

PARIS JUNIOR COLLEGE
Paris, Texas

REPORT OF AUDIT

August 31, 2019

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Paris, Texas

REPORT OF AUDIT

AUGUST 31, 2019

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August 31, 2019**

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**Paris Junior College
Organizational Data
August 31, 2019**

Board of Regents

		<u>Term Expires October 31,</u>
	<u>Officers</u>	
Mr. Curtis Fendley	President	2024
Dr. Clifton Wilkerson	Vice President	2020
Ms. Berdie Gibson	Secretary	2022
	<u>Members</u>	
Mr. Jim Bell		2020
Ms. Ginna Bowman		2024
Mrs. Carolyn Lockett		2022
Mr. Charles Lynch		2020
Ms. Louise Taylor		2022
Mr. Mark Buster		2024

Principal Administrative Officers

Dr. Pamela Anglin	President
Mr. John Spradling	Vice President, Workforce Education
Ms. Keitha Carlton	Controller

McClanahan and Holmes, LLP
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN W. MOHUNDRO, CPA
GEORGE H. STRUVE, CPA
ANDREW B. REICH, CPA
RUSSELL P. WOOD, CPA
DEBRA J. WILDER, CPA
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INDEPENDENT AUDITORS' REPORT

Board of Regents
Paris Junior College
Paris, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Paris Junior College (the College) and Paris Junior College Memorial Foundation (the Foundation), a discretely presented component unit, as of and for the years ended August 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Paris Junior College and Paris Junior College Memorial Foundation, a discretely presented component unit, as of August 31, 2019 and 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of the College's Proportionate Share of Net Pension Liability, Schedule of the College's Pension Contributions, Schedule of the College's Proportionate Share of the Net OPEB Liability, and Schedule of the College's OPEB Contributions be present 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 audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The accompanying supplementary schedules and statistical section is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The schedule of expenditures of State of Texas awards, required by the State of Texas Single Audit Circular and the supplemental schedules, is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards, the schedule of expenditures of State of Texas Awards, and the supplementary schedules 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 schedule of expenditures of federal awards, the schedule of expenditures of State of Texas awards, and the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The supplementary schedules and statistical section has 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2019, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Paris Junior College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

McClanahan and Holmes, LLP
Certified Public Accountants

Paris Junior College
Management's Discussion and Analysis
August 31, 2019

Management of Paris Junior College provides this Management's Discussion and Analysis of Paris Junior College for readers of the College's financial statements. This narrative overview and analysis of the financial activities of the College is for the fiscal year ended August 31, 2019. We encourage readers to consider this information in conjunction with the College's financial statements and the notes to the financial statements which follow.

Financial Highlights

Net position increased by \$2,987,487 in 18/19. Net position increased by \$3,505,750 in 17/18 before the cumulative effect of change in accounting principle of (\$24,349,927) related to GASB 75 for an overall decrease of (\$20,844,177).

In 17/18, the College implemented GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. New categories were added to the College's Statement of Net Position related to GASB Statement 75; they include Deferred Outflows of Resources and Deferred Inflows of Resources related to the accounting for other postemployment benefit expenditures (OPEB). In addition, the implementation of GASB 75 resulted in a cumulative effect of change in accounting principle that is also reflected on the College's Statement of Net Position.

Net position at the end of 18/19 was \$27,690,092 and \$24,702,605 in 17/18.

Paris Junior College made no change to tuition and fees for the 2018-2019 academic year. In-district tuition remained at \$55 per semester credit hour; out-of-district tuition remained at \$105 per semester credit hour (\$55 tuition plus an out-of-district fee of \$50), and non-resident tuition remained at \$155 per semester credit hour. All students were charged a \$25 per semester credit hour general fee.

Net tuition and fee revenue increased 4.07% or \$278,891 from \$6,852,335 in 17/18 to \$7,131,226 in 18/19. Tuition revenue was lower by approximately (\$400,000) which was offset by an increase in higher fee revenue of \$208,000 and lower net scholarship allowances and discounts of \$469,000.

Federal Non-Operating grants and contracts revenue increased 4.27% or \$339,589 from \$7,941,395 in 17/18 to \$8,280,684 in 18/19. Most of the increase in federal grant revenue was from the Department of Education for Pell grants which increased \$295,778.

During 2019, Paris Junior College had several departmental equipment improvements and additions such as continued improvement to the student center, additions to the fleet, parking lot asphalt and restriping, and other instructional equipment. The cost of the projects funded through current operations and totalled \$1,005,842.

State appropriations decreased 5.80% or (\$518,736) from \$8,940,371 in 17/18 to \$8,421,635 in 18/19. Funding is based on core operations, contact hours, and success points. Paris Junior College continues to see success in its implementation of student pathways which leads to better student success in the long term. The change in state appropriations is related to a decrease in funding for state group insurance of (\$758,293) and an increase in state retirement matching of \$249,200 as calculated per GASB 68 and GASB 75. However, actual funding included a small increase for state group insurance of \$54,546 and a small decrease for state retirement matching of (\$6,645).

There are three primary revenue sources: tuition and fees, state appropriations, and local tax revenue. While there continue to be funding and enrollment challenges, Paris Junior College's goal is to make sure there are accessible and affordable educational opportunities available to the residents of our area by utilizing these resources effectively and efficiently. This goal includes academic preparation for those who seek to transfer to a university as well as providing certificates and associate degrees in workforce programs to better meet the needs of local business and industry.

Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2019

Overview of the Financial Statements

The Annual Financial Report consists of a series of financial statements. The core statements are known as the *Statement of Net Position*, the *Statement of Revenues, Expenses, and Changes in Net Position*, and the *Statement of Cash Flows*. These statements comply with all the Statements issued by the Governmental Accounting Standards Board (GASB) that are currently in effect.

