GARDEN CITY COMMUNITY COLLEGE

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June 30, 2024

GARDEN CITY COMMUNITY COLLEGE
Basic Financial Statements
For the Year Ended June 30, 2024

TABLE OF CONTENTS

	Statement
Independent Auditor's Report	
Management's Discussion and Analysis	
BASIC FINANCIAL STATEMENTS	
Statement of Net Position	1
Statement of Revenues, Expenses and Changes in Net Position	2
Statement of Cash Flows	3
Statement of Fiduciary Net Position	4
Statement of Changes in Fiduciary Net Position	5
Notes to Financial Statements	
REQUIRED SUPPLEMENTARY INFORMATION	Schedule
Schedules of Net Pension Liability and Contributions Attributable to the College	RSI-1
Schedule of Changes in the College's Share of OPEB Liability and Related Ratios - Healthcare	RSI-2
Schedule of Changes in the College's Share of OPEB Liability and Related Ratios - KPERS Death and Disability	RSI-3
SUPPLEMENTARY INFORMATION	Schedule
Combining Schedule of Revenues, Expenditures, Encumbrances and Changes in Unencumbered Cash - Actual and Budget - Current Funds - Unrestricted (Legal Basis)	1
Schedule of Revenues - Actual and Budget - General Fund - Unrestricted (Legal Basis)	1-A
Schedule of Revenues, Expenditures, Encumbrances and Changes in Unencumbered Cash - Actual and Budget - Adult Basic Education Fund (Legal Basis)	2
Schedule of Revenues, Expenditures, Encumbrances and Changes in Unencumbered Cash - Actual and Budget - Postsecondary Technical Education Fund (Legal Basis)	3
Schedule of Revenues, Expenditures, Encumbrances and Changes in Unencumbered Cash - Actual and Budget - Plant Funds - Unexpended (Legal Basis)	4
Notes to Supplementary Information	

(continued)

GARDEN CITY COMMUNITY COLLEGE
Basic Financial Statements
For the Year Ended June 30, 2024

TABLE OF CONTENTS

(continued)

	Schedule
ADDITIONAL INFORMATION –	
Schedules of Management Information	
Combining Statement of Revenues, Expenditures and Other Changes - Current Funds	5
Combining Statement of Net Position - All Current Funds - Unrestricted	6
Combining Statement of Revenues and Expenditures - All Current Funds - Unrestricted	7
Combining Statement of Changes in Net Position - All Current Funds - Unrestricted	8
Combining Statement of Changes in Net Position - Various Funds	9
Combining Statement of Changes in Fiduciary Net Position - All Custodial Funds	10
GRAPHS	
Comparison of Revenues - All Current Funds - Unrestricted (Legal Basis) excluding Auxiliary Enterprises but including Restricted - Postsecondary Technical Education Fund	11
Comparison of Expenditures, Encumbrances and Net Transfers - All Current Funds - Unrestricted (Legal Basis) excluding Auxiliary Enterprises but including Restricted - Postsecondary Technical Education Fund	12
Comparison of Revenues, and Expenditures, Encumbrances and Net Transfers - All Current Funds - Unrestricted (Legal Basis) excluding Auxiliary Enterprises but including Restricted - Postsecondary Technical Education Fund	13
	Exhibit
FEDERAL AWARD PROGRAMS	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance in Accordance with the Uniform Guidance	
Schedule of Findings and Questioned Costs	
Corrective Action Plan and Comments on Audit Resolution Matters Relating to the Student Financial Assistance and Federal Award Programs	
Schedule of Expenditures of Federal Awards	
Notes to Schedule of Expenditures of Federal Awards	A
Comparison of Expenditures of Federal Awards	

LEWIS, HOOPER & DICK LLC
certified public accountants

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Garden City Community College
801 Campus Drive
Garden City, Kansas 67846

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component units of Garden City Community College, Garden City, Kansas (the College), as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of the College as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards (GAS)*, issued by the Comptroller General of the United States; and the *Kansas Municipal Audit and Accounting Guide* (*KMAAG*), issued by the State of Kansas. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of the Garden City Community College Endowment Association and the Broncbuster Athletic Association were not audited in accordance with *GAS* or the *KMAAG*. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, *GAS* and the *KMAAG*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The supplementary information and additional information as listed in the table of contents; and the Schedule of Expenditures of Federal Awards, required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS, *GAS* and the *KMAAG*. In our opinion, the accompanying supplementary information, additional information, and Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the graphs presented in Schedules 11, 12 and 13. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *GAS*, we have also issued our report dated February 5, 2025, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *GAS* in considering the College's internal control over financial reporting and compliance.

Lewis, Hooper + Dick, LLC

LEWIS, HOOPER & DICK, LLC
February 5, 2025

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Management's Discussion and Analysis

As management of Garden City Community College, Garden City, Kansas (the College), we offer readers of the College's financial statements this narrative overview and analysis of the financial activity of the College for the fiscal year ended June 30, 2024.

Financial Highlights

- The assets and deferred outflows of resources of the College exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $28,639,203 (net position). The unrestricted net position, which represents the amounts available to meet the College's ongoing obligations to citizens and creditors, was $1,117,871.

- The College's total net position was consistent with last year, decreasing by only $5,600.

- Capital assets increased a total of $1,022,572 from 2023, as a result of current year additions, the completion of capital projects and the recording of additional right-to-use subscription assets. Major construction projects during fiscal year 2024 include the fine arts auditorium remodel, Fouse remodel - STEM addition, John Deere IT expansion, and Greenhouse project. All construction projects were completed and capitalized by June 30, 2024. There were no construction projects in progress as of June 30, 2024.

- The College's total long-term liabilities decreased by $2,190,100, or 14.69%, during the current fiscal year. The key factor in this decrease was payments made on numerous long-term liabilities during the year. Payments made on finance purchases payable totaled $1,608,719 during the year. Payments made on right-to-use lease liabilities and right-to-use subscription liabilities were $39,455 and $945,045, respectively.

- Operating revenues increased by $1,232,672, or 13.16%, from 2023. This was primarily due to increases in other operating revenues, which includes an increase of $1,276,062 in state and local grants and contracts from 2023.

- Operating expenses increased by $3,242,424, or 9.85%, from 2023. This was primarily due to overall increases in academic support, student services, operating and maintenance of plant, institutional support, auxiliary expenses, and depreciation and amortization. Academic support, student services, and institutional support increased as a result of additional staff. Operating and maintenance of plant increased as a result of increases in utilities, property insurance, vehicle fuel and janitorial supplies; and adjustments made to staffs' hourly wages. Auxiliary enterprises increased as a result of additional staff and repairs and maintenance expenses to student housing and the student center. Depreciation and amortization increased due to projects being finalized and capitalized in the current year and the recording of amortization expense associated with right-to-use lease and subscription assets.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the College's basic financial statements. The College's basic financial statements are comprised of two components: 1) government-wide financial statements, and 2) the notes to the financial statements. This report also contains supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

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

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

The Statement of Revenues, Expenses and Changes in Net Position presents information showing how the College's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements include not only the College itself (known as the primary government), but also a legally separate endowment association and a legally separate athletic association for which the College is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. See Note 1, item B, in the notes to the financial statements for more details regarding the relationship between these entities and the College.

Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 9 through 49 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the College's net pension liability and contributions attributable to the College and the College's progress in funding its obligation to provide other postemployment benefits (OPEB) to its employees. Required supplementary information can be found on pages 51 through 57 of this report.

Supplementary information comparing actual and budget results is presented immediately following the required supplementary information on OPEB. Additional information containing schedules of management information are also presented. The supplementary and additional information can be found on pages 59 through 84 of this report.

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Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the College, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $28,639,203 at the close of the most recent fiscal year.

Statements of Net Position
June 30, 2024 and 2023

	2024	2023 (as restated)	Increase (Decrease)
Assets			
Current assets	$ 21,335,383	$ 20,349,467	$ 985,916
Non-current assets	36,675,879	35,653,307	1,022,572
Total assets	$ 58,011,262	$ 56,002,774	$ 2,008,488
Total deferred outflows of resources	$ 605,727	$ 637,045	$ (31,318)
Liabilities			
Current liabilities	$ 6,856,929	$ 6,646,912	$ 210,017
Non-current liabilities	12,722,572	14,912,672	(2,190,100)
Total liabilities	$ 19,579,501	$ 21,559,584	$ (1,980,083)
Total deferred inflows of resources	$ 10,398,285	$ 6,435,432	$ 3,962,853
Net position			
Investment in capital assets	$ 26,395,808	$ 24,523,191	$ 1,872,617
Restricted	1,125,524	1,432,842	(307,318)
Unrestricted	1,117,871	2,688,770	(1,570,899)
Total net position	$ 28,639,203	$ 28,644,803	$ (5,600)

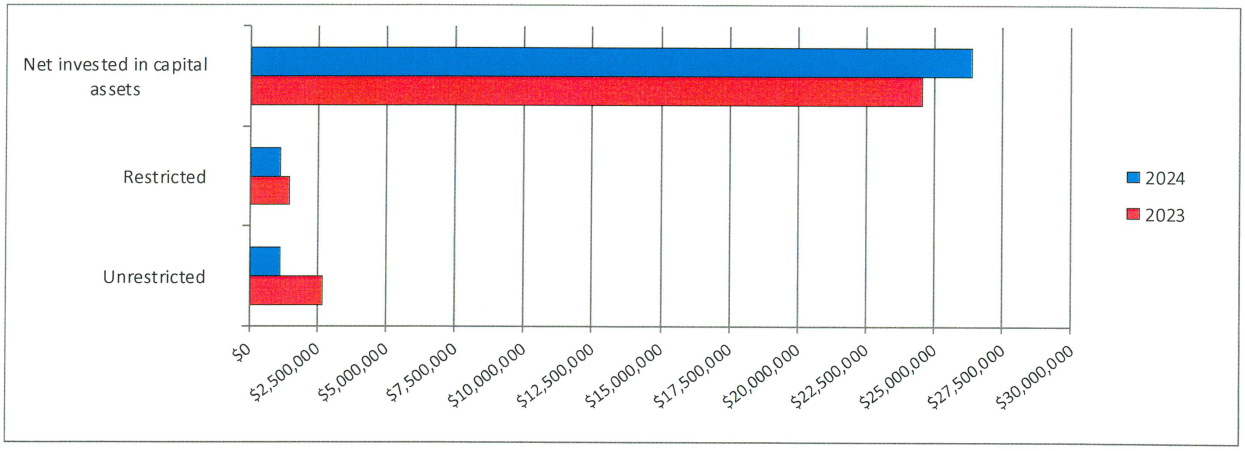
Note: The 2023 amounts have been restated to reflect a prior period restatement, which decreased fund balance by $571,251 to reverse a receivable balance recorded for the Higher Education Emergency Relief Fund grant in fiscal year 2023.

By far, the largest portion of the College's net position (92.17%) reflects its investment in capital assets (e.g., land, property, plant and equipment); less any related debt used to acquire those assets that is still outstanding. The College uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the College's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the College's net position (3.93%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (3.90%) may be used to meet the College's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the College is able to report positive balances in all categories of net position. The same situation held true for the prior fiscal year.

Net Position
June 30, 2024 and 2023



The College's net position decreased by $5,600 during the current fiscal year. This decrease was attributable to changes in revenues and expenses as outlined in the following pages.

Statements of Revenues, Expenses and Changes in Net Position
As of June 30, 2024 and 2023

	2024	2023 (as restated)	Increase (Decrease)
Operating revenues:			
Student tuition and fees (net of scholarship allowances)	$ 3,001,352	$ 3,132,931	$ (131,579)
Federal grants and contracts	2,588,915	2,898,363	(309,448)
Auxiliary enterprises	1,275,326	1,085,387	189,939
Other	3,733,246	2,249,486	1,483,760
Total operating revenues	10,598,839	9,366,167	1,232,672
Operating expenses	36,166,305	32,923,881	3,242,424
Operating loss	(25,567,466)	(23,557,714)	(2,009,752)
Nonoperating revenues (expenses):			
Property taxes	15,745,955	14,799,407	946,548
State appropriations	6,293,423	5,451,546	841,877
Pell and SEOG grants	3,277,806	2,986,068	291,738
Other	244,682	92,368	152,314
Net nonoperating revenues (expenses)	25,561,866	23,329,389	2,232,477
Decrease in net position	(5,600)	(228,325)	222,725
Net position, beginning of year	28,644,803	28,873,128	(228,325)
Net position, end of year	$ 28,639,203	$ 28,644,803	$ (5,600)

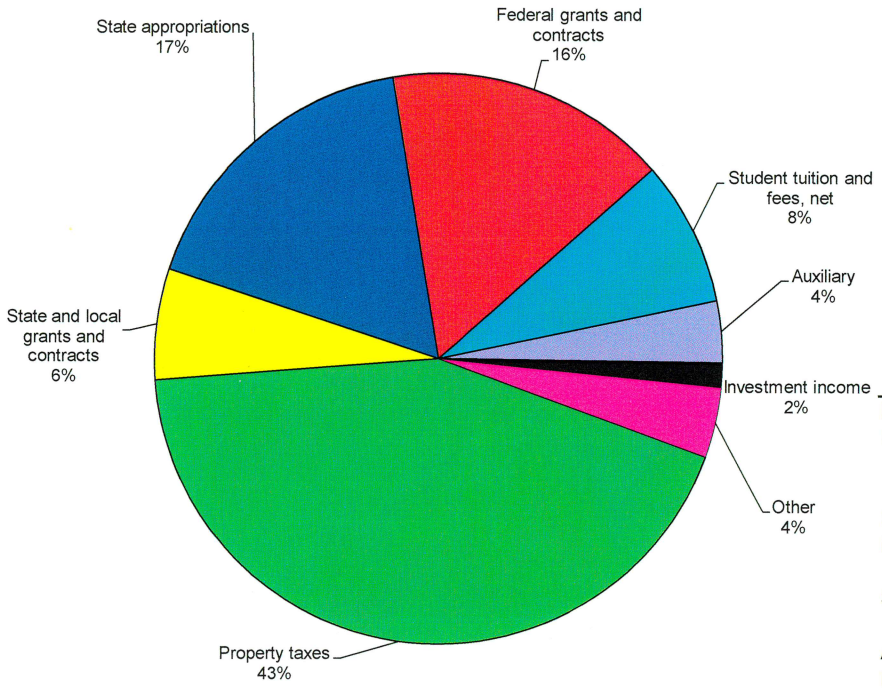
Note: The 2023 amounts have been restated to reflect a prior period restatement, which decreased fund balance by $571,251 to reverse a receivable balance recorded for the Higher Education Emergency Relief Fund grant in fiscal year 2023.

Operating revenues decreased by $1,232,672. This reflects a decrease in student tuition and fees of $131,579 after the allowance for scholarships. Federal grants and contracts decreased $309,448 primarily as a result of Higher Education Emergency Relief grants (HEERF) received in the prior year. Other operating revenues increased $1,473,760 as a result of various state, local and nongovernmental grants and contracts received during the year.

Net nonoperating revenues (expenses) increased by $2,232,477. This was primarily due to increases in property taxes and appropriations from the state.

The following is a graphic illustration of revenues by source as of June 30, 2024.

Revenues by Source



As of June 30, 2023	
Property taxes	45%
State and local grants and contracts	3%
State appropriations	17%
Federal grants and contracts	18%
Student tuition and fees, net	9%
Auxiliary	3%
Investment income	1%
Other	4%

Note: The 2023 percentages have been restated to reflect a prior period restatement, which decreased federal grants and contracts by $571,251 to reverse a receivable balance recorded for the Higher Education Emergency Relief Fund grant in fiscal year 2023.

As shown in the revenues by source graph, the three primary sources of revenue for the College are property taxes at 43%, State appropriations at 17%, and Federal grants and contracts at 16%.

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Local funding consists primarily of property tax allocations. Here is an analysis of the College's mill levy for the past 10 years.

Mill Analysis

Year Taxes Levied	Abstract Assessed Valuation	Total Mills Assessed	Total Taxes Levied	% Taxes Increase/ Decrease
2015	$466,634,740	21.003	$ 10,030,594	-10.20%
2016	455,924,303	20.996	9,570,596	-4.59%
2017	488,690,879	20.997	10,261,042	7.21%
2018	498,038,873	21.416	10,666,001	3.95%
2019	481,016,786	22.188	10,672,800	0.06%
2020	479,790,065	24.598	11,801,711	10.58%
2021	483,273,244	25.455	12,301,115	4.23%
2022	545,615,763	25.276	13,790,984	12.11%
2023	587,890,690	25.266	14,853,860	7.71%
2024	586,747,659	29.263	17,169,779	15.59%

The average increase over the 10 year period is 4.67%. Since 43% of the College's funding comes from local sources, the local tax levy has a significant impact on the College's finances.

State funding for appropriations consists primarily of State operating grants. An analysis of the grants received for the past ten years under the new State funding formula are as follows:

State Operating Grant Analysis

Year	Grant Amount	% Increase/ Decrease
2015	$ 2,650,220	-2.00%
2016	2,704,307	2.04%
2017	2,596,135	-4.00%
2018	2,596,135	0.00%
2019	2,667,725	2.76%
2020	2,767,767	3.75%
2021	2,815,675	1.73%
2022	2,790,517	-0.89%
2023	3,004,988	7.69%
2024	3,164,665	5.31%

As shown, the State operating grant increased in the current year. The reason for this change is due to the State funding formula based on State budget appropriations.

Student tuition is determined by the number of credit hours and the tuition rate. The following is an analysis of credit hours and tuition rates over the past 10 years.

