2,605	10,671	1,530	422	1,952	5.47
2023	3,514	2,187	2,187	1,999	9,887	1,460	495	1,955	5.06
2022	3,423	2,219	2,219	355	8,216	1,390	565	1,955	4.20
2021	3,630	2,378	2,378	304	8,690	1,320	631	1,951	4.45
2020	3,884	2,650	2,650	1,353	10,537	1,270	682	1,952	5.40
2019	3,635	2,572	2,572	125	8,904	1,220	731	1,951	4.56
2018	3,511	2,581	2,581	872	9,545	1,235	780	2,015	4.74
2017	3,324	2,656	2,656	242	8,878	1,185	827	2,012	4.41
2016	3,210	2,537	2,537	232	8,516	2,100	963	3,063	2.78
2015	3,003	2,403	2,403	108	7,917	2,020	1,044	3,064	2.58
2014	2,939	2,413	2,413	64	7,829	1,930	1,121	3,051	2.57

Source: Annual Comprehensive Financial Report

Del Mar College
Statistical Supplement 12
Demographic and Economic Statistics - Taxing District (Nueces County)
Last Ten Fiscal Years
(unaudited)

Calendar Year	Nueces County Population (a)	Nueces County Personal Income (in Thousands) (b)	Nueces County Personal Income Per Capita (b)	Nueces County Unemployment Rate (c)
2024	353,125	\$ (d)	\$ (d)	4.2%
2023	352,289	20,021,681	56,833	4.2%
2022	351,674	19,595,351	55,720	4.7%
2021	353,230	19,130,597	54,159	6.8%
2020	353,376	17,236,592	48,777	9.0%
2019	353,277	16,534,093	46,802	4.1%
2018	354,090	15,559,707	43,943	4.6%
2017	354,233	15,266,635	43,098	5.4%
2016	355,628	14,489,464	40,743	5.6%
2015	355,459	15,277,211	42,979	4.9%

Sources:

(a) 2020 Population from U.S. Census Bureau 2020 Decennial Census

2015-2024 population estimates from U.S. Bureau of Economic Analysis as of March 2025

(b) Personal income from U.S. Bureau of Economic Analysis as of February 2025

(c) Unemployment rate from U.S. Department of Labor as of April 2025

(d) Not yet available

Note: With each new release of annual estimates, the entire time series of estimates is revised for all years back to the last census.

Del Mar College
Statistical Supplement 13
Principal Employers
(unaudited)

Employer	2024		2014	
	Number of Employees	Percentage of Total Employment ¹	Number of Employees	Percentage of Total Employment
CHRISTUS Spohn Health Systems	7,866	3.92%	5,144	2.63%
Corpus Christi ISD	5,795	2.89%	5,178	2.65%
Corpus Christi Naval Air Station	5,000	2.49%	2,822	1.44%
Corpus Christi Army Depot	3,100	1.54%	6,500	3.33%
City of Corpus Christi	3,062	1.52%	3,171	1.62%
Driscoll Children's Hospital	2,609	1.30%	1,800	0.92%
H.E.B.	2,019	1.00%	5,000	2.56%
Bay, Ltd.	1,700	0.85%	2,100	1.07%
Corpus Christi Medical Center	1,698	0.85%	1,300	0.67%
Del Mar College	1,430	0.71%	1,229	0.63%
Kiewit Offshore Service	999	0.50%	2,200	1.13%
Total	35,278	17.57%	36,444	18.65%
Corpus Christi MSA Total Annual Employment ²	200,770		195,391	

Source:

1. Corpus Christi Regional Economic Development Corporation as of July 2024
2. US Bureau of Labor Statistics - Corpus Christi MSA Annual Employment - November 2025

Del Mar College
Statistical Supplement 14
Faculty, Staff, and Administrators Statistics
Last Ten Fiscal Years
(unaudited)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instructional Faculty										
Full-Time (Credit)	302	297	304	309	302	310	314	316	311	298
Part-Time (Credit)	168	163	175	180	167	213	218	223	216	227
Total	470	460	479	489	469	523	532	539	527	525
Percent Full-Time (Credit)	64.3%	64.6%	63.5%	63.2%	64.4%	59.3%	59.0%	58.6%	59.0%	56.8%
Percent Part-Time (Credit)	35.7%	35.4%	36.5%	36.8%	35.6%	40.7%	41.0%	41.4%	41.0%	43.2%
Staff and Administrators										
Full-Time	474	456	453	433	428	411	374	381	367	348
Part-Time	329	281	314	277	312	353	359	417	445	408
Total	803	737	767	710	740	764	733	798	812	756
Percent Full-Time	59.0%	61.9%	59.1%	61.0%	57.8%	53.8%	51.0%	47.7%	45.2%	46.0%
Percent Part-Time	41.0%	38.1%	40.9%	39.0%	42.2%	46.2%	49.0%	52.3%	54.8%	54.0%
College Total										
Full-Time	776	753	757	742	730	721	688	697	678	646
Part-Time	497	444	489	457	479	566	577	640	661	635
Grand Total	1,273	1,197	1,246	1,199	1,209	1,287	1,265	1,337	1,339	1,281
Percent Full-Time	61.0%	62.9%	60.8%	61.9%	60.4%	56.0%	54.4%	52.1%	50.6%	50.4%
Percent Part-Time	39.0%	37.1%	39.2%	38.1%	39.6%	44.0%	45.6%	47.9%	49.4%	49.6%
Faculty FTE	488.72	465.39	501.59	516.07	484.97	508.82	498.72	513.19	502.06	454.07
Student FTE (Total SCH/12)	6,334.50	6,026.67	5,941.25	6,431.75	6,282.83	7,863.25	7,759.33	7,677.58	7,888.75	7,395.83
FTSE per Full-time Faculty	12.96	12.95	11.84	12.46	12.96	15.45	15.56	14.96	15.71	16.29
FTSE per Full-Time Staff Member	13.36	13.22	13.12	14.85	14.68	19.13	20.75	20.15	21.50	21.25
Average Annual Faculty Salary	\$79,406	\$74,960	\$75,566	\$74,215	\$72,119	\$72,214	\$71,020	\$69,237	\$68,279	\$64,487

