

**CENTRAL TEXAS COLLEGE DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**Years Ended August 31, 2007 and August 31, 2006**

**Exhibit 2**

	<b>FISCAL YEAR 2007</b>	<b>FISCAL YEAR 2006</b>
	<u>                    </u>	<u>                    </u>
<b>Operating Revenues</b>		
Tuition and Fees (net of Discounts of \$9,392,762 and \$9,435,786, respectively)	\$ 27,788,360	\$ 28,033,437
Federal Grants and Contracts	51,070,809	52,647,413
State Grants and Contracts	1,003,365	994,747
Non-Governmental Grants and Contracts	728,907	955,914
Sales of Services of Educational Activities	602,547	559,821
Auxiliary Enterprises ( net of discounts)	9,105,375	9,543,823
General Operating Revenues	<u>2,245,267</u>	<u>1,723,331</u>
<b>Total Operating Revenues (Schedule A)</b>	<u>92,544,630</u>	<u>94,458,486</u>
<b>Operating Expenses</b>		
Instruction	56,876,584	56,171,310
Public Service	1,263,288	1,347,562
Academic Support	8,201,868	8,262,183
Student Services	9,196,732	8,382,621
Institutional Support	15,007,178	14,567,611
Operation and Maintenance of Plant	7,395,986	7,570,036
Scholarships and Fellowships	8,443,319	8,821,383
Auxiliary Enterprises	9,418,607	9,170,048
Depreciation	<u>3,004,401</u>	<u>2,817,117</u>
<b>Total Operating Expenses (Schedule B)</b>	<u>118,807,963</u>	<u>117,109,871</u>
<b>Operating Loss</b>	<u>(26,263,333)</u>	<u>(22,651,385)</u>
<b>Non-Operating Revenues (Expenses)</b>		
State Appropriations	23,299,782	22,992,221
Maintenance Ad Valorem Taxes	8,370,151	7,353,572
Investment Income	4,388,124	3,190,706
Interest on Capital Related Debt	(311,165)	(396,165)
Other Non-Operating Revenues (Expenses)	<u>(37,519)</u>	<u>(21,792)</u>
<b>Net Non-Operating Revenues (Schedule C)</b>	<u>35,709,373</u>	<u>33,118,542</u>
<b>Increase in Net Assets</b>	<u>9,446,040</u>	<u>10,467,157</u>
<b>Net Assets</b>		
Net Assets - Beginning of Year	<u>134,836,190</u>	<u>124,369,033</u>
<b>Net Assets - End of Year</b>	<u>\$ 144,282,230</u>	<u>\$ 134,836,190</u>

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