Credit Hour Analysis

Year	In State	Out of State	Total	% Increase/ Decrease
2015	39,210	9,256	48,466	6.26%
2016	38,060	10,140	48,200	-0.55%
2017	37,392	11,301	48,693	1.02%
2018	43,442	9,875	53,317	9.50%
2019	38,093	8,180	46,273	-13.21%
2020	36,397	8,084	44,481	-3.87%
2021	34,600	7,840	42,440	-4.59%
2022	36,766	8,795	45,561	7.35%
2023	37,715	7,631	45,346	-0.47%
2024	38,998	10,754	49,752	9.72%

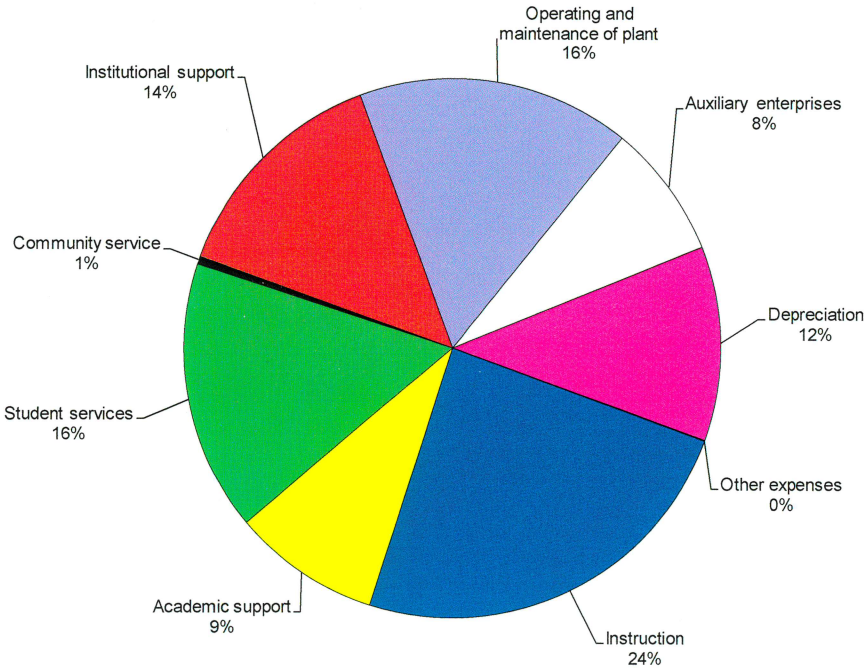
Cost Per Credit Hour

Year	In State	Out of State	International
2015	$ 55	$74 and $69	$ 92
2016	$ 57	$76 and $71	$ 94
2017	$ 57	$76 and $71	$ 94
2018	$ 61	$80 and $75	$ 98
2019	$ 61	$80 and $75	$ 98
2020	$ 61	$80 and $75	$ 98
2021	$ 61	$80 and $75	$ 98
2022	$ 61	$81 and $76	$ 99
2023	$63 and $61	$82 and $77	$ 100
2024	$63 and $61	$82 and $77	$ 100

The number of credit hours fluctuates based on course offerings and resulting student enrollment.

The following is a graphic illustration of operating expenses as of June 30, 2024.

Operating Expenses



As of June 30, 2023	
Instruction	28%
Academic support	8%
Student services	16%
Community service	0%
Institutional support	14%
Operating and maintenance of plant	15%
Auxiliary enterprises	7%
Depreciation	12%
Other expenses	0%

As shown, the four largest areas of operating expenses are instruction at 24%, student services and operating and maintenance of plant at 16% each, and institutional support at 14%. Total operating expenses increased $3,242,424, or 9.85% from 2023. This was primarily due to overall increases in academic support, student services, operating and maintenance of plant, institutional support, auxiliary expenses, and depreciation and amortization. Academic support, student services, and institutional support increased as a result of additional staff. Operating and maintenance of plant increased as a result of increases in utilities, property insurance, vehicle fuel and janitorial supplies; and adjustments made to staffs' hourly wages. Auxiliary enterprises increased as a result of additional staff and repairs and maintenance expenses to student housing and the student center. Depreciation and amortization increased due to projects being finalized and capitalized in the current year and the recording of amortization expense associated with right-to-use lease and subscription assets.

Capital Asset and Debt Administration

Capital Assets

The College's investment in capital assets as of June 30, 2024, amounts to $36,675,879 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, improvements, buildings and equipment, and both right-to-use leased assets and right-to-use subscription assets. The total increase in capital assets for the current fiscal year was approximately 2.87% compared to the 2023 total.

The following chart summarizes the changes in net capital assets by the various categories of assets.

Changes in Capital Assets

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	$ 1,590,064	$ -	$ -	$ 1,590,064
Construction in progress	3,976,928	3,286,528	7,263,456	-
Total capital assets not being depreciated	5,566,992	3,286,528	7,263,456	1,590,064
Capital assets being depreciated/ amortized:				
Improvements other than buildings	13,037,261	436,263	-	13,473,524
Buildings	46,977,513	7,796,490	-	54,774,003
Equipment	14,059,753	837,454	102,779	14,794,428
Right-to-use leased asset	214,429	-	-	214,429
Right-to-use subscription assets	3,604,807	147,767	-	3,752,574
Total capital assets being depreciated/amortized	77,893,763	9,217,974	102,779	87,008,958
Less accumulated depreciation/ amortization for:				
Improvements other than buildings	7,627,690	685,909	-	8,313,599
Buildings	29,496,643	1,822,961	-	31,319,604
Equipment	9,730,933	727,869	102,779	10,356,023
Right-to-use leased asset	40,844	40,844	-	81,688
Right-to-use subscription assets	911,338	940,891	-	1,852,229
Total accumulated depreciation/ amortization	47,807,448	4,218,474	102,779	51,923,143
Total capital assets being depreciated/amortized, net	30,086,315	4,999,500	-	35,085,815
Property, plant and equipment, net	$ 35,653,307	$ 8,286,028	$ 7,263,456	$ 36,675,879

Major capital asset events during the current fiscal year included the following:

MAJOR CAPITAL ASSET EVENTS	
Greenhouse	$ 545,941
Fouse remodel - STEM addition	4,330,857
John Deere IT expansion	1,989,994
Fine arts auditorium remodel	314,348

Additional information on the College's capital assets can be found in Note 3, item C, on page 23 through 24.

Long-term Debt

At the end of the current fiscal year, the College had total debt for finance purchases outstanding of $10,834,645, which was backed by the full faith and credit of the College.

The College's total debt for finance purchases decreased by $1,608,719 (12.93%) during the current fiscal year. The key factor in this decrease was payments on numerous lease obligations during the year.

State statutes limit the amount of general obligation debt the College may issue to 3% of its total assessed valuation. The current debt limitation for finance purchases for the College is $17,602,430. The College had no outstanding debt subject to the debt limit.

Additional information about the College's long-term debt can be found in Note 3, item H, on pages 41 through 47; and Note 3, item I, on page 45 of this report.

Budgetary Highlights

The legally adopted budget for the College was not amended by the Board of Trustees during fiscal year 2024. However, departments within the College are allowed to transfer budget authority between line items and between cost centers within a department. As a result of these budget transfers, the original budget and the final budget may not be the same in some cost centers.

The comparison of actual to published budget, as shown on pages 60 through 66 of this report, reflects that the College operated within its legal budget authority as required by the State of Kansas.

Other Economic Factors

The economics in the State of Kansas and Garden City continue to be a challenge. A large portion of the College's resources come from state and local sources. The College continues to monitor the State of Kansas' budget, to consider the future impact of the State's funding on the College's budget. The State's budget impacts the amount of State appropriations received.

The College administration continues to monitor the local economy and employment trends, and the unemployment rate, to consider the future impact on the College budget.

Valuation at the local level impacts local tax funds available. The College administration continues to monitor residential and commercial property values and economic activity in Finney County for their impact on assessed valuations and delinquent payment rates, to attempt to forecast the future funding impact on the College.

Requests for Information

This financial report is designed to provide a general overview of the College's finances for all those with an interest in the College's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Karla Armstrong
Vice President of Administrative Services / Chief Financial Officer
Garden City Community College
801 Campus Drive
Garden City, KS 67846
karla.armstrong@gcccks.edu

BASIC FINANCIAL STATEMENTS

GARDEN CITY COMMUNITY COLLEGE
Statement of Net Position
June 30, 2024

	Community College	Endowment Association	Broncbuster Athletic Association
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and cash equivalents	$ 8,686,979	$ 555,988	$ 135,765
Short-term investments	2,527,619	596,923	30,854
Receivables (net of allowance for uncollectibles):			
Taxes	4,571,921	-	-
Miscellaneous	5,548,864	-	1,962
Total current assets	21,335,383	1,152,911	168,581
Noncurrent assets:			
Long-term investments	-	6,995,811	-
Capital assets:			
Land and construction in process	1,590,064	56,000	-
Other capital assets, net of depreciation	33,052,729	-	10,892
Right-to-use leased assets, net of amortization	132,741	-	-
Right-to-use subscription assets, net of amortization	1,900,345	-	-
Total noncurrent assets	36,675,879	7,051,811	10,892
Total assets	58,011,262	8,204,722	179,473
Deferred outflows of resources:			
Deferred outflows of resources related to pensions	88,594	-	-
Deferred outflows of resources related to OPEB - healthcare	502,471	-	-
Deferred outflows of resources related to OPEB - KPERS death and disability	14,662	-	-
Total deferred outflows of resources	605,727	-	-
Total assets and deferred outflows of resources	$ 58,616,989	$ 8,204,722	$ 179,473

(continued)

GARDEN CITY COMMUNITY COLLEGE
Statement of Net Position
June 30, 2024

	Community College	Endowment Association	Broncbuster Athletic Association
(continued)			
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current liabilities:			
Accounts payable and accrued liabilities	$ 1,099,087	$ 21,358	$ 45
Accrued interest	49,400	-	-
Deposits held in custody for others	386,290	-	-
Unearned revenue - tuition/fees	2,867,756	-	-
Long-term liabilities, current portion	2,454,396	-	-
Total current liabilities	6,856,929	21,358	45
Noncurrent liabilities:			
Long-term liabilities	12,722,572	-	-
Total liabilities	19,579,501	21,358	45
Deferred inflows of resources:			
Deferred revenue - current property taxes	10,014,021	-	-
Deferred inflows of resources related to pensions	19,020	-	-
Deferred inflows of resources related to OPEB - healthcare	127,281	-	-
Deferred inflows of resources related to OPEB - KPERS death and disability	110,361	-	-
Deferred inflows of resources related to leases	127,602	-	-
Total deferred inflows of resources	10,398,285	-	-
Net position:			
Investment in capital assets, net of related debt	26,395,808	-	-
Restricted, expendable for:			
Scholarships	-	392,937	-
Loans	-	12,844	-
Capital projects, net of related debt	-	120,462	-
Other	1,125,524	241,380	-
Unrestricted	1,117,871	7,415,741	179,428
Total net position	28,639,203	8,183,364	179,428
Total liabilities, deferred inflows of resources and net position	$ 58,616,989	$ 8,204,722	$ 179,473

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

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GARDEN CITY COMMUNITY COLLEGE
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2024

	Community College	Endowment Association	Broncbuster Athletic Association
REVENUES			
Operating revenues:			
Student tuition and fees (net of scholarship allowances of $1,773,416)	$ 3,001,352	$ -	$ -
Federal grants and contracts	2,588,915	-	-
State and local grants and contracts	2,282,139	-	-
Nongovernmental grants and contracts	1,000,113	929,765	10,515
Auxiliary enterprises (net of scholarship allowances of $1,702,284)	1,275,326	-	-
Other operating revenues	450,994	14,828	129,337
Total operating revenues	10,598,839	944,593	139,852
EXPENSES			
Operating expenses:			
Instruction	8,801,252	-	-
Academic support	3,225,835	-	-
Student services	5,868,312	-	-
Community service	172,643	-	64,589
Operating and maintenance of plant	5,922,687	-	9,710
Institutional support	5,009,630	285,452	-
Auxiliary enterprises	2,935,796	-	-
Depreciation and amortization	4,218,474	-	1,401
Other expenses	11,676	2,062	-
Total operating expenses	36,166,305	287,514	75,700
Operating income (loss)	(25,567,466)	657,079	64,152
NONOPERATING REVENUES (EXPENSES)			
Property taxes	15,745,955	-	-
State appropriations	6,293,423	-	-
Pell and SEOG grants	3,277,806	-	-
Investment income	498,610	707,107	-
Payments to GCCC	-	(457,580)	(6,570)
Interest on capital asset related debt	(253,928)	-	-
Net nonoperating revenues (expenses)	25,561,866	249,527	(6,570)
Increase (decrease) in net position	(5,600)	906,606	57,582
NET POSITION			
Net position, beginning of year	29,216,054	7,276,758	121,846
Prior period restatement	(571,251)	-	-
Net position, end of year	$ 28,639,203	$ 8,183,364	$ 179,428

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

GARDEN CITY COMMUNITY COLLEGE
Statement of Cash Flows
For the Year Ended June 30, 2024

	Community College
CASH FLOWS FROM OPERATING ACTIVITIES	
Student tuition and fees	$ 2,847,153
Federal grants and contracts	2,588,915
State and local grants and contracts	2,282,139
Nongovernmental grants and contracts	1,000,113
Payment to suppliers	(12,510,682)
Payment to employees	(17,752,606)
Auxiliary enterprise charges	1,275,326
Other	450,994
Net cash used by operating activities	(19,818,648)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Property taxes	16,254,447
State appropriations	4,533,584
Pell and SEOG grants	3,277,806
Net cash provided by noncapital financing activities	24,065,837
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets	(5,093,279)
Principal paid on capital debt and finance purchases	(1,658,846)
Interest paid on capital debt and finance purchases	(263,266)
Principal paid on right-to-use assets	(39,455)
Principal paid on right-to-use subscription assets	(945,045)
Net cash used by capital and related financing activities	(7,999,891)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	5,207,398
Interest on investments	498,610
Purchase of investments	(3,277,619)
Net cash provided by investing activities	2,428,389
Net decrease in cash	(1,324,313)
Cash, beginning of year	10,011,292
Cash, end of year	$ 8,686,979

(continued)

GARDEN CITY COMMUNITY COLLEGE
Statement of Cash Flows
For the Year Ended June 30, 2024

	Community College
(continued)	
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH USED BY OPERATING ACTIVITIES	
Operating loss	$ (25,567,466)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation/amortization	4,218,474
KPERS pension expense	1,759,839
Changes in net assets:	
Miscellaneous receivables	(674,791)
Deferred outflows related to pensions	2,215
Deferred outflows related to OPEB - healthcare	27,041
Deferred outflows related to OPEB - KPERS death and disability	2,062
Accounts payable and accrued liabilities	(145,144)
Deposits held in custody for others	(228,998)
Unearned revenues - dues/fees	749,590
Accrued compensated absences	14,660
Net pension liability	22,061
Net OPEB liability - healthcare	103,212
Net OPEB liability - KPERS death and disability	9,453
Deferred inflows related to pensions	(16,692)
Deferred inflows related to OPEB - healthcare	(101,858)
Deferred inflows related to OPEB - KPERS death and disability	11,682
Deferred inflows related to leases	(3,988)
Net cash used by operating activities	$ (19,818,648)
Schedule of non-cash operating activities:	
Contribution of State aid for KPERS pension expense	$ 1,759,839
Addition of right-to-use subscription assets	147,767

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

STATEMENT 4

GARDEN CITY COMMUNITY COLLEGE
Statement of Fiduciary Net Position
Custodial Funds
June 30, 2024

	Custodial Funds
ASSETS	
Cash and investments	$ 386,920
Total assets	$ 386,920
NET POSITION	
Accounts payable	$ 630
Net position restricted for organizations	386,290
Total net position	$ 386,920

STATEMENT 5

Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2024

	Custodial Funds
Additions:	
Student activities	$ 2,066,717
Total additions	2,066,717
Deductions:	
Student activities	2,312,610
Total deductions	2,312,610
Net decrease in fiduciary net position	(245,893)
Net position, beginning of year	632,813
Net position, end of year	$ 386,920

The accompanying Notes to Financial Statements are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

1. Summary of significant accounting policies

The Garden City Community College, Garden City, Kansas (the College), was incorporated under the provisions of the State of Kansas.

The financial statements of the College have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the College's accounting policies are described below.

A. Description of government-wide financial statement

The government-wide financial statement (i.e., the statement of net position and the statement of revenues, expenses and changes in net position) reports information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable. The College has no *governmental activities.*

B. Reporting entity

The College is governed by an elected six-member board. As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present the College (the primary government) and its component units. Component units are included in the College's reporting entity because of the significance of their operational or financial relationships with the College.

The following organizations, functions or activities are discretely presented component units of the College and are included in the component units' columns in the College's basic financial statements. They are reported in separate columns to emphasize that they are not-for-profit entities legally separate from the College. Each discretely presented component unit has a June 30th year end.

The Garden City Community College Endowment Association is a not-for-profit corporation organized to raise funds to support educational undertakings at the College, and to receive and hold in trust any property transferred to the Association for the benefit of the College, or any student or employee of the College, managing all property received according to the uses specified by the donors or, in case the gift is a general one, to such uses as may be agreed upon by the Board of Directors. Scholarships totaling $457,580 were provided to the College during the year.

The Broncbuster Athletic Association is a not-for-profit organization created to promote activities and events to raise funds to provide scholarships, education, equipment and opportunities for student athletes at the College. Scholarships totaling $6,570 were provided to the College during the year.

The individual component units did not issue separate financial reports. Other financial information for the individual component units can be obtained from their respective administrative offices.

Garden City Community College
Endowment Association
801 Campus Drive
Garden City, Kansas 67846

Broncbuster Athletic Association
801 Campus Drive
Garden City, Kansas 67846

1. Summary of significant accounting policies (continued)

C. Basis of presentation – government-wide financial statements
For financial statement reporting purposes, the College is considered a special-purpose government engaged only in a business-type activity. Separate financial statements are provided for fiduciary funds, even though they are excluded from the government-wide financial statements.

As discussed earlier, the government has two discretely presented component units. While neither the Endowment Association nor the Broncbuster Athletic Association are considered to be a major component unit, they are nevertheless shown in separate columns in the government-wide financial statements.

D. Basis of presentation – fund financial statements
The College reports all operating activity under one major enterprise fund.

