

**Laredo Community College District**

**Audited Financial Statements and  
Single Audit Reports**

**Year Ended August 31, 2010**

**Laredo Community College District**  
**August 31, 2010**

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## **INTRODUCTORY SECTION**

# LAREDO COMMUNITY COLLEGE DISTRICT

## ORGANIZATIONAL DATA

For the Fiscal Year 2010

### Board of Trustees

#### Officers

Pete Saenz, Jr.  
Cynthia Mares  
Leonides G. Cigarroa, Jr., M.D.

President  
Vice President  
Secretary

#### Term Expires

Carlos Carranco, Jr.	Laredo, Texas	November 2014
Hilario Cavazos, III	Laredo, Texas	November 2014
Rene De La Viña	Laredo, Texas	November 2012
Mercurio Martinez, Jr.	Laredo, Texas	November 2016
Jesse A. Porras	Laredo, Texas	November 2014
Edward C. Sherwood	Laredo, Texas	November 2012

### Principal Administrative Officers

Juan L. Maldonado, Ph.D.	President
Dianna Miller, Ed.D.	Interim Vice President for Instruction
Vincent R. Solis, Ed.D.	Vice President for Student Services
Federico Solis, Jr.	Institutional Effectiveness Officer
Eleazar Gonzalez	Chief Administrative & Financial Officer
Nora R. Garza, Ph.D.	Vice President for Resource Development
Blas Castañeda	Chief External Affairs/Economic Development Officer

**President**  
Dr. Juan L. Maldonado



## **FINANCIAL SECTION**

Aaron Canales, CPA  
Juan José Garza, CPA  
J. Clayton Baum, CPA



## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Trustees  
Laredo Community College District  
Laredo, Texas

We have audited the accompanying basic financial statements of the Laredo Community College District (the "District"), as of and for the year ended August 31, 2010, as listed in the table of contents. These basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the District as of August 31, 2010, and the changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2010, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis section is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by the U.S. OMB Circular A-133, *Audits*



*of States, Local Governments, and Non-Profit Organizations, and the State of Texas Single Audit Circular, and are not a required part of the basic financial statements of the District. In addition, the schedules of expenditures of federal and state awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, the statistical tables, and the sections labeled unaudited have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.*

*Canales, Garza & Baum, PLLC*

Laredo, Texas  
December 8, 2010

**Laredo Community College District  
Laredo, Texas**

**Management Discussion and Analysis  
Year Ending August 31, 2010**

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

This section of Laredo Community College's Annual Financial Report presents Management's Discussion and Analysis of the College's financial position and activities for the year ended August 31, 2010, and comparative information for the year ended August 31, 2009. Since the emphasis of discussion about these statements will be 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.

The financial statements of this annual report consist of three parts – Management's Discussion and Analysis, the Basic Financial Statements, and Required Supplementary Information. The financial statements, consisting of the Statement of Net Assets; the Statements of Revenues, Expenses, and Changes in Net Assets; and the Statements of Cash Flows are prepared in accordance with the Governmental Accounting Standards Board Statements No. 34 (GASB 34), *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*; and No. 35 (GASB 35), *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*.

These three statements will assist the reader in determining whether the College, as a whole, is performing financially better this year as compared to last 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.

This discussion and analysis of the College's financial statements provides an overview of its financial activities for the year.

***Financial Highlights***

- The College's total combined net assets were \$36,410,728 at August 31, 2010. Of this amount, \$14,794,760 may be used to meet the College's ongoing obligations.
- During the fiscal year, the College's combined net assets increased by \$2,514,138 or 7.42%.
- During fiscal year 2010, the balance of cash and cash equivalents and short-term and other investments increased by \$33,949,682 or 124.35%.
- Capital assets, net of accumulated depreciation, at August 31, 2010, had an increase of \$4,017,645 from August 31, 2009, due mainly to an increase of \$5,876,445 in construction in progress.

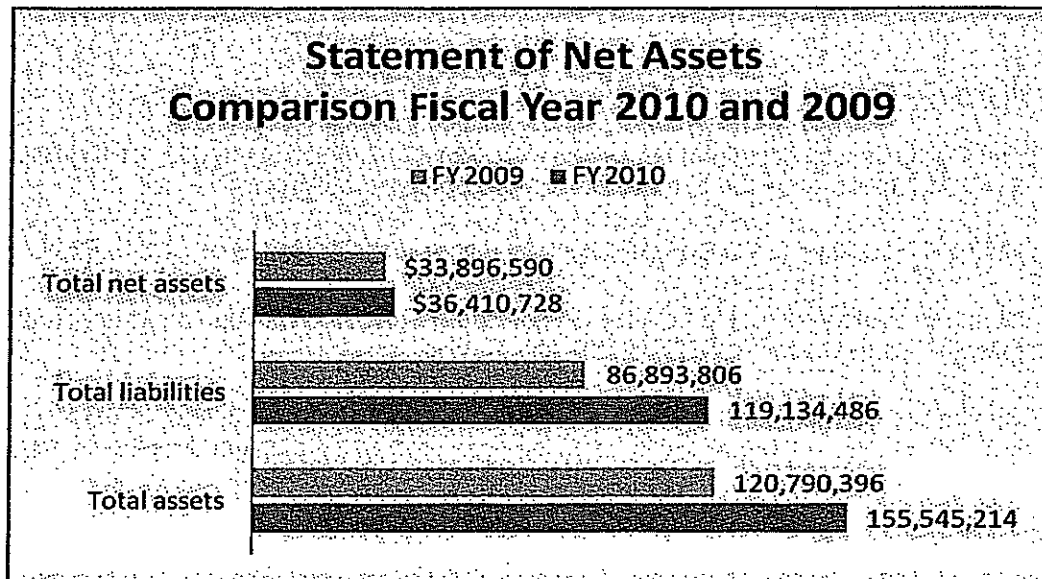
***Statement of Net Assets***

The statement of net assets presents the assets, liabilities and net assets of the College as of the end of the fiscal year. The purpose of the statement of net assets is to present to the readers of the financial statements a fiscal snapshot of Laredo Community College.

From the data presented, readers of the statement of net assets are able to determine the assets that are available to continue the operations of the College. They are also able to determine how much the College owes vendors, investors and lending institutions. Finally, the statement of net assets provides a picture of the net assets (assets minus liabilities) of the institution as of August 31, 2010 and August 31, 2009.

Condensed financial information from the Statements of Net Assets is as follows:

	FY 2010	FY 2009	Amount Change	Percent Change
<b>Assets:</b>				
Current assets	\$ 72,989,602	\$ 37,981,534	\$ 35,008,068	92%
Capital assets	82,555,612	78,537,967	4,017,645	5%
Other non-current assets	-	4,270,895	(4,270,895)	-100%
<b>Total assets</b>	<b>155,545,214</b>	<b>120,790,396</b>	<b>34,754,818</b>	<b>29%</b>
<b>Liabilities:</b>				
Current liabilities	16,998,877	15,079,291	1,919,586	13%
Non-current liabilities	102,135,609	71,814,515	30,321,094	42%
<b>Total liabilities</b>	<b>119,134,486</b>	<b>86,893,806</b>	<b>32,240,680</b>	<b>37%</b>
<b>Investment in net assets, net of related debt</b>	<b>9,985,526</b>	<b>4,039,427</b>	<b>5,946,099</b>	<b>147%</b>
Restricted net assets	11,630,442	13,212,441	(1,581,999)	-12%
Unrestricted net assets	14,794,760	16,644,722	(1,849,962)	-11%
<b>Total net assets</b>	<b>\$ 36,410,728</b>	<b>\$ 33,896,590</b>	<b>\$ 2,514,138</b>	<b>7%</b>



The total assets of the College had an increase of 29%, which translates to \$34,754,818. Within the assets section, current assets increased by 92% - equal to \$35,008,068. This increase is due to an increase in cash and cash equivalents of \$6,543,688 and short term investments of \$27,405,994 which increased compared to the prior year. The increase in cash and short term investments is primarily attributed to bond proceeds that were received in Fiscal Year 2010 from the issuance of revenue bonds and maintenance tax notes. Also increasing in this section were tuition and fees receivable, which increased by \$1,181,145 and property taxes receivable which increased by \$353,442 compared to the prior year.

Also within this section, capital assets, net of accumulated depreciation, increased by \$4,017,645. The increase was primarily due to an increase in construction in progress of \$5,876,445 during fiscal year 2010. The increase in construction in progress was attributed to construction projects for Phase I of the Facilities Master Plan at August 31, 2010.

On the liability side, the total liabilities of the College increased by \$32,240,680. Within this net change, current liabilities increased by \$1,919,586, or 13%, due primarily to an increase of \$1,731,879 in deferred revenues for Fall 2011 tuition and fees that were unearned at year end:

Account	Amount of change	Effect on category
Accounts payable	\$1,064,202	Decrease
Compensated absences	\$106,562	Increase
Bonds payable – current portion	\$307,790	Increase
Capital leases payable – current portion	\$187,714	Increase
Retainage payable	\$178,359	Increase

Non-current liabilities increased by \$30,321,094, or 42.22%. The primary change that contributed toward this increase was an increase to bonds payable – noncurrent of \$30,170,598 due to the issuance of revenues bonds and maintenance tax notes during fiscal year 2010.

### **Statement of Revenues, Expenses and Changes in Net Assets**

The purpose of the statement of revenues, expenses and changes in net assets is to present the operating and non-operating revenues received by the College, and operating and non-operating expenses incurred by the College, as well as any other revenues or expenses received or spent by the College.

Generally, operating revenues and expenses are transactions that occur in carrying out the mission of the College. Operating revenues are received in exchange for services while operating expenses are incurred to provide these services. Non-operating revenues are revenues for which goods and services are not provided. Non-operating expenses are incurred in activities that are outside of the College's mission. State appropriations, Title IV funds and ad valorem tax revenues are reported as non-operating in compliance with GASB.

Statements of Revenues, Expenses and Changes in Net Assets

	Current Year	Prior Year	Amount Change	Percent Change
Operating revenues				
Tuition & fees, net of discounts	\$ 7,258,100	\$ 6,968,193	\$ 289,907	4%
Federal grants and contracts	4,458,474	4,201,478	256,996	6%
State grants and contracts	2,510,759	2,845,714	(334,955)	-12%
Non-government grants and contracts	325,511	646,167	(320,656)	-50%
Program restricted investment income	110,609	203,930	(93,321)	-46%
Auxiliary enterprise revenue, net of discounts	780,881	719,814	61,067	8%
Other operating revenues	1,554,994	1,226,271	328,723	27%
Total operating revenues	16,999,328	16,811,567	187,761	1%
Operating expenses				
Instruction	23,458,947	22,111,261	1,347,686	6%
Public service	602,108	540,355	61,753	11%
Academic support	6,402,122	6,391,862	10,260	0%
Student services	7,016,919	6,771,758	245,161	4%
Institutional support	10,759,307	8,960,865	1,798,442	20%
Operation and maintenance of plant	6,764,251	6,119,791	644,460	11%
Scholarships and fellowships	16,634,026	11,762,189	4,871,837	41%
Auxiliary enterprises	527,041	496,904	30,137	6%
Depreciation	2,856,717	3,021,225	(164,508)	-5%
Total operating expenses	75,021,438	66,176,210	8,845,228	13%
Operating loss	(58,022,110)	(49,364,643)	(8,657,467)	18%
Non-operating revenues (expenses)				
State appropriations	17,054,956	17,873,004	(818,048)	-5%
Professional nursing shortage reduction	35,221	39,725	(4,504)	-11%
Maintenance and ad valorem taxes	25,138,309	23,835,144	1,303,165	5%
Federal Revenue, Non-Operating	21,770,168	14,959,530	6,810,638	46%
Investment income	659,749	1,036,805	(377,056)	-36%
Interest on capital related debt	(3,886,424)	(3,619,862)	(266,562)	7%
Other non operating expense	(332,728)	-	(332,728)	0%
Additions to permanent endowments	50,100	360,000	(309,900)	-86%
Capital gifts	46,897	83,099	(36,202)	-44%
Net non-operating revenues (expenses)	60,536,248	54,567,445	5,968,803	11%
Income before cumulative effect of a change in accounting principle	2,514,138	5,202,802		
Cumulative effect of a change in accounting principle			-	0%
Increase in net assets	2,514,138	5,202,802		
Net assets at beginning of year	33,896,590	28,693,788		
Restatement (prior period adjustment)	-	-		
Restated net assets at beginning of year	33,896,590	28,693,788		
Net assets at end of year	\$ 36,410,728	\$ 33,896,590	2,514,138	7%

The statement of revenues, expenses and changes in net assets reflects an increase to net assets of \$2,514,138 for fiscal year 2010, compared to an increase of \$5,202,802 for fiscal year 2009.

As is normal, operations yielded a loss for the year of \$58,022,110. This is commonly referred to as the burden on taxpayers. The operating loss does not include state appropriations, Title IV funds, or ad valorem taxes, which are reported as non-operating revenues as required by GASB 35.

The operating loss increased by \$8,657,467 or 18%, from \$49,364,643 in fiscal year 2009, to \$58,022,110 in fiscal year 2010. Operating revenues increased by \$187,761, and total operating expenses increased by \$8,845,228.

Total operating revenues increased by \$187,761, which primarily consisted of an increase of \$289,907 in tuition and fees, \$256,996 in federal grants and \$328,723 in general operating revenues. In addition, the College experience decreases in state grant revenues of \$334,955, local grants of \$320,656 and investment income of \$93,321.

The changes to operating revenues are presented in the following table:

Revenue source	Amount of change from prior year
State grants and contracts	(334,955)
Nongovernment grants and contracts	(320,656)
Federal grants and contracts	256,996
Other operating revenues	328,723
Tuition and fees	289,907
Auxiliary enterprises	61,067
Investment income	(93,321)
Net change	\$187,761

Overall operating expenses increased by 13.37%, or \$8,845,228 for the year. The increase in operating expenses was the result of budgeted level expenditures associated with enrollment growth.

The changes to operating expenses are presented in the following table:

Functional category	Amount of change from prior year
Instruction	1,347,686
Public service	61,753
Academic support	10,260
Student services	245,161
Institutional support	1,798,441
Operation and maintenance of plant	644,461
Scholarships and fellowships	4,871,837
Auxiliary enterprises	30,137
Depreciation	(164,508)
Net change	\$8,845,228

Net non-operating revenues (expenses) increased over last year by 10.94%, or \$5,968,803. The increase in revenues was due primarily to increases in ad valorem taxes and Federal Revenue, Non-Operating in the amount of \$1,303,165 and \$6,810,638, respectively.

### **Statement of Cash Flows**

The final statement in our presentation is the statement of cash flows. It presents detailed information about the cash activity of the College during the year. The statement is divided into five sections. The first section reports the operating cash flows used by the College in its operating activities. For the year, the primary sources of operating cash inflows are tuition and fees and grant revenues. Conversely, the primary operating cash outflow was payments of salaries and fringe benefits. Net cash outflows for the year are \$55,136,628.

The second section reports cash flows from noncapital financing activities. This section includes cash received and spent for non-operating, non-investing, and non-capital financing purposes. The College experienced a net cash inflow for the year of \$58,779,882. The primary sources of cash were receipts from state appropriations, receipts from non-operating federal revenue and ad valorem (property) taxes levied for the maintenance and operation of plant, which generated an inflow of \$17,054,956 \$21,770,168 and \$19,858,651 respectively.

The third section reflects the cash flows from financing activities. This section deals with the cash used for the acquisition and construction of capital assets. Net cash inflows for the year were \$25,375,784. The primary uses of the cash were outflows for payments on acquisition of capital assets in the amount of \$5,569,341 and payments on capital debt, leases, principal, interest and fees of \$17,397,987. The primary cash inflows were ad-valorem taxes of \$4,926,215 and receipts from the issuance of capital debt of \$43,370,000.

