

CENTRAL COMMUNITY COLLEGE AREA

FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024



**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

CENTRAL COMMUNITY COLLEGE AREA
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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Governors
Central Community College Area
Grand Island, Nebraska

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of Central Community College Area as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise Central Community College Area's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Central Community College Area, as of June 30, 2025 and 2024, and the respective statements of revenues, expenses, and changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Central Community College Foundation, which represent 21%, 22%, and 9%, respectively, of the assets, net position, and revenues of Central Community College Area as of June 30, 2025 and 2024, and the respective statements of revenues, expenses, and changes in financial position, and where applicable, cash flows thereof for the years then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Central Community College Foundation is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of Central Community College Foundation were not audited in accordance with *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Central Community College Area 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 Central Community College Area'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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional 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 Central Community College Area'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 Central Community College Area'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 on pages 4 - 11 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of

financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Central Community College Area's basic financial statements. The schedules of general fund revenues - budgetary basis and schedules of general fund expenditures - budgetary basis, 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of general fund revenues - budgetary basis and schedules of general fund expenditures - budgetary basis are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2025, on our consideration of Central Community College Area's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Central Community College Area's internal control over financial reporting and compliance.

Dana J Cole + Company, LLP

Minden, Nebraska
November 12, 2025

CENTRAL COMMUNITY COLLEGE AREA MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Central Community College Area's (the College) annual financial report presents the management's discussion and analysis of the College's financial performance, as reflected in the financial statements for the fiscal years ended June 30, 2025 and 2024. The Central Community College Foundation (the Foundation) is a legally separate not-for-profit corporation and is reported as a discretely presented component unit based on the nature and significance of its relationship to the College. The management's discussion and analysis does not contain information of the Foundation. Please read the management's discussion and analysis in conjunction with the College's financial statements, which follow this section.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the College's basic financial statements and notes to the financial statements. The financial statements include three components: the statements of net position; the statements of revenues, expenses, and changes in net position; and the statements of cash flows - direct method. These statements provide information on the College as a whole and present a long-term view of the College's finances.

THE STATEMENT OF NET POSITION AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

One of the most important questions asked about the College's finances is, "Is Central Community College Area as a whole better off as a result of the year's activities?" The statement of net position and the statement of revenues, expenses, and changes in net position report information on the College as a whole and on its activities in a way that helps answer this question. When revenues and other support exceed expenses, the result is an increase in net position. When the reverse occurs, the result is a decrease in net position. The relationship between revenues and expenses may be thought of as the College's operating results.

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the College's net position and changes in it. You can think of the College's net position (the difference between assets and liabilities and deferred inflows of resources) as one way to measure the College's financial health or financial position. Over time, increases or decreases in the College's net position are indicators of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as enrollment trends, placement results, program quality, condition of buildings, campus safety, and other factors to assess the overall health of the institution.

CENTRAL COMMUNITY COLLEGE AREA
MANAGEMENT'S DISCUSSION AND ANALYSIS

THE STATEMENT OF NET POSITION AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (Continued)

Figure 1
Central Community College Area
Net Position
(in thousands of dollars)

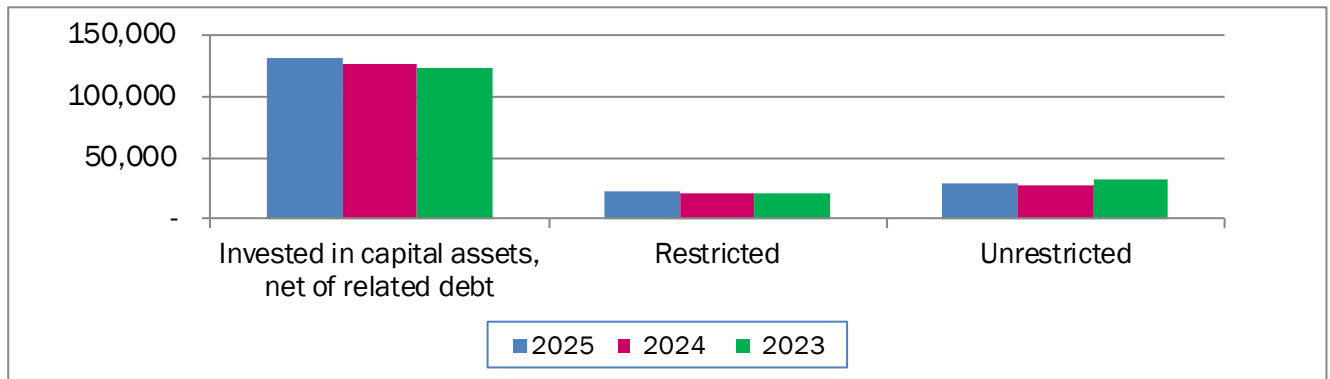


Table 1
Central Community College Area
Net Position
(in thousands of dollars)

	2025	2024	2023
Current assets	61,884	62,622	60,696
Noncurrent assets	1,812	866	2,335
Intangible assets	7,840	7,631	7,618
Capital assets	131,558	128,292	129,438
Total assets	<u>203,094</u>	<u>199,411</u>	<u>200,087</u>
Current liabilities	9,353	10,039	12,608
Noncurrent liabilities	9,789	9,178	10,886
Deferred inflows of resources	1,399	6,507	225
Total liabilities	<u>20,541</u>	<u>25,724</u>	<u>23,719</u>
Net position			
Invested in capital assets, net of related debt	131,559	126,753	123,903
Restricted	22,605	20,238	20,210
Unrestricted	28,389	26,696	32,255
Total net position	<u>182,553</u>	<u>173,687</u>	<u>176,368</u>

CENTRAL COMMUNITY COLLEGE AREA
MANAGEMENT'S DISCUSSION AND ANALYSIS

THE STATEMENT OF NET POSITION AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (Continued)

Net position of the College increased by 5.1% (\$8,866 thousands) for the fiscal year ended June 30, 2025, and decreased by 1.5% (\$2,681 thousands) for the fiscal year ended June 30, 2024. The decrease in net position for the current year is due to the following factors:

Unrestricted and restricted net position increased 8.7% (\$4,060 thousands) during 2024 - 2025. This was due to a planned budget increase due to the change in the state's handling of property taxes. Investment in capital assets, net of related debt, increased 3.8% (\$4,806 thousands). This is due to capital projects that were completed.