Additionally, the College reports the following fund type:

Custodial Fund – custodial fund accounts are used to account for monies held by the College as an agent on behalf of the student organizations to which the College provides accounting and investing services; none of which are held in trust. This account is custodial in nature and uses the economic resources measurement focus.

E. Measurement focus and basis of accounting
The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources.* The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and custodial funds financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting.* Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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1. Summary of significant accounting policies (continued)

F. Budgetary information

Although the College's financial statements consist of only one enterprise-type activity, budgets are adopted for the departments classified as Current Unrestricted Funds (including Auxiliary Enterprises), Adult Basic Education Fund, Postsecondary Technical Education Fund, and Unexpended Plant Funds – Capital Outlay. Although directory rather than mandatory, Kansas statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

If the College is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The College did hold a revenue neutral rate hearing for the fiscal year 2024 budget.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments to the adopted annual operating budget for fiscal year 2024.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Spending in funds which are not subject to the legal annual operating budget requirements are controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

Budgetary basis of accounting

All budgets are prepared using the modified accrual basis further modified by the encumbrance method of accounting – that is, commitments such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures. Unused appropriations for all of the above annually budgeted funds lapse at the end of the year. The Schedules of Revenue, Expenditures, Encumbrances and Changes in Unencumbered Cash - Actual and Budget; Schedules 1, 1-A, 2, 3, and 4 in the supplementary information section present the comparisons by funds of the legally adopted budget with actual data on the budgetary basis.

1. Summary of significant accounting policies (continued)

F. Budgetary information (continued)

Budgetary compliance – non-GAAP financial statements
By statute, the College prepares its annual budget on a non-GAAP basis of accounting as described above. A reconciliation of these budgetary basis statements to the GAAP statements is presented in the Notes to Supplementary Information.

G. Assets, liabilities, deferred outflows/inflows of resources and net position

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

Deposits and investments
Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by the Vice President of Administrative Services/Chief Financial Officer. Cash includes amounts in demand deposits. Investments of the pooled accounts consist of certificates of deposit and money market investments backed by U.S. government securities. Interest income earned is allocated among funds based on average monthly cash balances and in accordance with the adopted budget.

State statutes authorize the College to invest idle funds in U.S. government securities, temporary notes, no-fund warrants, repurchase agreements and the Kansas Municipal Investment Pool. The Kansas Municipal Investment Pool operates in accordance with appropriate State laws and regulations. The reported value of the investment in the Kansas Municipal Investment Pool is the same as the fair value of its pool shares. Other investments of the College and its component units are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end. The aggregate value of the investments, including certificates of deposit, at June 30, 2024, is $2,527,619.

Allowance for uncollectible accounts
All trade receivables are considered to be fully collectible; accordingly, no allowance for uncollectible accounts is required. If amounts become uncollectible, an allowance will be established.

Inventories and prepaid items
The College deems inventory as immaterial to the financial statements. No capitalization or amortization has been recorded in the financial statements of the primary government.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expense when consumed rather than when purchased.

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1. Summary of significant accounting policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources and net position (continued)

Capital assets

Capital assets include property, plant, equipment, infrastructure assets (such as roads and sidewalks), and right-to-use lease and subscription assets. Capital assets, except for right-to-use lease and subscription assets, are defined by the College as assets with an initial unit cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their acquisition value or the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. Property, plant and equipment of the College are depreciated using the straight-line method over the following useful lives:

Buildings	20 to 40 years
Improvements other than buildings	20 years
Equipment	5 to 22 years
Technology	3 years

The College's library collection adheres to the College's policy to (a) maintain the library collection for education or research; (b) protect, keep unencumbered, care for, and preserve the library collection; and (c) require proceeds from the sale of the library collection to be used to acquire other collection items. Generally accepted accounting principles permit collections maintained in this manner to be charged to operations at time of purchase rather than capitalized.

Deferred outflows/inflows of resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The College reports a collective deferred outflow of resources related to pensions, which is described in more detail in Note 3, item D – Defined benefit pension plan; and a collective deferred outflow of resources related to other postemployment benefits, which is described in more detail in Note 3, items E and F – Other postemployment benefit plan. The deferred amounts related to pensions and other postemployment benefits relate to differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and postemployment benefit-related changes.

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1. Summary of significant accounting policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources and net position (continued)

Deferred outflows/inflows of resources (continued)
In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Under the accrual basis of accounting, the College reports unearned revenues from property taxes as deferred and recognized as an inflow of resources in the period that the amounts become available and earned. The College reports amounts related to pensions and other postemployment benefits on the statement of net position as a deferred inflow of resources. The deferred amounts related to pensions and other postemployment benefits relate to differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and postemployment benefit related changes. The College also reports deferred amounts related to leases on the statement of net position. Lease-related amounts are recognized at the inception of the lease in which the College is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resource is recognized in a systematic and rational manner over the term of the lease.

Net position
For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the College will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the College's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

1. Summary of significant accounting policies (continued)

H. Leases

Lessor

The College is a lessor for a noncancellable lease of land. The College recognizes a lease receivable and a deferred inflow of resources on the statement of net position.

At the commencement of a lease, the College initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as a revenue over the life of the lease term.

Key estimate and judgments related to leases include how the College determines (1) the discount rate used to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The College uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

Lessee

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

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

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

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

1. Summary of significant accounting policies (continued)

H. Leases (continued)

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

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

I. Subscription-based information technology arrangements
For arrangements where the College is a subscriber, a right-to-use subscription liability and a right-to-use subscription intangible asset are recognized at the commencement of the subscription term. Right-to-use subscription assets represent the College's right to use an underlying asset for the subscription term and right-to-use subscription liabilities represent the College's obligation to make subscription payments arising from the arrangement. Right-to-use subscription assets and right-to-use subscription liabilities are recognized at the subscription commencement date based on the estimated present value of the subscription payments over the subscription term.

The College uses an estimated incremental borrowing rate as the discount rate for the right-to-use subscription liability.

J. Revenues and expenses

Proprietary funds operating and nonoperating revenues and expenses
Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the College are sales and services of educational departments and auxiliary enterprises. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Tuition and fee revenues collected during the fiscal year which relate to the period after June 30, 2024, have been deferred.

Property taxes
Property taxes are levied each calendar year on all taxable real property located in the taxing district. Property taxes are recorded on an accrual basis of accounting. Pursuant to the Board of Trustees, property tax levies approved in August 2023 were allocated 67.42% to fiscal year 2025.

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1. Summary of significant accounting policies (continued)

J. Revenues and expenses (continued)

Proprietary funds operating and nonoperating revenues and expenses (continued)

Property taxes (continued)
The College's property taxes are assessed on a calendar year basis, are levied and become a lien on the property on November 1st of each year. The determination of assessed valuation and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser's Office annually determines assessed valuation and the County Clerk spreads the annual assessment to the taxing units. One-half of the property taxes are due December 20th and distributed to the College by January 20th to finance a portion of the current year's budget. The second half is due May 10th and distributed to the College by June 5th. This distribution to the College is for its next budget year and is reflected as deferred revenues. The College draws available funds from the County Treasurer's office at designated times throughout the year.

The College has a concentration of credit risk in the form of taxes receivable from the County Treasurer for property taxes collected in Finney County, Kansas.

Grants and contributions
The College receives grants from federal agencies and the State of Kansas, as well as contributions from individuals and private organizations. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements are met. Grants and contributions may be unrestricted or restricted for either specific operating purposes or for capital purposes. Depending on the restrictions, grants and contributions may be classified as operating revenues, nonoperating revenues or amounts restricted to capital acquisitions are reported after nonoperating revenues and expenses.

Compensated absences
The College's policy regarding sick leave pay permits employees to accumulate leave days at a maximum rate of 12 days per year up to 90 days. Leave may be used for sick leave and personal leave. Retiring faculty, in good standing, with at least 50 days of accumulated sick leave, shall be paid for 10 days of accumulated sick leave at $100 per day.

The College's policy regarding vacation leave permits employees to accumulate vacation leave to a maximum of up to 20 days. Personnel leaving the employment of the College will be paid for unused vacation days at the daily rate of the employee's last contract. The estimated dollar amount of accumulated vacation leave pay at June 30, 2024, totals $441,832. The current portion of accrued vacation leave, which would be liquidated with expendable available resources, is not material.

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1. Summary of significant accounting policies (continued)

K. New pronouncements

The GASB has issued the following statements which will have an impact on the College's future financial reporting, although they are not yet required to be implemented by the College:

- GASB Statement No. 101, *Compensated Absences*, issued June 2022 will be effective for the College beginning with its year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

- GASB Statement No. 102, *Certain Risk Disclosures*, issued December 2023 will be effective for the College beginning with its year ending June 30, 2025. The objective of this Statement is to provide users with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

- GASB Statement No. 103, *Financial Reporting Model Improvements,* issued April 2024 will be effective for the College beginning with its year ending June 30, 2026. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

- GASB Statement No. 104, *Disclosure of Certain Capital Assets,* issued September 2024 will be effective for the College beginning with its year ending June 30, 2026. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.* It also established requirements for capital assets held-for-sale, including additional disclosures for those capital assets.

The College's management has not yet determined the effect these Statements will have on the College's financial statements.

2. Stewardship, compliance and accountability

A. Compliance with Kansas statutes

References made herein to the statutes are not intended as interpretation of law, but are offered for consideration of the Kansas Department of Administration's Chief Financial Officer and interpretation by the County Attorney and the legal representative of the College. There are no known material violations of finance-related legal and contractual provisions including Kansas statutes, regulations, contracts, debt covenants, or other agreements for the year ended June 30, 2024.

3. Detailed notes on all activities and funds

A. Cash and investments

A reconciliation of cash and investments as shown on the government-wide statement of net position for the primary government follows:

Cash and cash equivalents	$ 8,686,979
Short-term investments	2,527,619
Total cash and investments	$ 11,214,598
Carrying amount of deposits	$ 11,182,150
Carrying amount of investments	413,463
Cash on hand	5,905
Less custodial funds	(386,920)
Total cash and investments	$ 11,214,598

Cash deposits with financial institutions

Custodial credit risk – deposits

Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. State statutes require the College's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka and held by a third party bank that is independent of the pledging bank. The pledged securities are held under a tri-party custodial agreement signed by all three parties: the College, the pledging bank and the independent third-party bank holding the pledged securities. All deposits were secured at June 30, 2024.

At June 30, 2024, the College's carrying amount of deposits was $11,182,150 and the bank balance was $10,793,758. Of the bank balance, 96.16% was held by five banks resulting in a concentration of credit risk. Of the bank balance, $3,033,871 was covered by federal depository insurance and $7,759,887 was collateralized with securities held by the pledging financial institutions' agents in the College's name. The College's cash deposits by financial institution at year end are as follows:

	Bank balance covered by		
	FDIC Coverage	Pledged securities at market value	Total bank balance
Commerce Bank	$ 250,000	$ 487,275	$ 737,275
Landmark National Bank	250,000	6,032,760	6,282,760
Dream First Bank	1,033,871	-	1,033,871
KCB Bank	250,000	1,075,841	1,325,841
Security State Bank	1,000,000	-	1,000,000
Security Savings Bank of Kansas City	250,000	164,011	414,011
Total	$ 3,033,871	$ 7,759,887	$ 10,793,758

3. Detailed notes on all activities and funds (continued)

A. Cash and investments (continued)

Investments

Credit and interest rate risks

K.S.A. 9-1401 establishes the depositories which may be used by the College. The statute requires banks eligible to hold the College's funds have a main or branch bank in the county in which the College is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The College has no other policies that would further limit interest rate risk or limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. State statute limits the College's investment maturities to two years or less.

K.S.A. 12-1675 limits the College's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. All investments must be insured, registered, or held by the College or its agent in the College's name. The College has no investment policy that would further limit its investment choices. The rating of the College's investments is noted below.

The College categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At June 30, 2024, the College had the following investments and maturities:

Investment type	Fair Value	Investment Maturities (in Years) Less Than 1	Rating
Municipal Investment Pool	$ 272,899	$ 272,899	S&P AAAf/S1+
Treasury obligations	140,564	140,564	N/A
Total fair value	$ 413,463	$ 413,463	

Concentration of credit risk

State statutes place no limit on the amount the College may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The College's allocation of investments as of June 30, 2024, is as follows:

Investment Type	Percentage of Investments
Municipal Investment Pool	66.00%
Treasury obligations	34.00%

3. Detailed notes on all activities and funds (continued)

A. Cash and investments (continued)

Investments (continued)

Custodial credit risk – investments
For an investment, this is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The College has no custodial credit risk exposure for its investments.

B. Receivables
Receivables as of year end for the College, including the applicable allowances for uncollectible accounts, are as follows:

Taxes		$ 4,571,921
Miscellaneous:		
Student accounts receivable - Fall 2024	$ 2,674,736	
Student accounts receivable	1,674,610	
State tuition reimbursement	380,764	
Other	818,754	5,548,864
Total net receivables		$10,120,785

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3. Detailed notes on all activities and funds (continued)

C. Capital assets

The following is a summary of changes in the various capital asset categories for the year ended June 30, 2024:

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	$ 1,590,064	$ -	$ -	$ 1,590,064
Construction in progress	3,976,928	3,286,528	7,263,456	-
Total capital assets not being depreciated	5,566,992	3,286,528	7,263,456	1,590,064
Capital assets being depreciated/ amortized:				
Improvements other than buildings	13,037,261	436,263	-	13,473,524
Buildings	46,977,513	7,796,490	-	54,774,003
Equipment	14,059,753	837,454	102,779	14,794,428
Right-to-use leased asset	214,429	-	-	214,429
Right-to-use subscription assets	3,604,807	147,767	-	3,752,574
Total capital assets being depreciated/amortized	77,893,763	9,217,974	102,779	87,008,958
Less accumulated depreciation/ amortization for:				
Improvements other than buildings	7,627,690	685,909	-	8,313,599
Buildings	29,496,643	1,822,961	-	31,319,604
Equipment	9,730,933	727,869	102,779	10,356,023
Right-to-use leased asset	40,844	40,844	-	81,688
Right-to-use subscription assets	911,338	940,891	-	1,852,229
Total accumulated depreciation/ amortization	47,807,448	4,218,474	102,779	51,923,143
Total capital assets being depreciated/amortized, net	30,086,315	4,999,500	-	35,085,815
Property, plant and equipment, net	$ 35,653,307	$ 8,286,028	$ 7,263,456	$ 36,675,879

Depreciation and amortization expense for the year ended June 30, 2024, was $4,218,474.

Leased assets

The College has entered into a lease agreement for computer equipment. The lease contract expires at the end of the fiscal year ending June, 30, 2028. The right-to-use assets are intangible assets and are recorded in capital assets as noted above. During the year ending June 30, 2024, the College paid $44,184 in lease payments, which includes $4,729 of interest expense.

3. Detailed notes on all activities and funds (continued)

C. Capital assets (continued)

Subscription-based information technology arrangements
The College has entered into subscription-based information technology arrangements (*SBITAs*) for certain software and other usage. These subscriptions expire with various dates through fiscal year ending June 30, 2028. The right-to-use subscription assets are intangible assets and are recorded in capital assets as noted above. During the year ending June 30, 2024, the College paid $1,031,180 in subscription payments, which includes $86,135 of interest expense.

D. Defined benefit pension plan – Kansas Public Employees Retirement System
The College participates in a cost-sharing multiple-employer pension plan administered by the Kansas Public Employees Retirement System (KPERS). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the KPERS and additions to/deductions from KPERS fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General information about the pension plan

Plan description
The College participates in a cost-sharing multiple-employer pension plan, as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting or Pension Plans*. The pension plan is administered by KPERS, a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public employees, which includes:
  - State/School employees
  - Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the pension plan. The State of Kansas and Kansas schools are required to participate, while participation by local political subdivisions is optional but irrevocable once elected.

Those employees participating in the pension plan for the College are included in the State/School employees group.

KPERS issues a stand-alone annual comprehensive financial report, which is available on the KPERS website at www.kpers.org.

3. Detailed notes on all activities and funds (continued)

D. Defined benefit pension plan – Kansas Public Employees Retirement System (continued)

General information about the pension plan (continued)

Benefits provided
Benefits are established by statute and may only be changed by the Legislature. Members with ten or more years of credited service may retire as early as age 55 with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85 "points".

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the State Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERS 3 cash balance retirement plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with thirty years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions
Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers, which includes the state and the school employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll .

The actuarially determined employer contribution rate and the statutory contribution rate for College employees are 13.88% and 13.11%, respectively. Member contribution rates as a percentage of eligible compensation for the fiscal year ended June 30, 2023, are 6.00% for state/school employees.

3. Detailed notes on all activities and funds (continued)

D. Defined benefit pension plan – Kansas Public Employees Retirement System (continued)

General information about the pension plan (continued)

Special funding situation
The employer contributions for non-retired employees of community colleges, as defined in K.S.A. 74-4931(2) and (3), are funded by the State of Kansas on behalf of the employer. Therefore, the College is considered to be in a special funding situation as defined by GASB Statement No. 68. The State is treated as a nonemployer contributing entity in the KPERS System. Since the College does not contribute directly to KPERS for active employees, there is no net pension liability or deferred inflows or outflows to report in their financial statements associated with the non-retired employees. The College recognizes pension expense associated with the College as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the College.

The College makes contributions directly to KPERS for KPERS retirees filling KPERS covered positions per K.S.A. 74-4937, "working after retirement" employees. The resulting proportional share of these agencies "working after retirement" contributions and resulting net pension liability are attributable to the employer. These amounts are reflected separately in the schedules.

Employer allocations
Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the College's share of the collective pension amounts as of June 30, 2023 and 2022, were based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended June 30, 2023 and 2022, respectively. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2023, the College's proportion was 0.249%, which was an increase of 0.016% from its proportion measured at June 30, 2022.

