



# WESTERN TEXAS COLLEGE

**ANNUAL FINANCIAL REPORT**  
For the Year Ending August 31, 2015

**WESTERN**  
— TEXAS COLLEGE —

**WESTERN TEXAS COLLEGE**  
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Eddie Peterson	Vice-President
Drew Bullard	Secretary

**Members**

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Mike McWilliams	2020
Dr. Jay Kidd	2016
Tim Riggan	2016

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Britt Canada	Dean of Institutional Research & Effectiveness
Patricia Claxton	Chief Financial Officer
Ralph Ramon	Dean of Student Services
Roy Bartels	Chief Technology and Information Security Officer
Stephanie Ducheneaux	Dean of Instructional Affairs
Tammy Davis	Athletic Director
Melanie Schwertner	Administrative Assistant
Marjann Morrow	Controller

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees  
Western Texas College  
Snyder, TX

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities of Western Texas College, as of and for the years ended August 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise Western Texas 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 respective financial position of the business-type activities of Western Texas College, as of August 31, 2015 and 2014, and the respective changes in financial position, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As described in Note 2 to the financial statements, in 2015, the College adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 introductory section, supporting schedules and statistical section 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The supporting schedules, which includes the schedule of expenditures of federal 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 supporting schedules, which includes the schedule of expenditures of federal awards, are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2015, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

*W* , */u.tP*

May & Hrbacek, LLP  
December 14, 2015

## Management's Discussion and Analysis

This section of Western Texas College's Annual Financial Report presents management's discussion and analysis of the College's financial performance during the fiscal year ending August 31, 2015. Please read this in conjunction with the College's financial statements beginning on page 13. A comparative analysis of financial data is presented.

### **Financial Highlights**

- Increased tax collections of \$521,664 helped to hold non-operating revenues and expenses steady in spite of an unrealized loss on investments of \$393,601 for FY2015 and a decrease in federal revenues of \$209,546 from FY2014.
- An increase of \$338,438 in operating revenue was largely due to an increase of \$277,278 in tuition and fees, and a \$57,600 increase in state grant revenues.
- A \$2,366,996 increase in capital assets was due to an increase in construction in progress related to an on-going project to rebuild aging infrastructure.
- The implementation of Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions*, resulted in a prior period adjustment which decreased net position as of August 31, 2014, in the amount of \$2,086,136.

### **Using This Annual Report**

This annual report consists of three parts -- *management's discussion and analysis (required supplementary information)*, the *basic financial statements*, and *other supplementary information*. The basic financial statements include the Statement of Net Position (Exhibit 1); Statement of Revenues, Expenses, and Changes in Net Position (Exhibit 2); Statement of Cash Flows (Exhibit 3); and the Notes to the Financial Statements.

One of the most important questions asked about the College's finances is "Is the College as a whole better off or worse off as a result of the year's activities?" The basic financial statements mentioned above report information about the College as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting. Therefore, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position, and the Statement of Revenues, Expenses, and Changes in Net Position, report the College's net position and changes in them. You can think of the College's net position – the difference between assets and liabilities – as one way to measure the College's financial health. Over time, increases or decreases in the College's net position are one indicator of whether its financial health is improving or deteriorating.

You will need to consider other non-financial factors, however, such as changes in the College's property tax base, enrollment levels, state funding, and the condition of the College's facilities.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *other supplementary information* that further explains and supports the information in the financial statements.

### **Financial Analysis of the College as a Whole**

The Statement of Net Position presents the financial position of the College at the end of the fiscal year and includes all asset and liabilities of the College. Assets and liabilities are generally measured using



current values, except for capital assets, which are stated at historical cost less accumulated depreciation.

Current assets consist primarily of cash, short-term investments and receivables. Non-current assets are composed mainly of cash, investments and capital assets. Current liabilities consist mainly of payables, unearned revenues and current portions of long-term debt. Non-current liabilities are composed of bonds payable, notes payable, capital leases payable and net pension liability.

This schedule is prepared from the College's Statement of Net Position (page 13).

	August 31, 2015	August 31, 2014	August 31, 2013
<b>Assets:</b>			
Current Assets	\$10,064,376	\$8,873,163	\$7,208,214
Non-Current Assets			
Capital Assets, Net of Depreciation	23,585,607	21,218,611	21,467,060
Restricted Cash and Investments	20,810,047	22,418,468	5,826,746
<b>Total Assets</b>	<b>\$54,460,030</b>	<b>\$52,510,242</b>	<b>\$34,502,020</b>
<b>Deferred Outflows Related to Pensions</b>			
	<b>\$348,483</b>	<b>\$0</b>	<b>\$0</b>
<b>Liabilities:</b>			
Current Liabilities	\$5,986,411	\$6,011,730	\$5,508,110
Non-Current Liabilities	23,929,530	23,634,656	9,756,115
<b>Total Liabilities</b>	<b>\$29,915,941</b>	<b>\$29,646,386</b>	<b>\$15,264,225</b>
<b>Deferred Inflows Related to Pensions</b>			
	<b>\$563,242</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	\$12,763,035	\$11,230,170	\$10,576,159
Restricted	9,353,543	8,419,001	6,243,344
Unrestricted	2,212,752	3,214,685	2,418,292
<b>Total Net Position</b>	<b>\$24,329,330</b>	<b>\$22,863,856</b>	<b>\$19,237,795</b>

The Statement of Revenues, Expenses and Changes in Net Position presents the College's results of operations.

	FY 2015	FY 2014	FY 2013
Beginning Net Position	\$22,863,856	\$19,237,795	\$16,987,748
Prior Period Adjustment (Note 2)	(2,086,136)		
Increase (Decrease) in Net Position	3,551,610	3,626,061	2,250,047
<b>Ending Net Position</b>	<b>\$24,329,330</b>	<b>\$22,863,856</b>	<b>\$19,237,795</b>

Net Position for FY2014 was restated due to the implementation of Governmental Accounting Standards Board (GASB) Statement 68 which required the reporting of the College's proportionate share of the unfunded Teachers Retirement System (TRS) net pension liability. The College's portion of the unfunded net pension liability as calculated by TRS through fiscal year ending August 31, 2014, was \$2,086,136.

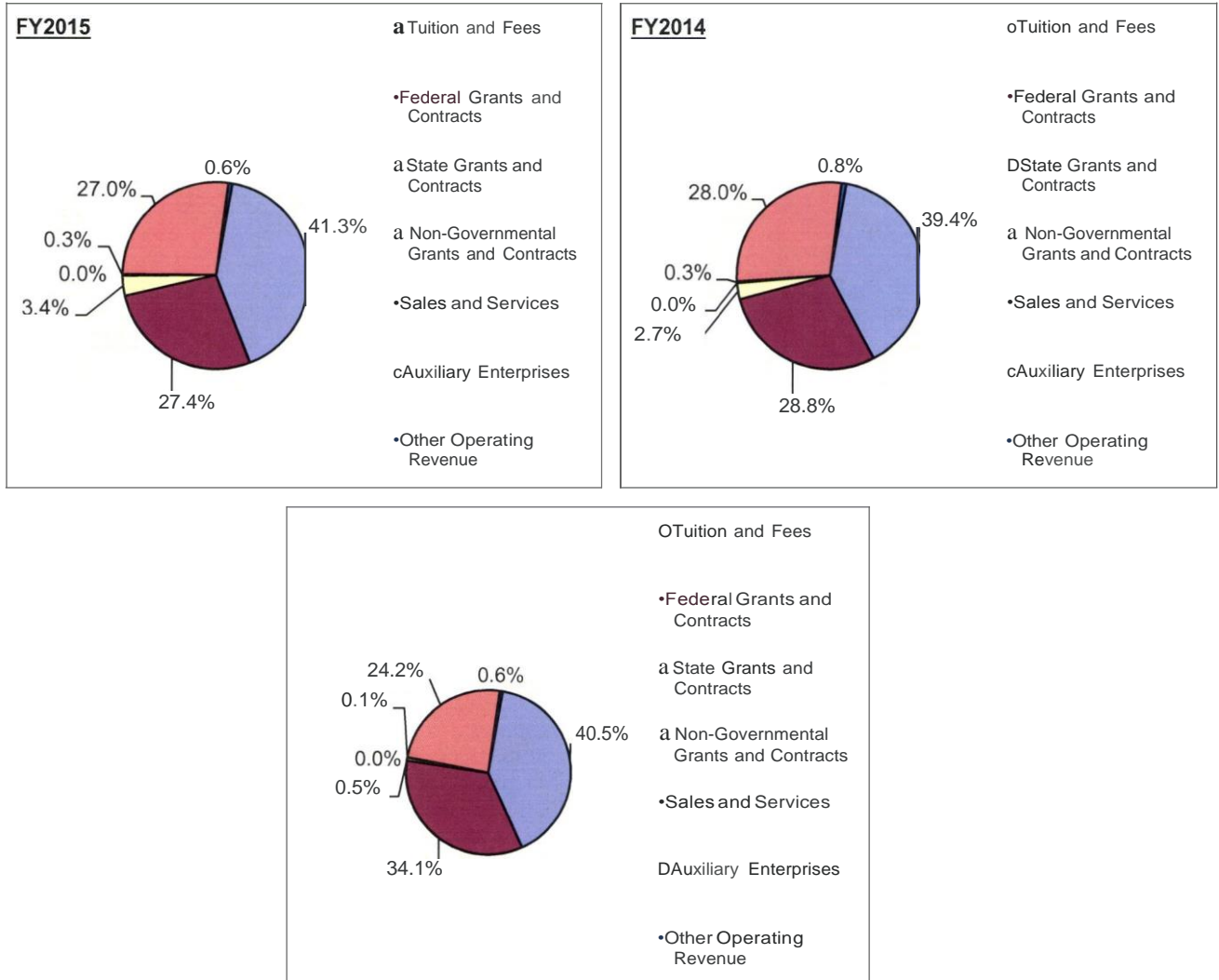
**Revenues**

Revenues are categorized as either operating or non-operating. The main sources of operating revenues for the College are federal grants and contracts, and tuition and fees and auxiliary enterprises. Ad valorem taxes, state appropriations and federal revenues are the main sources of non-operating revenues.

<b>Operating Revenue</b>	<b>FY2015</b>	<b>FY2014</b>	<b>FY2013</b>
Tuition and Fees (Net of Discounts)	\$3,135,282	\$2,858,004	\$3,268,729
Federal Grants and Contracts	2,082,035	2,088,745	2,750,086
State Grants and Contracts	254,507	196,907	42,867
Sales and Services of Educational Activities	21,908	18,265	11,018
Auxiliary Enterprises	2,049,941	2,032,605	1,954,674
Other Operating Revenue	48,879	59,588	48,514
<b>Total Operating Revenue</b>	<b>\$7,592,552</b>	<b>\$7,254,114</b>	<b>\$8,075,888</b>

The following is a graphic illustration of operating revenue by source with comparison to the previous two years :

**Operating Revenue**



**Operating Revenue Non-Operating Revenues (Expenses)**

**FY2015                      FY2014                      FY2013**

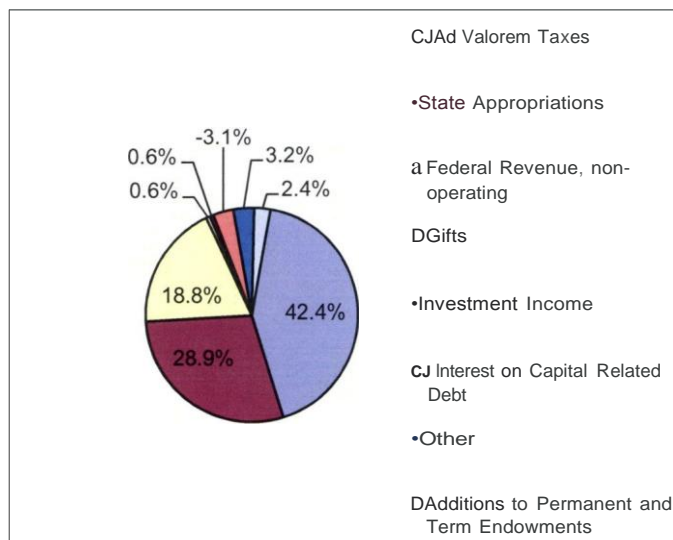
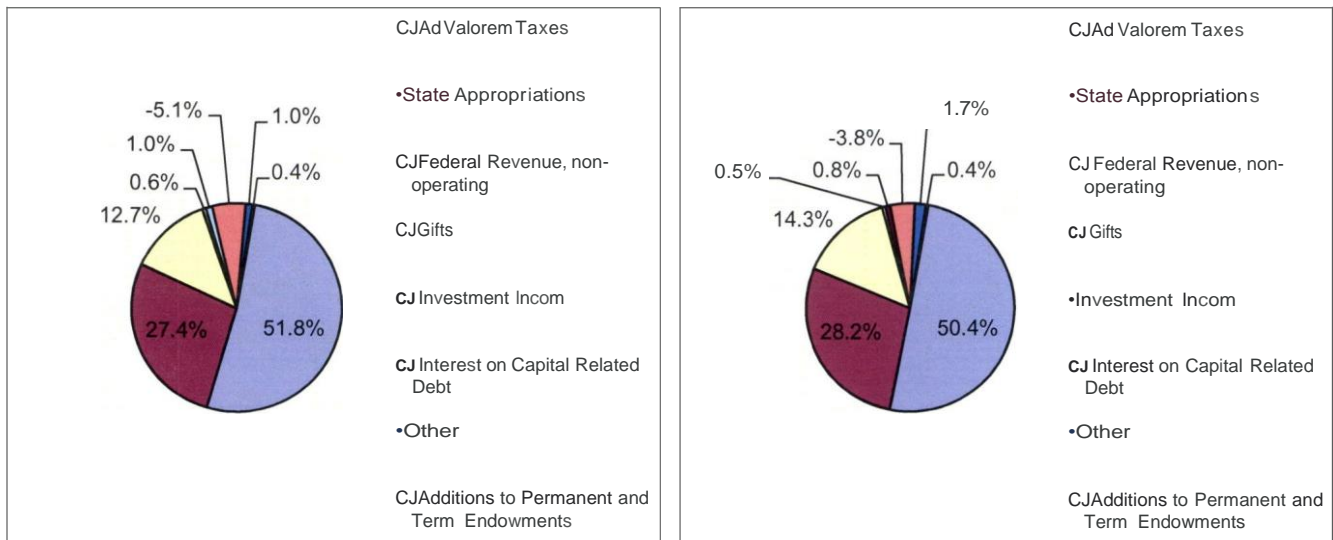
Ad Valorem Taxes	\$8,973,730	\$8,452,066	\$6,194,971
State Appropriations	4,753,461	4,725,902	4,219,625
Federal Revenue, non-operating	2,196,668	2,406,214	2,751,122
Gifts	97,745	85,902	80,614
Investment Income	174,984	127,349	88,488
Interest on Capital Related Debt	(888,678)	(635,574)	(451,198)
Other	177,587	290,148	467,624
Additions (deletions) to permanent and term endowments	63,588	59,009	353,878

