



BOARD OF TRUSTEES

Regular Board Meeting

Thursday, December 12, 2019

2:00 p.m.

***Allene Strain Community Room
Of the
Doss Student Center***

**WEATHERFORD COLLEGE
BOARD OF TRUSTEES
December 12, 2019
2 p.m.**

AGENDA

A meeting of the Board of Trustees of Weatherford College will be held on Thursday December 12, 2019 beginning at 2 p.m. in the Allene Strain Community Room of the Doss Student Center, located at 225 College Park Drive, Weatherford, Texas, to consider and act on the posted agenda:

1. Call to Order, Invocation and Pledge of Allegiance
2. Open Forum for Individuals Not on the Agenda
3. President's Report:
 - a. Recognitions
 - b. Employee Notices
 - c. Policy BBD (Legal) – Board Members Orientation and Training Report
4. Consent Agenda and Financial Reports:
 - a. Approval of Minutes from the November 14, 2019 Board Meeting
 - b. Financial Reports Ending November 30, 2019
 - c. Quarterly Investment Report
 - d. Bookstore Management Renewal Agreement with Texas Book Company
5. Consideration and Possible Action: 2018-19 Financial Audit
6. Consideration and Possible Action: Seek approval for a B.A.A.S. in Organizational Leadership
7. Reports:
 - a. Strategic Plan Update
 - b. Guided Pathways Update/How are we doing with student success: Using numbers with heart
 - c. Demand Study Update
 - d. Vet Tech Update
 - e. Workforce and Emerging Technologies Building Update
8. Future Agenda Items or Meetings:
 - a. Approval of 2020-21 Academic Calendar
9. Announcements

10. Closed Session:

- a. Consult with College Attorney, in Accordance with Government Code 551.071
- b. Deliberate Real Property in Accordance with Government Code 551.072
- c. Deliberate the Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of a Public Officer or Employee, in Accordance with Government Code 551.074

11. Consideration and Possible Action: Real Property

12. Consideration and Possible Action: Personnel Matters

13. Adjourn



Open Forum for
Individuals
Not on Agenda



President's Report

- Recognitions
- Employee Notices
- Policy BBD (Legal) – Board
Members Training and Orientation



**Weatherford College Board of Trustees
Consent Agenda**

DATE: December 12, 2019

AGENDA ITEM #4.a.

SUBJECT: Minutes from the November 14, 2019 Board Meeting are attached.

INFORMATION AND DISCUSSION: None

RECOMMENDATION: That the Board of Trustees approves the minutes as presented.

ATTACHMENTS: Minutes from the November 14, 2019 Board Meeting

SUBMITTED BY: Theresa Hutchison, Executive Assistant to the President

**WEATHERFORD COLLEGE
BOARD OF TRUSTEES**

MINUTES OF REGULAR MEETING

November 14, 2019

The Weatherford College Board of Trustees met in regular session at 2:00 p.m., Thursday, November 14, 2019 in the Allene Strain Community Room of the Doss Student Center. Chairman Mac Smith called the meeting to order. Other Trustees present were Vice-Chair Sue Coody, Judy McAnally, Secretary Lela Morris, Dr. Robert Marlett and Dr. Trev Dixon. Elaine Carter was absent. Brent Baker, Vice President of Institutional Advancement, gave the invocation, and the Pledge of Allegiance was recited.

Call to Order,
Invocation, and
Pledge of Allegiance

No one spoke in open forum.

Open Forum

President Tod Allen Farmer gave the following recognitions, employee notices, and an enrollment report:

President's Report

a. Recognitions:

- The WC Institutional Advancement team who have been recognized by the National Council for Marketing and Public Relations—Chelsea Cochran, Katie Edwards, Crystal Woerly and Brent Baker. Weatherford College won several Medallion Awards from NCMPR's District 4, competing with community colleges of all sizes from across six states: Texas, Arkansas, Colorado, New Mexico, Oklahoma and Wyoming. WC won the following: A bronze medallion in the Poster category for Chelsea's "Hamlet" poster, a bronze medallion in the Website category for Chelsea and Katie's WC150.com site, a bronze in Social Media Marketing for the #WC150 campaign led by Crystal and supported by the whole team, and a gold medal in the Newsletter category for The Hilltop magazine, edited by Katie and created by the whole team.
- The WC Bell Ringers' Ball planning committee. This was an amazing event. Last month, Dr. Andra Cantrell was left off of the recognition for the Bell Ringer's Ball planning committee. It was Dr. Cantrell's membership at Ridglea Country Club that allowed us to host the event at that location. Additionally, she and Judy McAnally created some beautiful silk scarves that were sold to support the rodeo team.

- WC Foundation President Bob Glenn on being named the 2019 recipient of the Carlos Hartnett Award. Bob has done a tremendous job leading the Weatherford College Foundation.
 - Myrlan Coleman for recently hosting her 100th art show at Weatherford College. As amazing as it sounds, Myrlan is in her 50th year of service at Weatherford College and was the 2019 recipient of the Presidential Service Award.
 - The Weatherford College Phi Chapter of the Phi Theta Kappa Honor Society. Our Phi Chapter, the oldest chapter in the state of Texas, recently celebrated their 90th anniversary.
 - The WC Young Democrats group who recently participated in the Tin Top Road cleanup.
 - Ralph Willingham and all those who made our WC Veterans' Day celebration such a huge success.
 - Duane Durrett and Dr. Sarah Lock are to be commended for hosting what was an exceptional superintendent conference. School leaders from across the region attended and expressed appreciation for the well-organized event.
 - WC Alumnus of the Year Jon Vandagriff, who recently lectured on the early history of Weatherford College and the Methodist Church. We appreciate the First United Methodist Church in Weatherford for hosting this well attended event.
 - The Weatherford College Police department and all the volunteers who made the Safe Halloween event such a success.
 - Vance Christi and the army of volunteers that made our annual FFA Leadership Development Conference a huge success. The college hosted hundreds of high school students from across the state.
- b. Employment Notices –
- DMAC (Local) requires the College President to provide the names of contract employees that have resigned or retired since the last board meeting. In accordance with this policy, the following individuals have submitted resignations:
- Eloise Broughton – Vocational Nursing Instructor, retiring 12/20/2019
 - Cindy Clifton – Purchasing Specialist, retiring 1/6/2020
 - Dr. Daniel O'Meara, Dean WCWC, resigned 11/10/2019

Consent Agenda

The minutes from the October 10, 2019 Board meeting were presented.
Minutes are attached.

Minutes

The cash balance as of September 30, 2019 is \$37,055,753.27. This is an increase of \$935,489.05 from last year at September 30, 2018. The operating statement at September 30, 2019 indicates that total revenues collected are \$9,824,053 or 18.00% of budget. Total expenditures are \$7,366,822 or 13.50% of budget. The cash balance as of October 31, 2019 is \$34,980,163.19. This is an increase of \$533,580.65 from last year at October 31, 2019. The operating statement at October 31, 2019 indicates that total revenues collected are \$13,336,761 or 24.43% of budget. Total expenditures are \$12,825,557 or 23.50% of budget. *Cash Balance Reports and Operating Statements at September 30, 2019 and October 31, 2019 are attached.*

Financial Reports Ending
September 30 &
October 31, 2019

Jeanie Hobbs, Director of Purchasing, recommends obsolete and surplus items to be disposed of through e-waste recycling with United Electronic Recycling, LLC through our interlocal cooperative contract with the City of Plano as well as items to be placed for sale in an online auction with Lone Star Auctioneers through our interlocal cooperative with TASB Buyboard Contract #541-17.
Attachments: Weatherford College Obsolete and Surplus Items

Disposal of Obsolete
and Surplus Items
Through E-waste
Recycling & Online
Auction

Janetta Kruse, Dean of Workforce & Technical Education and Jeanie Hobbs, Director of Purchasing, recommends disposal of the surplus items as requested and presented. *Attached are Pictures of Surplus Items for Law Enforcement Academy.*

Approval on Alternate
Method of Disposal for
Surplus Items

Under Education Code Section 51.0032, investments made by the College shall comply with the Public Funds Investment Act as per Texas Government Code Chapter 2256.005. The Public Funds Investment Act is reviewed by the state legislature on a biannual basis. Due to the fact that no action has been taken since 2017, no changes are necessary. However, the code requires that the Board of Trustees annually review the local investment policy and strategy. But at this time, there are no changes required. Dr. Andra Cantrell, Executive Vice President for Financial & Administrative Affairs recommends that the Board of Trustees approve the investment policy and investment strategies set out in CAK Local and recommends with no changes at this time. *Attached is CAK Local Policy Appropriations and Revenue Sources-Investments.*

Annual Review of CAK
Local Policy
Appropriations and
Revenue Sources-
Investments

After evaluation and review of the TipsUSA Cooperative Contract proposal, Rhonda Swan, WC Facilities Manager with CBRE, and Jeanie Hobbs, Director of Purchasing, recommend ratification of award of this proposal not to exceed

Ratification on
Emergency
Replacement of HVAC

budget funds as follows: Johnson Controls Inc. for \$169,829.78. *Attached is the TIPS Contract #18010101 Proposal from Johnson Controls, Inc.*

Units for Fine Arts Building

Dr. Marlett made the motion to approve the Consent Agenda as presented. Ms. Coody seconded and the motion carried unanimously.

Consent Agenda
755-1
Approved

Mr. Smith made the motion to split the vote between the slate of candidates for the the Parker County Appraisal District Directors for 2020-2021. Dr. Marlett seconded and the motion carried unanimously. *Attached are the following documents: Notification letter from Larry Hammonds, Chief Appraiser of the Parker County Appraisal District; Voting Entitlement, Official Ballot, Resolution Electing Candidates for the Parker County Appraisal District Board of Directors.*

Parker County Appraisal District Directors – Ballot for Official Vote
755-2
Approved

Mr. Rawley McCoy addressed the Board with an update on the selection process for architectural services. Mr. Smith made the motion to approve the five recommended firms as the architectural pool for future projects and authorize negotiation of fee in anticipation of executing a contract with Huckabee & Associates Inc. as architect for the new Workforce Building project as presented. Ms. Coody seconded and the motion carried unanimously.

Architectural Services #RFQ-01-20
755-3
Approved

Mr. Smith made the motion to approve Construction Manager-at-Risk as the method of construction that provides the best value and delegation of authority to Dr. Tod Allen Farmer, President of Weatherford College, for the Emerging Technology Workforce Building project as presented. Ms. Coody seconded and the motion carried unanimously.

Determination of Method of Procurement that Provides Best Value on Construction and Authorization of Delegation of Authority on Emerging Technology Workforce Building Project
755-4
Approved

Mrs. Morris made the motion to approve the Athletic Program Reinstatement and Expansion Timeline as presented to include men’s golf and women’s tennis (Fall 2020); women’s volleyball (Fall 2021); and women’s golf and men’s tennis (Fall 2022). Ms. Coody seconded and the motion carried unanimously. *Attached are the following: (1) Athletic Program Reinstatement and Expansion Timeline; (2) 4-Year Budget Projection for Women’s Tennis; and (3) 4-Year Budget Projection for Men’s Golf*

Reinstatement of Athletic Programs – Men’s Golf, Women’s Tennis & Additional Sports
755-4
Approved

The following reports were given:

Reports

- a. Equities in Athletics Report, Adam Finley, Executive Dean of Student Affairs
- b. Guided Pathways Update/Numbers with Heart, Michael Endy, Vice President for Instruction and Student Affairs
- c. Demand Study Update- Michael Endy, Vice President of Instruction and Student Affairs
- d. Vet Tech Program Update – Michael Endy, Vice President of Instruction and Student Affairs

President Farmer reviewed the following tentative future agenda items:

Future Agenda Items

- a. 2019-2020 Financial Audit
- b. Strategic Plan Update

Mr. Brent Baker made the following announcements:

Announcements

- November 14 Two Pianos Eight Hands Recital, 7:30 p.m., Alkek
November 15 Baseball Booster Club Clay Shoot
November 16 Coyote Chase Race and Carnival 5K and 1-mile run
November 18 Home basketball game (women only 5 p.m.)
November 19 Home basketball games (5:00 p.m.)
November 21 Home basketball game (5:00 p.m.)
November 21-24 Little Shop of Horrors Musical (7:30 p.m., Sunday 2 p.m.)
November 25-29 Thanksgiving Holiday – College Closed
November 25 Home basketball game, women only 1 p.m.
December 2 Home basketball game, women only 7 p.m.
December 3 Home basketball game, women only 5:30 p.m.)
December 4 Home basketball games 5 p.m.
December 5 Fall Jazz Concert 7:30 p.m. Alkek
December 9 Selections from Handel's *Messiah* 7:30 p.m. Alkek
December 11 Home basketball games 5 p.m.

December 12 Home basketball game, women only 5 p.m.

The Board of Trustees entered into Closed Session at 3:00 p.m. to consult with the college attorney in accordance with Government Code 551.072, to deliberate personnel matters, in accordance with Government Code 551.074, and to deliberate real property in accordance with Government Code 551.072
The Board reconvened in Open Session at 3:40 p.m.

Closed Session

No action was taken regarding real property.

Real Property
755-5
No action

No action was taken regarding personnel matters.

Personnel Matters
755-5
No action

At 3:40 p.m. Dr. Marlett made the motion to adjourn the meeting. Dr. Dixon seconded and the motion carried unanimously.

Motion to Adjourn
755-6
Approved

Mac Smith
Chairman, Board of Trustees

Lela Morris
Secretary, Board of Trustees



**Weatherford College Board of Trustees
Report**

DATE: December 12, 2019

AGENDA ITEM #4.b.

SUBJECT: Financial Reports Ending November 30, 2019

INFORMATION AND DISCUSSION: The cash balance as of November 30, 2019 is \$34,389,884.19. This is an increase of \$154,273.18 from last year at November 30, 2018. The operating statement at November 30, 2019 indicates that total revenues collected are \$21,071,162 or 38.60% of budget. Total expenditures are \$17,953,684 or 32.90% of budget.

ATTACHMENTS: Cash Balance Reports and Operating Statements at November 30, 2019

SUBMITTED BY: Dr. Andra R. Cantrell, Executive Vice President for Financial & Administrative Affairs

**WEATHERFORD COLLEGE
CASH BALANCE REPORT
11/30/2019**

<u>Unrestricted Funds</u>	<u>Checking</u>	<u>Investments</u>	<u>Payroll & Petty Cash</u>	<u>Total</u>
Beginning Balance	708,780.17	27,462,525.99	4,375.00	28,175,681.16
Deposits	3,516,451.43	7,768.05	-	3,524,219.48
Disbursements	(3,664,052.27)	-	-	(3,664,052.27)
Ending Balance	<u>561,179.33</u>	<u>27,470,294.04</u>	<u>4,375.00</u>	<u>28,035,848.37</u>

<u>Unrestricted Funds:</u>	<u>Checking Acct</u>	<u>Investments</u>	<u>Acct Balance</u>
Maintenance and Carter	561,179.33	27,470,294.04	28,031,473.37
Payroll	-	-	-
Petty cash	4,375.00	-	4,375.00
Sub-total	<u>565,554.33</u>	<u>27,470,294.04</u>	<u>28,035,848.37</u>
<u>Restricted Funds:</u>			
Scholarships & Loans	428.42	3,067,380.88	3,067,809.30
Schropshire Cap. Impr.	321,617.89	-	321,617.89
Debt Service	388,246.62	1,913,022.41	2,301,269.03
Interest & Sinking	38,339.60	-	38,339.60
Contingency Reserves	625,000.00	-	625,000.00
Sub-total	<u>1,373,632.53</u>	<u>4,980,403.29</u>	<u>6,354,035.82</u>
Grand Total	<u><u>1,939,186.86</u></u>	<u><u>32,450,697.33</u></u>	<u><u>34,389,884.19</u></u>

Recap of Investments

<u>Investments</u>	<u>Maturity Date</u>	<u>Current Value</u> <u>11/30/2019</u>	<u>Rate</u>
<u>Prosperity Bank</u>			
Certificates of Deposit	03/29/20	25,303,380.61	2.40%
Money Market Account		<u>7,147,316.72</u>	1.40%
Sub-Total		32,450,697.33	
Total Investments		<u><u>32,450,697.33</u></u>	