3. Detailed notes on all activities and funds (continued)

D. Defined benefit pension plan – Kansas Public Employees Retirement System (continued)

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

Net pension liability
At June 30, 2024, the College reported a liability of for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the College. The amount recognized by the College as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the College were as follows:

College's proportionate share of the net pension liability	$	124,240
State's proportionate share of the net pension liability associated with the College		17,200,621
Total	$	17,324,861

Actuarial assumptions
The total pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023, (the measurement date) for the year ended June 30, 2024. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Price inflation	2.75%
Salary increase	3.50% to 12.00%, including price inflation
Investment rate of return	7.00% compounded annually, net of investment expense, including price inflation

Mortality rates were based on the RP-2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

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3. Detailed notes on all activities and funds (continued)

D. Defined benefit pension plan – Kansas Public Employees Retirement System (continued)

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

Actuarial assumptions (continued)
The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 7, 2020, as provided by KPERS' investment consultant, are summarized in the following table:

Asset Class	Long-Term Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities	23.50%	5.20%
Non-U.S. equities	23.50%	6.40%
Private equity	8.00%	9.50%
Private real estate	11.00%	4.45%
Yield driven	8.00%	4.70%
Real return	11.00%	3.25%
Fixed income	11.00%	1.55%
Short-term investments	4.00%	0.25%
Total	100.00%	

Discount rate
The discount rate used to measure the total pension liability at the measurement date of June 30, 2023, was 7.00%. The projection of cash flows used to determine the discount rate was based on member and employer contributions as outlined below.

- In KPERS, the Local, Kansas Police and Firemen, and Judges groups are contributing at the full actuarial contribution rate. However, the State/School groups do not necessarily do so.

- Based on legislation first passed in 1993, the employer contribution rates certified by KPERS Board may not increase by more than the statutory cap. Subsequent legislation in 2012 set the statutory cap at 0.90% for fiscal year 2014, 1.00% for fiscal year 2015, 1.10% for fiscal year 2016 and 1.20% for fiscal years 2017 and beyond.

- In recent years, the Legislature has made several changes to statutory rates that deviate from the scheduled contribution increase set under the statutorily capped rates.

3. Detailed notes on all activities and funds (continued)

D. Defined benefit pension plan – Kansas Public Employees Retirement System (continued)

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

Discount rate (continued)

- In 2015 S.B. 4 reduced the previously certified State/School statutory rate from 11.27% to 8.65% for the last half of fiscal year 2015. That same session, S.B. 228 recertified stator rate to 10.91% for fiscal year 2016 and 10.81% for fiscal year 2017 in anticipation of the issuance of $1.0 billion in pension obligation bonds.

- Legislation in the 2016 (S.B. 161) provided for the delay of up to $100 million in State and School contributions to the Retirement System for fiscal year 2016. Concurrently, 2016 H. Sub for S.B. 249 provided that the delayed contributions would be paid in full, with interest at 8.00%, by June 30, 2018. However, legislation passed by the 2017 Legislature removed the repayment provision. In addition, 2017 S. Sub for H.B. 2052 delayed $64 million in fiscal year 2017 contributions, to be paid over 20 years in level dollar installments. The first year payment of $6.4 million was paid in full at the beginning of fiscal year 2018, and appropriations for fiscal year 2018 were made for the State/School group at the statutory contribution rate of 12.01% for that year.

- Additional legislation in the 2017 Session (S. Sub for H.B. 2002) provided for a reduction of $194 million from the previously certified contribution rate of 13.21% in the State/School contributions for fiscal year 2019. Like the fiscal year 2017 reduction, it is to be paid back over a 20-year period, beginning in fiscal year 2020. Therefore, both reductions will be accounted for as receivables by the System.

- The 2018 Legislature passed H. Sub for S.B. 109 that provided additional contributions to the school group of $56 million in fiscal year 2018 and $82 million in fiscal year 2019.

- The 2019 Legislature passed S.B. 9 that provided additional contributions to the school group of $115 million in fiscal year 2019. H. Sub for S.B. 25 from the 2019 Legislative session authorized additional funding for the KPERS School Group in fiscal year 2020 of $51 million.

- The 2021 Legislature passed H.B. 2405, which authorizes the State of Kansas to issue bonds with net proceeds of $500 million to fund a portion of the School's unfunded actuarial liability. S.B. 159 recertified the State/School contribution rates for fiscal years 2022 and 2023. Fiscal year 2022 was recertified from 14.09% to 13.33% and fiscal year 2023 from 13.86% to 13.11%. The bond proceeds were received by KPERS on August 26, 2021.

- The 2022 Legislature passed S.B. 421, which authorized the State of Kansas to transfer $1.125 billion from the State General fund directly to KPERS in fiscal years 2022 and 2023. The first $253.9 million pays off the outstanding accounts receivable for KPERS-School employer contributions withheld in fiscal year 2017 and fiscal year 2019, discussed previously, while the remaining $871.1 million is applied to the KPERS-School unfunded actuarial liability. In fiscal year 2022, $600 million was transferred to the System. S.B. 421 authorized two additional transfers totaling $271 million in fiscal year 2023 (reflected in the projected cash flows of the System).

3. Detailed notes on all activities and funds (continued)

D. Defined benefit pension plan – Kansas Public Employees Retirement System (continued)

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

Discount rate (continued)
Based on employer contribution history as described above, it is a reasonable assumption that the State/School group's contribution rate may not be certified at the statutory rate at some point in the future. It has been assumed that contribution rates will be made within the same range as have been seen in the past few years. Using this assumption, actuarial modeling indicates that employer contribution rates for the State/School group are sufficient to avoid a depletion date.

Sensitivity of the College's proportionate share of the net pension liability to changes in the discount rate
The following table presents the College's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

1% Decrease (6.00%)	Current Discount rate (7.00%)	1% Increase (8.00%)
$ 178,704	$ 124,240	$ 78,737

Deferred outflows of resources and deferred inflows of resources
At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to pensions as shown in the following tables. Experience gains/losses and the impact of changes in actuarial assumptions or other inputs, if any, are recognized over the average expected remaining service life of the active and inactive plan members at the beginning of the measurement period. Investment gains and losses are recognized over a fixed five year period. Deferrals on the differences between expected and actual earnings are netted as either a deferred outflow or inflow of resources. Contributions subsequent to the measurement date of the net pension liability but before the end of the College's reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal year rather than in the current fiscal year.

	College's Proportionate Share of Deferred Outflows of Resources	College's Proportionate Share of Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,501	$ -
Net differences between projected and actual earnings on Pension Plan investments	8,456	-
Changes of assumptions	13,729	-
Changes in proportion	49,508	19,020
Contributions subsequent to the measurement date	12,400	-
Total	$ 88,594	$ 19,020

3. Detailed notes on all activities and funds (continued)

D. Defined benefit pension plan – Kansas Public Employees Retirement System (continued)

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

Deferred outflows of resources and deferred inflows of resources (continued)
The net deferred outflows of resources and (inflows) of resources as of June 30, 2023, that will be recognized in pension expense in future years are as follows:

Fiscal Year	Deferred Outflows (Inflows) of Resources
2024	$ 33,298
2025	8,955
2026	21,192
2027	5,996
2028	133
Thereafter	-
	$ 69,574

Pension expense
For the year ended June 30, 2024, the College recognized pension expense of $2,634,462, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

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3. Detailed notes on all activities and funds (continued)

E. Other postemployment benefit plan - healthcare

General information about the plan

Plan description
Kansas statutes provide that postemployment healthcare benefits be extended to retired employees who have met the age and/or service eligibility requirements. The other postemployment benefit (OPEB) for health insurance generally provides the same coverage for retirees and their dependents as for active employees and their dependents. The health insurance benefit plan is a single employer defined benefit plan administered by the College. There are no assets accumulated in a trust meeting the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* Accordingly, the Plan is considered to be administered on a pay as you go basis.

Benefits provided
The benefit is available for selection at retirement and is extended to retirees age 62 or older and their dependents until the age of 65. Grandfathered retirees may continue coverage until death. The accounting for the health insurance for retirees is included in the College's general operating fund, with the subsidy provided from the general operating fund.

Funding policy
The College provides for medical, dental and prescription drug insurance coverage through its group insurance program to qualifying retirees and their dependents to retiree Medicare eligibility age. Two medical plans (major medical and a high deductible plan) and one dental plan are available. Eligible retirees receive a direct contribution from the College for the premium cost equal to the sum of the high deductible plan and dental single premium rates, capped at $400 per month. Spouses of retirees do not receive a direct contribution from the College and must contribute group rates to maintain coverage. Coverage is provided through fully-insured arrangements that operate as a single-employer defined benefit plan.

Covered employees
The College has the following employees covered by the OPEB plan as of June 30, 2024:

Inactive employees or beneficiaries currently receiving benefits	3
Active employees	230
	233

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3. Detailed notes on all activities and funds (continued)

E. Other postemployment benefit plan - healthcare (continued)

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB – healthcare

Net OPEB liability - healthcare
The College's total OPEB liability – healthcare of $1,079,337 was measured as of June 30, 2024, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs
The total OPEB liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	4.10% (measurement date) 4.00% (year preceding measurement date)
Medical/Rx trend rate	26.00% for year ending September 30, 2023, decreasing 6.00% after the first year, 13.00% after the second year and 0.25% per year after that to an ultimate rate of 4.50% for 2035 and later years.
Dental costs	Actual for the first two years, 3.25% per year thereafter.
Age-based costs	Industry age-based cost relativities were applied to expected per member costs.
Participation in coverage for future retirees	One hundred percent (100.00%) of future employees are assumed to elect coverage upon retirement.
Enrollment duration	Coverage with the College is assumed to continue until the retiree reaches Medicare eligibility. When the spouse is > age 65 and the retiree is < age 65, the plan is assumed to be primary for both retiree and spouse coverage.
Retirement age	Assumed retirement rates are based on those utilized for the KPERS-School pension valuations.
Disability	None
Withdrawal	Assumed rates are based on those utilized for the KPERS-School pension valuations.
Spousal participation	Fifteen percent (15.00%) of future eligible retirees electing coverage are assumed to have a covered spouse for Medical. Twenty-Five percent (25.00%) is assumed for Dental. This is based on an analysis of covered spouse experience of retirees and of actives close to retirement age. Actual spousal elections were valued for spouses of current retirees.
Age difference for covered spouses	Male employees are assumed to be 3 years older than their female spouse for future retirees. Actual spousal age was valued for spouses of current retirees.
Medical plan	Future retiring employees are assumed to elect according to a weighted average distribution of 25.00%-$2,500 Plan, 35.00%-$4,000 Plan and 40.00%-HDHP. These consider group elections and retiree experience.
Dental benefits	All future new retirees are assumed to elect Dental. Actual Dental elections were valued for current retirees.
Medicare eligibility age	Age 65
Timing of premium payments	Mid-Year
Salary scale per employee	3.00% per year
CPI inflation	2.50% per year (not explicit in the valuation)

3. Detailed notes on all activities and funds (continued)

E. Other postemployment benefit plan - healthcare (continued)

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB – healthcare (continued)

Actuarial assumptions and other inputs (continued)
The discount rate was based on the average of the published yields from the S&P Municipal Bond 20 year High Grade and the Fidelity GO AA-20 year published yields.

Healthy life mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General Mortality Tables using Scale MP-2021 Full Generational Improvement.

Changes to the net OPEB liability - healthcare

Net OPEB liability - healthcare - beginning of year	$ 976,125
Service cost	68,547
Interest cost	41,327
Differences between actual and expected experience	24,855
Changes in assumptions and inputs	(8,517)
Employer contributions (benefit payments)	(23,000)
Net changes	103,212
Net OPEB liability - healthcare - end of year	$ 1,079,337

Changes of assumptions and other inputs reflect a change in the discount rate from the beginning to end of year, less one year of amortization.

Sensitivity of the total OPEB liability to changes in the discount rate
The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1% Decrease (3.1%)	Discount Rate (4.1%)	1% Increase (5.1%)
Total OPEB Liability - healthcare	$ 1,168,153	$ 1,079,337	$ 998,559

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates
The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability - healthcare	$ 959,089	$ 1,079,337	$ 1,223,772

3. Detailed notes on all activities and funds (continued)

E. Other postemployment benefit plan - healthcare (continued)

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB – healthcare (continued)

Deferred outflows of resources and deferred inflows of resources
At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB - healthcare from the following sources:

Category	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual	$ 46,168	$ 50,963
Changes in assumptions	456,303	76,318
Total	$ 502,471	$ 127,281

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB – healthcare will be recognized in OPEB expense as follows:

Fiscal Year	Amount
2025	$ 17,859
2026	25,798
2027	36,516
2028	36,516
2029	36,516
2030 & thereafter	221,985
	$ 375,190

OPEB expense – healthcare
For the year ended June 30, 2024, the College recognized OPEB expense for healthcare of $51,395.

F. Other postemployment benefit plan - KPERS death and disability

General information about the OPEB plan

Plan description
The College participates in a multiple-employer defined benefit other postemployment benefit (OPEB) plan (the Plan) which is administered by the Kansas Public Employees Retirement System (KPERS). The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Accordingly, the Plan is considered to be administered on a pay as you go basis.

3. Detailed notes on all activities and funds (continued)

F. Other postemployment benefit plan - KPERS death and disability (continued)

General information about the OPEB plan (continued)

Plan description (continued)
The Plan is included in the KPERS annual comprehensive financial report, which is available on the KPERS website at www.kpers.org.

Contributions
Employer contributions are established and may be amended by state statute. Members are not required to contribute. There were no employer contributions paid for benefits during the fiscal year ending June 30, 2024.

Benefits
Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60% of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60% of the member's monthly compensation, with a minimum of $100 and a maximum of $5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the members previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

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3. Detailed notes on all activities and funds (continued)

F. Other postemployment benefit plan - KPERS death and disability (continued)

General information about the OPEB plan (continued)

Covered employees
The College has the following employees covered by the Plan as of June 30, 2024:

Inactive employees or beneficiaries currently receiving benefits	-
Active employees	235
	235

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB – KPERS death and disability

Net OPEB liability – KPERS death and disability
At June 30, 2023, the total net OPEB liability recognized by the State of Kansas that was attributable to the College was $150,663.

Actuarial assumptions
The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, calculated based on the discount rate and actuarial assumptions below, and rolled forward to the measurement date as of June 30, 2023. Any significant changes during this period have been reflected as prescribed by GASB 75.

Price inflation	2.75 percent
Payroll growth	3.00 percent
Wage inflation	3.50 percent, average, including inflation
Discount rate (based on the Bond Buyer General Obligation 20-Bond Municipal Index)	3.65 percent

Mortality rates used for the death benefits were based on the RP-2014 Healthy Annuitant Mortality Table for Males and Females, adjusted for generational mortality improvement using Scale AA.

The actuarial assumptions used in the December 31, 2022, valuation were based on the results of an actuarial experience study conducted for three years ending December 31, 2022. Changes in assumptions and benefits are described in the notes to the required supplemental information. There were no changes between the measurement date of December 31, 2022, rolled forward to June 30, 2023, and the College's reporting date of June 30, 2024.

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3. Detailed notes on all activities and funds (continued)

F. Other postemployment benefit plan - KPERS death and disability (continued)

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB – KPERS death and disability (continued)

Changes to the net OPEB liability – KPERS death and disability

Net OPEB liability - KPERS death and disability - beginning of year	$ 141,210
Service cost	32,102
Interest cost	6,135
Effect of economic/demographic gains or losses	(28,111)
Effect of assumptions changes or inputs	(673)
Net changes	9,453
Net OPEB liability - KPERS death and disability - end of year	$ 150,663

Sensitivity of the total OPEB liability to changes in the discount rate
The following presents the total OPEB liability of the College as of June 30, 2024, calculated using the discount rate of 3.65%, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.65%) or 1 percentage point higher (4.65%) than the current rate.

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability - KPERS death and disability	$ 156,509	$ 150,663	$ 144,291

Sensitivity of the total OPEB liability to changes in the current trend rate
The following presents the total OPEB liability of the College as of June 30, 2024, calculated using the current healthcare cost trend rates as well as what the College's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates. The reader should note that healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS, but this exhibit is provided as it is a required disclosure under GASB 75.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability - KPERS death and disability	$ 150,663	$ 150,663	$ 150,663

3. Detailed notes on all activities and funds (continued)

F. Other postemployment benefit plan - KPERS death and disability (continued)

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB – KPERS death and disability (continued)

Deferred outflows of resources and deferred inflows of resources
At June 30, 2024, the deferred outflows and inflows of resources are as follows:

Category	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	$ -	$ 108,076
Changes in assumptions	14,662	2,285
Total	$ 14,662	$ 110,361

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to OPEB – KPERS death and disability will be recognized in OPEB expense as follows:

Fiscal Year	Amount
2024	$ (15,040)
2025	(15,040)
2026	(14,908)
2027	(13,799)
2028	(11,391)
2029 & thereafter	(25,521)
	$ (95,699)

OPEB revenue and expense – KPERS death and disability
For the year ended June 30, 2024, the College recognized revenue and OPEB expense for KPERS death and disability in an equal amount of $23,197.

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3. Detailed notes on all activities and funds (continued)

G. Risk management

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

The College has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the College joined together with other Kansas public entities to participate in Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for 177 participating members.

The College pays an annual premium to KMIT for its insurance coverage. The agreement to participate provides that KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $1,000,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT management.

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3. Detailed notes on all activities and funds (continued)

H. Leases

Leases receivable

The College, as a lessor, has entered into a lease agreement involving land. The College recognized $3,988 in lease revenue and $1,530 in interest revenue during the current year. Also, the College has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2024, the balance of the deferred inflow of resources was $127,602.

The future revenues under this lease agreement as of June 30, 2024, are as follows:

Fiscal Year	Amount
2025	$ 5,479
2026	5,441
2027	5,402
2028	5,362
2029	5,322
2030-2034	25,992
2035-2039	24,917
2040-2044	23,778
2045-2049	22,571
2050-2054	21,291
2055-2056	8,139
Total revenues	153,694
Less amount representing interest revenue	(26,092)
Total lease revenue - deferred inflows	$ 127,602

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3. Detailed notes on all activities and funds (continued)

H. Leases (continued)

Finance purchases payable
The College, as a lessee, has entered into various financing lease agreements to finance building improvements and equipment, student housing and a parking lot, a digital scoreboard and sports field lighting.