The fourth section reports cash flows from investing activities. It reports cash used for investment purposes and the proceeds and interest received from investing activities. For the year, the College experienced a net cash outflow of \$22,475,350. The primary uses of the cash were outflows for the purchase of investments in the amount of \$27,405,994. The primary cash inflows were receipts from sales and maturities of investments of \$4,270,895 and receipts from interest on investments of \$659,749.

The fifth section reconciles the net cash used by operating activities to the operating income or loss reflected on the statement of revenues, expenses and changes in net assets.

#### **Statement of cash flows highlights:**

	Current Year	Prior Year
Cash provided (used) by:		
Operating activities	\$ (55,136,628)	\$ (46,046,863)
Non-capital financing activities	58,779,882	52,950,117
Financing activities	25,375,784	(5,379,913)
Investing activities	(22,475,350)	1,036,806
Net increase (decrease) in cash	6,543,688	2,560,147
Cash beginning balance	27,301,091	24,740,944
Cash ending balance	\$ 33,844,779	\$ 27,301,091

### **Capital Assets and Long-Term Debt**

During the year, \$7,424,263 of new assets was capitalized. The components of this increase are as follows:

- \$5,876,445 of construction in progress related to the Facilities Master Plan phase I projects and South Campus Recreation Complex.
- \$93,988 of new library books was capitalized
- \$356,534 of new equipment was capitalized. Only equipment with a value of \$5,000 or more is capitalized.
- \$760,474 for a capital lease of computer equipment.
- \$336,822 for deferred maintenance projects that were completed at the close of the year.

Long-term debt increased by \$30,321,094 during fiscal year 2010. The increase is due primarily to a revenue bond issuance of \$32,005,000 and a maintenance tax note issuance of \$1,420,000.

### ***Economic Outlook***

The College is not aware of any currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations during the coming fiscal year beyond those unknown variations having a global effect on virtually all types of business operations.

Increases in ad valorem taxes, tuition and fees, federal grants, operating revenues, and federal non operating revenues largely offset the increases in expenditures, which were attributed by increased personnel costs and operating costs associated with enrollment growth.

Laredo Community College is financially sound and the economic outlook remains bright. As of August 31, 2010, the District's General Operating Fund balance totaled \$13,149,287. As a whole, Laredo Community College's net assets increased by 7.42% or \$2,514,138 from \$33,895,590 in fiscal year 2009 to \$36,410,728 in fiscal year 2010.

### ***Request for Information***

This financial report is intended to provide a general overview of Laredo Community College's finances. Requests for additional financial information may be addressed to Laredo Community College's Comptroller's Office, West End Washington St., Laredo, Texas 78040.



Laredo Community College District  
Statement of Net Assets  
August 31, 2010 and August 31, 2009  
Exhibit 1

Assets	Current Year	Prior Year
<b>Current assets</b>		
Cash and cash equivalents	\$ 33,844,779	\$ 27,301,091
Short Term investments	27,405,994	-
Property taxes receivable (net of allowances of \$740,281 and \$1,231,441)	1,880,814	1,527,372
Tuition and fees receivable (net of allowances of \$410,137 and \$339,593)	5,276,629	4,095,484
Federal receivables (net of allowances of \$7,345 and \$4,639)	2,046,434	2,913,262
Other receivables (net of allowances of \$131,957 and \$122,844)	2,006,957	1,761,143
Inventories	4,566	9,961
Prepaid expenses	523,429	373,221
Total current assets	<u>\$ 72,989,602</u>	<u>\$ 37,981,534</u>
<b>Noncurrent assets</b>		
Endowment investments	-	1,770,895
Other long term investments	-	2,500,000
Capital assets, net of accumulated depreciation	82,555,612	78,537,967
Total non-current assets	<u>\$ 82,555,612</u>	<u>\$ 82,808,862</u>
<b>Total assets</b>	<u>\$ 155,545,214</u>	<u>\$ 120,790,396</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable	2,168,411	3,232,613
Accrued liabilities	345,271	320,299
Deferred revenues	8,647,868	6,915,989
Funds held for others	443,247	432,461
Compensated absences - current portion	976,402	869,840
Capital leases payable - current portion	526,138	338,424
Accreted interest payable - current portion	435,726	-
Bonds payable - current portion	3,157,465	2,849,675
Retainage payable - current portion	298,349	119,990
Total current liabilities	<u>\$ 16,998,877</u>	<u>\$ 15,079,291</u>
<b>Noncurrent liabilities</b>		
Compensated absences - noncurrent portion	656,274	721,777
Capital leases payable - noncurrent portion	751,980	446,756
Accreted interest payable - noncurrent	602,987	692,212
Bonds payable (net)	100,124,368	69,953,770
Total noncurrent liabilities	<u>\$ 102,135,609</u>	<u>\$ 71,814,515</u>
<b>Total liabilities</b>	<u>\$ 119,134,486</u>	<u>\$ 86,893,806</u>
<b>Net assets</b>		
Investment in capital assets, net of related debt	9,985,526	4,039,427
<b>Restricted for</b>		
Nonexpendable - endowment corpus	2,719,827	2,622,085
Expendable		
Student aid	2,812,091	2,152,824
Plant funds	1,006,304	4,789,333
Other	85,982	64,788
Debt service reserve	3,440,335	2,133,692
Auxiliary	1,565,903	1,449,719
Unrestricted	14,794,760	16,644,722
<b>Total net assets</b>	<u>\$ 36,410,728</u>	<u>\$ 33,896,590</u>

The Notes to the Financial Statements are an integral part of this statement.

**Laredo Community College District**  
**Statement of Revenues, Expenses and Changes in Net Assets**  
**Years Ended August 31, 2010 and August 31, 2009**  
**Exhibit 2**

Revenues	Current Year	Prior Year
Operating revenues		
Tuition and fees (net of discounts of \$8,052,617 and \$5,749,995)	\$ 7,258,100	\$ 6,968,193
Federal grants and contracts	4,458,474	4,201,478
State grants and contracts	2,510,759	2,845,714
Nongovernment grants and contracts	325,511	646,167
Investment income (program restricted)	110,609	203,930
Auxiliary enterprises (net of discounts of \$133,084 and \$84,899)	780,881	719,814
Other operating revenues	1,554,994	1,226,271
Total operating revenues - Schedule A	<u>\$ 16,999,328</u>	<u>\$ 16,811,567</u>
Expenses		
Operating expenses		
Instruction	23,458,947	22,111,261
Public service	602,108	540,355
Academic support	6,402,122	6,391,862
Student services	7,016,919	6,771,758
Institutional support	10,759,307	8,960,866
Operation and maintenance of plant	6,764,251	6,119,790
Scholarships and fellowships	16,634,026	11,762,189
Auxiliary enterprises	527,041	496,904
Depreciation	2,856,717	3,021,225
Total operating expenses - Schedule B	<u>\$ 75,021,438</u>	<u>\$ 66,176,210</u>
Operating income (loss)	<u>\$ (58,022,110)</u>	<u>\$ (49,364,643)</u>
Non-operating revenues (expenses)		
State Appropriations	17,054,956	17,873,004
Professional nursing shortage reduction	35,221	39,725
Maintenance ad-valorem taxes		
Taxes for maintenance & operations	20,211,261	19,997,385
Taxes for general obligation bonds	4,927,048	3,837,759
Federal Revenue, Non-Operating	21,770,168	14,959,530
Investment income	659,749	1,036,805
Interest on capital related debt	(3,886,424)	(3,615,874)
Other non-operating revenues (expenses)	(332,728)	(3,988)
Additions to permanent endowments	50,100	360,000
Capital gifts	46,897	83,099
Net other non-revenues (expenses) - Schedule C	<u>\$ 60,536,248</u>	<u>\$ 54,567,445</u>
Income before cumulative effect of a change in accounting principle	2,514,138	5,202,802
Cumulative effect of a change in accounting principle		
Increase (decrease) in net assets	2,514,138	5,202,802
Net assets - September 1, 2009 and September 1, 2008	33,896,590	28,693,788
Restatements (prior period adjustment)	-	-
Restated net assets - September 1, 2009 and September 1, 2008	<u>33,896,590</u>	<u>28,693,788</u>
Net assets - August 31, 2010 and August 31, 2009	<u>\$ 36,410,728</u>	<u>\$ 33,896,590</u>

The Notes to the Financial Statements are an integral part of this statement.

Laredo Community College  
Statement of Cash Flows  
Years Ended August 31, 2010 and 2009  
Exhibit 3

	Current Year	Prior Year
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from students and other customers	\$ 8,287,734	\$ 7,625,856
Receipts from grants and contracts	8,328,349	7,013,839
Payments to suppliers for goods and services	(12,860,381)	(9,204,252)
Payments to or on behalf of employees	(44,132,777)	(41,233,687)
Payments for scholarships and fellowships	(16,314,547)	(11,474,890)
Other receipts (payments)	1,554,994	1,226,271
Net cash provided (used) by operating activities	<u>\$ (55,136,628)</u>	<u>\$ (46,046,863)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Receipts from state appropriations	17,054,956	17,873,004
Receipts from <i>Ad Valorem</i> taxes - maintenance & operations	19,858,651	19,699,804
Receipts (Payments) from (to) student organizations and other agency transactions	10,786	18,055
Receipts from private gifts for endowment purposes	50,100	360,000
Receipts from non-operating federal revenue	21,770,168	14,959,529
Receipts from professional nursing shortage reduction	35,221	39,725
Net cash provided (used) by non-capital financing activities	<u>\$ 58,779,882</u>	<u>\$ 52,950,117</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Receipts from the issuance of capital debt	43,370,000	-
Receipts from <i>Ad Valorem</i> Taxes - general obligation bonds	4,926,215	3,837,759
Receipts from capital grants and gifts	46,897	83,099
Acquisition and construction of capital assets	(5,569,341)	(2,994,717)
Payments on capital debt and leases-principal	(13,328,725)	(2,884,338)
Payments on capital debt and leases-interest and fees	(4,069,262)	(3,421,716)
Net cash provided (used) by capital and related financing activities	<u>\$ 25,375,784</u>	<u>\$ (5,379,913)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Receipts from sales and maturities of investments	4,270,895	-
Receipts from interest on investments	659,749	1,036,806
Purchase of investments	(27,405,994)	-
Net cash provided (used) by investing activities	<u>\$ (22,475,350)</u>	<u>\$ 1,036,806</u>
Increase (decrease) in cash and cash equivalents	6,543,688	2,560,147
Cash and cash equivalents - September 1	<u>27,301,091</u>	<u>24,740,944</u>
Cash and cash equivalents - August 31	<u><u>\$ 33,844,779</u></u>	<u><u>\$ 27,301,091</u></u>

The Notes to the Financial Statements are an integral part of this statement

Laredo Community College  
Statement of Cash Flows  
Years Ended August 31, 2010 and 2009  
Exhibit 3

Reconciliation of net operating income (loss) to net cash provided (used)  
by operating activities

Operating income (loss)	\$ (58,022,109)	\$ (49,364,643)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Depreciation Expense	2,856,717	3,021,225
Accrued <i>Ad Valorem</i> Tax	353,442	297,581
Changes in Assets and Liabilities:		
Receivables (net)	(913,573)	(2,017,034)
Inventories	5,395	(5,964)
Prepaid Expenses	(150,208)	(165,304)
Accounts Payable	(1,064,202)	1,414,768
Accrued Liabilities	24,972	172,368
Compensated Absences	41,059	(173,712)
Deferred Revenue	1,731,879	773,852
Net cash provided (used) by operating activities	<u>\$ (55,136,628)</u>	<u>\$ (46,046,863)</u>

The Notes to the Financial Statements are an integral part of this statement

**Laredo Community College District**  
**Notes to Financial Statements**  
**August 31, 2010**

**Note 1 – Reporting Entity**

Laredo Community College (the College) was established in 1947 (as Laredo Junior College) in accordance with the laws of the State of Texas, to serve the educational needs of the public and the surrounding communities. The Laredo Community College District is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement 14. 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.

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

**Report 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 and Community and Junior Colleges*. The College applies all applicable GASB pronouncements and all applicable *Financial Accounting Standards Board (FASB)* statements and interpretations issued on or before November 30, 1989 unless they conflict or contradict GASB pronouncements. The College has elected not to apply FASB guidance issued subsequent to November 30, 1989, unless specifically adopted by the GASB. The College is reported as a special-purpose government engaged in business-type activities.

**Tuition Discounting**

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

Title IV, Higher Education Act Program Funds. Certain Title IV HEA Program funds are received by the College to pass through to the student. These funds are initially received by the College and recorded as restricted revenue. When the award is used by the student for tuition and fees, the amount is recorded as 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 fee 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.

**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.

**Budgetary Data**

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

**Cash and cash equivalents**

The 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.

### **Investments**

In accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. Long-term investments have an original maturity greater than one year at the time of purchase.

### **Inventories**

Inventories consist of consumable office supplies and physical plant supplies. Inventories are valued at FIFO and are charged to expense as consumed.

### **Capital assets**

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation, with one exception. The cost of several of the College's buildings could not be obtained. In lieu of cost, each building's estimated replacement cost was adjusted using the consumer price index of the year the College received title to the building to determine a capitalizable value. For equipment, the District's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life in excess of one year. Renovations of \$100,000 to buildings and 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.

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

Buildings and Building Improvements	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

### **Deferred revenues**

Tuition and fees of \$7,939,282 and \$6,171,276 and federal, state, and local grants of \$703,985 and \$647,817 have been reported as deferred revenues at August 31, 2010 and August 31, 2009 respectively.

### **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.

### **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. The principal operating revenues are tuition and related fees. The major non-operating revenues are state appropriations and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The operation of the bookstore and cafeteria is not performed by the College.

### **Characterization of Title IV Grant Revenue**

In response to guidance provided by the Government Accounting Standards Board (GASB) as question/answer 7.72.10 in the Implementation Guide, revenue received for federal Title IV grant programs (i.e. Pell grants) is now characterized as non operating revenue as opposed to operating revenue.

### Note 3 – Authorized Investments

The Board of Trustees of Laredo Community College has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act (Chapter 2256.001, Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute.

### Note 4 – Deposits, Securities and Investments

At August 31, 2010 and 2009, the carrying amount of the College's deposits was \$61,250,773 and \$31,571,986, respectively, and total demand deposits equaled \$33,832,029 and \$27,288,336, respectively. Deposits of \$258,385 and \$258,368 are covered by federal depository insurance and \$60,979,637 and \$31,300,863 were covered by \$37,124,119 and \$41,157,326 respectively, of collateral pledged in the College's name.

	August 31, 2010	August 31, 2009
<b><u>Cash and Deposits</u></b>		
Bank Deposits		
Demand Deposits	\$ 33,832,029	\$ 27,288,336
Total Bank Deposits	33,832,029	27,288,336
 Cash on Hand	 12,750	 12,755
Total Cash and Deposits	\$ 33,844,779	\$ 27,301,091

#### Reconciliation of Deposits and Investments between Note 4 and Exhibit 1 for the Reporting Entity as a Whole:

##### Total Deposits and Investments:

Per Note 4:

Total Investments	\$ 27,405,994
Total Cash and Deposits	33,844,779
Total per Note 4	<u>\$ 61,250,773</u>

Per Exhibit 1:

Cash and Cash Equivalents	\$ 33,844,779
Other short-term Investments	27,405,994
Total per Exhibit 1	<u>\$ 61,250,773</u>

As of August 31, 2010, the college had the following investments and maturities:

Investment Type	Market Value	Less than 1 year	1 to 2 years	2 to 3 years
T-Bill Investments	\$ 27,405,994	\$ 27,405,994	\$ 0	\$ 0

Concentration of Credit Risk: Laredo Community College does not place a limit on the amount the college may invest in any one issuer. One hundred percent (100%) of the college's investments are in Falcon International Bank.

Interest Rate Risk: In accordance with state law and District policy, Laredo Community College does not purchase any investments with maturities greater than 10 years.

**Credit Risk:** Credit risk is the risk that another party to a deposit or investment transaction will not fulfill its obligations. Laredo Community College's investments are unrated.