Table 2
Central Community College Area
Statement of Revenues, Expenses, and Changes in Net Position
(in thousands of dollars)

	2025	2024	2023
Operating revenue			
Student tuition and fees	6,942	6,031	5,681
Grants and contracts	62	79	121
Sales educational departments	939	1,313	700
Auxiliary enterprises	3,916	4,131	3,736
Foundation support	2,769	2,370	1,790
Other	2,274	2,383	3,161
Total operating revenue	<u>16,902</u>	<u>16,307</u>	<u>15,189</u>
Operating expenses			
Personnel services	55,368	52,920	50,411
Operating expenses	27,874	27,482	23,501
Supplies	5,458	5,187	4,784
Noncapitalized assets	1,816	2,312	2,247
Depreciation and amortization	9,958	9,651	9,332
Total operating expenses	<u>100,474</u>	<u>97,552</u>	<u>90,275</u>
Net operating loss	<u>(83,572)</u>	<u>(81,245)</u>	<u>(75,086)</u>
Nonoperating revenue			
State aid	61,913	11,169	10,755
Property taxes (change in estimate)	(1,539)	42,061	41,506
Grants and contracts	15,319	14,308	9,826
Investment income	248	251	144
Gifts	3,200		
Interest expense	(9)	(65)	(129)
Net nonoperating revenue	<u>79,132</u>	<u>67,724</u>	<u>62,102</u>

CENTRAL COMMUNITY COLLEGE AREA
MANAGEMENT'S DISCUSSION AND ANALYSIS

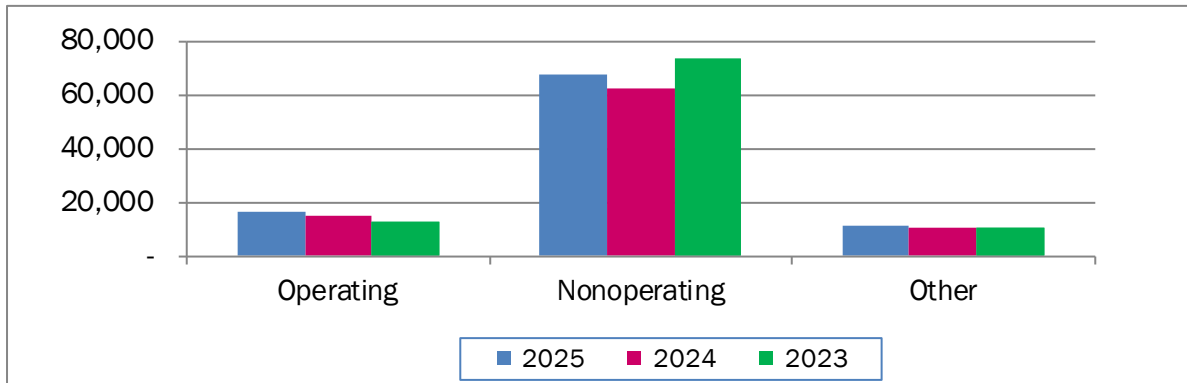
THE STATEMENT OF NET POSITION AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (Continued)

Table 2 (Continued)
Central Community College Area
Statement of Revenues, Expenses, and Changes in Net Position
(in thousands of dollars)

	2025	2024	2023
Other revenue			
Capital appropriations	<u>13,306</u>	<u>10,841</u>	<u>10,211</u>
Increase (decrease) in net assets	8,866	(2,680)	(2,773)
Net position			
Net position, beginning of year	<u>173,687</u>	<u>176,367</u>	<u>179,140</u>
Net position, end of year	<u><u>182,553</u></u>	<u><u>173,687</u></u>	<u><u>176,367</u></u>

REVENUES

Figure 2
Central Community College Area
Revenues
(in thousands of dollars)



The change in revenues was the result of the following:

Operating revenue showed an increase of \$595 thousands over 2024 - 2025. Tuition and fee revenue increased by \$911 thousands. Auxiliary enterprises and other operating revenue showed an increase of \$75 thousands in revenues. The College has increased enrollment over the past several years.

CENTRAL COMMUNITY COLLEGE AREA
MANAGEMENT'S DISCUSSION AND ANALYSIS

REVENUES (Continued)

Nonoperating revenue included an increase in state aid due to the restructuring of property taxes as part of the state's future funding. This funding, combined with the corresponding amount in property taxes showed a net increase of 13.4% (\$7,144 thousands). Grants revenue shows an increase 7.1% (\$1,011 thousands). This was primarily from the federal government funds distributed as the result of the pandemic in prior years.

EXPENSES

**Figure 3
Central Community College Area
Expenses**

	2025	2024	2023
Educational and general			
Instruction	27,360,528	26,540,770	24,108,574
Academic support	10,486,577	10,115,211	10,405,387
Student services	12,647,256	12,194,989	8,636,353
Institutional support	20,812,456	20,086,498	19,376,868
Physical plant	9,395,640	10,045,424	9,881,882
Depreciation	9,958,228	9,650,755	9,332,127
Student financial aid	6,741,218	6,687,719	5,943,765
Auxiliary enterprises	3,072,466	2,230,441	2,589,880
Total expenses	100,474,369	97,551,807	90,274,836

The change in expenses was the result of the following:

An increase of 4.6% (\$2,448 thousands) in personnel services is primarily from an increase in wages and benefits.

Operating and supplies expenses have increased by .5% (\$167 thousands), staying relatively the same.

Depreciation expense increased by 3.2% (\$307 thousands). This is due to the various capital projects completed in the prior fiscal years being higher than normal.

THE STATEMENT OF CASH FLOWS

Another way to assess the financial health of the College is to look at the statements of cash flows. The purpose of the statements of cash flows is to provide relevant information about cash receipts and cash payments made by the College during a fiscal year. The statements also help users to assess the College's:

- Ability to generate future net cash flows
- Ability to meet its obligations as they come due
- Needs for external financing
- Investment timing and strategies

CENTRAL COMMUNITY COLLEGE AREA
MANAGEMENT'S DISCUSSION AND ANALYSIS

THE STATEMENT OF CASH FLOWS (Continued)

Table 3
Central Community College Area
Cash Flows
(in thousands of dollars)

	2025	2024	2023
Cash provided by (used in):			
Operating activities	(73,367)	(71,836)	(64,625)
Noncapital financing activities	87,873	66,343	61,776
Capital and related financing activities	10	5,616	(1,709)
Investing activities	189	283	621
Net increase (decrease) in cash and cash equivalents	14,705	406	(3,937)
Cash and cash equivalents, beginning of the year	<u>36,432</u>	<u>36,026</u>	<u>39,963</u>
Cash and cash equivalents, end of the year	<u>51,137</u>	<u>36,432</u>	<u>36,026</u>

Cash and cash equivalents increased for the 2025 year by 40.4% (\$14,705 thousands). This was due to planned budget revenues being higher due to the change in property taxes, and an increase in government grants.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2025, the College had \$131,559 thousands invested in capital assets, net of accumulated depreciation of \$130,594 thousands. Depreciation charges for the fiscal years ended June 30, 2025 and 2024, totaled \$9,958 and \$9,651 thousands, respectively. Details of capital assets for the fiscal years ended June 30 are as follows:

Table 4
Central Community College Area
Capital Assets
(net of depreciation and amortization, in thousands of dollars)

	2025	2024	2023
Land and construction in progress	6,801	6,809	5,916
Land improvements	8,868	7,062	6,611
Buildings	107,795	106,782	109,213
Equipment	3,867	3,999	3,958
Right-to-use assets	4,228	3,640	3,740
	<u>131,559</u>	<u>128,292</u>	<u>129,438</u>

CENTRAL COMMUNITY COLLEGE AREA
MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)

Major capital additions completed this year include (in thousands):

Fiber project, Hastings and Columbus	4,002
Platte remodel, Hastings	2,456
Phelps HVAC upgrade, Hastings	1,676
Student Center remodel, Columbus	1,404
Equipment	<u>1,631</u>
	<u>11,169</u>

The College has planned capital expenditures for the fiscal year ending June 30, 2026, of approximately \$15,160 thousands.

