

**KILGORE JUNIOR COLLEGE DISTRICT  
KILGORE, TEXAS**

**FINANCIAL STATEMENTS  
AUGUST 31, 2007 and 2006**

**WITH REPORT  
OF CERTIFIED PUBLIC ACCOUNTANTS**

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**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**

**ORGANIZATIONAL DATA**

**For the fiscal year 2007 – 2006**

**BOARD OF TRUSTEES**

**OFFICERS**

		<b><u>TERM EXPIRES</u></b>
Bob Heath	President	2013
Larry Woodfin	Vice-President	2011
Will Roberson	Secretary	2009

**MEMBERS**

	<b><u>TERM EXPIRES</u></b>
R. E. Spradlin	2013
B. Randell Brint	2013
James N. Walker	2009
Fred S. Parsons	2011
Marion Turner	2011
Carlos "Scooter" Griffin, Jr.	2009

**PRINCIPAL ADMINISTRATIVE OFFICERS**

Dr. William M. Holda	President
Dr. Gerald Stanglin	Vice-President of Instruction
Duane J. McNaney, CPA	Vice-President of Administrative Services
David M. Castles	Vice-President of Student Services
Lucy A. Carroll, CPA	Controller
Michael W. Jenkins	Director of Human Services
J. Karol Pruett	Assistant to the President
David E. Wylie	Director of Development
F. Daniel Beach, CPA	Administrative Liaison to the Board

Dr. Mike Turpin	Dean, Institutional Planning
Louise Wiley	Instructional Dean
Terry Booker	Instructional Dean
Mike Earley	Instructional Dean
Randy Lewellen	Instructional Dean
Dr. Julie H. Fowler	Instructional Dean

**CERTIFICATE OF BOARD**

KILGORE JUNIOR COLLEGE DISTRICT                      GREGG                      KILGORE, TEXAS  
Name of College    County    City

I, Bob Heath, President of the Board of Trustees of Kilgore Junior College District, do hereby certify that this report was reviewed and approved, at a meeting of the Board (approved or disapproved) held on the 11th day of December, 2007.

Attest: \_\_\_\_\_                      \_\_\_\_\_  
Secretary, Board of Trustees                      President, Board of Trustees

The Board of Trustees  
Kilgore Junior College District  
Kilgore, Texas

**Independent Auditors' Report**

Members of the Board:

We have audited the accompanying basic financial statements of the Kilgore Junior College District, as of and for the year ended August 31, 2007, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit. The basic financial statements of Kilgore Junior College District as of August 31, 2006 were audited by other auditors whose report dated November 20, 2006 expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standard applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 financial statement presentation. We believe that our audits provide 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 Kilgore Junior College District at August 31, 2007, and the results of its operations and cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2007, on our consideration of the Kilgore Junior College District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our 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 should be considered in assessing the results of our audit.

The Management's Discussion and Analysis (MD&A) on pages 8 through 13 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of this supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards and schedule of expenditures of state awards for the year ended August 31, 2007 are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits Of States, Local Governments, And Non-Profit Organizations*, and the State of Texas Single Audit Circular (STSAC), and are not a required part of the basic financial statements. The required supplemental schedules listed in the table of contents are likewise presented for purposes of additional analysis and are not a required part of the basic financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying statistical supplement, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financials statements, and accordingly, we express no opinion on it.

Henry E. Peters, P.C.

Tyler, Texas  
November 29, 2007

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

**KILGORE JUNIOR COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AUGUST 31, 2007 and 2006**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Our discussion and analysis of Kilgore Junior College District's financial performance provides an overview of the College's financial activities for the fiscal year ended August 31, 2007, with fiscal year 2006 and 2005 data presented for comparative purposes. This discussion has been prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction with and is qualified in its entirety by the financial statements and footnotes.

**USING THIS ANNUAL FINANCIAL REPORT**

This annual financial report consists of a series of financial statements. The Texas Higher Education Coordinating Board requires all Texas public junior and community colleges to use the *Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges* for consistent and uniform reporting. It is intended that each public community and junior college adopt the business-type activities (BTA) model for use in preparing their annual financial reports.

The Statement of Net Assets includes all assets and liabilities. The focus of the statement is to report the net resources available to finance future operations. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the good or service is provided; and, expenses and liabilities are recognized when others provide the good or service, regardless of when cash is exchanged. The statement is useful to determine the assets available to fund services, as well as identify what the College owes vendors, bondholders, and others at the end of the year. The Statement of Net Assets presents to the readers of the financial statements a fiscal snapshot of the College.

The Statement of Revenues, Expenses, and Changes in Net Assets provides information about the activities of the College as a whole and presents a longer-term view of the College's finances. The College is dependent on three primary sources of revenues: state appropriations, tuition and fees, and ad-valorem taxes. Activities are presented as either operating or non-operating. Under this reporting model, state appropriations, ad-valorem taxes and gifts are reported as non-operating revenues. Because of the College's dependency on the non-operating revenues, there is a significant operating deficit. The utilization of long-term assets, referred to as Capital Assets, is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

The Statement of Cash Flows presents information related to cash inflows and outflows summarized by operating, non-capital financing, capital and related financing, and investing activities.



## STATEMENT OF NET ASSETS

The College's combined net assets increased \$3.8 million compared to a \$4.8 million increase in the prior year, increasing from \$46.1 million to \$49.9 million.

Condensed Statement of Net Assets (\$ in millions)	2007	2006	2005	2006 to 2007 Change
Current assets	\$ 15.4	\$ 12.7	\$ 13.4	21.26%
Non-current assets	8.3	7.3	6.4	13.70%
Non-current - Capital assets	37.9	37.9	32.9	0.00%
Total assets	61.6	57.9	52.7	6.39%
Current liabilities	(6.9)	(7.8)	(5.1)	-11.54%
Non-current liabilities	(4.8)	(4.0)	(6.3)	20.00%
Total liabilities	(11.7)	(11.8)	(11.4)	-0.85%
Net Assets:				
Invested in capital assets, net of debt	32.6	32.9	27.4	-0.91%
Restricted	7.3	6.8	7.5	7.35%
Unrestricted	10.0	6.4	6.4	56.25%
Total Net Assets	\$ 49.9	\$ 46.1	\$ 41.3	8.24%

The Statement of Net Assets helps identify the entity's ability to meet future obligations. One of the analytical tools used to determine this is comparing the current assets to current liabilities, or the current ratio. Current assets are those assets which can be converted quickly to pay current obligations, while current obligations are those obligations which are expected to be satisfied within one business cycle. The College's current assets of \$15.4 million were sufficient to cover current liabilities of \$6.9 million, giving a current ratio of 2.2 compared to 1.6 in fiscal year 2006.

Another analytical tool used to evaluate the financial stability of an entity is to compare expendable net assets to operating expenses. As of August 31, 2007 and 2006, the College had expendable net assets of \$11.7 million and \$7.9 million respectively. Operating expenses for the same period were \$35.8 million and \$34.2 million. This represents a ratio of 32.7% and 23.1% respectively.

The College's accumulated cash and cash equivalents balances increased \$3,341,482 to \$11.3 million.

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

Total operating revenues for fiscal year 2007 were \$18.4 million. Operating revenues increased \$1.2 million or 7.0%.

**Operating Revenues**  
(\$ in millions)

	2007		2006		2005	
Tuition and fees	33.8%	\$ 6.2	30.8%	\$ 5.3	29.6%	\$ 5.0
Federal grants and contracts	37.6%	6.9	41.3%	7.1	43.2%	7.3
State grant and contracts	4.0%	0.8	3.5%	0.6	3.0%	0.5
Auxiliary enterprises	21.1%	3.9	20.3%	3.5	20.1%	3.4
Other	3.5%	0.6	4.1%	0.7	4.1%	0.7
<b>Total</b>		<b>\$ 18.4</b>		<b>\$ 17.2</b>		<b>\$ 16.9</b>

The College had \$21.7 million in non-operating state appropriation, tax, gift, and other revenues. The largest portion of non-operating revenues comes from state appropriations which are generated from four areas: general revenue generated from contact hour reimbursement, employee/retiree group insurance payments, employee retirement contributions, and special allocations or adjustments. A non-typical transaction which occurred in fiscal year 2007 which generated \$1.9 million in other non-operating revenues was the sale of the KTPB radio station, including the related FCC license, transmission tower, transmission equipment, and related ground lease.

**Non-Operating Revenues**  
(\$ in millions)

	2007		2006		2005	
State Appropriations	59.7%	\$ 13.0	57.3%	\$ 12.8	70.7%	\$12.4
Maintenance ad valorem taxes	22.9%	5.0	19.6%	4.4	22.4%	3.9
Gifts	4.4%	0.9	19.1%	4.3	4.3%	0.8
Investment, Endowment and Other	13.0%	2.8	4.0%	0.9	2.6%	0.5
<b>Total</b>		<b>\$ 21.7</b>		<b>\$ 22.4</b>		<b>\$ 17.6</b>

Total operating expenses totaled \$35.8 million, which is a \$1.5 million or a 4.4% increase from fiscal year 2006. Expenditures for instruction are the most significant and it had a \$1.0 million or an 8.3% increase.

**Expenses**  
(\$ in millions)

	2007		2006		2005	
Instruction	37.5%	\$13.6	36.1%	\$ 12.6	35.8%	\$ 11.9
Public service	1.7%	0.6	2.4%	0.8	2.3%	0.8
Academic support	7.6%	2.8	7.9%	2.8	7.9%	2.6
Student services	6.1%	2.2	6.3%	2.2	6.3%	2.1
Institutional support	11.5%	4.2	11.0%	3.8	11.9%	3.9
Operation and Maintenance of Plant and Depreciation	12.1%	4.4	12.7%	4.3	11.5%	3.8
Scholarships and fellowships	6.3%	2.3	7.4%	2.6	8.2%	2.7
Auxiliary enterprises	15.8%	5.7	14.6%	5.1	15.0%	4.9
<b>Total operating expenses</b>		<b>35.8</b>		<b>34.2</b>		<b>32.7</b>
<b>Total non-operating expenses</b>	<b>1.4%</b>	<b>.5</b>	<b>1.6%</b>	<b>.6</b>	<b>1.1%</b>	<b>.3</b>
<b>Total Expenses</b>		<b>\$36.3</b>		<b>\$34.8</b>		<b>\$33.0</b>

There was an operating loss for fiscal year 2007 of \$17.4 million, with an increase in net assets of \$3.8 million, compared to fiscal year 2006 when they were \$17.1 and \$4.8, respectively.

## STATEMENT OF CASH FLOWS

The Statement of Cash Flows provides information about cash receipts and cash payments during the year. This statement also helps users assess the College's ability to generate net cash flows to meet its obligations as they come due, and its need for external financing.

<b>Cash Provided By:</b> (\$ in millions)	<b>2007</b>	<b>2006</b>	<b>2005</b>
Operating Activities	(\$ 12.9)	(\$ 12.4)	(\$ 12.3)
Non-Capital Financing Activities	16.0	15.5	14.9
Capital and Related Financing Activities	(0.8)	(4.6)	(4.3)
Investing Activities	1.0	0.6	1.3
Change in Cash and Cash Equivalents	\$ 3.3	(\$ 0.9)	(\$ 0.4)

The primary cash receipts from operating activities consist of tuition and fees, housing board, and grant revenues. Cash outlays include payment of wages, benefits, supplies, utilities, plant maintenance, and scholarships. State allocations and ad valorem taxes are the primary source of non-capital financing. Accounting standards require that we reflect this source of revenue as non-operating even though these sources are used for operating purposes in the College's budget. Cash flows from capital and capital related financing activities include proceeds from issuing debt and receiving gifts; disbursements are for principal and interest payments on debt, and payment on buildings and other capital acquisitions. Cash flows from investing activities represent the annual effect of the purchase, sale and maturity of investments.

## FINANCIAL HIGHLIGHTS

- The College's overall activities remained very stable during this year. The overall activities of the College are considered to be business-type activities. The net assets increased by \$3.8 million or 8.3%.
- As of August 31, 2007, assets of the College exceeded liabilities by \$49.9 million. Of this amount, \$10 million is unrestricted net assets which may be used to meet ongoing operations.
- During the year, the College had revenues that were \$3.8 million more than the \$36.2 million generated in expenditures. This includes a \$1.9 gain from the sale of KTPB radio station, which included the related FCC License, transmission tower, transmission equipment, and related ground lease.
- Total cost of all of the College's programs increased by \$1.5 million, or 4.4 percent. The largest increase came in the area of instruction with a \$1 million increase or 8.3%.
- Local property tax revenue increased \$546,788 with a one cent decrease in the tax rate.
- Net tuition and fees increased \$874,001 or 16.4%.

- The College advance refunded \$3,755,000 of Combined Fee Revenue Bond, Series 1997 which had an average yield of 5.09% by issuing \$3,815,000 in a Series 2007 which has a yield of 3.83%.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

The College has a Capital Asset Policy that requires assets whose original purchase price was \$5,000 or more and an estimated useful life in excess of one year to be recorded as a capital asset. At the end of fiscal year 2007, the College had \$37.9 million invested in a broad range of capital assets, including equipment, buildings, and facilities.