Investment Category section for August 31, 2009 is included for comparison purposes only.

**Investment Categories as of August 31, 2009**

	<b>August 31, 2009</b>	<b>August 31, 2008</b>
<b><u>Cash and Deposits</u></b>		
Bank Deposits		
Demand Deposits	\$ 27,288,336	\$ 24,729,189
Total Bank Deposits	27,288,336	24,729,189
 Cash on Hand	 12,755	 11,755
 Total Cash and Deposits	 <u>\$ 27,301,091</u>	 <u>\$ 24,740,944</u>

**Reconciliation of Deposits and Investments between Note 4 and Exhibit 1 for the Reporting Entity as a Whole:**

**Total Deposits and Investments:**

Per Note 4:

Total Investments	4,270,895
Total Cash and Deposits	<u>27,301,091</u>
Total per Note 4	<u>\$ 31,571,986</u>

Per Exhibit 1:

Cash and Cash Equivalents	\$ 27,301,091
Endowment Investments	1,770,895
Other long-term Investments	<u>2,500,000</u>
Total per Exhibit 1	<u>\$ 31,571,986</u>

As of August 31, 2009, the college had the following investments and maturities:

Investment Type	Market Value	Less than 1 year	1 to 2 years	2 to 3 years
Certificates of Deposit	\$ 4,270,895	\$ 0	\$ 4,270,895	\$ 0

**Concentration of Credit Risk:** Laredo Community College does not place a limit on the amount the college may invest in any one issuer. One hundred percent (100%) of the college's investments are in Falcon International Bank.

**Interest Rate Risk:** In accordance with state law and District policy, Laredo Community College does not purchase any investments with maturities greater than 10 years.

**Credit Risk:** Credit risk is the risk that another party to a deposit or investment transaction will not fulfill its obligations. Laredo Community College's investments are unrated.



**Note 5 - Derivatives**

Derivatives are investment products that may be a security of contract that derives its value from another security, currency, commodity or index, regardless of the source of funds used. The College's investment policy prohibits investing in derivatives.

**Note 6 - Capital Assets**

Capital assets activity for the year ended August 31, 2010 was as follows:

	Balance September 1, 2009	Increases	Decreases	Balance August 31, 2010
<b>Not depreciated:</b>				
Land	\$5,167,354	-	-	\$5,167,354
Water rights	9,920	-	-	9,920
Construction in process	3,623,544	5,876,445	-	9,499,989
Subtotal	8,800,818	5,876,445	-	14,677,263
<b>Other capital assets:</b>				
Buildings	64,039,342	-	-	64,039,342
Land Improvements	20,775,715	336,822	-	21,112,537
Library books	2,994,519	93,988	21,683	3,066,824
Leasehold Interest	753,962	760,474	549,901	964,535
Furniture, machinery, vehicles, and other equipment	6,154,575	276,364	-	6,430,939
Telecommunications and peripheral equipment	5,094,441	80,170	-	5,174,611
Subtotal	99,812,554	1,547,818	571,584	100,788,788
<b>Accumulated Depreciation:</b>				
Buildings	12,659,317	1,146,371	-	13,805,688
Land Improvements	7,104,634	942,485	-	8,047,119
Library books	1,564,777	167,129	21,683	1,710,223
Furniture, machinery, vehicles, and other equipment	4,033,652	445,728	-	4,479,380
Telecommunications and peripheral equipment	4,713,025	155,004	-	4,868,029
Subtotal	30,075,405	2,856,717	21,683	32,910,439
Net other capital assets	69,737,149	(1,308,899)	549,901	67,878,349
Net capital assets	\$78,537,967	\$4,567,546	\$549,901	\$82,555,612

Capital assets activity for the year ended August 31, 2009 is included for comparison purposes.

	Balance September 1, 2008	Increases	Decreases	Balance August 31, 2009
<b>Not depreciated:</b>				
Land	\$5,167,354	-	-	\$5,167,354
Water rights	9,920	-	-	9,920
Construction in process	995,502	\$2,628,042	-	3,623,544
Subtotal	6,172,776	2,628,042	-	8,800,818
<b>Other capital assets:</b>				
Buildings	63,691,746	347,596	-	64,039,342
Land Improvements	20,775,715	-	-	20,775,715
Library books	2,917,928	93,208	16,617	2,994,519
Leasehold Interest	562,517	635,023	443,578	753,962
Furniture, machinery, vehicles, and other equipment	6,036,560	125,818	7,803	6,154,575
Telecommunications and peripheral equipment	4,912,644	199,380	17,583	5,094,441
Subtotal	98,897,110	1,401,025	485,581	99,812,554
<b>Accumulated Depreciation:</b>				
Buildings	11,516,074	1,143,243	-	12,659,317
Land Improvements	6,169,727	934,907	-	7,104,634
Library books	1,419,168	162,227	16,618	1,564,777
Furniture, machinery, vehicles, and other equipment	3,605,512	435,943	7,803	4,033,652
Telecommunications and peripheral equipment	4,385,702	344,906	17,583	4,713,025
Subtotal	27,096,183	3,021,226	42,004	30,075,405
Net other capital assets	71,800,927	(1,620,201)	443,577	69,737,149
Net capital assets	\$77,973,703	\$1,007,841	\$443,577	\$78,537,967

## Note 7 - Long-Term Liabilities

Long-Term liability activity for the year August 31, 2010 was as follows:

	Balance August 31, 2009	Additions	Reductions	Balance August 31, 2010	Current Portion
<u>Bonds and notes</u>					
General obligation bonds	44,501,943		(1,340,000)	43,161,943	1,500,000
Contractual obligation bonds	3,510,000		(455,000)	3,055,000	465,000
Discounts	(42,533)	(220,440)	6,838	(256,135)	(11,186)
Premium	2,329,943	99,563	(120,469)	2,309,037	121,746
Deferred loss on advance refunding	(2,360,908)	(83,988)	121,884	(2,323,012)	(123,095)
Revenue bonds	24,865,000	41,950,000	(10,900,000)	55,915,000	1,175,000
Tax Note		1,420,000		1,420,000	30,000
Total bonds	<u>72,803,445</u>	<u>43,165,135</u>	<u>(12,686,747)</u>	<u>103,281,833</u>	<u>3,157,465</u>
<u>Other liabilities</u>					
Retainage payable	119,990	178,359		298,349	298,349
Accreted interest payable	692,212	346,500		1,038,713	435,726
Compensated absences	1,591,617	223,161	(182,102)	1,632,676	976,402
Capital leases	785,180	1,126,662	(633,725)	1,278,118	526,138
Total other liabilities	<u>3,188,999</u>	<u>1,874,682</u>	<u>(815,827)</u>	<u>4,247,856</u>	<u>2,236,615</u>
Total long-term liabilities	<u>75,992,444</u>	<u>45,039,817</u>	<u>(13,502,574)</u>	<u>107,529,689</u>	<u>5,394,080</u>

Long-Term liability activity for the year August 31, 2009 was as follows:

	Balance August 31, 2008	Additions	Reductions	Balance August 31, 2009	Current Portion
<u>Bonds and notes</u>					
General obligation bonds	49,576,943		(1,565,000)	48,011,943	1,795,000
Discounts	(45,020)		2,487	(42,533)	(2,487)
Premium	2,445,309		(115,365)	2,329,943	115,365
Deferred loss on advance refunding	(2,479,111)		118,203	(2,360,908)	(118,203)
Revenue bonds	25,881,000		(1,016,000)	24,865,000	1,060,000
Total bonds	<u>75,379,121</u>		<u>(2,575,675)</u>	<u>72,803,445</u>	<u>2,849,675</u>
<u>Other liabilities</u>					
Retainage Payable		119,990		119,990	119,990
Accreted Interest Payable	499,390	192,822		692,212	
Compensated absences	1,765,329	30,572	(204,284)	1,591,617	869,840
Capital Leases	617,736	470,782	(303,338)	785,180	338,424
Total other liabilities	<u>2,882,455</u>	<u>814,166</u>	<u>(507,622)</u>	<u>3,188,999</u>	<u>1,328,254</u>
Total long-term liabilities	<u>78,261,576</u>	<u>814,166</u>	<u>(2,068,053)</u>	<u>75,992,444</u>	<u>4,177,929</u>

## **Note 8 - Debt and Lease Obligations**

Debt Service requirements at August 31, 2010 were as follow:

For the Years Ended August 31,	General Obligation Bonds		Revenue Bonds		Maintenance Tax Notes		Contractual Obligation Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2011	1,500,000	1,953,651	1,175,000	2,555,234	30,000	80,247	465,000	108,978
2012	1,560,000	1,889,822	1,370,000	2,517,053	50,000	61,094	485,000	93,284
2013	980,915	2,466,057	1,415,000	2,471,628	55,000	59,594	500,000	76,915
2014	983,399	2,460,962	1,465,000	2,424,458	55,000	57,944	515,000	59,415
2015	214,279	3,234,401	1,515,000	2,370,093	55,000	56,294	535,000	40,875
2016-2020	7,568,350	9,671,285	8,510,000	10,933,702	310,000	250,507	555,000	20,813
2021-2025	11,315,000	5,932,525	10,430,000	9,008,776	385,000	176,527		
2026-2030	14,145,000	3,103,775	13,170,000	6,411,364	480,000	74,000		
2031-2032	4,895,000	299,688	16,865,000	2,746,277				
Total	<u>\$43,161,943</u>	<u>\$31,012,166</u>	<u>\$55,915,000</u>	<u>\$41,438,585</u>	<u>\$1,420,000</u>	<u>\$816,207</u>	<u>\$3,055,000</u>	<u>\$400,280</u>

Obligations under capital leases at August 31, 2010 were as follows:

For the year ended August 31,	Total
2011	\$604,634
2012	489,079
2013	300,380
2014	25,007
2015	2,802
Total Minimum Lease Payments	1,421,902
Less Amount Representing Interest Costs	143,784
Present value of minimum lease payments	\$1,278,118

Debt Service requirements at August 31, 2009 are provided for comparison purposes only.

For the Years Ended August 31,	General Obligation Bonds		Revenue Bonds		Contractual Obligation Bonds	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2010	1,340,000	2,011,084	1,060,000	1,137,803	455,000	123,765
2011	1,500,000	1,953,651	1,105,000	1,088,877	465,000	108,978
2012	1,560,000	1,889,822	1,150,000	1,042,146	485,000	93,284
2013	980,915	2,466,057	1,205,000	992,897	500,000	76,915
2014	983,399	2,460,962	1,260,000	940,722	515,000	59,415
2015-2019	5,812,629	11,425,981	6,875,000	3,775,555	1,090,000	61,688
2020-2024	10,820,000	6,427,140	7,000,000	2,209,634		
2025-2029	13,525,000	3,723,790	4,695,000	606,905		
2030-2032	7,980,000	664,763	515,000	23,175		
Total	<u>\$44,501,943</u>	<u>\$33,023,250</u>	<u>\$24,865,000</u>	<u>\$11,817,714</u>	<u>\$3,510,000</u>	<u>\$524,045</u>

Obligations under capital leases at August 31, 2009 were as follows:

For the year ended August 31,	Total
2010	\$392,239
2011	304,256
2012	188,700
Total Minimum Lease Payments	885,195
Less Amount Representing Interest Costs	100,016
Present value of minimum lease payments	\$785,180

#### **Note 9 – Bonds & Variable Rate Notes Payable**

General information related to bonds payable is summarized below:

- General Obligation Bond, Series 2001
- To purchase land and construct 2<sup>nd</sup> campus.
- Issued 03/01/2001
- \$25,000,000; all authorized bonds have been issued.
- Source of Revenue – Property Taxes
- Interest rate – 3.70% to 5.375%
- Maturity date – August 2031

- General Obligation Bond, Series 2002
- To construct 2nd campus.
- Issued 05/15/2002
- \$25,000,000; all authorized bonds have been issued.
- Source of Revenue – Property Taxes
- Interest rate – 4% to 5.50%
- Maturity date – August 2032
  
- Revenue Bond, Series 2005
- For deferred maintenance projects.
- Issued 09/01/2005
- \$5,470,000; all authorized bonds have been issued.
- Source of Revenue – General Use Fees
- Interest rate – 3% to 4.12%
- Maturity date – August 2030
  
- Public Property Finance Contractual Obligations Bond, Series 2005
- To purchase management information system.
- Issued 09/01/2005
- \$5,170,000; all authorized bonds have been issued.
- Source of Revenue – Property Taxes
- Interest rate – 3% to 3.75%
- Maturity date – August 2016
  
- Limited Tax Refunding Bond, Series 2005
- To partially refund the general obligation bonds, series 2001 and 2002.
- Issued 12/15/2005
- \$23,459,157; all authorized bonds have been issued.
- Source of Revenue – Property Taxes
- Interest rate – 3.50% to 4.75%
- Maturity date – August 2031
  
- Combined Fee Revenue Refunding Bond, Series 2006
- To partially refund the revenue bond, series 2001.
- Issued 10/01/2006
- \$9,195,000; all authorized bonds have been issued.
- Source of Revenue – General Use Fees
- Interest rate – 4.00% to 4.50%
- Maturity date – August 2026
  
- Limited Tax Refunding Bond, Series 2006
- To partially refund the general obligation bond, series 2002.
- Issued 09/06/2006
- \$17,642,786; all authorized bonds have been issued.
- Source of Revenue – Property Taxes
- Interest rate – 4.00% to 4.50%
- Maturity date – August 2032
  
- Combined Fee Revenue Refunding Bond, Series 2009
- To refund the Revenue bond, series 1998.
- Issued 08/01/2009
- \$3,645,000; all authorized bonds have been issued.
- Source of Revenue – General Use Fees
- Interest rate – 2.00% to 4.00%
- Maturity date – August 2018

- Combined Fee Revenue Bond, Series 2010
- Phase 1 – Construct Academic and Visual & Performing Arts Building.
- Issued 04/15/2010
- \$32,005,000; all authorized bonds have been issued.
- Source of Revenue – General Use Fees
- Interest rate – 3.00% to 4.50%
- Maturity date – August 2035

- Combined Fee Revenue Refunding Bond, Series 2010
- To refund the Revenue bond, series 2001.
- Issued 04/15/2010
- \$6,300,000; all authorized bonds have been issued.
- Source of Revenue – General Use Fees
- Interest rate – 3.00% to 4.25%
- Maturity date – August 2035

- Maintenance Tax Note, Series 2010
- Phase 1 – to refurbish Moore Vocational Building.
- Issued 04/15/2010
- \$1,420,000; all authorized bonds have been issued.
- Source of Revenue – Property Taxes
- Interest rate – 3.00% to 4.375%
- Maturity date – August 2035

#### **Note 10 – Defeased Bonds Outstanding**

The College defeased outstanding general obligation bonds by placing the proceeds on the new bonds in an irrevocable trust to provide for the future debt service payments on the old bonds. Accordingly, neither the trust account assets nor the defeased bonds are included in the College's financial statements.

Bond issue	Year refunded	Par value outstanding at August 31, 2010
Limited tax bonds, series 2002	2005	4,140,000
Limited tax bonds, series 2002	2006	17,645,000
Total		\$21,785,000

#### **Note 11 – Employees' Retirement Plan**

The State of Texas has joint contributory retirement plans for almost all its employees. One of the primary plans in which the College participates is administered by the Teacher Retirement System of Texas.

##### **Teacher Retirement System of Texas**

**Plan Description.** The Laredo Community College District contributes to the Teacher Retirement System of Texas (TRS), a cost-sharing multiple employer defined benefit pension plan. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan. TRS issues a publicly available financial report with required supplementary information which can be obtained from [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS Publications heading.