Notes: Year 2025 is not yet available. FTSE: Full Time Student Equivalent.

Source: College Statistical Profiles.

Del Mar College
Statistical Supplement 15
Enrollment Details
Last Five Fiscal Years
(unaudited)

Student Classification	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	7,681	75%	6,969	72%	6,884	71%	7,156	69%	7,473	70%
31-60 hours	1,561	15%	1,888	19%	1,940	20%	2,256	22%	2,303	22%
> 60 hours	1,014	10%	863	9%	901	9%	983	9%	902	8%
Total	10,256	100%	9,720	100%	9,725	100%	10,395	100%	10,678	100%

Semester Hour Load	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1-3 semester hours	1,892	18%	1,789	18%	1,872	19%	1,931	19%	2,260	21%
4-6 semester hours	2,940	29%	2,908	30%	2,848	29%	3,070	29%	3,559	33%
7-9 Semester hours	2,999	29%	2,666	27%	2,836	29%	2,913	28%	2,448	23%
10-12 semester hours	1,641	16%	1,602	17%	1,488	15%	1,653	16%	1,610	15%
13-15 semester hours	670	7%	677	7%	613	6%	735	7%	700	7%
16 & over	114	1%	78	1%	68	1%	93	1%	101	1%
Total	10,256	100%	9,720	100%	9,725	100%	10,395	100%	10,678	100%

Average course load	7.3	7.3	7.2	7.0	7.0
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Tuition Status	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-District)	7,058	69%	6,655	68%	6,739	69%	7,570	73%	7,829	73%
Texas Resident (out-of-District)	2,619	25%	2,494	26%	2,376	25%	2,568	25%	2,569	24%
Non-Resident Tuition	579	6%	571	6%	610	6%	257	2%	280	3%
Total	10,256	100%	9,720	100%	9,725	100%	10,395	100%	10,678	100%

Notes: Year 2025 is not yet available

Source: College Statistical Profiles/CBM001 Report

Del Mar College
Statistical Supplement 16
Student Profile
Last Five Fiscal Years
(unaudited)

	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Gender										
Female	5,812	56.67%	5,611	57.73%	5,677	58.38%	6,113	58.81%	6,392	59.86%
Male	4,444	43.33%	4,109	42.27%	4,048	41.62%	4,282	41.19%	4,286	40.14%
Total	10,256	100%	9,720	100%	9,725	100%	10,395	100%	10,678	100%

	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Ethnic Origin										
Hispanic	7,330	71.47%	6,913	71.12%	6,904	70.99%	7,380	71.00%	7,497	70.21%
White, non-Hispanic	1,897	18.50%	1,835	18.88%	1,981	20.37%	2,247	21.62%	2,400	22.48%
Black, non-Hispanic	198	1.93%	192	1.97%	198	2.04%	225	2.16%	248	2.32%
Asian/Pacific Islander	232	2.26%	237	2.44%	224	2.30%	234	2.25%	238	2.23%
Indian/Alaskan Native	18	0.18%	25	0.26%	21	0.22%	19	0.18%	18	0.17%
Unknown	581	5.66%	518	5.33%	397	4.08%	290	2.79%	277	2.59%
Total	10,256	100%	9,720	100%	9,725	100%	10,395	100%	10,678	100%

	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Age										
Under 20	4,711	45.93%	4,302	44.26%	4,073	41.88%	3,987	38.35%	4,328	40.53%
20 - 24	2,699	26.32%	2,737	28.16%	2,789	28.68%	3,086	29.69%	3,094	28.98%
25 - 29	1,080	10.53%	1,021	10.50%	1,067	10.97%	1,253	12.05%	1,298	12.16%
30 - 34	628	6.12%	627	6.45%	683	7.02%	799	7.69%	751	7.03%
35 - 39	432	4.21%	390	4.01%	435	4.47%	512	4.92%	490	4.59%
40 - 44	300	2.93%	293	3.01%	303	3.12%	349	3.36%	340	3.18%
45 - 49	194	1.89%	156	1.61%	176	1.81%	192	1.85%	189	1.77%
50 & over	212	2.07%	194	2.00%	199	2.05%	217	2.09%	188	1.76%
Total	10,256	100%	9,720	100%	9,725	100%	10,395	100%	10,678	100%

Average Age	23.2	23.2	23.6	24.0	24.0
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Notes: Year 2025 is not yet available