<b>Capital Assets at Year-end (Net of Depreciation, in Millions)</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Land	\$ 3.5	\$ 3.5	\$ 3.5
Buildings and improvements	32.8	32.3	27.5
Equipment	1.2	1.2	0.9
Books and Exhibits	0.4	0.4	0.4
Construction in Progress	0.0	0.5	0.6
Totals	\$ 37.9	\$ 37.9	\$ 32.9

### **Debt**

At year-end, the College had \$5.3 million in bonds and notes outstanding.

<b>Outstanding Debt, at Year-end (\$ in millions)</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Current Portion of long term obligations	\$ 0.8	\$ 1.2	\$ 0.5
Revenue bonds and notes (backed by specific fee revenues)	4.5	3.8	5.0
Totals	\$ 5.3	\$ 5.0	\$ 5.5

## **COMPONENT UNIT / RELATED PARTIES**

The Kilgore College Foundation is presented as a related party. Due to the interpretation of Governmental Standards Board Statement No. 39, the College does not feel the Foundation meets the requirement of a discrete component unit. The Foundation contributed gifts of \$122,719 to the College during fiscal year 2007 as compared to the \$83,266 contributed in fiscal year 2006.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The College's elected and appointed officials considered many factors when setting the fiscal year 2007 budget, tax rates, and fees that were charged for the business-type activities. One of those factors is the economy. The College's employment growth has mirrored its population growth during 2000-2007, averaging minimal annual gains.

The College is facing future economic issues centered around the traditional funding sources. A mix of state appropriations, local property taxes, tuition and fees, state and federal grants, and private giving, fund Texas public community college districts. Kilgore College has many aging facilities. Beginning in fiscal year 2004 and continuing into fiscal year 2007, the College has done some major renovations and construction of a new residence hall that will total about \$11.0 million. This made a dramatic improvement to the campus but we foresee increased repair and maintenance costs in the near future to other buildings and improvements in parking lots.

Continued increases to tuition and fees charged to students are anticipated in the near future. Meeting our financial challenges will require exploration of non-traditional ways of revenue generation that may include economic development, partnerships with public and private sector entities, increasing emphasis on contract training and adult education, and sophisticated fundraising and development efforts.

The College's property tax revenues have been increasing at an average rate of nearly 8.0% over the last three years. This growth has been maintained by managing the tax rate in conjunction with appraisal value increases in the district. Continued economic growth in the area should continue this trend for the next several years.

## **CONTACTING THE COLLEGE'S FINANCIAL MANAGEMENT**

This discussion is presented in a condensed format as additional analysis. The financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the College's finances and to show the College's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Kilgore College Vice President of Administrative Services, 1100 Broadway, Kilgore, TX 75662.

## **BASIC FINANCIAL STATEMENTS**

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**STATEMENTS OF NET ASSETS**  
**AUGUST 31, 2007 AND 2006**

	<b>2007</b>	<b>2006</b>
<b><u>ASSETS</u></b>		
Current assets		
Cash and cash equivalents	\$ 8,325,877	\$ 4,677,266
Short-term investments	4,186,243	4,243,532
Accounts receivable, net	1,353,484	2,146,550
Note receivable, current portion	128,296	-
Inventories	726,855	1,020,088
Prepaid expenses	570,922	615,750
Other assets	84,760	760
<b>Total current assets</b>	<b>15,376,437</b>	<b>12,703,946</b>
Noncurrent assets		
Restricted cash and cash equivalents	2,938,764	3,245,893
Short-term investments - bond funds	425,000	435,000
Short-term investments - endowment	3,500,000	3,500,000
Note receivable, net of current portion	1,410,033	-
Corporate stocks - endowment	87,262	115,564
Capital assets, net	37,899,846	37,898,426
<b>Total noncurrent assets</b>	<b>46,260,905</b>	<b>45,194,883</b>
<b>Total assets</b>	<b>\$ 61,637,342</b>	<b>\$ 57,898,829</b>
<b><u>LIABILITIES</u></b>		
Current liabilities		
Accounts payable	\$ 335,546	\$ 813,711
Accrued liabilities	349,706	368,988
Funds held for others	793,020	782,029
Deferred revenue	4,364,256	4,416,678
Deposits	144,965	92,781
Long-term liabilities - current portion	900,382	1,361,134
<b>Total current liabilities</b>	<b>6,887,875</b>	<b>7,835,321</b>
Noncurrent liabilities		
Long-term liabilities	4,827,896	3,980,250
<b>Total noncurrent liabilities</b>	<b>4,827,896</b>	<b>3,980,250</b>
<b>Total liabilities</b>	<b>11,715,771</b>	<b>11,815,571</b>
<b><u>NET ASSETS</u></b>		
Invested in capital assets, net of related debt	32,584,847	32,913,103
Restricted for:		
Expendable	1,693,192	1,435,032
Nonexpendable	5,641,080	5,310,054
Unrestricted	10,002,452	6,425,069
<b>Total net assets</b>	<b>49,921,571</b>	<b>46,083,258</b>
<b>Total liabilities and net assets</b>	<b>\$ 61,637,342</b>	<b>\$ 57,898,829</b>

See accompanying notes to financial statements.

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED AUGUST 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
<b><u>REVENUES</u></b>		
Operating revenues		
Tuition and fees (net of discounts of \$3,318,088 and \$2,927,764)	\$ 6,215,139	\$ 5,341,138
Federal grants and contracts	6,910,021	7,089,765
State grants and contracts	743,370	575,012
Non-governmental grants and contracts	444,087	470,879
Sales and services of educational activities	124,864	121,705
Auxiliary enterprises (net of discounts of \$1,588,571 and \$1,621,110)	3,867,908	3,518,925
General operating revenues	68,608	54,398
Total operating revenues	<u>18,373,997</u>	<u>17,171,822</u>
<b><u>EXPENSES</u></b>		
Operating expenses		
Instruction	13,598,604	12,554,440
Public service	613,892	827,634
Academic support	2,753,439	2,754,940
Student services	2,213,354	2,199,808
Institutional support	4,176,881	3,804,980
Operation and maintenance of plant	3,197,205	3,285,162
Scholarships and fellowships	2,284,126	2,584,912
Auxiliary enterprises	5,710,663	5,089,607
Depreciation	1,209,666	1,134,943
Total operating expenses	<u>35,757,830</u>	<u>34,236,426</u>
<b>Operating loss</b>	<u>(17,383,833)</u>	<u>(17,064,604)</u>
<b><u>NON-OPERATING REVENUES (EXPENSES)</u></b>		
State appropriations	12,958,070	12,851,314
Maintenance Ad Valorem taxes	4,967,509	4,420,721
Gifts	954,811	4,258,611
Investment income	612,483	663,979
Endowment income	315,321	236,420
Interest on capital related debt	(300,725)	(267,949)
Disposal of fixed assets	(20,040)	(10,034)
Gain on sale of radio station	1,899,485	-
Other non-operating revenues	2,638	6,600
Other non-operating expenses	(167,406)	(273,912)
Net non-operating revenues	<u>21,222,146</u>	<u>21,885,750</u>
<b>Increase in net assets</b>	3,838,313	4,821,146
<b><u>NET ASSETS</u></b>		
Net assets - beginning of year	<u>46,083,258</u>	<u>41,262,112</u>
Net assets - end of year	<u>\$ 49,921,571</u>	<u>\$ 46,083,258</u>

See accompanying notes to financial statements.



**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED AUGUST 31, 2007 AND 2006**

	<u>2007</u>	<u>2006</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from students and other customers	\$ 10,537,452	\$ 9,474,542
Receipts of grants and contracts	7,809,594	8,099,957
Other receipts	120,792	176,100
Payments to or on behalf of employees	(17,852,132)	(17,321,461)
Payments to suppliers for goods and services	(11,224,208)	(9,370,003)
Payments to students under federal grants	(2,263,647)	(2,567,901)
Other cash payments	(44,219)	(867,136)
Net cash used by operating activities	<u>(12,916,368)</u>	<u>(12,375,902)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Receipts of appropriations	10,170,124	10,170,125
Ad valorem tax revenues	4,852,351	4,462,745
Gifts and grants (other than capital)	954,811	758,610
Receipts for student organization and other agency transactions	1,011,852	1,712,096
Student organization and other agency transactions	(1,000,861)	(1,635,558)
Net cash provided by non-capital financing activities	<u>15,988,277</u>	<u>15,468,018</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from issuance of capital debt	4,815,000	-
Capital contracts, grants and gifts	796,261	2,703,739
Proceeds from the sale of capital assets	361,156	-
Purchases of capital assets	(1,889,638)	(6,530,871)
Bond refinancing expense	(44,468)	-
Payments on capital debt and leases - principal	(4,485,323)	(542,724)
Payments on capital debt and leases - interest	(300,725)	(267,949)
Net cash used by capital and related financing activities	<u>(747,737)</u>	<u>(4,637,805)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale and maturity of investments	300,045	-
Investment earnings	717,265	661,792
Net cash provided by investing activities	<u>1,017,310</u>	<u>661,792</u>
Increase (decrease) in cash and cash equivalents	3,341,482	(883,897)
Cash and cash equivalents beginning of year	<u>7,923,159</u>	<u>8,807,056</u>
Cash and cash equivalents end of year	<u>\$ 11,264,641</u>	<u>\$ 7,923,159</u>

See accompanying notes to financial statements.

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED AUGUST 31, 2007 AND 2006**  
**CONTINUED**

	<u>2007</u>	<u>2006</u>
<b>Reconciliation of operating loss to net cash used</b>		
<b>by operating activities:</b>		
Operating loss	\$ (17,383,833)	\$ (17,064,604)
Adjustments to reconcile operating loss to net cash used		
<b>by operating activities:</b>		
Depreciation expense	1,209,666	1,134,943
On-behalf state benefits	2,787,946	2,681,189
Bad debt expense	95,572	85,875
Changes in assets and liabilities:		
Receivables, net	109,248	(19,828)
Inventories	293,233	(179,645)
Other assets	(39,171)	48,971
Accounts payable	6,176	274,351
Deferred revenue	(52,422)	578,776
Compensated absences	<u>57,217</u>	<u>84,070</u>
<b>Net cash used by operating activities</b>	<u>\$ (12,916,368)</u>	<u>\$ (12,375,902)</u>

See accompanying notes to financial statements.

KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS  
NOTES TO FINANCIAL STATEMENTS

August 31, 2007 and 2006

**1. REPORTING ENTITY**

Kilgore Junior College District (District) was established in 1935, in accordance with the laws of the State of Texas, to serve the educational needs of the District and the surrounding communities. The Kilgore Junior College District is considered to be a special-purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement 14 *The Financial Reporting Entity*. While the District receives funding from local, state, and federal sources, and must comply with spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A) Reporting Guidelines**

The significant accounting policies followed by Kilgore Junior College District in preparing these financial statements are in accordance with the Texas Higher Education Coordinating Board's *Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*. The District applies all applicable GASB pronouncements and all applicable Financial Accounting Standard Board (FASB) statements and interpretations issued on or before November 30, 1989, unless they conflict or contradict GASB pronouncements. The District has elected not to apply FASB guidance issued subsequent to November 30, 1989 unless specifically adopted by the GASB. The District is reported as a special-purpose government engaged in business-type activities.

**B) 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 Section 56.0333). When the student uses the award for tuition and fees and/or auxiliary charges, the amount is recorded as tuition and/or auxiliary revenue and a corresponding amount is recorded as a discount.

**Title IV, HEA Program Funds**

Certain Title IV HEA Program funds are received by the District to pass through to the student. These funds are initially received by the District and recorded as restricted revenue. When the award is used by the student for tuition and fees and/or auxiliary charges, amounts are recorded as revenues and a corresponding amount is recorded as a discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

**Other Tuition Discounts**

When the award is used by the student for tuition and fees and/or auxiliary charges, the amount is recorded as tuition and/or auxiliary revenue and a corresponding amount is recorded as a discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS  
NOTES TO FINANCIAL STATEMENTS - CONTINUED

August 31, 2007 and 2006

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

C) **Basis of Accounting**

The financial statements of the District have been prepared on the accrual basis of accounting 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.

D) **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 District's Board of Trustees adopts the budget, which is prepared on the accrual basis of accounting. A copy of the approved budget and subsequent amendments must be filed with the Texas Higher Education Coordinating Board, Legislative Budget Board, Legislative Reference Library, and Governor's Office of Budget and Planning by December 1.

E) **Cash and cash equivalents**

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

F) **Investments**

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. [The governing board has designated public fund investment pools comprised of \$3,785,657 and \$3,591,557 at August 31, 2007 and August 31, 2006, respectively, to be short-term investments.] Long-term investments have an original maturity of greater than one year at the time of purchase.

G) **Inventories**

Inventories, consisting of consumable office supplies, physical plant supplies, bookstore stock, and food service supplies, are valued at the lower of cost under the "first in, first out" method or market, and are charged to expense as consumed.

KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS  
NOTES TO FINANCIAL STATEMENTS - CONTINUED

August 31, 2007 and 2006

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**H) Capital assets**

Capital assets are recorded at cost at the date of acquisition, or fair market value at the date of donation. For equipment, the District's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life greater than 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 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, generally 50 years for buildings, 20 years for land improvements, 15 years for library books, 10 years for furniture, machinery, vehicles and other equipment and 5 years for telecommunications and peripheral equipment.