Capital improvement funds will be used to finance the following major items:

In Hastings: Furnas remodel for \$4,000,000, Phelps remodel for \$650,000, and miscellaneous projects for \$2,162,000. In Grand Island: Welding building for \$1,040,000, CHTS building upgrades for \$350,000, and miscellaneous projects of \$1,021,000. In Columbus: Physical Education building remodel of \$3,000,000, ball field upgrades for \$600,000, and miscellaneous projects for \$448,000. Learning centers: Holdrege expansion for \$600,000, and miscellaneous projects for \$365,000. College-wide projects of \$1,075,000 are planned. the largest at \$1,500,000.

Amounts available from prior revenue bond issuances will finance the following major items:

In Columbus: miscellaneous projects for \$780,000. In Hastings: miscellaneous projects for \$1,145,000 are planned.

More detailed information about the College's capital assets is found in Note 5 to the financial statements.

CENTRAL COMMUNITY COLLEGE AREA
MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Debt

At June 30, 2025, the College had no debt outstanding versus \$1,540 thousands at June 30, 2024.

Table 5
Central Community College Area
Outstanding Debt
(in thousands of dollars)

	2025	2024	2023
2019 Series Central Community College Facilities Corp Bonds		1,540	3,045
2021 Series Dormitory and Student Facility Refunding Revenue Bonds			2,490
	_____	1,540	5,535

The issuance of the 2021 Series bonds were used to refund the 2012B, 2013, 2014, and 2017 issuances. The issuance of the 2019 Series bonds were used to refund the 2013 and 2014 issuances.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The economic position of Central Community College Area is closely tied to that of the state. The 2013 modifications to the Community College funding formula in Nebraska State Statutes have directly affected College resources available in subsequent years. The College's share of state aid available for 2025 - 2026 is set to increase by 6.4% (\$762 thousands). Property valuations for the Central Community College Area have increased by 10.4%.

The state of Nebraska enacted Statute 85-1543 in 2023 and took effect with the 2024 - 2025 fiscal year. This act provided state funding in lieu of the community colleges being able to levy on the general fund and the ADA fund. The amount provided to the College for the 2025-2026 fiscal year is \$50,866,769.

In light of this environment, the College Board of Governors has taken the following actions:

The College continues to utilize the Academic Quality Improvement Program (AQIP) for College decision making and improvement.

The 2025 - 2026 property tax levy for the Capital Improvement Fund is the same as in 2024 - 2025 at 2.00 cents.

Tuition and fee rates for 2025 - 2026 will increase to \$115 a credit hour from \$112 a year ago.

FINANCIAL CONTACT

The College's financial statements are designed to present users with a general overview of the College's finances and to demonstrate the College's accountability. If you have questions about the report or need additional financial information, contact Joel King, College Business Officer, 308.398.7315, at 3134 West Highway 34, P.O. Box 4903, Grand Island, Nebraska, 68802-4903, or email joelking@cccneb.edu.

CENTRAL COMMUNITY COLLEGE AREA
STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024

	2025		2024	
	College	Foundation	College	Foundation
ASSETS				
Current assets				
Cash and cash equivalents	51,137,409	5,609,697	36,431,652	8,236,835
Investments	1,740,776	40,693,951	2,628,648	37,858,654
Property taxes receivable	4,454,492		19,463,033	
Accounts receivable (net)	2,667,902	2,454,305	2,344,519	314,607
Interest receivable	6,938	5,746	6,412	5,604
Prepaid expense	1,876,712		1,747,372	
Total current assets	<u>61,884,229</u>	<u>48,763,699</u>	<u>62,621,636</u>	<u>46,415,700</u>
Noncurrent assets				
Endowment investments		638,677		616,285
Long-term investments	1,811,974		865,848	
Notes and pledges receivable (net)		2,792,715		1,933,995
Intangible SBITA assets (net)	7,839,849		7,630,590	
Capital assets (net)	<u>131,559,206</u>	<u>1,117,177</u>	<u>128,292,618</u>	<u>1,157,409</u>
Total noncurrent assets	<u>141,211,029</u>	<u>4,548,569</u>	<u>136,789,056</u>	<u>3,707,689</u>
TOTAL ASSETS	<u>203,095,258</u>	<u>53,312,268</u>	<u>199,410,692</u>	<u>50,123,389</u>
LIABILITIES				
Current liabilities				
Accounts payable	2,987,289	1,330	2,469,590	679
Salaries accrued	3,126,287		2,916,881	
Interest accrued			21,868	
Deferred revenue	647,453	66,939	645,039	7,000
Deposits	133,159		135,817	
Deposits held in custody for others	83,646		89,322	
Current amount of public/private partnership agreement	32,000		32,000	
Leases payable - current	373,403		269,952	
Subscriptions payable - current	1,969,928		1,918,848	
Bonds/notes payable - current		500,000	1,540,000	500,000
Total current liabilities	<u>9,353,165</u>	<u>568,269</u>	<u>10,039,317</u>	<u>507,679</u>

CENTRAL COMMUNITY COLLEGE AREA
STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024

	2025		2024	
	College	Foundation	College	Foundation
LIABILITIES (Continued)				
Noncurrent liabilities				
Annuities payable		302,682		315,765
Public/private partnership agreement	64,000		96,000	
Leases payable	3,855,282		3,370,462	
Subscriptions payable	5,869,920		5,711,742	
Total noncurrent liabilities	9,789,202	302,682	9,178,204	315,765
 TOTAL LIABILITIES	 19,142,367	 870,951	 19,217,521	 823,444
 DEFERRED INFLOWS OF RESOURCES				
Related to grant funding	1,264,528		6,327,185	
Related to public/private partnership agreement	134,770		179,693	
Total deferred inflows of resources	1,399,298		6,506,878	
 TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	 20,541,665	 870,951	 25,724,399	 823,444
 NET POSITION				
Without donor restrictions		29,719,436		30,254,267
With donor restrictions		22,721,881		19,045,678
Invested in capital assets, net of related debt	131,559,206		126,752,618	
Restricted for				
Grants	3,758,115		3,470,302	
ADA/hazardous waste	18,847,054		16,767,460	
Unrestricted	28,389,218		26,695,913	
 TOTAL NET POSITION	 182,553,593	 52,441,317	 173,686,293	 49,299,945

See accompanying notes to financial statements.