**Total Non-Operating Revenues (Expenses)**

<b>\$15,549,085</b>	<b>\$15,511,016</b>	<b>\$13,705,124</b>
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The following is a graphic illustration of non-operating revenue by source with comparison to the previous two years :

**Non-Operating Revenues (Expenses)**



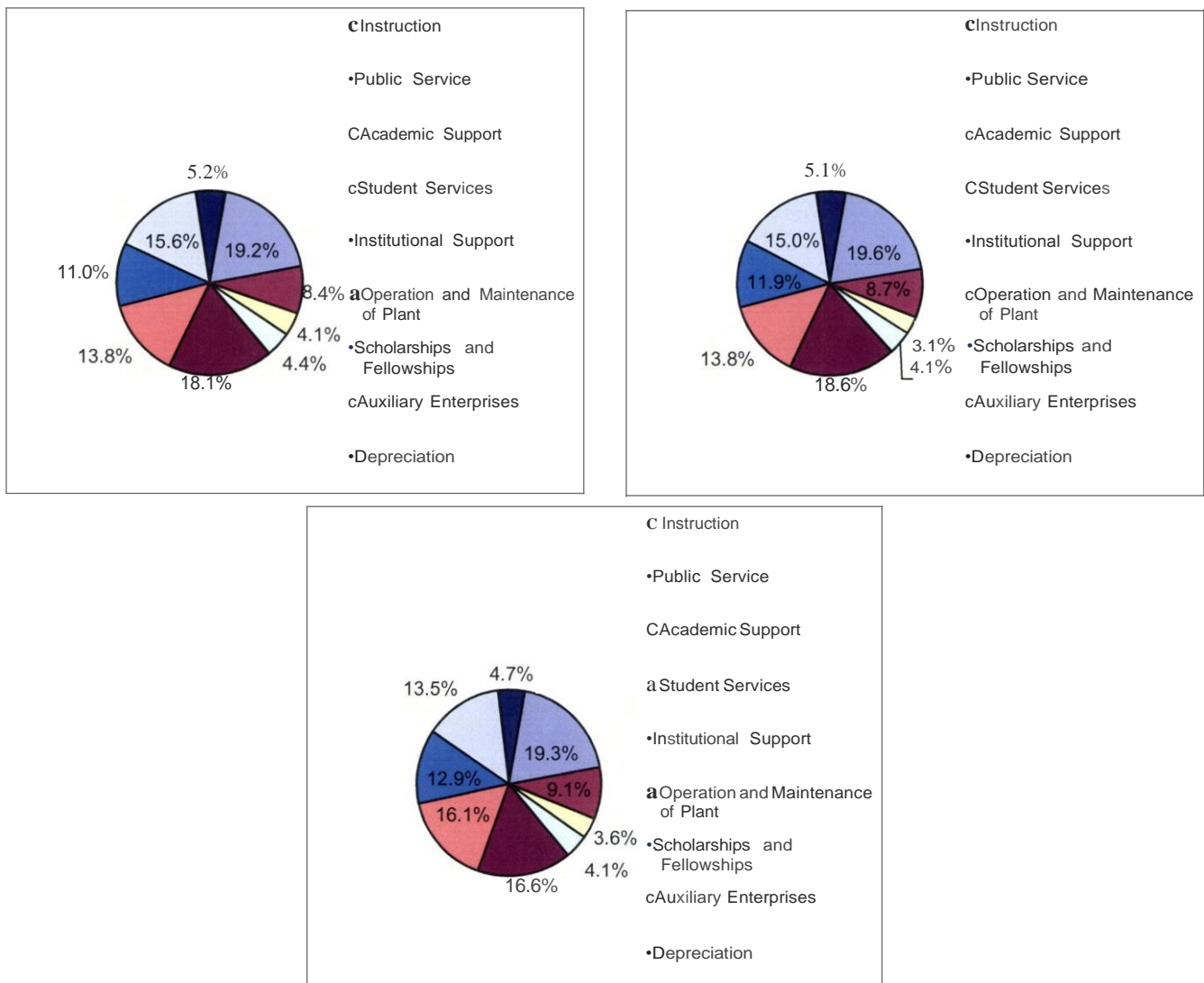
## Expenses

Instruction is the largest percent of operating expenses for the College (19.2%) with Institutional Support (18.1%) being second. Auxiliary (15.6%), Operation and Maintenance of Plant (13.8%) and Scholarships and Fellowships (11.0%) make up other large portions of expenses.

Operating Expenses	FY2015	FY2014	FY2013
Instruction	\$3,770,475	\$3,755,390	\$3,765,744
Public Service	1,647,656	1,662,361	1,776,719
Academic Support	799,436	596,851	706,820
Student Services	868,638	789,165	805,075
Institutional Support	3,555,518	3,567,456	3,238,108
Operation and Maintenance of Plant	2,701,334	2,640,521	3,147,185
Scholarships and Fellowships	2,159,531	2,272,603	2,525,044
Auxiliary Enterprises	3,064,637	2,870,236	2,646,286
Depreciation	1,022,802	984,486	919,984
<b>Total Operating Expenses</b>	<b>\$19,590,027</b>	<b>\$19,139,069</b>	<b>\$19,530,965</b>

The following is a graphic illustration of expenses by function with comparisons to the previous two years:

### Operating Expenses



The Statement of Cash Flows provides additional information about the College's financial results. This report states the major sources and uses of cash.

	FY2015	FY2014	FY2013
<b>Cash provided (used) by:</b>			
Operating Activities	(\$11,006,881)	(\$11,301,409)	(\$10,240,840)
Non-Capital Financing Activities	16,426,018	16,132,237	14,012,682
Capital and Related Financing Activities	(5,829,851)	12,759,586	(1,525,619)
Investing Activities	{10,083}	125,213	{360,107}
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(\$420,797)</b>	<b>\$17,715,627</b>	<b>\$1,886,116</b>
	FY2015	FY2014	FY2013
Cash and Cash Equivalents Beginning of Year	\$23,544,736	\$5,829,109	\$3,942,993
Cash and Cash Equivalents End of Year	23,123,939	23,544,736	5,829,109
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(\$420,797)</b>	<b>\$17,715,627</b>	<b>\$1,886,116</b>

### Capital Asset and Debt Administration

#### Capital Assets

As of August 31, 2015 the College had \$37,481,086 invested in capital assets ranging from land, buildings, improvement to facilities, and equipment. The following is a breakdown of the capital assets less accumulated depreciation.

	FY2015	FY2014	FY2013
Land	\$800,162	\$800,162	\$800,162
Buildings	15,270,357	15,698,796	16,090,427
Improvements	2,092,134	2,209,513	2,278,503
Equipment	2,098,267	2,007,000	2,028,595
Library Books	91,529	100,881	101,046
Construction in Progress	3,233,158	402,259	168,327
<b>Total</b>	<b>\$23,585,607</b>	<b>\$21,218,611</b>	<b>\$21,467,060</b>

During fiscal year 2015, the increase in capital assets is largely due to the expenditures related to an on-going project to rebuild aging infrastructure which resulted in an increase in construction in progress.

#### Debt

At year-end, the college had \$22,382,201 in outstanding bonds. Two of the bonds, totaling \$7,877,000, were originally issued in 2005 and 2009, for the construction of two new residence halls, a student commons, and an on-campus health clinic. During 2012, the 2005 Bond Series was refunded and re-issued at a lower interest of 3.4% and is now referred to as the 2012 Revenue Refunded Bonds. Maintenance tax notes issued in 2014 carry a current balance of \$14,030,000 for use in repairing the aging infrastructure of the College. Also, at the end of the year, the College had outstanding capital leases for campus-wide boiler replacement and various equipment in the amount of \$646,377. The College also had notes payable in the amount of \$630,877 for construction of a sports complex, the purchase of an existing building located in town for off-campus classes, and the renovation of the science lecture hall and labs.

### **Other Economic Factors**

The College makes every effort to develop and expand programs and services in order to meet the needs of our service area. The College actively pursues federal and state grants as additional funding to help in the development of new programs and services, and/or the improvement of current programs and services to our community.

The College is undertaking a major infrastructure project which includes: repairs to or replacement of primary electrical transformers, air handlers, sidewalks, central cooling plant, and the domestic water loop. If funds permit, the infrastructure project will also include upgrades to the maintenance, fine arts, cafeteria, and health and physical education facilities.

### **Contacting the College's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the College's finances and to show the College's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Chief Financial Officer or Controller, Western Texas College, 6200 College Avenue, Snyder, Texas 79549.

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**Western Texas College  
Statement of Net Position  
August 31, 2015 and 2014  
Exhibit 1**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$6,124,288	\$5,026,621
Short-term investments	862,201	863,457
Accounts receivable, net	2,714,729	2,632,362
Inventories	56,353	62,543
Prepaid and deferred expenses	306,805	288,180
Total Current Assets	<u>10,064,376</u>	<u>8,873,163</u>
<b>Noncurrent Assets :</b>		
Restricted cash and cash equivalents	16,999,651	18,518,115
Restricted long-term investments	3,810,396	3,900,353
Capital assets, net (Note 5)	23,585,607	21,218,611
Total Noncurrent Assets	<u>44,395,654</u>	<u>43,637,079</u>
<b>TOTAL ASSETS</b>	<u>54,460,030</u>	<u>52,510,242</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows related to pensions	<u>348,483</u>	
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	340,473	332,667
Accrued liabilities	346,133	308,844
Funds held for others	581,975	562,302
Unearned revenues	2,749,316	2,739,434
Accrued compensated absences	208,077	216,901
Notes payable - current portion	630,877	726,476
Capital leases payable - current portion	61,789	82,335
Bonds payable - current portion	1,067,771	1,042,771
Total Current Liabilities	5,986,411	<u>6,011,730</u>
<b>Noncurrent Liabilities:</b>		
Deposits	189,270	172,825
Net Pension Liability	1,841,242	
Notes payable		423,316
Capital leases payable	584,588	656,314
Bonds payable	21,314,430	22,382,201
Total Noncurrent Liabilities	23,929,530	23,634,656
<b>TOTAL LIABILITIES</b>	29,915,941	29,646,386
<b>Deferred Inflows of Resources</b>		
Deferred inflows related to pensions	<u>563,242</u>	
<b>NET POSITION</b>		
Net Investment in Capital Assets	12,763,035	11,230,170
Restricted:		
Nonexpendable		
Scholarships and fellowships	4,058,944	4,132,074
Expendable		
Student aid	290,987	277,177
Instructional programs	5,005	5,005
Capital projects	90,268	82,315
Loans	368,389	366,359
Debt service	4,539,950	3,556,071
Unrestricted	2,212,752	3,214,685
<b>TOTAL NET POSITION (Schedule D)</b>	<u>\$24,329,330</u>	<u>\$22,863,856</u>

See accompanying notes to the financial statements



**Western Texas College**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the Years Ended August 31, 2015 and 2014**  
**Exhibit 2**

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
<b>Operating Revenues:</b>		
Tuition and fees (Net of discounts of \$1,732,793 in 2015 and \$1,799,044 in 2014)	\$3,135,282	\$2,858,004
Federal grants and contracts	2,082,035	2,088,745
State grants and contracts	254,507	196,907
Sales and services of educational activities	21,908	18,265
Auxiliary enterprises	2,049,941	2,032,605
Other operating revenues	48,879	59,588
Total Operating Revenues (Schedule A)	<u>7,592,552</u>	<u>7,254,114</u>
<b>EXPENSES</b>		
<b>Operating Expenses:</b>		
Instruction	3,770,475	3,755,390
Public service	1,647,656	1,662,361
Academic support	799,436	596,851
Student services	868,638	789,165
Institutional support	3,555,518	3,567,456
Operation and maintenance of plant	2,701,334	2,640,521
Scholarships and fellowships	2,159,531	2,272,603
Auxiliary enterprises	3,064,637	2,870,236
Depreciation	1,022,802	984,486
Total Operating Expenses (Schedule B)	<u>19,590,027</u>	<u>19,139,069</u>
Operating Income (Loss)	<u>(11,997,475)</u>	<u>(11,884,955)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
State appropriations	4,753,461	4,725,902
Maintenance ad-valorem taxes	8,973,730	8,452,066
Federal revenue, non-operating	2,196,668	2,406,214
Gifts	97,745	85,902
Investment income (net of investment expenses)	174,984	127,349
Gain (loss) on sale of investments, realized	186,260	(8,241)
Gain (loss) on investments, unrealized	(393,601)	342,957
Interest on capital related debt	(888,678)	(635,574)
Gain (loss) on disposal of capital assets	8,226	(88,157)
Additions (deletions) to permanent and term endowments	63,588	59,009
Debt Issuance Cost		(335,684)
Other non-operating revenues (expenses)	376,702	379,273
Net Non-Operating Revenues (Schedule C)	<u>15,549,085</u>	<u>15,511,016</u>
<b>Increase (Decrease) in Net Position</b>	3,551,610	3,626,061
<b>NET POSITION</b>		
Net Position - beginning of year	22,863,856	19,237,795
Prior Period Adjustment (Note 2)	(2,086,136)	
Net Position - end of year	<u>\$24,329,330</u>	<u>\$22,863,856</u>

See accompanying notes to the financial statements

**Western Texas College**  
**Statement of Cash Flows**  
**For the Years Ended August 31, 2015 and 2014**  
**Exhibit 3**

	<b>2015</b>	<b>2014</b>
<b>Cash Flows from Operating Activities</b>		
Receipts from students and other customers	\$5,206,151	\$5,071,717
Receipts from grants and contracts	2,330,357	2,329,914
Payments to or on behalf of employees	(9,589,314)	(9,299,472)
Payments to suppliers for goods and services	(6,782,109)	(6,900,970)
Payments for scholarships	(2,159,531)	(2,272,603)
Other receipts (payments)	(12,435)	(229,995)
Net cash provided (used) by operating activities	(11,006,881)	(11,301,409)
<b>Cash Flows from Noncapital Financing Activities</b>		
Receipts from state appropriations	4,753,461	4,725,902
Receipts from ad valorem taxes	8,973,730	8,452,066
Receipts from non-operating federal revenue	2,196,668	2,406,214
Receipts from gifts and grants (other than capital)	482,486	514,989
Student organization and other agency transactions	19,673	33,066
Net cash provided (used) by noncapital financing activities	16,426,018	16,132,237
<b>Cash Flows from Capital and Related Financing Activities</b>		
Purchases of capital assets	(3,321,987)	(797,157)
Proceeds from debt		15,336,562
Debt issuance cost		(335,684)
Payments on capital debt and teases-principal	(1,619,186)	(808,561)
Payments on capital debt and leases-interest	(888,678)	(635,574)
Net cash provided (used) by capital and related financing activities	(5,829,851)	12,759,586
<b>Cash Flows from Investing Activities</b>		
Proceeds from sale and maturity of investments	1,056,235	348,409
Receipts from earnings on investment	174,984	127,349
Purchases of investments	(1,241,302)	(350,545)
Net cash provided (used) by investing activities	(10,083)	125,213
Increase (decrease) in cash and cash equivalents	(420,797)	17,715,627
Cash and cash equivalents - beginning of year	23,544,736	5,829,109
Cash and cash equivalents - end of year	\$23,123,939	\$23,544,736
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
Operating income (loss)	(\$11,997,475)	(\$11,884,955)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	1,022,802	984,486
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:		
Receivables, net	(82,371)	110,406
Inventories	6,190	420
Deferred outflows of resources	(348,483)	
Other assets	(18,625)	(230,415)
Accounts payable	7,806	(334,137)
Accrued expenses	37,289	12,865
Unearned revenues	9,882	28,076
Deposits held for others	16,445	9,035
Compensated absences	(8,824)	2,810
Net pension liability	(214,759)	
Deferred inflows of resources	563,242	
Net cash provided (used) by operating activities	(\$11,006,881)	(\$11,301,409)

See accompanying notes to the financial statements

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**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

**1. Reporting Entity**

Western Texas College was established in 1970, in accordance with the laws of the State of Texas, to serve the educational needs of Snyder and the surrounding communities. Western Texas College (WTC) is considered to be a special purpose, primary government according to the definition in Governmental Accounting Standards Board (GASB) Statement 14. 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**

**Report Guidelines**

The significant accounting policies followed by Western Texas 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.