Source: College Statistical Profiles/CBM001 Report

Del Mar College
Statistical Supplement 17
Transfers to Senior Institutions
Academic Year 2023-24 Students as of Fall 2024
(Includes only public senior colleges in Texas)
(unaudited)

Arbitral Universities:	Transfer Student Count Academic	Transfer Student Count Technical	Total of all Transfer Students	Percent of Total Transfer Students
1 Texas A&M University - Corpus Christi	508	58	566	44.1%
2 Texas A&M University - Kingsville	123	19	142	11.1%
3 Texas A&M University	126	5	131	10.2%
4 The University of Texas at San Antonio	82	5	87	6.8%
5 The University of Texas at Austin	81	2	83	6.5%
6 Texas State University	60	12	72	5.6%
7 Texas Tech University	31	4	35	2.7%
8 University of Houston	19	1	20	1.6%
9 The University of Texas - Rio Grande Valley	16	2	18	1.4%
10 The University of Texas at Arlington	9	8	17	1.3%
11 Sam Houston State University	12	2	14	1.1%
12 University of North Texas	10	0	10	0.8%
13 University of Houston - Victoria	2	6	8	0.6%
14 Tarleton State University	5	2	7	0.5%
15 Texas A&M University - San Antonio	5	2	7	0.5%
16 Texas A&M University System Health Science Center	7	0	7	0.5%
17 The University of Texas at Dallas	6	0	6	0.5%
18 The University of Texas at Tyler	5	1	6	0.5%
19 Texas A&M University at Galveston	5	0	5	0.4%
20 Texas Woman's University	3	1	4	0.3%
21 Angelo State University	2	1	3	0.2%
22 Stephen F. Austin State University	3	0	3	0.2%
23 Texas A&M International University	3	0	3	0.2%
24 Texas A&M University - Commerce	0	3	3	0.2%
25 The University of Texas Health Science Center at San Antonio	3	0	3	0.2%
26 Sul Ross State University	1	1	2	0.2%
27 Texas Southern University	2	0	2	0.2%
28 The University of Texas Health Science Center at Houston	2	0	2	0.2%
29 The University of Texas of the Permian Basin	1	1	2	0.2%
30 Texas Tech University Health Sciences Center	1	0	1	0.1%
31 University of Houston - Clear Lake	1	0	1	0.1%
32 Midwestern State University	0	0	0	0.0%
33 The University of Texas at El Paso	0	0	0	0.0%
34 The University of Texas Medical Branch at Galveston	0	0	0	0.0%
35 University of Houston - Downtown	0	0	0	0.0%
Others Universities	8	4	12	0.9%
	1,142	140	1,282	100%

Source: Texas Higher Education Coordinating Board Automated Student and Adult Learner Follow-Up System Students Pursuing Additional Education by Institution

Del Mar College
Statistical Supplement 18
Capital Asset Information
Fiscal Years 2016 to 2025
(unaudited)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Academic buildings	34	34	39	39	37	37	34	34	34	35
Square footage (in thousands)	1,166	1,166	1,270	1,270	1,129	1,129	921	897	897	914
Libraries	3	3	2	2	2	2	2	2	2	2
Square footage (in thousands)	134	134	114	114	114	114	114	114	114	114
Number of Volumes (in thousands)	132	132	187	187	187	187	187	187	187	187
Administrative and support buildings	10	10	9	7	7	7	7	7	7	7
Square footage (in thousands)	358	358	340	253	253	253	253	253	253	253
Athletic Facilities	3	3	3	3	3	3	3	3	3	3
Square footage (in thousands)	60	60	60	60	60	60	60	60	60	60
Aquatic Center	1	1	1	1	1	1	1	1	1	1
Gymnasiums	1	1	1	1	1	1	1	1	1	1
Tennis Court	1	1	1	1	1	1	1	1	1	1
Plant facilities	7	7	7	7	6	6	6	6	6	6
Square footage (in thousands)	78	78	78	78	70	70	70	70	70	70
Transportation										
Cars	20	20	20	19	20	22	22	7	4	9
Light Trucks/Vans	77	74	78	74	74	81	81	63	55	50
Buses	3	3	3	3	3	3	3	2	0	0

Source: Del Mar College Physical Facilities Building Report

Del Mar College
Statistical Supplement 19
Changes in Net Position
Fiscal Years 2016 to 2025
(unaudited)