The total amount of the capital assets and construction in progress included on the College's fixed asset records under these lease agreements are as follows for the fiscal year ended June 30, 2024:

Cost:	
Improvements other than buildings	$ 7,009,011
Buildings	3,980,184
Equipment	1,210,732
Total cost	12,199,927
Less accumulated depreciation:	
Improvements other than buildings	493,917
Buildings	828,625
Equipment	275,071
Total accumulated depreciation	1,597,613
Total fixed assets under lease agreements, net	$10,602,314

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3. Detailed notes on all activities and funds (continued)

H. Leases (continued)

Finance purchases payable (continued)
The College's future minimum lease obligations and the net present value of those minimum lease payments are as follows for the fiscal years ended June 30:

Fiscal Year	Amount
2025	$ 1,914,753
2026	1,975,335
2027	1,699,936
2028	801,691
2029	801,390
2030-2034	3,996,962
2035-2037	1,104,600
Total minimum lease payments	12,294,667
Amount representing interest	(1,460,022)
Present value of minimum lease payments	$10,834,645

The above payments are reduced by interest earnings on any reserve funds held by the trustee banks.

Right-to-use lease liability
The College, as a lessee, has entered into a lease agreement for the right to use computer equipment.

The future lease payments under this lease agreement as of June 30, 2024, are as follows:

Fiscal Year	Amount
2025	$ 44,184
2026	44,184
2027	44,184
2028	11,046
Total lease payments	143,598
Less amount representing interest	(6,919)
Total principal payments	$ 136,679

3. Detailed notes on all activities and funds (continued)

H. Leases (continued)

Right-to-use subscription liability
The College, as a lessee, has entered into various *SBITAs*.

The future minimum subscription payments required under the subscription arrangements as of June 30, 2024, are as follows:

Fiscal Year	Amount
2025	$ 781,499
2026	492,537
2027	505,317
2028	492,831
Total lease payments	2,272,184
Less amount representing interest	(160,579)
Total principal payments	$ 2,111,605

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3. Detailed notes on all activities and funds (continued)

I. Long-term liabilities

Changes in long-term liabilities

The following is a summary of changes in long-term liabilities of the College for the year ended June 30, 2024:

	Date of Issue	Maximum Rate	Amount of Issue	Date of Final Maturity	Beginning Balance	Additions	Retirements	Ending Balance	Current Portion	Interest Paid
Finance purchases payable:										
Student housing	04/28/2016	2.28%	$ 1,500,000	04/01/2026	$ 545,413	$ -	$ 136,364	$ 409,049	$ 136,364	$ 10,105
Digital scoreboard	01/14/2020	3.00%	117,198	04/23/2025	49,194	-	24,194	25,000	25,000	1,504
Super circuit equipment	10/20/2020	3.04%	130,797	10/20/2024	53,066	-	26,136	26,930	26,930	1,084
Student housing and parking lot	05/04/2021	3.00%	4,440,000	05/01/2027	3,150,000	-	770,000	2,380,000	790,000	54,200
Building improvements and equipment	06/30/2021	2.00%	4,000,000	05/01/2036	3,515,000	-	245,000	3,270,000	245,000	60,706
Sports field lighting	08/17/2021	1.43%	441,481	08/17/2026	355,691	-	87,025	268,666	88,278	4,025
Improvements	06/01/2022	4.00%	5,100,000	05/01/2035	4,775,000	-	320,000	4,455,000	335,000	172,431
Total finance purchases payable					12,443,364	-	1,608,719	10,834,645	1,646,572	304,055
Other liabilities:										
Compensated absences, net					427,172	14,660	-	441,832	-	-
COP discount premium					348,094	-	50,127	297,967	51,353	-
Net pension liability					102,179	22,061	-	124,240	-	-
Net OPEB liability - healthcare					976,125	134,729	31,517	1,079,337	-	-
Net OPEB liability - KPERS death and disability					141,210	38,237	28,784	150,663	-	-
Right-to-use lease liability					176,134	-	39,455	136,679	40,651	4,729
Right-to-use subscription liability					2,908,883	147,767	945,045	2,111,605	715,820	86,135
Total other liabilities					5,079,797	357,454	1,094,928	4,342,323	807,824	90,864
Total long-term liabilities					$17,523,161	$ 357,454	$ 2,703,647	$15,176,968	$ 2,454,396	$ 394,919

In addition to the retirements on long-term liabilities paid during the year, the College paid $394,919 in interest during the year ended June 30, 2024.

Legal debt margin

The College is subject to a debt limit that is 3% of the assessed valuation of taxable real property. For the year ended June 30, 2024, that amount was $17,602,430. As of June 30, 2024, the College has no outstanding debt subject to the debt limit.

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3. Detailed notes on all activities and funds (continued)

J. Discretely presented component units

1. Garden City Community College Endowment Association

A reconciliation of cash and investments as shown on the government-wide statement of net position is as follows:

Cash and cash equivalents	$ 555,988
Short-term investments	596,923
Long-term investments	6,995,811
Total cash and investments	$ 8,148,722
Carrying amount of deposits	$ 1,152,911
Carrying amount of investments	6,995,811
Total cash and investments	$ 8,148,722

At June 30, 2024, the Endowment Association's carrying amount of deposits was $1,152,911 and the bank balance was $1,182,043. Of the bank balance, 99.70% was held by four banks resulting in a concentration of credit risk. At June 30, 2024, $1,182,043 was covered by a combination of federal depository insurance, national credit union insurance and securities investor protection insurance and the balance of $233,047 was unsecured.

The Endowment Association categorizes its fair value measurements within the fair value hierarchy established by generally accepted account principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2024, all of the Endowment Association's long-term investments are invested in Level 1 marketable securities at a fair value of $6,995,811.

Property and equipment at June 30, 2024, for the Endowment Association consisted of the following:

Land	$ 56,000
Equipment	14,123
Total, cost	70,123
Less accumulated depreciation	(14,123)
Property and equipment, net	$ 56,000

3. Detailed notes on all activities and funds (continued)

J. Discretely presented component units (continued)

2. Broncbuster Athletic Association

At June 30, 2024, the Broncbuster Athletic Association's investment balance consisted of $30,854 of certificates of deposits. The carrying amount of deposits for the Broncbuster Athletic Association was $166,619 and the bank balance was $177,048. All of the bank balance was covered by federal depository insurance.

Property and equipment at June 30, 2024, for the Broncbuster Athletic Association consisted of the following:

Property and equipment	$	14,471
Less accumulated depreciation		(3,579)
Property and equipment, net	$	10,892

K. Contingencies

Grant audits

The College receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the applicable funds. The amount of expenditures that may be disallowed by the grantor cannot be determined at this time, although the College expects such amounts, if any, to be immaterial.

Student financial aid programs

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work-Study, and Federal Family Education Loans programs. Federal programs are audited in accordance with Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *Compliance Supplement*.

Litigation

The College is named as a party in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of management, the ultimate outcome of these lawsuits will not have a material adverse effect on the financial condition of the College.

3. Detailed notes on all activities and funds (continued)

L. Tax abatements

The City of Garden City entered into property tax abatement agreements with local developers under Kansas statutes 12-5241 et seq., which authorizes a city to designate rural housing incentive districts. Under the statues, the City is authorized to reimburse the developer for all or a portion of the costs of implementing the development through the use of property tax increments allocated to the City under the provisions of the statute. The City then entered into an interlocal agreement to allocate these abatements among the local taxing entities.

For the year ended June 30, 2024, the College's share of abated property taxes totaled $335,270 under the rural housing incentive districts program.

The City of Garden City entered into property tax abatement agreements with local developers under Kansas statutes 12-1770 and 12-1771(a), which govern the creation of redevelopment districts and tax increment financing. Kansas statutes governing the tax increment financing allows the financing to be used for property acquisition, site preparation, utilities, drainage, street improvements, landscape amenities, public outdoor spaces, streetscape amenities, and parking facilities in a redevelopment district. The City uses tax increment revenues to reimburse redevelopment in the district. The City then entered into an interlocal agreement to allocate these abatements among the local taxing entities.

For the year ended June 30, 2024, the College's share of abated property taxes totaled $367,899 under the tax increment financing project.

Finney County entered into property tax settlement agreements with various local entities to refund property tax payments paid by the entities. The County then entered into an interlocal agreement to allocate these abatements among the local taxing entities.

For the year ended June 30, 2024, the College's share of property taxes abated totaled $326,387 under the property tax settlement agreements.

M. Subsequent events

Subsequent to year end, the Board of Trustees accepted a contract for the remodel of the Spruce Street Tech Center totaling $950,000.

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3. Detailed notes on all activities and funds (continued)

N. Prior period adjustments

The beginning net position for the College on the government-wide financial statements was decreased by $571,251 to reverse a receivable balance recorded for the Higher Education Emergency Relief Fund (HEERF) grant in fiscal year 2023.

The unencumbered cash on the budgetary basis Combining Schedule of Revenues, Expenditures, Encumbrances and Changes in Unencumbered Cash for the General fund at December 31, 2023, was decreased by $134,898 to reclassify excess HEERF grant expenditures to the General fund.

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REQUIRED SUPPLEMENTARY INFORMATION

GARDEN CITY COMMUNITY COLLEGE
Schedules of Net Pension Liability and
Contributions Attributable to the College
June 30, 2024

Schedule of the College's Proportionate Share of the Net Pension Liability
Kansas Public Employees Retirement System (KPERS)
Last Ten Fiscal Years

	2014	2015	2016
College's proportion of the net pension liability (asset)	0.000000%	0.951969%	0.138473%
College's proportionate share of the net pension liability (asset)	$ -	$ 150,122	$ 20,997
State's proportionate share of the net pension liability (asset) associated with the College	14,184,047	15,769,626	15,163,292
Total	$ 14,184,047	$ 15,919,748	$ 15,184,289
College's covered-employee payroll	$ 9,709,725	$ 10,047,263	$ 9,741,859
College's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	1.49%	0.22%
Plan fiduciary net position as a percentage of the total pension liability	66.60%	64.95%	65.10%

Schedule of College Contributions
Kansas Public Employees Retirement System (KPERS)
Last Ten Fiscal Years

	2015	2016	2017
Contractually required contribution	$ 9,418	$ 1,460	$ 7,505
Contributions in relation to the contractually required contribution	(9,418)	(1,460)	(7,505)
Contribution deficiency (excess)	$ -	$ -	$ -
College's covered-employee payroll	$ 10,047,263	$ 9,741,859	$ 10,153,047
Contributions as a percentage of covered-employee payroll	0.093737%	0.014987%	0.073919%

Note 1 – Changes of assumptions
The actuarially determined contribution rates in the Schedule of the Net Pension Liability and Contributions Attributable to the College are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

As of measurement date June 30,						
2017	2018	2019	2020	2021	2022	2023
0.663741%	0.581759%	0.324512%	0.668581%	0.355970%	0.617293%	0.722300%
$ 101,725	$ 85,131	$ 45,209	$ 110,435	$ 45,128	$ 102,179	$ 124,240
15,326,000	14,633,372	13,931,401	16,517,828	12,677,479	16,552,765	17,200,621
$ 15,427,725	$ 14,718,503	$ 13,976,610	$ 16,628,263	$ 12,722,607	$ 16,654,944	$ 17,324,861
$ 10,153,047	$ 10,416,480	$ 10,230,556	$ 11,000,083	$ 11,336,345	$ 12,394,066	$ 13,719,010
1.00%	0.82%	0.44%	1.00%	0.40%	0.82%	0.91%
67.12%	68.88%	69.88%	66.30%	76.40%	69.75%	70.70%

As of the College's fiscal year ended June 30,						
2018	2019	2020	2021	2022	2023	2024
$ 7,452	$ 6,491	$ 10,534	$ 5,650	$ 9,773	$ 12,710	$ 12,400
(7,452)	(6,491)	(10,534)	(5,650)	(9,773)	(12,710)	(12,400)
$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 10,416,480	$ 10,230,556	$ 11,000,083	$ 11,336,345	$ 12,394,066	$ 13,719,010	$ 14,653,466
0.071540%	0.063447%	0.095763%	0.049840%	0.078852%	0.092645%	0.084622%

GARDEN CITY COMMUNITY COLLEGE
Schedule of Changes in the College's Share of
OPEB Liability and Related Ratios - Healthcare
June 30, 2024
Last Seven Fiscal Years *

	2018	2019	2020
Total net OPEB liability - healthcare - beginning of year	$ 873,954	$ 733,832	$ 600,679
Service cost	26,777	25,925	27,586
Interest cost	28,619	23,273	17,138
Differences between actual and expected experience	(81,077)	(111,812)	-
Changes in assumptions and inputs	3,559	38,461	(22,503)
Employer contributions (benefit payments)	(118,000)	(109,000)	(114,000)
Net changes	(140,122)	(133,153)	(91,779)
Total net OPEB liability - healthcare - end of year	$ 733,832	$ 600,679	$ 508,900
Covered employee payroll	$ 8,591,100	$ 8,680,643	$ 8,680,643
Total net OPEB liability as a percentage of covered employee payroll	8.50%	6.90%	5.90%

* Data became available with the inception of GASB 75 during fiscal year 2018; therefore, 10 years of data is unavailable.

Note 1 – Changes of assumptions
There are no changes in benefit terms.

Note 2 – Changes of assumptions
The actuarial assumptions changes per the June 30, 2024, valuation relative to the June 20, 2023, valuation are shown below.

* The discount rate changed from 4.0% to 4.1%.
* The census was updated from October 1, 2020, to October 1, 2022.
* It has been clarified that Kansas statute 12-5040 applies to the College. Thus, when eligibility for a direct paid College contribution is not met, a terminating employee with at least 10 years of service may elect retiree coverage though the contribution premium equals the full group rate.
* It has been clarified the College contribution is equal to the HDHP single premium and the Dental single premium for each year and a $4,800 maximum does not apply.
* The assumed proportion of future retiring employees with a coverage spouse was revised for medical from 10% to 15% and for dental from 20% to 25%.
* The retiree contribution premiums per capital costs and assumed trends were updated as part of the evaluation. The October 1, 2023 and October 1, 2024, renewals were taken into account.

2021	2022	2023	2024
$ 508,900	$ 521,417	$ 439,445	$ 976,125
27,883	27,447	20,248	68,547
13,163	10,507	17,558	41,327
(19,116)	-	27,146	24,855
51,587	(72,926)	490,728	(8,517)
(61,000)	(47,000)	(19,000)	(23,000)
12,517	(81,972)	536,680	103,212
$ 521,417	$ 439,445	$ 976,125	$ 1,079,337
$ 9,632,983	$ 9,632,983	$ 12,779,012	$ 12,779,012
5.40%	4.60%	7.60%	8.45%

GARDEN CITY COMMUNITY COLLEGE
Schedule of Changes in the College's Share of
OPEB Liability and Related Ratios - KPERS Death and Disability
June 30, 2024
Last Seven Fiscal Years *

	2017	2018	2019
Total net OPEB liability - KPERS death and disability - beginning of year	$ 167,669	$ 172,284	$ 154,687
Service cost	23,972	22,278	22,471
Interest cost	5,170	6,601	6,462
Effect of economic/demographic gains or losses	-	(24,357)	(22,459)
Effect of assumptions, changes or inputs	(3,948)	(1,540)	2,007
Benefit payments	(20,579)	(20,579)	(20,579)
Net changes	4,615	(17,597)	(12,098)
Total net OPEB liability - KPERS death and disability - end of year	$ 172,284	$ 154,687	$ 142,589
Nonemployer contributing entity total proportionate share of the total OPEB liability:	100%	100%	100%
College's total proportionate share of the total OPEB liability	0%	0%	0%
Covered employee payroll	$ 10,175,579	$ 10,193,219	$ 9,937,304
Total net OPEB liability as a percentage of covered employee payroll	1.69%	1.52%	1.43%

* Data became available with the inception of GASB 75 during fiscal year 2018; therefore, 10 years of data is unavailable.

Note 1 – Changes of assumptions
There are no changes in benefit terms.

Note 2 – Changes of assumptions
The discount rate was updated in accordance with the requirements of GASB 75. The Disability Rates, Estimated Offsets, Waiver Mortality Rates and Claim Cost Assumption have been updated based on recent experience. The overall impact of the new assumptions is a decrease in the benefit obligations.