**I) Deferred revenues**

Tuition and fees of \$4,364,256 and \$4,416,678 have been reported as deferred revenues at August 31, 2007 and 2006, respectively.

**J) Estimates**

The preparation of the financial statements in conformity with U. S. 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.

**K) Operating and non-operating revenues and expenses**

The District distinguishes operating revenues and expenses from non-operating items. The District reports as a BTA and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with the District's principal and ongoing operations. The principal operating revenues are tuition and related fees, as well as revenues from the sales and services of auxiliary enterprises. The District also recognizes federal grants and contracts as operating revenue. 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 of capital assets.

**L) Reclassifications**

Certain amounts in the 2006 financial statements have been reclassified to conform to the presentation in 2007.

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

August 31, 2007 and 2006

**3. AUTHORIZED INVESTMENTS**

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

**4. DEPOSITS AND INVESTMENTS**

**Deposits and Investments**

At August 31, 2007, the carrying amount of the District's bank deposits was \$15,573,551, and total bank balances equaled \$14,113,131. Bank balances of \$200,000 are covered by federal depository insurance and \$16,185,145 were covered by collateral pledged in the District's name.

Cash and Deposits included in cash and cash equivalents and Short-term investments as reported on Exhibit 1, Statement of Net Assets, consist of the items reported below.

**Cash and Deposits**

	<u>August 31, 2007</u>	<u>August 31, 2006</u>
Bank Deposits		
Demand Deposits	\$ 11,247,965	\$ 7,906,722
Time Deposits	<u>4,325,586</u>	<u>4,586,975</u>
	15,573,551	12,493,697
Petty Cash on Hand	<u>16,676</u>	<u>16,437</u>
Total Cash and Deposits	<u>\$ 15,590,227</u>	<u>\$ 12,510,134</u>

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

August 31, 2007 and 2006

**4. DEPOSITS AND INVESTMENTS - Continued**

**Reconciliation of Deposits and Investments to Exhibit 1:**

<u>Type of Security</u>	<u>Market Value</u> <u>August 31, 2007</u>	<u>Market Value</u> <u>August 31, 2006</u>
U. S. Common Stocks	\$ 87,262	\$ 115,564
Texpool	<u>3,785,657</u>	<u>3,591,557</u>
Total	3,872,919	3,707,121
Total Cash and Deposits	<u>15,590,227</u>	<u>12,510,134</u>
Total Deposits and Investments	<u>\$ 19,463,146</u>	<u>\$ 16,217,255</u>
Cash and Short-term Investments (Exhibit 1)	\$ 19,375,884	\$ 16,101,691
Investments (Exhibit 1)	<u>87,262</u>	<u>115,564</u>
Total Deposits and Investments	<u>\$ 19,463,146</u>	<u>\$ 16,217,255</u>

As of August 31, 2007 the District had the following debt investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities</u> <u>Less than 1 year</u>
Certificates of Deposit	\$ 4,325,586	\$ 4,325,586
Investment Pool	<u>3,785,657</u>	<u>3,785,657</u>
Total	<u>\$ 8,111,243</u>	<u>\$ 8,111,243</u>

As of August 31, 2007, the District's investments in certificates of deposit are a component of the depository contract, under which certificates are renewed and repriced every 91 days. Investments in Texpool have maturities of less than one year. The District had no investments in any one issuer that represented 5 percent or more of plan assets at August 31, 2007 or 2006.

Common Stocks stated at fair value as of August 31, 2007 and 2006 were:

	<u>2007</u>	<u>2006</u>
Cost	\$108,250	\$ 119,884
Unrealized Gain/(Loss)	<u>(20,988)</u>	<u>(4,320)</u>
Fair Value	<u>\$ 87,262</u>	<u>\$ 115,564</u>

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

August 31, 2007 and 2006

**5. CAPITAL ASSETS**

Capital assets activity for the year ended August 31, 2007 was as follows:

	<u>Balance</u> <u>September 1, 2006</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>August 31, 2007</u>
<b><u>Not Depreciated:</u></b>				
Land	\$ 3,487,996	\$ 23,271	\$ -	\$ 3,511,267
Construction in progress	538,543	17,840	538,543	17,840
Subtotal	<u>4,026,539</u>	<u>41,111</u>	<u>538,543</u>	<u>3,529,107</u>
<b><u>Other Capital Assets:</u></b>				
Land improvements and infrastructure	3,480,539	5,670	-	3,486,209
Buildings	45,190,373	1,415,292	60,000	46,545,665
Equipment	3,495,156	253,503	-	3,748,659
Exhibits	1,850,627	-	-	1,850,627
Library books	1,408,052	54,093	30,106	1,432,039
Subtotal	<u>55,424,747</u>	<u>1,728,558</u>	<u>90,106</u>	<u>57,063,199</u>
Total cost of capital assets	59,451,286	1,769,669	628,649	60,592,306
<b><u>Accumulated Depreciation:</u></b>				
Land improvements and infrastructure	2,116,342	85,621	-	2,201,963
Buildings	14,252,361	780,932	39,960	14,993,333
Equipment	2,304,371	291,604	-	2,595,975
Exhibits	1,766,894	15,789	-	1,782,683
Library books	1,112,892	35,720	30,106	1,118,506
Total accumulated depreciation	<u>21,552,860</u>	<u>1,209,666</u>	<u>70,066</u>	<u>22,692,460</u>
Capital assets - net	<u>\$ 37,898,426</u>	<u>\$ 560,003</u>	<u>\$ 558,583</u>	<u>\$ 37,899,846</u>



**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

August 31, 2007 and 2006

**5. CAPITAL ASSETS - Continued**

Capital assets activity for the year ended August 31, 2006 was as follows:

	Balance September 1, 2005	Additions	Reductions	Balance August 31, 2006
<b><u>Not Depreciated:</u></b>				
Land	\$ 3,487,996	\$ -	\$ -	\$ 3,487,996
Construction in progress	623,667	447,103	532,227	538,543
Subtotal	<u>4,111,663</u>	<u>447,103</u>	<u>532,227</u>	<u>4,026,539</u>
<b><u>Other Capital Assets:</u></b>				
Land improvements and infrastructure	3,480,539	-	-	3,480,539
Buildings	39,610,880	5,579,493	-	45,190,373
Equipment	2,936,465	595,717	37,026	3,495,156
Exhibits	1,850,627	-	-	1,850,627
Library books	1,361,401	49,060	2,409	1,408,052
Subtotal	<u>49,239,912</u>	<u>6,224,270</u>	<u>39,435</u>	<u>55,424,747</u>
Total cost of capital assets	53,351,575	6,671,373	571,662	59,451,286
<b><u>Accumulated Depreciation:</u></b>				
Land improvements and infrastructure	2,030,848	85,494	-	2,116,342
Buildings	13,545,742	706,619	-	14,252,361
Equipment	2,039,820	291,543	26,992	2,304,371
Exhibits	1,751,105	15,789	-	1,766,894
Library books	1,079,803	35,498	2,409	1,112,892
Total accumulated depreciation	<u>20,447,318</u>	<u>1,134,943</u>	<u>29,401</u>	<u>21,552,860</u>
Capital assets - net	<u>\$ 32,904,257</u>	<u>\$ 5,536,430</u>	<u>\$ 542,261</u>	<u>\$ 37,898,426</u>

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

August 31, 2007 and 2006

**6. LONG-TERM LIABILITIES**

Long-term liability activity for the year ended August 31, 2007 was as follows:

	Balance September 1, 2006	Additions	Reductions	Balance August 31, 2007	Current Portion
<b><u>Bonds and notes</u></b>					
Note payable	\$ 975,323	\$ 1,000,000	\$ 475,323	\$ 1,500,000	\$ 480,000
Revenue bonds - 1997	4,010,000	-	4,010,000	-	-
Revenue bonds - 2007	-	3,815,000	-	3,815,000	285,000
Total bonds and notes	<u>4,985,323</u>	<u>4,815,000</u>	<u>4,485,323</u>	<u>5,315,000</u>	<u>765,000</u>
<b><u>Other liabilities</u></b>					
Compensable absences	356,061	190,266	133,049	413,278	135,382
Total other liabilities	<u>356,061</u>	<u>190,266</u>	<u>133,049</u>	<u>413,278</u>	<u>135,382</u>
Total long-term liabilities	<u>\$ 5,341,384</u>	<u>\$ 5,005,266</u>	<u>\$4,618,372</u>	<u>\$ 5,728,278</u>	<u>\$ 900,382</u>

Long-term liability activity for the year ended August 31, 2006 was as follows:

	Balance September 1, 2005	Additions	Reductions	Balance August 31, 2006	Current Portion
<b><u>Bonds and notes</u></b>					
Note payable	\$ 1,273,047	\$ -	\$ 297,724	\$ 975,323	\$ 975,323
Revenue bonds	4,255,000	-	245,000	4,010,000	255,000
Total bonds and notes	<u>5,528,047</u>	<u>-</u>	<u>542,724</u>	<u>4,985,323</u>	<u>1,230,323</u>
<b><u>Other liabilities</u></b>					
Compensable absences	271,991	187,003	102,933	356,061	130,811
Total other liabilities	<u>271,991</u>	<u>187,003</u>	<u>102,933</u>	<u>356,061</u>	<u>130,811</u>
Total long-term liabilities	<u>\$ 5,800,038</u>	<u>\$ 187,003</u>	<u>\$ 645,657</u>	<u>\$ 5,341,384</u>	<u>\$ 1,361,134</u>

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

August 31, 2007 and 2006

**7. DEBT AND LEASE OBLIGATIONS**

Debt service requirements at August 31, 2007 were as follows:

**Bonds Payable**

For the year ended August 31,	<u>Revenue Bonds, Series 2007</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 285,000	\$140,657	\$ 425,657
2009	300,000	129,454	429,454
2010	305,000	117,868	422,868
2011	320,000	105,900	425,900
2012	330,000	93,452	423,452
2013-2017	1,860,000	262,739	2,122,739
2018	415,000	7,947	422,947
<b>Total Bonds Payable</b>	<b><u>\$3,815,000</u></b>	<b><u>\$858,017</u></b>	<b><u>\$ 4,673,017</u></b>

**Notes Payable**

For the year ended August 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<b>Note #13011</b>			
2008	\$ 240,000	\$ 32,593	\$ 272,593
2009	240,000	19,393	259,393
2010	220,000	6,181	226,181
<b>Total Note Payable #13011</b>	<b><u>\$ 700,000</u></b>	<b><u>\$ 58,167</u></b>	<b><u>\$ 758,167</u></b>
<b>Note #14423</b>			
2008	\$ 240,000	\$ 33,534	\$ 273,534
2009	240,000	21,870	261,870
2010	240,000	10,206	250,206
2011	80,000	972	80,972
<b>Total Note Payable #14423</b>	<b><u>800,000</u></b>	<b><u>66,582</u></b>	<b><u>866,582</u></b>
<b>Total Notes Payable</b>	<b><u>\$1,500,000</u></b>	<b><u>\$124,749</u></b>	<b><u>\$ 1,624,749</u></b>

**Operating Lease Commitments and Rental Agreements**

The district had no significant operating leases or rental agreements at August 31, 2007 or 2006.

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

August 31, 2007 and 2006

**8. BONDS AND NOTES PAYABLE**

General Information related to Bonds and Notes payable at August 31, 2007 is summarized below:

Combined Fee Revenue Refunding Bonds, Series 2007

Issued May 29, 2007

Purpose of bond: to advance refund Bond Series 1997

\$3,815,000; all authorized bonds have been issued

Source of revenue for debt service -- general fees and tuition (pledged revenues totaled \$5,962,854)

Bonds at 3.83% are due in annual installments varying from \$285,000 to \$415,000, with the final installment due in 2018.

Note # 13011

Note Payable – City National Bank

Purpose of note – Maintenance and HVAC Equipment

Originated June 13, 2005

Original amount = \$1,200,000

Variable interest of Prime less 1.7%, payable in monthly installments of \$20,000, unsecured

Note # 14423

Note Payable – City National Bank

Purpose of note – Renovation and HVAC Equipment

Originated October 13, 2006

Original amount = \$1,000,000

Variable interest rate of Prime less 3.39%, payable in monthly installments of \$20,000 plus interest through December 31, 2010, plus a final installment of \$20,164.70 on January 13, 2011, unsecured

**9. ADVANCED REFUNDING BONDS**

Refunded \$3,755,000 of Combined Fee Revenue Bonds, Series 1997

Issued refunding bonds on May 29, 2007

All authorized bonds have been issued

Combined Fee Revenue Refunding Bonds, Series 2007

Average interest rate of bonds refunded, 5.25%

Additional \$73,684 of 1997 Series sinking fund monies were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the 1997 Series bonds.

The 1997 Series bonds are considered fully defeased and the liability for those bonds has been removed.

Advanced refunding of the 1997 Series bonds reduced the District's debt service payments over the next ten years by approximately \$197,517.

The economic and accounting gains are determined to be immaterial.

