

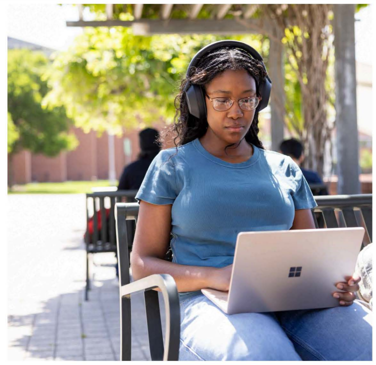




NORTHEAST LAKEVIEW COLLEGE

SAN ANTONIO, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEARS ENDED AUGUST 31, 2025 AND 2024

ALAMO COLLEGES DISTRICT
Northeast Lakeview College

NORTHEAST LAKEVIEW COLLEGE

(A college of the Alamo Community College District)

San Antonio, Texas

Annual Financial Report

For the Years Ended
August 31, 2025 and 2024

Prepared by:

Finance and Fiscal Services Department

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ALAMO COLLEGES DISTRICT
Northeast Lakeview College

Introductory Section

ALAMO COLLEGES DISTRICT
Northeast Lakeview College

ALAMO COLLEGES DISTRICT
Northeast Lakeview College

July 20, 2026

To the Board of Trustees, the Residents of Bexar County and the Northeast Lakeview College Service Area of Comal and Guadalupe Counties:

We are proud to submit the following annual financial report (AFR) for Northeast Lakeview College (the College or NLC), a college of the Alamo Community College District (Alamo Colleges District or District) for the fiscal years ended August 31, 2025 and 2024. The AFR has been prepared in accordance with United States Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB). The report complies, in all material aspects, with the requirements of Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges as set forth by the Texas Higher Education Coordinating Board (THECB).

The purpose of an independent audit is to provide assurance, based on independent review and testing, that the basic financial statements and accompanying notes are fairly stated in all material respects. In April 2025, the District's Board of Trustees selected the independent accounting firm of CliftonLarsonAllen, LLP to perform an audit for the College. Assets, liabilities and net position attributable to and allocated to the operations of the College are reported in the 2025 and 2024 AFR for the College. This AFR is prepared primarily for submission to the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) to provide information related to accreditation.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal control. The objective of internal control is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements. The concept of reasonable assurance ensures that the cost of the controls does not exceed the benefits derived. The Independent Auditor's Report is located at the front of the financial section of this report. Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it. The Notes to Financial Statements, also in the financial section, are considered integral to the basic financial statements and should be read in conjunction with them.

Profile

Northeast Lakeview College is accredited by the Southern Association of Colleges and Schools Commission on Colleges to award Associate Degrees. Questions about the accreditation of Northeast Lakeview College may be directed in writing to the Southern Association of Colleges and Schools Commission on Colleges at 1866 Southern Lane, Decatur, GA 30033-4097, by calling (404) 679-4500, or by using information available on SACSCOC's website (www.sacscoc.org).

Northeast Lakeview College offers Associate of Arts, Associate of Arts in Teaching, Associate of Science and Associate of Applied Science degrees and certificates taught by highly qualified faculty with Master's and Doctorate degrees who are committed to creating a learning-centered environment. Students experience academic rigor inside the classroom and an enhanced learning environment through support services that include counseling, computer labs, tutoring services, financial services, services for the disabled, veterans' services and job placement and transfer services.

Established in January 2007, Northeast Lakeview College is one of the five colleges of the Alamo Community College District. It serves students in northeast San Antonio and the surrounding municipalities to include Bexar, Comal and Guadalupe counties. The College traces its beginnings back to 1996 as the Northeast Learning Center, an extension of St. Philip's College. Due to its growth, the Learning Center closed in 2001 and reopened as Northeast Campus in a larger location as a joint collaboration between St. Philip's College and San Antonio College. With continued enrollment growth and as a result of a 2005 bond election, a permanent $125 million campus (named Northeast Lakeview College) was constructed at the corner of Loop 1604 and Kitty Hawk Road and opened in Fall 2008. Northeast Lakeview College now serves more than 9,300 students between its ten buildings on the Main Campus in Universal City and its New Braunfels location. To provide enhanced service to its growing student population in the New Braunfels and Seguin areas, Northeast Lakeview College became the lead college for the Central Texas Technology Center (CTTC) building in April 2023 and offered its first set of classes at this New Braunfels location in Fall 2023.

The College, as a member of the Alamo Colleges District, manages its capital assets as well as administers and conducts its educational services under its own organizational structure. The District supports the College by managing debt and investments, acquiring capital assets, assessing and collecting property taxes and allocating State of Texas appropriations.

The College's administration and staff direct their own budget, as approved by the Board of Trustees of the Alamo Colleges District, and make decisions regarding the funds provided to them or generated by them while conducting its educational activities. These educational activities include the development of curriculum, the hiring of faculty and staff within District guidelines and the delivery of educational and student support services.

The Alamo Community College District was established as a public community college through a public election in 1945. The District operates as a political subdivision under the laws of the State of Texas. The five-member community colleges of the District are Northeast Lakeview College, San Antonio College, St. Philip's College, Palo Alto College and Northwest Vista College. A nine-member Board of Trustees and a Student Trustee is the governing body of the District. The Trustees are elected locally to six-year terms by Bexar County voters, and the Student Trustee serves a one-year term as a non-voting student liaison to the Board and Chancellor, representing students' interests at board meetings and other District meetings. The Chancellor, the District's chief executive officer, guides and implements the programs and policies of the District. Each of the five colleges has a campus organization lead by a President who reports to the Chancellor.

Economic Conditions and Outlook

The College sits along the I-35 Corridor toward Austin, one of the fastest growing areas in the region. In addition to northeast San Antonio, the College serves the Metrocom area, comprised of eleven small cities with a combined population of over 173,000 according to the Northeast Partnership for Economic Development and U.S. Census. Randolph Air Force Base, a stable presence in the area since opening in 1930, unites the cities and currently has over 17,000 personnel on its base. The area provides affordable housing, low tax rates, opportunities for growth, award-winning school districts, and a skilled workforce, and the College contributes convenient, affordable higher education. The College location, among growing suburban communities that share a common goal of economic development and quality of life for their citizens and businesses, enhances the College's potential for success.

The College supports several independent school districts (ISDs) in its service area by providing dual credit courses and early college high school programs. One of these, the Judson Early College Academy sits on the NLC campus, and is a unique partnership with the Judson Independent School District that allows students to complete an Associate's Degree while earning their high school diploma at no cost to the student.

Because the College is a member of the Alamo Community College District, economic conditions that impact the District inherently impact the College. The three primary revenue streams to the District, other than federal grants used for scholarships, are ad valorem taxes, state appropriations, and tuition and fees.

The trend of rising ad valorem tax revenues continued in fiscal year 2025, as revenues from ad valorem taxes increased by $14.1 million or 4.0% in 2025 as net assessed property values within the District increased from approximately $247.5 billion in 2024 to $259.8 billion in 2025, providing funding for facilities' repairs and maintenance. There was no increase in the District's tax rate for fiscal year 2025. State appropriations for education and general support, which are critical to keeping student tuition rates low, decreased slightly by $1.8 million or 2.0%, down from $89.2 million in fiscal year 2024 to $87.4 million in fiscal year 2025. This slight decrease was partially offset by a $0.8 million increase in Financial Aid for Swift Transfer (FAST) funding from the state, resulting from the District's increase in semester credit hours taken for dual credit coursework. State appropriations for state group insurance and pension retirement obligations increased $0.6 million, for an overall net decrease of approximately $0.4 million in total state appropriations. Revenues from net tuition and fees increased by approximately $1.1 million in 2025 due to a second consecutive year of record enrollment.

Strategic Planning

The College utilizes an inclusive strategic planning process in which feedback from all constituent groups, both internal and external, was reviewed and combined into a document that supports NLC's continuous improvement process to advance the institutional mission and NLC's overarching goal of student success. The College's Strategic Plan reflects the direction provided by the community and the leadership of the District and looks to meet the needs and interests of its local community through the development of specific core objectives, strategies and unit plans. Ongoing evaluation and assessment of the objectives, strategies and unit plans allows for continuous quality improvement to ensure that the community's higher education needs are met. The College has its own mission, vision and goals. The goals focus on the following: 1) quality teaching, learning, and student success, 2) respect, value and empowering people, and 3) enriching internal and external community engagement and communications. NLC embarked on a year-long strategic planning process during 2018-2019 to update its mission and vision statements and established three belief statements that are shared by the organization and that drive NLC's culture and its commitment to its overarching goal of student success. At the College's 2022 annual leadership retreat, the 2019-2022 strategic plan was reviewed and extended as the 2022-2025 strategic plan to continue advancing the goals and objectives hindered by the global pandemic.

Major Initiatives

Northeast Lakeview College continues to focus on achieving greater student success by utilizing 4DX and MyMap. The adoption of 4DX, the Four Disciplines of Execution, provides a simple, repeatable set of practices for organizations and individuals to focus on what is important to execute strategic priorities and to achieve superb results. MyMap (My Monitoring Academic Progress) was also implemented, which is a series of online, self-paced learning modules designed to help students transition to college, and monitors students' progress until they earn a certificate or degree.

Northeast Lakeview College continues to expand its services and programs to meet the needs of the community it serves, including Associate of Applied Science degrees and short-term certificates in high wage, high demand programs. Some of these include Network Administration Technology, Cyber Defense, Logistics & Supply Chain Management, Cloud Computing, Construction Management and is the first college within the Alamo Colleges District to offer the Digital Marketing & Social Media Program.

Committed to providing educational access to the communities that it serves, Northeast Lakeview College continues to provide support to students through the Alamo Colleges District AlamoPROMISE initiative, a last dollar scholarship program to assist students in paying for a college education. Student Success personnel at NLC provided support to students throughout the process and assisted with the ApplyTEXAS application, financial aid, advising, and registration. The College has adopted numerous strategies to help enrolled AlamoPROMISE students with progress and completion.

The Nighthawks Nest Advocacy Center at Northeast Lakeview College continues to enhance its integrated services and resources to students to address mental health, emotional and socio-economic needs. Some of the services of the Nighthawks Nest Advocacy Center include a food pantry, financial literacy, clothes closet and counseling.

Northeast Lakeview College continues its commitment to graduation and completion rates and actively monitors degrees and certificates awarded. The college awarded 1,533 degrees and certificates in academic year 2025.

Northeast Lakeview College (NLC) celebrated the continued construction on its newest building, a 10,000 sq. foot Veterans Center. The new building is dedicated to providing services to active and retired military and their families, by providing a "one-stop" location offering a convenient central place for them to have direct access to academic and non-academic services. Construction on the building will be completed in November 2025 for its grand opening on Veterans Day.

Following years of advocating for public transportation for NLC's college community, VIA began offering VIA Link service to Northeast Lakeview College in Fall 2024, expanding the on-demand transit option and making it fare-free to students and faculty at the Alamo Colleges District campus. In Fall 2024, VIA Link served 1,791 passengers. In Spring 2025, ridership grew 106%, serving 3,698 passengers.

In support of the growing region and student body and to meet the employee demand for a skilled workforce, Northeast Lakeview College expanded program and course offerings at its New Braunfels location and continues to work with business and industry partners to develop program and course offerings to best serve the region's economic and workforce demands. Additionally, NLC purchased the former PNC Bank building at 2049 Sundance Parkway in New Braunfels. Once updates and renovations are complete, NLC will relocate from its current location at the Central Texas Technology Center to its expanded 58,000 square foot building. Classes are expected to begin at this location in Spring 2027.

The college launched an Associate of Applied Science in Nursing. This new program supports the higher educational needs of students in Northeast San Antonio, Bexar, Comal, and Guadalupe Counties, some of the fastest growing regions in the state. The Alamo Labor Market forecasts an 18.3% growth in region through 2030 for nurses and related fields, much of which is in the area that NLC serves. Through this program, students will gain foundational knowledge, hands-on experience, and clinical skills to secure an entry level position as a Registered Nurse.

Striving to serve its diverse student population, including parent learners, NLC partnered with Bezos Academy to open a tuition-free, Montessori-style preschool on NLC's campus. This is the first Bezos Academy preschool planned for northeast Bexar County and the greater San Antonio area. The Bezos Academy is a tuition-free preschool that will follow a full-day, year-round schedule, and will cover operating expenses for the preschool programs at no cost to the families being served. The Bezos site on the NLC campus welcomed students in October 2024.

BEZOS ACADEMY
Light Every Fire

Awards and Acknowledgements

Northeast Lakeview College was selected as a 2025 Most Promising Places to Work in community colleges. The annual award recognizes community and technical colleges committed to diversity through best-in-class student and staff recruitment and retention practices, inclusive learning and working environments, and meaningful community service and engagement opportunities. NLC has received this award each year since 2019.

Northeast Lakeview College was also awarded the Gold 2025 Veterans Education Excellence Recognition Award (VEERA). The Texas State Legislature established the VEERA program to recognize public colleges and universities for their excellence in providing education and related services to veterans and the military-connected community. Northeast Lakeview College received the Silver Award in 2020 and the Gold Award in 2022, 2023, 2024, and 2025.

NLC's Cyber defense program continues to be recognized by the National Security Agency (NSA) as the San Antonio area's newest Center of Academic Excellence in Cyber Defense Education. Additionally, students in this program demonstrated their proficiency and technical skills by outperforming graduates of other programs across the country in a Spring 2025 National Cyber League's OSINT Challenge. Three of the NLC teams scored in the Top 10% and the Nighthax Teams ranked Top 3 % overall.