**Tuition Discounting**

Texas Public Education Grants

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set aside, called the Texas Public Education Grant (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 tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Title IV. Higher Education Act Program Funds

Certain Title IV HEA Program funds are received by the College to pass through to students. 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 tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

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 amount is 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 Western Texas 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**

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

**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

**Deferred Inflows**

In addition to liabilities, Western Texas 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.

**Deferred Outflows**

In addition to assets, Western Texas 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. A typical deferred outflow for community colleges is a deferred charge on refunding debt.

**Investments**

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported 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. The governing board has designated public funds investment pools comprised of \$512,201 and \$513,457 at 2015 and 2014, respectively to be short-term investments. Long-term investments have an original maturity of greater than one year at the time of purchase.

**Receivables**

Receivables consist of tuition and fees charges to students and charges for auxiliary enterprises' sales and services. Receivables also include amounts due from the Federal government, state and local governments. Receivables are recorded net of estimated uncollectible amounts.

**Inventories**

Inventories are reported at the lower of cost or market using first-in, first-out method and are charged to expense as consumed.

**Capital Assets**

Capital assets are recorded 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. Renovations of \$100,000 to buildings, infrastructure and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are charged to operating expenses 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 applying the half-year convention. The following lives are used:

Buildings	50 years
Facilities and Other Improvements	20 years
Library Books	15 years
Furniture, Machinery, Vehicles and Other Equipment	10 years
Telecommunications and Peripheral Equipment	5 years

**Noncurrent long-Term liabilities**

Noncurrent long-term liabilities include bonds payable, notes payable, capital lease and any premiums or discounts associated with these debts that will not be paid within the next fiscal year.

**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

**Unearned Revenues**

Tuition and fees of \$1,764,118 and \$1,744,429, room and board and other auxiliary charges of \$823,776 and \$840,584, and delinquent ad valorem taxes of \$161,422 and \$154,421 have been reported as deferred revenues at August 31, 2015 and 2014 respectively.

**Net Position**

The College's Net Position includes the following:

**Net Investment in Capital Assets** - This represents the College's total investment in capital assets, net of outstanding debt obligations related to those assets.

**Restricted - Nonexpendable** - Nonexpendable restricted includes endowments and similar type assets whose use is limited by donors or other outside sources and as a condition of the gift, the principal is to be maintained in perpetuity.

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

**Unrestricted** - Unrestricted includes resources derived from student tuition and fees, sales and services, and interest income.

**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, actual results could differ from those estimates.

**Operating and Non-Operating Revenue and Expense Policy**

The College distinguishes operating revenues and expenses from non-operating items. The College reports as a Business Type Activity 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, maintenance, food services and technology are not performed by the College.

**Pensions**

For the year ended August 31, 2015, the College implemented the provisions of GASB Statement 68, Accounting and Financial Reporting for Pensions, as amended by GASB Statement 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. The fiduciary net position of the Teacher Retirement Systems of Texas (TRS) has been determined based on 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' 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.

**Change in Accounting Policies**

In June, 2012 the Governmental Accounting Standards Board (GASB) issued Statement No. 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27," which is effective for fiscal years beginning after June 15, 2014. The College has implemented the provisions of this Statement for the year ended August 31, 2015.

**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

The Statement requires numerous new pension disclosures in the notes to the financial statements and two new 10-year, pension related charts as required supplementary information. Also, for the first time the College is required to recognize pension expense, report deferred outflows of resources and deferred inflows of resources related to pensions and a net pension liability for its proportionate share of the collective (TRS) pension expense, collective (TRS) deferred outflows of resources and deferred inflows of resources related to pensions and collective (TRS) net pension liability. The reporting of these new amounts on the financial statements, along with the effect of the restatement of the beginning net position, if any, will also affect the College's net position.

**Prior Year Restatement**

In the year of implementation of GASB Statement 68, as amended by GASB Statement 71, a restatement to beginning net position will be required for the recording of the beginning net pension liability and for the recording of deferred outflows of resources for contributions made after the measurement date of the beginning net pension liability and the beginning of the reporting entity's fiscal year. Beginning net position as of September 1, 2014, has been restated as follows for the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

Beginning Net Position	\$22,863 ,856
Prior period adjustment-implementation of GASB 68:	
Net position liability (measurement date as of August 31, 2014)	(2,260,896)
Deferred outflows - college contributions made during FY2014	174,760
Beginning net position, as restated	\$20,777,720

**3. Authorized Investments**

Western Texas 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**

Cash and Deposits included on Exhibit 1, Statement of Net Position, consist of the items reported below:

**Cash and Deposits**

	2015	2014
Bank Deposits		
Demand Deposits	\$23, 120,609	\$23,541 ,406
Cash and Cash Equivalents		
Petty Cash on Hand	3,330	3,330
Total Cash and Deposits	\$23, 123,939	\$23,544, 736

**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

**Reconciliation of Deposits and Investments between Note 4 and Exhibit 1:**

	2015	2014
Per Note 4:		
Total Cash and Deposits	\$23,123,939	\$23,544,736
Total Investments	4,672,597	4,763,810
Total	<u>\$27,796,536</u>	<u>\$28,308,546</u>
Per Exhibit 1:		
Unrestricted:		
Cash and Cash Equivalents	\$6,124,288	\$5,026,621
Short-Term Investments	862,201	863,457
Restricted:		
Cash and Cash Equivalents	16,999,651	18,518,115
Long-Term Investments	3,810,396	3,900,353
Total	<u>\$27,796,536</u>	<u>\$28,308,546</u>

As of August 31, 2015, Western Texas College had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 2	2 to 3
Investment Pool	\$ 512,201	\$ 512,201		
Certificate of Deposit	350,000	350,000		
Mutual Funds	3,810,396			
Total Fair Value	\$4,672,597	\$862,201		

As of August 31, 2015, investments with a carrying value of \$350,000 were pledged as collateral for a note payable.

**Interest Rate Risk** - In accordance with state law and College policy, the College does not purchase any investment with maturities greater than 10 years.

**Credit Risk** - In accordance with state law and the College's investment policy, investments in mutual funds and investment pools must be rated at least AAA, commercial paper must be rated at least A-1 or P-1, and investments in obligations from other states, municipalities, counties, etc., must be rated at least A.

Investment Pool (TexPool) - Standard & Poor's rating as of August 31, 2015 equaled AAA  
Certificate of Deposit - Not Rated  
Mutual Funds - Not Rated

**Concentration of Credit Risk** - The College does not place a limit on the amount the College may invest in any one issuer. Investments in any one issuer (other than investments issued or guaranteed by the U.S. government, mutual funds, and external investment pools) that represent 5% or more of are as follows:

Texas Savings Bank (Certificates of Deposit) - \$350,000 (7%)

**Custodial Credit Risk** - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.



**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

As of August 31, 2015, the carrying amount of the College's bank balances was \$23,470,609. Bank balances of \$250,000 were covered by Federal Depository Insurance. Bank balances in the amount of \$23,220,609 were covered by securities held by the bank but not in the Colleges' name.

**5. Capital Assets**

Capital assets activity for the year ended August 31, 2015 was as follows:

	Balance 9/1/2014	Increases	Decreases	Balance 8/31/2015
<b>Not Depreciated:</b>				
Land	\$800,162			\$800,162
Construction in Progress	402,259	2,880,322	49,423	3,233,158
Subtotal	1,202,421	2,880,322	49,423	4,033,320
<b>Other Capital Assets:</b>				
Buildings	23,802,200			23,802,200
Improvements	3,230,441	18,596		3,249,037
Library Books	1,115,604	4,022	5,900	1,113,726
Furniture, Machinery, Vehicles and Other Equipment	3,077,873	288,271	56,767	3,309,377
Telecommunications and Peripheral Equipment	1,734,413	248,010	8,997	1,973,426
Subtotal	32,960,531	558,899	71,664	33,447,766
<b>Accumulated Depreciation:</b>				
Buildings	8,103,404	428,439		8,531,843
Improvements	1,020,928	135,975		1,156,903
Library Books	1,014,723	13,374	5,900	1,022,197
Furniture, Machinery, Vehicles and Other Equipment	1,625,971	271,055	56,767	1,840,259
Telecommunications and Peripheral Equipment	1,179,315	173,959	8,997	1,344,277
Subtotal	12,944,341	1,022,802	71,664	13,895,479
Net Other Capital Assets	20,016,190	{463,903}		19,552,287
Net Capital Assets	\$21,218,611	\$2,416,419	\$49,423	\$23,585,607

**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

Capital assets activity for the year ended August 31, 2014 was as follows:

	Balance 9/1/2013	Increases	Decreases	Balance 8/31/2014
<b>Not Depreciated:</b>				
Land	\$800,162			\$800,162
Construction in Progress	168,327	299,034	65,102	402,259
Subtotal	968,489	299,034	65,102	1,202,421
<b>Other Capital Assets:</b>				
Buildings	23,765,720	36,480		23,802,200
Improvements	3,165,339	65,102		3,230,441
Library Books	1,107,046	12,858	4,300	1,115,604
Furniture, Machinery, Vehicles and Other Equipment	3,215,107	138,492	275,726	3,077,873
Telecommunications and Peripheral Equipment	1,397,083	337,330		1,734,413
Subtotal	32,650,295	590,262	280,026	32,960,531
<b>Accumulated Depreciation:</b>				
Buildings	7,675,293	428,111		8,103,404
Improvements	886,836	134,092		1,020,928
Library Books	1,006,000	13,023	4,300	1,014,723
Furniture, Machinery, Vehicles and Other Equipment	1,559,628	253,912	187,569	1,625,971
Telecommunications and Peripheral Equipment	1,023,967	155,348		1,179,315
Subtotal	12,151,724	984,486	191,869	12,944,341
Net Other Capital Assets	20,498,571	{394,224}	88,157	20,016,190
Net Capital Assets	\$21,467,060	\${95,190}	\$153,259	\$21,218,611

**6. Long-Term Liabilities**

Long-term liability activity for the year ended August 31, 2015 was as follows:

	Balance 9/1/2014	Additions	Reductions	Balance 8/31/2015	Current Portion
Capital Leases	\$ 738,649		\$ 92,271	\$ 646,378	\$ 61,789
Notes Payable (Gov. Cap.)	838,703		415,387	423,317	423,317
Bonds Payable	23,424,972		1,042,771	22,382,201	1,067,771
Net Pension Liability	2,086,136	434,179	679,073	1,841,242	N/A
Total Long-term Liabilities	\$27,088,460	\$434,179	\$2,229,502	\$25,293,138	\$1,552,877

**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

Long-term liability activity for the year ended August 31, 2014 was as follows :

	Balance 9/1/2013	Additions	Reductions	Balance 8/31/2014	Current Portion
Capital Leases	\$720,119	\$114,035	\$95,505	\$ 738,649	\$ 82,335
Notes Payable (Gov. Cap)	1,246,471		407,768	838,703	415,387
Bonds Payable	8,309,000	15,336,562	220,590	23,424,972	1,042,771
<b>Total Long-term Liabilities</b>	<b>\$10,275,590</b>	<b>\$15,450,597</b>	<b>\$723,863</b>	<b>\$25,002,324</b>	<b>\$1,540,493</b>

**7. Debt and Lease Obligations**

Debt service requirements for the 2014 Maintenance Tax Notes at August 31, 2015 are as follows :

For the Years Ended August 31,	Principal	Interest	Total
2016	\$ 800,000	\$ 466,831	\$1,266,831
2017	825,000	446,456	1,271,456
2018	845,000	421,406	1,266,406
2019	875,000	395,606	1,270,606
2020	900,000	368,981	1,268,981
2021-2025	5,050,000	1,293,175	6,343,175
2026-2029	4,735,000	340,403	5,075,403
<b>Total</b>	<b>\$14,030,000</b>	<b>\$3,732,858</b>	<b>\$17,762,858</b>

Debt service requirements for the 2012 Revenue Refunding Bonds at August 31, 2015 are as follows :

For the Years Ended August 31,	Principal	Interest	Total
2016	\$ 128,000	\$ 80,512	\$ 208,512
2017	131,000	76,109	207,109
2018	135,000	71,587	206,587
2019	141,000	66,895	207,895
2020	145,000	62,033	207,033
2021-2025	803,000	231,387	1,034,387
2026-2030	949,000	82,875	1,031,875
<b>Total</b>	<b>\$2,432,000</b>	<b>\$671,398</b>	<b>\$3,103,398</b>

**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

Debt service requirements for the 2009 Revenue Bonds at August 31, 2015 are as follows :

For the Years Ended August 31,	Principal	Interest	Total
2016	\$ 105,000	\$ 304,400	\$ 409,400
2017	110,000	299,675	409,675
2018	110,000	294,450	404,450
2019	115,000	288,950	403,950
2020	125,000	283,200	408,200
2021-2025	720,000	1,311,150	2,031,150
2026-2030	950,000	1,089,913	2,039,913
2031-2035	3,210,000	641,125	3,851,125
Total	<u>\$5,445,000</u>	<u>\$4,512,863</u>	<u>\$9,957,863</u>

Debt service requirement for the notes payable, Government Capital, regarding the Science Building Renovation as of August 31, 2015 is as follows :

For the Years Ended August 31,	Principal	Interest	Total
2016	<u>\$423,317</u>	<u>\$15,287</u>	<u>\$438,604</u>
Total	<u>\$423,317</u>	<u>\$15,287</u>	<u>\$438,604</u>

Capital leases relate to the purchase of copiers , a campus-wide boiler replacement project, a John Deere Gator, and grounds maintenance equipment with a combined depreciable value of \$742,516. Obligations under these leases at August 31, 2015 are as follows :

For the Year Ended August 31,	
2016	\$115,797
2017	115,637
2018	102,595
2019	81,591
2020	79,681
2021-2023	<u>239,044</u>
Total Minimum Lease Payments	734,345
Less: Interest	<u>(87,967)</u>
Present Value of Minimum Lease Payments	<u>\$646,378</u>

**8. Bonds Payable**

General Information related to bonds payable is summarized below:

- Scurry County Junior College District Maintenance Tax Notes, Series 2014
- Issued March 18, 2014
- To maintain, repair, rehabilitation or replacement of building systems on campus.