For the Year Ended August 31

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Operating Revenues:										
Tuition and Fees (net of discounts)	\$ 10,194,798	\$ 10,272,564	\$ 10,784,043	\$ 9,619,277	\$ 11,890,143	\$ 12,540,731	\$ 12,574,086	\$ 12,528,094	\$ 12,755,431	\$ 11,975,986
Federal Grants and Contracts	3,695,990	2,577,486	4,800,930	15,711,535	2,180,811	2,182,843	2,103,407	3,181,036	3,268,403	4,650,416
State Grants and Contracts	3,976,493	2,350,741	2,694,143	1,855,831	2,646,861	2,128,904	2,399,247	2,341,669	3,717,804	4,334,183
Local Grants and Contracts	2,843,893	1,637,037	999,306	1,852,274	3,761,525	1,800,395	1,403,419	523,681	547,774	2,211,054
Auxiliary Enterprises (net of discounts)	1,118,985	1,058,306	1,076,226	1,239,174	491,537	1,078,975	1,675,087	1,390,301	1,248,486	1,323,238
General Operating Revenues	2,859,413	2,229,282	2,734,095	2,386,870	2,203,214	2,924,699	3,605,925	2,187,741	1,767,755	2,304,931
Total Operating Revenues	24,689,572	20,125,416	23,088,743	32,664,961	23,174,091	22,656,547	23,761,171	22,152,522	23,305,653	26,799,808
Operating Expenses:										
Instruction	55,948,109	51,816,207	49,526,937	47,368,438	47,091,274	48,349,080	46,483,218	46,536,019	43,908,899	39,580,321
Public Service	182,505	189,910	143,399	119,430	150,811	94,985	154,635	151,245	129,056	110,626
Academic Support	9,192,498	8,527,759	8,278,636	7,806,899	7,201,562	7,913,959	7,531,038	7,734,321	7,189,179	6,946,425
Student Services	22,559,709	18,572,905	18,582,537	27,285,414	19,210,872	17,319,456	15,348,900	15,662,326	16,486,986	18,039,997
Institutional Support	30,712,157	29,661,009	30,308,940	27,859,243	23,240,007	23,607,141	21,194,945	20,887,777	19,429,845	18,690,329
Operating and Maintenance of Plant	14,377,475	11,266,427	13,117,227	11,107,937	7,572,279	9,859,544	9,022,898	8,785,591	10,128,134	9,701,525
Scholarships and Fellowships	12,196,918	8,841,668	6,232,962	9,510,978	12,005,369	6,667,609	5,939,657	5,825,627	5,905,955	5,111,125
Auxiliary Enterprises	1,637,766	1,287,553	1,210,035	1,264,698	1,073,036	1,586,671	1,227,858	1,400,092	1,483,984	1,417,025
Depreciation	12,501,258	11,988,467	10,021,138	7,727,017	6,592,389	7,106,091	5,369,523	5,430,143	5,565,557	5,515,438
Total Operating Expenses	159,308,395	142,151,905	137,421,811	140,050,054	124,137,599	122,504,536	112,272,672	112,413,141	110,227,595	105,112,811
Operating Loss	\$ (134,618,823)	\$ (122,026,489)	\$ (114,333,068)	\$ (107,385,093)	\$ (100,963,508)	\$ (99,847,989)	\$ (88,511,501)	\$ (90,260,619)	\$ (86,921,942)	\$ (78,313,003)
Non-Operating Revenues (Expenses):										
State Appropriations	\$ 33,416,470	\$ 30,886,454	\$ 25,353,817	\$ 24,081,016	\$ 23,516,879	\$ 25,499,749	\$ 23,437,046	\$ 22,927,559	\$ 20,175,851	\$ 19,800,318
Maintenance Ad Valorem Taxes	78,637,508	68,541,016	65,971,659	60,515,606	57,023,250	58,318,766	54,449,297	51,688,633	47,179,178	46,704,072
Debt Service Ad Valorem Taxes	22,123,648	22,016,865	23,202,803	23,000,450	23,200,091	19,157,747	18,706,260	13,423,409	12,386,836	8,338,292
Federal Revenue, Non Operating	21,647,334	17,693,360	17,113,420	20,756,257	27,236,182	20,412,808	16,860,116	16,237,471	16,714,930	16,322,598
Loss on Disposal of Capital Assets	(29,969)	(5,959,981)	(4,314)	(203,695)	(94,275)	(71,492)	(26,208)	(800,597)	(302,112)	(80,308)
Investment Income	4,877,938	3,538,319	2,805,734	1,307,263	1,100,553	3,442,061	5,754,478	2,308,152	1,107,980	337,362
Change in Fair Value of Investments	(412,001)	3,200,432	2,107,474	(4,960,357)	(329,835)	-	-	-	-	-
Interest on Capital Related Debt	(8,758,523)	(9,189,901)	(9,569,618)	(9,873,962)	(10,464,504)	(9,945,074)	(8,951,490)	(5,284,975)	(5,075,351)	(4,090,597)
Other Non-Operating Revenues	270,141	1,527,951	4,334,489	2,464,571	2,331,401	26,697	37,368	28,316	11,704	21,428
Other Non-Operating Expenses	(6,109)	(336,156)	(1,191,543)	(8,049)	(86,158)	(6,999)	(7,299)	(1,024,243)	(299,981)	(6,000)
Net Non-Operating Revenues	151,766,437	131,918,359	130,123,921	117,079,100	123,433,584	116,834,263	110,259,568	99,503,725	91,899,035	87,347,165
Capital Contributions	10,610	1,891,320	48,985	285,000	829,997	60,434	5,000	689,500	65,500	59,513
Increase in Net Position	17,158,224	11,783,190	15,839,838	9,979,007	23,300,073	17,046,708	21,753,067	9,932,606	5,042,593	9,093,675
Net Position										
Net Position - Beginning of Year	154,188,029	142,404,839	126,565,001	116,585,994	93,285,921	76,239,213	54,486,146	130,861,035	125,660,831	116,567,156
Cumulative Effect of Change in Accounting Principle	-	-	-	-	-	-	-	(86,307,495)	-	-
Net Position-Beginning of Year-as restated	154,188,029	142,404,839	126,565,001	116,585,994	93,285,921	76,239,213	54,486,146	44,553,540	125,660,831	116,567,156
Net Position - End of Year	\$ 171,346,253	\$ 154,188,029	\$ 142,404,839	\$ 126,565,001	\$ 116,585,994	\$ 93,285,921	\$ 76,239,213	\$ 54,486,146	\$ 130,703,424	\$ 125,660,831