CENTRAL COMMUNITY COLLEGE AREA
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2025 AND 2024

	2025		2024	
	College	Foundation	College	Foundation
OPERATING REVENUES				
Tuition and fees	6,941,831		6,031,459	
Nongovernmental grants and contracts	61,976		78,598	
Sales and services of educational departments	939,048		1,312,893	
Auxiliary enterprises	3,915,836		4,131,056	
Foundation support	2,769,353		2,370,322	
Other operating income	2,274,821		2,382,657	
Total operating revenues	<u>16,902,865</u>		<u>16,306,985</u>	
OPERATING EXPENSES				
Personnel services	55,368,109		52,920,250	
Operating expenses	27,873,809	8,007,767	27,482,452	4,293,327
Supplies	5,458,204		5,186,716	
Noncapitalized assets	1,816,019		2,311,634	
Depreciation and amortization	9,958,228		9,650,755	
Total operating expenses	<u>100,474,369</u>	<u>8,007,767</u>	<u>97,551,807</u>	<u>4,293,327</u>
OPERATING LOSS	<u>(83,571,504)</u>	<u>(8,007,767)</u>	<u>(81,244,822)</u>	<u>(4,293,327)</u>
NONOPERATING REVENUES (EXPENSES)				
Governmental appropriations				
State aid	61,912,807		11,169,059	
Property taxes			42,061,102	
Change in estimate for property taxes receivable	(1,539,364)			
Governmental grants and contracts				
Federal	11,471,368		10,614,320	
State	3,812,633		3,662,089	
Nongovernmental grants and contracts				
	35,761		30,739	
Gifts	3,200,000	6,964,956		3,229,003
Fundraising proceeds		187,347		201,555
Investment income	247,992	3,179,597	250,532	4,659,537
Other support and revenues		817,238		1,199,630
Interest expense	(9,237)		(64,859)	
Net nonoperating revenues (expenses)	<u>79,131,960</u>	<u>11,149,138</u>	<u>67,722,982</u>	<u>9,289,725</u>

CENTRAL COMMUNITY COLLEGE AREA
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2025 AND 2024

	2025		2024	
	College	Foundation	College	Foundation
INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	(4,439,544)	3,141,371	(13,521,840)	4,996,398
OTHER INCOME				
Capital appropriations	<u>13,306,844</u>	<u> </u>	<u>10,840,775</u>	<u> </u>
INCREASE (DECREASE) IN NET POSITION	<u>8,867,300</u>	<u>3,141,371</u>	<u>(2,681,065)</u>	<u>4,996,398</u>
NET POSITION, beginning of year	<u>173,686,293</u>	<u>49,299,945</u>	<u>176,367,358</u>	<u>44,303,547</u>
NET POSITION, end of year	<u><u>182,553,593</u></u>	<u><u>52,441,316</u></u>	<u><u>173,686,293</u></u>	<u><u>49,299,945</u></u>

See accompanying notes to financial statements.

CENTRAL COMMUNITY COLLEGE AREA
STATEMENTS OF CASH FLOWS - DIRECT METHOD
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	6,382,976	5,427,997
Grants and contracts	61,976	78,598
Payments for personnel services	(55,158,703)	(52,814,395)
Payments for other operating expenses	(29,009,090)	(29,475,391)
Payments for supplies	(5,458,204)	(5,186,716)
Sales and services of educational departments	939,048	1,312,893
Auxiliary enterprises	3,907,502	4,144,621
Public/private partnership agreement	(76,923)	(76,923)
Other receipts	<u>5,044,174</u>	<u>4,752,979</u>
Net cash used in operating activities	<u>(73,367,244)</u>	<u>(71,836,337)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State aid	61,912,807	11,169,059
Property taxes - General Fund and ADA/Hazardous Waste Fund	13,469,177	42,039,255
Collection of loans to students	3,094,276	2,929,561
Loans issued to students	(3,094,276)	(2,929,561)
Gifts and grants for other than capital purposes	<u>12,490,883</u>	<u>13,134,333</u>
Net cash provided by noncapital financing activities	<u>87,872,867</u>	<u>66,342,647</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Property taxes - Capital Improvement Fund	13,306,844	10,840,775
Cash received for capital grants	1,500,000	7,500,000
Principal paid on capital debt	(1,540,000)	(3,995,000)
Interest paid on capital debt	(31,105)	(66,387)
Purchases of capital assets	<u>(13,224,816)</u>	<u>(8,663,056)</u>
Net cash provided by capital financing activities	<u>10,923</u>	<u>5,616,332</u>

CENTRAL COMMUNITY COLLEGE AREA
STATEMENTS OF CASH FLOWS - DIRECT METHOD
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	887,872	1,503,955
Interest on investments	247,466	247,943
Purchase of investments	<u>(946,127)</u>	<u>(1,469,295)</u>
Net cash provided by investing activities	<u>189,211</u>	<u>282,603</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	14,705,757	405,245
CASH AND CASH EQUIVALENTS, beginning of year	<u>36,431,652</u>	<u>36,026,407</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>51,137,409</u></u>	<u><u>36,431,652</u></u>
Reconciliation of Operating Loss to Net		
Cash Used in Operating Activities		
Operating loss	<u>(83,571,504)</u>	<u>(81,244,822)</u>
Adjustments to reconcile operating loss to net		
cash used in operating activities:		
Depreciation and amortization	9,958,228	9,650,755
Changes in operating assets and liabilities:		
Receivables, net	(559,381)	241,560
Prepaid expense	(129,340)	(234,091)
Accounts payable and liabilities accrued	1,014,938	683,764
Deferred revenue	2,414	(845,022)
Liability and deferred inflows of resources		
under public/private partnership agreement	(76,923)	(76,923)
Funds held for others	<u>(5,676)</u>	<u>(11,558)</u>
Net cash used in operating activities	<u><u>(73,367,244)</u></u>	<u><u>(71,836,337)</u></u>

See accompanying notes to financial statements.

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Central Community College Area (the College) was established July 1, 1973, by action of the Nebraska Legislature creating the Nebraska Community College System with six area colleges. The College encompasses 25 counties in central Nebraska. An 11-member Board of Governors is the College's ruling body and establishes the policies and procedures by which the College is governed.

Reporting Entity

The concept underlying the definition of the financial reporting entity is that elected officials are accountable to their constituents for their actions. As required by accounting principles generally accepted in the United States of America (GAAP), the financial reporting entity includes both the primary government and all of its component units as defined by the Governmental Accounting Standards Board (GASB). An organization other than a primary government serves as a nucleus for a reporting entity when it issues separate financial statements. Central Community College Area is not a component unit of another primary government reporting entity.

The Central Community College Facilities Corporation (CCCFC) is a legally separate, nonprofit corporation which is a component unit of Central Community College Area. CCCFC was formed by the College during 2002, to acquire property to be leased to and purchased by the College. The Board of Governors of the College appoints the members of the Board of CCCFC. CCCFC provides services entirely to the College. The services provided by CCCFC are so intertwined with the College that the CCCFC is, in substance, the same as the College and it is reported as part of the College and blended into the College's financial statements.

The Central Community College Foundation (the Foundation) is a legally separate, tax-exempt component unit of Central Community College Area. The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the College in support of its programs. The Foundation Board consists of a Board of Directors (the Board), which oversees Foundation activities and sets policies. No voting members of the Board are members of the College or the College Board of Governors. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income, thereon, which the Foundation holds and invests, is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements. In 2013, the Foundation became affiliated with the Warren and Velda Wilson Foundation, a nonprofit corporation.