**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

- \$14,815,000; all authorized debt has been issued.
- Sources of revenue for debt service – ad valorem tax revenue.
- Principal payments ranging from \$785,000 to \$1,245,000; variable interest rate ranging from 2.00% to 4.00%.
- Outstanding balance at August 31, 2015 is \$14,030,000, with the final payment due 02/15/29.

Maintenance Tax Notes payable are due in annual installment varying from \$1,266,406 to \$1,271,456 with a variable interest rate. The final installment is due February 15, 2029.

- Scurry County Junior College District Consolidated Fund Revenue Refunding Bonds, Series 2012
- Issued April 1, 2005: Refunded November 1, 2012
- To construct new residence hall located on the campus.
- \$2,805,000; all authorized bonds have been issued.
- Sources of revenue for debt service - general student fees, student tuition, and gross revenue of the housing system.
- Principal payments ranging from \$119,000 to \$203,000; fixed interest rate of 3.40%.
- Outstanding balance at August 31, 2015 is \$2,432,000, with the final payment due 02/15/30.

Bonds payable are due in annual installment varying from \$206,137 to \$208,512 with a fixed interest rate of 3.40%. The final installment is due February 15, 2030.

- Scurry County Junior College District Consolidated Fund Revenue Bonds, Series 2009
- Issued November 1, 2009
- To construct new residence hall located on the campus.
- \$5,890,000; all authorized bonds have been issued.
- Sources of revenue for debt service - general student fees, student tuition, and gross revenue of the housing system.
- Principal payments ranging from \$85,000 to \$1,190,000; variable interest rate ranging from 3.25% to 5.75% until 08/31/35.
- Outstanding balance at August 31, 2015 is \$5,445,000, with the final payment due 08/31/35.

Bonds payable are due in annual installment varying from \$400,200 to \$1,224,213 with a variable interest rate. The final installment is due August 31, 2035.

**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

**9. Notes Payable**

The College obtained a loan from a local bank during fiscal year 2003 for the construction of a baseball/softball complex. This loan was a multiple advance note with a maximum principal available of \$570,000, variable interest rate and was due upon demand. In fiscal year 2009, additional funds of \$109,315 were drawn on this loan for the development of a new soccer field. In 2011, the balance of this loan, \$469,390, was refinanced with an interest rate of 3.95% to be paid in 60-monthly payments in the amount of \$8,635 per month beginning in September 2011. The loan is scheduled to be paid off in August 2016. In fiscal year 2009, a separate loan of \$144,000 was obtained for the purchase of a building for off campus classes. The interest rate is 4% and the monthly payments are in the amount of \$817 per month for 240 months. The debt is secured by the property. Both loans are due on demand. In 2012, financing was obtained from Government Capital in the amount of \$1,665,801 for remodeling of the Science Building. The term of the note is over 4 years. Funds received by the Department of Education STEM Grant are used to make yearly payments in the amount of \$438,604.

Notes payable activity for fiscal year 2015 was as follows:

	Balance			Balance	Current
	<u>09/01/2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>08/31/15</u>	<u>Portion</u>
Notes Payable (Gov. Cap.)	\$838,703		\$ 415,387	\$423,317	\$423,317
Notes Payable (ISB)	311,089		103,528	207,560	207,560
<b>Total Notes Payable</b>	<b>\$1,149,792</b>		<b>\$518,915</b>	<b>\$630,877</b>	<b>\$630,877</b>

Notes payable activity for fiscal year 2014 was as follows:

	Balance			Balance	Current
	<u>09/01/2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>08/31/2014</u>	<u>Portion</u>
Notes Payable (Gov. Cap.)	\$1,246,471		\$ 407,768	\$838,703	\$415,387
Notes Payable (TSB)	407,377		96,288	311,089	311,089
<b>Total Notes Payable</b>	<b>\$1,653,848</b>		<b>\$ 504,056</b>	<b>\$1,149,792</b>	<b>\$726,476</b>

**10. Employee's Retirement Plan**

The State of Texas has joint contributory retirement plans for almost all its employees.

**Teacher Retirement System of Texas**

*Plan Description.* Western Texas 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). TRS' defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Sec. 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.

*Pension Plan Fiduciary Net Pension.* Detailed information about the TRS' fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and re-

**Western Texas College**  
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quired supplementary information. That report may be obtained on the internet at [http://www.trs.state.tx.us/about/documents/cafr\\_pdf2014CAFR](http://www.trs.state.tx.us/about/documents/cafr_pdf2014CAFR); by writing to TRS at 1000 Red River Street, Austin, Texas 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 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. 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 COLAs. Ad hoc post-employment benefits 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 not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10% 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.

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83'd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 through 2017. The 83'd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2014 and 2015.

<u>Contribution Rates</u>	2014	2015
Member	6.4%	6.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%
FY2014 College Contributions	\$174,760	
FY2014 State of Texas On-Behalf Contributions	\$115,651	

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. Employers (public schools, junior colleges, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contributions rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum 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

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- 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% of the state contribution rate for certain instructional or administrative employees; and 100% 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.

*Actuarial Assumptions.* The total pension liability in the August 1, 2014 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2014
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Percentage of Payroll, Open
Remaining Amortization Period	30 Years
Asset Valuation Method	5 Year Market Value
Discount Rate	8.00%
Long-term Expected Investment Rate of Return*	8.00%
Salary Increases*	4.25% to 7.25%
Weighted-Average at Valuation Date	5.55%
Payroll Growth Rate	3.50%

\*Includes Inflation of 3%

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2010 and adopted on April 8, 2011. With the exception of the post-retirement mortality rates for healthy lives and a minor change to the expected retirement age for inactive vested members stemming from the actuarial audit performed in the Summer of 2014, the assumptions and methods are the same as used in the prior valuation. When the mortality assumptions were adopted in 2011, they contained a significant margin for possible future mortality improvements. As of the date of the valuation there has been a significant erosion of this margin to the point that the margin has been eliminated. Therefore, the post-retirement mortality rate for current and future retirees was decreased to add additional margin for future improvement in mortality in accordance with the Actuarial Standards of Practice No. 35.

*Discount Rate.* The discount rate used to measure the total pension liability was 8.0%. There was no change in the discount rate since the previous year. 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 those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 8%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates 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 Systems target asset allocation as of August 31, 2014, as amended October 1, 2014, as summarized below:



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Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Expected Contributions to Long-Term Portfolio Returns*
<b>Global Equity</b>			
U.S.	18.0%	4.6%	1.0%
Non-U.S. Developed	13.0%	5.1%	0.8%
Emerging Markets	9.0%	5.9%	0.7%
Directional Hedge Funds	4.0%	3.2%	0.1%
Private Equity	13.0%	7.0%	1.1%
<b>Stable Value</b>			
U.S. Treasuries	11.0%	0.7%	0.1%
Absolute Return	0.0%	1.8%	0.0%
Stable Value Hedge Funds	4.0%	3.0%	0.1%
Cash	1.0%	-0.2%	0.0%
<b>Real Return</b>			
Global Inflation Linked Bonds	3.0%	0.9%	0.0%
Real Assets	16.0%	5.1%	1.1%
Energy and Natural Resources	3.0%	6.6%	0.2%
Commodities	0.0%	1.2%	0.0%
<b>Risk Parity</b>			
Risk Parity	5.0%	6.7%	0.3%
Inflation Expectation			2.2%
Alpha			1.0%
<b>Total</b>	<u>100%</u>		<u>8.7%</u>

\*The expected contributions to returns incorporate the volatility drag resulting from the conversion between arithmetic and geometric mean returns.

Source: Teacher Retirement System of Texas 2014 Comprehensive Annual Financial Report

*Discount Rate Sensitivity Analysis.* The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (8%) in measuring the 2014 Net Pension Liability.

	1% Decrease in Discount Rate (7.0%)	Discount Rate (8%)	1% Increase in Discount Rate (9.0%)
College's proportionate share of the net pension liability:	\$3,290,188	\$1,841,242	\$757,700

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At August 31, 2015, the College reported liability of \$1,841,242 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	\$1,841,242
State's proportionate share that is associated with the College	<u>1,221,088</u>
Total	\$3,062,330

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**Notes to the Basic Financial Statements**  
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The net pension liability was measured as of August 31, 2014 and the total pension liability used to calculate the net position liability was determined by an actuarial valuation as of that date. 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, 2013 thru August 31, 2014.

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

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

There was a change in employer contribution requirements that occurred after the measurement date of the net pension liability and the employer's reporting date. A 1.5% contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees went into law effective 09/01/2014. The amount of the expected resultant change in the employer's proportion cannot be determined at this time.

For the year ended August 31, 2015, the College recognized pension expense of \$112,887 and revenue of \$112,887 for support provided by the State.

At August 31, 2015, the College reported its proportion share of the TRS' deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	\$ 28,475	
Changes in actuarial assumptions	119,683	
Difference between projected and actual investment earnings		562,759
Changes in proportion and difference between the employer's contribution and the proportionate share of contributions		483
Contributions paid to TRS subsequent to the measurement date	200,325	
<b>Total</b>	<b>\$348,483</b>	<b>\$563,242</b>

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

Year ended August 31:	Pension Expense Amount
2016	(\$115,777)
2017	(\$115,777)
2018	(\$115,777)
2019	(\$115,777)
2020	\$24,913
Thereafter	\$23,111

**Western Texas College**  
**Notes to the Basic Financial Statements**  
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**Optional Retirement Plan - Defined Contribution Plan**

*Plan Description.* Participation in the Optional Retirement Program is in lieu of participation in the Teacher Retirement System. 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 and each participant are 6.60% and 6.65% for 2015 and 2014. The College contributes 7.31% for employees who were participating in the Optional Retirement Program prior to September 1, 1995. 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. S.B. 1812, effective September 01, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

The retirement expense to the State for the College was \$187,385 and \$190,061 for the fiscal years ended August 31, 2015 and 2014, respectively. This amount represents the portion of expended appropriations made by the State Legislature on behalf of the College.

The total payroll for all College employees was \$7,484,604 and \$7,231,876 for fiscal years 2015 and 2014, respectively. The total payroll of employees covered by the Teacher Retirement System was \$4,743,951 and \$4,251,739 and the total payroll of employees covered by the Optional Retirement Program was \$2,128,657 and \$2,177,257 for fiscal years 2015 and 2014, respectively.

**11. 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 Government Code 609.001. The College currently has no employees participating.

**12. Compensated Absences**

Full-time employees earn annual leave from eight to twelve hours per month depending on the number of years employed with the College. The College's policy is that an employee may carry their accrued leave forward from one fiscal year to another fiscal year with a maximum number of hours up to 240 for those employees with 16 or more years of service. Employees with at least six 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 amounts of \$208,077 and \$216,901 for 2015 and 2014. Sick leave, which can accumulate up to 60 days, is earned at the rate of 8 hours per month per full time employee. The College's policy is to recognize the cost of sick leave when paid. The liability is not shown in the financial statements since experience indicates the expenditure for sick leave to be minimal.

**13. Healthcare and Life Benefits for Active Employees and Retirees**

Certain healthcare and life insurance benefits for active full-time 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. In addition to pension benefits, the state provides certain healthcare and life insurance benefits to retired employees. The healthcare and life insurance benefit plans for both active full-time and retired employees is administered by the Employee Retirement System (ERS). The state's contribution per full-time employee and retiree was \$537.66 per month for the year ended August 31, 2015 (\$503.14 per month for the year ended August 31, 2014) and totaled \$645,084 for 2015 (\$409,728 for active full-time employees and

**Western Texas College**  
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\$235,356 for retirees). The total state contribution for fiscal year 2014 was \$601,028 (\$384,954 for active full-time employees and \$216,074 for retirees). The College's cost of providing those benefits for 62 retirees in fiscal year 2015 was \$242,712 (benefits for 61 retirees cost \$239,361 for fiscal year 2014). For 149 active full-time employees, the cost of providing benefits was \$705,554 for fiscal year 2015 (active full-time employee benefits for 154 employees cost \$599,471 for fiscal year 2014). S.B 1812, effective September 01, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

**14. Pending Lawsuits and Claims**

The College could be a party to litigation and claims in the ordinary course of its operations. Since it is not possible to predict the ultimate outcome of these matters, no provision for any liability has been made in the financial statements. College management is of the opinion that the liability, if any, for any of these matters will not have a material adverse effect on the financial position of the College.

**15. Disaggregation of Receivables and Payables Balances**

Receivables at August 31, 2015 and 2014 are as follows:

	2015	2014
Accounts Receivable	\$1,665,944	\$1,539,577
Student Receivables	952,744	1,010,578
Allowance for Doubtful Accounts	(80,000)	(80,000)
Taxes Receivable	161,422	154,421
Other Receivables	14,619	7,786
Total	<u>\$2,714,729</u>	<u>\$2,632,362</u>

Payables at August 31, 2015 and 2014 are as follows:

	2015	2014
Vendor Payables	\$340,473	\$332,667
Accrued Payroll	279,806	238,002
Accrued Other	66,327	70,842
Total	<u>\$686,606</u>	<u>\$641,511</u>

**16. Contract and Grant Awards**

Contract and grant awards are accounted for in accordance with the requirements of the AICPA Industry Audit Guide, *Audits of Colleges and Universities*. Revenues are recognized on Exhibit 2, Schedule A, and Schedule C. For federal contract and grant awards, funds expended, but not collected, are reported as Federal Receivables on Exhibit 1. Non-federal contract and grant awards for which funds are expended, but not collected, are reported as Accounts Receivable on Exhibit 1. Contract and grant awards that are not yet funded and for which the institution 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 year 2015 and 2014 for which monies have not been received nor funds expended totaled \$1,979,112 and \$4,037,682. Of these amounts, \$1,893,849 and \$3,833,432 were from Federal Contract and Grant Awards in 2015 and 2014 respectively; \$85,263 and \$204,250 was from State Contract and Grant Awards in 2015 and 2014 respectively.