Statement of Net Position

The Statement of Net Position presents all of the College's assets and liabilities with the difference between the two reported as "net position". Over time, increases or decreases in the College's net position may serve as a useful indicator of whether the financial position of the College is improving or deteriorating. This statement combines and consolidates current financial resources (short-term spendable resources) with capital assets.

The Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross costs and the net costs of the college activities which are supported mainly by state appropriations, Federal revenue, ad valorem taxes and tuition and fee revenues. This approach is intended to summarize and simplify the user's analysis of costs of various college services to students and the public. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The two statements above report the College's net position and changes in net position. The change in net position provides the reader a tool to assist in determining whether the College's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the College.

Statement of Cash Flows

The Statement of Cash Flows is presented on the direct method to illustrate the sources and uses of cash for operating activities of the College. The primary purpose of cash flow analysis is to provide relevant information about the cash receipts and cash payments of an entity during a period. The Statement of Cash Flows also may help users assess the College's ability to generate future net cash flows, to meet its obligations as they come due, and to determine its need for external financing.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to financial statements can be found immediately following the basic financial statements.

Affiliated Organization

The Paris Junior College Memorial Foundation is a component unit of Paris Junior College. The financial statements of the Foundation are presented with those of the College. The prescribed presentation is for the Foundation's statement to be presented separately in a format known as a discrete presentation. For fiscal year 2018-2019 the net assets of the Foundation decreased \$3,161,635 from \$24,420,894 in 17/18 to \$21,259,260 in 18/19. This decrease was primarily due to dips in the stock market and reduced market value of investments.

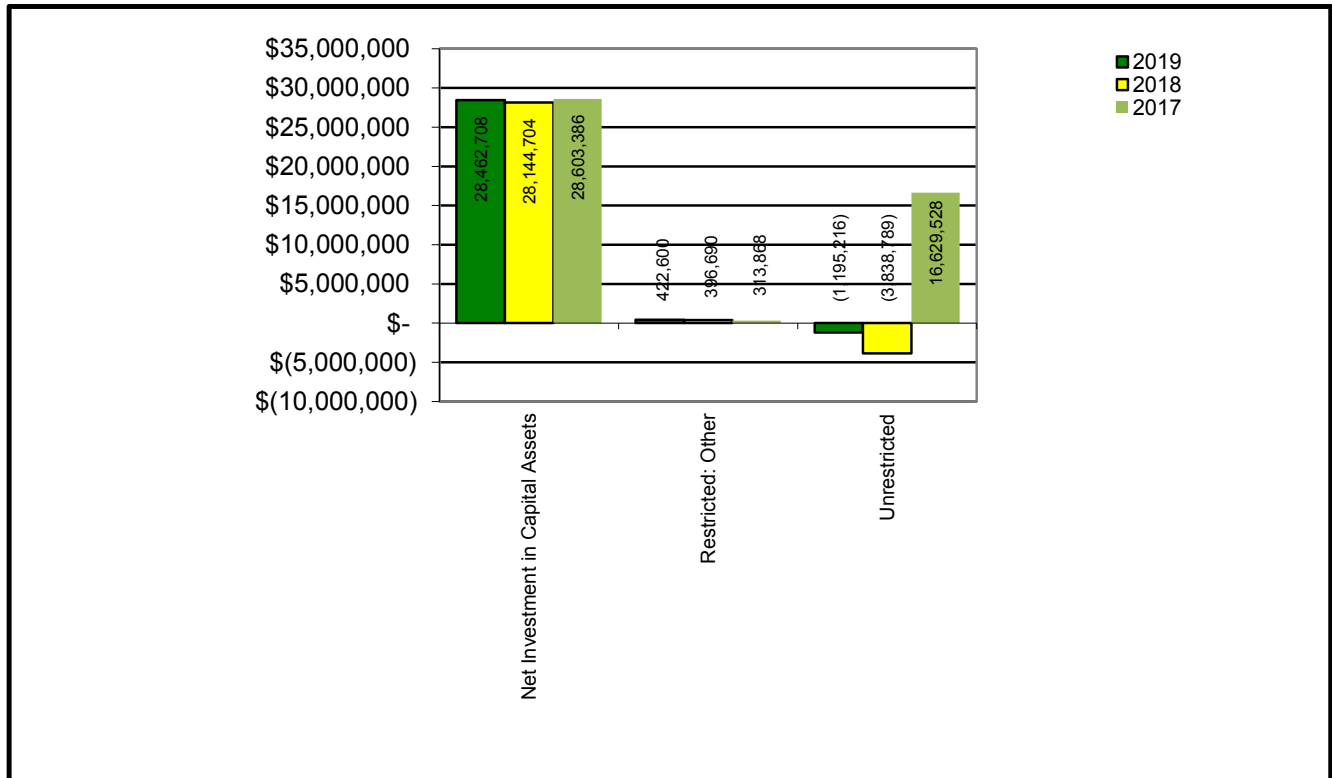
**Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2019**