**WEATHERFORD COLLEGE
STATEMENT OF REVENUES
November 30, 2019**

	2018-19 Budget			2019-20 Budget			
	Amended Budget	Received 11/30/2018	% of Budget	Amended Budget	Received 11/30/2019	Balance	% of Budget
Operating Revenues							
Tuition							
In-District Resident	\$ 4,665,265	\$ 3,514,725	75.34%	\$ 4,898,731	\$ 3,199,126	\$ 1,699,605	65.31%
Out-of District Resident	\$ 5,015,588	\$ 3,723,604	74.24%	\$ 5,413,798	\$ 3,925,416	\$ 1,488,382	72.51%
Out-of District Resident - EC Granbury	\$ 497,464	\$ 362,139	72.80%	\$ 537,263	\$ 342,448	\$ 194,815	63.74%
Out-of District Resident - Wise County	\$ 1,587,652	\$ 1,148,810	72.36%	\$ 1,680,167	\$ 1,227,111	\$ 453,057	73.04%
Non-Resident	\$ 510,653	\$ 384,622	75.32%	\$ 551,215	\$ 303,384	\$ 247,831	55.04%
Differential Tuition	\$ 490,656	\$ 317,480	64.71%	\$ 683,400	\$ 427,444	\$ 255,956	62.55%
State Funded Continuing Education	\$ 925,000	\$ 469,494	50.76%	\$ 1,080,000	\$ 485,568	\$ 594,432	44.96%
Non-State Funded Continuing Education	\$ 82,800	\$ 9,756	11.78%	\$ 25,000	\$ 8,442	\$ 16,558	33.77%
Total Tuition	\$ 13,775,078	\$ 9,930,630	72.09%	\$ 14,869,574	\$ 9,918,938	\$ 4,950,637	66.71%
Fees							
General Fee	\$ 442,216	\$ 265,334	60.00%	\$ 489,254	\$ 550,287	\$ (61,033)	112.47%
Laboratory Fee	\$ 352,083	\$ 269,510	76.55%	\$ 352,233	\$ 248,006	\$ 104,227	70.41%
Total Fees	\$ 794,299	\$ 534,844	67.34%	\$ 841,487	\$ 798,294	\$ 43,193	94.87%
Allowances and Discounts							
Bad Debt Allowance	\$ (107,500)	\$ 407	-0.38%	\$ (105,000)	\$ 156	\$ (105,156)	-0.15%
Remissions and Exemptions	\$ (1,583,625)	\$ (1,166,565)	73.66%	\$ (1,761,000)	\$ (906,170)	\$ (854,830)	51.46%
Total Allowances and Discounts	\$ (1,691,125)	\$ (1,166,158)	68.96%	\$ (1,866,000)	\$ (906,014)	\$ (959,986)	48.55%
Additional Operating Revenues							
Federal Grants and Contracts (Operating)	\$ 1,152,981	\$ 218,150	18.92%	\$ 1,273,447	\$ 244,654	\$ 1,028,793	19.21%
State Grants and Contracts	\$ 39,598	\$ 13,872	35.03%	\$ 10,487	\$ 5,546	\$ 4,941	52.89%
Non-Governmental Grants	\$ -	\$ -		\$ -	\$ -	\$ -	
Local Grants & Contracts	\$ 3,284,183	\$ 580,947	17.69%	\$ 3,525,000	\$ 550,633	\$ 2,974,367	15.62%
Sales & Services of Educational Activities	\$ 71,750	\$ 14,444	20.13%	\$ 76,250	\$ 14,964	\$ 61,286	19.62%
Investment income - Program Restricted	\$ 57,000	\$ 3,270	5.74%	\$ 85,000	\$ 16,999	\$ 68,001	20.00%
Other Operating Revenues	\$ 299,400	\$ 35,575	11.88%	\$ 310,721	\$ 53,745	\$ 256,976	17.30%
Total Additional Operating Revenues	\$ 4,904,912	\$ 866,258	17.66%	\$ 5,280,905	\$ 886,541	\$ 4,394,364	16.79%
Auxiliary Income							
Bookstore	\$ 255,000	\$ 60,203	23.61%	\$ 191,227	\$ (30,702)	\$ 221,929	-16.06%
Cafeteria	\$ 749,000	\$ 706,792	94.36%	\$ 759,400	\$ 617,642	\$ 141,758	81.33%
Dormitory	\$ 1,198,480	\$ 1,224,338	102.16%	\$ 1,200,930	\$ 1,071,195	\$ 129,735	89.20%
Intercollegiate Athletics	\$ -	\$ 537		\$ -	\$ -	\$ -	
Student Services	\$ 232,758	\$ 169,080	72.64%	\$ 241,977	\$ 156,444	\$ 85,533	64.65%
Carter Agricultural Center	\$ 54,250	\$ 21,813	40.21%	\$ 61,750	\$ 11,297	\$ 50,453	18.29%
Total Auxiliary Enterprises	\$ 2,489,488	\$ 2,182,763	87.68%	\$ 2,455,284	\$ 1,825,876	\$ 629,408	74.37%
Total Operating Revenues	\$ 20,272,652	\$ 12,348,337	60.91%	\$ 21,581,250	\$ 12,523,634	\$ 9,057,616	58.03%
Non-Operating Revenues							
State Appropriations							
Education and General State Support	\$ 8,461,965	\$ 2,824,697	33.38%	\$ 9,059,678	\$ 3,024,936	\$ 6,034,742	33.39%
State Group Insurance	\$ -	\$ 410,799		\$ -	\$ 432,356	\$ (432,356)	
State Retirement Matching	\$ -	\$ 106,515		\$ -	\$ 120,772	\$ (120,772)	
Professional Nursing Shortage Reduction	\$ 371,210	\$ 99,766	26.88%	\$ 370,316	\$ 82,476	\$ 287,840	22.27%
Total State Appropriations	\$ 8,833,175	\$ 3,441,777	38.96%	\$ 9,429,994	\$ 3,660,539	\$ 5,769,455	38.82%
Maintenance Ad Valorem Taxes-Parker County	\$ 13,728,664	\$ 881,242	6.42%	\$ 15,435,232	\$ 1,021,324	\$ 14,413,908	6.62%
Debt Service Ad Valorem Taxes	\$ 586,000	\$ 43,061	7.35%	\$ 590,400	\$ 42,516	\$ 547,884	7.20%
Federal Grants and Contracts (Non-Operating)	\$ 6,360,000	\$ 4,006,837	63.00%	\$ 6,683,000	\$ 3,757,101	\$ 2,925,899	56.22%
Gifts	\$ 39,979	\$ 26,915	67.32%	\$ 27,000	\$ 338	\$ 26,663	1.25%
Investment Income	\$ 228,750	\$ 17,684	7.73%	\$ 476,000	\$ 65,710	\$ 410,290	13.80%
Contributions in Aid of Construction	\$ -	\$ -		\$ -	\$ -	\$ -	
Total Non-Operating Revenue	\$ 29,776,568	\$ 8,417,516	28.27%	\$ 32,641,626	\$ 8,547,528	\$ 24,094,098	26.19%
Budgeted Transfers	\$ 481,838	\$ -		\$ 365,490	\$ -	\$ 365,490	
TOTAL	\$ 50,531,058	\$ 20,765,852	41.10%	\$ 54,588,366	\$ 21,071,162	\$ 33,517,204	38.60%

**WEATHERFORD COLLEGE
STATEMENT OF EXPENDITURES
November 30, 2019**

	2018-19 Budget			2019-20 Budget			
	Amended Budget	Expended 11/30/2018	% of Budget	Amended Budget	Expended 11/30/2019	Balance	% of Budget
Operating Expenses							
Unrestricted							
Instruction	\$ 15,783,488	\$ 4,380,243	27.75%	\$ 15,920,999	\$ 4,259,436	\$ 11,661,563	26.75%
Public Service	\$ 29,179	\$ 1,330	4.56%	\$ 25,603	\$ 3,200	\$ 22,403	12.50%
Academic Support	\$ 1,692,509	\$ 478,096	28.25%	\$ 3,100,394	\$ 848,128	\$ 2,252,266	27.36%
Student Services	\$ 2,496,313	\$ 622,931	24.95%	\$ 2,356,897	\$ 597,835	\$ 1,759,062	25.37%
Institutional Support	\$ 9,020,191	\$ 2,119,678	23.50%	\$ 11,578,863	\$ 3,296,534	\$ 8,282,329	28.47%
Operation & Maint. of Plant	\$ 6,245,490	\$ 1,008,200	16.14%	\$ 5,326,349	\$ 1,062,850	\$ 4,263,499	19.95%
Scholarships and Fellowships	\$ -	\$ -		\$ -	\$ -	\$ -	
Staff Benefits	\$ 611,342	\$ 210,939	34.50%	\$ 632,500	\$ 114,195	\$ 518,305	18.05%
Total Unrestricted Educational Activities	\$ 35,878,512	\$ 8,821,417	24.59%	\$ 38,941,605	\$ 10,182,178	\$ 28,759,427	26.15%
Restricted							
Instruction	\$ 1,315,888	\$ 310,673	23.61%	\$ 438,256	\$ 105,587	\$ 332,669	24.09%
Public Service	\$ -	\$ 5,985		\$ -	\$ 4,213	\$ (4,213)	
Academic Support	\$ -	\$ -		\$ -	\$ -	\$ -	
Student Services	\$ 42,864	\$ 6,931	16.17%	\$ 868,290	\$ 202,774	\$ 665,516	23.35%
Institutional Support	\$ 6,294	\$ 983	15.62%	\$ 5,237	\$ -	\$ 5,237	0.00%
Operation & Maint. of Plant	\$ -	\$ -		\$ -	\$ -	\$ -	
Scholarships and Fellowships	\$ 8,219,076	\$ 4,982,710	60.62%	\$ 8,614,526	\$ 5,152,256	\$ 3,462,271	59.81%
Staff Benefits	\$ -	\$ 517,314		\$ -	\$ 553,128	\$ (553,128)	
Total Restricted Educational Activities	\$ 9,584,122	\$ 5,824,596	60.77%	\$ 9,926,309	\$ 6,017,957	\$ 3,908,352	60.63%
Total Educational Activities	\$ 45,462,634	\$ 14,646,013	32.22%	\$ 48,867,914	\$ 16,200,135	\$ 32,667,779	33.15%
Auxiliary Enterprises	\$ 2,768,192	\$ 693,605	25.06%	\$ 2,885,075	\$ 724,506	\$ 2,160,569	25.11%
Depreciation Expense - Buildings and and Land Improvements	\$ -	\$ 353,935		\$ -	\$ 295,848	\$ (295,848)	
Depreciation Expense - Furniture, Machinery, Vehicles, and Other Equipment	\$ -	\$ 147,492		\$ -	\$ 159,966	\$ (159,966)	
Total Operating Expenses	\$ 48,230,826	\$ 15,841,045	32.84%	\$ 51,752,989	\$ 17,380,455	\$ 34,372,534	33.58%
Non-Operating Expenses							
Expenses on Capital Related Debt	\$ 454,433	\$ (5,524)	-1.22%	\$ 416,848	\$ (8,605)	\$ 425,453	-2.06%
Gain/Loss on Disposal of Fixed Assets	\$ (2,500)	\$ -		\$ (10,000)	\$ -	\$ (10,000)	
Other non-operating expense	\$ -	\$ -		\$ -	\$ -	\$ -	
Other Uses of Cash							
Principal on Capital Related Debt	\$ 1,201,082	\$ 108,168	9.01%	\$ 1,403,560	\$ 114,239	\$ 1,289,321	8.14%
Capital Outlay (Non-Construction)	\$ 640,810	\$ 8,549	1.33%	\$ 1,008,673	\$ 467,594	\$ 541,079	46.36%
TOTAL	\$ 50,524,651	\$ 15,952,238	31.57%	\$ 54,572,070	\$ 17,953,684	\$ 36,618,386	32.90%



**Weatherford College Board of Trustees
Consent Agenda**

DATE: December 12, 2019

AGENDA ITEM #4.c.

SUBJECT: Quarterly Investment Report

INFORMATION AND DISCUSSION: As required by Government Code 2256.005, the investment officer shall prepare and submit to the Board a written report of investment transactions for all funds covered by the Public Funds Investment Act. This report is submitted to the Board on a quarterly basis, within a reasonable time after the end of the period. Attached you will find a Report of Investments for the period ending November 30, 2019.

RECOMMENDATION: That the Board of Trustees approve the Report of Investments at November 30, 2019.


ATTACHMENTS: Report of Investments at November 30, 2019.

SUBMITTED BY: Dr. Andra R. Cantrell, Executive Vice President for Financial & Administrative Affairs


**WEATHERFORD COLLEGE
REPORT OF INVESTMENTS
November 30, 2019**

	<u>Money Market</u>	<u>CD's</u>	<u>Total</u>
Unrestricted	\$ 6,619,444.05	\$ 19,459,586.54	\$ 26,079,030.59
Restricted	514,931.75	2,552,449.13	3,067,380.88
Carter Endowment	12,940.92	1,378,322.53	1,391,263.45
Plant Retirement Indebtedness	-	1,913,022.41	1,913,022.41
	<u>7,147,316.72</u>	<u>25,303,380.61</u>	<u>32,450,697.33</u>

The investment of Weatherford College's funds as described above is in compliance with the investment policy and strategy of Weatherford College.



Dr. Tod Allen Farmer
President



Dr. Andra R. Cantrell
Executive V.P. for Financial and Administrative Affairs

**WEATHERFORD COLLEGE
INVESTMENTS
NOVEMBER 30, 2019**

Investment	Number	Closing Balance August 31, 2019	Closing Balance November 30, 2019	Changes in Current Value	Opening Date	Maturity Date	Interest Rate
Money Market Accounts Prosperity Bank							
Unrestricted	218082740	5,528,154.16	6,619,444.05	1,091,289.89	09/25/18		1.40%
Total Unrestricted		\$ 5,528,154.16	\$ 6,619,444.05	\$ 1,091,289.89			
Restricted	218082740	505,777.50	514,931.75	9,154.25	09/25/18		1.40%
Total Restricted		\$ 505,777.50	\$ 514,931.75	\$ 9,154.25			
Carter Endowment	218082740	10,115.53	12,940.92	2,825.39	09/25/18		1.40%
Total Carter Endowment		\$ 10,115.53	\$ 12,940.92	\$ 2,825.39			
Total All Money Market Accounts		\$ 6,044,047.19	\$ 7,147,316.72	\$ 1,103,269.53			
Certificates of Deposit Prosperity Bank							
Unrestricted	203000085	25,223,270.14	19,459,586.54	(5,763,683.60)	09/28/18	03/27/19	2.00%
Total Unrestricted		\$ 25,223,270.14	\$ 19,459,586.54	\$ (5,763,683.60)			
Restricted	203000085	2,524,794.52	2,552,449.13	27,654.61	09/28/18	03/27/19	2.00%
Total Restricted		\$ 2,524,794.52	\$ 2,552,449.13	\$ 27,654.61			
Carter Endowment	203000085	1,363,389.04	1,378,322.53	14,933.49	09/28/18	03/27/19	2.00%
Total Carter Endowment		\$ 1,363,389.04	\$ 1,378,322.53	\$ 14,933.49			
Plant Retirement Indebtedness	203000085	1,888,546.30	1,913,022.41	24,476.11	09/28/18	03/27/19	2.00%
Total Plant Retirement Indebtedness		\$ 1,888,546.30	\$ 1,913,022.41	\$ 24,476.11			
Total All Certificates of Deposit		\$ 31,000,000.00	\$ 25,303,380.61	\$ (5,696,619.39)	09/28/18	03/27/19	2.00%
TOTAL INVESTMENTS		<u>\$ 37,044,047.19</u>	<u>\$ 32,450,697.33</u>	<u>\$ (4,593,349.86)</u>			



**Weatherford College Board of Trustees
Consent Agenda**

DATE: December 12, 2019

AGENDA ITEM #4.d.

SUBJECT: Consent Agenda: Bookstore Management Renewal Agreement with Texas Book Company

INFORMATION AND DISCUSSION: In March 2011, the College entered into a Bookstore Management Agreement with Texas Book Company for a six-year period ending March 31, 2017 along with one optional three-year extension. In February 2017, the Board approved to enter into a Bookstore Management Renewal Agreement with Texas Book Company exercising its option to extend the contract for a period of three years beginning April 1, 2017 through March 31, 2020. The Renewal Agreement also included an amended renewal clause giving Weatherford College the option to renew the contract for an additional three years with automatic one-year self-renewal options. Administration is recommending that the College exercise the three-year option to renew which would extend the contract with Texas Book Company through March 31, 2023. Also included in this renewal is a monetary commitment from Texas Book Company of \$30,000 to upgrade the bookstore point-of-sale system hardware to support software upgrades as well as a \$50,000 unrestricted contribution to the College that may be used at the College's discretion.

RECOMMENDATION: That the Board of Trustees approves the Bookstore Management Renewal Agreement with Texas Book Company extending the contract through March 31, 2023 with an additional three year option to renew and, thereafter, automatic one-year self-renewal options.

ATTACHMENTS: Bookstore Management Renewal Agreement between Weatherford College and Texas Book Company.

SUBMITTED BY: Dr. Andra R. Cantrell, Executive Vice President for Financial & Administrative Affairs



**Bookstore Management Renewal Agreement
Between
Weatherford College and Texas Book Company**

1. Bookstore Management Contracted to Texas Book Company:

Weatherford College hereby renews the contract with Texas Book Company (TBC) to manage and operate the Weatherford College (WC or College) Bookstore (the "Bookstore") on the terms and subject to the conditions set forth in the agreement of February 25, 2011, as amended March 28, 2011, and March 1, 2017, and April 13, 2018. Texas Book Company hereby accepts contracted responsibilities.

2. Contract Term and Renewal: Amended

- a. Renewal of contract is hereby invoked, renewing the contract for three (3) years beginning on April 1, 2020 and ending on March 31, 2023, under the same provisions unless amended by mutual written agreement between Weatherford College and Texas Book Company.
- b. Renewal of Contract: Upon completion of the three (3) year contract term, Weatherford College may renew the contract for three (3) years under the same provisions by mutual written agreement between Weatherford College and Texas Book Company. Thereafter, the contract shall automatically self-renew for a one-year term under the same provisions unless either party notifies the other in writing at least 120 (one hundred twenty) days prior to the expiration of the current term, of its intention not to renew.

3. Contribution: Amended

Texas Book Company will give WC a \$50,000.00 (Fifty Thousand Dollars) unrestricted contribution to be managed by the College. The College may use the funds at the discretion of the College.

4. Technology & Equipment: Amended

TBC commits \$30,000,00 (Thirty Thousand Dollars) to upgrade the bookstore point-of-sale system hardware to support software upgrades, which include larger offerings of digital materials, and more seamless integration of publisher consignment rentals.

5. Gross Sales Definition: (Amended)

The category of "gross sales" includes all sales at the gross selling price, to include charges for all services to customers performed by TBC or through the lease premises or the bookstore's website. Gross sales includes all collected sales revenue, net course material rentals, amounts earned on inclusive access program materials, less voids, refunds, returns, credits, books discounted for competitive price match, publisher consignment materials, subscription sales, sales to departmental faculty, staff and other discounted sales, items with less than 20% margin, excise tax, sales tax, commissions, inter-company sales, fulfillment of third party sales, sales for which a commission is paid to Weatherford College, department or program, purchases funded by TBC scholarship, rental textbook processing fees, or pass-through income. When TBC sells digital content as agent, TBC's agency fee shall be the applicable gross revenue.



TBC will pay all taxes associated with gross sales. Gross sales does not include other taxes levied by any federal, state, or municipal authority on the retail sales of the value of services performed by TBC, provided that the payment of such taxes is verified by TBC to the satisfaction of Weatherford College. TBC will not be responsible for property taxes on campus store facilities, or any other taxes not currently assessed.

This addendum amends the current contract terms and renewal. All other articles of the current contract and addendums apply except as revised by this addendum.

IN WITNESS WHEREOF, the parties hereto have set their hands as at the day and year written below.

Weatherford College

Texas Book Company

By: _____

By: _____

Name: _____

Name: Darren Croom

Title: _____

Title: President

Date: _____

Date: _____



Weatherford College Board of Trustees

DATE: December 12, 2019

AGENDA ITEM #5

SUBJECT: Consideration and Possible Action: 2018-19 Financial Audit

INFORMATION AND DISCUSSION: Snow Garrett Williams completed the financial audit for the fiscal year ending August 31, 2019. Attached is a copy of the Annual Financial and Compliance Report for the year ended August 31, 2019. The management letter will be distributed to the Board at the Board meeting. Representatives from Snow Garrett Williams will be at the Board meeting to present the audit and to answer any questions.

RECOMMENDATION: That the Board of Trustees approve the 2018-19 Financial Audit as presented.

ATTACHMENTS: Annual Financial and Compliance Report for the Year Ended August 31, 2019.