2020	2021	2022	2023
$ 142,589	$ 128,790	$ 127,515	$ 141,210
22,637	27,723	28,576	32,102
5,426	3,440	3,371	6,135
(27,040)	(30,917)	(30,881)	(28,111)
5,757	194	12,629	(673)
(20,579)	(1,715)	-	-
(13,799)	(1,275)	13,695	9,453
$ 128,790	$ 127,515	$ 141,210	$ 150,663
100%	100%	100%	100%
0%	0%	0%	0%
$ 10,772,828	$ 11,259,035	$ 11,865,172	$ 12,841,264
1.20%	1.13%	1.19%	1.17%

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SUPPLEMENTARY INFORMATION

GARDEN CITY COMMUNITY COLLEGE
Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Unencumbered Cash - Actual and Budget -
Current Funds - Unrestricted (Legal Basis)
For the Year Ended June 30, 2024

	General		
	Actual	Budget	Variance Over (Under)
REVENUES			
Local	$ 15,754,747	$ 16,676,356	$ (921,609)
State	2,030,083	2,030,083	-
Student tuition and fees	2,895,009	4,500,000	(1,604,991)
Other:			
Miscellaneous	248,159	10,000	238,159
Interest	452,530	300,000	152,530
Total revenues	21,380,528	23,516,439	(2,135,911)
EXPENDITURES AND ENCUMBRANCES			
Education and general:			
Instruction	4,115,972	20,500,000	(16,384,028)
Academic support	1,713,587	-	1,713,587
Student services	4,911,486	-	4,911,486
Community service	4,137	-	4,137
Operation and maintenance	5,138,134	-	5,138,134
Institutional support	5,335,583	-	5,335,583
Scholarships	171,119	-	171,119
Research	-	755,000	(755,000)
Public service	-	500,000	(500,000)
Total expenditures and encumbrances	21,390,018	21,755,000	(364,982)
Revenues over (under) expenditures and encumbrances	(9,490)	1,761,439	(1,770,929)
OTHER FINANCING SOURCES (USES)			
Transfers out	(872,951)	(2,000,000)	(1,127,049)
REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES AND OTHER FINANCING SOURCES (USES)	(882,441)	(238,561)	(643,880)
Unencumbered cash, beginning of year	8,531,592	8,355,070	176,522
Prior period restatement	(134,898)	-	(134,898)
Unencumbered cash, end of year	$ 7,514,253	$ 8,116,509	$ (602,256)
From fiscal year 2025 budget	$ 9,984,340		
Adjustment	(2,470,087)		
Total	$ 7,514,253		

Adult Supplementary Education			Auxiliary Enterprise Funds		
Actual	Budget	Variance Over (Under)	Actual	Budget	Variance Over (Under)
$ -	$ -	$ -	$ -	$ -	$ -
15,000	-	15,000	-	-	-
557,159	800,000	(242,841)	3,236,505	5,350,000	(2,113,495)
140,889	-	140,889	5,614	-	5,614
-	-	-	-	-	-
713,048	800,000	(86,952)	3,242,119	5,350,000	(2,107,881)
353,052	800,000	(446,948)	-	-	-
22,720	-	22,720	-	-	-
116,845	-	116,845	2,831,734	4,900,000	(2,068,266)
96,613	-	96,613	18,208	-	18,208
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
589,230	800,000	(210,770)	2,849,942	4,900,000	(2,050,058)
123,818	-	123,818	392,177	450,000	(57,823)
(128,456)	-	128,456	(974,446)	-	974,446
(4,638)	-	(4,638)	(582,269)	450,000	(1,032,269)
484,638	593,925	(109,287)	582,269	699,155	(116,886)
-	-	-	-	-	-
$ 480,000	$ 593,925	$ (113,925)	$ -	$ 1,149,155	$ (1,149,155)
$ 517,595			$ 30,929		
(37,595)			(30,929)		
$ 480,000			$ -		

(continued)

GARDEN CITY COMMUNITY COLLEGE
Combining Schedule of Revenues, Expenditures,
Encumbrances and Changes in Unencumbered Cash - Actual and Budget -
Current Funds - Unrestricted (Legal Basis)
For the Year Ended June 30, 2024

(continued)	Total (Memorandum Only)		
	Actual	Budget	Variance Over (Under)
REVENUES			
Local	$ 15,754,747	$ 16,676,356	$ (921,609)
State	2,045,083	2,030,083	15,000
Student tuition and fees	6,688,673	10,650,000	(3,961,327)
Other:			
Miscellaneous	394,662	10,000	384,662
Interest	452,530	300,000	152,530
Total revenues	25,335,695	29,666,439	(4,330,744)
EXPENDITURES AND ENCUMBRANCES			
Education and general:			
Instruction	4,469,024	21,300,000	(16,830,976)
Academic support	1,736,307	-	1,736,307
Student services	7,860,065	4,900,000	2,960,065
Community service	118,958	-	118,958
Operation and maintenance	5,138,134	-	5,138,134
Institutional support	5,335,583	-	5,335,583
Scholarships	171,119	-	171,119
Research	-	755,000	(755,000)
Public service	-	500,000	(500,000)
Total expenditures and encumbrances	24,829,190	27,455,000	(2,625,810)
Revenues over (under) expenditures and encumbrances	506,505	2,211,439	(1,704,934)
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,975,853)	(2,000,000)	(24,147)
REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES AND OTHER FINANCING SOURCES (USES)	(1,469,348)	211,439	(1,680,787)
Unencumbered cash, beginning of year	9,598,499	9,648,150	(49,651)
Prior period restatement	(134,898)	-	(134,898)
Unencumbered cash, end of year	$ 7,994,253	$ 9,859,589	$ (1,865,336)

GARDEN CITY COMMUNITY COLLEGE
Schedule of Revenues - Actual and Budget -
General Fund - Unrestricted (Legal Basis)
For the Year Ended June 30, 2024

	General		
	Actual	Budget	Variance Over (Under)
Local:			
Prior year ad valorem property tax	$ -	$ 966,863	$ (966,863)
Current year ad valorem property tax	13,996,066	14,417,997	(421,931)
Motor vehicle tax	1,160,518	1,068,963	91,555
Recreational vehicle tax	14,009	14,374	(365)
Delinquent tax	352,869	208,159	144,710
In lieu of tax	231,285	-	231,285
Total local	15,754,747	16,676,356	(921,609)
State:			
State operating grant	2,030,083	2,030,083	-
Student tuition and fees:			
Tuition	1,905,946	4,000,000	(2,094,054)
Fees	989,063	500,000	489,063
Total student tuition and fees	2,895,009	4,500,000	(1,604,991)
Other:			
Miscellaneous	248,159	10,000	238,159
Interest	452,530	300,000	152,530
Total other	700,689	310,000	390,689
Total revenues	$ 21,380,528	$ 23,516,439	$ (2,135,911)

GARDEN CITY COMMUNITY COLLEGE
Schedule of Revenues, Expenditures,
Encumbrances and Changes in Unencumbered Cash - Actual and Budget -
Adult Basic Education Fund (Legal Basis)
For the Year Ended June 30, 2024

	Adult Basic Education		
	Actual	Budget	Variance Over (Under)
REVENUES			
Local	$ 2	$ -	$ 2
State	84,204	-	84,204
Federal	276,234	370,000	(93,766)
Other:			
Private gifts and grants	1,622	-	1,622
Total revenues	362,062	370,000	(7,938)
EXPENDITURES AND ENCUMBRANCES			
Education and general:			
Instruction	384,574	384,574	-
Total expenditures and encumbrances	384,574	384,574	-
Revenues under expenditures and encumbrances	(22,512)	(14,574)	(7,938)
OTHER FINANCING SOURCES			
Mandatory transfers in	63,997	-	63,997
REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES AND OTHER FINANCING SOURCES	41,485	(14,574)	56,059
Unencumbered cash, beginning of year	34,747	21,862	12,885
Unencumbered cash, end of year	$ 76,232	$ 7,288	$ 68,944
From fiscal year 2025 budget	$ 39,632		
Adjustment	36,600		
Total	$ 76,232		

GARDEN CITY COMMUNITY COLLEGE
Schedule of Revenues, Expenditures,
Encumbrances and Changes in Unencumbered Cash - Actual and Budget -
Postsecondary Technical Education Fund (Legal Basis)
For the Year Ended June 30, 2024

	Postsecondary Technical Education		
	Actual	Budget	Variance Over (Under)
REVENUES			
State	$ 1,648,862	$ 1,134,582	$ 514,280
Student tuition and fees:			
Tuition	982,695	1,200,000	(217,305)
Fees	81,010	-	81,010
Other:			
Miscellaneous	30,000	-	30,000
Total revenues	2,742,567	2,334,582	407,985
EXPENDITURES AND ENCUMBRANCES			
Education and general:			
Instruction	3,495,264	4,462,388	(967,124)
Academic support	200,113	-	200,113
Total expenditures and encumbrances	3,695,377	4,462,388	(767,011)
Revenues under expenditures and encumbrances	(952,810)	(2,127,806)	1,174,996
OTHER FINANCING SOURCES			
Transfers in	644,764	2,000,000	(1,355,236)
REVENUES UNDER EXPENDITURES AND ENCUMBRANCES AND OTHER FINANCING SOURCES	(308,046)	(127,806)	(180,240)
Unencumbered cash, beginning of year	308,046	127,806	180,240
Unencumbered cash, end of year	$ -	$ -	$ -
From fiscal year 2025 budget	$ -		
Adjustment	-		
Total	$ -		

GARDEN CITY COMMUNITY COLLEGE
Schedule of Revenues, Expenditures,
Encumbrances and Changes in Unencumbered Cash - Actual and Budget -
Plant Funds - Unexpended (Legal Basis)
For the Year Ended June 30, 2024

	Capital Outlay		
	Actual	Budget	Variance Over (Under)
REVENUES			
Local:			
Prior year ad valorem property tax	$ -	$ 39,841	$ (39,841)
Current year ad valorem property tax	428,754	435,865	(7,111)
Motor vehicle tax	48,329	43,991	4,338
Recreational vehicle tax	590	592	(2)
Delinquent tax	15,027	8,566	6,461
In lieu of tax	6,998	-	6,998
Total revenues	499,698	528,855	(29,157)
EXPENDITURES AND ENCUMBRANCES			
Plant facilities and equipment	374,417	640,000	(265,583)
Revenues over (under) expenditures and encumbrances	125,281	(111,145)	236,426
OTHER FINANCING USES			
Transfers out	(34,853)	-	34,853
REVENUES OVER (UNDER) EXPENDITURES AND ENCUMBRANCES AND OTHER FINANCING USES	90,428	(111,145)	201,573
Unencumbered cash, beginning of year	149,572	417,647	(268,075)
Unencumbered cash, end of year	$ 240,000	$ 306,502	$ (66,502)

From fiscal year 2025 budget	$ 250,000
Adjustment	(10,000)
Total	$ 240,000

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GARDEN CITY COMMUNITY COLLEGE
Notes to Supplementary Information
For the Year Ended June 30, 2024

Reconciliation of Revenues, Expenditures, and Other Financing Sources (Uses) for budgetary funds on a budgetary basis to GAAP basis.

	Current Funds - Unrestricted		
	General	Adult Supplementary Education	Auxiliary Enterprise Funds
REVENUES			
Actual amount of revenues (budgetary basis) from combining schedules (Schedules 1, 2, 3 and 4)	$ 21,380,528	$ 713,048	$ 3,242,119
Adjustments:			
Ad valorem property tax receipts from May, but not available revenue until following fiscal year for GAAP reporting -			
Plus prior year tax receipts	4,738,226	-	-
Less current year tax receipts	(5,279,062)	-	-
State appropriations for KPERS reported for GAAP reporting purposes only	2,614,478	-	-
Right-to-use lease receivable payments received	718	-	-
Total revenues as reported under the GAAP basis	$ 23,454,888	$ 713,048	$ 3,242,119
EXPENDITURES			
Actual amount of expenditures (budgetary basis) from combining schedules (Schedules 1, 2, 3 and 4)	$ 21,390,018	$ 589,230	$ 2,849,942
Adjustments:			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the items are received for GAAP reporting -			
Less current year encumbrances	(197,991)	(8,690)	(22,915)
Plus prior year encumbrances	110,207	85,512	284,559
KPERS pension expense reported for GAAP reporting purposes only	2,622,062	-	-
Reclassifications:			
Budgetary expenditures for plant facilities are reclassified to other financing sources (uses) for GAAP reporting	-	-	-
Total expenditures as reported under the GAAP basis	$ 23,924,296	$ 666,052	$ 3,111,586
OTHER FINANCING SOURCES (USES)			
Actual amounts of other financing sources (uses) (budgetary basis) from combining schedules (Schedules 1, 2, 3 and 4)	$ (872,951)	$ (128,456)	$ (974,446)
Reclassifications:			
Budgetary expenditures for plant facilities are reclassified to other financing sources (uses) for GAAP reporting	-	-	-
Total other financing sources (uses) as reported under the GAAP basis	$ (872,951)	$ (128,456)	$ (974,446)

Total	Current Funds - Restricted			Plant Funds - Unexpended
	Adult Basic Education	Postsecondary Technical Education	Total	Capital Outlay
$ 25,335,695	$ 362,062	$ 2,742,567	$ 3,104,629	$ 499,698
4,738,226	-	-	-	195,382
(5,279,062)	-	-	-	(163,038)
2,614,478	-	-	-	-
718	-	-	-	-
$ 27,410,055	$ 362,062	$ 2,742,567	$ 3,104,629	$ 532,042
$ 24,829,190	$ 384,574	$ 3,695,377	$ 4,079,951	$ 374,417
(229,596)	(4,800)	(49,904)	(54,704)	-
480,278	3,604	42,689	46,293	82,673
2,622,062	-	-	-	-
-	-	-	-	(457,090)
$ 27,701,934	$ 383,378	$ 3,688,162	$ 4,071,540	$ -
$ (1,975,853)	$ 63,997	$ 644,764	$ 708,761	$ (34,853)
-	-	-	-	(457,090)
$ (1,975,853)	$ 63,997	$ 644,764	$ 708,761	$ (491,943)

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ADDITIONAL INFORMATION –
Schedules of Management Information

GARDEN CITY COMMUNITY COLLEGE
Additional Information –
Schedules of Management Information
June 30, 2024

The following schedules are additional financial information maintained for management purposes only.

GARDEN CITY COMMUNITY COLLEGE
Schedule of Management Information
Combining Statement of Revenue, Expenditures and Other Changes - Current Funds
For the Year Ended June 30, 2024

	Current Funds		
	Unrestricted	Restricted	Total (Memorandum Only)
REVENUES			
Local	$ 15,213,911	$ 2	$ 15,213,913
State	4,659,561	3,916,001	8,575,562
Federal	-	7,152,559	7,152,559
Student tuition and fees	3,711,063	1,063,705	4,774,768
Other:			
Private gifts and grants	-	961,863	961,863
Miscellaneous	393,850	53,914	447,764
Interest	454,060	-	454,060
Sales and services of auxiliary enterprises	2,977,610	-	2,977,610
Institutional support	-	8,455	8,455
Total revenues	27,410,055	13,156,499	40,566,554
EXPENDITURES			
Education and general:			
Instruction	7,092,635	5,386,591	12,479,226
Academic support	1,756,667	1,662,689	3,419,356
Student services	5,021,341	5,437,390	10,458,731
Community service	172,612	31	172,643
Operating and maintenance of plant	5,039,911	800,574	5,840,485
Institutional support	5,336,063	288,756	5,624,819
Other expenses	-	5,177	5,177
Scholarships	171,119	-	171,119
Total education and general	24,590,348	13,581,208	38,171,556
Auxiliary enterprise expenditures	3,111,586	-	3,111,586
Total expenditures	27,701,934	13,581,208	41,283,142
OTHER FINANCING SOURCES (USES)			
Transfers in	-	308,533	308,533
Transfers out	(1,975,853)	(191,142)	(2,166,995)
Total other financing sources (uses)	(1,975,853)	117,391	(1,858,462)
NET DECREASE IN NET POSITION	$ (2,267,732)	$ (307,318)	$ (2,575,050)

GARDEN CITY COMMUNITY COLLEGE
Schedule of Management Information
Combining Statement of Net Position -
All Current Funds - Unrestricted
June 30, 2024

	General	Adult Supplementary Education	Auxiliary Enterprise Funds	Total (Memorandum Only)
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Cash and investments	$ 7,441,887	$ 491,568	$ 166,866	$ 8,100,321
Receivables (net of allowance for uncollectibles):				
Taxes	4,456,543	-	-	4,456,543
Miscellaneous	5,548,864	-	-	5,548,864
Total assets	17,447,294	491,568	166,866	18,105,728
Deferred outflows of resources:				
Deferred outflows of resources related to OPEB - healthcare	502,471	-	-	502,471
Deferred outflows of resources related to OPEB - KPERS death and disability	14,662	-	-	14,662
Deferred outflows of resources related to pensions	88,594	-	-	88,594
Total deferred outflows of resources	605,727	-	-	605,727
Total assets and deferred outflows of resources	$ 18,053,021	$ 491,568	$ 166,866	$ 18,711,455

(continued)

GARDEN CITY COMMUNITY COLLEGE
Schedule of Management Information
Combining Statement of Net Position -
All Current Funds - Unrestricted
June 30, 2024

(continued)	General	Adult Supplementary Education	Auxiliary Enterprise Funds	Total (Memorandum Only)
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION				
Liabilities:				
Accounts payable	$ 890,902	$ 2,878	$ 143,951	$ 1,037,731
Compensated absences	441,832	-	-	441,832
Deferred revenue - general	2,867,756	-	-	2,867,756
Net pension liability	124,240	-	-	124,240
Net OPEB liability - healthcare	1,079,337	-	-	1,079,337
Net OPEB liability - KPERS death and disability	150,663	-	-	150,663
Total liabilities	5,554,730	2,878	143,951	5,701,559
Deferred inflows of resources:				
Deferred inflows of resources related to leases	127,602	-	-	127,602
Deferred inflows of resources related to OPEB - healthcare	127,281	-	-	127,281
Deferred inflows of resources related to OPEB - KPERS death and disability	110,361	-	-	110,361
Deferred inflows of resources related to pensions	19,020	-	-	19,020
Deferred revenue - current property taxes	9,735,605	-	-	9,735,605
Total deferred inflows of resources	10,119,869	-	-	10,119,869
Net position:				
Reserved for encumbrances	197,991	8,690	22,915	229,596
Unreserved:				
Designated for subsequent year's expenditures	2,180,431	480,000	-	2,660,431
Total net position	2,378,422	488,690	22,915	2,890,027
Total liabilities, deferred inflows of resources and net position	$ 18,053,021	$ 491,568	$ 166,866	$ 18,711,455

GARDEN CITY COMMUNITY COLLEGE
Schedule of Management Information
Combining Statement of Revenue and Expenditures -
All Current Funds - Unrestricted
For the Year Ended June 30, 2024