Net Assets

**Condensed Statement of Net Assets
August 31,**

	2019	2018	2017
Current Assets	\$ 34,609,552	\$ 31,690,680	\$ 25,845,558
Non-Current Assets			
Capital Assets, Net of Accumulated Depreciation	39,853,706	40,329,698	41,548,386
Total Assets	<u>74,463,258</u>	<u>72,020,378</u>	<u>67,393,944</u>
Deferred Outflows of Resources	<u>5,835,736</u>	<u>2,783,970</u>	<u>1,191,220</u>
Current Liabilities	8,437,032	8,379,230	5,625,057
Non-Current Liabilities	35,642,696	35,777,656	16,250,480
Total Liabilities	<u>44,079,728</u>	<u>44,156,886</u>	<u>21,875,537</u>
Deferred Inflows of Resources	<u>8,529,175</u>	<u>5,944,857</u>	<u>1,162,845</u>
Net Position			
Net Investment in Capital Assets	28,462,708	28,144,704	28,603,386
Restricted: Other	422,600	396,690	313,868
Unrestricted	(1,195,216)	(3,838,789)	16,629,528
Total Net Position	<u>\$ 27,690,092</u>	<u>\$ 24,702,605</u>	<u>\$ 45,546,782</u>

Breakdown of Net Position



Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2019

**Condensed Statement of Revenues,
Expenses, and Changes in Net Position**
August 31,

	2019	2018	2017
Operating Revenues	\$ 11,858,573	\$ 11,956,918	\$ 11,063,720
Non-Operating Revenues	20,355,928	20,336,862	20,768,054
Total Revenues	<u>32,214,501</u>	<u>32,293,780</u>	<u>31,831,774</u>
Operating Expense	28,702,823	28,231,149	28,313,912
Non-Operating Expense	524,191	556,881	586,716
Total Expenses	<u>29,227,014</u>	<u>28,788,030</u>	<u>28,900,628</u>
Changes in Net Position	<u>2,987,487</u>	<u>3,505,750</u>	<u>2,931,146</u>
Net Position - Beginning of Year	24,702,605	45,546,782	42,615,636
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>(24,349,927)</u>	<u>-</u>
Balance at Beginning of Year, as Restated	<u>24,702,605</u>	<u>21,196,855</u>	<u>42,615,636</u>
Net Position - End of Year	<u>\$ 27,690,092</u>	<u>\$ 24,702,605</u>	<u>\$ 45,546,782</u>

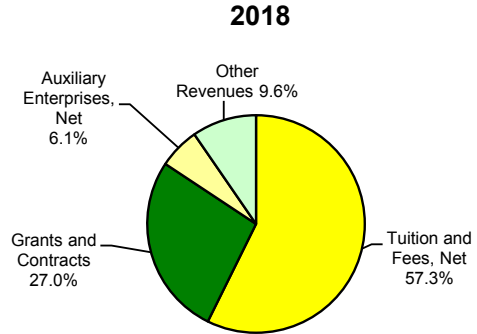
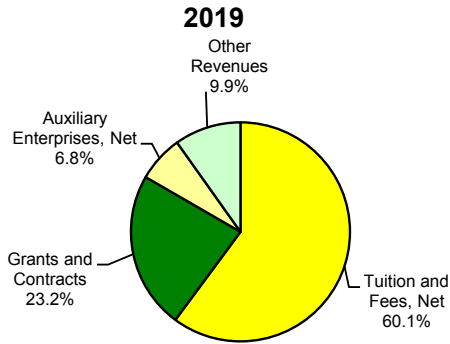
Discussion of GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

The statement of net assets assesses the balance of the College's *assets* (the resources it can use to provide services and operate the entity) against its *liabilities* (its obligations to turn over resources to other organizations or individuals). The Total Assets plus Deferred Outflows of Resources minus Total Liabilities and Deferred Inflows of Resources equals Total Net Position. Paris Junior College adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for fiscal year 2017-2018. As part of that adoption, the College included a cumulative effect of change in accounting principle of (\$24,349,927) and the restatement was made directly to the beginning net position in 17/18.

**Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2019**

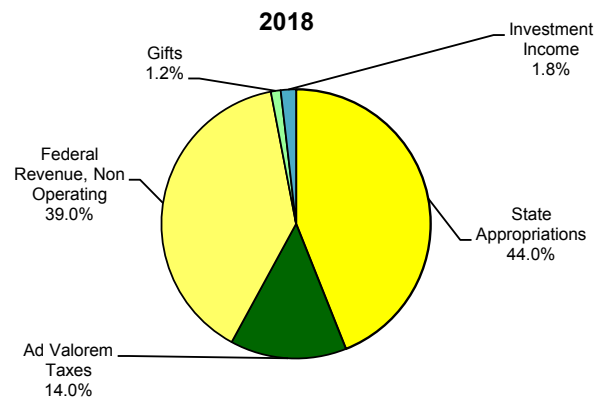
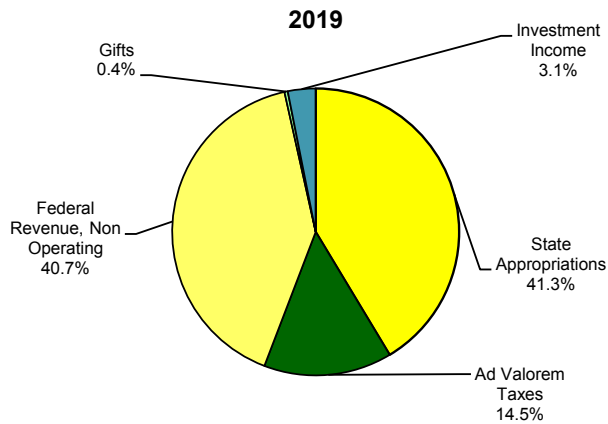
**Operating Revenues
Years Ended August 31,**

	2019	2018	2017
Tuition and Fees, Net	\$ 7,131,226	\$ 6,852,335	\$ 6,854,000
Grants and Contracts	2,751,435	3,228,591	2,624,030
Auxiliary Enterprises, Net	810,405	729,132	758,782
Other Revenues	1,165,507	1,146,860	826,908
Total Operating Revenues	\$ 11,858,573	\$ 11,956,918	\$ 11,063,720