These financial statements do not contain disclosures of information of the Foundation. Complete financial statements, including the statements of cash flows, for the Foundation can be obtained at the Corporate Office, 201 Foundation Place, Suite 200, Hastings, Nebraska.

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board.

Pursuant to the provisions of GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended by GASB Statement 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, the full scope of the College's activities is considered to be a single business-type activity (BTA) and, accordingly, is reported within a single column in the basic financial statements.

Basis of Accounting

The 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. All significant intrafund transactions have been eliminated. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The College maintains an encumbrance system for tracking outstanding purchase orders and other commitments for materials or services not received during the fiscal year. Outstanding encumbrances amounted to \$4,363,791 and \$4,834,520 at June 30, 2025 and 2024, respectively, which includes commitments on uncompleted construction contracts. Encumbrances do not constitute expenses or liabilities and are not reflected in these financial statements. Encumbered appropriations expire at the year end of the fiscal year following their creation.

The Foundation is a public nonprofit organization that reports under Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, (ASU 2016-14). As such, certain revenue recognition criteria and presentation features are different from FASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences.

Donated Assets and Services

Donated materials or equipment, when received, are reflected as contributions in the accompanying statements at their estimated fair market values at date of receipt.

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subscription-based Information Technology Arrangements (SBITAs)

GASB Statement 96, *Subscription-based Information Technology Arrangements (SBITAs)*, provides guidance related to accounting and financial reporting for SBITAs. The standard generally requires the recording of a right-to-use subscription asset (intangible asset) and a corresponding liability. There is an exception for short-term SBITAs defined as those with maximum possible terms of 12 months or less including options to extend, regardless of their probability of being exercised.

Budgets

Budgets are prepared on the same basis of accounting except that capital assets acquired are recorded as expenses and depreciation is not recorded.

Cash and Cash Equivalents

Cash equivalents include highly liquid temporary investments with original maturities of 3 months or less, readily convertible to known amounts of cash.

Investments

Investments are reported at fair value. Fair value is established as the readily determinable current market value for debt and equity securities.

Receivables

Receivables consist of tuition and fees charges to students and charges for auxiliary enterprises' sales and services. Receivables also include amounts due from the federal government, state and local governments, and private sources in connection with reimbursement of allowable expenditures made pursuant to contracts and grants, and pledges that are verifiable, measurable, and expected to be collected and available for expenditures for which the resource provider's conditions have been satisfied. Receivables are recorded net of estimated uncollectible amounts, which is based on historical collection experience and a review of the accounts receivable listing.

Capital Assets

Capital assets are stated at cost at the date of acquisition or fair value at the date of donation, in the case of gifts. The College capitalizes assets that have a value or cost in excess of \$5,000 at the date of acquisition and an expected useful life of one or more years. Renovations to buildings, infrastructure, and land improvements over \$100,000 that significantly increase value or extend useful life are capitalized.

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

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

Buildings	40 years
Building improvements	20 years
Building content replacements	10 - 20 years
Office furniture	5 - 10 years
Instructional and other operating equipment	5 - 7 years
Office equipment	3 years
Vehicles	3 years

Leases

Under GASB Statement 87, *Leases*, a lease liability and a lease asset are recognized at the commencement of the lease term, unless the lease is a short-term lease, or it transfers ownership of the underlying assets. The lease liability is measured at the present value of payments expected during the lease term. The lease asset is measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease. The lease liability is reduced as payments are made and interest expense is recognized. The leased asset is generally amortized over the term of the lease unless the useful life of the underlying asset is less. A short-term lease is a lease that at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Short-term leases are expensed in the period incurred. Contracts that transfer ownership of the underlying assets or contain a bargain purchase option are recognized as financing contracts. The College excludes immaterial leases with total from the provisions of GASB 87.

Restricted Assets

Restricted assets represent assets whose use is restricted by external parties or by law through constitutional provisions or enabling legislation.

Noncurrent Liabilities

Noncurrent liabilities include accrued salaries for early retirement, notes, and bonds payable that will not be paid within the next fiscal year.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then.

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

The College's net position is classified as follows:

Invested in Capital Assets, Net of Related Debt

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

Restricted Net Position - Expendable

Expendable restricted net position includes resources in which the College is legally or contractually obligated to spend the resources in accordance with restrictions imposed by external parties.

Unrestricted Net Position

Unrestricted net position includes resources derived from student tuition and fees, sales and services, unrestricted gifts, and interest income.

Restricted and unrestricted resources are tracked using a fund accounting system and are spent in accordance with established fund authorities. Fund authorities provide rules for the fund activity and are separately established for restricted and unrestricted activities. When both restricted and unrestricted funds are available for expenditure, the decision for funding is transactional based within the departmental management system in place at the College.

Scholarship Allowances

Student tuition and fees revenues and certain other revenues from College charges are reported net of scholarship allowances in the accompanying statements of revenues, expenses, and changes in net position. The scholarship allowance is the difference between the actual charge for goods and services provided by the College and the amount that is paid by students or by third parties on the students' behalf. Student financial assistance grants, such as Pell grants, and other federal, state, or nongovernmental programs, are recorded as either operating or nonoperating revenues in the accompanying statements of revenues, expenses, and changes in net position. To the extent that revenues from these programs are used to satisfy tuition, fees, and other charges, the College has recorded a scholarship allowance.

Operating and Nonoperating Revenues and Expenses

The College presents its revenues and expenses as operating or nonoperating based on recognition definitions from the Government Accounting Standards Board. Operating activities are those activities that are necessary and essential to the mission of the College. Operating revenues include all charges to customers, grants received for student financial assistance, and interest earned on loans. Grants received for student financial assistance are considered operating revenues because they provide resources for student charges,

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating and Nonoperating Revenues and Expenses (Continued)

and such programs are necessary and essential to the mission of the College. Revenues from nonexchange transactions and state appropriations that represent subsidies or gifts to the College, as well as investment income, are considered nonoperating since these are either investing, capital, or noncapital financing activities. Operating expenses are all expense transactions incurred other than those related to investing, capital, or noncapital financing activities. Revenues received for capital financing activities, as well as related expenses, are considered neither operating nor nonoperating activities and are presented after nonoperating activities on the accompanying statements of revenues, expenses, and changes in net position.

Restricted/Unrestricted Resource Priority

If both restricted and unrestricted resources are available to finance a program, restricted resources are used first unless the restricted resources require unrestricted resources to be used first.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Compensated Absences

Vacation and personal leave meet the criteria in GASB Statement 16 and are included in accrued compensated absences. The criteria for accruing compensated absences are met when an employee's rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employee through paid time off or some other means, such as cash at termination or retirement.