**Funding Policy.** Contribution requirements are not actuarially determined but are established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution requires the legislature to establish a member contribution rate of no less than 6 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent of the aggregate annual compensation of all members of the system; (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of a particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. State law provides for a

member contribution rate of 6.4 percent for fiscal years 2010 and 2009 and a state contribution rate of 6.64 percent for fiscal year 2010 and 6.58 percent for 2009. In certain instances the reporting district is required to make all or a portion of the state's 6.64 percent contribution for fiscal year 2010 and 6.58 percent for 2009.

#### **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 state legislature. The percentages of participant salaries currently contributed by the state and each participant are 6.40 percent and 6.65 percent, respectively. The College contributes 2.10 percent 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.

The retirement expense to the State for the College was \$1,737,079 and \$1,659,598 for the fiscal years ended August 31, 2010, and August 31, 2009, respectively. This amount represents the portion of expended appropriations made by the State Legislature on behalf of the college.

The total payroll for all College employees was \$33,919,158 and \$31,634,160 for the fiscal years ended August 31, 2010, and 2009, respectively. The total payroll of employees covered by the Teacher Retirement System was \$19,486,889 and \$18,189,253 and the total payroll of employees covered by the Optional Retirement Program was \$10,833,627 and \$10,650,999 for fiscal years 2010 and 2009, respectively.

#### **Note 12 – Deferred Compensation Plan**

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.

#### **Note 13 – Compensable Absences**

Regular College personnel employed on a twelve-month basis are entitled to ten working days (80 hours) per fiscal year as vacation time. Regular College personnel employed on a twelve-month basis for less than full time but at least half time accrue vacation on a pro-rated basis.

Terminating employees are paid their accrued vacation from the current fiscal year's budget. This amount is recoverable due to a policy change put into effect in 2003; whereby, the position vacated by the terminating employee is kept vacant until the amount paid for the vacation time is recovered. Accordingly, no accrual is made at year end for vacation due to employees.

Regular College personnel employed on a twelve-month basis are entitled to twelve days (96 hours) per fiscal year as sick leave and can accumulate indefinitely. Regular College personnel employed on a twelve-month basis for less than full-time but at least half-time will accrue sick leave on a pro-rated basis. The payment of accrued sick leave will be paid to those employees who retire under the Teacher Retirement system while they are employed by the College. The maximum number of hours that will be paid for early retirement is 360 and 720 for regular retirement. Accrued Sick Leave as of August 31, 2010 and August 31, 2009 was \$1,587,850 and \$1,542,225, respectively.

#### **Note 14 - Pending Lawsuits**

On occasion, the College may become party to litigation and claims arising in the normal course of operations. After consultation with legal counsel, management believes that the liabilities, if any, arising from such litigation and claims will not be material to the financial statements.



**Note 15 - Disaggregation of Receivables and Payable Balances****Receivables**

Receivables at August 31, 2010 and August 31, 2009 were as follows:

	Receivable	Allowance for doubtful accounts	Net receivable August 31, 2010	Net receivable August 31, 2009
Student receivables	\$ 5,686,766	\$ (410,137)	\$ 5,276,629	\$ 4,095,484
Federal grant receivables	2,053,779	(7,345)	2,046,434	2,913,262
State grant receivables	172,852	-	172,852	150,902
Local grant receivables	96,926	(13,123)	83,803	146,957
Current taxes receivable	2,621,095	-	2,621,095	39,711
Delinquent taxes receivable	(740,281)		(740,281)	1,487,661
Other receivables	<u>1,869,135</u>	<u>(118,833)</u>	<u>1,750,302</u>	<u>1,463,284</u>
Total accounts receivable	<u>\$ 11,760,272</u>	<u>\$ (549,438)</u>	<u>\$ 11,210,835</u>	<u>\$ 10,297,260</u>

**Payables**

Payables at August 31, 2010 and August 31, 2009 were as follows:

Accounts payable - construction	\$ 40,860	\$ 481
Payroll payables	580,715	995,096
Accrued utility liability	345,271	320,299
Accounts payable - trade	1,546,836	2,237,036
Retainage payable	<u>298,349</u>	<u>119,990</u>
Total accounts payable trade	<u>\$ 2,812,031</u>	<u>\$ 3,672,902</u>

**Note 16 – Contracts and Grant Awards**

Contract and grant awards are accounted for in accordance with the requirements of the AICPA Industry Audit Guide, Audits of Colleges and Universities. Revenues are recognized on Exhibit 2 and Schedule A. For federal contract and grant awards, funds expended, but not collected, are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are reported as Accounts Receivable on Exhibit 1. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements. Contract and grant awards funds already committed, e.g., multi-year awards, or funds awarded during

fiscal years 2010 and 2009 for which monies have not been received nor funds expended totaled \$4,353,782 and \$6,486,946. Of these amounts, \$4,160,289 and \$6,483,548 were from Federal Contract and Grant Awards; \$162,240 and \$1,417 were from State Contract and Grant Awards; \$0 and \$0 from Local Contract and Grant Awards; and \$31,253 and \$1,981 were from Private Contract and Grant Awards for the fiscal years ended August 31, 2010 and 2009, respectively.

#### **Note 17—Risk Management**

The District maintains insurance for all insurable risks for which it may be liable for claims. In fiscal year 2010, the more significant of this included \$1,000,000 of general liability insurance, property insurance covering the District's buildings and personal property in a combined amount of \$182,405,684 and \$2,000,000 annual aggregate in school professional legal liability

#### **Note 18 – Post Retirement Health Care & Life Insurance Benefits**

In addition to providing pension benefits, the state provides certain health care and life insurance benefits for retired employees. Almost all of the employees may become eligible for those benefits if they reach normal retirement age while working for the state. Those and similar benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing these benefits by expending the annual insurance premiums.

The state's contribution for full-time employees for the year ended August 31, 2010 totaled \$3,296,701 for the year. Compare the state's contribution to that provided for the year ended August 31, 2009, when the contribution for full-time employees totaled \$3,362,618 for the year. The cost of providing these benefits for retirees is not separable from the cost of providing benefits for the active employees.

#### **Note 19 – Property Taxes**

College property taxes are levied and become a lien on all taxable property on October 1 of each year, based on assessed values as of January 1 the same year and become delinquent on February 1 of the succeeding year.

The use of General Operations tax proceeds is restricted to maintenance and operations, and the use of Debt Service tax proceeds is restricted to the payment of debt service obligations. Delinquent taxes receivable are recognized as deferred revenues. Upon collection, delinquent taxes are recognized as revenues.

For the year ended August 31, 2010:

**Total Gross Assessed Valuation: \$12,190,836,594**

**Certified Taxable Value: \$10,697,562,666**

<b>Property Taxes</b>	<b>Authorized Tax Rate</b>	<b>Tax Cap</b>	<b>Tax Levied</b>	<b>Percent Collected</b>	<b>Tax Collected</b>
General Operations Tax Collected	.184000/\$100	.40/\$100	\$19,683,515	95.98%	\$18,892,128
Penalty & Interest Collected					\$482,050
Tax Payer Refunds					(\$83,773)
Debt Service Tax Collected	.043200/\$100	.50/\$100	\$4,621,347	95.98%	\$4,434,467
Penalty & Interest Collected					\$101,488
Tax Payer Refunds					
<b>Total Property Taxes Collected</b>					<b><u>\$23,826,360</u></b>

Property tax information for the year ended August 31, 2009 is provided for comparison purposes only.

For the year ended August 31, 2009:

**Total Gross Assessed Valuation: \$11,637,165,965**

**Certified Taxable Value: \$10,487,057,306**

Property Taxes	Authorized Tax Rate	Tax Cap	Tax Levied	Percent Collected	Tax Collected
General Operations Tax Collected	.187000/\$100	.40/\$100	\$19,610,797	96.01%	\$18,829,248
Penalty & Interest Collected					\$451,345
Tax Payer Refunds					(\$83,118)
Debt Service Tax Collected	.034100/\$100	.50/\$100	\$3,576,086	96.01%	\$3,433,409
Penalty & Interest Collected					\$88,249
Tax Payer Refunds					
Total Property Taxes Collected					<u>\$22,719,133</u>

#### **Note 20 – Income Taxes**

The College is a non-profit, tax-exempt institution under Section 115 of the Internal Revenue Code, 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, 2010 and August 31, 2009.

#### **Note 21 - Subsequent Events**

During FY 2010 the College's Board of Trustees approved \$32 million dollars in revenue bonds and \$1.4 million in maintenance tax notes for the financing of Phase I of the Facilities Master Plan. Proceeds from these issuances are being used for the renovation and refurbishing of the Moore Vocational Building, and for the construction of the new Academic Building and the Visual and Performing Arts Building.

The Facilities Master Plan calls for the construction of two instructional buildings and for the renovation and refurbishing of instructional and administrative facilities at the Fort McIntosh Campus. The total cost for the Facilities Master Plan is projected to be \$110,709,550.

Work is currently under way on the development of a \$36 million dollar financing plan for FY 2012 that will cover construction costs for Phase II.

#### **Note 22 – Post employment Benefits Other than Pensions**

Plan Description. Laredo Community College contributes to the State Retiree Health Plan (SRHP), a cost-sharing, multiple-employer, defined benefit post employment healthcare plan administered by the Employees Retirement System of Texas (ERS). SRHP provides medical benefits to retired employees of participating universities, community colleges and state agencies in accordance with Chapter 1551, Texas Insurance Code. Benefit and contribution provisions of the SRHP are authorized by State law and may be amended by the Texas Legislature.

ERS issues a publicly available financial report that includes financial statements and required supplementary information for SHRP. That report may be obtained from ERS via their website at <http://www.ers.state.tx.us/>.

Funding Policy. 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. Plan members or beneficiaries receiving benefits pay any premium over and above the employer contribution.

The employer's share of the cost of retiree healthcare coverage for the current year is known as the implicit rate subsidy. It is the difference between the claims costs for the retirees and the amounts contributed by the retirees. The ERS board of trustees sets the employer contribution rate based on the implicit rate subsidy which is actuarially determined in accordance with the parameters of GASB statement 45.

The employer contribution rate represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years.

The college's contributions to SHRP for the years ended August 31, 2010, 2009, and 2008, were \$91,669, \$705,412, and

\$107,990, respectively, which equaled the required contributions each year.

**Note 23 – Bad Debt Expense**

In accordance with GAAP and Board policy CDA (local), bad debt expense was recognized for the years ended August 31, 2010 and August 31, 2009 in the following amounts, \$82,362 and \$87,949, respectively. At year end, the reserve for uncollectible accounts was \$549,438 and \$467,076.

**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***

Members of the Board of Trustees  
Laredo Community College District  
Laredo, Texas

We have audited the basic financial statements of the Laredo Community College District (the "District") as of and for the year ended August 31, 2010, and have issued our report thereon dated December 8, 2010. 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.

Internal Control Over Financial Reporting

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

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's basic 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 determination of financial statement amounts. 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*.

We noted certain matters that we reported to the management of the District in a separate letter dated December 8, 2010.

This report is intended solely for the information and use of the board of trustees, management, others within the entity, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Canale, Hargis & Baum, PLLC*

Laredo, Texas  
December 8, 2010

Aaron Canales, CPA  
Juan José Garza, CPA  
J. Clayton Baum, CPA



**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR**

Members of the Board of Trustees  
Laredo Community College District  
Laredo, Texas

**Compliance**

We have audited the compliance of the Laredo Community College District (the "District") with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State of Texas Single Audit Circular* that are applicable to each of its major federal and state programs for the year ended August 31, 2010. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*; and the provisions of the *State of Texas Single Audit Circular*. Those standards, OMB Circular A-133, and the State of Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended August 31, 2010.

**Internal Control Over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our

auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the board of trustees, management, others within the entity, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Canales, Garza & Baum, PLLC*

Laredo, Texas  
December 8, 2010



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## **SCHEDULES**

Schedule of Detailed Operating Revenues  
Laredo Community College District  
Year Ended August 31, 2010 (With Memorandum Totals for the Year Ended August 31, 2009)  
Schedule A

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	Current Year	Prior Year
<b>Tuition</b>						
State funded courses						
In-district resident tuition	6,593,508		6,593,508		6,593,508	5,740,252
Out-of-state tuition	561,837		561,837		561,837	657,738
TPEG (set aside)*	434,421		434,421		434,421	377,690
Out-of-district resident tuition	1,144,742		1,144,742		1,144,742	1,013,709
State funded continuing education	88,721		88,721		88,721	204,989
Non-state funded continuing education	236,055		236,055		236,055	90,386
<b>Total Tuition</b>	<b>\$ 9,059,284</b>	<b>\$ -</b>	<b>\$ 9,059,284</b>	<b>\$ -</b>	<b>\$ 9,059,284</b>	<b>\$ 8,084,764</b>
<b>Fees</b>						
General use fee	4,186,000		4,186,000		4,186,000	3,436,921
Installment fee	77,325		77,325		77,325	70,450
Health services fee	69,123		69,123		69,123	62,084
Matriculation fee	384,600		384,600		384,600	347,220
Late registration fee	20,430		20,430		20,430	24,140
Malpractice fee	15,315		15,315		15,315	13,569
Graduation fee	10,248		10,248		10,248	8,942
Library fee	547,517		547,517		547,517	432,199
Technology fee	547,807		547,807		547,807	432,196
Lab fee	184,763		184,763		184,763	166,685
Assessment fee	172,945		172,945		172,945	185,278
Installment loan late payment fee	35,360		35,360		35,360	36,420
Other fees	-		-		-	-
<b>Total fees</b>	<b>\$ 6,251,433</b>	<b>\$ -</b>	<b>\$ 6,251,433</b>	<b>\$ -</b>	<b>\$ 6,251,433</b>	<b>\$ 5,216,104</b>
<b>Scholarships allowances and discounts</b>						
Scholarship allowances	(537,178)		(537,178)		(537,178)	(413,495)
Remissions and exemptions	(57,602)		(57,602)		(57,602)	(45,829)
Pell grants	(4,989,026)		(4,989,026)		(4,989,026)	(3,530,516)
Other federal grants	(662,810)		(662,810)		(662,810)	(627,972)
Texas grants	(1,582,097)		(1,582,097)		(1,582,097)	(1,550,417)
TPEG allowances	(206,539)		(206,539)		(206,539)	(153,066)
Other state grants	(3,875)		(3,875)		(3,875)	(10,981)
Other	(13,490)		(13,490)		(13,490)	(399)
<b>Total scholarship allowances</b>	<b>\$ (8,052,617)</b>	<b>\$ -</b>	<b>\$ (8,052,617)</b>	<b>\$ -</b>	<b>\$ (8,052,617)</b>	<b>\$ (6,332,675)</b>
<b>Total net tuition and fees</b>	<b>\$ 7,258,100</b>	<b>\$ -</b>	<b>\$ 7,258,100</b>	<b>\$ -</b>	<b>\$ 7,258,100</b>	<b>\$ 6,968,193</b>
<b>Other operating revenues</b>						
Federal grants and contracts		4,458,474	4,458,474		4,458,474	4,201,478
State grants and contracts		2,510,759	2,510,759		2,510,759	2,845,714
Nongovernmental grants and contracts		325,511	325,511		325,511	646,167
Investment income (program restricted)		110,609	110,609		110,609	203,930
Other operating revenues	384,830	1,170,164	1,554,994		1,554,994	1,226,271
<b>Total other operating revenues</b>	<b>\$ 384,830</b>	<b>\$ 8,575,517</b>	<b>\$ 8,960,347</b>	<b>\$ -</b>	<b>\$ 8,960,347</b>	<b>\$ 9,123,560</b>
<b>Auxiliary enterprises</b>						
Student activities			-	190,965	190,965	171,748
Cafeteria			-	41,829	41,829	37,689
Campus housing			-	46,603	46,603	40,500
Dormitory			-	223,702	223,702	210,109
Scholarship allowances and discounts			-	(133,084)	(133,084)	(93,469)
Bookstore			-	410,866	410,866	353,237
<b>Total net auxiliary enterprises</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 780,881</b>	<b>\$ 780,881</b>	<b>\$ 719,814</b>
<b>Total operating revenues (Exhibit 2)</b>	<b>\$ 7,642,930</b>	<b>\$ 8,575,517</b>	<b>\$ 16,218,447</b>	<b>\$ 780,881</b>	<b>\$ 16,999,328</b>	<b>\$ 16,811,567</b>

\*In accordance with Education Code 56.033, \$434,421 and \$377,690 of tuition was set aside for Texas Public Education Grants (TPEG).