Source: Annual Comprehensive Financial Report

Del Mar College
Statistical Supplement 20
Ad Valorem Property Tax Rates Authorized
Last Ten Fiscal Years
(unaudited)

Calendar Year	Current Operations	Debt Service	Total
2024	0.5000	0.5000	1.0000
2023	0.5000	0.5000	1.0000
2022	0.5000	0.5000	1.0000
2021	0.5000	0.5000	1.0000
2020	0.5000	0.5000	1.0000
2019	0.5000	0.5000	1.0000
2018	0.5000	0.5000	1.0000
2017	0.5000	0.5000	1.0000
2016	0.5000	0.5000	1.0000
2015	0.5000	0.5000	1.0000

Source: Annual Comprehensive Financial Report

Del Mar College
Statistical Supplement 21
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years for Year End August 31
(unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Del Mar College District	0.262	0.237	0.266	0.283	0.288	0.280	0.281	0.282	0.259	0.246
Special Districts:										
Hospital District	0.089	0.085	0.099	0.111	0.111	0.112	0.117	0.121	0.126	0.127
Downtown Management District	0.400	0.400	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.370
Nueces County	0.262	0.237	0.288	0.306	0.307	0.307	0.309	0.304	0.304	0.304
Drainage District No. 2	0.325	0.328	0.341	0.339	0.339	0.354	0.348	0.337	0.332	0.333
Drainage District No. 3	0.146	0.146	0.146	0.146	0.146	0.146	0.193	0.193	0.193	0.193
South Texas Water Authority	0.066	0.070	0.078	0.082	0.086	0.086	0.087	0.087	0.085	0.083
Cities:										
Corpus Christi	0.600	0.600	0.620	0.646	0.646	0.646	0.626	0.606	0.606	0.606
School Districts:										
Calallen ISD	1.040	1.020	1.186	1.232	1.243	1.311	1.403	1.375	1.375	1.375
Corpus Christi ISD	0.958	0.969	1.211	1.240	1.256	1.270	1.305	1.237	1.237	1.237
Flour Bluff ISD	0.766	0.768	0.958	1.006	1.066	1.070	1.140	1.145	1.150	1.150
London ISD	1.167	1.169	1.355	1.200	1.317	1.347	1.303	1.349	1.357	1.357
Port Aransas ISD	0.739	0.743	0.929	0.934	0.994	1.054	1.118	1.118	1.118	1.118
Tuloso Midway ISD	0.949	0.925	1.156	1.180	1.175	1.213	1.372	1.372	1.408	1.409
West Oso ISD	1.117	0.977	1.241	1.271	1.300	1.408	1.450	1.450	1.450	1.450
Fire Districts:										
Fire District No. 1	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Fire District No. 2	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030
Fire District No. 3	0.100	0.100	0.100	0.100	0.093	0.100	0.100	0.100	0.100	0.030
Fire District No. 4	0.092	0.092	0.095	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Fire District No. 5	0.100	0.100	0.100	0.100	0.100	0.100	0.030	0.030	0.030	0.030
TOTAL:	9.308	9.096	10.599	10.706	10.997	11.334	11.712	11.636	11.660	11.648