**10. DEFEASED BONDS OUTSTANDING**

Bond Issue

Combined Fee Revenue Bond Series 1997

Year Refunded

2007

Par Value Outstanding

\$3,755,000

KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS  
NOTES TO FINANCIAL STATEMENTS - CONTINUED

August 31, 2007 and 2006

**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 District participates is administered by the Teacher Retirement System of Texas. The percentages of participant salaries currently contributed by the state and by each participant are 6.0% and 6.4%, respectively, of annual compensation.

The Teacher Retirement System does not separately account for each of its component government agencies, because it bears sole responsibility for retirement commitments beyond contributions fixed by the Legislature.

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. The percentages of participant salaries currently contributed by the state and each participant are 6.0% and 6.65%, respectively. The District contributes 1.31% for employees who were hired prior to 1986. Since these are individual annuity contracts, the state has no additional or unfunded liability for this program.

The retirement expense to the state for the District was \$749,244 and \$702,736 for the fiscal years ended August 31, 2007 and 2006, respectively. This amount represents the portion of expended appropriations made by the state Legislature on behalf of the college.

The total payroll for all District employees was \$16,873,303 and \$16,240,919 for fiscal years 2007 and 2006, respectively. The total payroll of employees covered by the Teacher Retirement System was \$7,421,564 and \$6,789,348, and the total payroll of employees covered by the Optional Retirement System was \$7,236,025 and \$7,391,319 for fiscal years 2007 and 2006, respectively.

**12. DEFERRED COMPENSATION**

The District had no deferred compensation programs in effect during fiscal years 2007 or 2006.

**13. COMPENSABLE ABSENCES**

Full time employees are granted one day of paid sick leave time per scheduled work month. Paid sick leave time that has not been taken accumulates up to a maximum of 90 days, but it is not paid should the employment relationship cease for reasons other than retirement. Full time employees are also granted ten days per year vacation time; a total of five days vacation time may be accumulated and carried forward to the following fiscal year. Unused vacation time is paid at the time employment ceases, regardless of the reason for termination.

Upon official retirement, an eligible employee is paid the greater of one month's salary or one-half of his or her accumulated sick leave time, whichever is greater. Accordingly, the District has included a liability for accrued sick leave time in the amount of \$308,773 and \$250,277 at August 31, 2007 and 2006, respectively, based on employees currently eligible for retirement. Ten percent of the total liability for accrued sick leave is considered a current liability based on historical experience. The District accrued vacation liability in the amount of \$104,505 and \$105,784 at August 31, 2007 and 2006, respectively, all of which has been classified as a current liability.

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

August 31, 2007 and 2006

**14. PENDING LAWSUITS AND CLAIMS**

The District is not aware of any pending lawsuits or claims.

**15. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES**

**Receivables**

Primary institution receivables at August 31, 2007 and 2006 were as follows:

	<u>2007</u>	<u>2006</u>
Student receivables	\$ 892,286	\$ 702,779
Taxes receivable	645,327	515,025
Federal receivable	130,595	463,227
Accounts receivable	365,651	235,967
Unconditional promise to give	-	796,261
Interest receivable	<u>2,032</u>	<u>4,748</u>
Sub-total	2,035,891	2,718,007
Allowance for doubtful accounts	<u>(682,407)</u>	<u>(571,457)</u>
Total receivables	<u>\$ 1,353,484</u>	<u>\$ 2,146,550</u>

**Payables**

Primary institution payables at August 31, 2007 and 2006 were as follows:

	<u>2007</u>	<u>2006</u>
Vendors payable	\$ 335,546	\$ 813,711
Salaries and benefits payable	209,114	227,552
Student payables	41,460	54,399
Sales tax payable	<u>99,132</u>	<u>87,037</u>
Total	<u>\$ 685,252</u>	<u>\$ 1,182,699</u>

**16. FUNDS HELD IN TRUST BY OTHERS**

The balances or transactions of funds held in trust by others on behalf of the District are not reflected in the financial statements. There were no such funds for the benefit of the District at August 31, 2007 or 2006.

**17. CONTRACT 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 award funds already committed, e.g., multi-year awards, or funds awarded during fiscal year 2007 for which monies have not been received nor funds expended, totaled \$146,325, all from state awards.

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

August 31, 2007 and 2006

**18. SELF-INSURED PLANS**

The District did not participate in any self-insured plans during fiscal years 2007 or 2006.

**19. POST RETIREMENT HEALTH CARE AND 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 per full-time employee varies based upon coverage category. Monthly contributions were \$360.54 and \$343.48 for "Employee Only" coverage, \$566.57 and \$539.70 for "Employee and Spouse" coverage, \$498.49 and \$474.86 for "Employee and Children" coverage, and \$704.52 and \$671.08 for "Employee and Family" coverage for the years ended August 31, 2007 and 2006, respectively. Contributions totaled \$2,038,702 and \$1,978,900 for the years ended August 31, 2007 and 2006, respectively. The cost of providing those benefits for retirees was \$901,993 and \$817,079 for the years ended August 31, 2007 and 2006, respectively, and for active employees was \$1,821,216 and \$1,161,821 in 2007 and 2006, respectively.

**20. AD VALOREM TAX**

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

	<b><u>August 31, 2007</u></b>	<b><u>August 31, 2006</u></b>
Assessed Valuation of the District:	\$3,071,016,877	\$2,635,906,566
Less: Exemptions and Abatements	<u>131,881,955</u>	<u>130,506,992</u>
Net Assessed Valuation of the District	<b><u>\$2,939,134,922</u></b>	<b><u>\$2,505,399,574</u></b>
	<b><u>FY 2007</u></b>	<b><u>FY 2006</u></b>
	<b><u>Current</u></b>	<b><u>Current</u></b>
	<b><u>Operations</u></b>	<b><u>Operations</u></b>
Tax Rate per \$100 valuation authorized	0.2000	0.2000
Tax Rate per \$100 valuation assessed	0.1640	0.1740

There were no taxes authorized or assessed for debt service at August 31, 2007 or 2006. Taxes levied for the years ended August 31, 2007 and 2006, were \$4,820,181 and \$4,361,734, respectively (which includes penalty and interest if applicable). Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

August 31, 2007 and 2006

**20. AD VALOREM TAX - Continued**

	<b><u>August 31, 2007</u></b>	<b><u>August 31, 2006</u></b>
<b>Taxes Collected for Current Operations</b>		
Current taxes	\$ 4,670,623	\$ 4,222,141
Delinquent taxes	134,539	154,907
Penalties, interest and discounts	<u>50,058</u>	<u>63,937</u>
Total collections	<u>\$ 4,855,220</u>	<u>\$ 4,440,985</u>

Tax collections were 97% of the current tax levy for each of the years ended August 31, 2007 and 2006. There were no tax collections for debt service. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes.

**21. INCOME TAXES**

The District is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, Etc.*, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511 (a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations*. The District had no unrelated business income tax liability for the years ended August 31, 2007 and 2006.

**22. RELATED PARTIES**

The Kilgore College Foundation (Foundation) is a nonprofit organization with the sole purpose of supporting educational, scientific and charitable purposes in order to promote and support the District. The Kilgore College District does not appoint a voting majority nor does it fund or is obligated to pay debt related to this Foundation. However, the District does have the ability to significantly influence the policies of this Foundation. The Foundation is incorporated and chartered entirely separate from the College, with separate management and control, and a separate Board of Directors. The Foundation solicits donations and acts as coordinator of gifts made by other parties. The Foundation contributed gifts of \$122,719 to the District during the year ended August 31, 2007, and gifts of \$83,266 during the year ended August 31, 2006. During both fiscal years, the District furnished certain services, such as office space, utilities and staff assistance to the Foundation. These facilities and services are not required to be repaid.

**23. SALE OF FM RADIO STATION (KTPB)**

During the year ended August 31, 2007, the District closed on the sale of its interest in KTPB FM 88.7, a public broadcast radio station. The District recognized a gain of \$1,899,485 on the sale, which is reported in the accompanying statement of revenues, expenses and changes in net assets. In connection with the sale, the District received cash and a note receivable. As of August 31, 2007, the balance of the note receivable was \$1,538,329 to be received over ten years with interest at 5.25%.



**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

August 31, 2007 and 2006

**24. COMMITMENTS AND CONTINGENT LIABILITIES**

In the ordinary course of business, the District has various outstanding commitments and contingent liabilities that are not reflected in the accompanying financial statements. Several of the District's buildings contain asbestos, which will need to be removed at the time these buildings are renovated or destroyed. The District has no current plans regarding these buildings and the cost of abatement cannot be reasonably determined at this time. There were no commitments outstanding at August 31, 2007 that would be expected to have a significant impact on the financial statements.

**REQUIRED SUPPLEMENTAL SCHEDULES**

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**SCHEDULE OF OPERATING REVENUES**

**For the Year Ended August 31, 2007 (With Memorandum Totals for the Year Ended August 31, 2006)**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	FY07 Total	FY06 Total
<b>TUITION</b>						
State funded courses						
In-district resident tuition	\$ 609,374	\$ -	\$ 609,374	\$ -	\$ 609,374	\$ 568,151
Out-of-district resident tuition	1,314,863	-	1,314,863	-	1,314,863	1,237,626
TPEG (set aside)*	128,469	-	128,469	-	128,469	120,765
Non-resident tuition	283,470	-	283,470	-	283,470	259,381
State funded continuing education	1,041,156	-	1,041,156	-	1,041,156	700,941
Non-state funded continuing education	21,902	-	21,902	-	21,902	22,386
Total tuition	<u>3,399,234</u>	<u>-</u>	<u>3,399,234</u>	<u>-</u>	<u>3,399,234</u>	<u>2,909,250</u>
<b>FEES</b>						
General education fees	1,942,022	-	1,942,022	426,297	2,368,319	2,024,278
Out-of-district fees	3,398,162	-	3,398,162	-	3,398,162	3,079,715
Laboratory fees	389,832	-	389,832	-	389,832	301,529
Testing fees	110,180	-	110,180	-	110,180	155,534
Administrative fees	38,730	-	38,730	-	38,730	70,677
Special services fees	176,345	-	176,345	-	176,345	89,114
Orientation fees	73,763	-	73,763	-	73,763	48,665
Distance learning fees	4,959	-	4,959	-	4,959	907
Total fees	<u>6,133,993</u>	<u>-</u>	<u>6,133,993</u>	<u>426,297</u>	<u>6,560,290</u>	<u>5,770,419</u>
<b>SCHOLARSHIP ALLOWANCES AND DISCOUNTS</b>						
Remissions and exemptions - state	(99,993)	-	(99,993)	(2,470)	(102,463)	(75,092)
Remissions and exemptions - local	(21,678)	-	(21,678)	(2,000)	(23,678)	(28,600)
Federal grants to students	(2,302,997)	-	(2,302,997)	(126,710)	(2,429,707)	(2,186,049)
TPEG awards	(79,303)	-	(79,303)	(1,620)	(80,923)	(70,204)
Texas grants	(230,534)	-	(230,534)	(6,605)	(237,139)	(273,697)
Miscellaneous state grants	(132,694)	-	(132,694)	(5,125)	(137,819)	(90,542)
Local scholarships	(450,889)	-	(450,889)	(15,999)	(466,888)	(394,577)
Total scholarship and allowances	<u>(3,318,088)</u>	<u>-</u>	<u>(3,318,088)</u>	<u>(160,529)</u>	<u>(3,478,617)</u>	<u>(3,118,761)</u>
Total net tuition and fees	<u>6,215,139</u>	<u>-</u>	<u>6,215,139</u>	<u>265,768</u>	<u>6,480,907</u>	<u>5,560,908</u>

\*In accordance with Education Code 56.033, \$128,469 and \$120,765 for years August 31, 2007 and 2006, respectively, of tuition was set aside for Texas Public Education Grants (TPEG).

## KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS

## SCHEDULE OF OPERATING REVENUES

For the Year Ended August 31, 2007 (With Memorandum Totals for the Year Ended August 31, 2006)

CONTINUED

	Total		Educational Activities	Auxiliary Enterprises	FY07	FY06
	Unrestricted	Restricted			Total	Total
<b>OTHER OPERATING REVENUES</b>						
Federal grants and contracts	\$ -	\$ 6,910,021	\$ 6,910,021	\$ -	\$ 6,910,021	\$ 7,089,765
State grants and contracts	-	743,370	743,370	-	743,370	575,012
Nongovernmental grants and contracts	311,260	132,827	444,087	-	444,087	470,879
Sales and services of educational activities	124,864	-	124,864	-	124,864	121,705
Other operating revenues	68,608	-	68,608	-	68,608	54,398
<b>Total other operating revenues</b>	<b>504,732</b>	<b>7,786,218</b>	<b>8,290,950</b>	<b>-</b>	<b>8,290,950</b>	<b>8,311,759</b>
<b>AUXILIARY ENTERPRISES</b>						
Bookstore	-	-	-	2,680,429	2,680,429	2,488,468
Scholarship allowances and discounts	-	-	-	(818,178)	(818,178)	(824,399)
Net bookstore	-	-	-	1,862,251	1,862,251	1,664,069
Dormitories	-	-	-	836,577	836,577	720,262
Scholarship allowances and discounts	-	-	-	(341,436)	(341,436)	(330,867)
Net dormitories	-	-	-	495,141	495,141	389,395
Cafeteria	-	-	-	854,639	854,639	855,186
Scholarship allowances and discounts	-	-	-	(268,428)	(268,428)	(274,845)
Net cafeteria	-	-	-	586,211	586,211	580,341
Athletics	-	-	-	31,021	31,021	25,986
East Texas Oil Museum	-	-	-	202,155	202,155	245,380
Texas Shakespeare Festival	-	-	-	157,607	157,607	150,495
Child Development Center	-	-	-	65,246	65,246	65,429
Fitness Center	-	-	-	173,299	173,299	146,886
Student activities	-	-	-	29,209	29,209	31,174
<b>Total net auxiliary enterprises</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,602,140</b>	<b>3,602,140</b>	<b>3,299,155</b>
<b>Total operating revenues</b>	<b>\$ 6,719,871</b>	<b>\$ 7,786,218</b>	<b>\$ 14,506,089</b>	<b>\$ 3,867,908</b>	<b>\$ 18,373,997</b>	<b>\$ 17,171,822</b>
					(Exhibit 2)	(Exhibit 2)

See accompanying notes to financial statements.