**Non-Operating Revenues
Years Ended August 31,**

	2019	2018	2017
State Appropriations	\$ 8,421,635	\$ 8,940,371	\$ 10,128,799
Ad Valorem Taxes	2,941,468	2,843,527	2,997,380
Federal Revenue, Non Operating	8,280,684	7,941,395	7,314,114
Gifts	75,903	240,202	185,048
Investment Income	636,238	371,367	142,713
Total Non-Operating Revenues	\$ 20,355,928	\$ 20,336,862	\$ 20,768,054

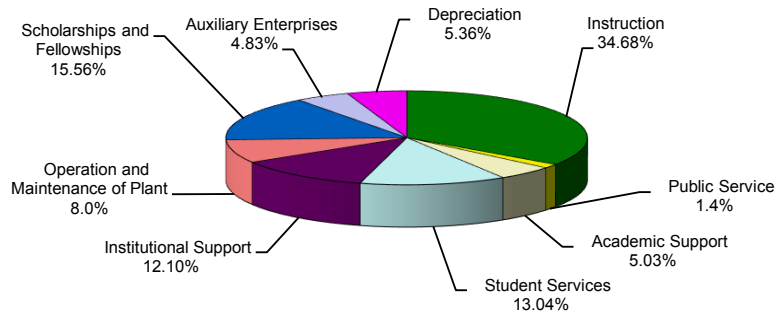


**Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2019**

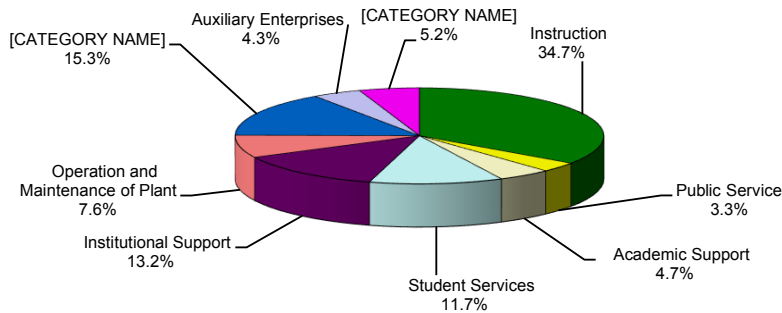
**Operating Expenses
Years Ended August 31,**

Operating Expenses:	2019	2018	2017
Instruction	\$ 9,954,268	\$ 9,798,444	\$ 10,238,951
Public Service	402,253	937,378	600,011
Academic Support	1,443,357	1,315,763	1,594,787
Student Services	3,742,808	3,295,470	3,178,497
Institutional Support	3,472,376	3,729,123	3,431,370
Operation and Maintenance of Plant	2,297,533	2,143,151	2,643,705
Scholarships and Fellowships	4,464,753	4,304,506	4,044,906
Auxiliary Enterprises	1,386,340	1,211,261	1,185,953
Depreciation	1,539,135	1,496,053	1,395,732
Total Operating Expenses	\$ 28,702,823	\$ 28,231,149	\$ 28,313,912

2019



2018



Paris Junior College
Management's Discussion and Analysis (Continued)
August 31, 2019

Capital Asset and Long-Term Debt Activity

Capital Assets

The College's investment in capital assets as of August 31, 2019 amounts to \$58,931,500 net of accumulated depreciation of \$19,077,794 leaving a net book value of \$39,853,706. This investment in capital assets includes land, collections, buildings and improvements, furniture and equipment, vehicles, and library books. Please refer to the notes to the financial statements for more detail on capital assets.

Long-Term Debt Activity

At the end of the fiscal year, the College had \$11,391,000 outstanding in bonds payable versus \$12,185,000 outstanding at the end of August 2018.

There are three revenue bonds outstanding at year end. The 2006, 2007, and 2012 revenue bonds' principal and interest outstanding at year end was \$15,406,240.

The College no longer carries an active bond rating; however, in the past the College's bond rating for debt was "A-" with a rating outlook for the intermediate to longer term of stable as rated by Standard & Poor's. The College's bond rating for debt was "A3" with a rating outlook for the intermediate to longer term of stable as rated by Moody's.

Paris Junior College
Exhibit 1
Statement of Net Position
August 31, 2019 and August 31, 2018

	2019	2018
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 16,317,036	\$ 13,575,876
Short-Term Investments	13,000,000	11,000,000
Accounts Receivable, Net	4,974,594	6,602,127
Inventories	56,833	47,370
Other Assets	261,089	465,307
Total Current Assets	34,609,552	31,690,680
Noncurrent Assets		
Capital Assets, Net (See Note 5)	39,853,706	40,329,698
Total Noncurrent Assets	39,853,706	40,329,698
Total Assets	74,463,258	72,020,378
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pensions	2,728,171	1,003,347
Deferred Outflows Related to OPEB	3,107,565	1,780,623
Total Deferred Outflows of Resources	5,835,736	2,783,970
LIABILITIES		
Current Liabilities		
Accounts Payable	899,398	709,644
Accrued Liabilities	50,008	55,144
Funds Held for Others	44,802	69,723
Unearned Revenues	6,628,812	6,933,872
OPEB Liability - Current Portion	286,012	105,847
Bonds Payable - Current Portion	528,000	505,000
Total Current Liabilities	8,437,032	8,379,230
Noncurrent Liabilities		
Deposits	34,300	26,900
Pension Liability	5,587,806	3,316,430
OPEB Liability	19,157,590	20,754,326
Bonds Payable	10,863,000	11,680,000
Total Noncurrent Liabilities	35,642,696	35,777,656
Total Liabilities	44,079,728	44,156,886
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows Related to Pensions	1,003,254	1,332,572
Deferred Inflows Related to OPEB	7,525,921	4,612,285
Total Deferred Inflows of Resources	8,529,175	5,944,857
NET POSITION		
Net Investment in Capital Assets	28,462,708	28,144,704
Restricted for:		
Other	422,600	396,690
Unrestricted	(1,195,216)	(3,838,789)
Total Net Position (Schedule D)	\$ 27,690,092	\$ 24,702,605

The notes to the financial statements are an integral part of this statement.