SUBMITTED BY: Dr. Andra R. Cantrell, Executive Vice President for Financial & Administrative Affairs

**WEATHERFORD COLLEGE
OF THE PARKER COUNTY
JUNIOR COLLEGE DISTRICT**

ANNUAL FINANCIAL AND COMPLIANCE REPORT

FOR THE YEAR ENDED AUGUST 31, 2019

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT**

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**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT**

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**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
ORGANIZATIONAL DATA
For the Year Ended August 31, 2019**

Board of Trustees

Officers

Mac Smith	Chairman
Sue Coody	Vice Chairman
Lela Morris	Secretary / Treasurer

Members

		<u>Term Expires</u> <u>May 31,</u>
Mac Smith	Weatherford, Texas	2022
Judy McAnally	Weatherford, Texas	2022
Dr. Robert Marlett	Wise County, Texas	2022
Dr. Trev Dixon	Weatherford, Texas	2021
Elaine Carter	Weatherford, Texas	2021
Sue Coody	Weatherford, Texas	2023
Lela Morris	Weatherford, Texas	2023

Principal Administrative Officers

Dr. Tod Allen Farmer	President
Brent Baker	Vice President - Institutional Advancement
Dr. Andra Cantrell	Executive Vice President - Financial & Administrative Affairs
Michael Endy	Vice President - Instruction & Student Services

FINANCIAL SECTION



SNOW GARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Weatherford College of the
Parker County Junior College District

Report on the Financial Statements

We have audited the accompanying financial statements of the Weatherford College of the Parker County Junior College District (the College) as of and for the years ended August 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the

financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the College as of August 31, 2019 and 2018, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the College's proportionate share of net pension liability, the schedule of the College's contributions for pensions, the schedule of the College's proportionate share of OPEB liability, the schedule of the College's contributions for OPEB, and the related notes be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The supplemental information and schedule of expenditures of state awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200,

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The supplemental information and schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information and schedules of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2019, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 the College's internal control over financial reporting and compliance.

Snow Garrett Williams

Snow Garrett Williams
December 6, 2019

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Management's Discussion and Analysis
August 31, 2019 and 2018**

This section of the Weatherford College of the Parker County Junior College District's annual financial report presents management's discussion and analysis of the College's financial activity during the fiscal years ended August 31, 2019 and 2018. Since this management's discussion and analysis is designed to focus on current activities, resulting change, and currently known facts, please read it in conjunction with the College's financial statements (pages 13-19), and the footnotes (starting at page 21). Responsibility for the completeness and fairness of this information rests with the College.

Using This Annual Report

The financial statements focus on the College as a whole. The statements are designed to emulate corporate presentation models whereby all College activities are consolidated into one total. The focus of the statement of net position is designed to be similar to bottom line results for the College.

The statement of revenues, expenses, and changes in net position focuses on both the gross costs and the net costs of the College's activities which are supported mainly by property taxes and by state and other revenues. This approach is intended to summarize and simplify the user's analysis of the costs of various College services to students and the public.

The final required financial statement, the statement of cash flows, reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, and financing activities.

The Weatherford College Foundation, Inc. is a discretely presented component unit of the College and is reported as separate financial statements. Complete financial statements for the Foundation may be obtained from the Weatherford College Business Office.

Financial Highlights

The College's net position decreased from August 31, 2018 to August 31, 2019 by \$0.4 million, and decreased from August 31, 2017 to August 31, 2018 by \$5.1 million. As of August 31, 2019 and 2018, the College's net position was \$51.0 million and \$51.4 million, which includes \$27.1 million and \$26.1 million in net investment in capital assets, \$5.2 million and \$5.0 million in restricted net position, and \$18.7 million and \$20.3 million in unrestricted net position, respectively.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Management's Discussion and Analysis
August 31, 2019 and 2018**

Operating expenses for 2019 and 2018 were \$48.8 million and \$43.5 million of which \$20.2 million and \$17.8 million were expended for instruction, \$8.1 million and \$6.8 million were expended for institutional support, and \$3.1 million and \$2.3 million were expended for auxiliary enterprises, respectively. In fiscal years 2019 and 2018, depreciation expense was \$1.8 million and \$2.0 million, respectively.

Operating revenue for 2019 and 2018 was \$16.0 million and \$23.9 million, which includes \$8.8 million and \$9.0 million in tuition and fees (net of discounts), \$3.3 million and \$3.0 million in local grants and contracts, and \$1.1 million and \$1.0 million in federal grants and contracts, respectively.

Net non-operating revenue for 2019 and 2018 was \$32.4 million and \$31.6 million, which includes \$11.0 million and \$11.3 million in state allocations, \$14.0 million and \$13.3 million in ad valorem taxes for maintenance and operations, \$0.7 million and \$0.7 million in ad valorem taxes for general obligation bonds, and \$6.4 million and \$6.5 million in federal grants, respectively.

Financial Analysis of the College as a Whole

Statement of Net Position

The statement of net position presents current assets (non-restricted assets expected to provide support within a year), non-current assets (restricted assets expected to provide long term benefit), deferred outflows of resources, current liabilities (obligations which must be met within the current year), non-current liabilities (obligations which are not settled in the current year), and deferred inflows of resources. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are presented using the accrual basis of accounting, which is similar to the accounting by most private-sector institutions. Net position, the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one way to measure the financial position of the College. As of August 31, 2019, the net position was \$51.0 million. This was a decrease of \$0.4 million from the period ended August 31, 2018. As of August 31, 2018, the net position was \$51.4 million. This was a decrease of \$5.1 million from the period ended August 31, 2017. The College's financial position remains strong with adequate liquid assets at a reasonable level of unrestricted net position.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Management's Discussion and Analysis
August 31, 2019 and 2018**

**Net Position
As of August 31,
(in millions)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Current Assets	\$36.8	\$37.6	\$33.7
Non-current Assets			
Capital Assets, Net of Depreciation	39.8	40.3	40.9
Other	<u>21.8</u>	<u>21.0</u>	<u>14.4</u>
Total Assets	<u>98.4</u>	<u>98.9</u>	<u>89.0</u>
Deferred Outflows of Resources	<u>16.4</u>	<u>3.7</u>	<u>1.8</u>
Current Liabilities	12.4	13.1	12.3
Non-current Liabilities	<u>41.6</u>	<u>32.7</u>	<u>20.2</u>
Total Liabilities	<u>54.0</u>	<u>45.8</u>	<u>32.5</u>
Deferred Inflows of Resources	<u>9.9</u>	<u>5.4</u>	<u>1.8</u>
Net Position			
Net Investment in Capital Assets	27.1	26.1	26.0
Restricted for: Expendable	5.2	5.0	4.8
Unrestricted	<u>18.7</u>	<u>20.3</u>	<u>25.7</u>
Total Net Position	<u>\$51.0</u>	<u>\$51.4</u>	<u>\$56.5</u>

This schedule is prepared from the College's statements of net position on pages 13 and 14.

Statement of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the operating results of the College, as well as the non-operating revenues and expenses. Operating revenues are primarily those that result directly from instruction, the operation of the College's auxiliary services (cafeteria, athletics, bookstore, etc.) and Federal, State, and local grants. State Allocations and property tax receipts, while budgeted for operations, are considered non-operating revenues, and depreciation is shown in operating expenses according to accounting principles generally accepted in the United States of America.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Management's Discussion and Analysis
August 31, 2019 and 2018**

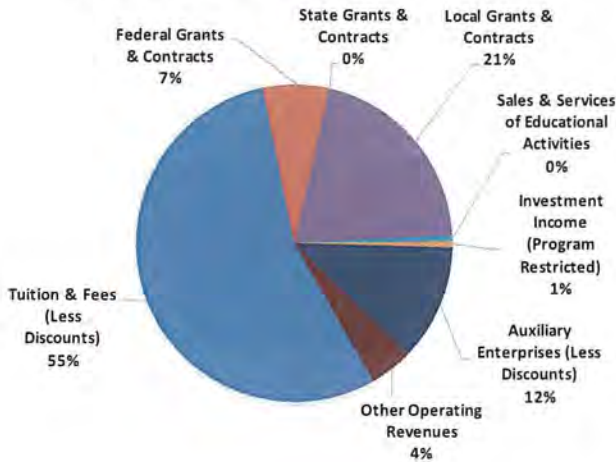


**Operating Results for the Years Ended
August 31,
(in millions)**

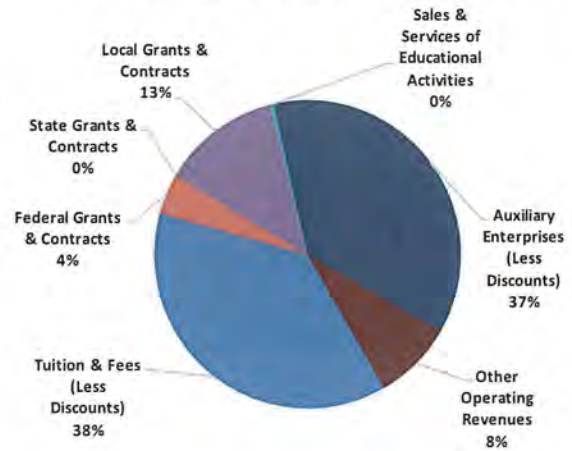
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Operating Revenues			
Tuition and Fees (Less Discounts)	\$ 8.8	\$ 9.0	\$ 8.2
Federal Grants and Contracts	1.1	1.0	1.0
State Grants and Contracts	0.0	0.0	0.3
Local Grants and Contracts	3.3	3.0	2.9
Sales and Services of Educational Activities	0.1	0.1	0.0
Investment Income (Program Restricted)	0.1	0.0	0.1
Auxiliary Enterprises (Less Discounts)	1.9	8.8	1.8
Other Operating Revenues	0.7	2.0	0.8
Total	<u>16.0</u>	<u>23.9</u>	<u>15.1</u>
Less Operating Expenses	<u>48.8</u>	<u>43.5</u>	<u>43.2</u>
Net Operating Loss	<u>(32.8)</u>	<u>(19.6)</u>	<u>(28.1)</u>
Non-Operating Revenues (Expenses)			
State Allocations	11.0	11.3	10.8
Ad Valorem Taxes for Maintenance and Operations	14.0	13.3	11.9
Ad Valorem Taxes for General Obligation Bonds	0.7	0.7	0.7
Federal Revenue, Non-Operating	6.4	6.5	6.3
Gifts	0.1	0.1	0.0
Investment Income (Net of Investment Expense)	0.6	0.1	0.1
Interest on Capital Related Debt	(0.4)	(0.4)	(0.4)
Total	<u>32.4</u>	<u>31.6</u>	<u>29.4</u>
Increase (Decrease) in Net Position	(0.4)	12.0	1.3
Net Position, Beginning of Year	51.4	56.5	55.2
Prior Period Adjustment	0.0	(17.1)	0.0
Net Position - Beginning of Year, restated	<u>51.4</u>	<u>39.4</u>	<u>55.2</u>
Net Position, End of Year	<u>\$ 51.0</u>	<u>\$ 51.4</u>	<u>\$ 56.5</u>
Total Revenues	<u>\$ 48.8</u>	<u>\$ 55.9</u>	<u>\$ 44.9</u>

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Management's Discussion and Analysis
August 31, 2019 and 2018**

OPERATING REVENUES BY SOURCE 2019



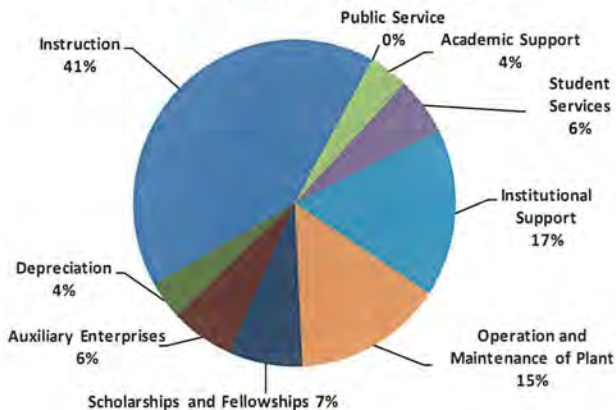
OPERATING REVENUES BY SOURCE 2018



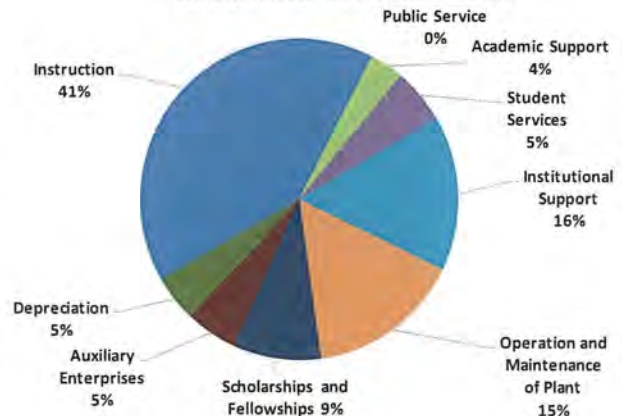
**Operating Expenses
For the Years Ended August 31,
(in millions)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Operating Expenses			
Instruction	\$20.2	\$17.8	\$17.9
Public Service	0.0	0.0	0.0
Academic Support	1.9	1.5	1.8
Student Services	2.8	2.4	2.6
Institutional Support	8.1	6.8	7.0
Operation and Maintenance of Plant	7.3	6.8	5.6
Scholarships and Fellowships	3.6	3.9	3.6
Auxiliary Enterprises	3.1	2.3	2.5
Depreciation	1.8	2.0	2.2
Total	<u>\$48.8</u>	<u>\$43.5</u>	<u>\$43.2</u>
Total Expenses (Including Interest Expense and Non-Operating Expenses)	<u>\$49.2</u>	<u>\$43.9</u>	<u>\$43.6</u>

OPERATING EXPENSES 2019



OPERATING EXPENSES 2018



**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Management's Discussion and Analysis
August 31, 2019 and 2018**

**Analysis of Net Position
August 31,
(in millions)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Net Position			
Net Investment in Capital Assets	\$ 27.1	\$ 26.1	\$ 26.0
Restricted for: Expendable	5.2	5.0	4.8
Unrestricted	18.7	20.3	25.7
Total Net Position	<u>\$ 51.0</u>	<u>\$ 51.4</u>	<u>\$ 56.5</u>

**Capital Assets, Net
August 31,
(in millions)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Capital Assets			
Land and Improvements	\$ 10.0	\$ 10.0	\$ 10.0
Buildings	45.7	45.7	45.6
Construction in Process	1.5	0.6	0.0
Equipment	7.9	7.6	6.9
Library Books	0.9	0.9	1.0
Total	<u>66.0</u>	<u>64.8</u>	<u>63.5</u>
Less Accumulated Depreciation	<u>(26.2)</u>	<u>(24.5)</u>	<u>(22.6)</u>
Net Capital Assets	<u>\$ 39.8</u>	<u>\$ 40.3</u>	<u>\$ 40.9</u>

As of August 31, 2019 and 2018, the College recorded \$66.0 million and \$64.8 million invested in capital assets, \$26.2 million and \$24.5 million in accumulated depreciation, and \$39.8 million and \$40.3 million in net capital assets, respectively.

The College has long-term debt in the form of bonds payable including limited tax refunding bonds, series 2016, and consolidated fund revenue bond, series 2012, with an outstanding balance of \$7.5 million and \$8.3 million and notes payable with an outstanding balance of \$4.6 million and \$5.0 million as of August 31, 2019 and 2018, respectively.

Economic Factors and Next Year's Budget and Rates

The Board of Trustees adopted the College's 2019-2020 budget and tax rate on August 29, 2019. The annual budget is developed to provide efficient, effective and economic uses of the College's resources, as well as, a means to accomplish the highest priority objectives. Through the budget, the Board of Trustees sets the direction of the College, allocates its resources and establishes its priorities.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Management's Discussion and Analysis
August 31, 2019 and 2018**

In considering the College budget for fiscal year 2020, the Board of Trustees and management considered the following factors:

- Property valuations in Parker County increased resulting in an increased ad valorem tax levy.
- A reduction in the total ad valorem tax rate was achieved due to the increased property valuations and was in keeping with the board of trustee's desire to reduce property taxes.
- Tuition rates increased approximately 6% overall.
- State instructional appropriations increased by 7.06% over the prior biennium.
- Operating grants increased by 5.78% with the main increase being the addition of the Industrial Maintenance Automation grant.
- A continued desire to award cost of living raises of 4% to all full-time employees.

Request for Information

This financial report is designed to provide a general overview of the Weatherford College of the Parker County Junior College District's finances and to show the College's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Executive Vice President of Financial and Administrative Affairs at 225 College Park Drive, Weatherford, Texas 76086.



**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Statements of Net Position
August 31, 2019 and 2018**

EXHIBIT 1

	2019	2018
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 30,843,066	\$ 31,423,781
Accounts Receivable (net)	2,386,458	2,151,898
Other Assets - Current	3,510,201	3,696,173
Prepaid Expense	57,535	314,042
Total Current Assets	36,797,260	37,585,894
Non-Current Assets		
Restricted Cash and Cash Equivalents	6,112,725	5,373,623
Endowment Investments	50,140	45,801
Other Long-Term Investments	-	127
Investments in Real Estate	15,620,000	15,620,000
Capital Assets (net) (See Note 6)	39,822,452	40,261,958
Total Non-Current Assets	61,605,317	61,301,509
Total Assets	98,402,577	98,887,403
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pensions	4,056,980	1,546,387
Deferred Outflows Related to OPEB	12,336,755	2,160,393
Total Deferred Outflows of Resources	16,393,735	3,706,780

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Statements of Net Position
August 31, 2019 and 2018**

EXHIBIT 1

	2019	2018
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 998,135	\$ 1,831,900
Accrued Compensated Absences - Current Portion	549,654	502,588
Funds Held for Others	317,380	333,073
Unearned Revenues	8,492,828	8,706,523
Overpayment of State Appropriations - Current Portion	287,370	287,370
Notes Payable - Current Portion	383,399	366,081
Capital Leases Payable - Current Portion	98,367	94,420
Bonds Payable - Current Portion	925,880	905,773
Net OPEB Liability - Current Portion	322,883	74,434
Total Current Liabilities	12,375,896	13,102,162
Non-Current Liabilities		
Overpayment of State Appropriations	229,892	517,262
Notes Payable	4,211,071	4,594,470
Capital Leases Payable	209,251	307,619
Bonds Payable	6,924,181	7,850,060
Net Pension Liability	8,373,269	4,825,611
Net OPEB Liability	21,627,290	14,594,958
Total Non-Current Liabilities	41,574,954	32,689,980
Total Liabilities	53,950,850	45,792,142
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows Related to Pensions	1,450,939	2,204,937
Deferred Inflows Related to OPEB	8,496,122	3,243,473
Total Deferred Inflows of Resources	9,947,061	5,448,410
NET POSITION		
Net Investment in Capital Assets	27,070,303	26,143,535
Restricted for:		
Expendable		
Student Aid	2,484,391	2,373,749
Instructional Programs	82,044	82,043
Loans	-	10,952
Capital Projects	325,958	326,776
Debt Service	2,279,682	2,159,571
Unrestricted	18,656,023	20,257,005
Total Net Position (Schedule D)	\$ 50,898,401	\$ 51,353,631

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

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Component Unit
Statement of Financial Position
August 31, 2019**