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**SCHEDULE OF OPERATING EXPENSES BY OBJECT**  
**For the Year Ended August 31, 2007 (With Memorandum Totals for the Year Ended August 31, 2006)**

	Operating Expenses					FY07 Total	FY06 Total
	Salaries and Wages	Benefits		Other Expenses			
		State	Local				
<b>Unrestricted - Educational Activities</b>							
Instruction	\$ 9,298,936	\$ -	\$ 349,248	\$ 1,614,993	\$ 11,263,177	\$ 10,289,077	
Public service	67,481	-	2,473	185,491	255,445	167,834	
Academic support	1,824,488	-	63,246	393,483	2,281,217	2,321,737	
Student services	963,733	-	27,396	317,972	1,309,101	1,265,552	
Institutional support	1,875,903	-	59,022	1,841,899	3,776,824	3,363,853	
Operation and maintenance of plant	1,030,182	-	304,323	1,860,143	3,194,648	3,279,897	
Scholarship and fellowships	-	-	-	20,479	20,479	17,010	
<b>Total unrestricted educational activities</b>	<b>15,060,723</b>	<b>-</b>	<b>805,708</b>	<b>6,234,460</b>	<b>22,100,891</b>	<b>20,704,960</b>	
<b>Restricted - Educational Activities</b>							
Instruction	329,183	1,847,750	37,198	121,296	2,335,427	2,265,363	
Public service	208,743	13,409	41,943	94,352	358,447	659,800	
Academic support	34,374	362,536	373	74,939	472,222	433,203	
Student services	341,135	191,499	69,829	301,790	904,253	934,256	
Institutional support	26,293	372,752	-	1,012	400,057	441,127	
Operation and maintenance of plant	2,557	-	-	-	2,557	5,265	
Scholarships and fellowships	-	-	-	2,263,647	2,263,647	2,567,902	
<b>Total restricted educational activities</b>	<b>942,285</b>	<b>2,787,946</b>	<b>149,343</b>	<b>2,857,036</b>	<b>6,736,610</b>	<b>7,306,916</b>	
<b>Total educational activities</b>	<b>16,003,008</b>	<b>2,787,946</b>	<b>955,051</b>	<b>9,091,496</b>	<b>28,837,501</b>	<b>28,011,876</b>	
<b>Auxiliary enterprises</b>	<b>870,295</b>	<b>-</b>	<b>133,355</b>	<b>4,707,013</b>	<b>5,710,663</b>	<b>5,089,607</b>	
<b>Depreciation expense:</b>							
Buildings and other real estate improvements	-	-	-	866,554	866,554	792,113	
Equipment and furniture	-	-	-	343,112	343,112	342,830	
<b>Total operating expenses</b>	<b>\$16,873,303</b>	<b>\$ 2,787,946</b>	<b>\$ 1,088,406</b>	<b>\$15,008,175</b>	<b>\$ 35,757,830</b>	<b>\$34,236,426</b>	
					(Exhibit 2)	(Exhibit 2)	

See accompanying notes to financial statements.

## SCHEDULE C

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES**  
**For the Year Ended August 31, 2007 (With Memorandum Totals for the Year Ended August 31, 2006)**

	Unrestricted	Restricted	Auxiliary Enterprises	FY07 Total	FY06 Total
<b>NON-OPERATING REVENUES</b>					
State Appropriations:					
Education and general state support	\$ 10,170,124	\$ -	\$ -	\$ 10,170,124	\$ 10,170,125
State group insurance	-	2,038,702	-	2,038,702	1,978,900
State retirement matching	-	749,244	-	749,244	702,289
Total state appropriations	10,170,124	2,787,946	-	12,958,070	12,851,314
Maintenance ad valorem taxes	4,967,509	-	-	4,967,509	4,420,721
Gifts	288,907	445,642	220,262	954,811	4,258,611
Investment income	547,704	49,520	15,259	612,483	663,979
Endowment income	-	315,321	-	315,321	236,420
Gain on sale of radio station	1,899,485	-	-	1,899,485	-
Other non-operating revenue	2,638	-	-	2,638	6,600
Total non-operating revenues	17,876,367	3,598,429	235,521	21,710,317	22,437,645
<b>NON-OPERATING EXPENSES</b>					
Interest on capital related debt	300,725	-	-	300,725	267,949
Disposal of fixed assets	20,040	-	-	20,040	10,034
Bond refinancing expense	44,468	-	-	44,468	-
Other non-operating expenses	114,137	8,801	-	122,938	273,912
Total non-operating expenses	479,370	8,801	-	488,171	551,895
Net non-operating revenues	<u>\$ 17,396,997</u>	<u>\$ 3,589,628</u>	<u>\$ 235,521</u>	<u>\$ 21,222,146</u>	<u>\$ 21,885,750</u>
				(Exhibit 2)	(Exhibit 2)

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**SCHEDULE OF NET ASSETS BY SOURCE AND AVAILABILITY**  
**For the Year Ended August 31, 2007**

	Detail by Source				Available for Current Operations		
	Unrestricted	Restricted		Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
		Expendable	Non-Expendable				
Current:							
Unrestricted	\$ 5,713,170	\$ -	\$ -	\$ -	\$ 5,713,170	\$ 5,713,170	\$ -
Restricted	-	402,284	-	-	402,284	402,284	-
Auxiliary enterprises	1,420,778	-	-	-	1,420,778	1,420,778	-
Endowment	-	859,978	5,641,080	-	6,501,058	-	6,501,058
Plant:							
Unexpended	2,868,504	-	-	-	2,868,504	-	2,868,504
Debt Service	-	430,930	-	-	430,930	-	430,930
Investment in plant	-	-	-	32,584,847	32,584,847	-	32,584,847
Total net assets, August 31, 2007	10,002,452	1,693,192	5,641,080	32,584,847	49,921,571 (Exhibit 1)	7,536,232	42,385,339
Total net assets, August 31, 2006	6,425,069	1,435,032	5,310,054	32,913,103	46,083,258 (Exhibit 1)	6,809,964	39,273,294
Net increase (decrease) in net assets	<u>\$ 3,577,383</u>	<u>\$ 258,160</u>	<u>\$ 331,026</u>	<u>\$ (328,256)</u>	<u>\$ 3,838,313</u> (Exhibit 2)	<u>\$ 726,268</u>	<u>\$ 3,112,045</u>

Board of Trustees  
Kilgore Junior College District  
Kilgore, Texas

**Independent Auditors' Report**

**REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT  
PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Members of the Board:

We have audited the basic financial statements of Kilgore Junior College District, as of and for the year ended August 31, 2007, and have issued our report thereon dated November 29, 2007. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The basic financial statements of Kilgore Junior College District as of August 31, 2006 were audited by other auditors who issued their report dated November 20, 2006.

**Internal Control Over Financial Reporting**

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a material misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.



Our consideration of internal control over financial reporting 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 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 Kilgore Junior College District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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*.

### **Public Funds Investment Act**

We have performed tests designed to verify Kilgore Junior College District's compliance with the requirements of the Public Funds Investment Act. During the year ended August 31, 2007, no instances of noncompliance were found.

This report is intended for the information of the Board of Trustees, administrators, the Texas Higher Education Coordinating Board, the Texas Education Agency, the U. S. Department of Education, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Henry E. Peters, P.C.*

Tyler, Texas  
November 29, 2007

**HENRY & PETERS, PC**  
CERTIFIED PUBLIC ACCOUNTANTS

Board of Trustees  
Kilgore Junior College District  
Kilgore, Texas

**Independent Auditors' Report**

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Members of the Board:

**Compliance**

We have audited the compliance of Kilgore Junior College District with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended August 31, 2007. The District's major federal programs are identified in the summary of auditors' 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 programs is the responsibility of Kilgore Junior College District's administrators. 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 U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State of Texas Single Audit Circular (STSAC). Those standards and OMB Circular A-133 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 program occurred. An audit includes examining, on a test basis, evidence about Kilgore Junior College 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, Kilgore Junior College District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended August 31, 2007.

## Internal Control Over Compliance

The administration of Kilgore Junior College District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal 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 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 *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by any entity's internal control.

Our consideration of the internal control over compliance would not necessarily identify all deficiencies in internal control that might be 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 for the information of the Board of Trustees, administrators, the Texas Higher Education Coordinating Board, the Texas Education Agency, the U. S. Department of Education and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Henry E. Peters, P.C.

Tyler, Texas  
November 29, 2007

## SCHEDULE E

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended August 31, 2007**

Federal Grantor/ Pass-Through Grantor/ Program Title/Program Period	Federal CFDA Number	Pass-Through Grantor's Number	Pass-Through Disbursements and Expenditures
<b><u>U.S. Department of Education</u></b>			
Direct Programs:			
SEOG Grant	84.007*		\$ 121,401
Federal College Workstudy Program	84.033*		152,328
TRIO - Student Support Services	84.042		215,797
Pell Grant Program	84.063*		5,364,007
Academic Competiveness Grant	84.375		136,547
Passed-Through From:			
Texas Education Agency Adult Education	84.002	74100017110154	311,926
Texas Higher Education Coordinating Board Carl Perkins Voc. Ed.	84.048	74223	498,603
Total U.S. Department of Education			<u>6,800,609</u>
<b><u>U.S. Small Business Administration</u></b>			
Passed Through Dallas County Community College SBDC - Federal	59.037	7-603001-Z-0046-2	78,328
Total - U.S. Small Business Administration			<u>78,328</u>
<b><u>U.S. Department of Health and Human Services</u></b>			
Passed through Texas Education Agency Adult Education - TANF	93.558	73625017110142	26,276
Passed through East Texas Council of Governments Child Care Quality Services	93.596	KC-CCQS-PY04-01	4,808
Total - U.S. Department of Health and Human Services			<u>31,084</u>
Total Federal Financial Assistance			<u>\$ 6,910,021</u>
* Denotes major federal financial assistance programs as defined by the Single Audit Act as amended in 1996 OMB Circular A-133			
<b><u>Note 1: Federal Assistance Reconciliation</u></b>			
Federal Grants and Contracts Revenue per Schedule A			<u>\$ 6,910,021</u>

**Note 2: Significant accounting policies used in preparing schedules**

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

SCHEDULE F

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**For the Year Ended August 31, 2007**

Pass-Through Grantor/Program Title	Grant Contract Number	Pass-Through Disbursements and Expenditures
Texas Commission on the Arts Arts Education Project	07-28237	\$ 3,177
Texas Education Agency Adult Basic Education	70100017110154	63,366
TANF	70110017110142	14,096
Dallas County Community College District Small Business Development Center	7-603001-Z-0046-2	104,700
Texas Higher Education Coordinating Board Texas Grant*		416,486
EHS Graduate		39,152
Educational Aid		25,245
Professional Nursing Shortage Reduction Program		8,000
Passed through Virtual College of Texas		59,759
Texas Workforce Commission QC Manufacturing and Near Boar Resources Training Project	0807SDF004	5,848
Bass Engineering Training Project	0807SDF005	<u>3,541</u>
<b>Total State Financial Assistance</b>		<b><u>\$ 743,370</u></b>

\* Denotes major federal financial assistance programs as defined by the Uniform Grants Management Standards

**Note 1: State Assistance Reconciliation**

State Financial Assistance per Schedule F	<u>\$ 743,370</u>
State Revenues per Schedule A	<u>\$ 743,370</u>

**Note 2: Significant accounting policies used in preparing schedules**

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

**KILGORE JUNIOR COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Fiscal Year Ended August 31, 2007**

**I. Summary of Auditors' Results**

1. Financial Statements

Type of auditors' report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	_____ Yes <u>    X    </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u>    X    </u> None reported
Noncompliance material to financial statements noted?	_____ Yes <u>    X    </u> No

2. Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	_____ Yes <u>    X    </u> No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes <u>    X    </u> None reported
Type of auditors' report issued on compliance for major programs?	<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of Circular A - 133?	_____ Yes <u>    X    </u> No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program / Cluster</u>
84.007**	SEOG Program
84.033**	Federal College Workstudy Program
84.063**	Pell Grant Program

\*\* - denotes program belongs to the Financial Aid Cluster.