**Paris Junior College
Affiliated Organization
Exhibit 1A
Statement of Financial Position
August 31, 2019 and August 31, 2018**

	<u>2019</u>	<u>2018</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 299,359	\$ 360,986
Total Current Assets	<u>299,359</u>	<u>360,986</u>
Investments	<u>20,902,730</u>	<u>24,001,866</u>
Fixed Assets		
Property and Equipment, Net	<u>4,672</u>	<u>5,542</u>
Total Fixed Assets	<u>4,672</u>	<u>5,542</u>
Other Assets		
Property Held for Investment	7,500	7,500
Royalty Interests	<u>45,000</u>	<u>45,000</u>
Total Other Assets	<u>52,500</u>	<u>52,500</u>
Total Assets	<u>\$ 21,259,261</u>	<u>\$ 24,420,894</u>
LIABILITIES		
Liabilities		
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>
NET ASSETS		
Unrestricted	15,491	16,976
Temporarily Restricted	11,064,763	14,420,473
Permanently Restricted	<u>10,179,008</u>	<u>9,983,445</u>
Total Net Assets	<u>\$ 21,259,262</u>	<u>\$ 24,420,894</u>

The notes to the financial statements are an integral part of this statement.

Paris Junior College
Exhibit 2
Statement of Revenues, Expenses, and Changes in Net Position
Years Ended August 31, 2019 and August 31, 2018

OPERATING REVENUES	<u>2019</u>	<u>2018</u>
Tuition and Fees (Net of Discounts of \$5,827,514 and \$5,827,514 respectively)	\$ 7,131,226	\$ 6,852,335
Federal Grants and Contracts	2,043,999	1,894,407
State Grants and Contracts	543,217	1,098,163
Non-Governmental Grants and Contracts	164,219	236,021
Sales and Services of Educational Activities	241,673	307,230
Auxiliary Enterprises (Net of Discounts)	810,405	729,132
Other Operating Revenues	923,834	839,630
Total Operating Revenues (Schedule A)	<u>11,858,573</u>	<u>11,956,918</u>
OPERATING EXPENSES		
Instruction	9,954,268	9,798,444
Public Service	402,253	937,378
Academic Support	1,443,357	1,315,763
Student Services	3,742,808	3,295,470
Institutional Support	3,472,376	3,729,123
Operation and Maintenance of Plant	2,297,533	2,143,151
Scholarships and Fellowships	4,464,753	4,304,506
Auxiliary Enterprises	1,386,340	1,211,261
Depreciation	1,539,135	1,496,053
Total Operating Expenses (Schedule B)	<u>28,702,823</u>	<u>28,231,149</u>
Operating Income (Loss)	<u>(16,844,250)</u>	<u>(16,274,231)</u>
NON-OPERATING REVENUES (EXPENSES)		
State Appropriations	8,421,635	8,940,371
Maintenance Ad Valorem Taxes	2,941,468	2,843,527
Federal Revenue, Non Operating	8,280,684	7,941,395
Gifts	75,903	240,202
Investment Income	636,238	371,367
Interest on Capital Related Debt	(524,191)	(556,881)
Net Non-Operating Revenues (Schedule C)	<u>19,831,737</u>	<u>19,779,981</u>
Increase in Net Position	<u>2,987,487</u>	<u>3,505,750</u>
NET POSITION		
Net Position - Beginning of Year	24,702,605	45,546,782
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>(24,349,927)</u>
Balance at Beginning of Year, as Restated	24,702,605	21,196,855
Net Position - End of Year	<u>\$ 27,690,092</u>	<u>\$ 24,702,605</u>

The notes to the financial statements are an integral part of this statement.

**Paris Junior College
Affiliated Organization
Exhibit 2A
Statement of Activities
Year Ended August 31, 2019**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT				
Contributions	\$ 8,144	\$ 17,084	\$ 158,984	\$ 184,212
Net Realized Gains/(Losses) on Investments, Net of Management Fees	-	262,846	-	262,846
Net Unrealized Gains/(Losses) on Investments	-	(3,230,884)	-	(3,230,884)
Interest	13	21,810	-	21,823
Dividends	20	552,965	36,535	589,520
Lease	720	-	-	720
Royalties	-	7,112	44	7,156
In-Kind Professional Services	66,920	-	-	66,920
	<hr/>			
Total Operating Revenue	75,817	(2,369,067)	195,563	(2,097,687)
Net Assets Released From Restrictions:				
Satisfaction of Program Restrictions	986,643	(986,643)	-	-
Total Operating Revenues, Gains and Other Support	1,062,460	(3,355,710)	195,563	(2,097,687)
<hr/>				
OPERATING EXPENSES				
Programs:				
Contributions to PJC for Scholarships	986,643	-	-	986,643
Contributions to PJC for Equipment	-	-	-	-
Administration and Investment Fees				
Accounting	1,400	-	-	1,400
Other	8,113	-	-	8,113
	<hr/>			
In-Kind Professional Expenses	66,920	-	-	66,920
	<hr/>			
Total Operating Expenses	1,063,076	-	-	1,063,076
	<hr/>			
Changes in Net Assets from Operations	(616)	(3,355,710)	195,563	(3,160,763)
<hr/>				
OTHER CHANGES				
Nonoperating Income (Expense):				
Depreciation	870	-	-	870
	<hr/>			
Changes in Net Assets	(1,486)	(3,355,710)	195,563	(3,161,633)
	<hr/>			
NET ASSETS, Beginning of Year	16,976	14,420,473	9,983,445	24,420,894
NET ASSETS, End of Year	<u>\$ 15,490</u>	<u>\$ 11,064,763</u>	<u>\$ 10,179,008</u>	<u>\$ 21,259,261</u>

The notes to the financial statements are an integral part of this statement.