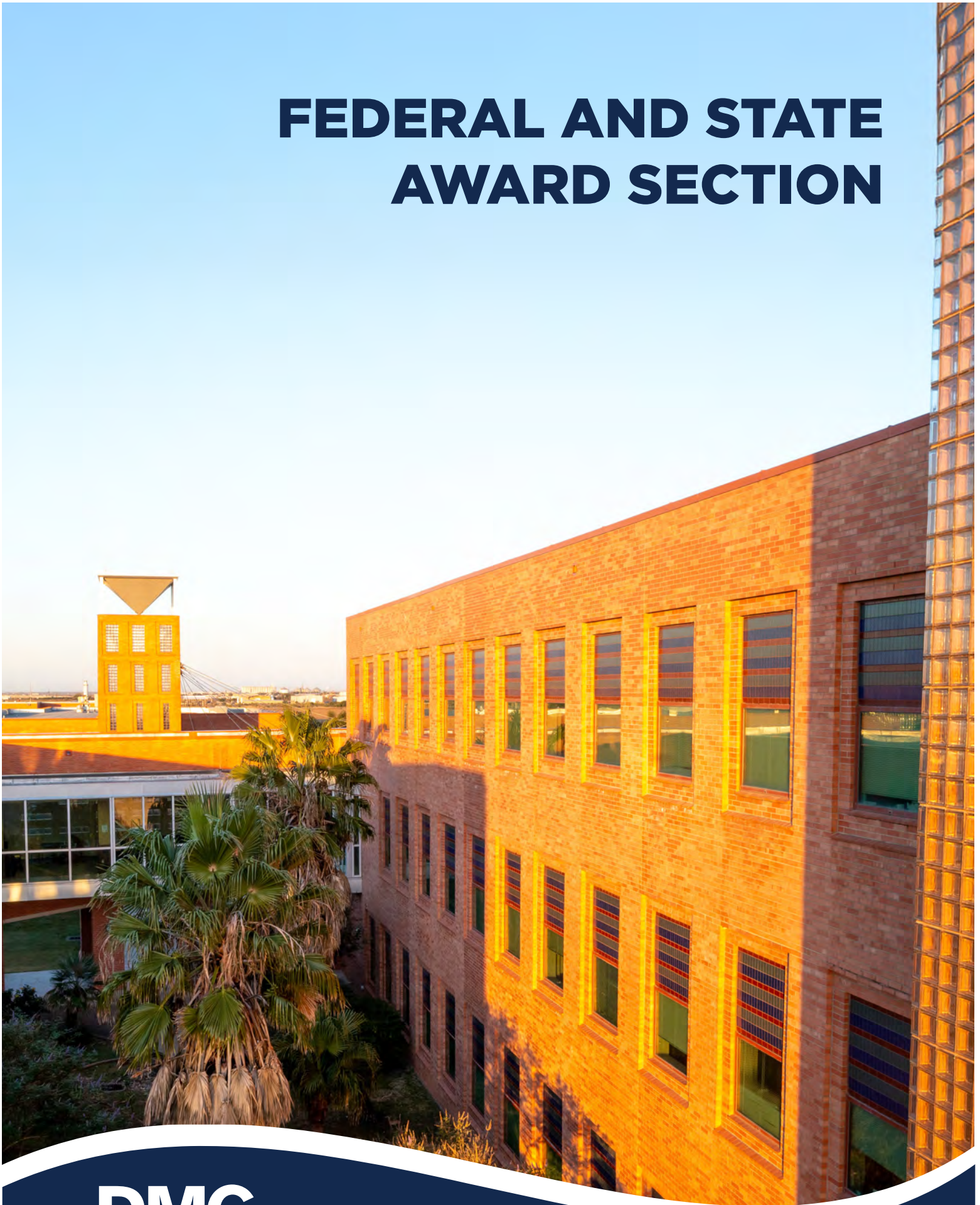
Source: Nueces County Tax Office

Del Mar College
Statistical Supplement 22
Computation of Direct and Overlapping Debt
August 31, 2025
(unaudited)

Bonded Debt of Individual Governmental Subdivisions:	Estimated Gross Debt	Percent Applicable	Applicable to Direct
Special Districts:			
Nueces County	\$ 143,005,000	81.40%	\$ 116,406,070
City:			
Corpus Christi	489,703,133	99.87%	489,066,519
School Districts:			
Calallen ISD	119,490,000	100.00%	119,490,000
Corpus Christi ISD	900,480,000	100.00%	900,480,000
Flour Bluff ISD	231,520,000	100.00%	231,520,000
London ISD	87,394,973	51.81%	45,279,336
Port Aransas ISD	33,190,000	9.75%	3,236,025
Tuloso-Midway ISD	155,905,000	100.00%	155,905,000
West Oso ISD	21,765,000	92.94%	20,228,391
Sub-total direct and overlapping debt	2,182,453,106		2,081,611,341
Del Mar College District	235,055,000	100.00%	235,055,000
Total direct and overlapping debt	\$ 2,417,508,106	95.83%	\$ 2,316,666,341

Source: Debt outstanding data provided by each entity

FEDERAL AND STATE AWARD SECTION





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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

December 9, 2025

Board of Regents
Del Mar College District
Corpus Christi, Texas

We have audited, 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, the financial statements of the Del Mar College District (the College) and its discretely presented component unit, as of and for the years ended August 31, 2025 and 2024 and June 30, 2025 and 2024, respectively, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 9, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free of 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 College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Adamson & Company, LLC



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**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

December 9, 2025

Board of Regents
Del Mar College District
Corpus Christi, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Del Mar College District’s (the College’s) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the College’s major federal programs for the year ended August 31, 2025. The College’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of federal findings and questioned costs.

In our opinion, the College 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 programs for the year ended August 31, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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 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 program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Adamson & Company, LLC

DEL MAR COLLEGE DISTRICT
SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2025

Section I:
Summary of Auditor's Results

Financial Statements:

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

Federal Awards:

• Material weakness identified?	No
• Significant deficiencies reported that are not considered to be material weaknesses?	None reported
Type of auditor's report on compliance for major federal programs:	Unmodified
Any audit findings required to be reported in accordance with the Uniform Guidance?	No

The programs tested as major programs include:

U.S. Department of Education:

Financial Aid Cluster:

84.007	Federal Supplemental Educational Opportunity Grants (FSEOG)
84.033	Federal College Work Study Program
84.063	Federal Pell Grant Program
84.268	Federal Direct Loan Program

Title V Cluster:

84.031S	Conectamos, Continuamos, Completamos DMC3
84.031S	Project SENDA

U.S. Department of Defense

12.002	Procurement Technical Assistance of Business Firms
--------	--

Dollar threshold used to distinguish between Type A
and Type B programs:

\$838,700

Auditee qualified as low-risk auditee:

Yes

Section II:
Findings - Financial Statement Audit

None reported

Section III:
Findings and Questioned Costs – Major Federal Award Programs

None Reported

Section IV:
Prior Year Findings

None Reported



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DEL MAR COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2025