**Western Texas College**  
**Notes to the Basic Financial Statements**  
**August 31, 2015 and 2014**

**17. Risk Management**

The College is exposed to various risks of loss related to liability, property, and errors and omissions. These exposures to loss are handled by commercial insurance. The College has self-insured arrangements for coverage in the areas of unemployment compensation and workers' compensation. Unemployment compensation is on a pay-as-you-go basis and workers' compensation is handled by a risk management fund which specializes in handling colleges and school district workers' compensation claims. Accrued liabilities are generally based on actuarial valuation and represent the present value of unpaid expected claims. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage.

**18. Ad Valorem Tax**

The District's ad valorem property 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 the District. At August 31, 2015 and 2014:

	2015	2014
Assessed Valuation of the District	\$3,766,387,586	\$3,518,250,453
Less: Exemptions	66,372,678	39,996,633
Less: Abatements		
Net Assessed Valuation of the District	\$3,700,014,908	\$3,478,253,820

	2015			2014		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Authorized Tax Rate per \$100 valuation (Maximum per enabling legislation)	\$0.3500		\$0.3500	\$0.3500		\$0.3500
Assessed Tax Rate per \$100 valuation	\$0.2457		\$0.2457	\$0.2500		\$0.2500

Taxes levied for the year ended August 31, 2015 and 2014 was \$9,119,098 and \$8,621,889 (which includes any penalty and interest assessed, if applicable). 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.

**Western Texas College**  
**Notes to the Basic Financial Statements**  
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	2015			2014		
	Current Operations	Debt Service	Total	Current Operations	Debt Service	Total
Current Taxes Collected	\$8,858,827		\$8,858,827	\$8,347,659		\$8,347,659
Delinquent Taxes Collected	64,880		64,880	51,342		51,342
Penalties and Interest Collected	50,023		50,023	53,065		53,065
<b>Total Collections</b>	<b>\$8,973,730</b>		<b>\$8,973,730</b>	<b>\$8,452,066</b>		<b>\$8,452,066</b>

Tax collections for the year ended August 31, 2015 and 2014 were 97.1% and 96.8% of the actual tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or general obligation debt service.

**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, 2015 and 2014.

**20. Component Unit**

Western Texas College Foundation was established as a separate nonprofit organization in 1977, to raise funds to provide student scholarships and assistance in the development and growth of the College. Under Governmental Standards Board Statement No. 61, an organization should be reported as a blended component unit when the government unit appoints a majority of the board members and imposes its will on the activities of the organization.

Accordingly, the Foundation financial statements are included in the College's annual report as a blended component unit. Complete financial statements of Western Texas College Foundation can be obtained from the administrative office of Western Texas College.

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Western Texas College  
Schedule of the College's Share of Net Pension Liability  
For the Year Ended August 31, 2015

Fiscal Year Ending August 31, *	2015**
Total TRS' pension liability	\$159,496,075,886
TRS' net position	(132,779,243,085)
TRS' net pension liability	<u>\$ 26,716,832,801</u>
TRS net position as percentage of total pension liability	83.25%
College's proportionate share of collective net pension liability (%)	0.000068931
College's proportionate share of collective net position liability (\$)	\$1,841,242
Portion of State's total proportionate share of NPL associated with College	\$1,221,088
Total	\$3,062,330
College's covered payroll amount	\$4,253,217
Ratio of College's proportionate share of collective NPL/College's covered payroll amount	43.29%

*\*The amounts presented above are as of the measurement date (August 31, 2014) of the collective net pension liability*

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



Western Texas College  
 Schedule of the College's Contributions  
 For the Year Ended August 31, 2015

Fiscal Year Ending August 31, *	2015**
Legally required contributions	\$ 200,325
Actual contributions	<u>200,325</u>
Contributions deficiency (excess)	<u>\$</u>
College's covered payroll amount	\$4,743 ,951
Ratio of actual contributions/Colleges covered payroll amount	4.22%

*\*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.*

**Western Texas College**  
**Schedule of Operating Revenues**  
**For the Year Ended August 31, 2015**  
**(With Memorandum Totals for the Year Ended August 31, 2014)**  
**Schedule A**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	2015 Total	2014 Total
<b>Tuition</b>						
State funded courses:						
In-district resident tuition	\$986,784		\$986,784		\$986,784	\$995,522
Out-of-district resident tuition	1,604,163		1,604,163		1,604,163	1,496,232
TPEG (set aside)*	118,189		118,189		118,189	122,175
Non-resident tuition	471,070		471,070		471,070	427,462
Non-state funded educational programs	47,409		47,409		47,409	51,906
Total Tuition	<u>3,227,615</u>		<u>3,227,615</u>		<u>3,227,615</u>	<u>3,093,297</u>
<b>Fees</b>						
Building use fee	63,523		63,523		63,523	60,119
Student service fee	44,022			190,174	234,196	233,647
Laboratory fee	150,797		150,797		150,797	145,387
VCT fee	87,200		87,200		87,200	75,800
Installment fee	1,890		1,890		1,890	1,840
General Use Fee	611,501		611,501		611,501	592,395
Adult vocational fee	5,235		5,235		5,235	1,223
Other fees	486,118		486,118		486,118	453,340
Total Fees	<u>1,450,286</u>		<u>1,450,286</u>	190,174	<u>1,640,460</u>	<u>1,563,751</u>
<b>Allowances and Discounts</b>						
Scholarship allowances	(530,328)		(530,328)		(530,328)	(507,867)
Remissions and exemptions	(422,420)		(422,420)		(422,420)	(414,046)
TPEG allowances	(62,583)		(62,583)		(62,583)	(80,535)
Federal grants to students	(714,189)		(714,189)		(714,189)	(796,586)
State grants to students	(3,273)		(3,273)		(3,273)	(10)
Total Allowances and Discounts	<u>(1,732,793)</u>		<u>(1,732,793)</u>		<u>(1,732,793)</u>	<u>(1,799,044)</u>
Total Net Tuition and Fees	<u>2,945,108</u>		<u>2,945,108</u>	190,174	<u>3,135,282</u>	<u>2,858,004</u>
<b>Additional Operating Revenues</b>						
Federal grants and contracts		2,082,035	2,082,035		2,082,035	2,088,745
State grants and contracts		254,507	254,507		254,507	196,907
Sales and services of educational activities	21,908		21,908		21,908	18,265
Investment income (program restricted)		2,299	2,299		2,299	18,796
Other operating revenues	16,016	30,564	46,580		46,580	40,792
Total Additional Operating Revenues	<u>37,924</u>	<u>2,369,405</u>	<u>2,407,329</u>		<u>2,407,329</u>	<u>2,363,505</u>
<b>Auxiliary Enterprises</b>						
Residential life					911,396	911,396
Bookstore					33,123	33,123
Golf course					211,176	211,176
Food service					591,341	591,341
Athletics					23,460	23,460
Apartments					19,587	19,587
Coliseum					259,858	259,858
Total Net Auxiliary Enterprises					<u>2,049,941</u>	<u>2,049,941</u>
<b>Total Operating Revenues</b>		<u>\$2,983,032</u>	<u>\$2,369,405</u>	<u>\$5,352,437</u>	<u>\$2,240,115</u>	<u>\$7,592,552</u>

(Exhibit 2)

\* In accordance with Education Code 56.033, \$118,189 and \$122,175 for years August 31, 2015 and 2014, respectively, was set aside for Texas Public Education Grants

Western Texas College  
Schedule of Operating Expenses by Object  
Year Ended August 31, 2015 (with Memorandum Totals for the Year Ended August 31, 2014)  
Schedule B

	Operating Expenses			2015 Total	2014 Total	
	Salaries and Wages	Benefits				Other Expenses
		State	Local			
<b>Unrestricted - Educational Activities</b>						
Instruction	\$2,935,220		\$82,147	\$254,913	\$3,272,280	\$3,226,649
Public Service			15,953	12,628	28,581	34,826
Academic Support	437,285		15,057	259,407	711,749	517,750
Student Services	634,625		17,197	68,872	720,694	641,811
Institutional Support	1,325,145		40,616	1,472,304	2,838,065	2,845,089
Operation and Maintenance of Plant	142,730		40,503	2,518,101	2,701,334	2,640,521
Scholarships and Fellowships				576,214	576,214	585,181
<b>Total Unrestricted Educational Activities</b>	<b>5,475,005</b>		<b>211,473</b>	<b>5,162,439</b>	<b>10,848,917</b>	<b>10,491,827</b>
<b>Restricted - Educational Activities</b>						
Instruction	6,902	491,293			498,195	528,741
Public Service	863,761		207,641	547,673	1,619,075	1,627,535
Academic Support	13,593	74,094			87,687	79,101
Student Services	4,742	143,202			147,944	147,354
Institutional Support	1,947	715,506			717,453	722,367
Scholarships and Fellowships				1,583,317	1,583,317	1,687,422
<b>Total Restricted Educational Activities</b>	<b>890,945</b>	<b>1,424,095</b>	<b>207,641</b>	<b>2,130,990</b>	<b>4,653,671</b>	<b>4,792,520</b>
<b>Total Educational Activities</b>	<b>6,365,950</b>	<b>1,424,095</b>	<b>419,114</b>	<b>7,293,429</b>	<b>15,502,588</b>	<b>15,284,347</b>
<b>Auxiliary Enterprises</b>	<b>1,118,654</b>		<b>296,184</b>	<b>1,649,799</b>	<b>3,064,637</b>	<b>2,870,236</b>
Depreciation Expense-Buildings and Improvements				564,414	564,414	562,203
Depreciation Expense-Equipment and Furniture				458,388	458,388	422,283
<b>Total Operating Expenses</b>	<b>\$7,484,604</b>	<b>\$1,424,095</b>	<b>\$715,298</b>	<b>\$9,966,030</b>	<b>\$19,590,027</b>	<b>\$19,139,069</b>
				(Exh1b1t 2)	(Exh1b1t 2)	

**Western Texas College**  
**Schedule of Non-Operating Revenues and Expenses**  
**For the Year Ended August 31, 2015 (with Memorandum Totals for the Year Ended August 31, 2014)**  
**Schedule C**

	Unrestricted	Restricted	Auxiliary Enterprises	2015 Total	2014 Total
<b>Non-Operating Revenues:</b>					
State Appropriations:					
Education and general state support	\$3,920,992			\$3,920,992	\$3,938,521
State group insurance		645,084		645,084	601,028
State retirement matching		187,385		187,385	
<u>186,353</u>					
Total state appropriations	<u>3,920,992</u>	<u>832,469</u>		<u>4,753,461</u>	<u>4,725</u>
<u>.902</u> Other Non-Operating Revenues:					
Ad valorem taxes	8,973,730			8,973,730	8,452,066
Federal Revenue, Non-Operating		2,196,668		2,196,668	2,406,214
Gifts	97,745			97,745	85,902
Investment Income	57,600	117,384		174,984	127,349
Gain (loss) on sale of investments, realized		186,260		186,260	(8,241)
Gain (loss) on investments, unrealized		(393,601)		(393,601)	342,957
Additions (deletions) to permanent and term endowment		63,588		63,588	59,009
Contributions in aid of construction		63,775		63,775	9,195
Other Non-Operating revenue	312,927			312,927	370,078
Total Other Non-Operating Revenues	<u>9,442,002</u>	<u>2,234,074</u>		<u>11,676,076</u>	<u>11,844,529</u>
Total Non-Operating Revenues	<u>13,362,994</u>	<u>3,066,543</u>		<u>16,429,537</u>	<u>16,570,431</u>
<b>Non-Operating Expenses:</b>					
Interest on capital related debt	(888,678)			(888,678)	(635,574)
Debt Issuance Cost					(335,684)
Gain (loss) on disposal of capital assets	8,226			8,226	(88,157)
Total Non-Operating Expenses	<u>(880,452)</u>			<u>(880,452)</u>	<u>(1,059,415)</u>
<b>Net Non-Operating Revenues</b>	<u>\$12,482,542</u>	<u>\$3,066,543</u>		<u>\$15,549,085</u>	<u>\$ 15,511,016</u>
				(Exhibit 2)	(Exhibit 2)

Western Texas College  
 Schedule of Net Position by Source and Availability  
 For the Year Ended August 31, 2015 (with Memorandum Totals for the Year Ended August 31, 2014)  
 Schedule D

	Detail by Source				Available for Current Operations!		
	Unrestricted	Restricted		Capital Assets Net of Depreciation & Related Debt	Total	Yes	No
		Expendable	Non-Expendable				
<b>Current:</b>							
Unrestricted	\$999,680				\$999,680	\$999,680	
Board Designated							
Restricted		295,992			295,992	295,992	
<b>Auxiliary enterprises</b>	1,213,072				1,213,072	1,213,072	
Loan		368,389			368,389		368,389
Endowment:							
<b>Quasi:</b>							
Unrestricted		90,268			90,268	90,268	
Restricted			4,058,944		4,058,944		4,058,944
Endowment							
True							
Term (per instructions at maturity)							
Life Income Contracts							
<b>Annuities</b>							
Plant:							
Unexpended							
<b>Renewals</b>							
Debt Service		4,539,950			4,539,950		4,539,950
Investment in Plant				12,763,035	12,763,035		12,763,035
<b>Total Net Position, August 31, 2015</b>	2,212,752	5,294,599	4,058,944	12,763,035	24,329,330	2,599,012	21,730,318
					(Exhibit 1)		
<b>Total Net Position, August 31, 2014</b>	3,214,685	4,286,927	4,132,074	11,230,170	22,863,856	3,579,182	19,284,674
					(Exhibit 1)		
<b>Prior Period Adjustment (Note 2)</b>	(2,086,136)				(2,086,136)	(2,086,136)	
<b>Net Increase (Decrease) in Net Position</b>	<del>1,098,200</del>	<del>1,007,672</del>	<del>(\$73,130)</del>	<del>1,532,865</del>	<del>3,551,610</del>	<del>1,059,666</del>	<del>2,445,644</del>
					(Exhibit 2)		

**Western Texas College**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended August 31, 2015**  
**Schedule E**

Federal Grantor/Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures and Pass-Through Disbursements
<b>U.S. Department of Labor</b>			
Pass-Through From:			
Colorado City ISO			
Youth Build	17.274		\$2,536
<b>Total U.S. Department of Labor</b>			<u>2,536</u>
<b>U.S. Department of Education</b>			
Direct Programs:			
Federal Supplemental Educational Opportunity Grants	84.007		19,324
Federal Work-Study Program	84.033		27,183
Federal Pell Grant Program	84.063		1,402,699
Federal Direct Student Loans	84.268		747,461
Subtotal			<u>2,196,667</u>
TRIO-Student Support Services	84.042		259,419
TRIO-Talent Search	84.044		233,537
TRIO-Upward Bound	84.047		251,181
Subtotal			<u>744,137</u>
Higher Education Institutional Aid - STEM	84.031C		859,571
Higher Education Institutional Aid - Title V	84.031S		423,088
Subtotal			<u>1,282,659</u>
Pass-Through From:			
Texas Higher Education Coordinating Board			
Career and Technical Education - Basic Grants to States	84.048	154273	52,704
<b>Total U.S. Department of Education</b>			<u>4,276,167</u>
<b>Total Federal Financial Assistance</b>			<u>\$4,278,703</u>
<b>Note 1: Federal Assistance Reconciliation</b>			
Federal Grants and Contracts Revenue - per Schedule A			\$2,082,035
Non-Operating Federal Revenue - per Schedule C			2,196,668
			<u>\$4,278,703</u>

**Note 2: Significant Accounting Policies used in Preparing 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 which have been expended by the college for the purpose 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.