The entire Northeast Lakeview College family thanks the members of the Board of Trustees for their support and guidance in conducting the financial operations of Northeast Lakeview College in a highly responsible manner. The timely preparation of this financial report was made possible by the continued dedication and service of the Alamo Colleges staff.

Lisa L. Mazure

Lisa L. Mazure, MSA, CPA, CGFM
Interim Vice Chancellor
Finance and Auxiliary Services
Alamo Community College District

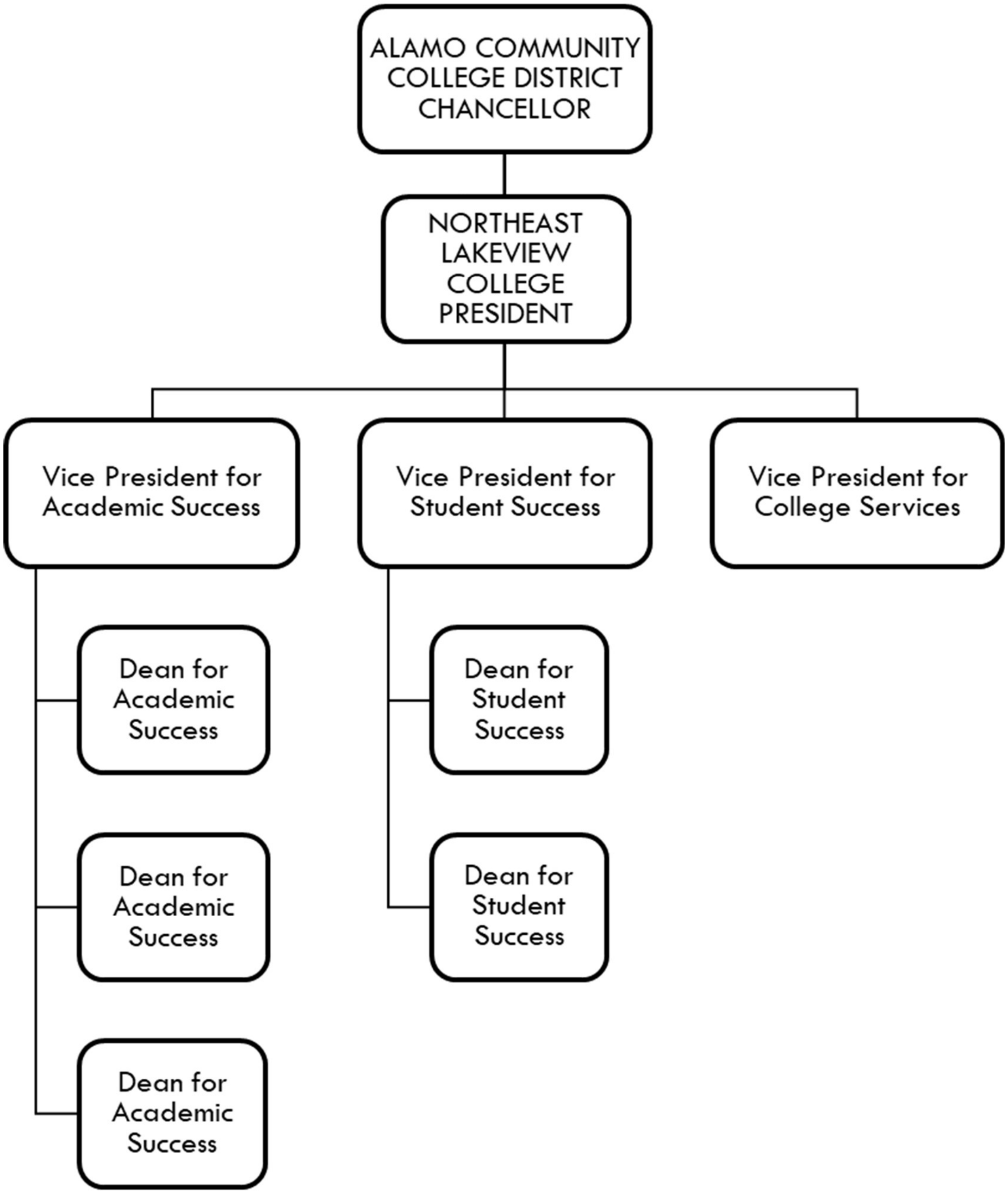
Patrick F. Vrba, Jr

Patrick F. Vrba, Jr., CPA
Interim Associate Vice Chancellor
Finance and Fiscal Services
Alamo Community College District

NORTHEAST LAKEVIEW COLLEGE

(A college of the Alamo Community College District)

ORGANIZATIONAL CHART



NORTHEAST LAKEVIEW COLLEGE

(A college of the Alamo Community College District)

ALAMO COMMUNITY COLLEGE DISTRICT - ORGANIZATIONAL DATA

August 31, 2025

ELECTED OFFICIALS

Member	Position	City, State	District	Term Expires
Dr. Clint Kingsbery	Chairperson	San Antonio, Texas	8	2026
Joe Alderete, Jr.	Vice-Chairperson	San Antonio, Texas	1	2028
Anna Uriegas Bustamante	Secretary	San Antonio, Texas	3	2028
Gloria Ray	Assistant Secretary	San Antonio, Texas	2	2028
Dr. Gene Sprague	Member of the Board	Helotes, Texas	6	2030
Dr. Yvonne Katz	Member of the Board	San Antonio, Texas	7	2030
Dr. Lorena Pulido	Member of the Board	San Antonio, Texas	4	2026
Gerald Lopez	Member of the Board	San Antonio, Texas	5	2030
Leslie Sachanowicz	Member of the Board	San Antonio, Texas	9	2026
Josiah Rodriguez	Student Trustee	San Antonio, Texas		2026

ADMINISTRATIVE OFFICIALS

Dr. Mike Flores	Chancellor
Dr. Thomas S. Cleary	Interim Vice Chancellor for Finance and Administration
Xavier D. Urrutia	Interim Vice Chancellor of Economic and Workforce Development
Ross Laughead	General Counsel
Dr. Thomas S. Cleary	Vice Chancellor for Planning, Performance & Information Systems
Dr. George Railey Jr.	Vice Chancellor for Academic Success
Deborah Gaitan	Interim Vice Chancellor for Student Success
Barton T. Simpson, CFRE	Executive Director of Institutional Advancement
Dr. Veronica Garcia	President, Northeast Lakeview College
Dr. Amy Bosley	President, Northwest Vista College
Dr. Robert Garza	President, Palo Alto College
Dr. Adena Loston	President, St. Philip's College
Dr. Francisco Solis	President, San Antonio College
Lisa Mazure, MSA, CPA	Associate Vice Chancellor for Finance and Fiscal Services
Patrick F. Vrba, Jr., CPA	District Controller
Frank Cortez, CIA, CISA, CISSP	District Director of Internal Audit

NORTHEAST LAKEVIEW COLLEGE

(A college of the Alamo Community College District)

MISSION

Northeast Lakeview College empowers its students for success by offering educational programs and cultural enrichment opportunities. The College provides quality teaching, measurable learning, and public service that contribute to the earning of associate degrees and certificates to improve its community's future.

VISION

To be a transformative force in a culturally rich community, empowered by education, to meet the dynamic demands of the future.

VALUES

Northeast Lakeview College is committed to building individual and collective character through the following set of shared values in order to fulfill our vision and mission.

STUDENTS FIRST

RESPECT FOR ALL

COMMUNITY-ENGAGED

CAN-DO SPIRIT

COLLABORATION

DATA-INFORMED

Financial Section

ALAMO COLLEGES DISTRICT
Northeast Lakeview College

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Northeast Lakeview College
San Antonio, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of the Northeast Lakeview College, as of and for the years ended August 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Northeast Lakeview 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 of the Northeast Lakeview College, as of August 31, 2025 and 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the years 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Northeast Lakeview 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.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Northeast Lakeview College are intended to present the financial position, the changes in financial position, and the cash flows of only that portion of the business-type activities of the Alamo College District that is attributable to the transactions of Northeast Lakeview College. They do not purport to, and do not, present fairly the financial position of the Alamo College District as of August 31, 2025, the changes in its financial position, or its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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.

Auditors' 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 auditors' 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 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 GAAS 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 Northeast Lakeview 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.

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, as 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 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 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 sufficient evidence to express an opinion or provide any assurance.

Board of Trustees
Northeast Lakeview College

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Northeast Lakeview College's basic financial statements. The schedule of operating revenues, schedule of operating expenses by object, schedule of non-operating revenues and expenses and schedule of net position by source and availability, 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 GAAS. In our opinion, the schedule of operating revenues, schedule of operating expenses by object, schedule of non-operating revenues and expenses and schedule of net position by source and availability 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 annual report. The other information comprises the introductory section, as listed in the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2026, on our consideration of the Northeast Lakeview 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Northeast Lakeview College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northeast Lakeview College's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

San Antonio, Texas
July 20, 2026

ALAMO COLLEGES DISTRICT
Northeast Lakeview College

Management's Discussion and Analysis
(Unaudited)

Management's Discussion and Analysis is included to provide a narrative introduction, overview and analysis of the financial condition and operating results of Northeast Lakeview College (NLC or the College), a college of the Alamo Community College District (Alamo Colleges District or the District), for the fiscal years ended August 31, 2025 and 2024. This discussion is prepared by management and should be read in conjunction with the accompanying financial statements and notes.

The financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) and comply with reporting requirements as set by the Texas Higher Education Coordinating Board (THECB). The notes to the financial statements are considered an integral part of the financial statements and should be read in conjunction with them. Management is responsible for both the accuracy of the data and the completeness and fairness of the presentation of the financial statements and notes.

The financial report includes three basic financial statements: The Statements of Net Position provide a summary of assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position as of August 31, 2025 and 2024; the Statements of Revenues, Expenses and Changes in Net Position provide a summary of operations for the fiscal years; and the Statements of Cash Flows provide categorized information about cash inflows and outflows. Highlighted information from each basic financial statement is presented below.

FY 2025

- Total assets increased $10.9 million and total liabilities increased $8.5 million.
- Total net position at August 31, 2025 was $51.6 million, reflecting an increase of $2.4 million for fiscal year 2025.
- Total revenues increased from $4.2 million to $61.8 million.
- The College's operating loss was $49.2 million.

FY 2024

- Total assets increased $0.4 million and total liabilities decreased $3.7 million.
- Total net position at August 31, 2024 was $49.3 million, reflecting an increase of $4.2 million for fiscal year 2024.
- Updated funding formula for allocating State funding to community colleges.
- The College's operating loss was $42.4 million.

Statements of Net Position

The Statements of Net Position represent the College's financial position at the end of the fiscal year and include all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the College. Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources and serves as a general indicator of financial stability.

Current liabilities are generally those liabilities which are due within one year, and current assets are those assets which are available to satisfy current liabilities. Noncurrent assets include restricted cash and cash equivalents, leases receivable and capital assets. Noncurrent liabilities include bonds and tax notes payable based upon the direct spending by the College of bond and tax note proceeds as budgeted.

A Condensed Statement of Net Position is presented on the following page. Total assets increased 6.5% or $10.9 million during fiscal year 2025 and increased 0.2% or $0.4 million during fiscal year 2024. The total assets increase in 2025 was primarily due to an increase in capital assets of $30.7 million. Land, buildings, and other real estate improvements increased by $3.8 million, $5.8 million and $8.3 million, respectively, in 2025 primarily due to the purchase of the Sundance Property in New Braunfels consisting of land and an existing building and a parking lot. Construction in progress increased $12.7 million related to ongoing construction for the NLC Nighthawk Legacy Veterans Center, Performance Arts building and Academic building. These increases were partially offset by $4.9 million depreciation expense added to accumulated depreciation as reported in Note 5. The total assets increase in 2024 was primarily due to an increase in cash and cash equivalents of $2.1 million mostly related to an internal financing agreement of $2.5 million with the Alamo Colleges District for capital projects, an increase in capital assets of $1.8 million offset by $5.1 million depreciation expense added to accumulated depreciation.

Total liabilities increased by 7.2% or $8.5 million and decreased 3.1% or $3.7 million, in 2025 and 2024, respectively. Current liabilities increased $3.7 million in 2025 primarily due to a $2.4 million increase to accounts payable and accrued liabilities and a $0.4 million increase to unearned tuition and fees. Noncurrent liabilities increased $4.8 million in 2025 primarily due to a $12.5 million allocation of the 2025 series general obligation debt issuance, partially offset by $6.8 million in scheduled debt service payments as reported in Notes 6, 7 and 8. Current liabilities increased $0.6 million in 2024 primarily due to increases of $0.5 in unearned tuition and fees. Noncurrent liabilities decreased $4.3 million in 2024 as a result of an increase of $2.5 million from additional financing described above, offset by a $6.9 million reduction due to scheduled debt service payments as reported in Notes 6, 7 and 8.

The College's net position at August 31, 2025 was $51.6 million compared to $49.3 million at August 31, 2024.

The $2.4 million fiscal year 2025 increase to net position was due to an increase to net investment in capital assets of $7.1 million and an increase to unrestricted net position of $1.5 million, offset by a decrease to restricted net position of $6.2 million. The increase to net investment in capital assets was due to $12.5 million in FY2025 GO bond debt allocated to NLC for a portion of their capital projects that will funded using these bonds offset by partially offset by regular schedules debt service payments and the recording of construction in progress for capital expenditures on projects that have not yet met substantial completion. The decrease to restricted net position was primarily the result of expenditures related to the NLC Veteran's Center project funded by restricted state appropriations transferred to construction in progress.