Dollar threshold used to distinguish between type A and type B	<u>\$ 300,000</u>
Auditee qualified as low - risk auditee?	<u>    X    </u> Yes    _____ No

**II. Financial Statement Findings**

No matters requiring reporting under Government Auditing Standards were noted.

**III. Federal Award Findings and Questioned Costs**

No matters requiring reporting under OMB Circular A-133 were noted.

**STATISTICAL SUPPLEMENT (UNAUDITED)**

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 1  
NET ASSETS BY COMPONENT  
FISCAL YEARS 2002 TO 2007**

(UNAUDITED)  
(amounts expressed in thousands)

	For the Year Ended August 31,					
	2007	2006	2005	2004	2003	2002
Invested in capital assets, net of related debt	\$ 32,585	\$ 32,913	\$ 27,376	\$ 24,073	\$ 21,977	\$ 21,464
Restricted - expendable	1,693	1,435	2,259	1,493	1,221	920
Restricted - nonexpendable	5,641	5,310	5,193	4,998	4,971	5,161
Unrestricted	10,003	6,425	6,434	9,211	9,418	8,576
<b>Total primary government net assets</b>	<b>\$ 49,922</b>	<b>\$ 46,083</b>	<b>\$ 41,262</b>	<b>\$ 39,775</b>	<b>\$ 37,587</b>	<b>\$ 36,121</b>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2007 are available.



**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 2  
REVENUE BY SOURCE  
FISCAL YEARS 2002 TO 2007**

(UNAUDITED)

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

	2007	2006	2005	2004	2003	2002
Tuition and Fees (Net of Discounts)	\$ 6,215	\$ 5,341	\$ 4,983	\$ 4,447	\$ 4,003	\$ 3,755
Federal Grants and Contracts	6,910	7,090	7,319	7,433	6,712	5,471
State Grants and Contracts	743	575	543	485	886	1,024
Non-Governmental Grants and Contracts	444	471	445	412	507	277
Sales and services of educational activities	125	122	143	118	104	67
Investment Income-restricted	-	-	-	-	3	4
Auxiliary enterprises	3,868	3,519	3,391	3,135	3,095	2,977
Other Operating Revenues	69	54	105	117	81	479
<b>Total Operating Revenues</b>	<b>18,374</b>	<b>17,172</b>	<b>16,929</b>	<b>16,147</b>	<b>15,391</b>	<b>14,054</b>
State Appropriations	12,958	12,851	12,450	12,473	13,379	13,953
Maintenance Ad Valorem Taxes	4,968	4,421	3,944	3,833	3,332	3,294
Gifts	955	4,259	769	1,158	399	455
Investment income	612	664	321	121	358	305
Endowment income	315	236	121	133	402	394
Other non-operating revenues	1,902	1	12	33	40	155
<b>Total Non-Operating Revenues</b>	<b>21,710</b>	<b>22,432</b>	<b>17,617</b>	<b>17,751</b>	<b>17,910</b>	<b>18,556</b>
<b>Total Revenues</b>	<b>\$ 40,084</b>	<b>\$ 39,604</b>	<b>\$ 34,546</b>	<b>\$ 33,898</b>	<b>\$ 33,301</b>	<b>\$ 32,610</b>

Tuition and Fees (Net of Discounts)	15.51%	13.49%	14.42%	13.12%	12.02%	11.52%
Federal Grants and Contracts	17.24%	17.90%	21.19%	21.93%	20.16%	16.78%
State Grants and Contracts	1.85%	1.45%	1.57%	1.43%	2.66%	3.14%
Non-Governmental Grants and Contracts	1.11%	1.19%	1.29%	1.21%	1.52%	0.85%
Sales and services of educational activities	0.31%	0.31%	0.41%	0.35%	0.31%	0.20%
Investment Income-restricted	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%
Auxiliary enterprises	9.65%	8.89%	9.82%	9.25%	9.29%	9.13%
Other Operating Revenues	0.17%	0.14%	0.30%	0.34%	0.24%	1.47%
<b>Total Operating Revenues</b>	<b>45.84%</b>	<b>43.36%</b>	<b>49.00%</b>	<b>47.63%</b>	<b>46.22%</b>	<b>43.10%</b>
State Appropriations	32.33%	32.45%	36.04%	36.80%	40.18%	42.79%
Maintenance Ad Valorem Taxes	12.39%	11.16%	11.42%	11.31%	10.01%	10.10%
Gifts	2.38%	10.75%	2.23%	3.42%	1.20%	1.40%
Investment income	1.53%	1.68%	0.93%	0.36%	1.08%	0.93%
Endowment income	0.79%	0.60%	0.35%	0.39%	1.21%	1.21%
Other non-operating revenues	4.75%	0.00%	0.03%	0.10%	0.12%	0.48%
<b>Total Non-Operating Revenues</b>	<b>54.16%</b>	<b>56.64%</b>	<b>51.00%</b>	<b>52.37%</b>	<b>53.78%</b>	<b>56.90%</b>
<b>Total Revenues</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2007 are available.

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 3  
PROGRAM EXPENSES BY FUNCTION  
FISCAL YEARS 2002 TO 2007**

(UNAUDITED)

For the Year Ended August 31,

(amounts expressed in thousands)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Instruction	\$ 13,599	\$ 12,554	\$ 11,855	\$ 10,891	\$ 11,957	\$ 11,267
Public service	614	828	773	756	781	854
Academic support	2,753	2,755	2,608	2,364	2,481	2,318
Student services	2,213	2,200	2,099	1,917	2,003	1,840
Institutional support	4,177	3,805	3,945	3,500	3,526	3,903
Operation and maintenance of plant	3,197	3,285	2,858	2,692	2,699	2,748
Scholarships and fellowships	2,284	2,585	2,728	2,846	2,821	2,079
Auxiliary enterprises	5,711	5,089	4,887	4,424	4,505	4,213
Depreciation	1,210	1,135	940	946	813	885
<b>Total Operating Expenses</b>	<u>35,758</u>	<u>34,236</u>	<u>32,693</u>	<u>30,336</u>	<u>31,586</u>	<u>30,107</u>
Interest on capital related debt	301	268	236	237	249	247
Loss on disposal of fixed assets	20	10	122	28	-	-
Other non-operating expenses	167	274	9	133	-	-
<b>Total Non-Operating Expenses</b>	<u>488</u>	<u>552</u>	<u>367</u>	<u>398</u>	<u>249</u>	<u>247</u>
<b>Total Expenses</b>	<u>\$ 36,246</u>	<u>\$ 34,788</u>	<u>\$ 33,060</u>	<u>\$ 30,733</u>	<u>\$ 31,835</u>	<u>\$ 30,354</u>
Instruction	37.52%	36.09%	35.86%	35.44%	37.56%	37.12%
Public service	1.69%	2.38%	2.34%	2.46%	2.45%	2.81%
Academic support	7.60%	7.92%	7.89%	7.69%	7.79%	7.64%
Student services	6.11%	6.32%	6.35%	6.24%	6.29%	6.06%
Institutional support	11.52%	10.94%	11.93%	11.39%	11.08%	12.86%
Operation and maintenance of plant	8.82%	9.44%	8.65%	8.76%	8.48%	9.05%
Scholarships and fellowships	6.30%	7.43%	8.25%	9.26%	8.86%	6.85%
Auxiliary enterprises	15.76%	14.63%	14.78%	14.40%	14.15%	13.88%
Depreciation	3.34%	3.26%	2.84%	3.08%	2.55%	2.92%
<b>Total Operating Expenses</b>	<u>98.65%</u>	<u>98.41%</u>	<u>98.89%</u>	<u>98.71%</u>	<u>99.22%</u>	<u>99.19%</u>
Interest on capital related debt	0.83%	0.77%	0.71%	0.77%	0.78%	0.81%
Loss on disposal of fixed assets	0.06%	0.03%	0.37%	0.09%	0.00%	0.00%
Other non-operating expenses	0.46%	0.79%	0.03%	0.43%	0.00%	0.00%
<b>Total Non-Operating Expenses</b>	<u>1.35%</u>	<u>1.59%</u>	<u>1.11%</u>	<u>1.29%</u>	<u>0.78%</u>	<u>0.81%</u>
<b>Total Expenses</b>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

**Note:** Due to reporting format and definition changes prescribed by GASB Statement 34, only fiscal years 2002-2007 are available.

**KILGORE JUNIOR COLLEGE DISTRICT**  
**STATISTICAL SUPPLEMENT 4**  
**TUITION AND FEES**  
**Last Ten Academic Years**

(UNAUDITED)

**Resident**

Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	In-District Tuition	Out-of-Dist Tuition	Out-of-Dist Fee	In District Building Use Fee	Out-of-Dist Building Use Fees	Technology Fees	Gen Education Fee	Student Services 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
2006-07	\$ 20	\$ 20	\$ 45	\$ -	\$ -	\$ -	\$ 22	\$ -	\$ 504	\$ 1,044	20.00%	19.18%
2005-06	18	18	38	-	-	-	17	-	420	876	2.94%	4.29%
2004-05	17	17	36	-	-	-	17	-	408	840	3.03%	6.06%
2003-04	16	16	33	-	-	-	17	-	396	792	6.45%	17.86%
2002-03	14	14	25	-	-	-	17	-	372	672	0.00%	5.66%
2001-02	14	14	22	10	10	3	0	4	372	636	0.00%	0.00%
2000-01	14	14	22	10	10	3	0	4	372	636	0.00%	0.00%
1999-00	14	14	22	10	10	3	0	4	372	636	6.90%	8.16%
1998-99	14	14	20	8	8	3	0	4	348	588	11.54%	6.52%
1997-98	14	14	20	6	6	2	0	4	312	552	8.33%	9.52%
1996-97	14	14	15	4	7	2	0	4	288	504	0.00%	0.00%

**Non - Resident**

Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Non-Resident Tuition Out of State	Out-of-District Fee	Building Use Fees	Technology Fees	Gen Education Fee	Student Services Fees	Cost for 12 SCH Out of State	Increase from Prior Year Out of State
2006-07	\$ 50	\$ 45	\$ -	\$ -	\$ 22	\$ -	\$ 1,404	15.84%
2005-06	46	38	-	-	17	-	1,212	5.21%
2004-05	43	36	-	-	17	-	1,152	6.67%
2003-04	40	33	-	-	17	-	1,080	25.00%
2002-03	30	25	-	-	17	-	864	4.35%
2001-02	30	22	10	3	-	4	828	0.00%
2000-01	30	22	10	3	-	4	828	0.00%
1999-00	30	22	10	3	-	4	828	6.15%
1998-99	30	20	8	3	-	4	780	4.84%
1997-98	30	20	6	2	-	4	744	6.90%
1996-97	30	15	7	2	-	4	696	0.00%

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

**KILGORE JUNIOR COLLEGE DISTRICT**  
**STATISTICAL SUPPLEMENT 5**  
**ASSESSED VALUE AND TAXABLE ASSESSED VALUE OF PROPERTY**  
**Last Ten Fiscal Years**

(UNAUDITED)

Fiscal Year	(amounts expressed in thousands)			Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value (TAV)		Maintenance & Operations (a)	Debt Service (a)	Total Direct Rate (a)
2006-07	\$3,055,914	\$188,408	\$2,867,506	93.83%	\$ 0.16400	0.00000	\$ 0.16400
2005-06	2,635,907	130,507	2,505,400	95.05%	0.17400	0.00000	0.17400
2004-05	2,344,797	131,677	2,213,120	94.38%	0.17890	0.00000	0.17890
2003-04	2,327,071	327,789	1,999,282	85.91%	0.17890	0.00000	0.17890
2002-03	2,339,222	332,125	2,007,097	85.80%	0.16890	0.00000	0.16890
2001-02	2,256,053	318,385	1,937,668	85.89%	0.16890	0.00000	0.16890
2000-01	2,053,659	324,731	1,728,928	84.19%	0.16890	0.00000	0.16890
1999-00	1,990,753	311,720	1,679,033	84.34%	0.16890	0.00000	0.16890
1998-99	1,848,271	123,519	1,724,752	93.32%	0.16476	0.00000	0.16476
1997-98	1,819,639	102,860	1,716,779	94.35%	0.16298	0.00000	0.16298

Source: Local Appraisal District

Notes: Property is assessed at full market value.