EXHIBIT 1

	<u>Weatherford College Foundation, Inc.</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 283,065
Investments	155,732
Accounts Receivable	1,168
Interest Receivable	7,097
Note Receivable, Current Portion	7,736
Unconditional Promises to Give, Current Portion	19,635
Total Current Assets	<u>474,433</u>
Non-Current Assets	
Endowment Investments	8,713,342
Unconditional Promises to Give	19,415
Note Receivable, Net of Current Portion	182,401
Mineral Rights	1
Total Non-Current Assets	<u>8,915,159</u>
Total Assets	<u>9,389,592</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	27,726
Total Liabilities	<u>27,726</u>
NET ASSETS	
Without Donor Restrictions	411,072
With Donor Restrictions	8,950,794
Total Net Assets	<u><u>\$ 9,361,866</u></u>

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT**
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended August 31, 2019 and 2018

EXHIBIT 2

	2019	2018
REVENUES		
Operating Revenues		
Tuition and Fees (Net of Discounts of \$3,884,712 and \$3,666,106, respectively)	\$ 8,803,947	\$ 9,009,931
Federal Grants and Contracts	1,064,100	992,885
State Grants and Contracts	32,950	34,810
Local Grants and Contracts	3,290,028	2,995,876
Sales and Services of Educational Activities	102,330	70,259
Investment Income (Program Restricted)	101,630	24,024
Auxiliary Enterprises (Net of Discounts of \$728,372 and \$693,248, respectively)	1,867,267	8,770,752
Other Operating Revenues	682,489	2,008,347
Total Operating Revenues (Schedule A)	15,944,741	23,906,884
EXPENSES		
Operating Expenses		
Instruction	20,223,901	17,816,081
Public Service	40,007	39,281
Academic Support	1,914,495	1,546,393
Student Services	2,828,439	2,378,017
Institutional Support	8,095,022	6,765,029
Operation and Maintenance of Plant	7,155,459	6,745,925
Scholarships and Fellowships	3,611,211	3,865,161
Auxiliary Enterprises	3,116,597	2,335,948
Depreciation	1,823,272	2,006,038
Total Operating Expenses (Schedule B)	48,808,403	43,497,873
Operating Loss	(32,863,662)	(19,590,989)
NON-OPERATING REVENUES (EXPENSES)		
State Appropriations	10,962,324	11,370,716
Maintenance Ad Valorem Taxes (net)	14,032,739	13,258,104
Debt Service Ad Valorem Taxes (net)	675,486	681,413
Federal Revenue, Non-Operating	6,432,156	6,511,577
Gifts	78,951	52,019
Investment Income	585,890	114,612
Gain on Sale of Capital Assets	42,483	6,380
Interest on Capital Related Debt	(401,597)	(410,783)
Net Non-Operating Revenues (Schedule C)	32,408,432	31,584,038
Increase (Decrease) in Net Position	(455,230)	11,993,049
NET POSITION		
Net Position - Beginning of Year	51,353,631	56,484,057
Cumulative Effect of Change in Accounting Principle (Note 2)	-	(17,123,475)
Net Position - Beginning of Year, restated	51,353,631	39,360,582
Net Position - End of Year	\$ 50,898,401	\$ 51,353,631

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Component Unit
Statement of Activities
For the Year Ended August 31, 2019**

EXHIBIT 2

	<u>Weatherford College Foundation, Inc.</u>
REVENUE	
Contributions	\$ 592,118
Interest and Dividends	238,429
Investment Return, Net	<u>20,518</u>
Total Revenue	<u>851,065</u>
EXPENSES	
Contractual	48,095
Contributions	19,998
Legal and Professional	18,145
Other	87,635
Scholarships	290,826
Supplies	<u>7,287</u>
Total Expenses	<u>471,986</u>
Change in Net Assets	379,079
Net Assets - Beginning of Year	<u>8,982,787</u>
Net Assets - End of Year	<u><u>\$ 9,361,866</u></u>

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Statements of Cash Flows
For the Years Ended August 31, 2019 and 2018**

EXHIBIT 3

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Students and Other Customers	\$ 10,821,751	\$ 11,379,976
Receipts from Grants and Contracts	3,996,382	3,772,854
Payments to Suppliers for Goods or Services	(13,732,087)	(12,294,420)
Payments to or on behalf of Employees	(25,429,906)	(23,927,356)
Payments for Scholarships	(3,425,239)	(4,187,211)
Other Receipts	682,489	2,008,347
Net Cash Used by Operating Activities	(27,086,610)	(23,247,810)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from State Appropriations	8,872,156	8,937,062
Receipts from Ad Valorem Taxes	14,037,178	13,245,378
Receipts from Non-Operating Federal Revenue	6,467,784	6,561,545
Receipts from Gifts and Grants (Other Than Capital)	78,951	49,816
Receipts from (payments to) Student Organizations and Other Agency Transactions	(15,693)	17,039
Payments on Overpayment of State Appropriations	(287,370)	(287,370)
Net Cash Provided by Non-Capital Financing Activities	29,153,006	28,523,470
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from Issuance of Capital Debt	-	507,322
Proceeds from the Sale of Capital Assets	50,480	6,380
Receipts from Ad Valorem Taxes	676,046	680,418
Purchases of Capital Assets	(1,391,763)	(1,345,758)
Payments on Capital Debt - Principal	(1,295,502)	(1,262,600)
Payments on Capital Debt - Interest	(475,430)	(490,545)
Net Cash Used by Capital and Related Financing Activities	(2,436,169)	(1,904,783)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sales and Maturities of Investments	126	45
Receipts from Investment Earnings	528,034	145,305
Net Cash Provided by Investing Activities	528,160	145,350
Increase in Cash and Cash Equivalents	158,387	3,516,227
Cash and Cash Equivalents - September 1	36,797,404	33,281,177
Cash and Cash Equivalents - August 31	\$ 36,955,791	\$ 36,797,404
Reconciliation to Exhibit 1:		
Cash and Cash Equivalents	\$ 30,843,066	\$ 31,423,781
Restricted Cash and Cash Equivalents	6,112,725	5,373,623
Total Cash and Cash Equivalents	\$ 36,955,791	\$ 36,797,404

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Statements of Cash Flows
For the Years Ended August 31, 2019 and 2018**

EXHIBIT 3

	2019	2018
Non-Cash Investing, Capital and Financing Activities:		
Gift of Capital Asset	\$ -	\$ 2,202
Net Increase in Fair Value of Investments	\$ 4,339	\$ 6,899,021
Reconciliation of Operating Loss to Net Cash Used By Operating Activities:		
Operating Loss	\$ (32,863,662)	\$ (19,590,989)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation Expense	1,823,272	2,006,038
Unrealized (Gain) Loss on Fair Value of Investments	-	(6,905,690)
Bad Debt Expense	8,754	16,509
Payments Made Directly by State for Benefits	2,090,168	2,433,654
Investment Income (Program Restricted)	(101,630)	(24,024)
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources		
Receivables, Net	(128,794)	322,823
Other Assets - Current	185,972	(322,050)
Prepaid Expenses	256,507	(182,275)
Deferred Outflows of Resources	(12,686,955)	(1,849,470)
Accounts Payable	(830,703)	639,632
Unearned Revenue	(213,695)	(138,816)
Compensated Absences	47,066	64,548
Net Pension Liability	3,547,658	(875,159)
Net OPEB Liability	7,280,781	(2,454,083)
Deferred Inflows of Resources	4,498,651	3,611,542
Net Cash Used By Operating Activities	\$ (27,086,610)	\$ (23,247,810)

**NOTES TO THE
FINANCIAL STATEMENTS**

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to the Financial Statements
August 31, 2019 and 2018**

1. REPORTING ENTITY

Weatherford College of the Parker County Junior College District (the College) was established in 1869, in accordance with the laws of the State of Texas, to serve the educational needs of Weatherford and the surrounding communities. The College is considered to be a special purpose, primary government according to the definition in the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*. While the College receives funding from local, state, and federal sources, and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This section provides a summary of the College's significant accounting activities and other topics related to the College's financial reporting.

Reporting Guidelines

The significant accounting policies followed by the College 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*. The College applies all applicable GASB pronouncements. The College is reported as a special-purpose government engaged in business-type activities (BTA).

Tuition Discounting

Texas Public Education Grants (TPEG)

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set-aside, called the TPEG, is shown with tuition and fee revenue amounts 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. If the amount is dispersed directly to the student, the amount is recorded 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 the student. These funds are initially received by the College and recorded as revenue. When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to the Financial Statements
August 31, 2019 and 2018**

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 amounts are used for tuition and fees, the amounts are recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Basis of Accounting

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.

Budgetary Data

Each community college in Texas is required by law to prepare an annual operating budget of anticipated revenues and expenditures for the fiscal year beginning September 1. The College's Board of Trustees adopts the budget, which is prepared on the accrual basis of accounting. A copy of the approved budget and subsequent amendments must be filed with the Texas Higher Education Coordinating Board, Legislative Budget Board, Legislative Reference Library, and Governor's Office of Budget and Planning by December 1.

Cash and Cash Equivalents

For the purpose of cash flows, the College considers cash and cash equivalents as cash on-hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Deferred Outflows

In addition to assets, the College is aware that the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. Governments are permitted only to report deferred outflows in circumstances specifically authorized by the GASB. The College has deferred outflows related to the pension plan, see additional information in Note 9, and other post-employment benefits, see additional information in Note 13.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to the Financial Statements
August 31, 2019 and 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-Current Cash and Investments

Non-current cash and investments are set aside and classified as restricted assets on the Statement of Net Position because they are maintained in separate bank accounts and their use is limited to obligations, such as, scholarships, revenue bonds, general obligation bonds, and endowments.

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, the College reports investments at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase.

Capital Assets

The College records capital assets at cost at the date of acquisition, or fair value at the date of donation. For equipment, the College's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life in excess of one year. The College capitalizes renovations of \$100,000 to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure. The College charges costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives to operating expense in the year in which the expense is incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 20 years for land improvements, 15 years for library books, 10 years for furniture, machinery, vehicles, and other equipment, and 5 years for telecommunications and peripheral equipment.

Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Employees Retirement System of Texas (ERS) State Retiree Health Plan (SRHP) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits; OPEB expense; and information about assets, liabilities, and additions to/deductions from SRHP's fiduciary net position. Benefit payments are recognized when due and are payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to the Financial Statements
August 31, 2019 and 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pensions

The College participates in the Teacher Retirement System of Texas (TRS) pension plan, a multiple-employer cost-sharing defined benefit pension plan with a special funding situation. The fiduciary net position of TRS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Unearned Revenue

Revenues, primarily consisting of grants, tuition, fees, and meal charges, related to academic terms in the next fiscal year are recorded on the Statement of Net Position as unearned revenue in the current fiscal year. Tuition and fees of \$7,946,581 and \$7,794,959 and federal, state, and local grants of \$546,247 and \$911,564 have been reported as unearned revenue at August 31, 2019 and 2018, respectively.

Bonds Payable

Bonds payable are reported net of applicable bond premium, which is deferred and amortized using the effective interest method.

Deferred Inflows

In addition to liabilities, the College is aware that the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so is not recognized as an inflow of resources (revenue) until that time. Governments are permitted only to report deferred inflows in circumstances specifically authorized by the GASB. The College has deferred inflows related to the pension plan, see additional information in Note 9, and other post-employment benefits, see additional information in Note 13.

Estimates

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

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to the Financial Statements
August 31, 2019 and 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating and Non-Operating Revenue and Expense Policy

The College distinguishes operating revenues and expenses from non-operating items. The College reports as a BTA and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with the College's principal ongoing operations. The principal operating revenues are tuition and related fees. The major non-operating revenues are state appropriations and property tax collections. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The operation of the bookstore is not performed by the College.

Application of Restricted and Unrestricted Resources

The College's policy is to first apply an expense against restricted resources then towards unrestricted resources, when both are available to pay an expense.

Prior Year Restatement

Effective for fiscal year 2018, the College implemented GASB Statement No. 75, *Accounting for OPEB*. Accordingly, a restatement to beginning net position was required for the recording of the beginning net OPEB liability and for the recording of deferred outflows of resources related to OPEB for contributions made to the ERS OPEB plan subsequent to the measurement date of the beginning net OPEB liability.

Because audited beginning balances could not be obtained for all of the deferred outflows of resources and deferred inflows of resources related to OPEB, the College determined it was impractical to restate its fiscal year 2017 financial statements. As such, the College recorded a restatement to beginning net position in the fiscal year 2018 financial statements as a cumulative effect of a change in accounting principle.

Beginning net position as of September 1, 2017 has been restated as follows for the implementation of GASB Statement No. 75:

Beginning net position	\$ 56,484,057
Cumulative effect of change in accounting principle (GASB 75):	
Beginning Net OPEB liability (measurement date as of August 31, 2017)	(17,526,806)
Deferred outflow for College contributions to ERS plan during fiscal year 18	403,331
Beginning net position, as restated	<u>\$ 39,360,582</u>

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to the Financial Statements
August 31, 2019 and 2018**

3. AUTHORIZED INVESTMENTS

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

4. DEPOSITS AND INVESTMENTS

The College's deposits and investments are invested pursuant to the Investment Policy, which is approved annually by the College's Board of Trustees. The Investment Policy includes a list of authorized investment instruments and a maximum allowable maturity of any individual investment. In addition, it includes an Investment Strategy Statement that addresses the unique characteristics of the fund groups and describes the priorities of investment types, safety of principal, maximization of returns, and the assurance that anticipated cash flows are matched with adequate investment liquidity.

The College's Executive Vice President of Financial and Administrative Affairs submits an investment summary report quarterly to the Board of Trustees. The report details the investment position of the College and the compliance of the investment portfolio as it relates to both the adopted investment strategy statement and the investment policy.

The College is authorized to invest in the following investment instruments provided that they meet the guidelines of the investment policy:

1. Certificates of Deposits that are legally authorized and adequately secured;
and
2. U.S. Treasury Bills with a maximum security of twelve months.

No other investments shall be made without approval of a majority of the Board of Trustees.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to the Financial Statements
August 31, 2019 and 2018**

4. DEPOSITS AND INVESTMENTS (Continued)

Cash and Deposits

Cash and Cash Equivalents reported on Exhibit 1, Statements of Net Position, consist of the items reported below:

<u>Cash and Cash Equivalents</u>	<u>8/31/2019</u>	<u>8/31/2018</u>
Bank Deposits - Time Deposits	\$ 36,951,416	\$ 36,792,679
Petty Cash	4,375	4,725
Total Cash and Cash Equivalents	<u>\$ 36,955,791</u>	<u>\$ 36,797,404</u>

Investments

Investments reported on Exhibit 1, Statements of Net Position, consist of the items reported below:

<u>Types of Investments</u>	<u>Maturity</u>	<u>Market Value 8/31/2019</u>	<u>Market Value 8/31/2018</u>
U.S. Agency Bonds - Federal			
National Mortgage Association	3/2022	\$ -	\$ 127
Mineral Rights	N/A	50,140	45,801
Real Estate	N/A	<u>15,620,000</u>	<u>15,620,000</u>
Total Investments		<u>\$ 15,670,140</u>	<u>\$ 15,665,928</u>

Interest Rate Risk – In accordance with state law and the College’s investment policy, the College does not purchase any investments with maturities greater than one year, unless assets are held in debt retirement funds which may be invested in maturities exceeding one year. As of August 31, 2019 and 2018, the College was not exposed to interest rate risk.

Credit Risk - The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. As of August 31, 2019 and 2018, the U.S. Agency Bonds (FNMA) were rated AA+ by Standard and Poor’s.

Concentration of Credit Risk - The College does not place a limit on the amount that may be invested in any one issuer.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to the Financial Statements
August 31, 2019 and 2018**

4. DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk – Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution’s trust department or agent but not in the College’s name. At August 31, 2019 and 2018, the College’s cash and cash equivalents were not exposed to custodial credit risk.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the College, and are held by either the counterparty’s trust department or agent but not in the College’s name. At August 31, 2019 and 2018, the College’s investment securities were not exposed to custodial credit risk.

Reconciliation of Deposits and Investments between Note 4 and Exhibit 1 for Primary Government:

	8/31/2019	8/31/2018
Per Note 4:		
Cash and Cash Equivalents	\$ 36,955,791	\$ 36,797,404
U.S. Agency Bonds	-	127
Real Estate Investments	15,620,000	15,620,000
Mineral Right Investment	50,140	45,801
Total Deposits and Investments	\$ 52,625,931	\$ 52,463,332
Per Exhibit 1:		
Cash and Cash Equivalents	\$ 30,843,066	\$ 31,423,781
Restricted Cash and Cash Equivalents	6,112,725	5,373,623
Other Long-Term Investments	-	127
Endowment Investments	50,140	45,801
Investments in Real Estate	15,620,000	15,620,000
Total Deposits and Investments	\$ 52,625,931	\$ 52,463,332

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to the Financial Statements
August 31, 2019 and 2018**

5. FAIR VALUE OF FINANCIAL INSTRUMENTS

The College's investments measured and reported at fair value are classified according to the following hierarchy:

Level 1 – Investments reflect prices quoted in active markets for identical assets or liabilities that the government can access at the measurement date.