The fiscal year 2024 increase to net position was due to increases to restricted capital assets of $8.3 million, a decrease in the net investment in capital assets and unrestricted net position, of $1.7 and $2.3 million, respectively. These increases to restricted capital assets are due to state appropriations for capital projects, and the reduction is due to usage of reserved net position for operating and capital projects.

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)

Management's Discussion and Analysis
(Unaudited)

Condensed Statements of Net Position
(in thousands)

	Fiscal Year			Change	
Assets	**2025**	**2024**	**2023**	**2024 to 2025**	**2023 to 2024**
Cash and cash equivalents	$ 16,657	$ 31,924	$ 29,818	$ (15,267)	$ 2,106
Accounts receivable, net and other assets	2,958	2,721	1,178	237	1,543
Capital assets	219,942	189,220	187,390	30,722	1,830
Accumulated depreciation	(60,598)	(55,758)	(50,672)	(4,840)	(5,086)
Total assets	178,958	168,106	167,714	10,852	392
Liabilities					
Current liabilities	17,057	13,335	12,773	3,722	562
Noncurrent liabilities	110,030	105,234	109,542	4,796	(4,308)
Total liabilities	127,087	118,569	122,315	8,518	(3,746)
Deferred Inflows of Resources					
Deferred inflows related to leases	227	244	256	(17)	(12)
Total deferred inflows of resources	227	244	256	(17)	(12)
Net Position					
Net investment in capital assets	41,631	34,562	36,300	7,069	(1,738)
Restricted, expendable for					
Student aid	601	829	964	(228)	(135)
Instructional programs	11	10	11	1	(1)
Capital projects	5,782	11,772	3,478	(5,990)	8,294
Unrestricted	3,620	2,120	4,390	1,500	(2,270)
Total net position	$ 51,645	$ 49,293	$ 45,143	$ 2,352	$ 4,150

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

Statements of Revenues, Expenses and Changes in Net Position

The Statements of Revenues, Expenses and Changes in Net Position present the results of operations for the College for the fiscal year. Operating revenues are generated from the services provided to students and other customers of the College. Operating expenses include those costs incurred in the production of goods and services which result in operating revenues, as well as depreciation. All other activity is classified as non-operating revenues and expenses. Since a large portion of the revenue stream including ad valorem property taxes, state appropriations and all federal financial aid grants are classified as non-operating revenues, Texas public community colleges will generally reflect an operating loss with the increase or decrease in net position reflective of all activity.

Total revenues and total expenses should be considered in assessing the change in the financial position of the College. When total revenues exceed total expenses, the result is an increase in net position. When the reverse occurs, the result is a decrease in net position. Further detail is presented in the Statements of Revenues, Expenses and Changes in Net Position and notes to the financial statements. A summarized comparison of the College's revenues, expenses and changes in net position for the years ended August 31, 2025, 2024 and 2023 is presented below in table form.

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)

Management's Discussion and Analysis
(Unaudited)

Condensed Statements of Revenues, Expenses and Changes in Net Position (in thousands)

	Fiscal Year			Change	Change
	2025	2024	2023	2024 to 2025	2023 to 2024
Operating revenues	$ 7,248	$ 7,511	$ 6,630	$ (263)	$ 880
Operating expenses	56,469	49,916	45,184	6,553	4,732
Operating loss	(49,221)	(42,405)	(38,554)	(6,816)	(3,852)
Non-operating revenues (expenses):					
State appropriations	12,712	9,014	7,014	3,698	2,000
Ad valorem taxes	20,232	23,827	25,185	(3,595)	(1,358)
Federal and State grants, non-operating	17,131	12,851	11,431	4,280	1,420
Interest on capital-related debt	(3,004)	(3,587)	(4,345)	583	758
Other net non-operating revenues	646	595	67	51	528
Total non-operating revenues, net	47,717	42,700	39,352	5,017	3,348
Other revenues					
Other income	3,855	3,855	3,855	-	-
Total other revenues	3,855	3,855	3,855	-	-
Increase in net position	2,352	4,150	4,653	(1,799)	(504)
Net position - beginning of year	49,293	45,143	40,490	4,150	4,653
Net position - end of year	$ 51,645	$ 49,293	$ 45,143	$ 2,351	$ 4,150

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

Operating Revenues (in thousands)

	2025		2024		2023		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	2024 to 2025	2023 to 2024
Net tuition and fees	$ 5,819	80.3%	$ 6,319	84.1%	$ 5,500	83.0%	$ (500)	$ 819
Grants and contracts	726	10.0%	502	6.7%	474	7.1%	224	29
Auxiliary enterprises	306	4.2%	278	3.7%	238	3.6%	28	40
Other operating revenues	397	5.5%	412	5.5%	418	6.3%	(15)	(6)
Total operating revenues	$ 7,248	100.0%	$ 7,511	100.0%	$ 6,630	100.0%	$ (263)	$ 880

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

As shown in the operating table above, total operating revenues decreased by $0.3 million or 3.5% in fiscal year 2025 and increased by $0.9 million or 13.3% in fiscal year 2024.

The $0.3 million decrease in fiscal year 2025 resulted from decreases to net tuition and fees and other operating revenues of $0.5 million and $15,000, respectively, offset by increases to operating grants and contracts and auxiliary expenses of $0.2 million and $28,000, respectively. The $0.9 million increase in fiscal year 2024 resulted from increases to net tuition and fees, federal grants and contracts and auxiliary enterprises of $0.8 million, $29,000, and $40,000, respectively, offset by a decrease to other operating revenues of approximately $6,000.

The primary component of operating revenue is net tuition and fees. A table showing the components of net tuition and fees is presented below. Total tuition and fees are presented net of waivers.

In 2025, gross tuition and fees decreased $0.3 million or 1.7% from 2024. Discounts grew $0.2 million as a result of additional federal Title IV aid and state funding, partially driven by changes in the computation of Pell under FAFSA simplification. In 2024, gross tuition and fees increased $3.6 million or 22.7% from 2023. Discounts grew $2.8 million as a result of additional federal Title IV aid and state funding. A 16.6% increase in semester credit hours, in addition to a 10% increase to in-District tuition rates, is reflected in the increase.

Net Tuition and Fees
(in thousands)

	2025			2024			2023		
		Amount	% of Total		Amount	% of Total		Amount	% of Total
Tuition	$	19,097	328.2%	$	19,452	307.8%	$	15,608	283.8%
Fees		327	5.6%		298	4.7%		493	9.0%
Discounts		(13,604)	-233.8%		(13,431)	-212.5%		(10,601)	-192.7%
Total net tuition and fees	$	5,819	100.0%	$	6,319	100.0%	$	5,500	100.0%

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

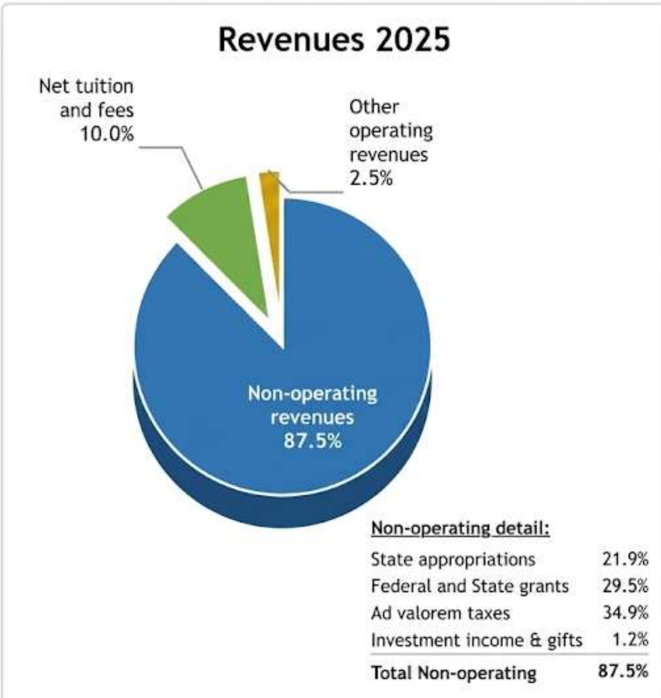
Following are charts of the major sources of revenue for fiscal years 2025 and 2024, comparing operating and non-operating revenues. Non-operating revenues comprise the largest portion of total revenues at 87.5% for fiscal year 2025 and 86.0% for fiscal year 2024.

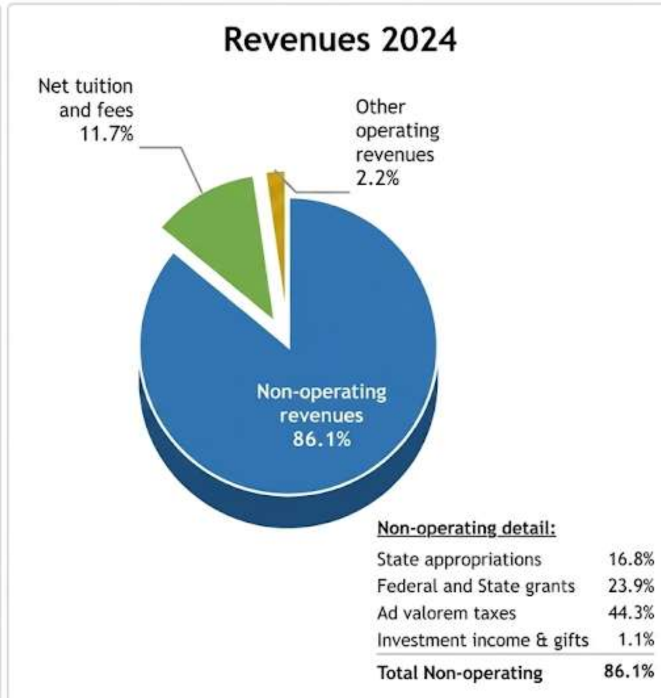
Net non-operating revenues increased by $5.0 million in fiscal year 2025 compared to fiscal year 2024. State appropriations increased by $7.0 million primarily due to increased performance-based funding under House Bill 8. Ad valorem taxes showed a net decrease of $3.6 million. Federal grants, non-operating, increased by $4.6 million, reflecting an increase in Pell and other federal financial aid awards affected by the FAFSA simplification that resulted in more Pell-eligible students and slightly larger average awards. State grants, non-operating, decreased by $0.3 million as a result of fewer Texas Educational Opportunity Grants from the Texas Higher Education Coordinating Board. Gifts increased by $48,000, investment income decreased by $13,000 and interest on capital-related debt increased by $0.6 million in fiscal year 2025. Overall, net non-operating revenues in FY25 totaled $47.7 million, an increase of $5.0 million from FY24.

Non-operating revenues increased by $3.3 million for fiscal year 2024 compared to fiscal year 2023. State appropriations increased by $2.0 million, which was partly due to the transition to a new state funding model under House Bill 8 (HB 8), passed by the 88th Texas Legislature in May 2023. This new model shifted funding from student contact hours to a performance-based approach focused on student success metrics, such as credential attainment and transfer rates. Ad valorem taxes showed a net decrease of $1.4 million. Federal grants, non-operating, increased by $0.9 million, reflecting continued federal support for various programs. State grants, non-operating, increased by $0.5 million, driven by additional state funding. Gifts decreased by $9,950, and investment income increased by $17,003. Interest on capital-related debt decreased by $0.8 million due to lower debt service costs. Other non-operating revenues, which were negative in FY23, showed a positive variance of $6,006 in FY24. Overall, net non-operating revenues in FY24 totaled $42.7 million, an increase of $3.3 million from FY23.

Other revenues were $3,855,480 in both fiscal year 2025 and 2024 due to a special state appropriation awarded to the college for veteran's construction projects.

Revenue Components – Operating and Non-operating





Operating expenses are presented in the following charts in both a natural and functional classification. Following is a three-year comparison of operating expenses by natural classification.

Total operating expenses increased by $6.6 million in fiscal year 2025. Salaries and wages increased by $2.5 million, or 11.7%, due to compensation adjustments including a 3.5% across-the-board wage increase for all employees, a 3.5% increase in high-wage/high-demand stipends for faculty teaching in those fields and other compensation adjustments to align pay for chairs, deans and vice-presidents.

Scholarships and fellowships increased by $2.9 million in FY25, reflecting the increased eligibility of students for federal title IV aid. The increase is due to record-breaking enrollment for the College, coupled with a formula change by the Department of Education from using Expected Family Contribution (EFC) to the Student Aid Index (SAI) which presumably created more students who are Pell/SEOG eligible and increased average award amounts. In addition, the college continued to expand its promotion of the availability for Pell and other Federal financial aid resulting in more awareness of the programs and more students utilizing federal financial aid.

Supplies expenses increased by $0.8 million in fiscal year 2025, primarily due to more expenses to support the record-breaking enrollment including increased costs for the provision of textbooks under the AlamoBooks+ program.

Depreciation expense decreased by $0.3 million in 2025, as depreciation for the furniture, machinery and equipment category decreased due to a majority of those assets being fully depreciated at the end of fiscal year 2024. In addition, the college does not begin depreciating asset categories other than equipment until the year after capitalization.