(a) per \$100 Taxable Assessed Valuation

**KILGORE JUNIOR COLLEGE DISTRICT  
 STATISTICAL SUPPLEMENT 6  
 STATE ALLOCATIONS PER FTSE AND CONTACT HOUR  
 Last Ten Fiscal Years**

(UNAUDITED)

Fiscal Year	Appropriation per FTSE			Appropriation per Contact Hour			
	State Appropriation	FTSE	State Appropriation per FTSE	Academic Contact Hours (a)	Voc/Tech Contact Hours (b)	Total Contact Hours	State Appropriation per Contact Hour
2006-07	\$ 10,170,125	\$ 3,558	\$ 2,858	1,564	741	2,305	\$ 4,412.29
2005-06	10,170,125	3,675	2,767	1,656	741	2,397	4,242.81
2004-05	10,156,900	3,718	2,732	1,688	718	2,406	4,221.65
2003-04	10,157,067	3,779	2,688	1,714	1,114	2,828	3,591.75
2002-03	10,692,354	4,389	2,436	1,646	1,399	3,046	3,510.86
2001-02	11,417,903	3,965	2,880	1,510	1,231	2,741	4,166.23
2000-01	9,850,814	3,845	2,562	1,388	1,417	2,805	3,512.15
1999-00	9,598,719	3,815	2,516	1,330	1,431	2,761	3,477.16
1998-99	9,722,561	3,556	2,734	1,294	1,244	2,539	3,829.46
1997-98	9,402,618	3,587	2,621	1,192	1,187	2,379	3,952.07
1996-97	8,782,904	3,603	2,438	1,374	1,191	2,565	3,424.16

Notes:

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

(a) Source CBM001

(b) Source CBM00A

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 7  
PRINCIPAL TAXPAYERS  
2006 AND 2005 TAX YEARS**

(UNAUDITED)

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year	
		2006	2005
Halliburton Energy Services	Oilfield service	\$ 78,818,860	\$ 51,141,240
TXOK Energy Resources Co.	Oilfield service	54,991,430	76,292,590
B J Services Inc	Oilfield service	44,591,980	25,593,710
Exxonmobile Corporation	Oilfield service	43,615,100	60,642,160
Geo-Vest of Texas	Oilfield service	34,485,420	-
XTO Energy Inc	Oilfield service	31,944,110	38,947,970
Danmark Energy Services Co	Oilfield service	26,188,370	11,016,190
Burlington Resources	Oilfield service	24,925,700	26,720,850
AEP Southwestern Elec Co	Power company	21,102,190	6,090,420
Anadarko E&P Co	Oilfield service	19,443,700	29,529,900
Hunt Petroleum Corp	Oilfield service	14,322,440	20,811,940
	Totals	<u>\$ 394,429,300</u>	<u>\$ 346,786,970</u>
	Total Taxable Assessed Value	<u>\$ 2,505,399,574</u>	<u>\$ 2,213,119,992</u>

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year	
		2006	2005
Halliburton Energy Services	Oilfield service	3.15%	2.31%
TXOK Energy Resources Co.	Oilfield service	2.19%	3.45%
B J Services Inc	Oilfield service	1.78%	1.16%
Exxonmobile Corporation	Oilfield service	1.74%	2.74%
Geo-Vest of Texas	Oilfield service	1.38%	-
XTO Energy Inc	Oilfield service	1.28%	1.76%
Danmark Energy Services Co	Oilfield service	1.05%	0.50%
Burlington Resources	Oilfield service	0.99%	1.21%
AEP Southwestern Elec Co	Power company	0.84%	0.28%
Anadarko E&P Co	Oilfield service	0.78%	1.33%
Hunt Petroleum Corp	Oilfield service	0.57%	0.94%
	Totals	<u>15.74%</u>	<u>15.67%</u>

Source: Local County Appraisal District and Local Tax Office  
The District chose to implement this schedule prospectively.

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 8  
PROPERTY TAX LEVIES AND COLLECTIONS  
Last Ten Fiscal Years**

**(UNAUDITED)  
(amounts expressed in thousands)**

Fiscal Year	Total Tax Levy (a)	Collected within the Fiscal Year of the Levy			Collections in Subsequent Years (b)	Total Collections to Date	
		Amount	Percentage of Levy	Amount		Percentage of Levy	
2006-07	\$ 4,820	\$ 4,671	96.90%	\$ -	\$ 4,671	96.90%	
2005-06	4,362	4,222	96.80%	76	4,298	98.53%	
2004-05	3,959	3,794	95.82%	28	3,822	96.52%	
2003-04	3,577	3,401	95.08%	11	3,412	95.39%	
2002-03	3,398	3,224	94.86%	7	3,230	95.07%	
2001-02	3,275	3,106	94.81%	4	3,109	94.92%	
2000-01	2,917	2,716	93.08%	2	2,718	93.16%	
1999-00	2,836	2,609	92.02%	2	2,611	92.07%	
1998-99	2,842	2,652	93.34%	1	2,654	93.38%	
1997-98	2,874	2,736	95.20%	1	2,737	95.23%	

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

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

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

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 9  
RATIOS OF OUTSTANDING DEBT  
Last Ten Fiscal Years**

(UNAUDITED)

	For the Year Ended August 31 (amounts expressed in thousands)			
	2007	2006	2005	2004
<b>General Bonded Debt</b>				
Net General Bonded Debt	\$ -	\$ -	\$ -	\$ -
As a percentage of Taxable Assessed Value	0.00%	0.00%	0.00%	0.00%
<b>Other Debt</b>				
Revenue Bonds	\$ 3,815	\$ 4,025	\$ 4,255	\$ 4,485
Notes	1,500	975	1,273	168
Capital Lease Obligations	-	-	-	-
Less: Funds Restricted for Debt Service	(425)	(435)	(435)	(435)
Total Outstanding Debt	<u>\$ 4,890</u>	<u>\$ 4,565</u>	<u>\$ 5,093</u>	<u>\$ 4,218</u>
Per Capita	\$ 3.48	\$ 3.25	\$ 3.62	\$ 3.00
Per Student	\$137	\$196	\$218	\$181
As a percentage of Taxable Assessed Value	0.17%	0.16%	0.18%	0.15%

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



2003	2002	2001	2000	1999	1998
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$ 4,710	\$ 4,925	\$ 5,130	\$ 5,325	\$ 5,515	\$ 5,630
221	271	-	-	430	526
-	238	302	380	-	-
(435)	(435)	(435)	(435)	(435)	(435)
<u>\$ 4,496</u>	<u>\$ 4,999</u>	<u>\$ 4,997</u>	<u>\$ 5,270</u>	<u>\$ 5,510</u>	<u>\$ 5,721</u>
\$ 3.20	\$ 3.55	\$ 3.55	\$ 3.75	\$ 3.92	\$ 4.07
\$193	\$214	\$214	\$226	\$236	\$245
0.16%	0.17%	0.17%	0.18%	0.19%	0.20%

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 10  
LEGAL DEBT MARGIN INFORMATION  
Last Ten Fiscal Years**

(UNAUDITED)

	For the Year Ended August 31 (amount expressed in thousands)			
	2007	2006	2005	2004
Taxable Assessed Value	<u>\$ 2,867,506</u>	<u>\$ 2,505,400</u>	<u>\$ 2,213,120</u>	<u>\$ 1,999,282</u>
<b>General Obligation Bonds</b>				
Statutory Tax Levy Limit for Debt Service	\$ 14,338	\$ 12,527	\$ 11,066	\$ 9,996
Less: Funds Restricted for Repayment of General Obligation Notes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net General Obligation Debt	14,338	12,527	11,066	9,996
Current Year Debt Service Requirements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Statutory Limit for Debt Service over Current Requirements	<u>\$ 14,338</u>	<u>\$ 12,527</u>	<u>\$ 11,066</u>	<u>\$ 9,996</u>
Net Current Requirements as a % of Statutory Limit	0.00%	0.00%	0.00%	0.00%

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

2003	2002	2001	2000	1999	1998
<u>\$ 2,007,097</u>	<u>\$ 1,937,668</u>	<u>\$ 1,728,928</u>	<u>\$ 1,679,033</u>	<u>\$ 1,724,752</u>	<u>\$ 1,716,779</u>
\$ 10,035	\$ 9,688	\$ 8,645	\$ 8,395	\$ 8,624	\$ 8,584
-	-	-	-	-	-
10,035	9,688	8,645	8,395	8,624	8,584
-	-	-	-	-	-
<u>\$ 10,035</u>	<u>\$ 9,688</u>	<u>\$ 8,645</u>	<u>\$ 8,395</u>	<u>\$ 8,624</u>	<u>\$ 8,584</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 11  
PLEDGED REVENUE CONVERAGE  
Last Ten Fiscal Years**

(UNAUDITED)

**Revenue Bonds**

Fiscal Year Ended August 31	Pledged Revenues (\$000 omitted)								Debt Service Requirements (\$000 omitted)			Coverage Ratio
	Tuition	General Education Fee	Student Services Fees	Out-of- District Fees	Building Use Fee	Technology Fee	Other	Total	Principal	Interest	Total	
2007	\$ 166,373	\$1,942,021	\$ 426,297	\$3,398,162	\$ -	\$ -	\$ -	\$5,932,853	\$ 255,000	\$ 194,926	\$ 449,926	13.19
2006	169,118	1,613,509	410,770	3,079,715	-	-	-	5,273,112	245,000	206,426	451,426	11.68
2005	168,698	1,487,945	444,451	2,848,009	-	-	-	4,949,103	230,000	217,236	447,236	11.07
2004	169,710	1,484,266	468,732	2,635,570	-	-	-	4,758,278	225,000	227,361	452,361	10.52
2003	162,893	1,428,817	426,776	1,951,425	-	-	-	3,969,911	215,000	236,934	451,934	8.78
2002	149,813	-	-	1,561,839	998,323	299,450	-	3,009,425	205,000	245,913	450,913	6.67
2001	136,193	-	-	1,434,993	926,093	277,068	-	2,774,347	195,000	254,364	449,364	6.17
2000	133,583	-	366,706	1,399,270	917,446	-	282,568	3,099,573	190,000	262,401	452,401	6.85
1999	134,168	-	365,236	1,272,955	856,064	-	214,998	2,843,421	115,000	268,673	383,673	7.41
1998	137,033	-	367,147	1,278,151	674,405	-	423,212	2,879,948	-	203,251	203,251	14.17

**KILGORE JUNIOR COLLEGE DISTRICT  
 STATISTICAL SUPPLEMENT 12  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 Last Ten Fiscal Years**

**(UNAUDITED)**

Calendar Year	District (a) Population	District Personal Income	District Personal Income Per Capita	District (a) Unemployment Rate
2007	33,606	b	b	4.7%
2006	32,405	b	b	4.9%
2005	31,770	b	b	4.9%
2004	31,147	b	b	5.9%
2003	30,536	b	b	7.0%
2002	29,938	b	b	6.9%
2001	29,351	b	b	5.4%
2000	28,775	b	b	5.3%
1999	28,200	b	b	b
1998	27,636	b	b	b

**Sources:**

Texas Labor Market Information  
 Texas Workforce Commission

**Notes:**

- a. District data is unavailable. Amounts are based on weighted averages for Gregg and Rusk Counties
- b. Not available

**KILGORE JUNIOR COLLEGE DISTRICT  
 STATISTICAL SUPPLEMENT 13  
 PRINCIPAL EMPLOYERS  
 YEAR ENDED AUGUST 31, 2007**

(UNAUDITED)

Employer	2006 Number of Employees	2005 Number of Employees	Percentage of Total Employment (a)
Kilgore ISD	554	560	-
Vertex, RSI	472	463	-
Kilgore College	381	375	-
Halliburton	388	332	-
Laird Memorial Hospital	272	270	-
Region VII Education Service Ctr	259	256	-
Skeeter Boats	247	240	-
Martin Midstream Partners, LP	168	157	-
BJ Services	167	155	-
City of Kilgore	147	150	-
Pak-Sher, Inc	144	141	-
<b>Total</b>	<b>3,199</b>	<b>3,099</b>	-

**Source:**

Kilgore Economic Development Corporation  
 Gladewater Economic Development Corporation  
 White Oak Economic Development Corporation

**Note:**

- a. Total employment of District is undeterminable.
- b. The District chose to implement this schedule prospectively.