Laredo Community College  
Schedule B  
Schedule of Operating Expenses by Object  
Year Ended August 31, 2010 (with Memorandum Totals for the Year Ended August 31, 2009)

	Operating Expenses				FY 2010 Total	FY 2009 Total
	Salaries and Wages	State	Benefits Local	Other Expenses		
Unrestricted - Educational Activities						
Instruction	\$ 16,011,003	\$ -	\$ 2,365,039	\$ 967,558	\$ 19,343,600	\$ 18,133,067
Research	-	-	-	-	-	-
Public Service	302,140	-	58,576	38,125	398,841	396,783
Academic Support	2,541,505	-	365,015	382,113	3,288,633	3,169,049
Student Services	3,831,811	-	569,572	562,241	4,963,623	4,618,431
Institutional Support	6,387,726	-	987,045	2,253,086	9,627,857	8,066,988
Operation and Maintenance of Plant	1,771,212	-	406,351	2,834,971	5,012,533	4,588,986
Scholarships and Fellowships	-	-	-	319,479	319,479	287,299
<b>Total Unrestricted Educational Activities</b>	<b>30,845,396</b>	<b>-</b>	<b>4,751,598</b>	<b>7,357,571</b>	<b>42,954,566</b>	<b>39,250,593</b>
Restricted - Educational Activities						
Instruction	864,448	2,654,211	131,163	465,525	4,115,347	3,978,194
Research	-	-	-	-	-	-
Public Service	71,488	58,762	18,536	54,501	203,287	143,592
Academic Support	953,406	549,688	210,382	1,400,014	3,113,489	3,222,813
Student Services	1,041,222	766,442	95,711	149,921	2,053,296	2,153,327
Institutional Support	-	1,004,677	-	126,773	1,131,450	903,878
Operation and Maintenance of Plant	-	-	-	1,751,718	1,751,718	1,530,794
Scholarships and Fellowships	-	-	-	16,314,547	16,314,547	11,474,890
<b>Total Restricted Educational Activities</b>	<b>2,930,543</b>	<b>5,033,780</b>	<b>455,792</b>	<b>20,262,998</b>	<b>28,683,114</b>	<b>23,407,488</b>
<b>Total Educational Activities</b>	<b>33,775,939</b>	<b>5,033,780</b>	<b>5,207,391</b>	<b>27,620,570</b>	<b>71,637,680</b>	<b>62,658,082</b>
Auxiliary Enterprises	143,219	-	13,507	370,315	527,041	496,904
Depreciation Expense - Buildings & other real estate	-	-	-	2,088,856	2,088,856	2,078,150
Depreciation Expense - Equipment & furniture	-	-	-	600,732	600,732	780,848
Depreciation Expense - Library Books	-	-	-	167,129	167,129	162,227
<b>Total Operating Expenses</b>	<b>\$ 33,919,158</b>	<b>\$ 5,033,780</b>	<b>\$ 5,220,898</b>	<b>\$ 30,847,601</b>	<b>\$ 75,021,438</b>	<b>\$ 66,176,210</b>

Laredo Community College District  
Schedule of Non-Operating Revenues and Expenses  
Year Ended August 31, 2010 (With Memorandum Totals for the Year Ended August 31, 2009)  
Schedule C

	Unrestricted	Restricted	Auxiliary Enterprises	Current Year	Prior Year
Non-operating revenues					
State appropriations					
State Group Insurance	\$ 12,021,176	3,296,701		\$ 12,021,176	\$ 12,850,788
State Retirement Matching		1,737,079		3,296,701	3,362,618
Professional nursing shortage reduction		35,221		1,737,079	1,659,598
Maintenance ad valorem taxes				35,221	39,725
Taxes for maintenance & operations	20,211,261				
Taxes for general obligation bonds		4,927,048		20,211,261	19,997,385
Federal Revenue, Non Operating		21,770,168		4,927,048	3,837,759
Investment Income	518,355	141,394		21,770,168	14,959,530
Additions to permanent endowments		50,100		659,749	1,036,805
Capital Gifts		46,897		50,100	360,000
Other non-operating revenues (expenses)				46,897	83,099
Total non-operating revenues	<u>\$ 32,750,792</u>	<u>\$ 32,004,608</u>	<u>\$ -</u>	<u>\$ 64,755,400</u>	<u>\$ 58,167,307</u>
Non-operating expenses					
Interest on capital related debt		3,886,424		3,886,424	3,615,874
Other non-operating revenues (expenses)		332,728		332,728	3,988
Total non-operating expenses	<u>\$ -</u>	<u>\$ 4,219,152</u>	<u>\$ -</u>	<u>\$ 4,219,152</u>	<u>\$ 3,619,862</u>
Net non-operating revenues	<u>\$ 32,750,792</u>	<u>\$ 27,785,456</u>	<u>\$ -</u>	<u>\$ 60,536,248</u>	<u>\$ 54,567,445</u>

Laredo Community College District  
Schedule of Net Assets by Source and Availability  
August 31, 2010 (With Memorandum Totals for August 31, 2009)  
Schedule D

	Detail by source					Capital assets net of depreciation & related debt	Total	Available for current operations?	
	Restricted				Yes			No	
	Unrestricted	Expendable	Non-expendable						
Current									
Unrestricted	\$ 13,162,084					\$ 13,162,084		\$ 13,162,084	
Board designated	1,632,676					1,632,676			1,632,676
Restricted									
Auxiliary enterprises		1,565,903					1,565,903	1,565,903	
Endowment			2,719,827				2,719,827		2,719,827
Student Aid		2,812,091					2,812,091	2,812,091	
Other		85,982					85,982	85,982	
Plant									
Unexpended		1,006,304					1,006,304		1,006,304
Debt service		3,440,335					3,440,335		3,440,335
Investment in plant					9,985,526		9,985,526		9,985,526
Total net assets, August 31, 2010	\$ 14,794,760	\$ 8,910,615	\$ 2,719,827	\$	\$ 9,985,526	\$ 36,410,728	\$ 17,626,060	\$ 18,784,669	
Total net assets, August 31, 2009	16,644,722	10,590,356	2,622,085		4,039,427	33,896,590	17,440,811		16,455,779
Net increase (decrease) in net assets	\$ (1,849,962)	\$ (1,679,741)	\$ 97,742	\$	\$ 5,946,099	\$ 2,514,138	\$ 185,249	\$	2,328,890

**Laredo Community College District**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended August 31, 2010**  
**Schedule E**

Federal Grantor/Pass Through Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures and Pass Through Disbursements
<b>U.S. Department of Education</b>			
Direct Programs:			
Federal Supplemental Educational Opportunity Grants	84.007A		\$ 650,989
Title V- Teaching, Technology, and Learning	84.031S		835,026
Federal College Work-Study Program	84.033A		511,457
Trio Student Support Services	84.042A		286,373
Trio Upward Bound	84.047A		374,440
Federal Pell Grant Program	84.063P		20,011,625
Minority Science and Engineering Improvement Program	84.120A		81,569
William D. Ford Federal Direct Loan Program	84.268		14,458
Academic Competitiveness Grant	84.375A		534,639
Pass-Through From:			
Texas A&M International University			
Title V - Preparing Tomorrow's Teachers Today	84.031S		364,736
Pass-Through From:			
Texas Education Agency			
Adult Basic Education	84.002A		715,206
Adult Basic Education	84.002A		68,304
Adult Basic Education	84.002A		98,700
Adult Basic Education	84.002A		5,318
Pass-Through From:			
Texas Higher Education Coordinating Board			
Carl Perkins Vocational Educational Program	84.048	94227	581,775
Leveraging Educational Assistance Partnership	84.069A		20,600
State Leveraging Educational Assistance Partnership	84.069B		26,400
South Texas Tech Prep	84.243	91713	240,963
College Access Challenge Grant (College Connection)	84.378		62,013
American Recovery and Reinvestment Act of 2009	84.397A		107,373
<b>Total U.S. Department of Education</b>			<b>\$ 25,591,964</b>
<b>U.S. Department of Agriculture</b>			
Direct Programs:			
USDA - Texas Hispanic-Serving Institutions Consortium	10.223		\$ 3,000
USDA - Texas HIS: A Collaboration in Education	10.223		92,781
USDA - Increasing Multicultural Diversity in Agriculture	10.223		75,580
<b>Total U.S. Department of Agriculture</b>			<b>\$ 171,361</b>
<b>U.S. Department of Defense</b>			
Pass-Through From:			
Texas A & M International University			
Texas National Guard	12.000	W912L1-08-2-3070	\$ 100,614
<b>Total U.S. Department of Labor</b>			<b>\$ 100,614</b>
<b>U.S. Department of Labor</b>			
Pass-Through From:			
South Texas College			
Rio South Texas College Alliance for Manufacturing	17.000		\$ 144,505
<b>Total U.S. Department of Labor</b>			<b>\$ 144,505</b>
<b>U.S. Small Business Administration</b>			
Direct Programs:			
Laredo Community College Import/Export Program	59.000		\$ 138,805
<b>Total U.S. Small Business Administration</b>			<b>\$ 138,805</b>

**SCHEDULE E (Continued)**

**U.S. Department of Health & Human Services**

Pass-Through from:

Texas Education Agency

TANF

93.558

\$

68,789

Pass-Through from:

South Texas Workforce Development Board

Child Care

93.596

54,948

Pass-Through from:

Administration for Children and Families

93.60

90YP0021/05

103,862

**Total U.S. Department of Health & Human Services**

\$

227,599

**Total Federal Financial Assistance**

\$

26,374,848

**Note 1: Federal Assistance Reconciliation**

Federal Grants and Contracts revenue - per Schedule A

\$

26,228,642

Add: Indirect/Administrative Costs Recoveries

107,055

Add: Capital Outlays

39,151

Add: Institutional Grant Matching

-

**Total Federal Revenues per Schedule of Expenditures of Federal Awards**

\$

26,374,848

**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 which have been expended by the college for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The college has followed all applicable guidelines issued by various entities in the preparation of the schedule.

**Note 3: Amounts passed-through by the college**

The following amounts were passed-through to the listed sub recipients by the college. These amounts were from the Tech-Prep program, CFDA 84.243, from U.S. Department of Education through the Texas Higher Education Coordinating Board agency, from the Adult Basic Education program, CFDA 84.002, from U.S. Department of Education through the Texas Education agency, and from the USDA - Texas Hispanic-Serving Institutions Consortium, CFDA 10.223, from U.S. Department of Agriculture.

United Independent School District

\$

21,381

Texas State University - San Marcos

4,032

Laredo Independent School District

4,165

Second Chance Adult Education

173,716

Texas A&M International University

499,301

**Total amount passed-through**

\$

702,595

**Note 4: Student Loans Processed (not included on schedule)**

	New Loans Processed	Administrative Cost Recovered	Total Loans Processed & Administrative Cost Recovered
Federal Grantor			
CFDA Number/Program Name			
U.S. Department of Education			
84.032 Federal Family Educational Loans	\$ 1,254,081	-	\$ 1,254,081



**Laredo Community College District  
Schedule of Expenditures of State Awards  
Year Ended August 31, 2010  
Schedule F**

Grantor Agency/Program Title	Grant Contract Number	Expenditures
<b>Texas Education Agency</b>		
State Adult Basic Education		\$ 155,077
State Temporary Assistance for Needy Families		40,047
<b>Total Education Agency</b>		<u>\$ 195,124</u>
<b>Texas Higher Education Coordinating Board</b>		
Direct Programs:		
Texas College Work-Study		50,628
Texas Grant Initial		791,210
Texas Grant Renewal		1,053,760
Texas Educational Opportunity Grant Initial		186,010
Texas Educational Opportunity Grant Renewal		113,080
Collegiate G Force		47,759
P-16 College Readiness Advisors		<u>11,951</u>
Pass Through From:		
El Paso Community College		
Community College Developmental Education Initiative Program		<u>9,904</u>
<b>Total Texas Higher Education Coordinating Board</b>		<u>\$ 2,264,302</u>
<b>Commission on Law Enforcement Officers Standards and Education</b>		
Law Enforcement Officer Standards and Education		<u>\$ 3,039</u>
<b>Texas Department of State Health Services</b>		
Emergency Medical Services		<u>\$ 17,594</u>
<b>Texas Guaranteed Foundation</b>		
The University of Texas at San Antonio		
TexPREP		<u>\$ 3,520</u>
<b>Sid Richardson Foundation</b>		
The University of Texas at San Antonio		
TexPREP		<u>\$ 8,000</u>
<b>State Appropriations 2010 Tex Prep</b>		
The University of Texas at San Antonio		
TexPREP		<u>\$ 5,220</u>
<b>Texas Association of School Boards Risk Management Fund</b>		
Loss Prevention		<u>\$ 5,184</u>
<b>Texas Workforce Commission</b>		
Ivy Therapy Training	2110SDF000	<u>\$ 8,776</u>
<b>Total State Financial Assistance</b>		<u><u>\$ 2,510,759</u></u>

Notes to Schedule on Following Page.

**SCHEDULE F (Continued)**

Note 1 : State Awards Reconciliation

State Grants and Contracts Revenue - per Schedule A	\$ 2,510,309
Add: Indirect/Administrative Cost Recoveries	-
Add: Capital Outlays	-
Add: Institutional Grant Matching	<u>450</u>
Total State Revenues per Schedule of Expenditures of State Awards	<u>\$ 2,510,759</u>

Note 2: Amounts passed-through by the college

The following amounts were passed-through to the listed sub recipients by the college. These amounts were from the Adult Basic Education program, CFDA 84.002, from U.S. Department Education through the Texas Education agency.

Second Chance Adult Education	<u>\$ 25,000</u>
Total amount passed-through	<u>\$ 25,000</u>

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## **STATISTICAL SUPPLEMENT SECTION**

Laredo Community College  
Statistical Supplement 1  
Net Assets by Component  
Fiscal Years 2002 to 2010  
(unaudited)  
(amounts expressed in thousands)

	For the Year Ended August 31,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	
Invested in capital assets, net of related debt	\$10,102,407	\$4,039,427	\$3,976,856	\$1,210,259	\$6,178,828	\$1,555,234	\$2,543,678	\$6,238,950	\$2,418,459	
Restricted - expendable	8,793,734	10,590,356	10,861,482	11,063,623	8,878,776	13,234,886	14,708,586	11,776,146	14,112,123	
Restricted - nonexpendable	2,719,827	2,622,085	1,833,943	1,958,506	1,830,742	1,771,196	1,512,305	1,007,635	808,372	
Unrestricted	14,794,760	16,644,722	12,221,527	8,796,588	7,978,382	5,206,393	4,194,465	2,680,028	2,054,168	
Total primary government net assets	\$ 36,410,728	\$ 33,896,590	\$ 28,693,788	\$ 23,028,976	\$ 24,966,528	\$ 21,787,709	\$ 22,956,014	\$ 21,702,760	\$ 19,493,122	

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2009 are available.