	General	Adult Supplementary Education	Auxiliary Enterprise Funds	Total (Memorandum Only)
REVENUES				
Local	$ 15,213,911	$ -	$ -	$ 15,213,911
State	4,644,561	15,000	-	4,659,561
Student tuition and fees, net of scholarship allowances	2,895,009	557,159	258,895	3,711,063
Other:				
Miscellaneous	247,347	140,889	5,614	393,850
Interest	454,060	-	-	454,060
Sales and services of auxiliary enterprises, net of scholarship allowances	-	-	2,977,610	2,977,610
Total revenues	23,454,888	713,048	3,242,119	27,410,055
EXPENDITURES				
Education and general:				
Instruction	6,733,875	358,760	-	7,092,635
Academic support	1,733,947	22,720	-	1,756,667
Student services	4,905,244	116,097	-	5,021,341
Community service	4,137	168,475	-	172,612
Operation and maintenance of plant	5,039,911	-	-	5,039,911
Institutional support	5,336,063	-	-	5,336,063
Scholarships	171,119	-	-	171,119
Total education and general expenditures	23,924,296	666,052	-	24,590,348
Auxiliary enterprise expenditures	-	-	3,111,586	3,111,586
Total expenditures	23,924,296	666,052	3,111,586	27,701,934
Revenues over (under) expenditures	(469,408)	46,996	130,533	(291,879)
OTHER FINANCING USES				
Transfers out	(872,951)	(128,456)	(974,446)	(1,975,853)
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	$ (1,342,359)	$ (81,460)	$ (843,913)	$ (2,267,732)

GARDEN CITY COMMUNITY COLLEGE
Schedule of Management Information
Combining Statement of Changes in Net Position -
All Current Funds - Unrestricted
For the Year Ended June 30, 2024

	General	Adult Supplementary Education	Auxiliary Enterprise Funds	Total (Memorandum Only)
NET POSITION, beginning of year				
Unencumbered cash, as restated	$ 8,396,694	$ 484,638	$ 582,269	$ 9,463,601
Add:				
Reserve for encumbrances	110,207	85,512	284,559	480,278
Subtract:				
Deferred resources related to leases, 7/1/23	(812)			(812)
Deferred resources related to pensions, 7/1/23	(47,082)	-	-	(47,082)
Deferred property tax receipts, 7/1/23	(4,738,226)	-	-	(4,738,226)
NET POSITION, beginning of year, as restated	3,720,781	570,150	866,828	5,157,759
REVENUES UNDER EXPENDITURES AND OTHER FINANCING USES	(1,342,359)	(81,460)	(843,913)	(2,267,732)
NET POSITION, end of year	$ 2,378,422	$ 488,690	$ 22,915	$ 2,890,027
NET POSITION, end of year				
Reserve for encumbrances	$ 197,991	$ 8,690	$ 22,915	$ 229,596
Unreserved:				
Designated for subsequent year's expenditures	2,180,431	480,000	-	2,660,431
NET POSITION, end of year	$ 2,378,422	$ 488,690	$ 22,915	$ 2,890,027

GARDEN CITY COMMUNITY COLLEGE
Schedule of Management Information
Combining Statement of Changes in Net Position - Various Funds
For the Year Ended June 30, 2024

	Balance (Deficit) July 1, 2023 as restated	Additions	Deletions	Balance (Deficit) June 30, 2024
AUXILIARY ENTERPRISE FUNDS:				
Adult Ed Orientation	$ 490	$ 17,453	$ 18,208	$ (265)
Student Union	758,029	2,677,315	3,454,908	(19,564)
Cosmetology	54,845	166,255	128,959	92,141
Bookstore	54,333	381,096	483,957	(48,528)
Arena	(869)	-	-	(869)
Total auxiliary enterprise funds	$ 866,828	$ 3,242,119	$ 4,086,032	$ 22,915
FEDERAL STUDENT AID:				
College Work Study	$ -	$ 70,829	$ 70,829	$ -
Guaranteed Student Loans	-	1,285,838	1,285,838	-
SEOG Grants	485	107,100	107,100	485
PELL Grants	-	3,197,481	3,197,481	-
Total federal student aid	$ 485	$ 4,661,248	$ 4,661,248	$ 485
RESTRICTED GRANTS:				
Adult Education Professional Development	$ (223)	$ 223	$ -	$ -
Carl Perkins Program Improvement Grant	5,797	150,959	142,497	14,259
Congressionally Directed Spending	(176,245)	371,208	194,964	(1)
Drug Prevention Program Income	8,444	-	8,390	54
Federal Funds Administration	24,063	8,454	1,515	31,002
ICCAE - KU	-	29,086	29,086	-
IME Becas Grant	758	-	-	758
Innovative Technology Grant	207,439	-	163,116	44,323
Kansas ARPA Grant	332,382	872,420	1,204,802	-
Kansas Bridges Grant	-	15,049	15,049	-
Kansas Meth Prevention Grant	(31)	31	-	-
Kansas Tax Credits	2,000	365,000	367,000	-
Kansas Promise Act	(1,514)	92,049	91,288	(753)
Kansas Technology Instruction Grant	-	16,824	16,824	-
KEDI - Workforce Aid Grant	29,257	-	29,257	-
KU Alzheimer Grant	4,718	-	3,758	960
Noyce Grant	1,953	-	201	1,752
Pathways to STEM	14,860	64,576	66,507	12,929
Perkins Nursing Grant	3,604	2,101	5,705	-
Perkins Reserve Fund Grant	(3,103)	5,225	-	2,122
Perkins Performance Incentive	8,000	9,500	17,500	-
Project KANCO Grant	(14,252)	106,958	92,706	-
Title III - HSI	40,508	1,239,921	1,300,051	(19,622)
TRIO - Student Support Services	7,872	402,120	402,055	7,937
Total restricted grants	$ 496,287	$ 3,751,704	$ 4,152,271	$ 95,720
OTHER RESTRICTED FUNDS:				
American Ag Credit	$ -	$ 25,000	$ 25,000	$ -
Baseball Scoreboard	-	235,000	235,000	-
BCBS Grow Well Grant	6,986	-	-	6,986
CC Apprenticeship	-	464,167	142,698	321,469
CC Capital Outlay	-	528,214	349,418	178,796
Cox Communications Grant	17,026	-	-	17,026
Commerce Bank Grant	4,138	-	4,138	-
Cybersecurity	-	250,000	250,000	-
GED Testing Fund	(130)	130	-	-
Kansas Health Foundation	-	100,000	-	100,000
LiveWell	-	65,000	64,406	594
Mary Jo Williams	(17,121)	68,235	52,735	(1,621)
Pepsi Campus Support	18,064	10,000	-	28,064
Other Donations	328,353	18,805	135,061	212,097
2023 State Tax Credits	500	50,000	50,500	-
2024 State Tax Credits	-	25,000	-	25,000
Title III - HSI Grant	196,377	-	188,665	7,712
Total other restricted funds	$ 554,193	$ 1,839,551	$ 1,497,621	$ 896,123

GARDEN CITY COMMUNITY COLLEGE
Schedule of Management Information
Combining Statement of Changes in Fiduciary Net Position -
All Custodial Funds
For the Year Ended June 30, 2024

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
STUDENT ORGANIZATION ACCOUNTS				
Clubs and organizations:				
Academic Challenge	$ -	$ 3,000	$ 1,612	$ 1,388
ADN Students Club	16,614	800	1,699	15,715
Ag Tech Club	11,251	-	11,251	-
All Pro Auto Club	9,428	4,142	4,834	8,736
Alumni Scholarships	-	18,926	18,926	-
Art Club	-	4,773	4,773	-
Block & Bridle Club	12,498	347,548	359,637	409
Busternation	38	190	-	228
Christian Challenge	-	500	-	500
Collegiate Farm Bureau	3,413	2,573	4,214	1,772
College Players	3,986	1,716	51	5,651
Dormitory Club	90,925	27,515	24,542	93,898
Exploration Day	5,720	-	793	4,927
Fine Arts Travel	3,297	2,700	1,854	4,143
FinishLine Scholarship	-	2,501	2,501	-
PRISM	3,010	1,700	382	4,328
GCCC Education Support Professionals	274	1,000	972	302
HALO (Mecha Club)	16,963	12,789	12,099	17,653
International Club	772	300	282	790
Lecture Series	11,431	3,500	-	14,931
Math Club	5,896	560	480	5,976
National Student Travel	10,386	-	-	10,386
Phi Theta Kappa	3,961	12,140	9,855	6,246
Potter's Guild	450	-	325	125
Robotics Team	-	1,000	992	8
Rodeo Club	24,564	108,234	122,588	10,210
Science Club	4,670	850	592	4,928
SNEA	8,898	2,120	1,322	9,696
STEM Camp	-	325	565	(240)
Student Government Association	345,974	74,086	272,919	147,141
Student Government Association Scholarships	-	1,405,456	1,405,456	-
Student Newspaper	3,661	2,000	3,534	2,127
Tau Epsilon Lambda	8,962	8,918	14,359	3,521
Trap Shooting Club	4,000	10,085	9,585	4,500
Welding	4,246	4,140	2,091	6,295
Total - all custodial funds	$ 615,288	$ 2,066,087	$ 2,295,085	$ 386,290

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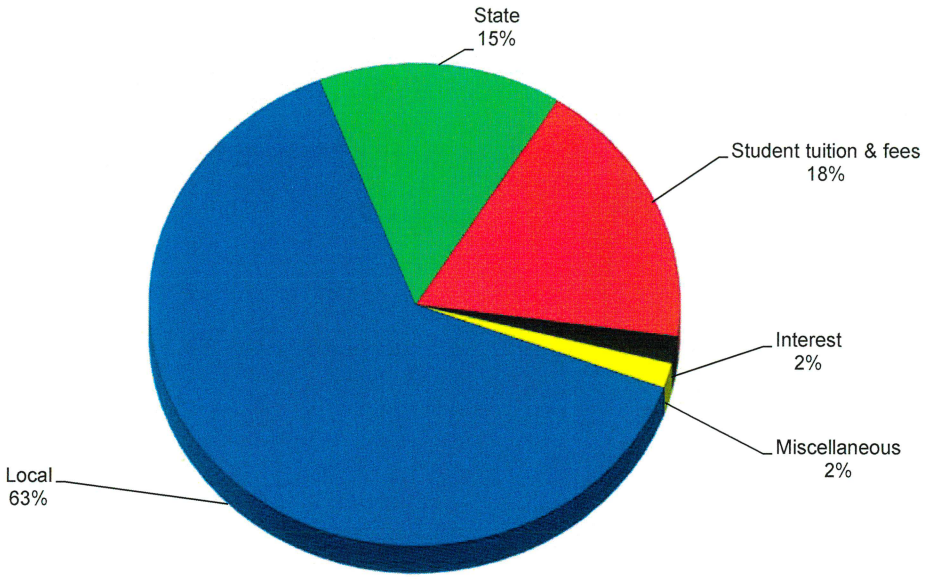
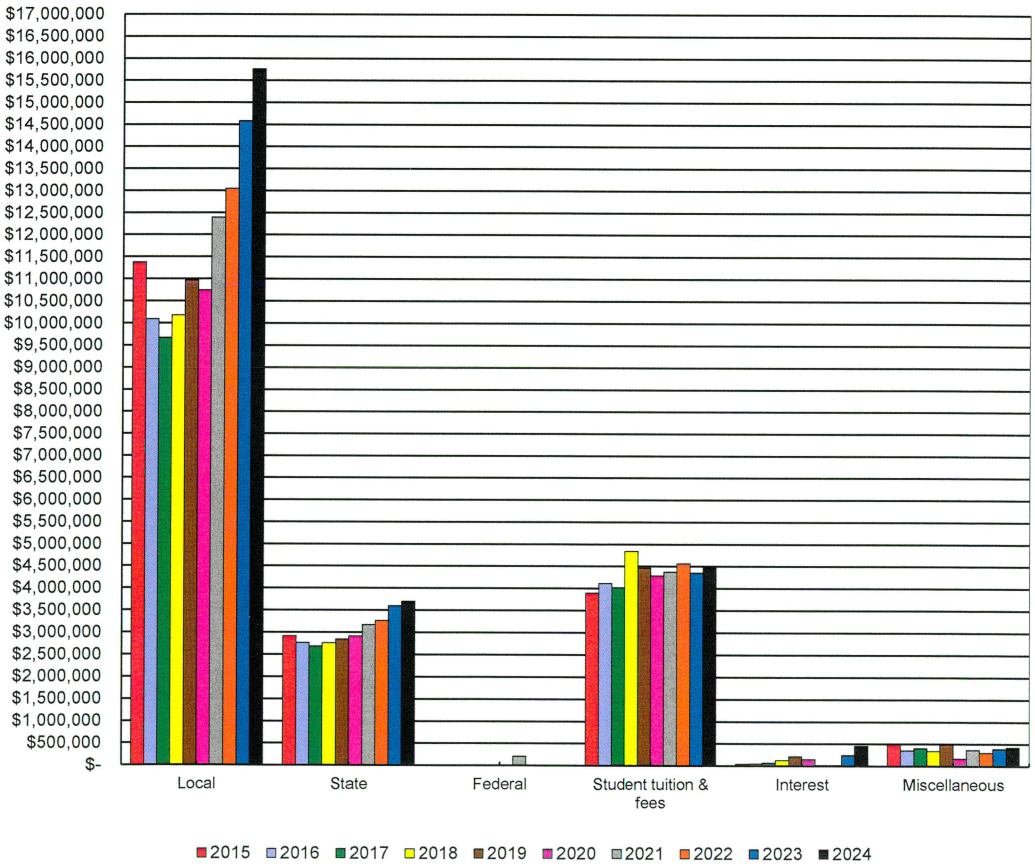
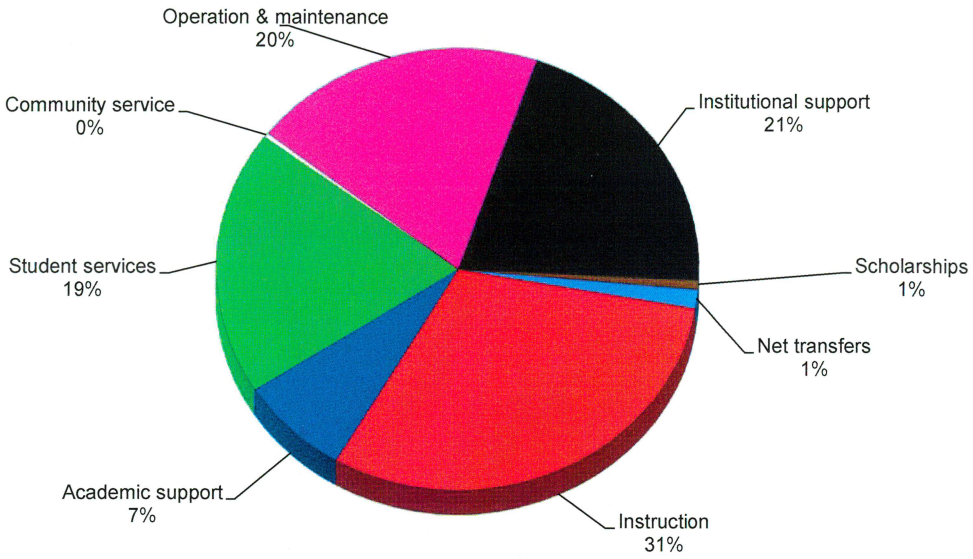
GRAPHS

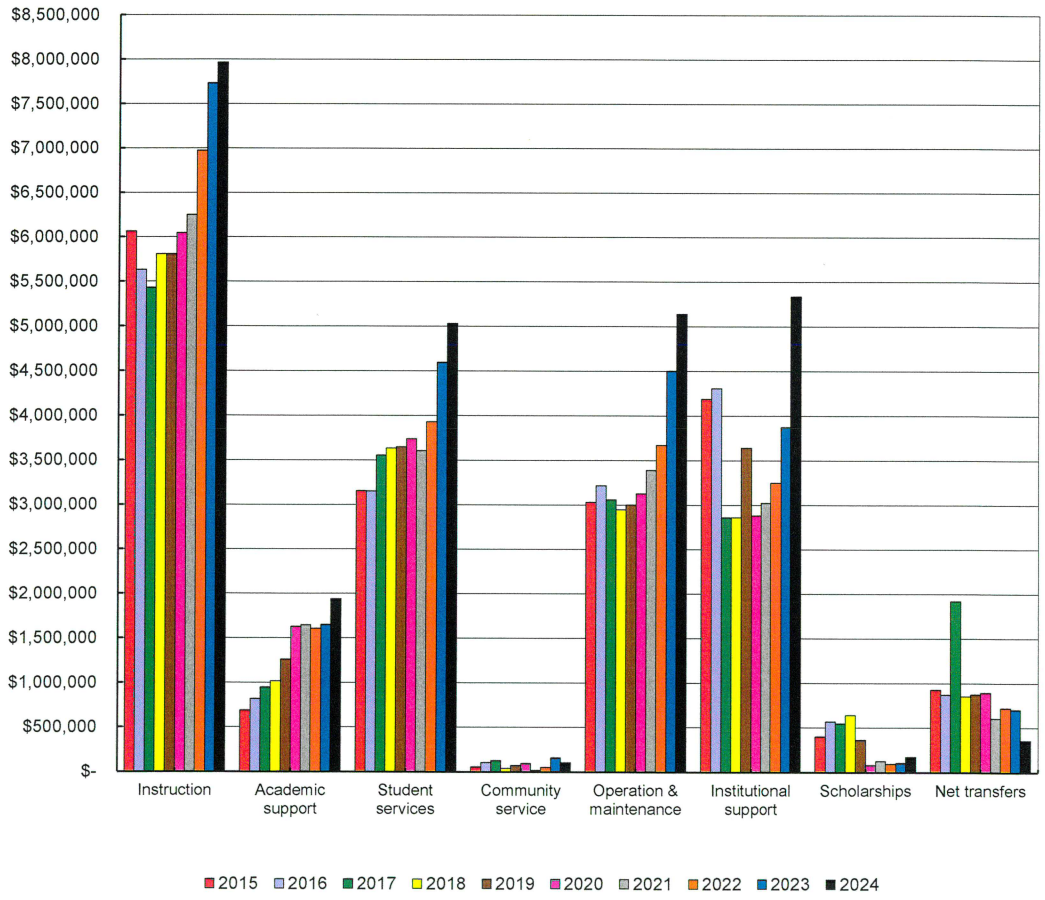
GARDEN CITY COMMUNITY COLLEGE
Graphs
Comparison of Revenues -
All Current Funds - Unrestricted (Legal Basis) excluding Auxiliary Enterprises
but including Restricted - Postsecondary Technical Education Fund
For the Years Ended June 30