**Note 3: Student Loans Processed and Administrative Cost 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	\$747,461		<u>\$747,461</u>

Western Texas College  
Schedule of Expenditures of State Awards  
For the Year Ended August 31, 2015  
Schedule F

Grantor Agency/Program Title	Contract Number	Expenditures
<b><u>Texas Higher Education Coordinating Board</u></b>		
Direct Programs:		
Texas Grants		\$47,449
<b>Total Texas Higher Education Coordinating Board</b>		<u>47,449</u>
<b><u>Texas Comptroller of Public Accounts</u></b>		
Direct Programs:		
Jobs and Education for Texans (JET) Grant - Round 8	5464-01	187,027
<b>Total Texas Comptroller of Public Accounts</b>		<u>187,027</u>
<b><u>Texas Workforce Commission</u></b>		
Pass Through From:		
Skills Development Fund 2015		
Skills for Small Business	0915SSD001	1,145
Region XIV Education Service Center		
Child Care		<u>17,232</u>
<b>Total Texas Workforce Commission</b>		<u>18,377</u>
<b>Total State Financial Assistance</b>		<u>\$252,853</u>

**Note 1: State Assistance Reconciliation**

State Revenues - per Schedule A		\$254,507
Reconciling Items:		
State Financial Assistance		
Jobs and Education for Texans (JET) Grant Round 8 - Matching Funds		9,333
Region XIV Education Service Center Child Care - Prior Year Funding		<u>(10,987)</u>
		<u>\$252,853</u>

**Note 2: Significant Accounting Policies used in Preparing Schedule**

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



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# MAY & HRBACEK, LLP

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

To the Board of Trustees  
Western Texas College  
Snyder, TX

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Western Texas College, as of and for the year ended August 31, 2015, and the related notes to the financial statements, which collectively comprise Western Texas College's basic financial statements, and have issued our report thereon dated December 14, 2015

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Western Texas 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 Western Texas College's internal control. Accordingly, we do not express an opinion on the effectiveness of Western Texas 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 Western Texas College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

### **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.

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May Hrbacek, LLP  
December 14, 2015

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Trustees  
Western Texas College  
Snyder, TX

**Report on Compliance for Each Major Federal Program**

We have audited Western Texas College's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Western Texas College's major federal programs for the year ended August 31, 2015. Western Texas College's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Western Texas 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Western Texas 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 Western Texas College's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Western Texas 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, 2015.

**Report on Internal Control Over Compliance**

Management of Western Texas 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 Western Texas 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 OMB Circular A-133, 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 Western Texas 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

***JU I - P***

May (Hrbacek, LLP  
December 14, 2015



Western Texas College  
Summary Schedule of Prior Audit Findings  
Federal Awards  
For the Year Ended August 31, 2015

There were no findings or questioned costs noted in the prior year relative to Federal awards.

Western Texas College  
 Statistical Supplement 1  
 Net Position by Component  
 Fiscal Years 2006 to 2015  
 (unaudited)

For the Fiscal Year Ended August 31,

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net Investment in Capital Assets	\$12,763,035	\$11,230,170	\$10,784,094	\$10,555,927	\$10,263,912	\$8,834,459	\$9,916,283	\$9,498,157	\$5,253,222	\$5,436,236
Restricted- expendable	5,294,599	4,286,927	2,286,539	2,116,665	1,864,173	3,045,612	3,442,910	3,034,515	2,654,149	2,148,922
Restricted- nonexpendable	4,058,944	4,132,074	3,748,870	3,095,828	2,832,664	2,556,196				
Unrestricted	2,212,752	1,128,549	2,418,292	1,219,328	(261,116)	(875,981)	(584,615)	107,405	61,553	(402,847)
<b>Total Primary Government Net Position</b>	<b>\$24,329,330</b>	<b>\$20,777,720</b>	<b>\$19,237,795</b>	<b>\$16,987,748</b>	<b>\$14,699,633</b>	<b>\$13,560,286</b>	<b>\$12,774,578</b>	<b>\$12,640,077</b>	<b>\$7,968,924</b>	<b>\$7,182,311</b>



Western Texas College  
Statistical Supplement 2  
Revenues by Source  
Fiscal Years 2006 to 2015  
(unaudited)

	For the Year Ended August 31,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Tuition and Fees (Net of Discounts)	\$3,135,282	\$2,858,004	\$3,268,729	\$2,951,458	\$2,643,162	\$2,758,218	\$2,685,383	\$2,211,612	\$2,087,627	\$1,728,836
<b>Governmental Grants and Contracts</b>										
Federal Grants and Contracts	2,082,035	2,088,745	2,750,086	2,622,140	2,031,708	2,068,475	2,060,051	1,792,789	2,461,319	1,813,172
State Grants and Contracts	254,507	196,907	42,867	74,611	121,735	634,934	636,195	138,029	126,722	122,501
<b>Non-Governmental Grants and Contracts</b>					67,291	158,386	158,757	159,070	163,304	175,684
Sales and services of educational activities	21,908	18,265	11,018	18,025	19,409	26,074	17,463	18,174	30,310	23,271
Auxiliary enterprises	2,049,941	2,032,605	1,954,674	2,269,415	2,303,751	1,947,698	1,720,959	1,470,065	1,114,815	692,932
Other Operating Revenues	48,879	59,588	48,514	136,202	118,956	107,496	142,104	125,546	96,851	85,968
<b>Total Operating Revenues</b>	<b>7,592,552</b>	<b>7,254,114</b>	<b>8,075,888</b>	<b>8,071,851</b>	<b>7,306,012</b>	<b>7,701,281</b>	<b>7,420,912</b>	<b>5,915,285</b>	<b>6,080,948</b>	<b>4,642,364</b>
State Appropriations	4,753,461	4,725,902	4,219,625	4,412,712	4,847,314	4,910,633	4,074,218	3,957,140	3,657,064	3,522,108
Ad Valorem Taxes	8,973,730	8,452,066	6,194,971	5,686,282	4,066,974	3,792,196	3,515,940	3,330,031	3,115,109	2,860,178
<b>Federal Revenue</b>	<b>2,196,668</b>	<b>2,406,214</b>	<b>2,751,122</b>	<b>3,084,048</b>	<b>2,884,637</b>	<b>2,596,141</b>	<b>1,430,656</b>	<b>1,225,843</b>		
Gifts	97,745	85,902	80,614	570,821	117,230	165,568	788,105	4,617,648	324,558	277,658
Investment income	361,244	119,108	88,488	49,273	40,384	32,474	23,592	50,571	125,596	83,440
Other non-operating revenues	46,689	781,239	1,110,159	294,242	1,396,648	859,868	242,286	348,629	496,325	147,869
<b>Total Non-Operating Revenues</b>	<b>16,429,537</b>	<b>16,570,431</b>	<b>14,444,979</b>	<b>14,097,378</b>	<b>13,353,187</b>	<b>12,356,880</b>	<b>10,074,797</b>	<b>13,529,862</b>	<b>7,718,652</b>	<b>6,891,253</b>
<b>Total Revenues</b>	<b>\$24,022,089</b>	<b>\$23,824,545</b>	<b>\$22,520,867</b>	<b>\$22,169,229</b>	<b>\$20,659,199</b>	<b>\$20,058,161</b>	<b>\$17,495,709</b>	<b>\$19,445,147</b>	<b>\$13,799,600</b>	<b>\$11,533,617</b>

	For the Year Ended August 31,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Tuition and Fees (Net of Discounts)	13.05%	12.00%	14.51%	13.31%	12.79%	13.75%	15.35%	11.37%	15.13%	14.99%
<b>Governmental Grants and Contracts</b>										
Federal Grants and Contracts	8.67%	8.77%	12.21%	11.83%	9.83%	10.31%	11.77%	9.22%	17.84%	15.72%
State Grants and Contracts	1.06%	0.83%	0.19%	0.34%	0.59%	3.17%	3.64%	0.71%	0.92%	1.06%
<b>Non-Governmental Grants and Contracts</b>					0.33%	0.79%	0.91%	0.82%	1.18%	1.52%
Sales and services of educational activities	0.09%	0.08%	0.05%	0.08%	0.09%	<b>0.13%</b>	0.10%	0.09%	<b>0.22%</b>	0.20%
Auxiliary enterprises	8.53%	8.53%	8.68%	10.24%	11.15%	<b>9.71%</b>	<b>9.84%</b>	<b>7.56%</b>	8.08%	<b>6.01%</b>
Other Operating Revenues	0.20%	0.25%	0.22%	0.61%	0.58%	0.54%	0.81%	0.65%	0.70%	0.75%
<b>Total Operating Revenues</b>	<b>31.61%</b>	<b>30.45%</b>	<b>35.86%</b>	<b>36.41%</b>	<b>35.36%</b>	<b>38.39%</b>	<b>42.42%</b>	<b>30.42%</b>	<b>44.07%</b>	<b>40.25%</b>
State Appropriations	19.79%	19.84%	18.74%	19.90%	23.46%	24.48%	23.29%	20.35%	26.50%	30.54%
Ad Valorem Taxes	37.36%	35.48%	27.51%	25.65%	19.69%	18.91%	20.10%	17.13%	22.57%	24.80%
<b>Federal Revenue</b>	<b>9.14%</b>	<b>10.10%</b>	<b>12.22%</b>	<b>13.91%</b>	<b>13.96%</b>	<b>12.94%</b>	<b>8.18%</b>			
Gifts	<b>0.41%</b>	0.36%	0.36%	<b>2.57%</b>	<b>0.57%</b>	0.83%	<b>4.50%</b>	23.75%	<b>2.35%</b>	<b>2.41%</b>
Investment income	<b>1.50%</b>	0.50%	0.39%	0.22%	0.20%	0.16%	0.13%	0.26%	0.91%	<b>0.72%</b>
Other non-operating revenues	0.19%	3.28%	4.93%	1.33%	<b>6.76%</b>	4.29%	1.38%	1.79%	3.60%	1.28%
<b>Total Non-Operating Revenues</b>	<b>68.39%</b>	<b>69.55%</b>	<b>64.14%</b>	<b>63.59%</b>	<b>64.64%</b>	<b>61.61%</b>	<b>57.58%</b>	<b>63.28%</b>	<b>55.93%</b>	<b>59.75%</b>
<b>Total Revenues</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>93.70%</b>	<b>100.00%</b>	<b>100.00%</b>

Western Texas College  
**Statistical Supplement 3**  
**Program Expenses by Function**  
Fiscal Years 2006 to 2015  
(unaudited)

	For the Year Ended August 31,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Instruction</b>	\$3,770,475	\$3,755,390	\$3,765,744	\$3,658,884	\$3,659,404	\$3,758,781	\$3,433,714	\$3,307,116	\$2,886,462	\$2,762,012
Research										
<b>Public service</b>	1,647,656	1,662,361	1,776,719	2,146,940	2,279,847	2,548,756	2,770,107	2,144,244	1,748,603	1,487,856
Academic support	799,436	596,851	706,820	682,048	702,446	715,344	772,199	854,177	647,620	567,670
Student services	868,638	789,165	805,075	717,843	652,898	582,080	493,645	458,218	443,108	436,785
Institutional support	3,555,518	5,653,592	3,238,108	3,174,204	2,987,584	2,911,828	2,656,495	2,405,104	2,193,025	2,049,346
<b>Operation and maintenance of plant</b>	2,701,334	2,640,521	3,147,185	2,849,410	2,586,507	2,568,276	2,132,428	1,865,428	1,842,464	1,779,858
Scholarships and fellowships	2,159,531	2,272,603	2,525,044	2,624,492	2,616,780	2,371,791	1,430,639	834,025	783,673	516,783
Auxiliary enterprises	3,064,637	2,870,236	2,646,286	2,624,959	2,759,735	2,794,255	2,649,700	2,061,617	1,780,836	1,316,691
<b>Depreciation</b>	1,022,802	984,486	919,984	852,729	736,083	498,254	709,162	569,976	488,960	462,357
<b>Total Operating Expenses</b>	<b>19,590,027</b>	<b>21,225,205</b>	<b>19,530,965</b>	<b>19,331,509</b>	<b>18,981,284</b>	<b>18,749,365</b>	<b>17,048,089</b>	<b>14,499,905</b>	<b>12,814,751</b>	<b>11,379,358</b>
Interest on capital related debt	888,678	635,574	451,198	518,876	538,568	508,447	240,462	224,969	198,236	251,774
<b>Debt issuance cost</b>	0	335,684								
Loss on disposal of fixed assets	(8,226)	88,157	22,367	30,729		14,641	72,657	49,120		13,814
<b>Total Non-Operating Expenses</b>	<b>880,452</b>	<b>1,059,415</b>	<b>473,565</b>	<b>549,605</b>	<b>538,568</b>	<b>523,088</b>	<b>313,119</b>	<b>274,089</b>	<b>198,236</b>	<b>265,588</b>
<b>Total Expenses</b>	<b>\$20,470,479</b>	<b>\$22,284,620</b>	<b>\$20,004,530</b>	<b>\$19,881,114</b>	<b>\$19,519,852</b>	<b>\$19,272,453</b>	<b>\$17,361,208</b>	<b>\$14,773,994</b>	<b>\$13,012,987</b>	<b>\$11,644,946</b>