Total operating expenses increased by $4.7 million in fiscal year 2024. Salaries and wages increased by $3.6 million, or 20.6%, due to an approved general wage increase for full-time benefit faculty and staff. In addition, the College added 12 new positions. The increase in salary and wages is mainly due to strengthening core operations, implementing enhancements and innovations and planning for student success in current market conditions. To successfully launch and manage these enhancements and innovations, maintaining and retaining qualified employees is crucial. One of the Board's

Charges to the Chancellor is to lead an organizational push to develop a competitive employee compensation program, aiming to position Alamo Colleges among nationally recognized, high-performing community colleges. These compensation adjustments directly support the recruitment and retention of talent, which in turn helps fulfill our mission of student success. Alamo Colleges' continued commitment to faculty and staff compensation is evident in the FY24 talent strategies. The employees impacted by these changes included those that received a 6.5% flat market adjustment, which affected 213 employees across the College. Additionally, there are high wage/high demand faculty stipend adjustments, impacting faculty members, as well as the completion of staff equity pay adjustments, which will benefit employees in College Services, Academic Support, and other remaining job families. Full-time employees received a minimum market increase of $2,000 per year, while part-time employees received an increase of $0.96 per hour. The 6.5% market rate adjustment affected every Alamo Colleges employee, including full-time, part-time, revenue-funded, and grant-funded employees. Additionally, the Executive Faculty Senate, in collaboration with TOSI (Talent, Organization, and Strategic Innovation), continues their efforts to achieve a 1:1 lab loading ratio, with FY24 increasing the effort from 0.75 to 0.8. Alamo Colleges ensures that all employees and student workers receive a pay increase of at least $0.96 per hour for part-time employees or $2,000 per year for full-time employees.

Scholarships and fellowships increased by $2.1 million in FY24, reflecting the increased eligibility of students for federal title IV aid. The increase is due to an increase in enrollment (more eligible Pell students) from academic year to academic year and a formula change by the Department of Education change from using Expected Family Contribution (EFC) to the Student Aid Index (SAI) which presumably created more students who are Pell/SEOG eligible. EFC was used to determine a student's eligibility for federal financial aid by estimating how much a family could contribute toward education costs. The EFC was based on factors like income, assets, and household size. Starting with the 2024-2025 academic year, the Student Aid Index (SAI) replaced the EFC. The SAI simplifies the calculation and aims to offer a more accurate and equitable assessment of financial need. While both the EFC and SAI serve similar purposes, the SAI is expected to provide a clearer and more consistent approach to determining financial aid eligibility.

Supplies expenses decreased by $2.3 million in fiscal year 2024, primarily due to a $1.6 million reduction in operation and maintenance of plant expenses and $0.5 million decrease in non-labor institutional support expenses.

Depreciation expense increased by $0.6 million in 2024, reflecting normal wear and tear and asset depreciation.

Operating Expenses in Natural Classification
(in thousands)

	Fiscal Year			Change	Change
	2025	**2024**	**2023**	**2024 to 2025**	**2023 to 2024**
Salaries	$ 23,529	$ 21,064	$ 17,472	$ 2,465	$ 3,592
Benefits	6,644	6,028	5,329	616	699
Scholarships and fellowships	10,919	8,007	5,928	2,912	2,079
Supplies and services	10,488	9,673	11,956	815	(2,283)
Depreciation	4,889	5,144	4,499	(255)	645
Total operating expenses	$ 56,469	$ 49,916	$ 45,184	$ 6,553	$ 4,732

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

Operating Expenses in Functional Classification
(in thousands)

	Fiscal Year			Change	
	2025	2024	2023	2024 to 2025	2023 to 2024
Instruction	$ 17,735	$ 15,531	$ 13,948	$ 2,204	$ 1,583
Academic support	5,539	5,029	4,127	510	902
Student services	8,475	7,594	6,432	881	1,162
Institutional support	4,816	4,890	4,970	(74)	(80)
Operation and maintenance of plant	4,095	3,721	5,280	374	(1,559)
Depreciation	4,890	5,144	4,499	(254)	645
Scholarships and fellowships	10,919	8,007	5,928	2,912	2,079
Total educational and general	56,469	49,916	45,184	6,553	4,732
Auxiliary enterprises	-	-	-	-	-
Total operating expenses	$ 56,469	$ 49,916	$ 45,184	$ 6,553	$ 4,732

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

Factors influencing operating expenses grouped by functional classification include the following:

- Instruction includes expenses for all activities that are a part of the instructional programs, such as faculty salaries and benefits. In fiscal year 2025, instructional expenses increased $2.2 million. Salaries and benefits increased by approximately $1.6 million due to the 3.5% across-the-board and other compensation adjustments discussed previously and additional faculty to support the enrollment increase. Supplies and operating expenses increased $0.6 million primarily due to increases in contracted faculty costs for dual-credit instructors and instructional supplies related to an increase in allocation of costs under the AlamoBooks+ program. In fiscal year 2024, instructional expenses increased $1.6 million. Salaries and benefits increased $1.5 million due to approved salary increases and an enrollment increase. Supplies and operating expenses increased $0.5 million, offset by a reduction of $0.4 million in non-capitalized equipment expenses.

- Academic support includes expenses related to providing support services for the College's primary mission of instruction, including libraries, computing support, audio visual services, curriculum development and academic program administration. In fiscal year 2025, academic support costs increased $0.5 million. Salary and benefit expenses increased by $0.5 million and equipment and capital expenses increased by approximately $137,000. These increases were offset by reductions to operating expenses of approximately $150,000, primarily due to a decrease in contracted academic support personnel under the dual credit programs and for repair and maintenance costs. In fiscal year 2024, academic support costs increased $0.9 million. Approved salary and benefit increase of $1.1 million were offset by a reduction of operating expenses of $0.2 million.

- Student services include expenses of various departments serving students such as student newspapers, intramural athletics, student organizations, counseling and career guidance, student aid administration, student health services, counseling and student success centers. In 2025, salaries and benefits for student services employees increased $0.7 million from salary increases and additional hours for student services employees required to support the increase in enrollment. Other operating expenses for student services increased by approximately $127,000 due to a $57,000 increase to allocated computer service charges and a $57,000 increase to independent contracted services. In 2024, salaries and benefits for student services employees increased $1.2 million from salary increases and 6 new full-time budgeted positions.

- The institutional support category is primarily comprised of salaries and other operating expenses for central executive-level management that engage in long-range planning for the College. In fiscal year 2025, institutional support expenses were flat, with a nominal decrease of approximately $74,000. This category decreased $80,000 in 2024. There was a $0.5 million increase to institutional support salaries due to reasons detailed previously, and by a budgeted addition of 6 new institutional support positions. Operating expenses and non-capitalized furniture and equipment decreased $0.5 million, offsetting the salary and benefit increases in FY24.

- Operation and maintenance of plant include expenses for custodial, grounds, and building maintenance, as well as utilities. In 2025, operation and maintenance costs increased by $0.4 million primarily due to a $0.3 million increase to salaries and benefits related to the across-the-board compensation adjustment discussed previously. In 2024, operation and maintenance costs decreased $1.6 million due to fewer preventive maintenance costs.

- Scholarships and fellowships increased by $2.9 million in FY25 and by $2.1 million in FY24 as described above in the natural classification section.

Statements of Cash Flows

The Statements of Cash Flows provide information about the sources of cash and the uses of cash in the operations of the College. The Statements of Cash Flows help users determine the entity's ability to meet its obligations as they become due and the impact of external financing.

The Statements summarize cash inflows and outflows by operating activities, non-capital financing activities, capital financing activities and investing activities. In fiscal year 2025, the Statements of Cash Flows reflected a decrease in cash and cash equivalents of approximately $15.3 million. The decrease is primarily attributable to negative net cash flows from operating activities of $40.0 million driven by payments for salaries and payments for scholarships and fellowships, along with negative net cash flows from capital and related financing activities of approximately $18.6 million driven by payments for capital asset acquisitions and construction. Cash and cash equivalent increased by approximately $2.1 million for the year ended August 31, 2024. The 2024 increase is attributed to additional financing for the internal financial agreement described previously intended for capital projects. The primary uses of cash in operations are for payment of salaries and benefits, payments to suppliers for goods and services and payments to students for scholarships. Sources of cash from operations are primarily from tuition receipts from students and receipts from other customers and from granting agencies. Sources of cash from non-capital financing activities are primarily from ad valorem taxes, state appropriations and nonoperating federal and state revenues. Cash inflows from capital and related financing activities include proceeds from the issuance of capital debt and receipts from ad valorem taxes to be used for debt service, while outflows consist of cash payments of debt, both principal and interest, as well as capital assets acquisition and construction. For additional detailed information, see Exhibit 3.

Capital Assets

Changes in net capital assets are the result of acquisitions, improvements, deletions and changes in accumulated depreciation. The College had $219.9 and $189.2 million in capital assets at August 31, 2025 and 2024, respectively, and accumulated depreciation of $60.6 and $55.8 million at the same dates, respectively. Depreciation expense totaled $4.9 million in fiscal year 2025 and $5.1 million in fiscal year 2024. (See Note 5, Capital Assets, included in the financial statements.) A summary of net capital assets is presented below.

Net Capital Assets at Fiscal Year End
(in thousands)

	Fiscal Year			Change	
	2025	**2024**	**2023**	**2024 to 2025**	**2023 to 2024**
Land	$ 8,714	$ 4,953	$ 4,953	$ 3,761	$ -
Buildings and other real estate improvements	133,881	124,390	128,939	9,491	(4,549)
Works of art	168	132	125	36	7
Construction in progress	15,347	2,660	1,027	12,687	1,633
Furniture, machinery and equipment	808	906	1,379	(98)	(473)
Library materials	427	422	295	5	127
Total net capital assets	$ 159,344	$ 133,462	$ 136,718	$ 25,882	$ (3,255)

Due to rounding, certain totals in this schedule may not add exactly to their constituent amounts.

One method of evaluating the continued life of capital assets is to compare the accumulated depreciation to the original cost of the assets as a percentage. The following table lists assets subject to depreciation and the percentage depreciated at August 31, 2025 and 2024. The accumulated depreciation rate for buildings and other real estate improvements is low, as is expected of a campus comprised of relatively new buildings.

Depreciable Capital Assets and Accumulated Depreciation Percentages
(in thousands)

	Fiscal Year 2025			Fiscal Year 2024		
	Capitalized	**Accumulated Depreciation**	**% Depreciated**	**Capitalized**	**Accumulated Depreciation**	**% Depreciated**
Buildings and other real estate improvements	$ 192,289	$ 58,408	30.4%	$ 178,246	$ 53,856	30.2%
Furniture, machinery and equipment	2,310	1,502	65.0%	2,141	1,235	57.7%
Library materials	1,114	687	61.7%	1,088	666	61.2%

In fiscal year 2025, the College recorded increases to land, works of art, construction in progress, buildings, other real estate improvements, furniture, machinery and equipment, and library materials of $3.8 million, $36,000, $14.1 million, $5.8 million, $8.3 million, $221,000 and $47,000, respectively. In January 2025, the College purchased land and a building in New Braunfels, Texas, which will undergo renovations to expand educational opportunities to residents in Comal and Guadalupe counties.

In fiscal year 2024, the College recorded increases to construction in progress, buildings, furniture, machinery and equipment, works of art, and library materials of $1.6 million, $3,000, $70,000, $6,500 and $118,000, respectively.

Schedule of Major Capital Assets

	Square footage (in thousands)
Academic space	263,090
Library	82,620
Student support and administration	64,191
Dining facility	-
Athletic facility	47,607
Includes gymnasium, fitness center, putting green and rock climbing wall	
Plant facility	10,763
Parking lots (accommodate 2,234 vehicles)	

Debt

The College reports a portion of the general obligation bonds, revenue bonds, and tax notes issued by the District. This portion is based on the original capital project budgets for the bonds, which were developed before the bonds were issued. The reported amount is determined by the debt allocated to the College from the District's total debt, reduced by the proportional amortization of debt service established at the issuance of the bonds. In fiscal year 2025, the College was allocated $12.5 million of the 2025 series GO bond debt issued by the District and made debt service payments in the amount of $6.8 million, resulting in total outstanding debt of $117.7 million. In fiscal year 2024, an additional $2.5 million was allocated to the College for capital projects on campus from an internal financial agreement with the District. The College made scheduled debt service payments of $6.9 million, resulting in outstanding debt of $112.0 million. For additional information, see Note 6, 7 and 8.

The District had $888.1 million and $755.8 million in outstanding bonds and maintenance tax note debt at August 31, 2025 and 2024, respectively, excluding premiums. This amounts to an increase of $132.3 million in fiscal year 2025 and a decrease of $73.3 million in fiscal year 2024. The $132.3 million increase in 2025 was the result of the issuance of Series 2025 general obligation debt in the amount of $296.3 million, offset by regular and scheduled debt service payment and additional debt reduction transactions totaling $164.0 million. The $73.3 million decrease in 2024 was the result of regularly scheduled debt service payments and other debt transactions including redemptions and defeasances.

The District's general obligation debt is payable from the proceeds of a continuing, direct ad valorem tax levied against all taxable property within the taxing district. Revenue bonds are special obligations of the District that are payable solely from and will be equally and ratably secured by an irrevocable first lien on pledged revenues. The pledged revenue is all revenue from tuition pursuant to applicable Texas law.