Level 2 – Investments reflect prices that are based on a similar observable asset or liability either directly or indirectly, which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable sources for the asset or liability.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

The fair value hierarchy of investments at August 31, 2019 follows:

	8/31/2019				8/31/2018
	Level 1	Level 2	Level 3	Total	Total
Asset and Mortgage Backed Securities	\$ -	\$ -	\$ -	\$ -	\$ 127
Mineral Rights	-	50,140	-	50,140	45,801
Real Estate	-	15,620,000	-	15,620,000	15,620,000
Total Investments	\$ -	\$ 15,670,140	\$ -	\$ 15,670,140	\$ 15,665,928

**WEATHERFORD COLLEGE OF THE PARKER
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6. CAPITAL ASSETS

Capital assets activity for the year ended August 31, 2019 was as follows:

	Balance 9/1/2018	Increases	Decreases	Balance 8/31/2019
Not Depreciated:				
Land	\$ 1,214,301	\$ -	\$ -	\$ 1,214,301
Collections	12,150	-	-	12,150
Construction in Process	561,709	914,076	-	1,475,785
Subtotal	<u>1,788,160</u>	<u>914,076</u>	<u>-</u>	<u>2,702,236</u>
Other Capital Assets:				
Buildings	45,704,237	-	-	45,704,237
Land Improvements	8,773,108	-	-	8,773,108
Library Books	943,003	30,622	73,290	900,335
Furniture, Machinery, Vehicles, and Other Equipment	7,565,134	447,473	83,209	7,929,398
Subtotal	<u>62,985,482</u>	<u>478,095</u>	<u>156,499</u>	<u>63,307,078</u>
Accumulated Depreciation:				
Buildings	15,058,602	844,010	-	15,902,612
Land Improvements	4,179,672	339,395	-	4,519,067
Library Books	187,971	62,441	72,882	177,530
Furniture, Machinery, Vehicles, and Other Equipment	5,085,439	577,426	75,212	5,587,653
Subtotal	<u>24,511,684</u>	<u>1,823,272</u>	<u>148,094</u>	<u>26,186,862</u>
Net Other Capital Assets	<u>38,473,798</u>	<u>(1,345,177)</u>	<u>8,405</u>	<u>37,120,216</u>
Net Capital Assets	<u>\$ 40,261,958</u>	<u>\$ (431,101)</u>	<u>\$ 8,405</u>	<u>\$ 39,822,452</u>

**WEATHERFORD COLLEGE OF THE PARKER
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Notes to the Financial Statements
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6. CAPITAL ASSETS (Continued)

Capital assets activity for the year ended August 31, 2018 was as follows:

	Balance 9/1/2017	Increases	Decreases	Balance 8/31/2018
Not Depreciated:				
Land	\$ 1,214,301	\$ -	\$ -	\$ 1,214,301
Collections	12,150	-	-	12,150
Construction in Process	-	561,709	-	561,709
Subtotal	<u>1,226,451</u>	<u>561,709</u>	<u>-</u>	<u>1,788,160</u>
Other Capital Assets:				
Buildings	45,634,297	69,940	-	45,704,237
Land Improvements	8,773,108	-	-	8,773,108
Library Books	988,636	44,185	89,818	943,003
Furniture, Machinery, Vehicles, and Other Equipment	6,916,044	673,207	24,117	7,565,134
Subtotal	<u>62,312,085</u>	<u>787,332</u>	<u>113,935</u>	<u>62,985,482</u>
Accumulated Depreciation:				
Buildings	13,985,088	1,073,514	-	15,058,602
Land Improvements	3,837,114	342,558	-	4,179,672
Library Books	215,221	61,488	88,738	187,971
Furniture, Machinery, Vehicles, and Other Equipment	4,581,078	528,478	24,117	5,085,439
Subtotal	<u>22,618,501</u>	<u>2,006,038</u>	<u>112,855</u>	<u>24,511,684</u>
Net Other Capital Assets	<u>39,693,584</u>	<u>(1,218,706)</u>	<u>1,080</u>	<u>38,473,798</u>
Net Capital Assets	<u>\$ 40,920,035</u>	<u>\$ (656,997)</u>	<u>\$ 1,080</u>	<u>\$ 40,261,958</u>

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to the Financial Statements
August 31, 2019 and 2018**

7. NON-CURRENT LIABILITIES

Non-current liability activity for the year ended August 31, 2019 was as follows:

	Balance September 1, 2018	Additions	Reductions	Balance August 31, 2019	Current Portion
Limited Tax Refunding Bonds	\$ 2,200,000	\$ -	\$ 520,000	\$ 1,680,000	\$ 540,000
Revenue Bonds	6,145,000	-	315,000	5,830,000	325,000
Bond Premium	410,833	-	70,772	340,061	60,880
Notes Payable - direct borrowings	4,960,551	-	366,081	4,594,470	383,399
Leases Payable	402,039	-	94,421	307,618	98,367
Overpayment of State Appropriations	804,632	-	287,370	517,262	287,370
Net Pension Liability	4,825,611	4,060,125	512,467	8,373,269	N/A
Net OPEB Liability	14,669,392	10,568,534	3,287,753	21,950,173	322,883
Compensated Absences	502,588	549,654	502,588	549,654	549,654
Total Non-Current Liabilities	\$ 34,920,646	\$ 15,178,313	\$ 5,956,452	\$ 44,142,507	\$ 2,567,553

Non-current liability activity for the year ended August 31, 2018 was as follows:

	Balance September 1, 2017	Additions	Reductions	Balance August 31, 2018	Current Portion
Limited Tax Refunding Bonds	\$ 2,710,000	\$ -	\$ 510,000	\$ 2,200,000	\$ 520,000
Revenue Bonds	6,455,000	-	310,000	6,145,000	315,000
Bond Premium	488,782	-	77,949	410,833	70,773
Notes Payable - direct borrowings	5,297,868	-	337,317	4,960,551	366,081
Leases Payable	-	507,322	105,283	402,039	94,420
Overpayment of State Appropriations	1,092,002	-	287,370	804,632	287,370
Net Pension Liability	5,700,770	529,937	1,405,096	4,825,611	N/A
Net OPEB Liability	-	19,163,873	4,494,481	14,669,392	74,434
Compensated Absences	438,040	502,588	438,040	502,588	502,588
Total Non-Current Liabilities	\$ 22,182,462	\$ 20,703,720	\$ 7,965,536	\$ 34,920,646	\$ 2,230,666

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to the Financial Statements
August 31, 2019 and 2018**

8. DEBT AND LEASE OBLIGATIONS

General information related to bonds payable is summarized below:

Limited Tax Refunding Bonds, General Obligation Bonds, Series 2016

- To refund the Limited Tax Refunding Bonds, Series 2007.
- Issued June 1, 2016.
- \$3,260,000; all authorized bonds have been issued.
- Source of revenue for debt service – assessment of property taxes.
- Outstanding balance of \$1,680,000 and \$2,200,000 at August 31, 2019 and 2018, respectively, bearing interest at 2.00% to 3.00%.
- Issued at a premium of \$183,642, of which \$52,639 and \$87,462 was unamortized at August 31, 2019 and 2018, respectively.

Bonds payable are due in annual installments varying from \$55,000 to \$580,000 with interest rates from 2.00% to 3.00% with final installment due in 2022.

Consolidated Fund Bonds, Revenue Bonds, Series 2012

- To purchase student housing facilities.
- Issued October 1, 2012.
- \$7,980,000; all authorized bonds have been issued.
- Source of revenue for debt service – tuition and fees.
- Outstanding balance of \$5,830,000 and \$6,145,000 at August 31, 2019 and 2018, respectively, bearing interest at 2.00% to 4.00%.
- Issued at a premium of \$558,377, of which \$287,422 and \$323,371 was unamortized at August 31, 2019 and 2018, respectively.

Bonds payable are due in annual installments varying from \$290,000 to \$525,000 with interest rates from 2.00% to 4.00% with final installment due in 2033.

Note Payable from Direct Borrowing– All American Investment Group, LLC

- To upgrade facilities' energy management systems/equipment at the Main and Wise County Campuses.
- Original loan date – January 15, 2013.
- Total balance of \$3,752,878, is payable in 30 semi-annual installments, which includes interest at a rate of 2.35%, and is secured by equipment.
- Source of revenue for debt service – unrestricted revenue.
- Outstanding note payable balances from direct borrowing of \$2,554,470 and \$2,775,551 at August 31, 2019 and 2018, respectively.
- The above note payable from direct financing contains a provision that the equipment will be repossessed in the event of default.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
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8. DEBT AND LEASE OBLIGATIONS (Continued)

The note payable above is due in semi-annual installments varying from \$116,822 to \$267,695 with an interest rate of 2.35% with the final installment to be paid in 2028.

Note Payable from Direct Borrowing – Maintenance Tax Notes, Series 2011

- To replace roofs and renovate classrooms and to pay related fees and the costs of issuance associated with the tax notes.
- Original loan date – March 15, 2011.
- Total balance of \$3,045,000, is payable in 19 yearly installments, which includes interest at a rate of 4.15%.
- Source of revenue for debt service – unrestricted revenue.
- Outstanding balance of \$2,040,000 and \$2,185,000 at August 31, 2019 and 2018, respectively.

The note payable above is due in annual installments varying from \$100,000 to \$225,000 with an interest rate of 4.15% with the final installment due in 2030.

Overpayment of State Appropriations

- The College was overpaid state appropriations from the Texas Higher Education Coordinating Board (THECB) during the fiscal years ending August 31, 2017 and 2016 of \$718,423 each fiscal year totaling \$1,436,846 related to a contact hour adjustment on the formula funding for the 2016-2017 biennium.
- Repayment will be recouped by the THECB withholding \$28,737 of each future state appropriation payment scheduled to be transferred to the College over 50 payments.
- Source of revenue for debt service – unrestricted revenue.
- Outstanding Balance of \$517,262 and \$804,632 at August 31, 2019 and 2018, respectively.

**WEATHERFORD COLLEGE OF THE PARKER
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8. DEBT AND LEASE OBLIGATIONS (Continued)

The principal and interest expense requirements for the next five years and beyond are summarized below for the debt issued.

Year Ended August 31,	Limited Tax Refunding Bonds			Revenue Bonds			Amortization of Bond Premium
	Bonds Principal	Interest	Total	Bonds Principal	Interest	Total	
2020	\$ 540,000	\$ 50,400	\$ 590,400	\$ 325,000	\$ 223,100	\$ 548,100	\$ 60,880
2021	560,000	34,200	594,200	335,000	213,350	548,350	50,618
2022	580,000	17,400	597,400	350,000	203,300	553,300	39,983
2023	-	-	-	360,000	192,800	552,800	29,720
2024	-	-	-	370,000	178,400	548,400	27,481
2025 - 2029	-	-	-	2,095,000	657,400	2,752,400	100,889
2030 - 2034	-	-	-	1,995,000	203,200	2,198,200	30,490
2035 - 2039	-	-	-	-	-	-	-
Total	\$ 1,680,000	\$ 102,000	\$ 1,782,000	\$ 5,830,000	\$ 1,871,550	\$ 7,701,550	\$ 340,061

Year Ended August 31,	Notes Payable - Direct Borrowings			Overpayment of State Appropriations
	Notes Principal	Interest	Total	
2020	\$ 383,399	\$ 143,348	\$ 526,747	\$ 287,370
2021	401,220	131,564	532,784	229,892
2022	424,564	119,267	543,831	-
2023	443,450	106,240	549,690	-
2024	462,895	92,676	555,571	-
2025 - 2029	2,253,942	240,154	2,494,096	-
2030 - 2034	225,000	9,337	234,337	-
Total	\$ 4,594,470	\$ 842,586	\$ 5,437,056	\$ 517,262

The College has entered into certain capital lease agreements under which the related equipment will become the property of the College when all terms of the lease agreements are met.

**WEATHERFORD COLLEGE OF THE PARKER
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8. DEBT AND LEASE OBLIGATIONS (Continued)

Obligations under capital leases at August 31, 2019, were as follows:

Year Ended	Total
2020	\$ 111,240
2021	111,240
2022	111,240
Total Minimum Lease Payments	333,720
Less: Interest	(26,102)
Present Value of Minimum Lease Payments	\$ 307,618

The following is an analysis of equipment leased under capital leases as of August 31:

	8/31/2019	8/31/2018
Equipment	\$ 507,322	\$ 507,322
Less accumulated depreciation	(152,197)	(50,733)
Total	\$ 355,125	\$ 456,589

9. EMPLOYEES' RETIREMENT PLANS

Teacher Retirement System of Texas - Defined Benefit Pension Plan

Plan Description

The College participates in a cost-sharing multiple-employer defined benefit pension plan that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67, and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

**WEATHERFORD COLLEGE OF THE PARKER
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9. EMPLOYEES' RETIREMENT PLANS (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.state.tx.us/about/documents/cafr.pdf#CAFR>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using a 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service whose formulas use the three highest annual salaries. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic cost of living adjustments (COLAs).

Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan Description above.

Contributions

Contribution requirements are established or amended pursuant to Article 16, Section 67 of the Texas Constitution which requires the Texas Legislature to establish a member contribution rate of not less than 6 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS' 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.

**WEATHERFORD COLLEGE OF THE PARKER
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9. EMPLOYEES' RETIREMENT PLANS (Continued)

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 through 2017. The 85th Texas Legislature, General Appropriations Act (GAA) affirmed that the employer contribution rates for fiscal years 2018 and 2019 would remain the same.

	<u>Contribution Rates</u>	
	<u>Fiscal Years</u>	
	<u>2018</u>	<u>2019</u>
Member	7.7%	7.7%
Non-Employer Contributing Entity (NECE) - State	6.8%	6.8%
Employers	6.8%	6.8%

<u>Fiscal Year Contributions</u>		
2018 Member Contributions	\$	966,254
2018 NECE On-behalf Contributions	\$	366,883
2018 Employer Contributions	\$	513,849

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools, and State agencies including TRS. In each respective role, the State contributes to the plan in accordance with State statutes and the GAA.

The College's contributions to the TRS pension plan in fiscal year 2019 were \$517,293 as reported in the Schedule of the College's Contributions for Pensions in the Required Supplementary Information section of these financial statements. Estimated State of Texas (NECE) on-behalf contributions for fiscal year 2019 were \$377,766.

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers.

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9. EMPLOYEES' RETIREMENT PLANS (Continued)

Public junior colleges or junior college districts are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50 percent of the state contribution rate for certain instructional or administrative employees; and 100 percent of the state contribution rate for all other employees.
- In addition to the employer contributions listed above, when employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

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9. EMPLOYEES' RETIREMENT PLANS (Continued)

Actuarial Assumptions

The total pension liability in the August 31, 2017 actuarial valuation rolled forward to August 31, 2018 and was determined using the following actuarial assumptions:

Valuation Date	August 31, 2017 rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Single Discount Rate	6.907%
Long-term Expected Investment Rate of Return*	7.25%
Municipal Bond Rate*	3.69%*
Last year ending August 31 in 2016 to 2115 Projection period (100 years)	2116
Inflation	2.30%
Salary increases	3.05% to 9.05% including inflation
Ad hoc post-employment benefit changes	None

**Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of August 31, 2018.*

The actuarial methods and assumptions were selected by the board of trustees based upon analysis and recommendations by the system's actuary. The board of trustees has sole authority to determine the actuarial assumptions used by the plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the three-year period ending August 31, 2017, and were adopted in July 2018. Assumptions, methods, and plan changes were updated from the prior year's report.

**WEATHERFORD COLLEGE OF THE PARKER
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9. EMPLOYEES' RETIREMENT PLANS (Continued)

Changes Since the Prior Actuarial Valuation - The net pension liability increased significantly since the prior measurement date due to a change in the following actuarial assumptions:

- The total pension liability as of August 31, 2018 was developed using a roll-forward method from the August 31, 2017 valuation.
- Demographic assumptions including postretirement mortality, termination rates, and rates of retirement were updated based on the experience study performed for TRS for the period ending August 31, 2017.
- Economic assumptions including rates of salary increase for individual participants was updated based on the same experience study.
- The discount rate changed from 8 percent as of August 31, 2017 to 6.907 percent as of August 31, 2018.
- The long term assumed rate of return changed from 8 percent to 7.25 percent.
- The change in the long-term assumed rate of return combined with the change in the single discount rate was the primary reason for the increase in the net pension liability.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Discount Rate

The discount rate used to measure the total pension liability was 6.907 percent. The single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent and a municipal bond rate of 3.69 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the future benefit payments until the year 2069. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2069, and the municipal bond rate was applied to all benefit payments after that date.

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9. EMPLOYEES' RETIREMENT PLANS (Continued)

The long-term rate of return on pension plan investments is 7.25 percent. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the system's target asset allocation as of August 31, 2018, are summarized below:

Asset Allocation and Long-Term Expected Real Rate of Return			
Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Expected Contribution to Long-Term Portfolio Returns *
Global Equity			
U.S.	18%	5.7%	1.0%
Non-U.S. Developed	13%	6.9%	0.9%
Emerging Markets	9%	8.9%	0.8%
Directional Hedge Funds	4%	3.5%	0.1%
Private Equity	13%	10.2%	1.3%
Stable Value			
U.S. Treasuries	11%	1.1%	0.1%
Absolute Return	0%	0.0%	0.0%
Stable Value Hedge Funds	4%	3.1%	0.1%
Cash	1%	-0.3%	0.0%
Real Return			
Global Inflation Linked Bonds	3%	0.7%	0.0%
Real Assets	14%	5.2%	0.7%
Energy and Natural Resources	5%	7.5%	0.4%
Commodities	0%	0.0%	0.0%
Risk Parity			
Risk Parity	5%	3.7%	0.2%
Inflation Expectation			2.3%
Alpha			-0.8%
Total	<u>100%</u>		<u>7.1%</u>

* The Expected Contribution to Returns incorporates the volatility drag resulting from the conversion between Arithmetic and Geometric mean returns.

Source: Teacher Retirement System of Texas 2018 Comprehensive Annual Financial Report

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9. EMPLOYEES' RETIREMENT PLANS (Continued)

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (6.907%) in measuring the 2018 Net Pension Liability.

	1% Decrease in Discount Rate (5.907%)	Discount Rate (6.907%)	1% Increase in Discount Rate (7.907%)
College's proportionate share of the net pension liability:	\$12,637,272	\$8,373,269	\$4,921,307

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At August 31, 2019, the College reported a liability of \$8,373,269 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the College. The amount recognized by the College as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the College were as follows:

College's proportionate share of the collective net pension liability	\$ 8,373,269
State's proportionate share that is associated with the College	<u>5,901,360</u>
Total	<u><u>\$ 14,274,629</u></u>

The net pension liability was measured as of August 31, 2017 and rolled forward to August 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2017 and rolled forward to August 31, 2018. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2017 through August 31, 2018.

At the measurement date of August 31, 2018, the College's proportion of the collective net pension liability was 0.015212 percent which was an increase of 0.000120 percent from its proportion measured as of August 31, 2017.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
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9. EMPLOYEES' RETIREMENT PLANS (Continued)

For the year ended August 31, 2019, the College recognized pension expense of \$360,955 and revenue of \$360,955 for support provided by the State.

At August 31, 2019, the College reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 52,192	\$ 205,447
Changes in actuarial assumptions	3,018,967	94,343
Difference between projected and actual investment earnings	435,153	594,030
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	33,375	557,119
Contributions paid to TRS subsequent to the measurement date	<u>517,293</u>	<u>-</u>
Total	<u>\$ 4,056,980</u>	<u>\$1,450,939</u>

The net amounts of the College's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended August 31:</u>	<u>Pension Expense Amount</u>
2020	\$ 506,528
2021	172,191
2022	107,047
2023	461,311
2024	506,636
Thereafter	335,035

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9. EMPLOYEES' RETIREMENT PLANS (Continued)

Optional Retirement Plan - Defined Contribution Plan

Plan Description

Participation in the Optional Retirement Program is in lieu of participation in the TRS. The optional retirement program 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 Legislature. The percentages of participant salaries currently contributed by the State/College and each participant are 6.60 percent and 6.65 percent, respectively. The College contributes an additional 1.31 percent for employees who were participating in the optional retirement program prior to September 1, 1995 and an additional 0.18 percent for all employees participating in the optional retirement plan. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the State has no additional or unfunded liability for this program. Senate Bill 1812, 83rd Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the State's contribution to 50 percent of eligible employees in the reporting district.

The retirement expense to the State for the College was \$181,480 and \$188,223 for the fiscal years ended August 31, 2019 and 2018, respectively. This amount represents the portion of expended appropriations made by the Legislature on behalf of the College.

The total payroll for all College employees was \$21,444,330 and \$21,010,047 for fiscal years 2019 and 2018, respectively. The total payroll of employees covered by the TRS was \$12,831,136 and \$12,543,569, and the total payroll of employees covered by the Optional Retirement Program was \$6,138,060 and \$5,977,590 for fiscal years 2019 and 2018, 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 Texas Government Code 609.001. As of August 31, 2019 and 2018, the College had 52 and 52 employees, respectively, participating in the program. A total of \$397,095 and \$321,060 in payroll deductions had been invested in approved plans during the fiscal years ended August 31, 2019 and 2018, respectively.