Federal Grantor/Cluster/Program Title/Pass-Through Grantor	Assistance Listing Number	Direct Awards	Pass-Through Awards	Expenditures Total	Subrecipients Expenditures
Pass-Through Grantor's Award Number					
U.S. DEPARTMENT OF EDUCATION					
Direct Programs:					
Student Financial Assistance Cluster					
SEOG	84.007	\$ 247,361	\$ -	\$ 247,361	\$ -
Federal College Workstudy Program	84.033	233,412	-	233,412	-
Federal Pell Grant	84.063	19,725,223	-	19,725,223	-
Direct Student Loans	84.268	2,613,348	-	2,613,348	-
Total Student Financial Assistance Cluster		22,819,344	-	22,819,344	-
Title V Cluster					
Conectamos, Continuamos, Completamos DMC3	84.031S	369,824	-	369,824	-
Project SENDA	84.031S	564,270	-	564,270	-
Total Title V Cluster		934,094	-	934,094	-
TRIO Cluster					
Student Support Services	84.042A	261,113	-	261,113	-
Educational Opportunities Center	84.066A	246,130	-	246,130	-
Total TRIO Cluster		507,243	-	507,243	-
Pass-Through From:					
Texas Higher Education Coordinating Board:					
Carl Perkins Vocational Education-Basic - 19204	84.048	-	649,095	649,095	-
Carl Perkins Equitable Access & Opportunity	84.048	-	207,173	207,173	-
Carl Perkins State Leadership Grant	84.048	-	31,648	31,648	-
Texas Workforce Commission:					
Adult Education and Literacy Service Provider Grant 231	84.002	-	576,896	576,896	-
Adult Education and Literacy Service Provider Grant 243	84.002	-	395,612	395,612	-
		-	1,860,424	1,860,424	-
Total of U.S. Department of Education		24,260,681	1,860,424	26,121,105	-
U.S. DEPARTMENT OF AGRICULTURE					
Pass-Through From:					
Texas State Department of Agriculture:					
Child & Adult Care Food Program - 02190	10.558	-	20,615	20,615	-
Total U.S. Department of Agriculture		-	20,615	20,615	-
U.S. DEPARTMENT OF DEFENSE					
Direct Program:					
Procurement Technical Assistance of Business Firms - W56KGU-24-2-0034	12.002	386,025	-	386,025	-
Procurement Technical Assistance of Business Firms - W56KGU-25-2-0010					
& W56KGU-25-2-0051	12.002	159,427	-	159,427	-
Total U.S. Department of Defense		545,452	-	545,452	-

DEL MAR COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended August 31, 2025

Federal Grantor/Cluster/Program Title/Pass-Through Grantor	Assistance Listing Number	Direct Awards	Pass-Through Awards	Expenditures Total	Subrecipients Expenditures
U.S. DEPARTMENT OF LABOR					
Direct Program:					
Occupational Safety and Health Susan Harwood Training Grant 24F60SH000160-01-00	17.502	8,445	-	8,445	-
Pass-Through From:					
Texas Workforce Commission:					
WIOA Cluster					
Building Construction Trades 2023 2223WOS003	17.258	-	16,599	16,599	-
Building Construction Trades 2024 2224WOS002	17.258	-	189,695	189,695	-
WIOA Dislocated Worker Formula Grant	17.278	-	50,214	50,214	-
Total WIOA Cluster (ALN 17.258 & 17.278)		-	256,508	264,953	-
Apprenticeship USA Grants 2224ATP001	17.285	-	28,278	28,278	-
Total U.S. Department of Labor		8,445	284,786	293,231	-
NATIONAL SCIENCE FOUNDATION					
Direct Programs:					
Education and Human Resources Cluster					
STELLAR-Technical Workforce in South Texas	47.076	124,245	-	124,245	-
Robert Noyce Teacher Scholarship Program	47.076	991	-	991	-
Total Education and Human Resources		125,236	-	125,236	-
Pass-Through From:					
The Board of Regents of the University of Oklahoma	47.050	-	111,498	111,498	-
AI Institute: Artificial Intelligence for Envir. Sci. - NSF 20-503					
Texas A&M University-Corpus Christi - 2307996	47.074; 47.075	-	21,386	21,386	-
DISES: Through the Prism of Groundwater Pollution					
Total National Science Foundation		125,236	132,884	258,120	-
NATIONAL AERONAUTICS & SPACE ADMINISTRATION					
Pass-Through From:					
Texas A&M Kingsville - 80NSSC21M0304	43.008	-	5,366	5,366	-
Total National Aeronautics & Space Administration (NASA)		-	5,366	5,366	-
U.S. SMALL BUSINESS ADMINISTRATION					
Pass-Through From:					
University of Texas at San Antonio					
Small Business Development Center - 13-603001	59.006	-	306,634	306,634	-
Small Business Administration - 25-603001-Z-0049-38-DMC	59.037	-	12,594	12,594	-
Total Small Business Administration		-	319,228	319,228	-
U.S.DEPARTMENT OF COMMERCE					
Direct Programs:					
Aransas County Workforce Development and Entrepreneur Center	11.307	279,170	-	279,170	-
RAMPS Cybersecurity Education and Workforce Development	11.620	84,637	-	84,637	-
Total U.S. Deptment of Commerce		363,807	-	363,807	-
U.S.DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Pass-Through From:					
Texas Workforce Commission:					
Temporary Assistance for Needy Families - 2924ALA0111	93.558	-	9,072	9,072	-
Temporary Assistance for Needy Families-Code Camp - 2225TAN003	93.558	-	20,676	20,676	-
Total U.S. Department of Health and Human Services		-	29,748	29,748	-
Total Federal Financial Assistance		\$25,303,621	\$2,653,051	\$27,956,672	-