Recently issued accounting pronouncements

In June 2023, the Governmental Accounting Standards Board (GASB) issued Statement 101, *Compensated Absences*. This statement is effective for fiscal years beginning after December 15, 2023. The standard requires a liability to be recognized for compensated absences as of the end of the financial reporting period for earned leave that has not been used if, and to the extent that, the leave meets all of the following criteria:

- a. The leave is for services already performed by the employee.
- b. The leave accumulates.
- c. The leave is more likely than not (greater than a 50% chance) going to be used as time off or settled.

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently issued accounting pronouncements (Continued)

The College already accrues vacation leave for employees, if applicable. This standard expands the requirements to include a liability for sick leave. The College does not accumulate sick leave and therefore, no additional accrued liability is presented within the financial statements.

NOTE 2. CASH AND INVESTMENTS

After proper consideration of the requirement for the availability of money, the College can invest funds in securities the nature of which individuals of prudence, discretion, and intelligence acquire or retain in dealing with the property of another.

Interest Rate Risk

The College does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest risk rates.

Credit Risk

In accordance with the College's investment policy, funds may be invested, within certain limits, in Federal Deposit Insurance Corporation (FDIC)-insured banks, U.S. Treasury and federal agencies, and certificates of deposit issued by FDIC-insured banks.

Custodial Credit Risk - Deposits

Custodial credit risk for deposits of the College is the risk that the College's deposits will not be covered by depository insurance. The College requires that deposits in excess of any insurance limit be collateralized by the financial institution with appropriate pledged securities to protect funds above the insurable level. At June 30, 2025 and 2024, the value of the College's deposits, which include checking, money market, and certificates of deposit, was \$55,399,757 and \$40,582,501, respectively. As of June 30, 2025 and 2024, all bank balances were insured or fully collateralized, except for the main operating account at Wells Fargo. It was underinsured at June 30, 2025, by \$344,589 due to the receipt at the end of June for \$3,200,000 from the Central Community College Foundation from fund raising activities. At the end of July 2025, the College was fully insured for its deposits.

Investments

Investments include certificates of deposit which consist of nonparticipating certificates of deposit in local banks and are stated at cost in the amount of \$3,552,750 and \$3,454,496 for the years ended June 30, 2025 and 2024, respectively.

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 3. PROPERTY TAX RECEIVABLE

Property taxes levied for the fiscal year ended June 30, 2025, were due December 31, 2024, and became delinquent in April - September of 2025. Property tax revenues based on the assessed valuation and the levy set are recognized in the current fiscal year even though part of the property tax revenue is not delinquent or collected until the following fiscal year. Property taxes are recognized net of the county collection fee of 1%. The assessed August valuation and levies in cents per \$100 of assessed valuation for the fiscal year ended June 30 were as follows:

	2025	2024
Assessed August valuation	69,320,467,313	62,857,409,918
Levy in cents per \$100 of assessed valuation		
Capital Improvement Fund	2.0000	2.0000

During the year ended June 30, 2025, a change in the estimate for property taxes receivable was recorded as new information was received, resulting in modification to the estimate technique for these balances. The amount of uncollected property taxes at June 30 was as follows:

	2025	2024	2023
General Fund	29,602	15,322,546	14,484,500
Capital Improvement Fund	4,424,213	3,986,359	3,945,371
ADA/Hazardous Waste Fund	677	154,128	1,011,315
Total	4,454,492	19,463,033	19,441,186

The following amounts, which are included in the uncollected property tax amounts, were held as cash by county treasurers at June 30:

	2025	2024
General Fund	5,227	545,763
Capital Improvement Fund	146,362	141,984
ADA/Hazardous Waste Fund	(44)	5,523
Total	151,545	693,270

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30 were as follows:

	2025	2024
Federal nonexchange grants	1,205,055	1,112,077
Federal Pell, Federal Work-Study, FSEOG	31,071	72,092
Student tuition and fees	1,922,117	1,908,676
Other	856,587	586,692
	<u>4,014,830</u>	<u>3,679,537</u>
Less allowance for doubtful accounts	<u>(1,346,928)</u>	<u>(1,335,018)</u>
Accounts receivable, net	<u><u>2,667,902</u></u>	<u><u>2,344,519</u></u>

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2025, was as follows:

	July 1, 2024	Additions	Deletions	June 30, 2025
Capital assets, not being depreciated				
Land	2,115,577			2,115,577
Construction in progress	<u>4,694,027</u>	<u>4,301,447</u>	<u>4,310,477</u>	<u>4,684,997</u>
Total	<u>6,809,604</u>	<u>4,301,447</u>	<u>4,310,477</u>	<u>6,800,574</u>
Capital assets, being depreciated/amortized				
Land improvements	12,882,135	2,355,763		15,237,898
Buildings	200,607,698	8,663,106		209,270,804
Equipment	25,420,018	1,630,811	1,343,845	25,706,984
Right-to-use assets	<u>4,279,059</u>	<u>858,223</u>		<u>5,137,282</u>
Total	<u>243,188,910</u>	<u>13,507,903</u>	<u>1,343,845</u>	<u>255,352,968</u>
Less accumulated depreciation/amortization				
Land improvements	5,820,528	549,030		6,369,558
Buildings	93,825,593	7,650,525		101,476,118
Equipment	21,421,130	1,758,673	1,339,740	21,840,063
Right-to-use assets	<u>638,645</u>	<u>269,952</u>		<u>908,597</u>
Total	<u>121,705,896</u>	<u>10,228,180</u>	<u>1,339,740</u>	<u>130,594,336</u>
Capital assets, net	<u><u>128,292,618</u></u>	<u><u>7,581,170</u></u>	<u><u>4,314,582</u></u>	<u><u>131,559,206</u></u>

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (Continued)

Capital asset activity for the fiscal year ended June 30, 2024, was as follows:

	July 1, 2023	Additions	Deletions	June 30, 2024
Capital assets, not being depreciated				
Land	2,115,577			2,115,577
Construction in progress	3,800,662	3,050,314	2,156,949	4,694,027
Total	<u>5,916,239</u>	<u>3,050,314</u>	<u>2,156,949</u>	<u>6,809,604</u>
Capital assets, being depreciated/amortized				
Land improvements	11,921,132	961,003		12,882,135
Buildings	195,668,774	4,938,924		200,607,698
Equipment	24,650,138	1,816,046	1,046,166	25,420,018
Right-to-use assets	4,151,768	127,291		4,279,059
Total	<u>236,391,812</u>	<u>7,843,264</u>	<u>1,046,166</u>	<u>243,188,910</u>
Less accumulated depreciation/amortization				
Land improvements	5,310,618	509,910		5,820,528
Buildings	86,456,070	7,369,523		93,825,593
Equipment	20,691,930	1,771,320	1,042,120	21,421,130
Right-to-use assets	411,335	227,310		638,645
Total	<u>112,869,953</u>	<u>9,878,063</u>	<u>1,042,120</u>	<u>121,705,896</u>
Capital assets, net	<u>129,438,098</u>	<u>1,015,515</u>	<u>2,160,995</u>	<u>128,292,618</u>

NOTE 6. SALARIES ACCRUED

Salaries accrued for the fiscal years ended June 30, 2025 and 2024, were composed of the following:

	2025	2024
Salaries accrued	1,301,519	1,223,849
Compensated absences accrued	<u>1,824,768</u>	<u>1,693,032</u>
Total salaries accrued	<u>3,126,287</u>	<u>2,916,881</u>

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM LIABILITIES

Long-term liabilities activity for the fiscal year ended June 30, 2025, was as follows:

	June 30, 2024 Beginning Balance	Additions	Reductions	June 30, 2025 Ending Balance	Current Portion
Bonds payable					
Facilities Corporation					
Building Bonds	<u>1,540,000</u>	<u> </u>	<u>1,540,000</u>	<u> </u>	<u> </u>

Long-term liabilities activity for the fiscal year ended June 30, 2024, was as follows:

	June 30, 2023 Beginning Balance	Additions	Reductions	June 30, 2024 Ending Balance	Current Portion
Bonds payable					
2021 Revenue Bonds	2,490,000		2,490,000		
Facilities Corporation					
Building Bonds	<u>3,045,000</u>	<u> </u>	<u>1,505,000</u>	<u>1,540,000</u>	<u>1,540,000</u>
Total long-term liabilities	<u>5,535,000</u>	<u> </u>	<u>3,995,000</u>	<u>1,540,000</u>	<u>1,540,000</u>

NOTE 8. SCHOLARSHIP ALLOWANCES

Scholarship allowances consist of the following:

1. Student tuition waivers, institutional.
2. Student tuition waivers, statutory (reserves and war orphan).
3. Grant funds (PELL, SEOG, and other federal grants) credited to student accounts to offset tuition, fees, room and board, and bookstore charges.

Scholarship allowances for fiscal years ended June 30 were as follows:

	2025	2024
Tuition and fees	4,755,291	4,538,310
Room and board	<u>742,820</u>	<u>725,449</u>
Total	<u>5,498,111</u>	<u>5,263,759</u>

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 9. EXPENSES BY FUNCTIONAL CATEGORY

Expenses for the financial statements are presented by natural classification (personnel services, operating expense, travel, and expensed capital assets). Both the National Association of College and University Business Officers (NACUBO) and GASB have suggested that for historical purposes, expenses also be presented by functional classifications.

Expenses by functional classification for the fiscal years ended June 30 are as follows:

	2025	2024
Educational and general		
Instruction	27,360,528	26,540,770
Academic support	10,486,577	10,115,211
Student services	12,647,256	12,194,989
Institutional support	20,812,456	20,086,498
Physical plant	9,395,640	10,045,424
Depreciation	9,958,228	9,650,755
Student financial aid	6,741,218	6,687,719
Auxiliary enterprises	3,072,466	2,230,441
Total expenses	100,474,369	97,551,807

NOTE 10. LEASES

The College leases various items of property across the various campuses. The following is a list of leases accounted for as finance leases in accordance with the provisions of GASB Statement 87, *Leases*, as of June 30:

		Monthly	Lease Liability	
	Maturity	Payment	2025	2024
College Park	6-2038	7,728	946,548	946,548
Capital Business Systems	6-2038	8,237	1,008,895	1,008,895
Columbus Family Resource	6-2038	5,800	731,895	717,544
Dawson Co. Opp. Center	11-2030	1,000	59,353	86,636
GI Ent. Venture	4-2026	5,000	54,095	110,893
Greater Loup Valley	6-2038	1,250	153,112	153,112
Holdrege Center	6-2034	3,139	1,229,687	469,799
402 Loft, Red Cloud	6-2036	2,050	45,100	
Platte Valley Literacy	6-2036*	1,200		146,987
Total leases			4,228,685	3,640,414
		Current	373,403	269,952
		Long-Term	3,855,282	3,370,462
		Total	4,228,685	3,640,414

* = lease ended during current year ending June 30, 2025.

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 10. LEASES (Continued)

Amounts relating to leases are reflected in the financial statements as right-to-use assets and lease liabilities. Future lease payments on leases classified as right-to-use assets are as follows:

Years Ending June 30,	Principal	Interest	Total
2026	373,403	182,485	555,888
2027	325,341	146,339	471,680
2028	317,261	133,919	451,180
2029	330,186	120,994	451,180
2030	343,639	107,541	451,180
2031 - 2035	1,730,225	309,767	2,039,992
2036 - 2038	<u>808,630</u>	<u>26,186</u>	<u>834,816</u>
Total	<u>4,228,685</u>	<u>1,027,231</u>	<u>5,255,916</u>

NOTE 11. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

The College enters into subscription agreements for the use of information technology software for periods great than twelve months. On July 1, 2022, the college adopted the provisions of GASB 96, *Subscription-based Information Technology Arrangements* (SBITAs). Those standards require that long-term "SBITAs" be capitalized and amortized over the life of the agreement. GASB 96 further requires that a liability for future payments under the agreements be recorded.

A summary of the College's SBITA agreements meeting the requirements of GASB 96 as of June 30, 2025, are as follows:

General Use	Subscription Period	Amortized Cost	Subscription Liability
WAN Connectivity	Through 2029	870,956	860,702
CISCO SmartNet	Through 2029	1,407,320	1,390,751
Ellucian ERP System	Through 2029	4,608,428	4,554,170
LMC Canvas	Through 2029	529,724	523,487
Microsoft Enterprise	Through 2029	<u>516,824</u>	<u>510,738</u>
		<u>7,933,252</u>	<u>7,839,848</u>

A summary of maturities of subscription liabilities as of June 30, 2025, follows:

June 30, 2026	1,969,928
June 30, 2027	1,963,269
June 30, 2028	1,956,633
June 30, 2029	<u>1,950,018</u>
	<u>7,839,848</u>

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 12. RETIREMENT PLAN

The College provides pension benefits for its employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Generally, all full-time employees are eligible to participate in the plan. Eligible employees are required to participate after one year of employment. The College matches faculty contributions from 2.00% up to 8.50% of the employee's gross annual salary. Faculty is a straight match up to 8.50%, and staff is a match plus 1.00% up to a combined maximum of 8.50%. The participants are 100% vested upon contributing to the plan. There is no liability for past service cost.

The College's total payroll, covered payroll, employer contributions, and employer contributions as a percentage of covered payroll for the years ended June 30, 2025 and 2024, are as follows:

	2025	2024
Total payroll	38,221,545	36,458,220
Covered payroll	33,351,787	31,779,117
Employer contributions	3,027,355	2,918,658
Employer contributions as a percentage	9.1%	9.2%

NOTE 13. HEALTH AND DENTAL INSURANCE

The College provides health and dental benefits for its employees. The College offers insurance through the Educators Health Alliance (EHA). EHA offers Blue Cross Blue Shield insurance for both health and dental. All employees have a \$750 health deductible and various copays, and most services are covered at 80% coinsurance. There is no deductible on the dental plan, and all dental procedures are covered at 100% if a participating provider conducts the service.