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11. COMPENSATED ABSENCES

Full-time employees earn annual leave from .833 to 1.25 days per month depending on the number of years employed with the College. The College's policy is that an employee may carry his accrued leave forward from one fiscal year to another fiscal year with a maximum of fifteen days (120 hours). Employees with at least three months of service who terminate their employment are entitled to payment for all accumulated annual leave up to the maximum allowed. The College recognized the accrued liability for the unpaid annual leave in the amount of \$549,654 and \$502,588 for the fiscal years ended August 31, 2019 and 2018, respectively.

Sick leave is earned at the rate of one day per month per contract length and can be accumulated up to a maximum of 60 days (480 hours). The College's policy is to recognize the cost of sick leave when paid. The liability is not shown in the financial statements since all accrued sick leave is forfeited by employees upon termination of employment.

12. HEALTH CARE AND LIFE INSURANCE BENEFITS

Certain health care and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The State recognizes the cost of providing these benefits by expending the annual insurance premiums. The State's contribution per full-time employee was \$624.82 per month for the year ended August 31, 2019, and totaled \$1,643,196 for the year. The cost of providing those benefits for 95 retirees in the year ended August 31, 2019, was \$384,309. For 298 active employees, the cost of providing benefits was \$1,258,887 for the year ended August 31, 2019. The State's contribution per full-time employee was \$621.90 per month for the year ended August 31, 2018, and totaled \$1,571,555 for the year. The cost of providing those benefits for 90 retirees in the year ended August 31, 2018, was \$365,608. For 300 active employees, the cost of providing benefits was \$1,205,947 for the year ended August 31, 2018. Senate Bill 1812, 83rd Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the State's contribution to 50 percent of eligible employees in the reporting district.

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13. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

The College participates in a cost-sharing, multiple-employer, other post-employment benefit (OPEB) plan with a special funding situation. The Texas Employees Group Benefits Program (GBP) is administered by the Employees Retirement System of Texas (ERS). The GBP provides certain post-employment 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 State 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.

OPEB Plan Fiduciary Net Position

Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Comprehensive Annual Financial Report (CAFR) that includes financial statements, notes to the financial statements, and required supplementary information. That report may be obtained on the Internet at <https://ers.texas.gov/About-ERS/Reports-and-Studies/Reports-on-Overall-ERS-Operations-and-Financial-Management>; or by writing to ERS at: 200 East 18th Street, Austin, TX 78701; or by calling (877) 275-4377.

Benefits Provided

Retiree health benefits offered through the GBP are available to most State of Texas retirees and their eligible dependents. Participants need at least ten years of service credit with an agency or institution that participates in the GBP to be eligible for GBP retiree insurance. The GBP provides self-funded group health (medical and prescription drug) benefits for eligible retirees under HealthSelect. The GBP also provides a fully insured medical benefit option for Medicare-primary participants under the HealthSelect Medicare Advantage Plan and life insurance benefits to eligible retirees via a minimum funding arrangement. The authority under which the obligations of the plan members and employers are established and/or may be amended is Chapter 1551, Texas Insurance Code.

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13. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Contributions

Section 1551.055 of Chapter 1551, Texas Insurance Code, provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS Board of Trustees. The employer and member contribution rates are determined annually by the ERS Board of Trustees based on the recommendations of ERS staff and its consulting actuary. The contribution rates are determined based on (i) the benefit and administrative costs expected to be incurred, (ii) the funds appropriated and (iii) the funding policy established by the Texas Legislature in connection with benefits provided through the GBP. The Trustees revise benefits when necessary to match expected benefit and administrative costs with the revenue expected to be generated by the appropriated funds.

The following table summarizes the maximum monthly employer contribution toward eligible retirees' health and basic life premium. Retirees pay any premium over and above the employer contribution. The employer does not contribute toward dental or optional life insurance. Surviving spouses and their dependents do not receive any employer contribution. As the non-employer contributing entity (NECE), the State of Texas pays part of the premiums for the junior and community colleges.

Maximum Monthly Employer Contribution
Retiree Health and Basic Life Premium
Fiscal Year 2018

Retiree only	\$ 621.90
Retiree & Spouse	1,334.54
Retiree & Children	1,099.06
Retiree & Family	1,811.70

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13. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Contributions of premiums to the GBP plan for the current and prior fiscal year by source is summarized in the following table.

Premium Contributions by Source
Group Benefits Program Plan
For the Years Ended August 31, 2018 and 2017

	2018	2017
Employers	\$ 307,028,461	\$ 890,735,173
Members (Employees) (Note A)	-	195,806,162
Nonemployer Contributing Entity (State of Texas)	16,585,270	44,433,743

Note A: In fiscal year 2017, payments from members were reported as contributions. Beginning in fiscal year 2018, payments from members in the amount of \$203,123,120 are reported as deductions to benefit payments.

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13. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of August 31, 2018 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions
ERS Group Benefits Program Plan

Valuation Date	August 31, 2018
Actuarial Cost Method	Entry age
Amortization Method	Level percent of payroll, open
Remaining Amortization Period	30 years
Asset Valuation Method	Marked to market
Discount Rate	3.96%
Projected Annual Salary Increase (Includes Inflation)	2.50% to 9.50%
Annual Healthcare Trend Rate	7.30% for FY 2020, 7.40% for FY 2021, 7.00% for FY 2022, decreasing 0.50% per year to an ultimate rate of 4.50% for FY 2027 and later years
Inflation Assumption Rate	2.50%
Ad Hoc Post-Employment Benefit Changes	None
Mortality Assumptions:	
Service Retirees, Survivors, and Other Inactive Members	Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018.
Disability Retirees	Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members.
Active Members	Sex Distinct RP-2014 Employee Mortality multiplied by 90% with Ultimate MP Projection Scale from the year 2014.

Source: FY 2018 ERS CAFR

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13. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Many of the actuarial assumptions used in this valuation were based on the results of actuarial experience studies performed by the ERS and TRS retirement plan actuaries for the period September 1, 2010 to August 31, 2014 for higher education members.

Investment Policy

The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System's Board of Trustees adopted the amendment to the investment policy in August 2017 to require that all funds in the plan be invested in short-term fixed income securities and specify that the expected rate of return on these investments is 2.4%.

Discount Rate

Because the GBP does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bonds rate. The discount rate used to determine the total OPEB liability as of the *beginning* of the measurement year was 3.51%. The discount rate used to measure the total OPEB liability as of the *end* of the measurement year was 3.96%, which amounted to an increase of 0.45%. The source of the municipal bond rate was the Bond Buyer Index of general obligations bonds with 20 years to maturity and mixed credit quality. The bonds average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go (PAYGO) basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable is zero years.

Discount Rate Sensitivity Analysis

The following schedule shows the impact on the College's proportionate share of the collective net OPEB Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (3.96%) in measuring the net OPEB Liability.

	1% Decrease in Discount Rate (2.96%)	Discount Rate (3.96%)	1% Increase in Discount Rate (4.96%)
College's proportionate share of the net OPEB liability:	\$26,059,960	\$21,950,173	\$18,839,523

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13. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Healthcare Trend Rate Sensitivity Analysis

The initial healthcare trend rate is 7.3% and the ultimate rate is 4.5%. The following schedule shows the impact on the College's proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used (7.3% decreasing to 4.5%) in measuring the net OPEB liability.

	1% Decrease (6.30% decreasing to 3.50%)	Current Healthcare Cost Trend Rates (7.30% decreasing to 4.50%)	1% Increase (8.30% decreasing to 5.50%)
College's proportionate share of the net OPEB liability:	\$18,588,960	\$21,950,173	\$26,286,148

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At August 31, 2019, the College reported a liability of \$21,950,173 for its proportionate share of the ERS's net OPEB liability. The liability reflects a reduction for State support provided to the College for OPEB. The amount recognized by the College as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the College were as follows:

College's proportionate share of the collective net OPEB liability	\$ 21,950,173
State's proportionate share that is associated with the College	16,058,736
Total	<u>\$ 38,008,909</u>

The net OPEB liability was measured as of August 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's portion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2017 through August 31, 2018.

At the measurement date of August 31, 2018, the employer's proportion of the collective net OPEB liability was 0.07406155%.

For the year ended August 31, 2019, the College recognized OPEB expense of \$95,463 and revenue of \$95,463 for support provided by the State.

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13. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Changes Since the Prior Actuarial Valuation – Changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period were as follows:

- Demographic assumptions (including rates of retirement, disability, termination, mortality, and assumed salary increases) for higher education members have been updated to reflect assumptions recently adopted by the Trustees from the Teacher Retirement System of Texas;
- Assumed expenses, assumed per capita health benefit costs, and assumed health benefit cost, retiree contribution, and expense trends have been updated to reflect recent experience and its effects on our short-term expectations;
- The percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence;
- The percentage of future retirees assumed to be married and electing coverage for their spouse has been updated to reflect recent plan experience and expected trends;
- The discount rate assumption was increased from 3.51% to 3.96% to utilize the updated yield or index rate for 20-year, tax-exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Changes of Benefit Terms Since Prior Measurement Date – The following benefit revisions have been adopted since the prior valuation:

- An increase in the out-of-pocket maximum for both HealthSelect and Consumer Directed HealthSelect retirees and dependents for whom Medicare is not primary.

These minor benefit changes have been reflected in the fiscal year 2019 Assumed Per Capita Health Benefit Costs.

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COUNTY JUNIOR COLLEGE DISTRICT
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13. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

At August 31, 2019, the College reported its proportionate share of the ERS plan's collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ 804,184
Changes in actuarial assumptions	-	7,691,938
Differences between projected and actual investment earnings	10,395	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	12,169,436	-
Contributions paid to ERS subsequent to the measurement date	156,924	-
Total	<u>\$12,336,755</u>	<u>\$8,496,122</u>

The net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended August 31:</u>	<u>OPEB Expense Amount</u>
2020	\$ 484,713
2021	484,713
2022	484,714
2023	1,186,577
2024	1,042,992
Thereafter	-

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14. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES

Receivables

Receivables at August 31, 2019 and 2018 were as follows:

	<u>8/31/2019</u>	<u>8/31/2018</u>
Student Receivables (Net of Allowances of \$1,885,563 and \$1,932,377 for 2019 and 2018, respectively)	\$ 1,186,051	\$ 940,850
Taxes Receivable (Net of Allowances of \$201,880 and \$201,880 for 2019 and 2018, respectively)	335,233	340,232
Federal and State Accounts Receivable	97,624	107,873
Other Accounts Receivable	612,403	762,943
Interest Receivable	155,147	-
	<u>\$ 2,386,458</u>	<u>\$ 2,151,898</u>

Payables

Payables at August 31, 2019 and 2018 were as follows:

	<u>8/31/2019</u>	<u>8/31/2018</u>
Vendor Payable	\$ 860,509	\$ 1,217,882
Salaries and Benefits Payable	102,552	575,882
Accrued Interest	35,074	38,136
	<u>\$ 998,135</u>	<u>\$ 1,831,900</u>

15. CONTRACT AND GRANT AWARDS

Contract and grant awards are accounted for in accordance with the requirements of the American Institute of Certified Public Accountants (AICPA audit and accounting guide, *State and Local Governments*, 8.99). For Federal Contract and Grant Awards, funds expended but not collected are reported as Accounts Receivable (net) on Exhibit 1. Contract and grant awards that are not yet funded, and for which the College has not yet performed services, are not included in the financial statements. Contract and grant awards funds already committed, e.g., multi-year awards or funds awarded during fiscal years 2019 and 2018 for which monies have not been received nor funds expended totaled \$429,017 and \$104,915, respectively. Of these amounts, \$385,636 and \$48,235 were from Federal Contract and Grant Awards and \$43,381 and \$56,680 were from State Contract and Grant Awards for fiscal years ended 2019 and 2018, respectively.

**WEATHERFORD COLLEGE OF THE PARKER
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16. SELF-INSURED PLANS

In 1995, the College began participating in the Texas Public Junior and Community College Employee Benefits Consortium (Consortium), which was established in 1991 by several Texas area community colleges as a means of reducing the costs of workers compensation insurance. The Consortium is a public entity risk pool currently operating as a common risk management and insurance program for the member colleges. The main purpose of the Consortium is to jointly self-insure certain workers compensation risks up to an agreed upon retention limit. For the year ended August 31, 2019, the College paid an annual premium of \$52,345 plus \$53,377 toward the loss fund. This \$105,722 was the maximum cost for the self-insured plan. For the year ended August 31, 2018, the College paid an annual premium of \$51,606 plus \$74,007 toward the loss fund. This \$125,613 was the maximum cost for the self-insured plan. All claims up to \$225,000 are paid from the loss fund. Amounts over \$225,000 are paid by the insurance company up to statutory limits.

17. AD VALOREM TAX

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

	<u>8/31/2019</u>	<u>8/31/2018</u>
Assessed Valuation of the College	\$ 16,748,656,001	\$ 16,149,448,245
Less: Exemptions	4,032,831,142	4,016,801,843
Less: Abatements	<u>88,783,811</u>	<u>309,089,724</u>
Net Assessed Valuation of the College	<u>\$ 12,627,041,048</u>	<u>\$ 11,823,556,678</u>

	<u>Current Operations</u>	<u>Debt Service</u>	<u>Total</u>
At August 31, 2019			
Tax Rate per \$100 valuation of authorized	\$0.50000	\$0.50000	\$1.00000
Tax Rate per \$100 valuation of assessed	\$0.11399	\$0.00548	\$0.11947
At August 31, 2018			
Tax Rate per \$100 valuation of authorized	\$0.50000	\$0.50000	\$1.00000
Tax Rate per \$100 valuation of assessed	\$0.11367	\$0.00581	\$0.11948

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17. AD VALOREM TAX (Continued)

Taxes levied for the years ended August 31, 2019 and 2018 were \$14,603,319 and \$13,716,375, respectively. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed.

	8/31/2019		
	Current Operations	Debt Service	Total
Current Taxes Collected	\$ 13,799,211	\$ 662,418	\$ 14,461,629
Delinquent Taxes Collected	136,515	7,764	144,279
Penalties and Interest Collected	97,013	5,304	102,317
Total Gross Collections	14,032,739	675,486	14,708,225
Tax Appraisal & Collection Fees	(237,065)	(11,380)	(248,445)
Total Net Collections	<u>\$ 13,795,674</u>	<u>\$ 664,106</u>	<u>\$ 14,459,780</u>
	8/31/2018		
	Current Operations	Debt Service	Total
Current Taxes Collected	\$ 12,907,123	\$ 658,994	\$ 13,566,117
Delinquent Taxes Collected	234,334	15,101	249,435
Penalties and Interest Collected	116,647	7,318	123,965
Total Gross Collections	13,258,104	681,413	13,939,517
Tax Appraisal & Collection Fees	(219,311)	(11,197)	(230,508)
Total Net Collections	<u>\$ 13,038,793</u>	<u>\$ 670,216</u>	<u>\$ 13,709,009</u>

Tax collections for the years ended August 31, 2019 and 2018 were 100% and 101%, respectively, of the current tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted for the use of maintenance and/or general obligation debt service.

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COUNTY JUNIOR COLLEGE DISTRICT
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18. BRANCH CAMPUS MAINTENANCE TAX

A branch campus maintenance tax, which is established by election, is levied by Wise County. The tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in Wise County. Collections are transferred to the College to be used for operation of a Branch Campus in Wise County, Texas. This revenue is reported under Local Grants and Contracts.

County	Collections (including penalties and interest) 8/31/2019	Collections (including penalties and interest) 8/31/2018
Wise County	\$ 3,265,028	\$ 2,970,876

19. INCOME TAXES

The College 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, 2019 and 2018.

20. COMPONENT UNIT

Weatherford College Foundation, Inc. - Discretely Presented Component Unit

The Weatherford College Foundation, Inc. (the Foundation) was established as a separate nonprofit organization with the sole purpose of supporting educational and other activities of the College, including raising funds to provide student scholarships and assistance in the development and growth of the College. The Foundation solicits donations and acts as coordinator of gifts made by other parties. It remitted \$281,175 and \$264,475 for designated scholarships, and \$19,998 and \$25,532 for other contributions to the College during the years ended August 31, 2019 and 2018, respectively. Under GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, an organization should report as a discretely presented component unit those organizations that raise and hold economic resources for the direct benefit of a government unit.

Accordingly, the Foundation's financial statements are included in the College's annual report as a discretely presented component unit (see table of contents). Complete financial statements of the Foundation can be obtained from the Weatherford College Business Office at 225 College Park Drive, Weatherford, Texas 76086.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
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21. OPERATING LEASE COMMITMENTS AND RENTAL AGREEMENT

Expenses included \$115,636 and \$94,401 for rent paid under operating leases during the fiscal years ended August 31, 2019 and 2018, respectively. Future minimum lease rental payments under noncancelable operating leases having an initial term in excess of one year as of August 31, 2019 are as follows:

<u>Year Ended</u>	<u>Minimum Future Lease Payments</u>
2020	\$ 83,449
2021	60,459
2022	27,274
2023	<u>3,214</u>
Total	<u>\$ 174,396</u>

22. RISK MANAGEMENT

The College has the responsibility for making and carrying out decisions that will minimize the adverse effects of accidental losses that involve the College's assets. Accordingly, commercial insurance coverages are obtained to include general liability, property and casualty, employee and automobile liability, fidelity, public official's liability and certain other risks. The amounts of settlements during each of the past three fiscal years have not exceeded insurance coverage.

23. SUBSEQUENT EVENTS

The College has evaluated subsequent events through December 6, 2019, the date the financial statements were available to be issued, and nothing significant requiring disclosure was noted.

REQUIRED SUPPLEMENTARY INFORMATION

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT**
Schedule of the College's Proportionate Share of Net Pension Liability
Last Ten Fiscal Years**

<u>Fiscal Year Ending August 31*,</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
College's proportion of collective net pension liability (NPL) (%)	0.0152120%	0.0150920%	0.0150860%	0.0164233%	0.0186811%
College's proportionate share of collective NPL (\$)	\$ 8,373,269	\$ 4,825,611	\$ 5,700,770	\$ 5,805,419	\$ 4,989,980
State's total proportionate share of NPL associated with the College	<u>5,901,360</u>	<u>3,465,765</u>	<u>4,172,552</u>	<u>4,052,905</u>	<u>3,433,764</u>
Total	<u>\$ 14,274,629</u>	<u>\$ 8,291,376</u>	<u>\$ 9,873,322</u>	<u>\$ 9,858,324</u>	<u>\$ 8,423,744</u>
College's covered payroll	\$ 12,543,569	\$ 12,173,411	\$ 11,831,988	\$ 11,826,629	\$ 11,425,794
College's proportionate share of collective NPL as a percentage of covered payroll	66.75%	39.64%	48.18%	49.09%	43.67%
Plan fiduciary net position as percentage of total pension liability	73.74%	82.17%	78.00%	78.43%	83.25%

*The amounts presented above are as of the measurement date of the collective net pension liability.

**Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Schedule of the College's Contributions for Pensions
Last Ten Fiscal Years****

<u>Fiscal Year Ending August 31*,</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Legally required contributions	\$ 517,293	\$ 513,849	\$ 495,628	\$ 479,120	\$ 486,301
Actual contributions	<u>517,293</u>	<u>513,849</u>	<u>495,628</u>	<u>479,120</u>	<u>486,301</u>
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll amount	\$ 12,831,136	\$ 12,543,569	\$ 12,173,411	\$ 11,831,988	\$ 11,826,629
Contributions as a percentage of covered payroll	4.03%	4.10%	4.07%	4.05%	4.11%

* The amounts presented above are as of the College's respective fiscal year-end.

**Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Schedule of the College's Proportionate Share of Net OPEB Liability
Employee Retirement System of Texas
State Retiree Health Plan
Last Ten Fiscal Years****

Fiscal Year Ending August 31*,	2019	2018
College's proportion of collective net OPEB liability (%)	0.0740616%	0.0430528%
College's proportionate share of collective net OPEB liability (\$)	\$ 21,950,173	\$ 14,669,392
State's proportionate share of net OPEB liability associated with the College	<u>16,058,736</u>	<u>347,488</u>
Total	<u><u>\$ 38,008,909</u></u>	<u><u>\$ 15,016,880</u></u>
College's covered-employee payroll	\$ 12,543,569	\$ 12,173,411
College's proportionate share of collective net OPEB liability as a percentage of covered-employee payroll	174.99%	120.50%
Plan fiduciary net position as percentage of the total net OPEB liability	1.27%	2.04%

*The amounts presented above are as of the measurement date of the collective net OPEB liability.

**Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Schedule of the College's Contributions for OPEB
Employee Retirement System of Texas
State Retiree Health Plan
Last Ten Fiscal Years****

Fiscal Year Ending August 31*,	2019	2018
Legally required contributions	\$ 2,189,483	\$ 2,156,052
Actual contributions	<u>2,189,483</u>	<u>2,156,052</u>
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
College's covered-employee payroll amount	\$ 12,831,136	\$ 12,543,569
Contributions as a percentage of covered-employee payroll	17.06%	17.19%

* The amounts presented above are as of the College's most recent fiscal year-end.

**Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to Required Supplementary Information
For the Year Ended August 31, 2019**

1. PENSION LIABILITY

Changes in Benefit Terms

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Changes of Assumptions

The net pension liability increased significantly since the prior measurement date due to a change in the following actuarial assumptions:

- The total pension liability as of August 31, 2018 was developed using a roll-forward method from the August 31, 2017 valuation.
- Demographic assumptions including postretirement mortality, termination rates, and rates of retirement were updated based on the experience study performed for TRS for the period ending August 31, 2017.
- Economic assumptions including rates of salary increase for individual participants was updated based on the same experience study.
- The discount rate changed from 8 percent as of August 31, 2017 to 6.907 percent as of August 31, 2018.
- The long term assumed rate of return changed from 8 percent to 7.25 percent.
- The change in the long-term assumed rate of return combined with the change in the single discount rate was the primary reason for the increase in the net pension liability.

2. OTHER POST-EMPLOYMENT BENEFITS LIABILITY

Changes in Benefit Terms

The following benefit revisions have been adopted since the prior valuation:

- An increase in the out-of-pocket maximum for both HealthSelect and Consumer Directed HealthSelect retirees and dependents for whom Medicare is not primary.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Notes to Required Supplementary Information
For the Year Ended August 31, 2019**

2. OTHER POST-EMPLOYMENT BENEFITS LIABILITY (Continued)

Changes of Assumptions

Changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period were as follows:

- Demographic assumptions (including rates of retirement, disability, termination, mortality, and assumed salary increases) for higher education members have been updated to reflect assumptions recently adopted by the Trustees from the Teacher Retirement System of Texas;
- Assumed expenses, assumed per capita health benefit costs, and assumed health benefit cost, retiree contribution, and expense trends have been updated to reflect recent experience and its effects on our short-term expectations;
- The percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence;
- The percentage of future retirees assumed to be married and electing coverage for their spouse has been updated to reflect recent plan experience and expected trends;
- The discount rate assumption was increased from 3.51% to 3.96% to utilize the updated yield or index rate for 20-year, tax-exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Minor benefit changes have been reflected in the FY 2019 Assumed Per Capita Health Benefit Costs.

SUPPLEMENTAL INFORMATION

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Schedule A
Schedule of Operating Revenues
For the Year Ended August 31, 2019
(With Memorandum Totals for the Year Ended August 31, 2018)**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	Totals	
					8/31/2019	8/31/2018
Tuition						
State Funded Credit Courses						
In-District Resident Tuition	\$ 4,573,228	\$ -	\$ 4,573,228	\$ -	\$ 4,573,228	\$ 4,179,292
Out-of-District Resident Tuition	6,956,995	-	6,956,995	-	6,956,995	6,907,221
Non-Resident Tuition	521,945	-	521,945	-	521,945	628,561
TPEG - credit (set aside)*	735,924	-	735,924	-	735,924	708,473
State Funded Continuing Education	956,069	-	956,069	-	956,069	1,003,539
TPEG - non-credit (set aside)*	61,651	-	61,651	-	61,651	65,718
Non-State Funded Continuing Education	56,463	-	56,463	-	56,463	90,579
Total Tuition	13,862,275	-	13,862,275	-	13,862,275	13,583,383
Fees						
General Fee	120,680	-	120,680	-	120,680	121,610
Laboratory Fee	351,391	-	351,391	-	351,391	357,430
Total Fees	472,071	-	472,071	-	472,071	479,040
Allowances and Discounts						
Bad Debt Allowance	(53,868)	-	(53,868)	-	(53,868)	(91,045)
Scholarship Allowances	(519,729)	-	(519,729)	-	(519,729)	(492,654)
Remissions and Exemptions - State	(555,438)	-	(555,438)	-	(555,438)	(523,496)
Remissions and Exemptions - Local	(1,036,381)	-	(1,036,381)	-	(1,036,381)	(771,845)
Title IV Federal Grants	(2,866,246)	-	(2,866,246)	-	(2,866,246)	(2,773,419)
Other Federal Grants	(6,260)	-	(6,260)	-	(6,260)	(10,412)
TPEG Awards	(477,337)	-	(477,337)	-	(477,337)	(382,983)
Other State Grants	(15,140)	-	(15,140)	-	(15,140)	(6,638)
Total Allowances and Discounts	(5,530,399)	-	(5,530,399)	-	(5,530,399)	(5,052,492)
Total Net Tuition and Fees	8,803,947	-	8,803,947	-	8,803,947	9,009,931
Additional Operating Revenues						
Federal Grants and Contracts	71,018	993,082	1,064,100	-	1,064,100	992,885
State Grants and Contracts	756	32,194	32,950	-	32,950	34,810
Local Grants and Contracts	3,290,028	-	3,290,028	-	3,290,028	2,995,876
Non-Governmental Grants and Contracts	-	-	-	-	-	-
Sales and Services of Educational Activities	102,330	-	102,330	-	102,330	70,259
Investment Income (Program Restricted)	-	101,630	101,630	-	101,630	24,024
Other Operating Revenues	682,489	-	682,489	-	682,489	2,008,347
Total Additional Operating Revenues	4,146,621	1,126,906	5,273,527	-	5,273,527	6,126,201
Auxiliary Enterprises						
Bookstore	-	-	-	229,018	229,018	285,697
Food Services	-	-	-	793,299	793,299	751,251
Less Discounts	-	-	-	(304,042)	(304,042)	(278,370)
Student Housing	-	-	-	1,238,340	1,238,340	1,246,474
Less Discounts	-	-	-	(364,429)	(364,429)	(354,164)
Intercollegiate Athletics	-	-	-	827	827	1,082
Student Services	-	-	-	222,353	222,353	232,450
Less Discounts	-	-	-	(59,901)	(59,901)	(60,714)
Carter Agriculture Center	-	-	-	111,802	111,802	6,946,946
Total Net Auxiliary Enterprises	-	-	-	1,867,267	1,867,267	8,770,752
Total Operating Revenues	\$ 12,950,568	\$ 1,126,906	\$ 14,077,474	\$ 1,867,267	\$ 15,944,741	\$ 23,906,884
					(Exhibit 2)	(Exhibit 2)

* In accordance with Education Code 56.033, \$797,575 and \$774,191 for years August 31, 2019 and 2018, respectively, of tuition was set aside for Texas Public Education Grants (TPEG).

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Schedule B
Schedule of Operating Expenses by Object
For the Year Ended August 31, 2019
(With Memorandum Totals for the Year Ended August 31, 2018)**

	Operating Expenses					
	Salaries and Wages	Benefits		Other Expenses	Totals	
		State	Local		8/31/2019	8/31/2018
Unrestricted Educational Activities						
Instruction	\$ 12,164,776	\$ -	\$ 3,363,387	\$ 2,061,801	\$ 17,589,964	\$ 14,957,983
Public Service	11,185	-	1,209	16,062	28,456	30,374
Academic Support	1,219,555	-	280,975	288,499	1,789,029	1,423,709
Student Services	1,842,043	-	512,723	249,156	2,603,922	2,136,630
Institutional Support	4,290,412	-	1,176,913	2,182,298	7,649,623	6,278,778
Operation and Maintenance of Plant	112,344	-	83,032	6,960,083	7,155,459	6,745,925
Scholarships and Fellowships	-	-	-	-	-	-
Total Unrestricted Educational Activities	19,640,315	-	5,418,239	11,757,899	36,816,453	31,573,399
Restricted Educational Activities						
Instruction	788,852	1,332,652	194,077	318,356	2,633,937	2,858,098
Public Service	-	1,151	-	10,400	11,551	8,907
Academic Support	-	125,466	-	-	125,466	122,684
Student Services	-	189,507	-	35,010	224,517	241,387
Institutional Support	-	441,392	-	4,007	445,399	486,251
Operation and Maintenance of Plant	-	-	-	-	-	-
Scholarships and Fellowships	-	-	-	3,611,211	3,611,211	3,865,161
Total Restricted Educational Activities	788,852	2,090,168	194,077	3,978,984	7,052,081	7,582,488
Total Educational Activities	20,429,167	2,090,168	5,612,316	15,736,883	43,868,534	39,155,887
Auxiliary Enterprises	1,015,163	-	587,131	1,514,303	3,116,597	2,335,948
Depreciation Expense - Buildings and Land Improvements	-	-	-	1,183,405	1,183,405	1,416,072
Depreciation Expense - Furniture, Machinery, Vehicles, and Other Equipment	-	-	-	639,867	639,867	589,966
Total Operating Expenses	\$ 21,444,330	\$ 2,090,168	\$ 6,199,447	\$ 19,074,458	\$ 48,808,403	\$ 43,497,873
				(Exhibit 2)	(Exhibit 2)	

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Schedule C
Schedule of Non-Operating Revenues and Expenses
For the Year Ended August 31, 2019
(With Memorandum Totals for the Year Ended August 31, 2018)**

	Unrestricted	Restricted	Auxiliary Enterprises	Totals	
				8/31/2019	8/31/2018
Non-Operating Revenues					
State Appropriations					
Education and General State Support	\$ 8,461,965	\$ -	\$ -	\$ 8,461,965	\$ 8,462,163
State Group Insurance	-	1,643,196	-	1,643,196	1,571,555
State OPEB	-	(95,463)	-	(95,463)	347,488
State Retirement Matching	-	542,435	-	542,435	514,611
Professional Nursing Shortage Reduction	-	386,329	-	386,329	450,608
Miscellaneous Revenues	-	23,862	-	23,862	24,291
Total State Appropriations	<u>8,461,965</u>	<u>2,500,359</u>	<u>-</u>	<u>10,962,324</u>	<u>11,370,716</u>
Maintenance Ad Valorem Taxes (Net)	14,032,739	-	-	14,032,739	13,258,104
Debt Service Ad Valorem Taxes (Net)	675,486	-	-	675,486	681,413
Federal Revenue, Non-Operating	-	6,432,156	-	6,432,156	6,511,577
Gifts	21,288	10,401	47,263	78,952	52,019
Investment Income	585,890	-	-	585,890	114,612
Gain on Sale of Capital Assets	42,483	-	-	42,483	6,380
Total Non-Operating Revenue	<u>23,819,851</u>	<u>8,942,916</u>	<u>47,263</u>	<u>32,810,030</u>	<u>31,994,821</u>
Non-Operating Expenses					
Interest on Capital Related Debt	401,597	-	-	401,597	410,783
Total Non-Operating Expenses	<u>401,597</u>	<u>-</u>	<u>-</u>	<u>401,597</u>	<u>410,783</u>
Net Non-Operating Revenues	<u>\$ 23,418,254</u>	<u>\$ 8,942,916</u>	<u>\$ 47,263</u>	<u>\$ 32,408,433</u>	<u>\$ 31,584,038</u>
				(Exhibit 2)	(Exhibit 2)

WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Schedule D
Schedule of Net Position by Source and Availability
For the Year Ended August 31, 2019
(With Memorandum Totals for the Year Ended August 31, 2018)

	Detail by Source					Available for Current Operations	
	Unrestricted	Restricted		Capital Assets Net of Depreciation and Related Debt	Total	Yes	No
		Expendable	Non- Expendable				
Current							
Unrestricted	\$ (1,130,703)	\$ -	\$ -	\$ -	\$ (1,130,703)	\$ (1,130,703)	\$ -
Restricted							
Student Aid	-	2,484,391	-	-	2,484,391	2,484,391	-
Instructional Programs	-	82,044	-	-	82,044	82,044	-
Auxiliary Enterprises	2,530,040	-	-	-	2,530,040	-	2,530,040
Loan	-	-	-	-	-	-	-
Endowment	17,256,686	-	-	-	17,256,686	-	17,256,686
Plant							
Capital Projects	-	325,958	-	-	325,958	-	325,958
Debt Service	-	2,279,682	-	-	2,279,682	-	2,279,682
Investment in Plant	-	-	-	27,070,303	27,070,303	-	27,070,303
Totals							
Net Position, August 31, 2019	18,656,023	5,172,075	-	27,070,303	50,898,401 (Exhibit 1)	1,435,732	49,462,669
Net Position, August 31, 2018	20,257,005	4,953,091	-	26,143,535	51,353,631 (Exhibit 1)	2,650,138	48,703,493
Net Increase (Decrease) in Net Position	<u>\$ (1,600,982)</u>	<u>\$ 218,984</u>	<u>\$ -</u>	<u>\$ 926,768</u>	<u>\$ (455,230)</u> (Exhibit 2)	<u>\$ (1,214,406)</u>	<u>\$ 759,176</u>

**OVERALL COMPLIANCE AND
INTERNAL CONTROLS SECTION**



SNOW GARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Trustees
Weatherford College of the
Parker County Junior College District

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 Weatherford College of the Parker County Junior College District (the College) as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise the College's financial statements, and have issued our report thereon dated December 6, 2019.

Internal Control over Financial Reporting

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

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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the Public Funds Investment Act (Chapter 2256, Texas Government Code), noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We have performed tests designed to verify the College's compliance with the requirements of the Public Funds Investment Act. During the year ended August 31, 2019, no instances of noncompliance were noted.

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.

Snow Garrett Williams

Snow Garrett Williams
December 6, 2019

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Summary Schedule of Prior Audit Findings
For the Year Ended August 31, 2019**

There were no prior year findings.

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended August 31, 2019**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ yes X no

Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

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

Any audit findings disclosed that are required to be Reported in accordance with section 2 CFR Section 200.416(a)? _____ yes X no

Identification of Major Programs:

Federal Awards

U.S. Department of Education:

Student Financial Assistance Cluster of Programs:

CFDA # 84.007	Federal Supplemental Education Opportunity Grant
CFDA # 84.033	Federal College Workstudy Program
CFDA # 84.063	Federal Pell Grant Program
CFDA # 84.268	Federal Direct Student Loans

Dollar threshold used to distinguish between Type A and Type B federal programs: \$ 750,000

Auditee qualified as a low-risk auditee? X yes _____ no

Section II – Financial Statement Findings

Findings required to be reported in accordance with *Government Auditing Standards*

None Reported

Section III – Federal Award Findings and Questioned Costs

Findings/Noncompliance	Program	Questioned Costs
None Noted		

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Corrective Action Plan
August 31, 2019**

A corrective action plan is not needed.

FEDERAL AWARDS SECTION



SNOW GARRETT WILLIAMS
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees
Weatherford College of the
Parker County Junior College District

Report on Compliance for Each Major Federal Program

We have audited the Weatherford College of the Parker County Junior College District's (the College) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended August 31, 2019. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the College's compliance.

Opinion on Each Major Federal Program

In our opinion, the College, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2019.

Report on Internal Control over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

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

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

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

Snow Garrett Williams

Snow Garrett Williams
December 6, 2019

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Schedule E
Schedule of Expenditures of Federal Awards
For the Year Ended For the Year Ended August 31, 2019**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures and Pass-Through Disbursements
U.S. Department of Education			
Direct Programs:			
Student Financial Aid Cluster			
Federal Supplemental Educational Opportunity Grant	84.007		\$ 101,862
Federal College Workstudy Program	84.033		84,410
Federal Pell Grant Program	84.063		6,249,964
Federal Direct Student Loans	84.268		4,777,873
Total Student Financial Aid Cluster			<u>11,214,109</u>
TRIO Cluster			
TRIO - Student Support Services Program	84.042A		261,054
TRIO - Talent Search Program	84.044A		304,785
TRIO - Upward Bound Program	84.047A		256,831
Total TRIO Cluster			<u>822,670</u>
Pass-Through From:			
Texas Higher Education Coordinating Board (THECB)			
Career and Technical Education Basic Grants to States	84.048	194265	<u>237,350</u>
Total U.S. Department of Education			<u>12,274,129</u>
Total Federal Financial Assistance			<u>\$ 12,274,129</u>

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Schedule E
Schedule of Expenditures of Federal Awards
For the Year Ended For the Year Ended August 31, 2019**

Note 1: Federal Assistance Reconciliation

Federal Grants and Contracts Revenue - per Schedule A	\$	993,082
Add: Indirect/Administrative Cost Recoveries - per Schedule A		71,018
Add: Non-Operating Federal Revenue - per Schedule C		<u>6,432,156</u>
Total Federal Revenues per Schedules A and C	\$	<u>7,496,256</u>
Reconciling Items:		
Add: Federal Direct Student Loans		<u>4,777,873</u>
Total Federal Expenditures per Schedule of Expenditures of Federal Awards	\$	<u><u>12,274,129</u></u>

Note 2: Significant Accounting Policies used in Preparing the Schedule.