Larado Community College  
Statistical Supplement 2  
Revenues by Source  
Fiscal Years 2002 to 2010  
(unaudited)

	For the Year Ended August 31, (amounts expressed in thousands)									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	
Tuition and Fees (Net of Discounts)	\$7,258,100	\$6,986,193	\$6,517,255	\$5,814,999	\$5,895,429	\$5,191,014	\$4,458,615	\$3,860,979	\$3,919,807	
Federal Grants and Contracts	4,458,474	4,201,478	3,301,665	3,189,192	2,911,278	3,088,958	3,286,112	3,516,225	3,543,515	
State Grants and Contracts	2,510,759	2,845,714	2,445,609	2,285,006	2,061,600	1,402,828	1,715,489	2,990,058	593,758	
Local Grants and Contracts	325,511	-	-	-	-	-	-	-	-	
Non-Governmental Grants and Contracts	646,167	646,167	258,430	147,967	292,546	582,854	334,237	387,295	194,433	
Investment Income (program restricted)	110,609	203,930	196,600	161,659	148,995	63,711	82,901	113,503	138,580	
Auxiliary enterprises	780,881	719,814	882,728	760,037	688,118	627,004	579,866	610,403	600,950	
Other Operating Revenues	1,554,994	1,226,271	962,816	1,016,352	923,833	631,724	820,448	592,713	759,340	
Total Operating Revenues	16,999,328	18,811,567	14,364,903	13,325,212	12,911,800	11,588,093	11,277,668	12,051,176	9,748,383	
State Appropriations	17,054,956	17,873,004	17,644,064	17,556,876	17,282,524	15,851,903	14,988,924	15,488,016	16,854,615	
Professional Nursing Shortage Reduction	35,221	39,725	34,061	5,135	-	-	-	-	-	
Ad Valorem Taxes	25,138,309	23,835,144	21,744,942	20,280,535	18,258,603	16,751,308	15,294,706	12,857,409	11,337,285	
Gifts	46,897	83,099	472,255	113,789	2,366	5,837	1,035	1,889	-	
Investment Income	859,749	1,036,805	1,163,854	1,302,268	1,546,064	703,519	749,193	1,482,716	1,448,037	
Federal Revenue, Non-Operating	21,770,168	14,959,530	12,264,881	11,653,004	11,835,773	12,323,611	11,854,554	11,355,877	10,481,438	
Additions to permanent endowments	50,100	380,000	90,262	20,839	157,200	257,430	442,200	45,808	199,780	
Other non-operating revenues	-	-	-	76,664	3,607	-	-	456,700	-	
Total Non-Operating Revenues	64,755,400	58,187,307	53,614,319	50,989,100	49,084,137	45,693,608	43,130,612	41,698,415	40,321,156	
Total Revenues	\$ 81,754,728	\$ 74,998,874	\$ 67,979,222	\$ 64,314,312	\$ 61,995,937	\$ 57,481,701	\$ 54,408,280	\$ 53,749,591	\$ 50,069,538	

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

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Tuition and Fees (Net of Discounts)	8.88%	9.29%	9.59%	9.04%	9.51%	9.03%	8.19%	7.18%	7.83%
Federal Grants and Contracts	5.45%	5.60%	4.86%	4.93%	4.70%	5.37%	6.04%	6.54%	7.08%
State Grants and Contracts	3.07%	3.79%	3.80%	3.52%	3.31%	2.44%	3.15%	5.59%	1.19%
Local Grants and Contracts	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Non-Governmental Grants and Contracts	0.40%	0.86%	0.38%	0.23%	0.47%	1.01%	0.61%	0.68%	0.39%
Investment Income (program restricted)	0.14%	0.27%	0.29%	0.25%	0.24%	0.11%	0.15%	0.21%	0.27%
Auxiliary enterprises	0.96%	0.96%	1.00%	1.17%	1.11%	1.09%	1.07%	1.14%	1.20%
Other Operating Revenues	1.90%	1.64%	1.42%	1.58%	1.49%	1.10%	1.51%	1.10%	1.52%
Total Operating Revenues	20.79%	22.42%	21.13%	20.72%	20.83%	20.16%	20.73%	22.42%	19.47%
State Appropriations	20.88%	23.83%	26.25%	27.30%	27.88%	27.58%	27.55%	28.83%	33.55%
Professional Nursing Shortage Reduction	0.04%	0.05%	0.05%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
Ad Valorem Taxes	30.75%	31.78%	31.89%	31.50%	29.45%	29.14%	28.11%	23.92%	22.64%
Gifts	0.05%	0.11%	0.09%	0.18%	0.00%	0.01%	0.00%	0.00%	0.00%
Investment Income	0.81%	1.38%	1.71%	2.02%	2.48%	1.22%	1.38%	2.76%	2.89%
Federal Revenue, Non-Operating	26.63%	19.95%	18.04%	18.12%	19.09%	21.44%	21.42%	21.13%	20.93%
Additions to permanent endowments	0.06%	0.48%	0.13%	0.03%	0.25%	0.45%	0.81%	0.09%	0.40%
Other non-operating revenues	0.00%	0.00%	0.00%	0.12%	0.01%	0.00%	0.00%	0.85%	0.00%
Total Non-Operating Revenues	78.21%	77.58%	78.87%	79.28%	78.17%	79.84%	79.27%	77.58%	80.53%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2009 are available.

Laredo Community College  
Statistical Supplement 3  
Program Expenses by Function  
Fiscal Years 2002 to 2010  
(unaudited)

For the Year Ended August 31, (amounts expressed in thousands)									
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	\$23,458,947	\$22,111,261	\$21,241,920	\$21,949,631	\$21,338,284	\$21,023,969	\$19,184,463	\$19,495,450	\$18,765,522
Research	-	-	-	-	-	-	-	-	-
Public service	602,108	540,355	505,948	315,639	87,024	-	39,697	55,147	175,554
Academic support	6,402,122	6,391,862	5,076,716	2,562,385	2,346,533	2,647,728	2,303,635	2,223,255	2,251,889
Student services	7,016,919	6,771,758	6,503,155	5,244,406	4,822,704	4,734,760	3,774,229	3,819,476	3,868,745
Institutional support	10,759,307	8,960,865	8,828,994	11,686,687	10,240,686	8,351,102	7,695,947	8,929,883	7,137,836
Operation and maintenance of plant	6,784,251	8,119,791	6,485,590	8,225,040	5,274,798	5,473,217	3,523,586	2,850,802	2,812,183
Scholarships and fellowships	16,634,026	11,762,189	8,994,383	9,225,878	8,796,859	9,030,090	9,169,662	10,023,607	7,262,490
Auxiliary enterprises	527,041	496,804	518,321	367,168	382,626	401,220	288,000	258,621	282,863
Depreciation	2,856,717	3,021,225	3,100,889	3,158,823	3,027,689	2,895,706	2,205,870	1,287,757	1,125,408
<b>Total Operating Expenses</b>	<b>75,021,439</b>	<b>68,178,210</b>	<b>61,255,916</b>	<b>62,735,862</b>	<b>56,317,203</b>	<b>54,557,807</b>	<b>48,185,089</b>	<b>46,941,998</b>	<b>43,682,490</b>
Interest on capital related debt	3,868,424	3,619,862	3,818,021	3,533,380	3,711,045	4,111,714	4,168,188	4,499,112	3,509,448
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-	-
Other non-operating expenses	332,728	-	-	-	-	3,485	3,480	4,015	3,315
<b>Total Non-Operating Expenses</b>	<b>4,201,152</b>	<b>3,619,862</b>	<b>3,818,021</b>	<b>3,533,380</b>	<b>3,711,045</b>	<b>4,115,199</b>	<b>4,171,646</b>	<b>4,503,127</b>	<b>3,512,763</b>
<b>Total Expenses</b>	<b>\$ 79,240,590</b>	<b>\$ 69,796,072</b>	<b>\$ 65,073,937</b>	<b>\$ 66,269,242</b>	<b>\$ 60,028,248</b>	<b>\$ 58,673,006</b>	<b>\$ 52,356,735</b>	<b>\$ 51,445,125</b>	<b>\$ 47,195,253</b>

For the Year Ended August 31, (amounts expressed in thousands)									
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	29.80%	31.68%	32.64%	33.12%	35.55%	35.83%	36.64%	37.90%	39.76%
Research	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Public service	0.76%	0.77%	0.78%	0.48%	0.14%	0.00%	0.08%	0.11%	0.37%
Academic support	8.08%	9.16%	7.80%	3.87%	3.91%	4.51%	4.40%	4.32%	4.77%
Student services	8.86%	9.70%	9.95%	7.91%	8.03%	8.07%	7.21%	7.42%	8.20%
Institutional support	13.68%	12.84%	13.57%	17.64%	17.06%	14.23%	14.70%	13.47%	15.12%
Operation and maintenance of plant	8.54%	8.77%	9.97%	12.41%	8.79%	9.33%	6.73%	5.54%	6.95%
Scholarships and fellowships	20.99%	16.86%	13.82%	13.92%	14.65%	15.39%	17.51%	19.48%	15.39%
Auxiliary enterprises	0.67%	0.71%	0.80%	0.55%	0.64%	0.68%	0.55%	0.50%	0.60%
Depreciation	3.61%	4.33%	4.77%	4.77%	5.04%	4.94%	4.21%	2.50%	2.38%
<b>Total Operating Expenses</b>	<b>94.68%</b>	<b>94.81%</b>	<b>94.13%</b>	<b>94.67%</b>	<b>93.62%</b>	<b>92.99%</b>	<b>92.03%</b>	<b>91.25%</b>	<b>92.56%</b>
Interest on capital related debt	4.90%	5.19%	5.87%	5.33%	6.18%	7.01%	7.96%	8.75%	7.44%
Loss on disposal of fixed assets	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other non-operating expenses	0.42%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.01%	0.01%
<b>Total Non-Operating Expenses</b>	<b>5.32%</b>	<b>5.19%</b>	<b>5.87%</b>	<b>5.33%</b>	<b>6.18%</b>	<b>7.01%</b>	<b>7.97%</b>	<b>8.75%</b>	<b>7.44%</b>
<b>Total Expenses</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Note: Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2009 are available.

Laredo Community College  
Statistical Supplement 4  
Tuition and Fees  
Last Ten Academic Years  
(unaudited)

Academic Year (Fall)	Resident												
	Fees per Semester Credit Hour (SCH)												
	Registration Fee	In-District Tuition	Out-of-District Tuition	Technology Fees	Library Fees	Student Activity Fees	General Use Fees	Health Service Fee	Other 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
2009-10	\$ 15	\$ 42	\$ 84	\$ 2.5	\$ 2.5	\$ 1	\$ 20	\$ 3	\$ 0	\$ 834	\$ 1,338	2.96%	3.72%
2008-09	15	40	80	2.5	2.5	1	20	3	0	810	1,290	0.00%	0.00%
2007-08	15	40	80	2.5	2.5	1	20	3	0	810	1,290	17.39%	16.22%
2006-07	15	35	70	0	0	1	20	3	0	690	1,110	5.50%	6.94%
2005-06	15	32	64	0	0	1	20	3	0	654	1,038	10.10%	8.81%
2004-05	15	30	60	0	0	1	17	3	0	594	954	16.47%	17.78%
2003-04	15	25	50	0	0	1	15	3	0	510	810	13.33%	13.45%
2002-03	15	22	44	0	0	1	13	3	0	450	714	2.74%	3.48%
2001-02	15	21	42	0	0	1	13	3	0	438	690	2.82%	0.00%
2000-01	15	20	42	0	0	1	13	3	0	426	690		

Academic Year (Fall)	Non - Resident												
	Fees per Semester Credit Hour (SCH)												
	Registration Fee	Non-Resident Tuition Out of State	Non-Resident Tuition International	Technology Fees	Library Fees	Student Activity Fees	General Use Fees	Health Service Fee	Other 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
2009-10	\$ 15	\$ 128	\$ 128	\$ 2.5	\$ 2.5	\$ 1	\$ 20	\$ 3	\$ 0	\$ 1,866	\$ 1,866	5.42%	5.42%
2008-09	15	120	120	2.5	2.5	1	20	3	0	1,770	1,770	0.00%	0.00%
2007-08	15	120	120	2.5	2.5	1	20	3	0	1,770	1,770	15.69%	15.69%
2006-07	15	105	105	0	0	1	20	3	0	1,530	1,530	7.59%	7.59%
2005-06	15	96	96	0	0	1	20	3	0	1,422	1,422	8.22%	8.22%
2004-05	15	90	90	0	0	1	17	3	0	1,314	1,314	18.38%	18.38%
2003-04	15	75	75	0	0	1	15	3	0	1,110	1,110	8.19%	8.19%
2002-03	15	70	70	0	0	1	13	3	0	1,026	1,026	0.00%	0.00%
2001-02	15	70	70	0	0	1	13	3	0	1,026	1,026	0.00%	0.00%
2000-01	15	70	70	0	0	1	13	3	0	1,026	1,026		

Note: In addition, students may incur course related fees such as laboratory fees, testing fees and certification fees.



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

(amounts expressed in thousands)				Direct Rate			
Fiscal Year	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value	Maintenance & Operations	Debt Service	Total Direct Rate (a)
					(a)	(a)	
2009-10	12,395,164	1,527,286	10,663,551	86.03%	\$ 0.19985	\$ 0.03827	0.23812
2008-09	12,072,472	1,502,789	10,569,683	87.55%	0.18400	0.04320	0.22720
2007-08	11,637,166	1,150,109	10,487,057	90.12%	0.18700	0.03410	0.22110
2006-07	10,555,088	1,043,974	9,511,114	90.11%	0.18310	0.03910	0.22220
2005-06	9,374,079	920,475	8,453,604	90.18%	0.18770	0.04280	0.23050
2004-05	8,597,478	1,022,433	7,575,045	88.11%	0.19032	0.04340	0.23371
2003-04	7,869,726	978,039	6,891,687	87.57%	0.19400	0.04200	0.23600
2002-03	7,121,188	986,537	6,134,651	86.15%	0.18600	0.05000	0.23600
2001-02	6,618,760	656,742	5,962,018	90.08%	0.17400	0.05250	0.22650
2000-01	6,046,791	869,779	5,177,012	85.62%	0.17143	0.04521	0.21665

Source: Local Appraisal District

Notes: Property is assessed at full market value.

(a) per \$100 Taxable Assessed Valuation

Laredo Community College  
Statistical Supplement 6  
State Appropriation per FTSE  
Last Ten Fiscal Years  
(unaudited)  
(amounts expressed in thousands)

Fiscal Year	Appropriation per FTSE			Appropriation per Contact Hour			
	State Appropriation	FTSE	State Appropriation per FTSE	Academic Contact Hours	Voc/Tech Contact Hours	Total Contact Hours	State Appropriation per Contact Hour
2009-10	\$ 12,654	6,781	\$ 1,866	2,285	1,431	3,716	\$ 3.41
2008-09	12,851	6,085	2,112	2,613	779	3,392	3.79
2007-08	12,851	6,000	2,142	2,410	781	3,191	4.03
2006-07	12,851	6,000	2,142	2,414	912	3,326	3.86
2005-06	12,851	6,159	2,087	2,470	926	3,396	3.78
2004-05	11,637	6,301	1,847	2,559	954	3,513	3.31
2003-04	11,426	6,001	1,904	2,395	875	3,270	3.49
2002-03	11,852	5,879	2,016	2,307	930	3,237	3.66
2001-02	12,744	5,695	2,238	2,217	974	3,191	3.99
2000-01	12,783	5,561	2,299	2,061	921	2,982	4.29

Notes:

FTSE is defined as the number of full time students plus total hours taken by part-time students divided by 12.