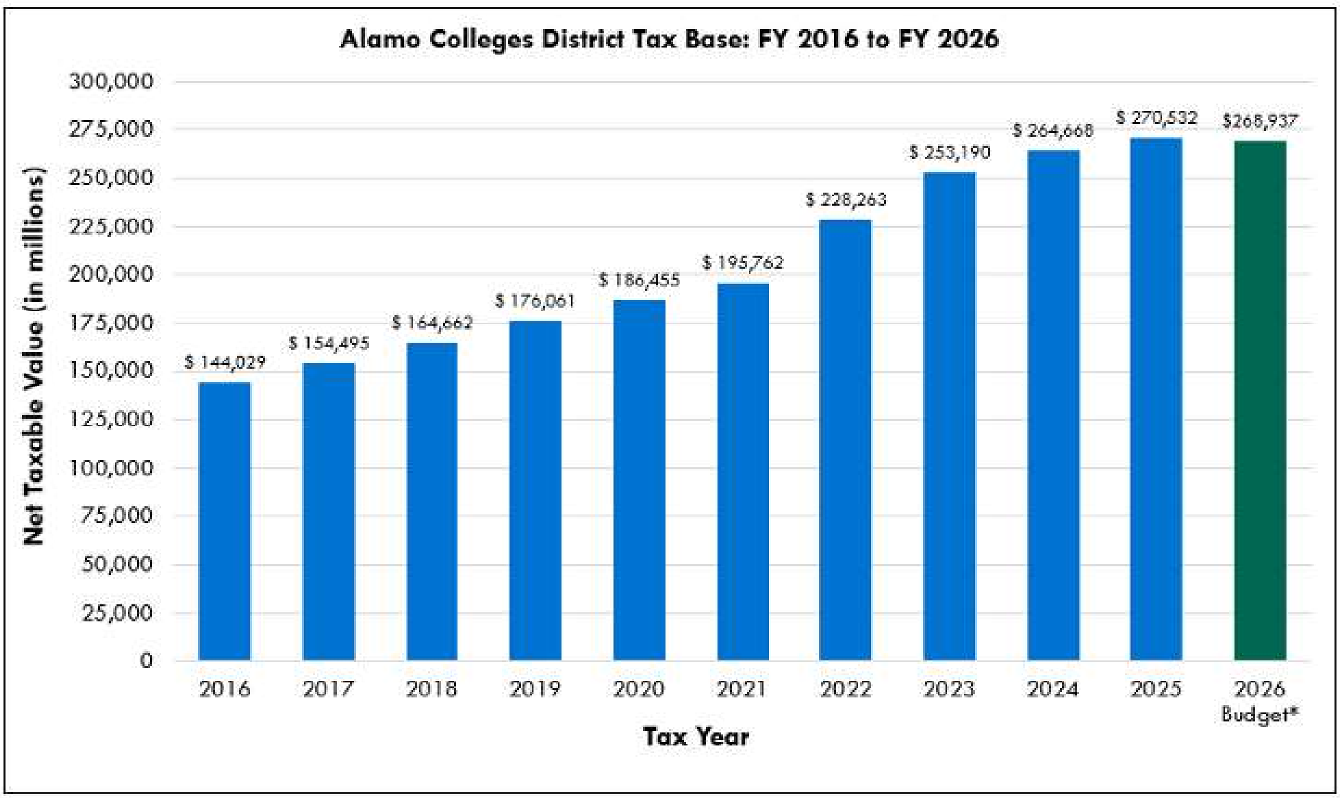
The District has received bond ratings for its general obligation bonds of Aaa and AAA from Moody's Investors Service and S&P Global Ratings, respectively. These are the highest ratings available from these rating agencies. More detailed information about the District's noncurrent liabilities is presented in Notes 6, 7, and 8 to its financial statements.

Factors Having Probable Future Financial Significance

In May 2025, Bexar County voters made history by approving the District's $987 million general obligation bond, which was the largest in the District's history. In August 2025, the District issued the first tranche of the bonds in the amount of $296.3 million. The bond funds will be used to fund new academic and workforce facilities, ensuring the District is ready to meet the needs of our rapidly growing region and anticipated enrollment growth. With projected enrollment of 100,000 by 2029, the bonds will help address the projected growth and increase access to education and training. As the region's number one provider of workforce education, the bonds will be used to align our programming to our region's key sectors with expansions and new locations including schools and centers focused on key sectors such as Engineering, IT/Cybersecurity/Emerging Technologies, Automotive Technology, Healthcare, Applied Technology & Construction Trades, and Transportation.

The economic landscape of the College is significantly shaped by the broader economic conditions of the State of Texas, Bexar County, surrounding counties, and the City of San Antonio. As the seventh-largest city in the United States and the second largest in Texas, San Antonio plays a pivotal role in regional economic dynamics. As of August 2025, the national unemployment rate is 4.2%, with Texas slightly lower at 4.1% and the San Antonio unemployment rate standing at 4.1%. According to an October 2025 report from the Federal Reserve Bank of Dallas, San Antonio payrolls, wages and sales tax revenue all demonstrated positive annualized increases as of August 2025, at 4.1%, 6.6% and 3.4%, respectively, indicating a stable economic outlook in the College's service area.

The San Antonio metropolitan area, including Bexar County, is an attractive hub for business expansion, driven by several key advantages: affordability, abundant power resources, and a continuously evolving education system. The region boasts a robust and diverse economy that spans multiple industries, including bioscience, healthcare, aerospace, aviation, military, tourism, financial services, manufacturing, and information technology, with a particular emphasis on cybersecurity. The area is characterized by a strong history of collaboration among government entities, nonprofit organizations, industry stakeholders, and educational institutions. This partnership-focused approach underscores the region's commitment to creating a thriving environment for businesses and consumers alike. The accompanying chart illustrates the strength of the property tax base, which contributes significantly to the College's revenues.



This financial report is designed to provide the College's citizens, taxpayers, students, investors and creditors with a general overview of the College's finances and to demonstrate the College's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Finance and Fiscal Services Department at 2222 N. Alamo Street, San Antonio, Texas 78215 or visit our Financial Transparency website at: https://www.alamo.edu/about-us/compliance/financial-information/.

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)
EXHIBIT 1

Statements of Net Position
August 31, 2025 and 2024

	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 8,423,668	$ 6,698,936
Restricted cash and cash equivalents	3,972,303	1,475,098
Accounts receivable and notes receivable, net of allowance	2,691,865	2,475,013
Other assets	34,167	-
Total current assets	15,122,003	10,649,047
Noncurrent assets:		
Restricted cash and cash equivalents	4,260,574	23,749,532
Leases receivable	231,822	246,056
Capital assets (net)	159,344,022	133,461,894
Total noncurrent assets	163,836,418	157,457,482
TOTAL ASSETS	178,958,421	168,106,529
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	4,108,759	1,728,382
Funds held for others	89,899	75,282
Unearned revenues	5,154,069	4,723,483
Current portion of noncurrent liabilities	7,704,218	6,807,503
Total current liabilities	17,056,945	13,334,650
Noncurrent liabilities	110,029,797	105,234,016
TOTAL LIABILITIES	127,086,742	118,568,666
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to leases	227,010	244,473
TOTAL DEFERRED INFLOWS OF RESOURCES	227,010	244,473
NET POSITION		
Net investment in capital assets	41,630,762	34,561,943
Restricted for:		
Expendable		
Student aid	600,450	828,759
Instructional programs	10,545	10,545
Capital projects	5,782,419	11,772,055
Unrestricted	3,620,493	2,120,088
TOTAL NET POSITION	$ 51,644,669	$ 49,293,390

The accompanying notes are an integral part of these financial statements.

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)
EXHIBIT 2

Statements of Revenues, Expenses and Changes in Net Position
Years Ended August 31, 2025 and 2024

	2025	2024
OPERATING REVENUES:		
Tuition and fees (net of discounts of $13,604,346 and $13,430,341, respectively)	$ 5,819,121	$ 6,319,048
Grants and contracts	726,101	502,444
Auxiliary enterprises	305,880	277,871
Other operating revenues	397,072	411,530
Total operating revenues (Schedule A)	7,248,174	7,510,893
OPERATING EXPENSES:		
Instruction	17,735,334	15,531,327
Academic support	5,539,458	5,028,965
Student services	8,474,677	7,593,415
Institutional support	4,816,335	4,890,065
Operation and maintenance of plant	4,094,646	3,720,964
Scholarships and fellowships	10,918,702	8,007,177
Depreciation	4,890,154	5,144,309
Total operating expenses (Schedule B)	56,469,306	49,916,222
Operating loss	(49,221,132)	(42,405,329)
NON-OPERATING REVENUES/(EXPENSES):		
State appropriations	12,712,420	9,014,288
Ad valorem taxes		
Taxes for maintenance and operations	14,634,609	17,204,673
Taxes for maintenance notes	2,230,345	2,731,944
Taxes for general obligation bonds	3,367,276	3,890,418
Federal grants, non-operating	16,297,726	11,745,841
State grants, non-operating	832,644	1,105,226
Gifts	64,332	16,550
Investment income	50,597	63,090
Other non-operating state funds-FAST	554,465	515,570
Interest on capital-related debt	(3,004,044)	(3,587,098)
Other non-operating expenses	(23,439)	-
Net non-operating revenues (Schedule C)	47,716,931	42,700,502
Income (loss) before other revenues	(1,504,201)	295,173
OTHER REVENUES:		
Other income	3,855,480	3,855,480
Total other revenues	3,855,480	3,855,480
Increase in net position	2,351,279	4,150,653
NET POSITION:		
Net position - beginning of year	49,293,390	45,142,737
Net position - end of year (Schedule D)	$ 51,644,669	$ 49,293,390

The accompanying notes are an integral part of these financial statements.

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)
EXHIBIT 3

Statements of Cash Flows
Years Ended August 31, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from students and other customers	$ 6,011,243	$ 7,314,403
Receipts from grants and contracts	1,075,260	276,218
Other receipts	393,843	412,226
Payments to or on behalf of employees	(28,465,333)	(24,729,224)
Payments to suppliers for goods and services	(8,131,803)	(9,760,951)
Payments for scholarships and fellowships	(10,918,702)	(8,007,177)
Payment for federal loans issued to students	(2,041,119)	(1,685,998)
Receipts for federal loans for students	2,030,804	1,695,575
Net cash used by operating activities	(40,045,807)	(34,484,928)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from state appropriations (non-capital projects)	10,970,691	7,144,749
Receipts from ad valorem taxes	14,634,609	17,204,673
Receipts from non-operating federal and state revenue	17,119,018	11,342,424
Receipts from gifts and grants (other than capital)	618,797	16,000
Receipts from student organizations and other agency transactions	14,617	2,274
Net cash provided by non-capital financing activities	43,357,732	35,710,120
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds on issuance of capital debt	12,500,000	2,500,000
Receipts from ad valorem taxes for debt service	5,597,621	6,622,362
Receipts from state appropriations for capital projects	3,855,480	3,855,480
Payments for capital assets acquisition and construction of capital assets	(30,771,097)	(1,710,548)
Payments on capital debt - principal	(6,807,503)	(6,863,389)
Payments on capital debt - interest	(3,004,044)	(3,587,098)
Net cash (used)/provided by capital and related financing activities	(18,629,543)	816,807
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	50,597	63,090
Net cash provided by investing activities	50,597	63,090
(DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(15,267,021)	2,105,089
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	31,923,566	29,818,477
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 16,656,545	$ 31,923,566

The accompanying notes are an integral part of these financial statements.

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)
EXHIBIT 3

Statements of Cash Flows
Years Ended August 31, 2025 and 2024 (continued)

	2025	2024
RECONCILIATION OF OPERATING LOSS TO NET CASH		
USED BY OPERATING ACTIVITIES:		
Operating loss	$ (49,221,132)	$ (42,405,329)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	4,890,154	5,144,309
Allowance for doubtful accounts	257,875	373,427
Non-cash state appropriations - on-behalf payments	1,741,729	2,385,109
Changes in assets and liabilities:		
Receivables (net)	(449,141)	(407,870)
Other assets	(34,167)	-
Accounts payable	2,355,752	(97,555)
Unearned income	430,586	535,089
Deferred inflows related to leases	(17,463)	(12,108)
Net cash used by operating activities	$ (40,045,807)	$ (34,484,928)
SCHEDULE OF NON-CASH INVESTING AND FINANCING TRANSACTIONS:		
State on-behalf payments	$ 1,741,729	$ 2,385,109
Gifts of depreciable and non-depreciable assets	$ -	$ 550

The accompanying notes are an integral part of these financial statements.

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)

Notes to Financial Statements

1. REPORTING ENTITY

Northeast Lakeview College (the College), established in 2007, is one of the five colleges of the Alamo Community College District (Alamo Colleges District or the District) serving the educational needs of Bexar County and surrounding communities.

The College, as a member of the Alamo Colleges District, administers and provides educational services using the funds provided to or generated by it. The College directs its own budget allocation, as approved by the Board of Trustees of the Alamo Colleges District, and makes decisions regarding educational activities including the development of curriculum, the delivery of educational support services and the hiring of faculty and staff under the Alamo Colleges District's guidelines. Certain assets, liabilities and net position attributable to the College's operations are designated separately in the District's books or are allocated for the basis of reporting at the College level. The College has no separate legal authority to enter into debt, make investments, acquire capital assets, assess or collect taxes or otherwise engage in activities as a separate legal entity. These activities are conducted and reported at the District level on behalf of the entire District and are under the direction of the Chancellor, the administration and/or Board of Trustees of the Alamo Colleges District. The accompanying financial statements present the net position and changes in net position and cash flows of the College. These financial statements are not intended to present the financial position or the change in financial position or cash flows of the District.