Del Mar College
Schedule of Expenditures of Federal Awards
For the Year Ended August 31, 2025

Note 1: Federal Assistance Reconciliation

Other Operating Revenue - Federal Grants and Contracts revenue - per Schedule A	\$ 3,695,990
Add: Non-Operating Revenues - Federal Revenue, non-operating - per Schedule C	<u>21,647,334</u>
Total Federal Revenues per Schedule A and C	<u>\$ 25,343,324</u>

Reconciling Item:

Add: Direct Student Loans	2,613,348
Total Federal Expenditures per Schedule of Expenditures and Federal Awards	<u>\$ 27,956,672</u>

Note 2: Significant Accounting Policies used in Preparing the Schedule

The expenditures included in the schedule are reported for the College's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended by the College for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The College has followed all applicable guidelines issued by various entities in preparation of the schedule. Since the College has an agency-approved indirect recovery rate, it has elected not to use the 15% de minimum cost rate as permitted in the UG, section 200.414.

Note 3: Expenditures not Subject to Federal Single Audit

None

Note 4: Student Loans Processed and Administrative Costs Recovered

None

Note 5: Nonmonetary Federal Assistance

None

Note 6: Amounts Passed Through by the College

None



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

December 9, 2025

Board of Regents
Del Mar College District
Corpus Christi, Texas

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Del Mar College District's (the College's) compliance with the types of compliance requirements identified as subject to audit in the *State of Texas Single Audit Circular* that could have a direct and material effect on each of the College's major state programs for the year ended August 31, 2025. The College's major state programs are identified in the summary of auditor's results section of the accompanying schedule of state findings and questioned costs.

In our opinion, the College 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 state programs for the year ended August 31, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States; and the audit requirements of the *State of Texas Single Audit Circular* (the Circular) issued by the Governor's Office of Budget and Planning. Our Responsibilities under those standards and the Circular are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 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 state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Adamson & Company, LLC

DEL MAR COLLEGE DISTRICT
SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2025

Section I:
Summary of Auditor's Results

Financial Statements:

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

State Awards:

• Material weakness identified?	No
• Significant deficiencies reported that are not considered to be material weaknesses?	None reported
Type of auditor's report on compliance for major state programs:	Unmodified
Any audit findings required to be reported in accordance with Section 510(a) of the State of Texas Single Audit Circular?	No
The programs tested as major programs include:	
Texas Higher Education Coordinating Board: Texas Educational Opportunity Grant Program	
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee:	Yes

Section II:
Findings - Financial Statement Audit

None reported

Section III:
Findings and Questioned Costs – Major State Award Programs

None Reported

Section IV:
Prior Year Findings

None reported



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DEL MAR COLLEGE
SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended August 31, 2025

Grantor Agency/Program Title	Grant Contract Number	Expenditures
OFFICE OF THE GOVERNOR-PUBLIC SAFETY OFFICE		
Coastal Bend Council of Governors	1465918	\$ 65,016
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS		
State Energy Conservation Office	CM24091	192,725
TEXAS HIGHER EDUCATION COORDINATING BOARD		
Nursing Shortage Regular		5,404
Nursing Shortage Over 70		121,452
Opportunity High School Diploma	01782	12,444
Texas Educational Opportunity Grant Program		2,464,185
Texas College Work Study		23,157
Texas Reskilling and Upskilling through Education 2023	00284	50,739
Texas Reskilling and Upskilling through Education 2024	01486	106,060
Total Texas Higher Education Coordinating Board		<u>2,783,441</u>
TEXAS WORKFORCE COMMISSION		
TWC-JET	2224JET002	330,351
TWC-SDF Contingency	2224SDF001	57,373
Total Skills Development		<u>387,724</u>
Apprenticeship Training Program	2224ATP001	300,888
Pre-Apprenticeship Career Pathways 2025	2225PAP001	40,317
Pre-Apprenticeship Career Pathways 2024	2224PAP001	27,514
Total Workforce Commission		<u>756,443</u>
UNIVERSITY OF TEXAS AT SAN ANTONIO		
Small Business Development	13-603001-Z-0049-37-DMC	65,000
SBDC Rural	13-603001-Z-0049-37-DMC	99,000
Total University of Texas at San Antonio		<u>164,000</u>
U.S. DEPARTMENT OF EDUCATION		
Pass-Through From:		
Texas Workforce Commission		
Adult Education Basic Grant to State	2924ALA011	14,868
Total U.S. Department of Education		<u>14,868</u>
Total State Financial Assistance		<u><u>\$3,976,493</u></u>

DEL MAR COLLEGE
SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended August 31, 2024

Note 1: State Assistance Reconciliation

State Revenues-per Schedule A	
State Financial Assistance	
Per Schedule of expenditures of state awards	\$ 3,976,493
Total State Revenues per Schedule A	<u><u>\$ 3,976,493</u></u>

Note 2: Significant Accounting Policies Used in Preparing the Schedule

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



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Del Mar College is an Equal Opportunity
Employer and Educational Institution.



DEL MAR COLLEGE

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