Laredo Community College  
Statistical Supplement 7  
Principal Taxpayers  
Last Ten Tax Years  
(unaudited)

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)									
		2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Laredo Texas Hospital Co. LP	Medical	\$ 102,046	\$ 104,560	\$ 105,123	\$ 105,065	\$ 99,642	\$ 98,859	\$ 100,486	\$ -	\$ -	\$ -
Laredo WLE LP	Utility	102,764	68,457	68,400	60,828	83,522	87,611	61,556	74,048	57,416	49,059
AEP Texas Central Company	Utility	50,789	-	-	49,983	49,160	48,471	-	-	-	-
Laredo/MDN Limited Partnership	Retail	-	-	-	44,354	43,618	42,233	32,421	-	-	-
Laredo Regional Medical Ctr. LP	Medical	42,263	44,354	43,618	48,082	46,151	42,233	-	-	-	-
International Bank of Commerce	Bank	34,635	35,750	33,889	35,505	33,053	36,116	-	-	-	-
Wal-Mart Real Estate Business Trust	Commercial Real Estate	20,937	-	-	33,460	21,355	-	-	-	-	-
Kilham Ind. Dev. Partnership Ltd.	Development	31,116	34,458	33,724	31,910	29,380	28,873	27,079	28,170	20,716	27,887
Southwestern Bell Telephons Co.	Utility	20,484	31,871	-	30,087	28,713	29,249	26,090	29,030	31,708	30,892
H E Butt Grocery Company	Grocery	28,808	29,168	28,751	28,720	26,515	25,607	34,234	20,120	-	16,091
Farias Development LTD	Development	20,035	-	-	-	-	-	-	-	-	-
WRI Transmission LP	Commercial Real Estate	20,790	28,959	-	28,800	28,411	24,855	-	-	-	-
Electric Transmission of Texas LLC	Utility	40,721	36,509	-	62,452	-	-	-	-	-	-
Mail Del Norte LLC	Retail	52,630	52,630	52,617	-	-	-	-	-	-	-
The GEO Group Inc	Commercial Business	53,005	52,769	52,769	52,769	52,769	52,769	-	-	-	-
Laredo Local LLC	Commercial Business	20,641	24,488	29,031	-	-	-	-	-	-	-
Webb County Correctional Center Corp	Correctional Center	-	-	-	-	-	21,867	21,865	22,141	22,058	22,058
Enterprise Laredo Associates	Medical	-	-	-	-	-	-	32,221	32,283	-	-
Webb Hospital Holdings LLC	Medical	-	-	-	-	-	-	20,584	-	-	-
United States Cold Storage	Cold Storage	-	-	-	-	-	-	16,800	10,610	17,364	17,364
Lowe's Home Center Inc.	Conglomerate	-	-	-	-	-	-	-	10,209	-	-
Texas Cable Partners LP	Utility	-	-	-	-	-	-	-	-	-	-
Lone Star Mail Associates	Retail	-	-	-	-	-	-	-	14,132	-	-
Paragon Cable	Utility	-	-	-	-	-	-	-	-	27,084	27,084
Transport International Pool Inc.	Commercial Business	-	-	-	-	-	-	-	-	15,079	14,705
Laredo National Bank	Bank	20,444	-	-	-	-	-	-	-	14,235	11,102
Central Power & Light	Utility	-	-	-	-	-	-	-	-	12,033	12,701
Southwestern Motor Trans. Inc.	Motor Transport	-	-	-	-	-	-	-	-	-	-
San Isidro Northeast LTD	Development	10,734	33,018	-	-	-	-	-	-	-	-
<b>Totals</b>		<b>\$ 694,799</b>	<b>\$ 674,741</b>	<b>\$ 488,647</b>	<b>\$ 480,540</b>	<b>\$ 444,852</b>	<b>\$ 423,941</b>	<b>\$ 373,187</b>	<b>\$ 266,170</b>	<b>\$ 244,087</b>	<b>\$ 222,143</b>
<b>Total Taxable Assessed Value</b>		<b>\$ 10,663,551</b>	<b>\$ 10,559,593</b>	<b>\$ 10,487,057</b>	<b>\$ 8,453,804</b>	<b>\$ 7,575,045</b>	<b>\$ 6,891,687</b>	<b>\$ 6,134,651</b>	<b>\$ 5,992,010</b>	<b>\$ 5,177,012</b>	<b>\$ 4,816,478</b>

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year									
		2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Laredo Texas Hospital Co. LP	Medical	0.96%	0.99%	1.00%	1.24%	1.32%	1.43%	1.64%	-	-	-
Laredo WLE LP	Utility	0.96%	0.99%	0.63%	1.07%	1.10%	0.89%	-	-	-	-
AEP Texas Central Company	Utility	0.55%	0.65%	0.42%	0.59%	0.68%	0.70%	1.00%	1.24%	1.11%	1.02%
Laredo/MDN Limited Partnership	Retail	-	-	0.42%	0.42%	0.41%	0.41%	0.53%	0.64%	0.34%	-
Laredo Regional Medical Ctr. LP	Medical	0.40%	0.42%	0.42%	0.59%	0.61%	0.61%	-	-	-	-
International Bank of Commerce	Bank	0.32%	0.34%	0.32%	0.42%	0.45%	0.52%	-	-	-	-
Wal-Mart Real Estate Business Trust	Commercial Real Estate	0.28%	-	-	0.40%	0.28%	-	-	-	-	-
Kilham Ind. Dev. Partnership Ltd.	Development	0.28%	0.32%	0.32%	0.38%	0.38%	0.45%	0.44%	0.47%	0.55%	0.58%
Southwestern Bell Telephons Co.	Utility	0.19%	0.30%	0.27%	0.36%	0.38%	0.42%	0.43%	0.49%	0.61%	0.64%
H E Butt Grocery Company	Grocery	0.27%	0.28%	0.27%	0.34%	0.35%	0.37%	0.56%	0.47%	-	0.33%
Farias Development LTD	Development	0.26%	-	-	-	-	-	-	-	-	-
WRI Transmission LP	Commercial Real Estate	0.25%	0.26%	-	0.34%	0.35%	0.36%	-	-	-	-
Electric Transmission of Texas LLC	Utility	0.25%	0.35%	0.60%	-	-	-	-	-	-	-
Mail Del Norte LLC	Retail	0.30%	0.50%	0.50%	-	-	-	-	-	-	-
The GEO Group Inc	Commercial Business	0.49%	0.50%	0.31%	-	-	-	-	-	-	-
Laredo Local LLC	Commercial Business	0.60%	0.50%	0.20%	-	-	-	-	-	-	-
Webb County Correctional Center Corp	Correctional Center	0.19%	0.23%	-	-	-	0.32%	0.36%	0.37%	0.43%	0.46%
Enterprise Laredo Associates	Medical	-	-	-	-	-	-	0.53%	0.54%	-	-
Webb Hospital Holdings LLC	Medical	-	-	-	-	-	-	0.34%	-	-	-
United States Cold Storage	Cold Storage	-	-	-	-	-	-	0.27%	0.33%	0.34%	0.36%
Lowe's Home Center Inc.	Conglomerate	-	-	-	-	-	-	-	0.27%	-	-
Texas Cable Partners LP	Utility	-	-	-	-	-	-	-	0.24%	-	-
Lone Star Mail Associates	Retail	-	-	-	-	-	-	-	-	-	-
Paragon Cable	Utility	-	-	-	-	-	-	-	-	0.52%	0.56%
Transport International Pool Inc.	Commercial Business	-	-	-	-	-	-	-	-	0.20%	0.31%
Laredo National Bank	Bank	0.10%	-	-	-	-	-	-	-	0.27%	0.23%
Central Power & Light	Utility	-	-	-	-	-	-	-	-	0.25%	0.27%
Southwestern Motor Trans. Inc.	Motor Transport	-	-	-	-	-	-	-	-	-	-
San Isidro Northeast LTD	Development	0.10%	0.31%	-	-	-	-	-	-	-	-
<b>Totals</b>		<b>6.52%</b>	<b>5.44%</b>	<b>4.66%</b>	<b>5.66%</b>	<b>5.87%</b>	<b>6.15%</b>	<b>6.08%</b>	<b>4.97%</b>	<b>4.71%</b>	<b>4.78%</b>

Sources: Local County Appraisal District

Laredo Community College  
Statistical Supplement 8  
Property Tax Levies and Collections  
Last Ten Tax Years  
(unaudited)  
(amounts expressed in thousands)

Fiscal Year	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)	Percentage of Levy
2009-10	\$ 24,014	\$ -	\$ 24,014	\$ 23,327	97.14%	\$ -	1,025	\$ 24,352	101.41%
2008-09	23,187	-	23,187	22,263	96.02%	-	788	23,051	99.41%
2007-08	21,134	-	21,134	20,417	96.61%	-	844	21,261	100.60%
2006-07	19,571	-	19,571	18,913	96.64%	-	849	19,762	100.98%
2005-06	17,727	-	17,727	17,028	96.06%	-	805	17,833	100.60%
2004-05	16,320	-	16,320	15,583	95.48%	-	767	16,350	100.18%
2003-04	14,478	-	14,478	13,928	96.20%	-	937	14,865	102.67%
2002-03	12,892	-	12,892	12,044	93.42%	-	525	12,569	97.49%
2001-02	11,216	-	11,216	10,587	94.39%	-	459	11,046	98.48%
2000-01	8,215	-	8,215	7,624	92.81%	-	375	7,999	97.37%

\* "Collection in Subsequent Years" does not include penalties and interest. It includes taxes only.

Source: Local Tax Assessor/Collector's and District records.

Laredo Community College  
Statistical Supplement 9  
Ratios of Outstanding Debt  
Last Ten Fiscal Years  
(unaudited)

	For the Year Ended August 31 (amounts expressed in thousands)									
	2010	2009	2008	2007 (a)	2008	2005	2004	2003	2002	2001
<b>General Bonded Debt</b>										
General Obligation Bonds	\$ 74,174	\$ 77,525	\$ 80,709	\$ 83,865	\$ 87,674	\$ 91,910	\$ 95,008	\$ 98,106	\$ 101,750	\$ 52,057
Notes	-	-	-	-	-	-	-	-	-	-
Less: Funds Restricted for Debt Service	736	280	467	511	465	418	420	101	65	(146)
Net General Bonded Debt	\$ 73,438	\$ 77,245	\$ 80,242	\$ 83,354	\$ 87,209	\$ 91,492	\$ 94,588	\$ 98,005	\$ 101,685	\$ 52,203
<b>Per Capita</b>	\$ 304.17	\$ 326.01	\$ 344.16	\$ 360.11	\$ 388.12	\$ 407.18	\$ 420.98	\$ 436.17	\$ 452.55	\$ 232.33
Per Student	10,830	12,694	13,374	13,892	14,160	14,855	15,358	15,912	16,510	8,478
As a percentage of Taxable Assessed Value	0.69%	0.73%	0.77%	0.99%	1.15%	1.21%	1.25%	1.29%	1.34%	0.69%
<b>Other Debt</b>										
Revenue Bonds	\$ 97,353	\$ 36,682	\$ 38,881	\$ 41,076	\$ 43,606	\$ 45,432	\$ 47,781	\$ 50,134	\$ 52,499	\$ 54,519
Contractual Obligations	3,455	4,034	4,611	5,186	5,764	-	-	-	-	-
Notes	2,236	-	-	-	-	-	-	-	-	-
Capital Lease Obligations	1,278	785	618	449	304	57	29	40	-	-
Total Outstanding Debt	\$ 177,760	\$ 118,746	\$ 124,352	\$ 130,065	\$ 136,883	\$ 136,981	\$ 142,398	\$ 148,179	\$ 154,184	\$ 106,722
<b>Total Outstanding Debt Ratios</b>										
Per Capita	\$ 736.26	\$ 501.16	\$ 533.35	\$ 561.91	\$ 609.19	\$ 609.63	\$ 633.74	\$ 659.47	\$ 686.19	\$ 474.96
Per Student	26,214	19,515	20,725	21,678	22,225	22,241	23,120	24,059	25,034	17,328
As a percentage of Taxable Assessed Value	1.67%	1.12%	1.19%	1.54%	1.81%	1.81%	1.88%	1.96%	2.04%	1.41%

Notes: Ratios calculated using population and TAV from current year. Debt per student calculated using full-time-equivalent enrollment. (a) Funds restricted for Debt Service was adjusted for Accreted Int.

Laredo Community College  
Statistical Supplement 10  
Legal Debt Margin Information  
Last Ten Fiscal Years  
(unaudited)

	For the Year Ended August 31 (amount expressed in thousands)									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<b>Taxable Assessed Value</b>										
	\$ 10,693,551	\$ 10,589,683	\$ 10,487,057	\$ 8,453,604	\$ 7,575,046	\$ 6,991,687	\$ 6,134,651	\$ 5,692,018	\$ 5,177,012	\$ 4,815,178
<b>General Obligation Bonds</b>										
Statutory Tax Levy Limit for Debt Service	53.318	52.848	52.435	42.289	37.875	34,460	30,873	28,460	25,885	24,076
Least Funds Restricted for Repayment of General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Total Net General Obligation Debt	53,318	52,848	52,435	42,288	37,875	34,460	30,873	28,460	25,885	24,076
Current Year Debt Service Requirements	4,283	3,940	4,019	3,678	3,286	3,098	3,089	3,644	2,195	391
Excess of Statutory Limit for Debt Service over Current Requirements	\$ 49,035	\$ 48,908	\$ 48,416	\$ 38,610	\$ 34,589	\$ 31,360	\$ 27,784	\$ 24,816	\$ 23,690	\$ 23,685
<b>Net Current Requirements as a % of Statutory Limit</b>	8.00%	7.46%	7.55%	8.70%	8.69%	8.99%	10.07%	12.60%	8.48%	1.62%

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.

Laredo Community College  
Statistical Supplement 11  
Pledged Revenue Coverage  
Last Ten Fiscal Years  
(unaudited)

Revenue Bonds

Fiscal Year Ended August 31	Pledged Revenues (\$000 omitted)											Debt Service Requirements (\$000 omitted)			
	Tuition	Community					Interest Income	Vending Commission	Bookstore Commission	General Use Fees	Total	Principal	Interest	Total	Coverage Ratio
		Technology Fee	Registration Fees	Laboratory Fees	Education Fees										
2010	\$ 2,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 398	\$ -	\$ -	\$ 3,359	\$ 6,031	\$ 1,090	\$ 1,355	\$ 2,455	2.46
2009	2,008	-	-	-	-	-	585	-	-	3,027	5,020	1,016	1,203	2,219	2.53
2008	1,851	-	-	-	-	-	761	-	-	2,137	4,749	970	1,246	2,216	2.14
2007	1,731	-	-	-	-	-	582	-	-	2,108	4,421	1,041	1,179	2,220	1.99
2006	1,544	-	-	-	-	-	521	-	-	1,858	3,923	648	1,723	2,371	1.65
2005	1,510	-	-	-	-	-	180	-	-	1,948	3,538	782	1,567	2,349	1.55
2004	334	-	-	-	-	-	146	-	-	1,987	2,447	751	1,602	2,353	1.04
2003	273	-	-	-	-	-	217	-	-	1,997	2,487	730	1,635	2,365	1.05
2002	255	-	-	-	-	-	181	-	-	1,903	2,339	664	1,665	2,329	1.00
2001	255	-	-	-	-	-	175	-	-	1,719	2,149	563	1,152	1,715	1.25

**Laredo Community College**  
**Statistical Supplement 12**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**  
(unaudited)

Calendar Year	District Population	District Personal Income (thousands of dollars)	District Personal Income Per Capita	District Unemployment Rate
2009 (a)	241,438	\$ 5,410,463	22,409	8.7%
2008 (a)	236,941	5,294,677	22,346	5.9%
2007 (a)	233,152	4,920,183	21,103	4.8%
2006 (a)	231,470	4,536,284	19,598	5.4%
2005 (a)	224,695	4,217,465	18,770	6.0%
2004	218,806	3,887,856	17,769	6.7%
2003	212,675	3,636,049	17,097	7.4%
2002	206,772	3,432,111	16,599	7.3%
2001	200,805	3,231,723	16,094	6.6%
2000	194,679	2,933,682	15,069	6.1%

**Source:**

Texas Workforce Commission  
U.S. Bureau of Labor Statistics Data  
U.S. Bureau of Economic Analysis: Regional Economic Accounts

**Notes:**

(a) Amounts from 2005 thru 2009 are preliminary for the District Population and the District Income.