The Alamo Colleges District is considered to be a special purpose, primary government. While the Alamo Colleges District receives funding from local, state and federal sources and must comply with the spending, reporting and recordkeeping requirements of these entities, it is not a component unit of any other governmental entity. The Alamo Colleges District issues an Annual Comprehensive Financial Report that includes the District operations, as well as the operations of its five-member colleges. The Alamo Community College District was established in 1945 in accordance with the laws of the State of Texas. It serves the educational needs of Bexar County and surrounding communities through its colleges and educational centers. The District supports five colleges, including San Antonio College, St. Philip's College, Palo Alto College, Northwest Vista College and Northeast Lakeview College.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

<u>Reporting Guidelines</u>
The significant accounting policies followed in preparing these financial statements are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community Colleges* for fiscal year 2025. For financial reporting purposes Northeast Lakeview College is part of the District, which is considered a special purpose, primary government engaged in business-type activities. The primary purpose for the preparation of the separately issued financial statements of the College is to satisfy requirements for the College's accreditation body, the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC).

<u>Basis of Accounting</u>
The financial statements are prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) and comply with reporting requirements as set by the Texas Higher Education Coordinating Board (THECB). The financial statements of the College have been prepared on the accrual basis, whereby all revenues are recorded when earned, and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

<u>Budgetary Data</u>
Each community college district in Texas is required by law to prepare an annual operating budget of anticipated revenues and expenses for the fiscal year beginning September 1. The District's Board of Trustees adopts the annual budget, which is prepared on the accrual basis of accounting for operating funds and available resources for construction and renewal funds. Copies of the District's approved budget and subsequent amendments must be filed with the THECB, Legislative Budget Board, Legislative Reference Library and Governor's Office of Budget and Planning by December 1. The budget documents include the College's information for tuition and other revenue, student contact hours, state appropriation allocation distribution, expenses and personnel, as well as other information.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents
Cash and cash equivalents consist of operating cash on hand, demand deposits and short-term investments with original maturities of less than three months from the date of acquisition.

Restricted Cash and Cash Equivalents
Restricted cash and cash equivalents that can be used to pay current liabilities (in keeping with restrictions) are classified as current assets.

Cash and cash equivalents that are externally restricted (except as discussed in the preceding paragraph) as to their use are classified as noncurrent assets in the Statements of Net Position. This category includes unexpended cash balances restricted by donors or other outside agencies for specific purposes; gifts whose donors have placed limitations on their use; grants from private or governmental sources; bond proceeds; and other sponsored funds.

Accounts and Notes Receivable
Accounts receivable are recorded at the invoiced amounts. Notes receivable represent short-term student loans. The allowance for doubtful accounts is management's best estimate of the amount of probable credit losses and is determined based on historical collectability. Account balances are written off against the allowance when it is probable the receivable will not be recovered.

Leases Receivable
The College is a lessor for noncancelable leases of property. The College recognizes a lease receivable and a deferred inflow of resources in the Statements 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, if any. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- The College uses the Treasury rate with the maturity that most closely matches the length of the lease term, as of the date of the beginning of the lease term, obtained from the treasury.gov website, as the discount rate for leases.

- The lease term includes the noncancelable period of the lease.

- Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to 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.

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets
Assets meeting the applicable capitalization threshold with useful lives extending beyond one year are recorded at cost on the date of acquisition. In accordance with GASB Statement No. 72, *Fair Value Measurement and Application,* donated capital assets are stated at acquisition value, defined as the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Infrastructure and land improvements which significantly add value or extend the useful life of the structure are capitalized. The costs of normal maintenance and repairs are charged to operating expense in the year the expense is incurred.

The straight-line method is used for depreciating assets over their useful lives. Depreciation begins in the following year after capitalization except for equipment, which is prorated in the first year the asset was placed in service. The table below lists the capitalization thresholds and useful lives for each asset category:

Class of Asset	Capitalization Threshold	Useful Life (Years)	Salvage Value
Non-depreciable assets:			
Land	$ 10,000	Not depreciated	-
Works of art/historical treasures	10,000	Not depreciated	-
Buildings:			
Buildings	100,000	40	10%
Portable buildings	10,000	10	10%
Other real estate improvements:			
Building improvements	100,000	20	-
Infrastructure	100,000	20	10%
Land improvements (except tennis courts)	100,000	20	-
Leasehold improvements	10,000	Shorter of lease or useful life	-
Tennis courts	10,000	7	-
Furniture, machinery and equipment:			
Furniture, machinery and equipment	10,000	5-10	-
Technology systems	50,000	5	-
Software	10,000	5	-
Library materials	All	15	-
Subscription-based information technology arrangements	100,000	Shorter of contract or useful life	-

Compensable Absences
The College is not a separate legal entity and therefore all College personnel are employees of the District. As such, employee benefits are administered and recorded at the District level and are considered the obligations of the District and are not allocated to the College. The District accrues a liability for compensated absences that meet all of the following criteria: a) the leave is attributable to services already rendered; b) the leave accumulates; and c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Vacation leave is paid out upon termination. For financial accounting and reporting purposes, sick leave taken first comes out of hours earned in the current reporting period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Self-Insurance
The District is self-insured for a portion of workers' compensation losses. A liability representing the self-insured portion of workers' compensation losses is recorded at the District level for the estimated amount of eventual loss which will be incurred on claims arising prior to the end of the fiscal year including incurred but not reported claims.

Net Position
Net Investment in Capital Assets
This category represents the total investment in capital assets used primarily by the College, net of related outstanding debt used to acquire or construct those assets and accumulated depreciation related to those capital assets.

Restricted Net Position, Expendable
Legal or contractual obligations require this portion to be spent in accordance with external restrictions.

Unrestricted Net Position
These are resources that are not subject to external restrictions and may be used at the discretion of the governing board for any lawful purpose of the College.

Operating and Non-operating Revenues
The College distinguishes operating and non-operating revenues and follows the District's method of reporting as a Business-Type Activity (BTA) and as a single, proprietary fund. Operating revenues generally result from providing services in connection with the principal ongoing operations. The principal operating revenues are student tuition and fees net of scholarship discounts and allowances, federal and private grants and contracts, auxiliary enterprises revenue (such as campus access fees and bookstore commissions) and other revenues of a similar nature.

The major non-operating revenues are state appropriations, ad valorem property tax collections and federal financial aid through Title IV Higher Education Act grants. The amount of state appropriations allocated to the College is based on student contact hours generated. This is similar to the method the State of Texas uses to allocate appropriations to the District on a biennium basis. State appropriations may not be used for construction of facilities or for repairs and renovation of those facilities. The amount of ad valorem taxes allocated to the College is based on two variables - debt service requirements by the College on allocated debt and District support determined by the budget process for College operations. Any uncollectible assessed taxes are covered by the District.

Revenue Recognition and Unearned Income
Tuition and fee revenues are recorded when earned. Unrestricted tuition and fees and other revenues related to the upcoming fall semester that are received prior to year end are recorded as unearned revenues. Revenue from federal and state grants and entitlements is recognized as allowable costs are incurred, provided all eligibility requirements, if any, have been met and qualifying expenditures, if required, have been incurred. Unrestricted unearned charges have been netted against unearned income. Restricted charges where all obligations have been fulfilled are treated as expenses in the period incurred.

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

Title IV Higher Education Act (HEA) Program Funds
Certain Title IV HEA Program funds are received by the College to pass through to students. These funds are received by the College and recorded as revenue. When a student uses the award for tuition and fees, the amount is recorded as a tuition discount. The portion of the award disbursed directly to students is reported as a scholarship expense.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other Tuition Discounts
The College awards tuition and fee scholarships from institutional funds to students who qualify. When these funds are used for tuition and fees, the awards are recorded as a tuition discount. The portion of the award disbursed directly to students is reported as a scholarship expense.

Operating and Non-operating Expenses
Operating expenses include the cost of providing instruction, academic support, student services, operation and maintenance of plant and depreciation on capital assets. Expenses related to non-operating federal revenues are reported as operating expenses, either as tuition discounts (if applied to tuition) or as scholarship expenses. The major non-operating expenses are interest on capital-related debt and capital expenses associated with bond proceeds which fall below the capitalization thresholds.

Restricted Resources
When an expense is incurred that can be paid using either restricted or unrestricted resources, the expense is first applied against restricted resources and then against unrestricted resources.

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

3. CASH AND CASH EQUIVALENTS

Total cash and cash equivalents at August 31, 2025 and 2024 were $16,656,545 and $31,923,566, respectively. The FDIC insures all of the noninterest-bearing demand deposits. Interest-bearing deposits in excess of $250,000 are collateralized at a level of at least 100% in U.S. Treasuries and Government Securities held in the District's name.

4. LEASES RECEIVABLE

The College, as lessor, has entered into a lease agreement with New Cingular Wireless PCS, LLC to lease 2,500 square feet of rooftop space at Northeast Lakeview College for the installation of communications equipment. The lease term began August 28, 2013 for a five-year term. The lease is automatically renewed for four additional five-year terms unless the lessee terminates by written notice, making it possible for this lease to extend through August 27, 2038. In exchange for the space the College will receive $12,000 annually, subject to a 3% per annum increase on the anniversary of the commencement date. Accordingly, the College recorded a lease receivable asset in the amount of $307,897 at inception. In FY25 lease revenue and interest revenue for this lease was $17,462 and $3,028, respectively. In FY24 lease revenue and interest revenue for this lease were $17,462 and $3,196, respectively.

Leases receivable at August 31, 2025 and 2024 were as follows:

	Interest Rate(s)	Receivable At Commencement	Lease Term In Years	Balance 8/31/2025	Balance 8/31/2024
Business-type Activities					
Cell phone tower space with AT&T	1.20%	$ 307,897	18.0	$ 246,043	$ 259,626
Total leases receivable				$ 246,043	$ 259,626

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)

Notes to Financial Statements

5. CAPITAL ASSETS

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

	Balance 9/1/2024	Increases	Decreases	Balance 8/31/2025
Not Depreciated:				
Land	$ 4,953,478	$ 3,760,628	$ -	$ 8,714,106
Works of art	131,500	36,166	-	167,666
Construction in progress	2,659,697	14,085,037	1,397,817	15,346,917
Subtotal	7,744,675	17,881,831	1,397,817	24,228,689
Subject to Depreciation:				
Buildings and building improvements	161,714,850	5,759,621	-	167,474,471
Other real estate improvements	16,530,898	8,284,083	-	24,814,981
Total buildings and other real estate improvements	178,245,748	14,043,704	-	192,289,452
Furniture, machinery and equipment	2,140,778	220,827	51,580	2,310,025
Library materials	1,088,327	47,176	21,784	1,113,719
Total buildings and other capital assets	181,474,853	14,311,707	73,364	195,713,196
Accumulated Depreciation:				
Buildings and building improvements	43,038,251	3,801,968	-	46,840,219
Other real estate improvements	10,817,777	750,370	-	11,568,147
Total buildings and other real estate improvements	53,856,027	4,552,338	-	58,408,365
Furniture, machinery and equipment	1,235,135	295,491	28,141	1,502,485
Library materials	666,472	42,325	21,784	687,013
Total accumulated depreciation	55,757,635	4,890,154	49,925	60,597,864
Net capital assets	$ 133,461,894	$ 27,303,384	$ 1,421,256	$ 159,344,022

5. CAPITAL ASSETS (continued)

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

	Balance 9/1/2023	Increases	Decreases	Balance 8/31/2024
Not Depreciated:				
Land	$ 4,953,478	$ -	$ -	$ 4,953,478
Works of art	125,000	6,500	-	131,500
Construction in progress	1,026,779	1,632,918	-	2,659,697
Subtotal	6,105,257	1,639,418	-	7,744,675
Subject to Depreciation:				
Buildings and building improvements	161,712,153	2,697	-	161,714,850
Other real estate improvements	16,530,898	-	-	16,530,898
Total buildings and other real estate improvements	178,243,051	2,697	-	178,245,748
Furniture, machinery and equipment	2,070,738	156,394	86,354	2,140,778
Library materials	970,686	171,354	53,713	1,088,327
Total buildings and other capital assets	181,284,475	330,446	140,067	181,474,853
Accumulated Depreciation:				
Buildings and building improvements	39,236,224	3,802,027	-	43,038,251
Other real estate improvements	10,067,407	750,370	-	10,817,777
Total buildings and other real estate improvements	49,303,631	4,552,396	-	53,856,027
Furniture, machinery and equipment	692,348	547,823	5,035	1,235,135
Library materials	676,095	44,090	53,713	666,472
Total accumulated depreciation	50,672,073	5,144,309	58,748	55,757,635
Net capital assets	$ 136,717,658	$ (3,174,446)	$ 81,319	$ 133,461,894

6. NONCURRENT LIABILITIES

Noncurrent liabilities include the College's allocated portion of the District's general obligation bonds, maintenance tax notes and combined fee revenue bonds reported below, based on the Board-approved construction projects for the College. The District is the financial obligor for repayment of these obligations from College tuition and fee revenues and allocated assessed property taxes. Because all employees of the College are District employees and the District has the legal obligation to fund the long-term pension and OPEB benefits of its employees, the net pension liability and net OPEB liability for all of the College's employees are recorded in the District's financial statements.