	For the Year Ended August 31,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Instruction</b>	18.42%	16.85%	18.82%	18.40%	18.75%	19.50%	19.78%	22.38%	22.18%	23.72%
Research										
<b>Public service</b>	8.05%	7.46%	8.88%	10.80%	11.68%	13.22%	15.96%	14.51%	13.44%	12.78%
Academic support	3.91%	2.68%	3.53%	3.43%	3.60%	3.71%	4.45%	<b>5.78%</b>	4.98%	4.87%
Student services	<b>4.24%</b>	3.54%	4.02%	3.61%	<b>3.34%</b>	3.02%	<b>2.84%</b>	<b>3.10%</b>	<b>3.41%</b>	<b>3.75%</b>
Institutional support	17.37%	25.37%	16.19%	15.97%	15.31%	15.11%	15.30%	16.28%	16.85%	17.60%
<b>Operation and maintenance of plant</b>	13.20%	11.85%	15.73%	14.33%	13.25%	13.33%	12.28%	12.63%	14.16%	15.28%
Scholarships and fellowships	10.55%	10.20%	12.62%	13.20%	13.41%	12.31%	8.24%	5.65%	6.02%	4.44%
Auxiliary enterprises	14.97%	12.88%	13.23%	13.20%	14.14%	14.50%	15.26%	13.95%	13.69%	11.31%
<b>Depreciation</b>	5.00%	<b>4.42%</b>	<b>4.60%</b>	4.29%	3.77%	2.59%	4.08%	3.86%	3.76%	<b>3.97%</b>
<b>Total Operating Expenses</b>	<b>95.70%</b>	<b>95.25%</b>	<b>97.63%</b>	<b>97.24%</b>	<b>97.24%</b>	<b>97.29%</b>	<b>98.20%</b>	<b>98.14%</b>	<b>98.48%</b>	<b>97.72%</b>
Interest on capital related debt	<b>4.34%</b>	<b>2.85%</b>	2.26%	<b>2.61%</b>	<b>2.76%</b>	<b>2.64%</b>	<b>1.39%</b>	<b>1.52%</b>	<b>1.52%</b>	<b>2.16%</b>
<b>Debt issuance cost</b>	0.00%	1.51%								
Loss on disposal of fixed assets	-0.04%	<b>0.40%</b>	<b>0.11%</b>	<b>0.15%</b>		0.08%	0.42%	0.33%		0.12%
<b>Total Non-Operating Expenses</b>	<b>4.30%</b>	<b>4.75%</b>	<b>2.37%</b>	<b>2.76%</b>	<b>2.76%</b>	<b>2.71%</b>	<b>1.80%</b>	<b>1.86%</b>	<b>1.52%</b>	<b>2.28%</b>
<b>Total Expenses</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Resident Fees per Semester Credit Hour (SCH)										
Academic Year (Fall)	Registration Fee (per hour)	In-District Tuition	Out-of-District Tuition	Building Use Fee	Student Activity Fee	Technology Fee	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District
2014	25	52	81	2			948	1,296	0.00%	0.00%
2013	25	52	81	2			948	1,296	0.00%	3.80%
2012	25	52	77	2			948	1,248	0.00%	4.00%
2011	25	52	73	2			948	1,200	8.20%	11.11%
2010	20	51	68				876	1,080	5.80%	8.73%
2009	20	47	61				828	996	4.55%	3.75%
2008	20	44	58				792	960	8.20%	17.65%
2007	20	39	46				732	816	5.17%	6.25%
2006	20	36	42				696	768	13.91%	14.46%
2005	16 per hour + 10	33	38				611	671	6.45%	5.84%

Non-Resident Fees per Semester Credit Hour (SCH)										
Academic Year (Fall)	Registration Fee (per hour)	Non-Resident Tuition Out of State	Non-Resident Tuition International	Building Use Fee	Student Activity Fee	Technology Fee	Cost for 12 SCH Out-of State	Cost for 12 SCH International	Increase from Prior Year Out of State	Increase from Prior Year International
2014	25	118	118	2			1,740	1,740	0.00%	0.00%
2013	25	118	118	2			1,740	1,740	7.40%	7.40%
2012	25	108	108	2			1,620	1,620	8.00%	8.00%
2011	25	98	98	2			1,500	1,500	8.70%	8.70%
2010	20	93	93	2			1,380	1,380	6.48%	6.48%
2009	20	86	86	2			1,296	1,296	2.86%	2.86%
2008	20	83	83	2			1260	1260	29.63%	29.63%
2007	20	59	59	2			972	972	10.96%	10.96%
2006	20	51	51	2			876	876	19.84%	19.84%
2005	16 per hour + 10	43	43	2			731	731	5.33%	5.33%

Note: Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees and certification fees.

Western Texas College  
Statistical Supplement 5  
Assessed Value and Taxable Assessed Value of Property  
Last Ten Fiscal Years  
(unaudited)

Fiscal Year	Assessed Valuation of Property	Less: Exemptions	Taxable Assessed Value {TAV}	Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
					Maintenance & Operations (a)	Debt Service (a)	Total (a)
2014-15	\$3,766,387,586	\$66,372,678	\$3,700,014,908	98.24%	0.2457	0.0000	0.2457
2013-14	3,518,250,453	39,996,633	3,478,253,820	98.86%	0.2500	0.0000	0.2500
2012-13	3,401,434,277	49,905,229	3,351,529,048	98.53%	0.1858	0.0000	0.1858
2011-12	2,742,070,859	22,352,585	2,719,718,274	99.18%	0.2114	0.0000	0.2114
2010-11	2,730,522,636	18,648,843	2,711,873,793	99.32%	0.1523	0.0000	0.1523
2009-10	2,732,633,981	18,692,444	2,711,873,793	99.24%	0.1520	0.0000	0.1520
2008-09	2,544,476,821	2,669,506	2,713,941,537	106.66%	0.1174	0.0000	0.1174
2007-08	3,051,898,794	1,610,867	2,541,807,315	83.29%	0.1282	0.0000	0.1282
2006-07	2,588,223,007	1,109,771	3,050,287,927	117.85%	0.1423	0.0000	0.1423
2005-06	2,163,718,130	1,072,669	2,587,113,236	119.57%	0.1596	0.0000	0.1596

Source: Scurry County Appraisal District

Notes: Property is assessed at full market value.

(a) per \$100 Taxable Assessed Valuation .

Western Texas College  
Statistical Supplement 6  
State Appropriation per FTSE and Contact Hour  
Last Ten Fiscal Years  
(unaudited)

Fiscal Year	State Appropriation	Appropriation per FTSE		Appropriation per Contact Hour			State Appropriation per Contact Hour
		FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (a)	VocfTech Contact Hours (b)	Total Contact Hours	
2014-15	\$3,920,992	1,372	\$2,858	793,328	245,321	1,038,649	\$3.78
2013-14	3,938,521	1,381	2,852	740,592	311,801	1,052,393	3.74
2012-13	3,525,806	1,504	2,344	832,048	378,850	1,210,898	2.91
2011-12	3,619,276	1,630	2,220	857,872	358,342	1,216,214	2.98
2010-11	3,717,725	1,612	2,306	828,144	373,821	1,201,965	3.09
2009-10	3,763,217	1,604	2,346	845,184	395,672	1,240,856	3.03
2008-09	3,071,796	1,555	1,975	759,408	484,606	1,244,014	2.47
2007-08	3,064,009	1,266	2,420	737,488	245,478	982,966	3.12
2006-07	2,713,916	1,026	2,645	650,752	259,021	909,773	2.98
2005-06	2,714,953	1,123	2,418	567,728	240,893	808,621	3.36

Notes:

FTSE is defined as the number of full time students plus total hours taken by part-time students divided by 12.

(a) Source CBM001

(b) Source CBM001 and CBMOOA

Western Texas College  
Statistical Supplement 7  
Principal Taxpayers  
Last Ten Tax Years  
(unaudited)

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Kinder Morgan Production LP-Leases	Oil & Gas Producers	\$541,011,039	\$914,608,072	\$805,510,153	\$776,077,445	\$552,245,748	\$604,873,606	\$381,922,527	\$721,689,934	\$661,460,323	\$506,717,668
Patterson Drilling UTI Co	Oil Well Drilling	322,387,460	316,234,150	343,841,120	200,487,240	208,021,360	159,974,760	315,650,690	312,693,910	288,536,030	93,712,500
Occidental Permian, LTD	Oil & Gas Producers	128,756,938	201,284,564	208,318,773	182,040,671	152,927,315	151,608,948	127,658,511	221,271,319	132,236,982	73,069,911
Oncor Electric Delivery	Utility	92,804,320	87,008,460	88,068,750	82,127,970	28,686,850	20,066,390	20,523,720	20,032,970		
Kinder Morgan Production	Oil & Gas Producers	77,092,020	86,106,650	69,604,990	94,349,990	77,822,040	68,724,550	70,664,670			
Apache Corporation	Oil & Gas Producers	41,516,165	81,316,198	84,337,044	97,368,325	80,468,245	87,426,691	73,488,657	113,780,820		
Wind Energy/Transmission Tx	Utility	38,393,310	46,368,000								
Electric Transmission TX, LLC	UWty	36,498,800									
Kinder Morgan Production Co. LP	Oil & Gas Producers	36,321,400	45,427,740	46,175,190	47,347,780	46,045,580	45,428,010	48,228,130	126,726,340		
Baker Hughes-Pressure Pumping	Oil & Gas Producers	26,668,090	30,721,580								
Parallel Petroleum LLC	Oil & Gas Producers		47,167,264	36,689,930		20,571,585				32,281,538	17,300,659
BJ Services Co. USA	Oil & Gas Producers			31,214,670							
Fuller, Gillian Account	Mineral Interest Owner			28,556,682	25,893,499		20,555,498	20,479,273	25,971,121		
Kinder Morgan Power Company	Oil & Gas Producers					30,552,120	31,154,450	38,090,970	51,194,520		
Kinder Morgan Production Co. LP	Oil & Gas Producers				27,505,277						
Burlington North / Santa Fe	Railroad					20,468,940					
Sharp Image Energy, Inc.	Oil & Gas Producers						24,066,721	24,135,507	36,852,812	23,132,024	
French Capital Partners, LTD	Mineral Interest Owner								23,315,002		
Kinder Morgan CO2-Centerline	Gas Producers									118,713,970	129,275,570
Anadarko Petroleum Corporation	Oil & Gas Producers									79,829,126	55,547,434
Kinder Morgan Power Co.	Oil & Gas Producers									41,639,690	
Scurry County Wind	Utility									25,975,040	
Cynara Company	Gas Producers									17,284,650	16,903,340
TXU Electric Delivery Company	Utility										15,308,710
Southwestern Bell Telephone Company	Utility										12,044,860
Exxon/Mobil Corporation	Oil & Gas Producers										12,526,927
Totals		\$1,341,447,542	\$1,856,242,678	\$1,762,317,302	\$1,659,708,787	\$1,217,809,783	\$1,213,879,624	\$1,120,842,655	\$1,653,528,748	\$1,421,089,373	\$932,407,579
Total Taxable Assessed Value		\$3,700,014,908	\$3,478,253,820	\$3,351,529,048	\$2,719,718,274	\$2,711,873,793	\$2,713,941,537	\$2,541,807,315	\$3,050,287,927	\$2,587,113,236	\$1,777,569,908

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Tax Year									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Kinder Morgan Production LP-Leases	Oil & Gas Producers	14.62%	26.30%	24.03%	28.54%	20.36%	22.29%	15.03%	23.66%	25.57%	28.51%
Patterson Drilling UTI Co	Oil Well Drilling	8.71%	9.09%	10.26%	10.00%	7.67%	5.89%	12.42%	10.25%	11.15%	5.27%
Occidental Permian, LTD	Oil & Gas Producers	3.48%	5.79%	6.22%	6.69%	5.64%	5.59%	5.02%	7.25%	5.11%	4.11%
Oncor Electric Delivery	Utility	2.51%	2.50%	2.63%	3.02%	1.06%	0.74%	0.81%	0.88%		
Kinder Morgan Production	Oil & Gas Producers	2.08%	2.48%	2.67%	3.47%	2.87%	2.53%	2.78%			
Apache Corporation	Oil & Gas Producers	1.12%	2.34%	2.52%	3.58%	2.97%	3.22%	2.89%	3.73%		
Wind Energy Transmission Tx	Utility	1.04%	1.33%								
Electric Transmission TX, LLC	Utility	0.99%									
Kinder Morgan Production Co. LP	Oil & Gas Producers	0.98%	1.31%	1.38%	1.74%	1.70%	1.67%	1.90%	4.15%		
Baker Hughes-Pressure Pumping	Oil & Gas Producers	0.72%	0.88%								
Parallel Petroleum LLC	Oil & Gas Producers		1.36%	1.09%		0.76%				1.25%	0.97%
BJ Services Co. USA	Oil & Gas Producers			0.93%							
Fuller, Gillian Account	Mineral Interest Owner			0.85%	0.95%		0.76%	0.81%	0.65%		
Kinder Morgan Power Company	Oil & Gas Producers				1.12%	1.13%	1.15%	1.50%	1.68%		
Kinder Morgan Production Co. LP	Oil & Gas Producers				1.01%						
Burlington North / Santa Fe	Railroad					0.75%					
Sharp Image Energy, Inc.	Oil & Gas Producers						0.89%	0.95%	1.21%	0.89%	
French Capital Partners, LTD	Mineral Interest Owner								0.76%		
Kinder Morgan CO2-Centerline	Gas Producers									4.59%	7.27%
Anadarko Petroleum Corporation	Oil & Gas Producers									3.09%	3.12%
Kinder Morgan Power Co.	Oil & Gas Producers									1.61%	
Scurry County Wind	Utility									1.00%	
Cynara Company	Gas Producers									0.67%	0.95%
TXU Electric Delivery Company	Utility										0.86%
Southwestern Bell Telephone Company	Utility										0.68%
Exxon/Mobil Corporation	Oil & Gas Producers										0.70%
Totals		36.26%	53.37%	52.58%	61.03%	44.91%	44.73%	44.10%	54.21%	54.93%	52.45%

Source: Scurry County Appraisal District

Western Texas College  
Statistical Supplement 8  
Property Tax Levies and Collections  
Last Ten Tax Years  
(unaudited)

Fiscal Year Ended August 31	Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections -		Prior Collections of Prior Levies (d)	Current Collections of Prior Levies (e)	Total Collections (C+D+E)	Cumulative Collections of Adjusted Levy
				Year of Levy (c)	Percentage				
2015	\$9,118,036	\$1,062	\$9,119,098	\$8,858,827	97.15%	0	\$64,880	\$8,923,707	97.86%
2014	8,621,889	2,717	8,624,606	8,565,120	99.31%	0	51,342	8,616,462	99.91%
2013	6,261,521	3,757	6,265,278	6,216,213	99.22%	0	53,608	6,269,821	100.07%
2012	5,760,035	5,429	5,765,464	5,714,890	99.12%	0	38,553	5,753,443	99.79%
2011	4,133,783	101	4,133,884	4,096,420	99.09%	0	52,415	4,148,835	100.36%
2010	3,853,553	(13,852)	3,839,701	3,807,216	99.15%	0	31,502	3,838,718	99.97%
2009	3,565,554	(549)	3,565,005	3,534,506	99.14%	0	26,966	3,561,472	99.90%
2008	3,314,616	1,969	3,316,585	3,296,257	99.39%	0	38,711	3,334,968	100.55%
2007	3,081,395	(158)	3,081,237	3,051,302	99.03%	0	53,963	3,105,265	100.78%
2006	2,845,802	2,622	2,848,424	2,755,004	96.72%	0	47,656	2,802,660	98.39%

Source: Local Tax Assessor/Collector and District records.