Paris Junior College
 Affiliated Organization
 Exhibit 2A (Continued)
 Statement of Activities
 Year Ended August 31, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
OPERATING REVENUES, GAINS, AND OTHER SUPPORT				
Contributions	\$ 3,335	\$ 11,814	\$ 111,005	\$ 126,154
Net Realized Gains/(Losses) on Investments, Net of Management Fees	-	2,188,819	-	2,188,819
Net Unrealized Gains/(Losses) on Investments	-	1,317,377	-	1,317,377
Interest	17	22,506	-	22,523
Dividends	25	505,071	30,535	535,631
Royalties	-	7,626	1	7,627
In-Kind Professional Services	65,630	-	-	65,630
Miscellaneous	147	296	-	443
Total Operating Revenue	69,154	4,053,509	141,541	4,264,204
Net Assets Released From Restrictions:				
Satisfaction of Program Restrictions	1,053,264	(1,053,264)	-	-
Total Operating Revenues, Gains and Other Support	1,122,418	3,000,245	141,541	4,264,204
OPERATING EXPENSES				
Programs:				
Contributions to PJC for Scholarships	950,496	-	-	950,496
Other Scholarships	102,768	-	-	102,768
Administration and Investment Fees				
Accounting	1,300	-	-	1,300
Other	8,067	-	-	8,067
In-Kind Professional Expenses	65,630	-	-	65,630
Total Operating Expenses	1,128,261	-	-	1,128,261
Changes in Net Assets from Operations	(5,843)	3,000,245	141,541	3,135,943
OTHER CHANGES				
Nonoperating Income (Expense):				
Depreciation	870	-	-	870
Changes in Net Assets	(6,713)	3,000,245	141,541	3,135,073
NET ASSETS, Beginning of Year	23,689	11,420,228	9,841,904	21,285,821
NET ASSETS, End of Year	<u>\$ 16,976</u>	<u>\$ 14,420,473</u>	<u>\$ 9,983,445</u>	<u>\$ 24,420,894</u>

The notes to the financial statements are an integral part of this statement.

Paris Junior College
Exhibit 3
Statement of Cash Flows
Years Ended August 31, 2019 and August 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES	2019	2018
Receipts from Students and Other Customers	\$ 10,442,100	\$ 8,130,324
Receipts of Grants and Contracts	2,806,130	4,301,189
Payments to or for Employees	(14,884,966)	(15,681,595)
Payments to Suppliers for Goods or Services	(6,927,375)	(8,031,412)
Payment of Scholarships	(4,188,031)	(3,986,152)
Net Cash Provided (Used) by Operating Activities	<u>(12,752,142)</u>	<u>(15,267,646)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from State Appropriations	7,918,110	7,867,773
Receipts from Ad Valorem Taxes	2,963,701	2,864,930
Receipts from Non Operating Federal Revenue	8,280,684	7,941,395
Receipts from Gifts	75,903	240,202
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>19,238,398</u>	<u>18,914,300</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of Capital Assets	(1,063,143)	(277,365)
Principal Paid on Capital Debt	(794,000)	(760,000)
Interest Paid on Capital Debt	(524,191)	(556,881)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(2,381,334)</u>	<u>(1,594,246)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts from Interest on Investments	636,238	371,367
Purchase of Investments	(2,000,000)	-
Net Cash Provided (Used) by Investing Activities	<u>(1,363,762)</u>	<u>371,367</u>
Increase (Decrease) in Cash and Cash Equivalents	2,741,160	2,423,775
Cash and Cash Equivalents - Beginning of Year	13,575,876	11,152,101
Cash and Cash Equivalents - End of Year	<u>\$ 16,317,036</u>	<u>\$ 13,575,876</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ (16,844,250)	\$ (16,274,231)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	1,539,135	1,496,053
Payments Made Directly by State for Benefits	503,525	1,072,598
Change in Assets and Liabilities:		
Receivables, Net	1,605,299	(3,221,369)
Deferred Outflow Pension	(1,724,824)	187,873
Deferred Outflow OPEB	(1,326,942)	49,857
Inventories	(9,463)	24,357
Other Assets	204,218	(245,738)
Accounts Payable	189,754	6,382
Accrued Liabilities	(5,136)	(4,922)
Pension Liability	2,557,388	(443,650)
OPEB Liability	(1,702,583)	(578,805)
Unearned Revenue	(305,060)	2,596,597
Deposits	7,400	(1,500)
Funds Held for Others	(24,921)	28,269
Deferred Inflow Pension	(3,609,031)	169,727
Deferred Inflow OPEB	6,193,349	(129,144)
Net Cash Provided (Used) by Operating Activities	<u>\$ (12,752,142)</u>	<u>\$ (15,267,646)</u>

The notes to the financial statements are an integral part of this statement.