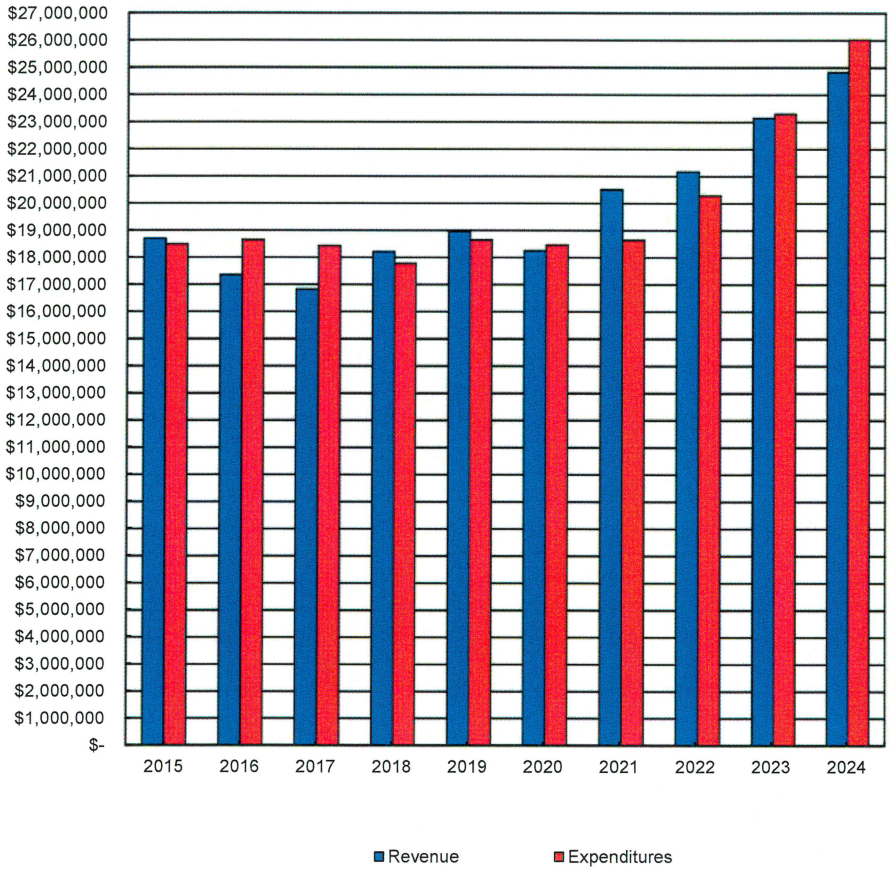


GARDEN CITY COMMUNITY COLLEGE
Graphs
Comparison of Expenditures, Encumbrances and Net Transfers -
All Current Funds - Unrestricted (Legal Basis) excluding Auxiliary Enterprises
but including Restricted - Postsecondary Technical Education Fund
For the Years Ended June 30





GARDEN CITY COMMUNITY COLLEGE
Graphs
Comparison of Revenues, and Expenditures, Encumbrances and Net Transfers -
All Current Funds - Unrestricted (Legal Basis) excluding Auxiliary Enterprises
but including Restricted - Postsecondary Technical Education Fund
For the Years Ended June 30



GARDEN CITY COMMUNITY COLLEGE

OPEID No.: 00191900
EIN: 48-0698107

FEDERAL AWARD PROGRAMS

June 30, 2024

LEWIS, HOOPER & DICK LLC
certified public accountants

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

Board of Trustees
Garden City Community College
801 Campus Drive
Garden City, Kansas 67846

We have audited in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*GAS*); and the *Kansas Municipal Audit and Accounting Guide* (*KMAAG*), issued by the State of Kansas, the financial statements of the business-type activities and the discretely presented component units of Garden City Community College (the College) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated February 5, 2025. The financial statements of the Garden City Community College Endowment Association and the Broncbuster Athletic Association were not audited in accordance with *GAS* or the *KMAAG*.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Report on Compliance and Other Matters

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

We noted certain matters that we have reported to management of the College in a separate letter dated February 5, 2025.

The College's Response to Findings

GAS requires the auditor to perform limited procedures on the College's response to the findings identified in our engagement and described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Lewis, Hooper + Dick, LLC

LEWIS, HOOPER & DICK, LLC

February 5, 2025

LEWIS, HOOPER & DICK LLC
certified public accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Board of Trustees
Garden City Community College
801 Campus Drive
Garden City, Kansas 67846

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Garden City Community College's (the College) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2024. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

The College's financial statements include the operations of the College's Endowment Association and the Broncbuster Athletic Association, which received no federal awards during the year ended June 30, 2024. Our compliance audit, described below, did not include the operations of the College's Endowment Association and the Broncbuster Athletic Association because they expended no federal awards.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibility for the Audit of Compliance

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

In performing an audit in accordance with GAAS, the *KMAAG*, *GAS*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

Lewis, Hooper + Dick, LLC

LEWIS, HOOPER & DICK, LLC

February 5, 2025

GARDEN CITY COMMUNITY COLLEGE
Schedule of Findings and Questioned Costs
Primary Government only
For the Year Ended June 30, 2024

I. SUMMARY OF AUDIT RESULTS

A. Financial Statements

- Type of auditor's report issued: Unmodified

- Internal control over financial reporting as reported in the INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

Are any material weaknesses identified?	Yes
Are any significant deficiencies identified?	None reported
Is any noncompliance material to financial statements noted?	No

B. Federal Awards

- Internal control over major programs as reported in the INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE:

Are any material weaknesses identified?	No
Are any significant deficiencies identified?	None reported

- Type of auditor's report issued on compliance for major programs: Unmodified

- Are there any audit findings that are required to be reported in accordance with 2 CFR 20.516(a)? None

- The programs tested as major programs include:

Federal Assistance Listing Number	Name of Federal Program and Cluster	Grant Number	Expenditures
	Student Financial Assistance Cluster:		
84.007	Federal Supplemental Educational Opportunity Grants	P007A231513	$ 80,325
84.033	Federal Work-Study Program	P033A231513	55,086
84.063	Federal PELL Grant Program	P063P231468	3,197,481
	Federal Direct Student Loans:		
84.268	Stafford Student Loan Program		656,012
84.268	Unsubsidized Stafford Student Loan Program		609,593
84.268	Parent Plus Loan Program		20,233

- Dollar threshold used to distinguish between type A and B programs: $750,000

Auditee qualified as low-risk auditee: No

GARDEN CITY COMMUNITY COLLEGE
Schedule of Findings and Questioned Costs
Primary Government only
For the Year Ended June 30, 2024

(continued)

II. FINANCIAL STATEMENT FINDINGS

Finding 2024-001

Type of Finding:	Material weakness in internal control over financial reporting.
Finding:	Control procedures over the recording of fixed assets and construction in progress (CIP) transactions were not functioning as designed.
Criteria:	Control procedures over fixed assets and CIP should be in place to prevent, or detect and correct potential misstatements of fixed assets and CIP. This includes consistent application of the College's policies, and correct calculation of fixed asset additions, deletions, and CIP. Fixed asset additions, deletions, and CIP should be reconciled to the general ledger and underlying records by College staff to ensure they are properly stated.
Condition:	In the current year, transactions affecting the fixed asset and CIP listing were not properly recorded in accordance with the College's policy.
Context:	When reconciling the fixed asset and CIP listings to the general ledger we noted several adjustments were necessary. In addition, several transactions which should have been recorded in CIP in the prior year and/or capitalized as a fixed asset in the prior year were not properly recorded.
Effect or Potential Effect:	Failure to properly record fixed asset and CIP related transactions could result in a material misstatement in the financial statements.
Cause:	This finding results from a lack of oversight and adherence to the College's policy in recording transactions affecting the determination of fixed asset additions, deletions, and CIP.
Recommendation:	We recommend the fixed assets and CIP transactions and the resulting fixed asset and CIP listings be reviewed and reconciled to the general ledger by management to ensure proper recording of all transactions in accordance with the College's policy. The fixed asset listing and CIP records should be reconciled prior to calculation of depreciation for the year.
View of Responsible Official:	The College's management will review fixed asset and CIP transactions and reconcile the fixed asset and CIP listings to the general ledger to ensure fixed assets and CIP are properly stated.

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

GARDEN CITY
COMMUNITY COLLEGE

801 Campus Drive
Garden City, Kansas 67846
(620) 276-7611
www.gcccks.edu

Corrective Action Plan
and Comments on Audit Resolution Matters Relating
to the Student Financial Assistance and Federal Award Programs
June 30, 2024

February 5, 2025

Department of Education:

Garden City Community College, Garden City, Kansas, respectfully submits the following corrective action plan for the year ended June 30, 2024.

Name and address of independent accounting firm: Lewis, Hooper & Dick, LLC
PO Box 699
Garden City, KS 67846

Audit period: July 1, 2023 through June 30, 2024

The findings from the June 30, 2024, Schedule of Findings and Questioned Costs related to the federal award programs are discussed below. The findings are numbered consistently with the number assigned in the Schedule. Section I of the Schedule, Summary of Audit Results, does not include findings and is not addressed.

II. FINANCIAL STATEMENT FINDINGS

Finding 2024-001
Planned Corrective Action:
The College's management will review fixed asset and CIP transactions and reconcile the fixed asset and CIP listings to the general ledger to ensure fixed assets and CIP are properly stated, with a planned implementation date by the Vice President of Administrative Services / CFO of February 5, 2025.

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

IV. STATUS OF CORRECTIVE ACTIONS ON PRIOR FINDINGS

Finding 2023-001
Finding resolved in the current year.

If the Department of Education, the oversight agency, has questions regarding this plan, please call Karla Armstrong at (620) 276-9575.

Sincerely,

Karla Armstrong

Karla Armstrong
Vice President of Administrative Services / CFO

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GARDEN CITY COMMUNITY COLLEGE
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Agency / Program	Federal Assistance Listing Number	Federal Agency or Pass-Through Grant Number	Federal Expenditures	
U.S. DEPARTMENT OF EDUCATION				
Direct Programs:				
Federal Supplemental Educational Opportunity Grants	84.007	P007A231513		$ 80,325
Federal Work-Study Program	84.033	P033A231513		55,086
Federal Pell Grant Program	84.063	P063P231468		3,197,481
Federal Direct Student Loans:				
Stafford Student Loan Program	84.268		$ 656,012	
Unsubsidized Stafford Student Loan Program	84.268		609,593	
Parent Plus Loan Program	84.268		20,233	1,285,838
Total Student Financial Assistance Cluster				4,618,730
Higher Education Institutional Aid:				
STEM Central	84.031	P031C210047-23	928,123	
STEM Central	84.031	P031C210047	371,928	1,300,051
TRIO - Student Support Services:				
Student Support Services - 2024	84.042	P042A200124-23	283,948	
Student Support Services - 2023	84.042	P042A200124-22	105,574	389,522
Innovative Approaches to Literacy; Promise Neighborhoods; Full-Service Community Schools; and Congressionally Directed Spending for Elementary and Secondary Education Community Projects	84.215	S215K220080		155,179
Passed through the Kansas Board of Regents:				
Adult Education - Basic Grants to States:				
Adult Education - 2024	84.002	V002A230016	226,117	
Adult Education Professional Development	84.002	V002A230016	6,253	
EL Civics - 2024	84.002	V002A230016	45,000	
EL Civics - 2023	84.002	V002A200016	3,604	280,974
Career and Technical Education - Basic Grants to States:				
Perkins Core Indicators Award	84.048	V048A200016	16,000	
Carl D Perkins Program Improvement	84.048	V048A230016	143,998	159,998
Passed through Kansas State University:				
Migrant Education College Assistance Migrant Program:				
Project KANCO - 2024	84.149	S149A190019-22		85,298
Total U.S. Department of Education				6,989,752
NATIONAL SCIENCE FOUNDATION				
Passed through Kansas State University:				
STEM Education:				
Pathways to STEM: Kansas Louis Stokes Alliance for Minority Participation - 2024	47.076	A00-0678-S002-A02	30,366	
Pathways to STEM: Kansas Louis Stokes Alliance for Minority Participation - 2023	47.076	A00-0678-S002-A02	36,140	66,506
Total National Science Foundation				66,506

(continued)

GARDEN CITY COMMUNITY COLLEGE
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Agency / Program	Federal Assistance Listing Number	Federal Agency or Pass-Through Grant Number	Federal Expenditures	
(continued)				
OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE				
Passed through the University of Kansas Center for Research, Inc.:				
Intelligence Community Centers for Academic Excellence - 2024	54.001	22082500003	$ 20,843	
Intelligence Community Centers for Academic Excellence - 2023	54.001	22082500003	8,245	$ 29,088
Total Office of the Director of National Intelligence				29,088
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through Kansas State University:				
Biomedical Research and Research Training:				
Biomedical Research - Kansas Bridges to the Future - 2024	93.859	1T34GM142609-01		15,057
Total U.S. Department of Health and Human Services				15,057
Total Expenditures of Federal Awards				$ 7,100,403

The accompanying Notes to Schedule of Expenditures of Federal Awards are an integral part of this schedule.

GARDEN CITY COMMUNITY COLLEGE
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

1. General
The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity programs of the College under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the College.

2. Basis of accounting
Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. De minimis cost rate
The College has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

4. Summary of programs from sponsoring agencies

A. U.S. Department of Education

1. Federal Supplemental Educational Opportunity Grant Program
The Federal Supplemental Educational Opportunity Grant (SEOG) Program was established by the College in 1973, pursuant to Title IV, Part A, of the Higher Education Act of 1965, as amended. During the academic year ended June 30, 2024, 224 students participated in the program, receiving awards that aggregated $107,100. Of these awards, $80,325 were paid from federal funds and $26,775 were paid from institutional contributions.

2. Federal Work Study Program
The Federal Work Study (FWS) Program was established by the College in 1967, pursuant to Title IV, Part C of the Higher Education Act of 1965, as amended. During the year ended June 30, 2024, 34 students participated in the program, earning $62,971 in wages. Of these wages, $47,228 were paid from federal funds and $15,743 were paid from institutional contributions.

3. Federal PELL Grant Program
The College entered into an agreement with the Department of Education to participate in the Federal PELL Grant Program. This program provides eligible students with a foundation of financial aid to help defray the costs of post-secondary education. During the 2024 academic year, $3,197,481 was expended for PELL awards to 757 full-time and part-time students.

GARDEN CITY COMMUNITY COLLEGE
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

4. Summary of programs from sponsoring agencies (continued)

A. U.S. Department of Education (continued)

4. Federal Direct Student Loans
The Stafford Student Loan (SSL) Program, formerly the Guaranteed Student Loan Program, was established to make low interest loans available to students to pay for their costs of attending post-secondary educational institutions. The SSL Program in Kansas is administered by the Higher Education Assistance Foundation (HEAF), a private, nonprofit corporation chartered to guarantee student loans. The loans are made through lending institutions, but post-secondary institutions, such as the College, are responsible for completing portions of the loan applications, verifying student eligibility, filing student confirmation reports, refunding money to lenders, when appropriate, and handling loan checks when they are sent to the education institution rather than to the borrower. The College handled 254 approved Stafford Student Loans for college students during the 2024 academic year. In addition, the College processed 231 approved loans under the related Unsubsidized Stafford Student Loan Program and five approved loans under the Parent Plus Loan Program.

5. Higher Education Institutional Aid
The objective of the Higher Education Institutional Aid is to help eligible colleges and universities to strengthen their management and fiscal operations to assist such institutions to plan, develop, or implement activities to strengthen the academic quality of their institutions.

6. TRIO – Student Support Services Program
The Title IV TRIO – Student Support Services Program objective at the College is to provide supportive services to disadvantaged college students to enhance their potential for successfully completing the postsecondary education program in which they are enrolled and increase their transfer rates from 2-year to 4-year institutions.

7. Innovative Approaches to Literacy; Promise Neighborhoods; Full-Service Community Schools; and Congressionally Directed Spending for Elementary and Secondary Education Community Projects.
The Innovative Approaches to Literacy program supports high-quality programs designed to develop and improve literacy skills for children and students from birth through 12th grade in high-need local educational agencies and schools.

8. Adult Education– Basic Grants to States
The objective of the Adult Education program is to provide, improve and expand post-secondary vocational services and activities to train and retrain adults. Funds are awarded annually based upon submission of an application and program plan.

9. Career and Technical Education - Basic Grants to States
Enacted as the Carl D. Perkins Career and Technical Education Act of 2006, the objective of the Career and Technical Education program is to develop more fully the academic, career, and technical skills of secondary and postsecondary students who elect to enroll in career and technical education programs.

10. Migrant Education College Assistance Migrant Program
Kansas State University entered into a subaward agreement with the College to deliver quality educational services to eligible migrant students.

GARDEN CITY COMMUNITY COLLEGE
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

4. Summary of programs from sponsoring agencies (continued)

B. National Science Foundation

1. STEM Education
Kansas State University and Fort Hays State University are providing funds to the College to provide leadership and ensure the vitality of the Nation's science, technology, engineering and mathematics (STEM) education enterprise.

C. Office of the Director of National Intelligence

1. Intelligence Community Centers for Academic Excellence
The Intelligence Community Centers for Academic Excellence is a Congressionally mandated program to promote the acquisition of diverse, competitive talent in concert with the U.S. Intelligence Community's Human Capital Vision 2020.

D. U.S. Department of Health and Human Services

1. Biomedical Research and Research Training Program
The College is a subrecipient of the Biomedical Research and Research Training program through a Kansas State University project, Kansas Bridges to the Future.

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GARDEN CITY COMMUNITY COLLEGE
Comparison of Expenditures of Federal Awards
For the Years Ended June 30