NOTE 14. RELATED PARTIES

Related party transactions, defined through a contractual agreement, exist between Central Community College Area and Central Community College Foundation. The College provides personnel and office space to maintain the administration of the Foundation. Although not directly reimbursed for this service, the contractual agreement defines what services will be exchanged at no cost, and services that will be reimbursed or paid on behalf of. Through this contract, the College paid \$761,690 and \$570,090 for expenses for the Foundation during the years ended June 30, 2025 and 2024, respectively.

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 14. RELATED PARTIES (Continued)

Central Community College Foundation disbursed the following for the years ended June 30:

	2025	2024
Fundraising activities for specified projects	3,200,000	
Equipment and supplies	1,845,089	1,575,409
Scholarships	924,264	794,913

The funds disbursed above were received directly by Central Community College Area.

NOTE 15. BUDGET PROCESS

Prior to August 1, the College's management and Board of Governors prepared a proposed operating budget on the cash basis for the General, Restricted, and Plant Funds for the fiscal year commencing July 1. The budget includes proposed expenditures and the means of financing them.

Public hearings are conducted at the September Board meeting to obtain taxpayer comments. After the public hearings, the budget is legally adopted by the Board of Governors at the September board meeting.

Total expenditures may not legally exceed total appropriations, and appropriations lapse at year end.

NOTE 16. RISK MANAGEMENT

The College is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; employee injuries and illnesses; natural disasters; and employee health and accident benefits. Commercial insurance coverage is purchased for employee group health and accident benefits. Settled claims have not exceeded this commercial coverage in any of the preceding years.

The College has joined with five of the other Nebraska community colleges to form the Nebraska Community College Insurance Trust (the Trust), a public entity risk pool currently operating as a common risk management and insurance program for its members. The College pays an annual contribution to the Trust for its pooled self-insurance coverage of property, liability, workers' compensation, and associated excess coverages. The Trust self-insures to various levels for all categories of covered risk and purchases excess coverage for claims in excess of the self-insured limits.

If the Loss Fund is exhausted, the College may be assessed for additional costs. The insurance year ended June 30, 2025, which was the Trust's twenty-third year of operations. For the 2024 - 2025 year, no dividend was declared. In May 2025, the Board of Directors of the Trust declared a dividend of \$47,975 to be used as reduction of premium cost for the 2025 - 2026 year.

CENTRAL COMMUNITY COLLEGE AREA
NOTES TO FINANCIAL STATEMENTS

NOTE 17. PUBLIC/PRIVATE PARTNERSHIP AGREEMENT

In July 2015, the College entered into a contract with an outside vendor to provide food services for the student cafeteria through June 2028. The vendor has the exclusive right to provide and manage the College's food service programs. The contract included a provision for the vendor to provide \$1,000,000 in cash to the College. The contract is accounted for as a public/private partnership arrangement on a prospective basis from July 2015. The vendor is required to operate and maintain the facility and the College is responsible for certain maintenance costs in accordance with contract provisions. The estimated present value of the College's contractual obligations for maintenance is \$96,000. The contract requires repayment by the College to the vendor if terminated early based on amortized levels over the contract term. The remaining balance of \$134,770 is recorded as a deferred inflow of resources to be amortized to revenue over the life of the contract.

NOTE 18. COMMITMENTS

As of June 30, 2025, the College had commitments of approximately \$2,739,780 with respect to uncompleted construction contracts.

The College has several planned expenditures for the next fiscal year, including purchasing \$813,000 of equipment. The College plans on remodeling various buildings on the Columbus Campus for \$4,048,000 and remodeling various buildings on the Hastings campus for \$6,812,000. Grand Island campus improvements will include \$2,411,000 for the various projects. The Learning centers will have \$965,000 for the various projects.

NOTE 19. SUBSEQUENT EVENT

In preparing the financial statements, the College has evaluated events and transactions for potential recognition or disclosure through November 12, 2025, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

CENTRAL COMMUNITY COLLEGE AREA
SCHEDULES OF GENERAL FUND REVENUES
FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
Property taxes (change in estimate)	(1,521,634)	41,734,458
State appropriations	61,912,807	11,169,059
Tuition and fees	10,352,778	9,288,048
Other income	243,080	440,457
Subtotal	70,987,031	62,632,022
(Add to) use cash reserves	532,767	1,482,323
	71,519,798	64,114,345

The revenues in this schedule are presented on the same basis as the College's General Fund budget and are not on a GASB basis of accounting. In particular, tuition is not reduced for scholarship allowances from grants and some other funds.

CENTRAL COMMUNITY COLLEGE AREA
SCHEDULES OF GENERAL FUND EXPENDITURES
FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
PROGRAM CLASSIFICATION STRUCTURE		
1 Instruction		
Personnel services	23,147,844	22,154,945
Operating expenses	10,074,425	6,148,613
Travel	182,589	175,024
Equipment	365,106	137,207
	<u>33,769,964</u>	<u>28,615,789</u>
4 Academic support		
Personnel services	9,400,115	9,106,742
Operating expenses	488,092	389,286
Travel	130,498	133,515
Equipment	41,018	42,703
	<u>10,059,723</u>	<u>9,672,246</u>
5 Student service		
Personnel services	4,948,025	4,681,617
Operating expenses	557,730	423,675
Travel	272,916	168,702
Equipment	282,817	383,649
	<u>6,061,488</u>	<u>5,657,643</u>
6 Institutional administration		
Personnel services	9,015,881	8,489,443
Operating expenses	4,542,140	3,964,916
Travel	173,268	177,819
Equipment	51,940	21,372
	<u>13,783,229</u>	<u>12,653,550</u>
7 Physical plant operations		
Personnel services	4,075,606	3,926,997
Operating expenses	2,483,624	2,339,682
Travel	11,868	11,139
Equipment	170,321	137,769
	<u>6,741,419</u>	<u>6,415,587</u>
8 Student aid		
Operating expenses	<u>1,103,975</u>	<u>1,099,530</u>

CENTRAL COMMUNITY COLLEGE AREA
 SCHEDULES OF GENERAL FUND EXPENDITURES
 FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
PROGRAM CLASSIFICATION STRUCTURE (Continued)		
Grand total for college		
Personnel services	50,587,471	48,359,744
Operating expenses	19,249,986	14,365,702
Travel	771,139	666,199
Equipment	911,202	722,700
	<u>71,519,798</u>	<u>64,114,345</u>

The expenditures in this schedule are presented on the same basis as the College's General Fund budget and are not on a GAAP basis of accounting. In particular, equipment is shown as an expense and encumbrances are included.



**DANA F. COLE
& COMPANY^{LLP}**
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

To the Board of Governors
Central Community College Area
Grand Island, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the financial statements of the business-type activities of Central Community College Area as of June 30, 2025, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report dated November 12, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Central Community College Area's internal control over financial reporting 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 Central Community College Area's internal control. Accordingly, we do not express an opinion on the effectiveness of Central Community College Area's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Dana F Cole + Company, LLP

Minden, Nebraska
November 12, 2025

CENTRAL COMMUNITY COLLEGE AREA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2025

None reported.

CENTRAL COMMUNITY COLLEGE AREA
SUMMARY OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2025

None reported.