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**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 14  
FACULTY, STAFF, AND ADMINISTRATORS STATISTICS  
Last Ten Fiscal Years**

(UNAUDITED)

	2007	2006	2005	2004
<b>Faculty</b>				
Full-Time	116.25	110.25	115.75	116.75
Part-Time	50.00	48.40	45.30	44.25
Total	<u>166.25</u>	<u>158.65</u>	<u>161.05</u>	<u>161.00</u>
<b>Percent</b>				
Full-Time	73.27%	69.49%	71.87%	72.5%
Part-Time	31.52%	30.51%	28.13%	27.5%
<b>Staff and Administrators</b>				
Full-Time	214.54	223.00	217.00	208.00
Part-Time	31.00	35.00	30.50	22.50
Total	<u>245.54</u>	<u>258.00</u>	<u>247.50</u>	<u>230.50</u>
<b>Percent</b>				
Full-Time	87.37%	86.43%	87.68%	90.24%
Part-Time	12.63%	13.57%	12.32%	9.76%
Students per Full-time Faculty	40.40	43.97	42.83	41.78
Students per Full-Time Staff Member	21.89	21.74	22.84	23.83
Average Annual Faculty Salary	\$55,700	\$53,783	\$50,154	\$46,271

**Notes:**

Information provided according to the IPED definition for faculty and staff



2003	2002	2001	2000	1999	1998
126.00	132.00	134.00	101.15	105.60	123.25
36.45	25.90	27.20	17.85	14.40	21.75
<u>168.00</u>	<u>157.90</u>	<u>161.20</u>	<u>119.00</u>	<u>120.00</u>	<u>145.00</u>
75.0%	83.6%	83.1%	85.0%	88.0%	85.0%
21.7%	16.4%	16.9%	15.0%	12.0%	15.0%
210.00	205.00	195.00	194.00	184.00	Not available
27.00	31.50	33.50	33.50	37.00	Not available
<u>237.00</u>	<u>236.50</u>	<u>228.50</u>	<u>227.50</u>	<u>221.00</u>	
88.61%	86.68%	85.34%	85.27%	83.26%	Not available
11.39%	13.32%	14.66%	14.73%	16.74%	Not available
36.33	31.77	29.84	39.96	39.28	Not available
21.80	20.45	20.51	20.84	22.54	Not available
\$46,005	\$44,773	\$44,158	\$46,277	\$47,482	\$44,584

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 15  
ENROLLMENT DETAILS  
Last Five Fiscal Years**

(UNAUDITED)

Student Classification	Fall 2006		Fall 2005		Fall 2004	
	Number	Percent	Number	Percent	Number	Percent
Freshman	3,323	70.75%	3,929	81.04%	3,530	71.21%
Sophomore	1,066	22.70%	683	14.09%	1,197	24.15%
Unclassified	168	3.58%	96	1.98%	110	2.22%
Associate Degree	68	1.45%	63	1.30%	57	1.15%
Baccalaureate or Above	72	1.53%	77	1.59%	63	1.27%
<b>Total</b>	<b>4,697</b>	<b>100.00%</b>	<b>4,848</b>	<b>100.00%</b>	<b>4,957</b>	<b>100.00%</b>

Semester Hour Load	Fall 2006		Fall 2005		Fall 2004	
	Number	Percent	Number	Percent	Number	Percent
Less than 3	69	1.47%	43	0.89%	59	1.19%
3-5 semester hours	812	17.29%	769	15.86%	763	15.39%
6-8 Semester hours	774	16.48%	690	14.23%	719	14.50%
9-11 semester hours	655	13.95%	718	14.81%	667	13.46%
12-14 semester hours	1,644	35.00%	1,855	38.26%	1,956	39.46%
15-17 semester hours	616	13.11%	646	13.33%	655	13.21%
18 & over	127	2.70%	127	2.62%	138	2.78%
<b>Total</b>	<b>4,697</b>	<b>100.00%</b>	<b>4,848</b>	<b>100.00%</b>	<b>4,957</b>	<b>100.00%</b>

Tuition Status	Fall 2006		Fall 2005		Fall 2004	
	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-District)	1,499	31.91%	1,514	31.29%	1,567	31.61%
Texas Resident (out-of-District)	2,989	63.64%	3,134	64.78%	3,167	63.89%
Non-Resident Tuition	209	4.45%	190	3.93%	223	4.50%
<b>Total</b>	<b>4,697</b>	<b>100.00%</b>	<b>4,838</b>	<b>100.00%</b>	<b>4,957</b>	<b>100.00%</b>

Fall 2003	
Number	Percent
4,190	85.90%
423	8.67%
144	2.95%
59	1.21%
62	1.27%
<b>4,878</b>	<b>100.00%</b>

Fall 2002	
Number	Percent
3,895	85.08%
412	9.00%
165	3.60%
46	1.00%
60	1.31%
<b>4,578</b>	<b>100.00%</b>

Fall 2001	
Number	Percent
3,511	83.73%
444	10.59%
160	3.82%
28	0.67%
50	1.19%
<b>4,193</b>	<b>100.00%</b>

Fall 2003	
Number	Percent
47	0.96%
744	15.25%
729	14.94%
654	13.41%
1,931	39.59%
671	13.76%
102	2.09%
<b>4,878</b>	<b>100.00%</b>

Fall 2002	
Number	Percent
40	0.87%
776	16.95%
663	14.48%
614	13.41%
1,684	36.78%
638	13.94%
163	3.56%
<b>4,578</b>	<b>100.00%</b>

Fall 2001	
Number	Percent
29	0.69%
791	18.86%
578	13.78%
558	13.31%
1,467	34.99%
646	15.41%
124	2.96%
<b>4,193</b>	<b>100.00%</b>

Fall 2003	
Number	Percent
1,518	31.12%
3,132	64.21%
228	4.67%
<b>4,878</b>	<b>100.00%</b>

Fall 2002	
Number	Percent
1,340	29.27%
3,019	65.95%
219	4.78%
<b>4,578</b>	<b>100.00%</b>

Fall 2001	
Number	Percent
1,258	30.00%
2,747	65.51%
188	4.48%
<b>4,193</b>	<b>100.00%</b>

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 16  
STUDENT PROFILE  
Last Five Fiscal Years**

**(UNAUDITED)**

	Fall 2006		Fall 2005	
	Number	Percent	Number	Percent
Gender				
Female	2,979	63.42%	3,041	62.73%
Male	1,718	36.58%	1,807	37.27%
Total	4,697	100.00%	4,848	100.00%

	Fall 2006		Fall 2005	
	Number	Percent	Number	Percent
Ethnic Origin				
White	3,259	69.38%	3,736	77.06%
Hispanic	271	5.77%	225	4.64%
African American	706	15.03%	725	14.95%
Asian/Pacific Islander	29	0.62%	20	0.41%
Foreign	118	2.51%	135	2.78%
Native American	9	0.19%	7	0.14%
Unknown	305	6.49%	-	-
Total	4,697	100.00%	4,848	100.00%

	Fall 2006		Fall 2005	
	Number	Percent	Number	Percent
Age				
Under 18	358	7.62%	232	4.79%
18-21	2,290	48.75%	2,364	48.76%
22-24	573	12.20%	631	13.02%
25-30	650	13.84%	708	14.60%
31-35	291	6.20%	314	6.48%
36-50	433	9.22%	500	10.31%
51-64	90	1.92%	89	1.84%
65 & over	12	0.26%	10	0.21%
Total	4,697	100.00%	4,848	100.00%

Average Age	24	25
-------------	----	----

Fall 2004		Fall 2003		Fall 2002	
Number	Percent	Number	Percent	Number	Percent
3,088	62.30%	2,989	61.28%	2,777	60.66%
1,869	37.70%	1,889	38.72%	1,801	39.34%
4,957	100.00%	4,878	100.00%	4,578	100.00%

Fall 2004		Fall 2003		Fall 2002	
Number	Percent	Number	Percent	Number	Percent
3,829	77.24%	3,805	78.00%	3,670	80.17%
222	4.48%	178	3.65%	151	3.30%
733	14.79%	709	14.53%	596	13.02%
22	0.44%	16	0.33%	12	0.26%
145	2.93%	163	3.34%	144	3.15%
6	0.12%	7	0.14%	5	0.11%
-	-	-	-	-	-
4,957	100.00%	4,878	100.00%	4,578	100.00%

Fall 2004		Fall 2003		Fall 2002	
Number	Percent	Number	Percent	Number	Percent
216	4.36%	216	4.43%	193	4.22%
2,354	47.49%	2,424	49.69%	2,340	51.11%
707	14.26%	673	13.80%	620	13.54%
703	14.18%	675	13.84%	577	12.60%
320	6.46%	330	6.77%	302	6.60%
561	11.32%	472	9.68%	466	10.18%
86	1.73%	76	1.56%	70	1.53%
10	0.20%	12	0.25%	10	0.22%
4,957	100.00%	4,878	100.00%	4,578	100.00%

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 17A  
TRANSFERS TO SENIOR INSTITUTIONS  
2005 FALL STUDENTS**

(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
	<u>Academic</u>	<u>Technical</u>	<u>Tech-Prep</u>		
1 LAMAR UNIVERSITY	2			2	0.64%
2 MIDWESTERN STATE UNIVERSITY	2			2	0.64%
3 PRAIRIE VIEW A&M UNIVERSITY	1			1	0.32%
4 SAM HOUSTON STATE UNIVERSITY	8			8	2.56%
5 STEPHEN F. AUSTIN STATE UNIV	47			47	15.02%
6 SUL ROSS STATE UNIVERSITY	2			2	0.64%
7 TARLETON STATE UNIVERSITY	5			5	1.60%
8 TEXAS A&M UNIV-KINGSVILLE	1			1	0.32%
9 TEXAS A&M UNIVERSITY	12			12	3.83%
10 TEXAS A&M UNIVERSITY-COMMERCE	5			5	1.60%
11 TEXAS A&M UNIVERSITY-TEXARKANA	17			17	5.43%
12 TEXAS SOUTHERN UNIVERSITY	2			2	0.64%
13 TEXAS STATE UNIV - SAN MARCOS	16			16	5.11%
14 TEXAS TECH UNIVERSITY	6			6	1.92%
15 TEXAS WOMAN'S UNIVERSITY	9			9	2.88%
16 U. OF HOUSTON-DOWNTOWN	1			1	0.32%
17 U. OF TEXAS AT ARLINGTON	15			15	4.79%
18 U. OF TEXAS AT AUSTIN	3			3	0.96%
19 U. OF TEXAS AT DALLAS	2			2	0.64%
20 U. OF TEXAS AT SAN ANTONIO	3			3	0.96%
21 U. OF TEXAS AT TYLER	112			112	35.78%
22 UNIVERSITY OF HOUSTON	4			4	1.28%
23 UNIVERSITY OF NORTH TEXAS	34			34	10.86%
24 WEST TEXAS A&M UNIVERSITY	4			4	1.28%
	<u><b>313</b></u>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>313</b></u>	<u><b>100.00%</b></u>

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 17B  
TRANSFERS TO SENIOR INSTITUTIONS<sup>1</sup>  
FALL FIRST TIME TRANSFER STUDENTS**

(Includes only public senior colleges in Texas)

	Fall 2005				Fall 2004			
	Earned Academic Associate Prior to Transfer	Earned Core Curriculum Completer	Total Transfer Student Count <sup>2</sup>	% Total Transfers	Earned Academic Associate Prior to Transfer	Earned Core Curriculum Completer	Total Transfer Student Count <sup>2</sup>	% Total Transfers
SAM HOUSTON STATE UNIVERSITY	0	1	8	2.6%	4	1	6	2.2%
STEPHEN F. AUSTIN STATE UNIV	16	22	47	15.5%	16	2	49	17.9%
TARLETON STATE UNIVERSITY	1	1	5	1.7%	0	0	0	0.0%
TEXAS A&M UNIVERSITY	3	2	15	5.0%	3	0	16	5.9%
TEXAS A&M UNIVERSITY-COMMERCE	2	2	6	2.0%	6	2	11	4.0%
TEXAS A&M UNIVERSITY-TEXARKANA	7	11	18	5.9%	0	0	0	0.0%
TEXAS STATE UNIV - SAN MARCOS	6	7	15	5.0%	8	0	23	8.4%
TEXAS TECH UNIVERSITY	1	3	6	2.0%	2	1	6	2.2%
TEXAS WOMAN'S UNIVERSITY	2	1	9	3.0%	0	0	0	0.0%
U. OF TEXAS AT ARLINGTON	3	4	12	4.0%	6	1	10	3.7%
U. OF TEXAS AT AUSTIN	0	0	0	0.0%	3	0	6	2.2%
U. OF TEXAS AT TYLER	51	61	105	34.7%	34	8	97	35.5%
UNIVERSITY OF HOUSTON	0	2	5	1.7%	0	0	0	0.0%
UNIVERSITY OF NORTH TEXAS	10	15	33	10.9%	9	2	26	9.5%
OTHER PUBLIC 4-YR INSTITUTION	3	4	19	6.3%	6	2	23	8.4%
<b>TOTAL</b>	<b>105</b>	<b>136</b>	<b>303</b>	<b>100.0%</b>	<b>97</b>	<b>19</b>	<b>273</b>	<b>100.0%</b>

<sup>1</sup>Students who were coded as first time transfer in Fall 2005 with a valid TX FICE Code and SSN, tracked back 6 years in CTC to see if they earned at least 30 hours.

<sup>2</sup>Transfers may have earned both an associate degree and core curriculum completer.

**KILGORE JUNIOR COLLEGE DISTRICT  
STATISTICAL SUPPLEMENT 18  
CAPITAL ASSET INFORMATION  
FISCAL YEARS 2002 TO 2007**

(UNAUDITED)

	Fiscal Year					
	2007	2006	2005	2004	2003	2002
Academic buildings	13	13	13	13	13	13
Square footage (in thousands)	331	331	331	331	331	331
Libraries	1	1	1	1	1	1
Square footage (in thousands)	38	38	38	38	38	38
Number of Volumes (in thousands)	101	101	101	101	101	101
Administrative and support buildings	6	6	6	6	6	6
Square footage (in thousands)	115	115	115	115	115	115
Dormitories	5	5	4	4	4	4
Square footage (in thousands)	136	136	101	101	101	101
Number of Beds	490	490	410	410	410	410
Dining Facilities	1	1	1	1	1	1
Square footage (in thousands)	23	23	23	23	23	23
Average daily customers	410	410	410	410	410	410
Athletic Facilities	5	5	5	5	5	5
Square footage (in thousands)	119	119	119	119	119	119
Stadiums	1	1	1	1	1	1
Gymnasiums	2	2	2	2	2	2
Fitness Centers	1	1	1	1	1	1
Tennis Court	1	1	1	1	1	1
Plant facilities	1	1	1	1	1	1
Square footage (in thousands)	20	20	20	20	20	20
Transportation						
Cars	12	13	12	12	12	10
Light Trucks/Vans	23	24	24	22	20	20
Buses	0	0	0	0	0	0