Paris Junior College
Notes to Financial Statements
August 31, 2019

1. Reporting Entity

Paris Junior College (PJC) was established in 1924, in accordance with the laws of the State of Texas, to serve the educational needs of Paris and the surrounding communities. The College is considered to be a special purpose, primary government according to the definition in Government Accounting Standards Board (GASB) Statement No. 14. While the College receives funding from local, state and federal sources, and must comply with spending, reporting, and record-keeping requirements of these entities, it is not a component unit of any other governmental entity. One organization, the Paris Junior College Memorial Foundation, Inc. meets the criteria of GASB pronouncements and has been presented as a discrete component unit of the College (see Note 17).

2. Summary of Significant Accounting Policies

Reporting Guidelines

The significant accounting policies followed by the College in preparing these financial statements are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community Colleges*. The College applies all applicable GASB pronouncements. The College is reported as a special-purpose government engaged in business-type activities.

Tuition Discounting

Texas Public Education Grants (TPEG)

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set-aside, called the (TPEG), is shown with tuition and fee revenue amounts as a separate set-aside amount (TEC section 56.033). When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

Title IV, Higher Education Act (HEA) Program Funds

Certain Title IV HEA Program funds are received by the College to pass through to the student. These funds are initially received by the College and recorded as revenue. When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

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 the College have been prepared on the accrual basis whereby 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 district 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 Regents 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.

Deferred Outflows

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period 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.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

2. Summary of Significant Accounting Policies (Continued)

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. Long-term investments have an original maturity of greater than one year at the time of purchase.

Inventories

Inventories consist of jewelry, horology, gemology, welding, and electronics tools, books, and materials for sale to students. Inventories are valued at cost using the first-in, first-out method.

Capital Assets

Capital assets are recorded at cost at the date of acquisition or fair market 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 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 the assets' lives are charged to operating expense in the year in which the expense is incurred.

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

Collections: In accordance with guidance issued by the Texas Comptroller of Public Accounts, collections are capitalized but not depreciated. Collections are valued at their historical cost or fair value at the date of donation. The College has statues and antique pianos and organs which it capitalizes as collections. These collections are not depreciated due to the inexhaustible nature of these assets.

Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Employees Retirement System of Texas (ERS) State Retiree Health Plan (SRHP) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits; OPEB expense; and information about assets, liabilities and additions to/deductions from SRHP's fiduciary net position. Benefit payments are recognized when due and are payable in accordance with the benefit terms.

Pensions

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

Unearned Revenues

Tuition and fees and housing charges of \$5,525,806 and \$5,791,057 and federal, state and local grants of \$1,103,006 and \$1,142,815 have been reported as unearned revenues at August 31, 2019 and 2018, respectively.

Deferred Inflows

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period 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.

Estimates

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

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

2. Summary of Significant Accounting Policies (Continued)

Operating and Non-Operating Revenue and Expense Policy

The College distinguishes operating revenues and expenses from non-operating items. The College reports as a business-type entity and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with the College's principal on-going 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 operations of food services and the bookstore are not performed by the College but are contracted to independent vendors.

Change in Accounting Principle

The College implemented the provisions of GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The implementation of this statement resulted in an adjustment to net position in 2018 of (\$24,349,927).

Prior Year Restatement

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

Because audited balances could not be obtained for all of the deferred outflows of resources and deferred inflows of resources related to OPEB, the College determined it was impractical to restate its fiscal 2017 financial statements. As such, the College recorded a restatement to beginning net position in the fiscal year 2018 financial statements as a cumulative effect of a change in accounting principle. Beginning net position as of September 1, 2017 has been restated as follows for the implementation of GASB Statement No. 75:

	2018
Increase (Decrease) in Net Position	\$ 3,505,750
 NET POSITION	
Net Position - Beginning of Year	45,546,782
Cumulative Effect of Change in Accounting Principle	(24,349,927)
Net Position - Beginning of Year, as restated	21,196,855
Net Position - End of Year	\$ 24,702,605

3. Authorized Investments

Paris Junior College is authorized to invest in obligations and instruments as defined in the Public 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. At August 31, 2019, Paris Junior College's short-term investments consisted of certificates of deposit. Paris Junior College had no long-term investments at August 31, 2019.

4. Deposits and Investments

At August 31, 2019 and 2018, the carrying amount of Paris Junior College's deposits was \$29,313,561 and \$24,576,463 respectively, and total bank balances equaled \$28,841,956 and \$25,127,252. Bank balances of \$500,000 were covered by federal depository insurance at August 31, 2019 and 2018 and \$29,861,085 and \$26,042,858 were covered by collateral pledged in PJC's name. No collateral was held by PJC or by its agent.

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

	2019	2018
Bank Deposits		
Demand Deposits	\$ 16,313,561	\$ 13,572,401
Time Deposits	13,000,000	11,000,000
	29,313,561	24,572,401
Cash and Cash Equivalents		
Cash on Hand	3,475	3,475
Total Cash and Deposits	\$ 29,317,036	\$ 24,575,876

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

5. Capital Assets

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

	Balance September 1, 2018	Additions	Retirements	Balance August 31, 2019
<u>Not Depreciated:</u>				
Land	\$ 4,058,393	\$ 1,000	\$ -	\$ 4,059,393
Construction in Progress	-	-	-	-
Collections	90,750	-	-	90,750
Subtotal	<u>4,149,143</u>	<u>1,000</u>	<u>-</u>	<u>4,150,143</u>
<u>Buildings and Other Capital Assets:</u>				
Buildings and Improvements	47,913,817	863,478	-	48,777,295
Furniture and Equipment	3,728,245	180,850	-	3,909,095
Vehicles	1,055,831	48,702	-	1,104,533
Library Books	1,021,321	13,934	44,821	990,434
Subtotal	<u>53,719,214</u>	<u>1,106,964</u>	<u>44,821</u>	<u>54,781,357</u>
<u>Accumulated Depreciation:</u>				
Buildings and Improvements	13,822,323	1,098,591	-	14,920,914
Furniture and Equipment	2,038,382	345,335	-	2,383,717
Vehicles	817,678	74,001	-	891,679
Library Books	860,276	66,029	44,821	881,484
Subtotal	<u>17,538,659</u>	<u>1,583,956</u>	<u>44,821</u>	<u>19,077,794</u>
Net Other Capital Assets	<u>36,180,555</u>	<u>(476,992)</u>	<u>-</u>	<u>35,703,563</u>
Net Capital Assets	<u>\$ 40,329,698</u>	<u>\$ (475,992)</u>	<u>\$ -</u>	<u>\$ 39,853,706</u>