6. NONCURRENT LIABILITIES (continued)

At August 31, 2025, noncurrent liabilities are $110,029,797 with activity for the fiscal year as follows:

	Bonds and Notes Payable (in thousands)				
	Balance 9/1/2024	Additions	Reductions	Balance 8/31/2025	Current Portion
Bonds and tax notes payable					
General obligation bonds	$ 99,894	$ 12,500	$ 4,573	$ 107,821	$ 5,297
Revenue bonds	708	-	292	416	197
Maintenance tax notes	8,939	-	1,942	6,997	2,040
Notes payable	2,500	-	-	2,500	170
Total	$ 112,041	$ 12,500	$ 6,807	$ 117,734	$ 7,704

At August 31, 2024, noncurrent liabilities are $105,234,015 with activity for the fiscal year as follows:

	Bonds and Notes Payable (in thousands)				
	Balance 9/1/2023	Additions	Reductions	Balance 8/31/2024	Current Portion
Bonds and tax notes payable					
General obligation bonds	$ 104,261	$ -	$ 4,367	$ 99,894	$ 4,573
Revenue bonds	1,359	-	651	$ 708	292
Maintenance tax notes	10,785	-	1,845	8,939	1,942
Notes payable	-	2,500	-	2,500	-
Total	$ 116,405	$ 2,500	$ 6,863	$ 112,041	$ 6,807

7. DEBT

The College is not a separate legal entity and therefore cannot issue debt. Debt is issued by the District, who is the financial obligor and ultimately responsible for repayment of these obligations from tuition and fee revenues and assessed property taxes. In order to satisfy accreditation requirements from the College's accreditation body, the SACSCOC, the College reports an allocation of noncurrent liabilities, the current portion of long-term debt and debt service based on the level of expenses included in the budget documents prepared before the funding of each bond or note, which averages 14% of the applicable current outstanding bonds and tax notes.

7. DEBT (continued)

Debt service requirements (in thousands) at August 31, 2025 were as follows:

For the Year Ending August 31,	General Obligation Bonds		Revenue Bonds		Maintenance Tax Notes		Notes Payable		TOTAL BONDS AND NOTES	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 5,297	$ 3,984	$ 197	$ 15	$ 2,040	$ 281	$ 170	$ -	$ 7,704	$ 4,280
2027	5,018	3,756	51	10	1,805	189	170	-	7,044	3,955
2028	5,255	3,518	53	7	998	123	170	-	6,476	3,648
2029	5,503	3,272	56	4	1,050	75	170	-	6,779	3,351
2030	5,758	3,017	59	1	1,103	26	170	-	7,090	3,044
2031-2035	37,334	10,594	-	-	-	-	850	-	38,184	10,594
2036-2040	22,595	3,399	-	-	-	-	800	-	23,395	3,399
2041-2045	14,396	1,093	-	-	-	-	-	-	14,396	1,093
2046-2050	6,666	56	-	-	-	-	-	-	6,666	56
TOTAL	$ 107,822	$ 32,689	$ 416	$ 37	$ 6,996	$ 694	$ 2,500	$ -	$ 117,734	$ 33,420

Debt service requirements (in thousands) at August 31, 2024 were as follows:

For the Year Ending August 31,	General Obligation Bonds		Revenue Bonds		Maintenance Tax Notes		Notes Payable		TOTAL BONDS AND NOTES	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 4,573	$ 4,201	$ 292	$ 26	$ 1,942	$ 376	$ -	$ -	$ 6,807	$ 4,603
2026	4,792	3,984	197	15	2,040	281	170	-	7,199	4,280
2027	5,018	3,756	51	10	1,805	189	170	-	7,044	3,955
2028	5,255	3,518	53	7	998	123	170	-	6,476	3,648
2029	5,503	3,272	56	4	1,050	75	170	-	6,779	3,351
2030-2034	34,112	12,124	59	1	1,104	26	850	-	36,125	12,151
2035-2039	25,210	4,492	-	-	-	-	850	-	26,060	4,492
2040-2044	10,749	1,373	-	-	-	-	120	-	10,869	1,373
2045-2049	4,682	167	-	-	-	-	-	-	4,682	167
TOTAL	$ 99,894	$ 36,887	$ 708	$ 63	$ 8,939	$ 1,070	$ 2,500	$ -	$ 112,041	$ 38,020

8. BOND AND TAX NOTES PAYABLE

The College is not a separate legal entity and therefore cannot issue debt. Debt is issued by the District, who is the financial obligor and ultimately responsible for repayment of these obligations. In order to satisfy requirements from its accreditation body, the SACSCOC, the College reports its allocated portion of bonds and tax notes payable that are used to fund construction and other capital projects of the College in order to carry out its mission.

Bond issuances are supported by planned construction and/or renovation projects. These planned projects become capital budgeted expenses and are approved by the Board and form the basis of the allocation of capital funding and debt to Northeast Lakeview College. The portion of project expenses for each listed bond issuance that have been budgeted by the Board for the College are disclosed in the table below. As bond issuances are paid off, the layer of budget related to that bond issuance is removed from the budgeted expenses for the College by the Board.

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)

Notes to Financial Statements

8. BOND AND TAX NOTES PAYABLE (continued)

Bonds and tax notes payable associated with the College at August 31, 2025 and 2024 were as follows:

				District Balances	
Series	Instrument Type and Purpose	Amount Issued and Authorized	Current Interest Rates	Balance August 31, 2025	Balance August 31, 2024
General Obligation Bonds (Repayment source - Ad valorem taxes)					
2007	Construct, renovate, acquire and equip new and existing facilities. Dated March 15, 2007.	$ 271,085,000	4.5%	$ -	$ 15,760,000
2012	Refund certain of the District's outstanding Limited Tax Bonds Series 2007 and 2007A. Dated June 15, 2012.	74,110,000	3.5% - 5.0%	-	50,285,000
2016	Refund the District's outstanding Limited Tax Bonds Series 2006 and 2006A. Dated May 15, 2016.	72,065,000	3.5% - 5.0%	-	42,715,000
2017	Refund the District's outstanding Limited Tax Bonds Series 2007 and 2007A and construct, renovate, acquire and equip new and existing facilities. Dated September 15, 2017.****	258,940,000	4.0% - 5.0%	139,005,000	153,250,000
2021	Construct, renovate, acquire and equip new and existing facilities. Dated May 15, 2021.*****	195,980,000	2.375% - 5.0%	179,875,000	184,540,000
2025	Refund the District's outstanding Limited Tax Bonds Series 2007, 2012, and 2016 and construct, renovate, acquire and equip new and existing facilities. Dated August 14, 2025.******	296,275,000	4.75% - 5.0%	296,275,000	-
Maintenance Tax Notes (Repayment source - Ad valorem taxes)					
2022	Renovate and repair existing District facilities. Dated August 1, 2022.*******	247,570,000	5.0%	167,220,000	195,935,000
Combined Fee Revenue Bonds (Repayment source Pledged revenues*)					
2012A	Refund certain of the District's outstanding Combined Fee Revenue bonds and to construct a parking facility. Dated March 1, 2012.**	$ 55,800,000	3.0% - 5.25%	$ 14,055,000	$ 17,220,000
	Total Bonds for which the College has an Allocation	$ 1,471,825,000		$ 796,430,000	$ 659,705,000
	Allocation Percentage			14%	17%
	Balance Allocated to the College at August 31, 2025 and 2024			**$ 115,234,015**	**$ 109,541,518**

*Pledged revenue is all revenue to the extent it may be pledged as security for debt obligations pursuant to applicable Texas law.

** Bond series 2012A included $15,875,000 in new funding for projects, $1,200,000 related to NLC.

**** Bond series Limited Tax Bonds 2017 with bond premiums netted $173,000,000 in new funding for projects, with approximately $18,000,000 allocated to NLC.

***** Bond series Limited Tax Bonds 2021 with bond premiums netted $225,000,000 in new funding for projects, with approximately $24,000,000 allocated to NLC.

****** Bond series Limited Tax Bonds 2025 with bond premiums netted $223,000,000 in new funding for projects, with approximately $12,500,0000 allocated to NLC.

******* Bond series Tax Notes 2022 with bond premiums netted $270,000,000 in new funding for projects, with approximately $7,400,000 allocated to NLC. This was reflected in the District August 31, 2023 balance above.

Debt service requirements at August 31, 2025 and 2024 are based on the percentage allocation as discussed above, applied to the debt service of the District.

9. EMPLOYEES' RETIREMENT PLANS

The State of Texas has joint contributory retirement plans for almost all of its employees. All employees of the College must participate in either the Teacher Retirement System of Texas (TRS) or in the Optional Retirement Plan (ORP). Faculty, administrators, counselors and librarians may enroll in either TRS or ORP. Secretarial, clerical and professional employees are limited to participation in the TRS. Employees who are eligible to participate in the ORP have ninety days from the date of their employment to select the optional retirement program. Employees who previously had the opportunity to participate in ORP but declined must remain with TRS for the duration of their employment in the Texas education system.

In fiscal year 2015, the District implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27,* which was subsequently amended by the release of GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The GASB does not require the provisions of this Statement to be applied down to the organizational level and as such, the net pension liability recorded at the District level as required by GASB 68 is not allocated or recorded in the financial statements of the College. In addition, because all College employees are employees of the District and the District has the legal obligation to fund the long-term pension benefits of its employees, the net pension liability is recorded in the District's financial statements. For further information, see Note 11 included in the District's fiscal year 2025 financial statements.

Teacher Retirement System of Texas (TRS) – Defined Benefit Plan

Plan Description: The District contributes to the TRS, a cost-sharing, multiple-employer defined benefit pension plan that has a special funding situation. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems, colleges, universities and the State. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. The Texas state legislature has the authority to establish and amend benefit provisions of the pension plan. TRS issues a publicly available financial report with required supplementary information which can be obtained from www.trs.texas.gov, under the TRS Publications heading.

Funding Policy: Contribution requirements are not actuarially determined, but are established and amended by the Texas legislature. The state funding policy is as follows: (1) The State constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10.0% of the aggregate annual compensation of all members of the system; and (2) a state statute prohibits benefit improvements or contribution reductions if, as a result of a particular action, the time required to amortize TRS's unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or if the amortization period already exceeds 31 years, the period would be increased by such action. Senate Bill 1812, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

State law provides for a member contribution rate of 8.25% for fiscal years 2025 and 2024, and 8.00% for 2023 and a State contribution rate of 8.25% for fiscal years 2025 and 2024, and 8.00% for the fiscal year ended August 31, 2023. In certain instances, the District was required to make all or a portion of the State's contribution.

Optional Retirement Plan (ORP) – Defined Contribution Plan

Plan Description: The State of Texas has also established an optional retirement program for institutions of higher education. Participation in ORP is in lieu of participation in TRS. The optional retirement program is a defined contribution plan that provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

Funding Policy: Contribution requirements are not actuarially determined, but are established and amended by the Texas State Legislature. Since individual annuity contracts are purchased, the State has no additional or unfunded liability for this program. The combined percentage of salaries currently contributed by the College and State of Texas was 8.25% for fiscal years 2025 and 2024, and 8.00% for fiscal year 2023. Each participant contributed 6.65% for the fiscal years ended August 31, 2025, 2024 and 2023. Senate Bill 1812, effective September 1, 2013, limits the amount of the State's contribution to 50% of eligible employees in the reporting district.

9. EMPLOYEES' RETIREMENT PLANS (continued)

The retirement expense for both plans to the State of Texas for the College was $400,121, $1,096,204, and $486,718 for the fiscal years ended August 31, 2025, 2024 and 2023, respectively. This amount represents the portion of expended appropriations that should have been made by the State legislature on behalf of the College. The retirement expense for the College was $1,624,713, $1,311,372, and $1,185,294 for the fiscal years ended August 31, 2025, 2024 and 2023, respectively, and represents the total required contributions for each year.

The total payroll for all College employees was $21,646,050, $21,064,445, and $17,471,657 for fiscal years 2025, 2024 and 2023, respectively. The total payroll of College employees covered by the TRS was $17,804,104, $13,897,333, and $12,893,733, and the total payroll of College employees covered by ORP was $1,928,644, $1,994,215, and $1,913,082 for fiscal years 2025, 2024 and 2023, respectively.

10. DEFERRED COMPENSATION PROGRAM

College employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in the Texas Government Code 609.001.

A total of $175,822 was contributed by 23 College employees under the Internal Revenue Code Section 403(b) Tax Sheltered Annuity (TSA) program and 17 participants contributed a total of $127,831 to a Section 457 Deferred Compensation Plan (DCP) in the fiscal year ended August 31, 2025.

A total of $225,625 was contributed by 26 College employees under the Internal Revenue Code Section 403(b) Tax Sheltered Annuity (TSA) program and 15 participants contributed a total of $165,109 to a Section 457 Deferred Compensation Plan (DCP) in the fiscal year ended August 31, 2024.

Neither the District nor the College contributes to either plan. The deferred compensation program is not included in the basic financial statements because the program assets are assets of the plan participants and not of the College.

11. RECEIVABLES, ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Receivables at August 31, 2025 and 2024 primarily consist of tuition and fee receivables, contract and grant receivables and other receivables. The District is responsible for collection of all receivables as well as the allowance for doubtful accounts. Accounts payable and accrued liabilities at August 31, 2025 and 2024 are primarily related to operating accounts payable and construction.

12. FUNDS HELD FOR OTHERS

The College holds funds for certain students as well as student and staff organizations. These amounts are reflected in the Statements of Net Position as funds held for others in the amount of $89,899 and $75,282 at August 31, 2025 and 2024, respectively.