(a) As reported in notes to the financial statements for the year of the levy.

(b) As of August 31st of the current reporting year.

(c) Property tax only - does not include penalties and interest.

(d) Represents cumulative collections of prior years not collected in the current year or the year of the tax levy.

(e) Represents current year collections of prior years levies.

Total Collections = C + D + E

Western Texas College  
Statistical Supplement 9  
Ratios of Outstanding Debt  
Last Ten Fiscal Years  
(unaudited)

	For the Year Ended August 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Bonds	\$22,382,201	\$23,424,972	\$8,309,000	\$8,470,000	\$8,595,000	\$8,815,000	\$3,005,000	\$3,080,000	\$3,155,000	\$3,225,000
Notes	630,877	1,149,792	1,653,847	506,852	599,086	670,765	813,840	491,436	385,107	419,254
Capital lease obligations	646,377	738,649	720,119	731,227	801,524	1,114,795	1,264,182	300,631	69,074	96,776
Less: Funds restricted for debt service	(4,539,950)	(3,556,071)	(1,582,790)	(1,347,067)	(1,084,234)	(1,220,757)	(436,042)	(280,659)	(211,622)	(192,126)
<b>Total Outstanding Debt</b>	<b>\$19,119,505</b>	<b>\$21,757,342</b>	<b>\$9,100,176</b>	<b>\$8,361,012</b>	<b>\$8,911,376</b>	<b>\$9,379,803</b>	<b>\$4,646,980</b>	<b>\$3,591,408</b>	<b>\$3,397,559</b>	<b>\$3,548,904</b>
<b>Bonded Debt Ratios</b>										
Per Capita	N/A	\$1,352	\$480	\$495	\$508	\$521	\$185	\$193	\$197	\$199
Per FTSE	16,314	16,962	5,525	5,196	5,332	5,496	1,932	2,433	3,075	2,872
As a percentage of Taxable Assessed Value	0.60%	0.67%	0.25%	0.31%	0.32%	0.32%	0.12%	0.10%	0.12%	0.15%
<b>Total Outstanding Debt Ratio</b>										
Per Capita	N/A	\$1,256	\$526	\$488	\$527	\$554	\$286	\$225	\$210	\$219
Per FTSE	13,935	15,755	6,051	5,129	5,528	5,848	2,988	2,837	3,311	3,160
As a percentage of Taxable Assessed Value	0.52%	0.63%	0.27%	0.31%	0.33%	0.35%	0.18%	0.12%	0.13%	0.16%



Western Texas College  
Statistical Supplement 10  
Legal Debt Margin Information  
Last Ten Fiscal Years  
(unaudited)

NOT APPLICABLE

Western Texas College  
 Statistical Supplement 11  
 Pledged Revenue Coverage  
 Last Ten Fiscal Years  
 (unaudited)

Revenue Bonds

Fiscal Year Ended August 31	Pledged Revenues			Debt Service Requirements			Coverage Ratio
	Building Use Fee	Dormitory Income	Total	Principle	Interest	Total	
2015	\$63,523	\$911,396	\$974,919	\$223,000	\$391,179	\$614,179	1.59
2014	60,119	886,359	946,478	209,000	569,416	778,416	1.22
2013	67,399	863,796	931,195	216,000	383,053	599,053	1.55
2012	68,611	886,561	955,172	125,000	454,579	579,579	1.65
2011	64,417	919,576	983,993	170,000	464,695	634,695	1.55
2010	66,314	662,482	728,796	80,000	150,140	230,140	3.17
2009	66,562	561,775	628,337	75,000	154,187	229,187	2.74
2008	57,872	411,773	469,645	75,000	158,233	233,233	2.01
2007	47,413	441,076	488,489	70,000	161,992	231,992	2.11
2006	43,456	189,503	43,002	35,000	198,224	233,224	0.18

Western Texas College  
 Statistical Supplement 12  
 Demographic and Economic Statistics - Taxing District  
 Last Ten Fiscal Years  
 (unaudited)

<b>Calendar Year</b>	<b>District Population</b>	<b>District Personal Income</b>	<b>District Personal Income Per Capita</b>	<b>District Unemployment Rate</b>
2014	17,328	N/A	N/A	3.3%
2013	17,302	\$980,034,000	\$56,643	3.6%
2012	17,126	816,750,000	47,691	4.1%
2011	16,919	642,420,000	37,970	5.6%
2010	16,921	562,088,000	33,162	6.4%
2009	16,222	559,464,000	34,488	6.8%
2008	15,973	561,460,000	35,043	4.1%
2007	16,011	502,472,000	31,436	3.9%
2006	16,202	454,017,000	28,601	4.8%
2005	16,217	502,216,000	31,047	5.0%

Sources : Texas Workforce Commission

**Western Texas College**  
**Statistical Supplement 13**  
**Principle Employers**  
**Current Fiscal Year**  
(unaudited)

<b>Current Year</b>			<b>Ten Years Prior</b>
<b>Employer</b>	<b>Number of Employees</b>	<b>Percentage of Total Employment</b>	<b>Employer</b>
Snyder Independent School District	515	6.25%	Snyder Independent School District
Kinder Morgan	256	3.11%	Texas Department of Corrections
Texas Department of Corrections	250	3.03%	Patterson - UTI Energy
Globe Energy	170	2.06%	Cogdell Memorial Hospital
Walton Construction	224	2.72%	Walton Construction
Cogdell Memorial Hospital	220	2.67%	United Supermarkets
Scurry County	172	2.09%	Scurry County
United Supermarkets	160	1.94%	Key Energy Services, Inc.
Western Texas College	153	1.86%	Western Texas College
Patterson - UTI Energy	111	1.35%	Wal-Mart
<b>Total</b>	<b>2,231</b>	<b>22.63%</b>	<b>Total</b>

Source: Development Corporation of Snyder  
Texas Workforce Commission

Western Texas College  
 Statistical Supplement 14  
 Faculty, Staff and Administrators Statistics  
 Last Ten Fiscal Years  
 (unaudited)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Faculty</b>										
Full-time	62	61	60	46	44	45	57	46	41	41
Part-time	43	48	51	66	59	62	56	56	58	58
Total	105	109	111	112	103	107	113	102	99	99
<b>Percent</b>										
Full-time	59.05%	55.96%	54.05%	41.07%	42.72%	42.06%	50.44%	45.10%	41.41%	41.41%
Part-time	40.95%	44.04%	45.95%	58.93%	57.28%	57.94%	49.56%	54.90%	58.59%	58.59%
<b>Staff and Administrators</b>										
Full-time	91	82	83	86	86	88	82	84	73	72
Part-time	36	22	15	27	14	10	8	5	6	7
Total	127	104	98	113	100	98	90	89	79	79
<b>Percent</b>										
Full-time	71.65%	78.85%	84.69%	76.11%	86.00%	89.80%	91.11%	94.38%	92.41%	91.14%
Part-time	28.35%	21.15%	15.31%	23.89%	14.00%	10.20%	8.89%	5.62%	7.59%	8.86%
<b>FTSE per Full-time Faculty</b>	22.27	22.64	25.07	35.43	36.64	35.64	27.28	27.52	25.02	27.39
<b>FTSE per Full-time Staff Member</b>	15.18	16.84	18.12	18.95	18.74	18.23	18.96	15.07	14.05	15.60
<b>Average Annual Faculty Salary</b>	\$52,435	\$53,343	\$46,067	\$45,776	\$46,176	\$46,342	\$46,760	\$40,660	\$36,456	\$38,741



Western Texas College  
 Statistical Supplement 16  
 Student Profile  
 Last Five Fiscal Years  
 (unaudited)

Gender	Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	1,013	47.67%	1,041	50.27%	998	48.66%	1,153	51.45%	1,156	50.26%
Male	1,112	52.33%	1,030	49.73%	1,053	51.34%	1,088	48.55%	1,144	49.74%
Total	2,125	100.00%	2,071	100.00%	2,051	100.00%	2,241	100.00%	2,300	100.00%

Ethnic Origin	Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	1,176	55.34%	1,138	54.95%	1,185	57.78%	1,325	59.13%	1,353	58.83%
Hispanic	664	31.25%	669	32.30%	594	28.96%	593	26.46%	639	27.78%
African American	161	7.58%	159	7.68%	157	7.65%	167	7.45%	162	7.04%
Asian	31	1.46%	19	0.92%	22	1.07%	16	0.71%	8	0.35%
Foreign	50	2.35%	44	2.12%	50	2.44%	64	2.85%	63	2.74%
Native American		0.38%	11	0.53%	7	0.34%	10	0.45%	10	0.43%
Other	35	1.65%	31	1.50%	36	1.76%	66	2.94%	65	2.83%
Total	2,125	100.00%	2,071	100.00%	2,051	98.24%	2,241	94.20%	2,300	94.43%

Age	Fall 2015		Fall 2014		Fall 2013		Fall 2012		Fall 2011	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	778	36.61%	616	29.74%	604	29.45%	659	29.41%	559	24.30%
18-21	845	39.76%	853	41.19%	808	39.40%	844	37.66%	898	39.04%
22-24	167	7.86%	211	10.19%	189	9.22%	224	10.00%	237	10.30%
25-35	213	10.02%	265	12.80%	311	15.16%	332	14.81%	376	16.35%
36-50	107	5.04%	108	5.21%	121	5.90%	143	6.38%	188	8.17%
51 & over	15	0.71%	18	0.87%	18	0.88%	39	1.74%	42	1.83%
Total	2,125	100.00%	2,071	100.00%	2,051	100.00%	2,241	100.00%	2,300	100.00%

Average Age	21.1	21.1	22.5	22.5	22.9
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**Western Texas College**  
**Statistical Supplement 17**  
**Transfers to Senior Institutions**  
**2014 Fall Students as of Fall 2015**

(Includes only public senior colleges in Texas)  
(unaudited)

	<b>Transfer Student Count Academic</b>	<b>Transfer Student Count Technical</b>	<b>Transfer Student Count Tech-Prep</b>	<b>Total of all Sample Transfer Students</b>	<b>% of all Sample Transfer Students</b>
Texas A&M University	948	10		958	66.39%
Texas Tech University	137	5		142	9.84%
The University of Texas at Austin	61	1		62	4.30%
Angelo State University	58			59	4.09%
Tarleton State University	32	1		33	2.29%
West Texas A & M University	22	3		25	1.73%
Texas State University - San Marcos	18			18	1.25%
Sam Houston State University	16			16	1.11%
Texas A&M University - Galveston	15			15	1.04%
University of Houston	10			10	0.69%
Texas A & M University Health Science Center	10			10	0.69%
The University of Texas at of the Permian Basin	9			10	0.69%
University of North Texas	8			8	0.55%
The University of Texas at Arlington	8			8	0.55%
Stephen F. Austin State University	8			8	0.55%
Texas Tech University Health Sciences Center	7			7	0.49%
Midwestern State University	6			6	0.42%
Texas A&M University - Corpus Christi	6			6	0.42%
Texas Woman's University	5			5	0.35%
The University of Texas Health Science Center at San Antonio	4			4	0.28%
The University of Texas Medical Branch Galveston	3			3	0.21%
The University of Texas - Pan American	3			3	0.21%
Texas A&M University - Commerce	3			3	0.21%
Lamar University	3			3	0.21%
The University of Texas at Dallas	2			2	0.14%
The University of Texas at San Antonio	2			2	0.14%
Sul Ross State University	2			2	0.14%
The University of Texas at Brownville	2			2	0.14%
Texas A&M International University	2			2	0.14%
University of North Texas Health Science Center	2			2	0.14%
University of Houston - Victoria				2	0.14%
Praire View A&M University					0.07%
The University of Texas Health Science Center at Houston					0.07%
The University of Texas at El Paso					0.07%
University of Houston - Clear Lake					0.07%
Texas Southern University					0.07%
The University of Texas at Tyler					0.07%
The University of Texas Southwestern Medical Center					0.07%
<b>Totals</b>	<b>1,420</b>	<b>23</b>		<b>1,443</b>	<b>100.00%</b>



**Western Texas College**  
**Statistical Supplement 18**  
**Capital Asset Information**  
**Fiscal Years 2011 to 2015**  
(unaudited)

	Fiscal Year				
	2015	2014	2013	2012	2011
Academic Buildings	11	11	11	11	11
Squarefootage	90,411	90,411	90,411	90,411	90,411
Libraries	1	1	1	1	1
Squarefootage	24,420	24,420	24,420	24,420	24,420
Number of volumes	35,012	32,323	32,323	32,323	32,323
Administrative and support buildings	9	9	9	9	9
Squarefootage	76,008	76,008	76,008	76,008	76,008
Dormitories	3	3	3	3	3
Square footage	117,755	117,755	117,755	117,755	117,755
Number of beds	496	496	496	496	496
Apartments	5	5	5	5	5
Square footage	11,792	11,792	11,792	11,792	11,792
Number of beds	44	44	44	44	44
Dining Facilities	1	1	1	1	1
Square footage	9,500	9,500	9,500	9,500	9,500
Average daily customers	285	242	242	250	250
Athletic Facilities	2	2	2	2	2
Square footage	40,056	40,056	40,056	40,056	40,056
Fields	3	3	3	3	2
Gymnasiums					1
Golf Course	1				1
Racquetball courts	4	4	4	4	4
Plant Facilities	3	3	3	3	3
Square footage	15,333	15,333	15,333	15,333	15,333
Coliseum		1			
Square footage	111,644	111,644	111,644	111,644	111,644
Transportation					
Cars	13	13	12	13	13
Light Trucks	13	13	16	16	16
Buses	7	6	6	6	6