The expenditures included in the schedule are reported for the College's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended by the College for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The College has followed all applicable guidelines issued by various entities in the preparation of the schedule. Since the College has agency approved Indirect Recovery Rate it has elected not to use the 10% de minimis cost rate as permitted in the UG, section 200.414.

Note 3: Student Loans Processed and Administrative Costs Recovered

Federal Grantor CFDA Number / Program Name	New Loans Processed	Administrative Cost Recovered	Total Loans Processed & Admin Cost Recovered
U.S. Department of Education 84.268 Federal Direct Student Loans	<u>\$ 4,777,873</u>	<u>\$ -</u>	<u>\$ 4,777,873</u>

STATE AWARDS SECTION

**WEATHERFORD COLLEGE OF THE PARKER
COUNTY JUNIOR COLLEGE DISTRICT
Schedule F
Schedule of Expenditures of State Awards
For the Year Ended August 31, 2019**

<u>Grantor Agency/Program Title</u>	<u>Grant Contract Number</u>	<u>Expenditures</u>
Texas Comptroller of Public Accounts Law Enforcement Officer Standards and Education	17560028627-005	\$ 4,007
Office of the Governor: Criminal Justice Division Rifle-Resistant Body Armor Grant Program	3507201	2,772
Texas Higher Education Coordinating Board Professional Nursing Shortage Reduction		386,329
Nursing Innovation - Building Simulation	18036	13,046
Texas Workforce Commission Skills for Small Business Program	0417SSD003	<u>13,125</u>
Total State Financial Assistance		<u>\$ 419,279</u>

See Notes to Schedule below.

Note 1: State Assistance Reconciliation

State Financial Assistance - per Schedule of Expenditures of State Awards	\$ 419,279
Reconciling Items:	
Professional Nursing Shortage Reduction - per Schedule C	<u>(386,329)</u>
Total State Grants and Contracts per Exhibit 2 and Schedule A	<u>\$ 32,950</u>

Note 2: Significant Accounting Policies used in Preparing the Schedule

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



Weatherford College Board of Trustees

DATE: December 12, 2019

AGENDA ITEM #6

SUBJECT: Seek approval for B.A.A.S. in Organizational Leadership

INFORMATION AND DISCUSSION: Mr. Endy will make a request to the Board of Trustees to grant permission to contact the Metroplex Higher Education Regional Council (MHERC), our neighbor institutions of higher education, and the Texas Higher Education Coordinating Board to inform these bodies of Weatherford College's intent to submit an application for approval of a for a baccalaureate of applied arts and science degree program in organizational leadership to commence operations in Fall 2021.

RECOMMENDATION: That the Board of Trustees grant permission to contact the Metroplex Higher Education Regional Council (MHERC), our neighbor institutions of higher education, and the Texas Higher Education Coordinating Board to inform these bodies of Weatherford College's intent to submit an application for approval of a for a baccalaureate of applied arts and science degree program in organizational leadership to commence operations in Fall 2021.

ATTACHMENTS: None.

SUBMITTED BY: Mike Endy, Vice President of Instruction and Student Services



**Weatherford College Board of Trustees
Report**

DATE: December 12, 2019

AGENDA ITEM: #7.a.

SUBJECT: Strategic Plan Update – 2018-2019

INFORMATION AND DISCUSSION: During the 2015-2016 academic year, Weatherford College updated its mission statement and developed a comprehensive five-year Strategic Plan to address identified core issues. This strategic plan update includes achievements by the college during the 2018-2019 academic year, the third year of the strategic plan implementation, that support the six major goals. Due to the large amount of material covered in this report, no formal presentation will be made; however, a copy is included in the board packet and a time for discussion and questions will be allotted during the reports section of the Board agenda.

ATTACHMENTS: Strategic Plan Update

SUBMITTED BY: Dr. Arleen Atkins, Dean of Institutional Effectiveness

**2016-2021 Strategic Plan Update
For the 2018-2019 Academic Year
Presented to the Weatherford College Board of Trustees
December 12, 2019**

Strategic Goal 1: Through an Academic Master Plan and support unit Annual Improvement Plans, the college will promote student success and excellence in teaching and learning.

- Received Texas Higher Education Coordinating Board (THECB) and Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) approval for implementation of Veterinary Technology Associate of Applied Science (AAS) Degree in Fall 2020.
- Tolar High School approved by SACSCOC as Dual Credit College Academy bringing total number of High Schools in WC service area with this designation to fourteen.
- Created a Universal Design for Learning (UDL) implementation plan for all online academic resources to begin implementation in Fall 2019.
- First annual International Piano Competition, Root Music Workshop, and Summer Musical held in Fine Arts.
- Held the first annual WC Interdisciplinary Conference in Spring 2019.
- Reviewed integrated Reading and Writing/English co-requisite courses and developed a Memorandum of Understanding (MOU) for college prep courses to be taught through dual credit.

Strategic Goal 2: Weatherford College will implement a facilities master plan to guide decisions about

- **renovation and preventative maintenance of existing facilities**
 - Upgraded ECMW Cosmetology area including electrical, plumbing, painting, and flooring.
 - Modified eight classrooms in LART for relocation of OTA and PTA programs.
 - Re-stained all cedar trim at Coyote Village.
 - Added gender-neutral restroom in Doss Student Center.
 - Installed numerous new HVAC units in buildings across campus as well as the Alkek Fine Arts Building to accommodate Steinway pianos.
- **construction of new off-campus facilities**
 - Constructed new horse training facility at the Carter Property.
- **ADA compliance**
 - Relocated Physical Therapist Assistant (PTA) and Occupational Therapist Assistant (OTA) programs from the Education Center in Mineral Wells to more accessible facilities in the LART building on the main campus.
 - Added automatic doors to north and west side of Academic Building.
 - Removed out-of-compliance ADA parking spots.
- **land acquisition and usage**
- **infrastructure improvements**

- Replaced plumbing lines at Doss Student Center and across north parking lot and the circle.
- **appearance, parking, signage, and landscaping at all campuses**
 - A new, state-of-the-art digital sign was installed at the busiest intersection bordering the Weatherford campus, promoting WC events and reinforcing the brand.
 - Restriped the parking lot at Coyote Village and re-painted all fire lanes, entrance curbs, and crosswalks.
 - Landscaped area behind the Mince building with donated grass, trees, and flowers, and planted multiple trees across campus.
 - Refinished baseball park archway.
 - Trimmed existing trees and removed dead trees.
 - Treated multiple trees for oak wilt.

Strategic Goal 3: Weatherford College will enhance student engagement, leading to persistence and success, by conducting feasibility studies for implementing and/or providing access to services in the following areas:

- **campus safety**
 - Added and enhanced security cameras at Coyote Village.
 - Replaced locks and slide card system at Coyote Village.
- **health and mental health services**
 - Collaborated with Wise eHealth to provide care for minor health concerns at an affordable price at WCWC.
 - Explored and pursuing telemedicine option to address student health concerns at main campus and WCWC.
- **affordable and flexible child care**
 - Conducted survey among local child care providers to identify sources for flexible child care.
- **expanded campus event, activities, and recreational facilities**
 - 23 student activities were sponsored by the Office of Student Development and Wellness.
- **exceptional and consistent customer services and advising**
 - Testing center began retrieving TSI test scores for students during student orientation and entering them into the student information system to streamline the registration process for students registering during orientation and online.
 - The Academic Support Center implemented WC tutors tutoring online through the Tutor.com platform in the 2018 -2019 Academic year. Tutors are now available online from 8:00 AM until midnight Monday – Thursday and 4:00 PM – midnight on Sunday. Math tutors are available during all hours of availability while Chemistry, Physics, and Economics are available from 9:00 PM – midnight Monday – Thursday and 4:00 PM – Midnight on Sunday.
 - Implemented a new online scheduling and payment system, *Registerblast*, to streamline testing center exam scheduling and payment.

- Expanded Welcome Center Services to be central location for Guided Pathways and returning student advising.
- Employed two new student advisors.
- Streamlined onboarding process for new students by removing W9S requirements for all students; removing unofficial transcript requirement for early admission students; and streamlining student ID card process.
- Created student rejuvenation stations in the ACAD, LART, and HLSC Buildings.

Strategic Goal 4: Weatherford College will periodically review, expand, and improve technology on all campuses to provide the following:

- **adequate and accessible wireless internet**
 - Replaced 198 wireless access points across all campuses with cloud-managed units that are faster and provide more bandwidth.
- **consistent and current technology in all classrooms at all locations**
 - Installed the most current smart classroom technology in 11 classrooms.
 - Deployed 65 student-use laptops to Nursing Programs.
 - Implemented a new nursing simulation lab recording and debriefing system.
 - eLearning Advisory Committee (eLAC) created Standards for online courses, identifying minimum and gold standards for online classrooms.
- **updated and adequate learning management and library systems**
 - Library conducted a 4-year review of database usage statistics and realigned subscriptions for FY 2019-2020 to eliminate low-use resources and add more relevant resources.
 - Implemented Campus Labs integrated faculty evaluation and student learning outcomes assessment modules in the CANVAS LMS to create seamless production and collection of data.
- **a student information system that supports a relational database and data warehouse to enhance student records integrity, student advising, research, and reporting**
 - Began transition to new Colleague Student Information System, beginning with implementation of new accounting and purchasing systems in Fall 2019.

Strategic Goal 5: Weatherford College will serve the communities in its service area through off-campus instructional centers; expanded community partnerships and programs; and, enhanced internal and external communication throughout all instructional sites.

- In partnership with WFAA Channel 8, purchased a high definition, 360-degree weather camera, installed on the roof of the Alkek Fine Arts Center. Channel 8 uses feeds from the camera daily in their broadcasts across North Texas, providing unprecedented exposure to thousands of viewers daily.
- Began Steinway initiative with community partners to make Weatherford College an all Steinway School.

- Involved community members at all campus locations in Weatherford College's Sesquicentennial Celebration, including
 - Community-wide kickoff reception
 - Reception for past and current members of the WC Board of Trustees
 - A retiree reception
 - A WC birthday party for current students
 - Basketball-cheerleading/dance team reunions
 - Fireworks show
 - Pictorial History Book, *Weatherford College: The First 150 Years* by Jon Vandergriff
 - A website dedicated to the 150th celebration
 - Award-winning social media campaign
- College external website was revamped for easier navigation with audience-oriented tabs at the top of each page and cleaner sidebar navigation.
- Began sending monthly calendar of college events to all employees and students.
- College President's monthly op-ed articles were published in the *Weatherford Democrat*, distributed to all employees, and shared on WC's social media platforms.
- Improved communication and marketing to external constituencies, community organizations, and social media using videos promoting college sesquicentennial events and dual credit programs featuring college alumnae and employees.
- The Jim Wright Library hosted ISD librarians at luncheons on main campus and WCWC to facilitate working relationships to support dual credit students, and reached out to all ISD librarians with lists of dual credit classes offered at their schools and library resources that would support them.

Strategic Goal 6: Weatherford College will implement administrative processes that promote employee advancement; professional development; appropriate and equitable compensation; and, sufficient inter-departmental communications.

- Began addressing employee pay structure through re-organizations and salary adjustments.
- Adjusted science faculty compensation structure to more closely align clock hours with load unit calculation.
- Increased compensation for part-time faculty.
- Provided professional development training for instructors of dual credit EDUC 1300 courses.



**Weatherford College Board of Trustees
Report**

DATE: December 12, 2019

AGENDA ITEM #7.b.

SUBJECT: Guided Pathways Update/Numbers with Heart

INFORMATION AND DISCUSSION: Mr. Endy will present information on recent college activities related to the Pathways initiative.

- Published Pathways Newsletter December 2, 2019
- New Taskforces:
 - Military Experience to College Credit - Ralph Willingham
 - Gap Analysis System - Ashleigh Thompson
 - SNAP for Students – Christine Endy
 - Coyote Communication Consistency – Brenda Key
 - Front Line Training – Dana Orban
 - Math and Science Calculators - Mike Lee
- Accomplishments:
 - Hope Statement prepared and approved for inclusion in all course outlines
 - Updated ADA Statement approved for inclusion in all course syllabi
 - Core Evaluation tools established in Baseline
 - Learning Taxonomy approved by the CASC
- Dr. Linda Garcia, Executive Director of the Center for Community College Student Engagement at The University of Texas at Austin, will participate in a site visit to the Weatherford Campus on March 12 and 13, 2020. We are asking Dr. Garcia to plan to meet with the PLT, the Board of Trustees, and the college community.
- Completing the Institute I Action Plan Document
- Completing the Institute I Action Plan Document

ATTACHMENTS: None.

SUBMITTED BY: Michael Endy, Vice President of Academics and Student Affairs



Weatherford College Board of Trustees Report

DATE: December 12, 2019

AGENDA ITEM #7.c.

SUBJECT: Demand Study Update

INFORMATION AND DISCUSSION:

- **Scheduling Survey Fall 2019**
 - **Pathways Tie-In:** Some students do not complete or have a delayed completion because the course or courses they need are scheduled at times that conflict with their life obligations or the courses are scheduled at times where two requirements are at the same time. Completion depends on proper scheduling for student success.
 - **Components:** This survey addresses the institution's need for information regarding demands for courses at particular times. The data collected will include information regarding work schedules, family responsibilities, dependent care, preferred delivery mode, e.g., fully online, hybrid, face to face, and time of day, e.g., morning, afternoon, evening.
 - **Deployment:** This survey was deployed on December 6, 2019, and will run until February 15, 2020. As students are currently registering and will be using our services, this time frame will hopefully result in greater response rates due to its relevancy.
 - **QEP Exploration Survey (Formerly Omnibus Survey) February 2020**
 - **Pathways Tie-In:** In a Culture of Caring, basic needs must be at the forefront of our concern. The better we understand these phenomena, the better we can respond according to our values.
 - **Components:** The *Student-Facing Customer Satisfaction Section* will feature queries from each area providing services directly to students. Each area will be surveyed on five customer service items. Students will be asked to respond only to the services they have recently used. *The Basic Needs Section* will address financial security, food security, and housing security.
 - **Deployment:** This survey will be deployed in mid-February 2020 and will run until March 13, 2020--the Friday before Spring Break. This survey is being separated and delayed from the Scheduling Survey to allow the Institutional Review Board (IRB) to vet the instrument (required due to the sensitivity of the data) and to avoid survey fatigue that was anticipated with the combined instrument.
- **Student Evaluation of Course and Instructor:** For the January 2020 Board of Trustees Meeting, we will provide the Board a highlighted report based on those data gathered from the student evaluation of course and instructor for Fall 2019.

- **Key Performance Indicators Review:** The Academic Administrative Team will review the institution's key performance indicators for instruction from Fall 2019 and early Spring 2020 in January 2020. These data will include completion, retention, and student performance elements with particular attention to the newly deployed core evaluation data collection system in Baseline. We will provide the Board of Trustees with highlighted information from these indicators in February 2020.

ATTACHMENT: None

SUBMITTED BY: Michael Endy, Vice President of Instruction and Student Services



**Weatherford College Board of Trustees
Report**

DATE: December 12, 2019

AGENDA ITEM #7.d.

SUBJECT: Vet Tech Program Update

INFORMATION AND DISCUSSION:

- Vet Tech Program Critical Issues
- Development of a Veterinary Tech Program marketing plan (Underway).
 - Required modifications of Agriculture Facility to meet AVMA standards (Spring - Summer 2020).
 - Addition of Vet Tech to serve as program instructor – Position advertised (December, 2019).
 - Vet Tech Program budget for 2020-2021 added to WC budget proposal (Spring 2020).
 - Application to the AVMA for program initiation (Spring 2020).
 - Imaging Equipment Acquired and Installed at Weatherford and Parker County Animal Shelter (Fall 2020).
 - Veterinary Tech Program begins classes (Fall 2020).

ATTACHMENT: None

SUBMITTED BY: Michael Endy, Vice President of Instruction and Student Services



**Weatherford College Board of Trustees
Report**

DATE: December 12, 2019

AGENDA ITEM #7.e.

SUBJECT: Workforce and Emerging Technologies Building Update

INFORMATION AND DISCUSSION: A status update on the Workforce and Emerging Technologies Building will be presented to the Board at the Board meeting on Thursday.

ATTACHMENTS: None.

SUBMITTED BY: Dr. Andra R. Cantrell, Executive Vice President for Financial & Administrative Affairs



Future Agenda Items:

- Approval of 2020-21 Academic Calendar



Upcoming Events

- Dec. 12 Home Women's Basketball
5:00 p.m., Graber Athletic Center
- Dec. 15 Home Women's and Men's Basketball
11:00 a.m. and 1:00 p.m., Graber Athletic Center
- Dec. 14 Community Holiday Party
3:15 p.m., Alkek Fine Arts Center, Texas Hall
- Dec. 14 Opera Performance: "Amahl and the Night Visitors"
4:00 p.m., Alkek Fine Arts Center Theatre
- Dec. 19 Employee Awards Dinner
The Springs, 6:30 p.m.
- Dec. 30 Home Men's Basketball
2:00 p.m., Graber Athletic Center



**Weatherford College Board of Trustees
Closed Session**

DATE: December 12, 2019

AGENDA ITEM 10.a.

SUBJECT: Closed Session to Consult with College Attorney, in Accordance with Government Code 551.071

INFORMATION AND DISCUSSION: The Board of Trustees will enter into closed session to consult with the College attorney.

ATTACHMENTS: None.

SUBMITTED BY: Mac Smith, Chairman of the Board of Trustees



**Weatherford College Board of Trustees
Closed Session**

DATE: December 12, 2019

AGENDA ITEM #10.b.

SUBJECT: Deliberation of Real Property in Accordance with Government Code 551.072.

INFORMATION AND DISCUSSION: The Board may deliberate items regarding real property in accordance with Government Code 551.072.

RECOMMENDATION: None.

ATTACHMENT: None.

SUBMITTED BY: Mac Smith, Chairman of the Board of Trustees



**Weatherford College Board of Trustees
Closed Session**

DATE: December 12, 2019

AGENDA ITEM #10.c.

SUBJECT: Deliberation of Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of a Public Officer or Employee in accordance with Government Code 551.074.

INFORMATION AND DISCUSSION: The Board may deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.

RECOMMENDATION: None.

ATTACHMENT: None.

SUBMITTED BY: Mac Smith, Chairman of the Board of Trustees



Weatherford College Board of Trustees

DATE: December 12, 2019

AGENDA ITEM #11

SUBJECT: Deliberation of Real Property in Accordance with Government Code 551.072.

INFORMATION AND DISCUSSION: The Board may decide to act on items that include real property.

RECOMMENDATION: None.

ATTACHMENT: None.

SUBMITTED BY: Mac Smith, Chairman of the Board of Trustees



Weatherford College Board of Trustees

DATE: December 12, 2019

AGENDA ITEM #12

SUBJECT: Deliberation of Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of a Public Officer or Employee in accordance with Government Code 551.074.

INFORMATION AND DISCUSSION: The Board may decide to act on the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.

RECOMMENDATION: None.

ATTACHMENT: None.

SUBMITTED BY: Mac Smith, Chairman of the Board of Trustees