13. SELF-INSURED AND RISK MANAGEMENT PLANS

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. The buildings, structures, contents and equipment are fully insured through the purchase of commercial insurance at the District level.

13. SELF-INSURED AND RISK MANAGEMENT PLANS (continued)

The District's Workers' Compensation Self-Insurance Fund (the Fund) is administered by a third party. Through the Fund, the District self-insures workers' compensation claims up to $450,000 per occurrence. Individual losses of over $450,000 are covered by a specific excess insurance policy up to the maximum statutory benefit per occurrence. Additionally, for the years ended August 31, 2025 and 2024, approximately $3,284,516 and $3,278,495, respectively, of unrestricted net position has been designated by the District to cover losses in excess of those covered by insurance and the Fund. The Fund pays the premium for the specific excess insurance policy and assumes all workers' compensation claims and expenses not covered by the policy. The District transfers the workers' compensation standard premium calculated for the District into the Fund.

Claims and administrative expenses are paid from the Fund and the balance is reserved toward future claims. The accrued liability representing a provision for unpaid expected claims is carried at the District level. These liabilities are generally based on an actuarial valuation and the present value of unpaid expected claims.

14. HEALTH CARE AND LIFE INSURANCE BENEFITS

The State of Texas pays certain health care and life insurance benefits for active employees. These benefits are provided through an insurance company whose premiums are based on benefits paid during the previous year.

The State recognizes the cost of providing these benefits for active employees and retirees by expending the annual insurance premiums. The State's contribution per eligible full-time employee or retiree was between approximately $625 and $1,223 per month for the year ended August 31, 2025 and between $625 and $1,223 per month for the year ended August 31, 2024. The cost of providing those benefits for all employees, paid by the State of Texas on behalf of the College, totaled $1,404,988 and $1,354,302 for the years ended August 31, 2025 and 2024, respectively. Payments of these benefits by the State were recognized as restricted state appropriations with an equal amount recognized as restricted benefit expenses. These payments do not flow through the cash accounts.

15. OTHER POSTEMPLOYMENT BENEFIT PLAN

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

In fiscal year 2018, the District implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The GASB does not require the provisions of this Statement to be applied down to the organizational level and as such, the net OPEB liability recorded at the District level as required by GASB 75 is not allocated or recorded in the financial statements of the College. In addition, because all College employees are employees of the District and the District has the legal obligation to fund the long-term OPEB benefits of its employees, the net OPEB liability is recorded in the District's financial statements. For further information, see Note 19 included in the District's fiscal year 2025 financial statements.

16. AD VALOREM TAX

Ad valorem property tax is levied each October 1 by the District on the assessed value as of the prior January 1 for all real and business personal property located in Bexar County. The total ad valorem tax levied by the District for August 31, 2025 and 2024 was approximately $365,601,295 and $344,263,311, respectively. Ad valorem property tax is allocated to the College based upon the amount required for maintenance and operations, the College's portion of debt service and depreciation and a proportionate share of overall results based on the College's allocated operating budget.

Taxes are due on October 1 of each year and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to the property to secure payment of all taxes, penalties, and interest for the previous tax year. Tax collections for the years ended August 31, 2025 and 2024 were 99.0% and 98.3%, respectively, of the current year's original unadjusted tax levy. Allowances for uncollectible taxes are estimated and recorded at the District level.

17. INCOME TAXES

The District is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, Etc.*, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations*. The College had no unrelated business income tax liability for the years ended August 31, 2025 and 2024.

18. OTHER OPERATING REVENUES

Other operating revenues (Exhibit 2 and Schedule A) include rental income, paper recycling revenue, revenue from various fundraising activities, and other revenues not applicable to any other revenue category.

19. COMMITMENTS AND CONTINGENCIES

As of August 31, 2025 and 2024, various lawsuits and claims involving the District were pending. While the ultimate liability with respect to litigation and other claims asserted against the District cannot be reasonably estimated at this time, this liability, to the extent not provided for by insurance or otherwise, is not likely to have a material effect on the College.

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The District's management believes disallowances, if any, will not have a significant financial impact on the District's financial position.

The District has entered into several contracts for construction and various other renovation projects related to the College. Since the College is not a separate legal entity, the related commitments are made by the District.

20. SUBSEQUENT EVENTS

The College's management has evaluated subsequent events through the date the financial statements were available to be issued and no changes were necessary to be made to the financial statements as a result of this evaluation.

Supplementary Information

ALAMO COLLEGES DISTRICT
Northeast Lakeview College

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)

Schedule A
Schedule of Operating Revenues
For the Year Ended August 31, 2025
With Memorandum Totals for the Year Ended August 31, 2024

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	FY25 Total	FY24 Total
OPERATING REVENUES:						
Tuition						
State-funded courses						
In-District resident tuition	$10,047,905	$ -	$10,047,905	$ -	$10,047,905	$ 9,480,190
Out-of-District resident tuition	6,628,346	-	6,628,346	-	6,628,346	7,551,079
Non-resident tuition	1,625,745	-	1,625,745	-	1,625,745	1,653,022
TPEG - credit set aside *	794,823	-	794,823	-	794,823	767,519
Total tuition	19,096,819	-	19,096,819	-	19,096,819	19,451,810
Fees						
Other	326,648	-	326,648	-	326,648	297,579
Total fees	326,648	-	326,648	-	326,648	297,579
Total tuition and fees	19,423,467	-	19,423,467	-	19,423,467	19,749,389
Scholarship allowances and discounts						
Institutional allowances and scholarships	(953,550)	-	(953,550)	-	(953,550)	(1,086,322)
Remissions and exemptions - state	(724,772)	-	(724,772)	-	(724,772)	(776,336)
Remissions and exemptions - local	(5,147,478)	-	(5,147,478)	-	(5,147,478)	(5,875,138)
Federal grants to students	-	(5,889,126)	(5,889,126)	-	(5,889,126)	(4,864,521)
TPEG awards	-	(428,740)	(428,740)	-	(428,740)	(313,417)
State grants to students	-	(460,680)	(460,680)	-	(460,680)	(490,283)
Other local awards	-	-	-	-	-	(24,324)
Total scholarship allowances and discounts	(6,825,800)	(6,778,546)	(13,604,346)	-	(13,604,346)	(13,430,341)
Total net tuition and fees	12,597,667	(6,778,546)	5,819,121	-	5,819,121	6,319,048
Other operating revenues						
Federal grants and contracts	-	339,438	339,438	-	339,438	386,592
State grants and contracts	-	271,615	271,615	-	271,615	73,137
Non-governmental grants and contracts	-	115,048	115,048	-	115,048	42,715
Other operating revenues	397,072	-	397,072	-	397,072	411,530
Total other operating revenues	397,072	726,101	1,123,173	-	1,123,173	913,974
Sales and services of auxiliary enterprises						
Bookstore commission	-	-	-	3,995	3,995	2,014
Vending machines and copiers	-	-	-	12,920	12,920	6,950
Auxiliary-restricted	-	-	-	287,773	287,773	-
Campus access fees and fines	-	-	-	-	-	267,825
Other	-	-	-	1,192	1,192	1,082
Total sales and services of auxiliary enterprises	-	-	-	305,880	305,880	277,871
Total operating revenues	$12,994,739	$ (6,052,445)	$ 6,942,294	$ 305,880	$ 7,248,174	$ 7,510,893
					(Exhibit 2)	(Exhibit 2)

*In accordance with Education Code 56.033, $794,823 and $767,519 of tuition was set aside for the Texas Public Education Grant for the years ended August 31, 2025 and 2024.

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)

Schedule B
Schedule of Operating Expenses by Object
For the Year Ended August 31, 2025
With Memorandum Totals for the Year Ended August 31, 2024

	Salaries and Wages	Benefits State	Benefits Local	Other Expenses	FY25 Total	FY24 Total
OPERATING EXPENSES:						
Unrestricted - educational activities						
Instruction	$10,671,354	$ -	$2,091,188	$3,763,624	$ 16,526,166	$ 14,111,122
Academic support	3,454,921	-	732,188	710,134	4,897,243	4,524,870
Student services	5,293,600	-	1,208,167	1,032,769	7,534,536	6,721,880
Institutional support	2,727,472	-	521,600	1,360,858	4,609,930	4,603,215
Operation and maintenance of plant	858,397	-	218,389	3,321,002	4,397,788	2,448,077
Scholarships and fellowships	-	-	-	82,404	82,404	153,654
Total unrestricted educational activities	23,005,744	-	4,771,532	10,270,791	38,048,067	32,562,818
Restricted - educational activities						
Instruction	120,155	763,970	28,093	296,950	1,209,168	1,420,205
Academic support	138,218	283,528	26,019	194,450	642,215	504,095
Student services	265,066	469,999	12,959	192,117	940,141	871,535
Institutional support	-	206,405	-	-	206,405	286,850
Operation and maintenance of plant	-	81,207	-	(384,349)	(303,142)	1,272,887
Scholarships and fellowships	-	-	-	10,836,298	10,836,298	7,853,523
Total restricted educational activities	523,439	1,805,109	67,071	11,135,466	13,531,085	12,209,095
Total educational activities	23,529,183	1,805,109	4,838,603	21,406,257	51,579,152	44,771,913
Depreciation expense - buildings	-	-	-	4,552,338	4,552,338	4,552,396
Depreciation expense - equipment	-	-	-	337,816	337,816	591,913
Total operating expenses	$ 23,529,183	$ 1,805,109	$ 4,838,603	$ 26,296,411	$ 56,469,306	$ 49,916,222
					(Exhibit 2)	(Exhibit 2)

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)

Schedule C
Schedule of Non-Operating Revenues and Expenses
For the Year Ended August 31, 2025
With Memorandum Totals for the Year Ended August 31, 2024

	Unrestricted	Restricted	Total Educational Activities	FY25 Total	FY24 Total
NON-OPERATING REVENUES:					
State appropriations					
Education and general state support	$ 10,907,311	$ -	$ 10,907,311	$ 10,907,311	$ 6,563,782
State group insurance	-	1,404,988	1,404,988	1,404,988	1,354,302
State retirement match	-	400,121	400,121	400,121	1,096,204
Ad valorem taxes					
Taxes for maintenance and operations	14,634,609	-	14,634,609	14,634,609	17,204,673
Taxes for maintenance notes	-	2,230,345	2,230,345	2,230,345	2,731,944
Taxes for general obligation bonds	-	3,367,276	3,367,276	3,367,276	3,890,418
Federal revenue, non-operating	-	16,297,726	16,297,726	16,297,726	11,745,841
State revenue, non-operating	-	832,644	832,644	832,644	1,105,226
Gifts	-	64,332	64,332	64,332	16,550
Investment income	-	50,597	50,597	50,597	63,090
Other state funding - FAST Funds	554,465	-	554,465	554,465	515,570
Total non-operating revenues	26,096,385	24,648,029	50,744,414	50,744,414	46,287,600
NON-OPERATING EXPENSES:					
Interest on capital related debt	-	(2,628,101)	(2,628,101)	(2,628,101)	(2,148,503)
Interest on capital related debt-MTN	-	(375,943)	(375,943)	(375,943)	(1,438,595)
Loss on disposal of capital assets	-	(23,439)	(23,439)	(23,439)	-
Total non-operating expenses	-	(3,027,483)	(3,027,483)	(3,027,483)	(3,587,098)
Net non-operating revenues	$ 26,096,385	$ 21,620,546	$ 47,716,931	$ 47,716,931	$ 42,700,502
				(Exhibit 2)	(Exhibit 2)

NORTHEAST LAKEVIEW COLLEGE
(A college of the Alamo Community College District)

Schedule D
Schedule of Net Position by Source and Availability
For the Year Ended August 31, 2025
With Memorandum Totals for the Year Ended August 31, 2024

	Detail by Source				Available for Current Operations	
	Unrestricted	Restricted Expendable	Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
Current:						
Unrestricted	$ 3,620,493	$ -	$ -	$ 3,620,493	$ 3,620,493	$ -
Restricted	-	6,393,414	-	6,393,414	-	6,393,414
Net investment in capital assets	-	-	41,630,762	41,630,762	-	41,630,762
Total net position, August 31, 2025	3,620,493	6,393,414	41,630,762	51,644,669	3,620,493	48,024,176
				(Exhibit 1)		
Total net position, August 31, 2024	2,120,088	12,611,359	34,561,943	49,293,390	2,120,088	47,173,302
				(Exhibit 1)		
Net (decrease) increase in net position	$ 1,500,405	$ (6,217,945)	$ 7,068,819	$ 2,351,279	$ 1,500,405	$ 850,874
				(Exhibit 2)		

Internal Control Over Financial Reporting

INDEPENDENT AUDITORS' 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
Northeast Lakeview College
San Antonio, Texas

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, the financial statements of the business-type activities of Northeast Lakeview College, as of and for the year ended August 31, 2025, and the related notes to the financial statements, which collectively comprise the Northeast Lakeview College's basic financial statements, and have issued our report thereon dated July 20, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Northeast Lakeview 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Northeast Lakeview College's internal control. Accordingly, we do not express an opinion on the effectiveness of Northeast Lakeview College's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Northeast Lakeview 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 *Government Auditing Standards.*

Purpose of This Report

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

San Antonio, Texas
July 20, 2026

ALAMO COLLEGES DISTRICT
Northeast Lakeview College

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