**Laredo Community College  
Statistical Supplement 13  
Principal Employers  
(unaudited)**

**Current Fiscal Year**

Employer	Sector	Number of Employees	Percentage of Total Employment
United Independent School District	Education	6,153	6.81%
Laredo Independent School District	Education	4,591	5.08%
City of Laredo	City	2,366	2.62%
Laredo Sector Border Patrol	Immigration	1,700	1.88%
H.E.B. Grocery	Grocery Store	1,602	1.77%
Webb County	County	1,450	1.61%
Laredo Medical Center	Medical Services	1,433	1.59%
McDonald's Restaurant	Fast Food	1,200	1.33%
Texas A&M International University	Education	1,195	1.32%
Convergys	Call Center	1,009	1.12%
Total		<u>22,699</u>	<u>25.13%</u>

**Four Years Prior**

Employer	Number of Employees	Percentage of Total Employment
United Independent School District	4,876-6,067	9.18%
Laredo Independent School District	3,990-4,564	7.28%
City of Laredo	2,238-2,414	4.00%
Laredo Sector Border Patrol	1,730-1,700	2.99%
H.E.B. Grocery	1,245-1,640	2.40%
Webb County	1,400-1,500	2.50%
Laredo Medical Center	1,377-1,400	2.41%
McDonald's Restaurant	1,425-1,418	2.48%
Laredo National Bank	1,275-1,129	2.13%
Wal-Mart	1,234-1,144	2.10%
Total	<u>20,790-22,976</u>	<u>37.45%</u>

**Source:**

Laredo Development Foundation

**Note:**

Percentages are calculated using the midpoints of the ranges.

Due to reporting format and definition changes prescribed by GASS Statement 44, only fiscal years 2006-2009 are available for prior years.

**Laredo Community College**  
**Statistical Supplement 14**  
**Faculty, Staff, and Administrators Statistics**  
**Last Ten Fiscal Years**  
(unaudited)

	Fiscal Year									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
<b>Faculty</b>										
Full-Time	198	198	185	203	224	217	200	199	199	201
Part-Time	126	112	45	140	125	134	132	127	116	134
Total	324	310	230	343	349	351	332	326	315	335
<b>Percent</b>										
Full-Time	61.1%	63.9%	80.4%	59.2%	64.2%	61.8%	60.2%	61.0%	63.2%	60.0%
Part-Time	38.9%	36.1%	19.6%	40.8%	35.8%	38.2%	39.8%	39.0%	36.8%	40.0%
<b>Staff and Administrators</b>										
Full-Time	445	430	425	416	386	353	310	328	315	314
Part-Time	123	97	45	135	11	15	8	19	14	17
Total	568	527	470	551	397	368	318	347	329	331
<b>Percent</b>										
Full-Time	78.3%	81.6%	90.4%	75.5%	97.2%	95.9%	97.5%	94.5%	95.7%	94.9%
Part-Time	21.7%	18.4%	9.6%	24.5%	2.8%	4.1%	2.5%	5.5%	4.3%	5.1%
Students per Full-time Faculty	46	42	42	40	44	57	58	56	54	51
Students per Full-Time Staff Member	21	19	18	20	26	35	37	34	34	33
Average Annual Faculty Salary	\$55,782	\$55,120	\$55,375	\$52,981	\$52,539	\$51,989	\$52,315	\$43,578	\$45,493	(a)

**Notes:**

(a) Average annual faculty salary is not available.

Laredo Community College  
Statistical Supplement 15  
Enrollment Details  
Last Five Fiscal Years  
(unaudited)

Student Classification	Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Freshman	6,226	75.41%	5,323	64.47%	4,880	62.32%	5,055	62.01%	5,253	63.30%
Sophomore	2,091	25.33%	1,903	23.05%	1,981	25.30%	2,099	25.75%	2,096	25.26%
Unclassified	529	6.41%	659	7.98%	433	5.53%	423	5.19%	427	5.15%
Associate*	382	4.63%	359	4.35%	507	6.47%	537	6.59%	488	5.88%
Baccalaureate or Above**	36	0.44%	12	0.15%	30	0.38%	38	0.47%	34	0.41%
Total	9,264	112.21%	8,256	100.00%	7,831	100.00%	8,152	100.00%	8,298	100.00%

Semester Hour Load	Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	144	1.74%	166	2.01%	235	3.00%	282	3.46%	209	2.52%
3-5 semester hours	1,916	23.21%	1,615	19.56%	1,356	17.32%	1,459	17.90%	1,580	19.04%
6-8 Semester hours	1,955	23.68%	1,742	21.10%	1,651	21.08%	1,746	21.42%	1,716	20.68%
9-11 semester hours	1,863	22.57%	1,735	21.02%	1,607	20.52%	1,621	19.88%	1,593	19.20%
12-14 semester hours	2,881	34.90%	2,480	30.04%	2,445	31.22%	2,471	30.31%	2,652	31.96%
15-17 semester hours	474	5.74%	491	5.95%	529	6.76%	527	6.46%	499	6.01%
18 & over	31	0.38%	27	0.33%	8	0.10%	46	0.56%	49	0.59%
Total	9,264	112.21%	8,256	100.00%	7,831	100.00%	8,152	100.00%	8,298	100.00%
Average course load	9.0		9.0		9.0		9.0		8.9	

Tuition Status	Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-District)	7,988	96.75%	7,114	86.17%	6,789	86.69%	6,996	85.82%	7,340	88.46%
Texas Resident (out-of-District)	742	8.99%	680	8.24%	545	6.96%	628	7.70%	613	7.39%
Non-Resident Tuition	244	2.96%	270	3.27%	244	3.12%	528	6.48%	345	4.16%
Tuition Exempt	30	0.36%	19	0.23%	108	1.38%	-	0.00%	-	0.00%
Foreign	260	3.15%	173	2.10%	145	1.85%	-	0.00%	-	0.00%
Total	9,264	112.21%	8,256	100.00%	7,831	100.00%	8,152	100.00%	8,298	100.00%

Notes:

**Laredo Community College**  
**Statistical Supplement 16**  
**Student Profile**  
**Last Five Fiscal Years**  
(unaudited)

	Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Gender										
Female	5,344	57.69%	4,754	57.58%	4,573	58.40%	4,743	58.18%	4,794	57.77%
Male	3,920	42.31%	3,502	42.42%	3,258	41.60%	3,409	41.82%	3,504	42.23%
Total	9,264	100.00%	8,256	100.00%	7,831	100.00%	8,152	100.00%	8,298	100.00%
	Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Ethnic Origin										
White	144	1.55%	111	1.34%	120	1.53%	136	1.67%	131	1.58%
Hispanic	8,876	95.81%	7,857	95.17%	7,401	94.51%	7,682	94.23%	7,807	94.08%
African American	17	0.18%	15	0.18%	12	0.15%	18	0.22%	14	0.17%
Asian	34	0.37%	28	0.34%	26	0.33%	26	0.32%	25	0.30%
Foreign	157	1.69%	223	2.70%	226	2.89%	252	3.09%	318	3.83%
Native American	4	0.04%	7	0.08%	8	0.10%	6	0.07%	2	0.02%
Unknown	32	0.35%	15	0.18%	38	0.49%	32	0.39%	1	0.01%
Total	9,264	100.00%	8,256	100.00%	7,831	100.00%	8,152	100.00%	8,298	100.00%
	Fall 2009		Fall 2008		Fall 2007		Fall 2006		Fall 2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Age										
Under 18	575	6.21%	352	4.26%	139	1.77%	136	1.67%	160	1.93%
18 - 21	4,553	49.15%	4,074	49.35%	3,794	48.45%	3,815	46.80%	3,975	47.90%
22 - 24	1,409	15.21%	1,349	16.34%	1,401	17.89%	1,474	18.08%	1,451	17.49%
25 - 35	1,816	19.60%	1,613	19.54%	1,593	20.34%	1,789	21.95%	1,771	21.34%
36 - 50	727	7.85%	714	8.65%	737	9.41%	781	9.58%	754	9.09%
51 & over	184	1.99%	154	1.87%	167	2.13%	157	1.93%	187	2.25%
Total	9,264	100.00%	8,256	100.00%	7,831	100.00%	8,152	100.00%	8,298	100.00%
Average Age	24		24		25		25		25	

**Laredo Community College**  
**Statistical Supplement 17**  
**Transfers to Senior Institutions**  
**2008 Fall Students as of Fall 2009**  
(Includes only public senior colleges in Texas)

	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all Sample Transfer Students	% of all Sample Transfer Students
	Academic	Technical	Tech-Prep		
1 Texas A&M International University	1,166	89	116	1,371	75.21%
2 University of Texas - San Antonio	93	2	5	100	5.49%
3 Texas A&M University	79	3	0	82	4.50%
4 University of Texas - Austin	61	4	2	67	3.68%
5 Texas State University	52	2	4	58	3.18%
6 Texas A&M University - Kingsville	32	0	1	33	1.81%
7 University of Texas - Pan American	27	2	0	29	1.59%
8 Angelo State University	20	0	3	23	1.26%
9 University of Texas Health Science Center - San Antonio	8	1	0	9	0.49%
10 Texas A&M University - Corpus Christi	5	2	0	7	0.38%
11 Texas Tech University	5	0	0	5	0.27%
12 University of North Texas	5	0	2	7	0.38%
13 University of Houston	4	0	0	4	0.22%
14 Texas Women's University	3	1	1	5	0.27%
15 West Texas A&M University	3	0	0	3	0.16%
16 Sam Houston State University	2	0	0	2	0.11%
17 Sul Ross State University	2	0	1	3	0.16%
18 University of Texas - Brownsville	2	0	4	6	0.33%
19 University of Houston - Downtown	2	0	0	2	0.11%
20 Texas Tech University Health Sciences Center	1	0	0	1	0.05%
21 Texas A&M University - Commerce	1	0	0	1	0.05%
22 Texas A&M University - San Antonio	1	0	0	1	0.05%
23 Stephen F. Austin State University	1	0	0	1	0.05%
24 University of Texas - Arlington	1	0	0	1	0.05%
25 University of Texas - Permian Basin	1	0	0	1	0.05%
26 Midwestern State University	0	0	1	1	0.05%
<b>Totals</b>	<b>1,577</b>	<b>106</b>	<b>140</b>	<b>1,823</b>	<b>100.00%</b>

Source: Texas Higher Education Coordinating Board

Laredo Community College  
Statistical Supplement 18  
Capital Asset Information  
Fiscal Years 2002 to 2010  
(unaudited)

	Fiscal Year								
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Academic buildings	31	31	31	31	31	31	31	28	25
Square footage (in thousands)	401,534	401,534	401,534	401,534	401,534	401,534	401,534	346,225	280,669
Libraries	2	2	2	2	2	2	2	1	1
Square footage (in thousands)	47,886	47,886	47,886	47,886	47,886	47,886	47,886	26,417	26,417
Number of Volumes (in thousands)	149,299	146,923	143,797	137,823	129,626	122,698	116,661	108,628	106,259
Administrative and support buildings	12	12	12	12	12	12	12	11	11
Square footage (in thousands)	49,951	49,951	48,682	48,682	48,682	48,682	48,682	37,236	37,236
Dormitories	2	8	8	8	8	8	8	8	8
Square footage (in thousands)	3,119	13,782	13,782	13,782	13,782	13,782	13,782	13,782	13,782
Number of Beds	12	182	182	182	182	182	182	182	182
Apartments	14	14	14	14	14	14	14	14	14
Square footage (in thousands)	20,594	20,594	20,594	20,594	20,594	20,594	20,594	20,594	20,594
Number of Beds	39	39	39	39	39	39	39	39	39
Dining Facilities	2	2	2	2	2	2	2	1	1
Square footage (in thousands)	22,842	22,842	22,842	22,842	22,842	22,842	22,842	11,776	11,776
Average daily customers	927	881	859	880	818	759	(a)	(a)	(a)
Athletic Facilities	5	5	5	5	5	5	4	4	4
Square footage (in thousands)	99,926	99,926	99,926	99,926	99,926	99,926	89,500	89,500	89,500
Stadiums	0	0	0	0	0	0	0	0	0
Gymnasiums	2	2	2	2	2	2	1	1	1
Baseball Field	1	1	1	1	1	1	1	1	1
Fitness Centers	0	0	0	0	0	0	0	0	0
Swimming Pool Complex	1	1	1	1	1	1	1	1	1
Tennis Courts	1	1	1	1	1	1	1	1	1
Plant Facilities	9	9	9	9	9	9	9	9	9
Square footage (in thousands)	24,337	24,337	24,337	24,337	24,337	24,337	24,337	24,337	24,337
Other Buildings	18	19	18	18	18	18	18	18	18
Square footage (in thousands)	32,770	32,770	32,570	32,570	32,570	32,570	32,570	32,570	32,570
Transportation	28	25	23	23	21	21	19	18	12
Cars	8	7	5	5	5	5	5	5	2
Light Trucks/Vans	20	18	18	18	16	16	14	13	10
Buses	0	0	0	0	0	0	0	0	0

Note:

(a) The average daily customer average is only available after fiscal year 2004 because the College changed providers in 2005.

**Laredo Community College**  
**Statistical Supplement 19**  
**Contact Hours**  
**Last Ten Fiscal Years**  
(unaudited)

Fiscal Year	Contact Hours		
	Academic	Voc Tech	Total
2009-10	2,284,592	1,431,472	3,716,064
2008-09	2,613,248	779,104	3,392,352
2007-08	2,410,272	781,216	3,191,488
2006-07	2,413,808	911,680	3,325,488
2005-06	2,469,712	925,760	3,395,472
2004-05	2,559,328	954,448	3,513,776
2003-04	2,394,576	875,376	3,269,952
2002-03	2,306,976	930,384	3,237,360
2001-02	2,216,896	974,112	3,191,008
2000-01	2,061,456	920,592	2,982,048

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Laredo Community College District  
Federal Schedule of Findings and Questioned Costs  
Year Ended August 31, 2010

**Section I - Summary of Auditors' Results**

***Financial Statements***

Type of auditors' report issued: Unqualified

Internal control over financial reporting:  
Material weakness(es) identified? \_\_\_\_\_ yes   X   no  
Significant deficiencies identified that are  
not considered to be material weaknesses? \_\_\_\_\_ yes   X   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes   X   no

***Federal Awards***

Internal Control over major programs:  
Material weakness(es) identified? \_\_\_\_\_ yes   X   no  
Significant deficiencies identified that are  
not considered to be material weaknesses? \_\_\_\_\_ yes   X   none reported

Type of auditors' report issued on compliance  
for major programs: Unqualified

Any audit findings disclosed that are required  
to be reported in accordance with  
Section .510(a) of Circular A-133? \_\_\_\_\_ yes   X   no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	Student Financial Assistance Programs – Cluster
84.007	Federal SEOG
84.032	Federal Family Educational Loans
84.033	Federal College Work Study Program
84.063	Federal Pell Grant
84.268	William D. Ford Federal Direct Loan Program
84.375	Academic Competitiveness Grant

Dollar threshold used to distinguish  
between Type A and Type B programs:   \$ 791,245  

Auditee qualified as low-risk auditee?   X   yes \_\_\_\_\_ no

**Section II - Financial Statement Findings**

None.

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

None.

Laredo Community College District  
State Schedule of Findings and Questioned Costs  
Year Ended August 31, 2010

**Section I - Summary of Auditors' Results**

***Financial Statements***

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ yes   X   no

Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes   X   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes   X   no

***State Awards***

Internal Control over major programs:

Material weakness(es) identified? \_\_\_\_\_ yes   X   no

Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes   X   none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133? \_\_\_\_\_ yes   X   no

Identification of major programs:

<u>Number(s)</u>	<u>Name of State Program or Cluster</u>
None	Texas Grant
None	Texas Educational Opportunity Grant

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee?   X   yes \_\_\_\_\_ no

**Section II - Financial Statement Findings**

None.

**Section III - State Award Findings and Questioned Costs**

None.

Laredo Community College District  
Federal Summary Schedule of Prior Audit Findings  
Year Ended August 31, 2010

**Summary of Prior Audit Findings**

***Federal Award Findings and Questioned Costs***

None.

Laredo Community College District  
State Summary Schedule of Prior Audit Findings  
Year Ended August 31, 2010

**Summary of Prior Audit Findings**

***State Award Findings and Questioned Costs***

None.