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

	Balance September 1, 2017	Additions	Retirements	Balance August 31, 2018
<u>Not Depreciated:</u>				
Land	\$ 4,058,393	\$ -	\$ -	\$ 4,058,393
Construction in Progress	-	-	-	-
Collections	90,750	-	-	90,750
Subtotal	<u>4,149,143</u>	<u>-</u>	<u>-</u>	<u>4,149,143</u>
<u>Buildings and Other Capital Assets:</u>				
Buildings and Improvements	47,844,387	69,430	-	47,913,817
Furniture and Equipment	3,469,610	258,635	-	3,728,245
Vehicles	1,055,831	-	-	1,055,831
Library Books	1,072,021	7,371	58,071	1,021,321
Subtotal	<u>53,441,849</u>	<u>335,436</u>	<u>58,071</u>	<u>53,719,214</u>
<u>Accumulated Depreciation:</u>				
Buildings and Improvements	12,731,616	1,090,707	-	13,822,323
Furniture and Equipment	1,699,844	338,538	-	2,038,382
Vehicles	760,887	56,791	-	817,678
Library Books	850,259	68,088	58,071	860,276
Subtotal	<u>16,042,606</u>	<u>1,554,124</u>	<u>58,071</u>	<u>17,538,659</u>
Net Other Capital Assets	<u>37,399,243</u>	<u>(1,218,688)</u>	<u>-</u>	<u>36,180,555</u>
Net Capital Assets	<u>\$ 41,548,386</u>	<u>\$ (1,218,688)</u>	<u>\$ -</u>	<u>\$ 40,329,698</u>

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

6. Noncurrent Liabilities

Noncurrent liability activity for the year ended August 31, 2019 was as follows:

	Balance September 1, 2018	Additions	Retirements	Balance August 31, 2019	Current Portion
Bonds					
Revenue Bonds	\$ 12,185,000	\$ -	\$ 794,000	\$ 11,391,000	\$ 528,000
Subtotal	12,185,000	-	794,000	11,391,000	528,000
Net Pension Liability	3,316,430	2,271,376	-	5,587,806	-
Net OPEB Liability	20,860,173	-	1,416,571	19,443,602	286,012
Total Noncurrent Liabilities	<u>\$ 15,501,430</u>	<u>\$ 2,271,376</u>	<u>\$ 2,210,571</u>	<u>\$ 36,422,408</u>	<u>\$ 814,012</u>

Noncurrent liability activity for the year ended August 31, 2018 was as follows:

	Balance September 1, 2017	Additions	Retirements	Balance August 31, 2018	Current Portion
Bonds					
Revenue Bonds	\$ 12,945,000	\$ -	\$ 760,000	\$ 12,185,000	\$ 505,000
Subtotal	12,945,000	-	760,000	12,185,000	505,000
Net Pension Liability	3,760,080	-	443,650	3,316,430	-
Net OPEB Liability	-	20,860,173	-	20,860,173	105,847
Total Noncurrent Liabilities	<u>\$ 16,705,080</u>	<u>\$ 20,860,173</u>	<u>\$ 1,203,650</u>	<u>\$ 36,361,603</u>	<u>\$ 610,847</u>

PJC has three series of revenue bonds outstanding that bear interest from 4.25% to 4.50%. They are due serially in varying amounts aggregating from \$735,000 to \$1,109,000 through March 15, 2032. Revenues of PJC are pledged for the payment of principal and interest on these bonds. Interest of \$524,191 was paid for the year ended August 31, 2019 on revenue bonds.

Debt service requirements at August 31, 2018 were as follows:

Year Ending August 31,	Revenue Bonds		Total
	Principal	Interest	
2020	\$ 817,000	\$ 503,668	\$ 1,320,668
2021	854,000	467,180	1,321,180
2022	890,000	429,091	1,319,091
2023	930,000	389,330	1,319,330
2024	975,000	347,810	1,322,810
2025-2029	4,694,000	1,609,592	6,303,592
2030-2032	2,520,000	196,864	2,716,864
Totals	<u>11,680,000</u>	<u>3,943,535</u>	<u>15,623,535</u>
Less payment prior to year end of September 15, 2019 requirements	289,000	198,295	487,295
	<u>\$ 11,391,000</u>	<u>\$ 3,745,240</u>	<u>\$ 15,136,240</u>

General information related to bonds and notes payable is summarized below:

Revenue Bonds:

Tuition and General Fee Revenue Bonds, Series 2006
To acquire site, construct, and equip Greenville center
Issued August 16, 2006
\$7,500,000; all authorized bonds have been issued
Source of revenue for debt service – tuition and other fee revenues

August 31, 2019

\$ 4,707,000

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

6. Noncurrent Liabilities (Continued)

Revenue Bonds (Continued):

Tuition and General Fee Revenue Bonds, Series 2007	3,860,000
To acquire site, construct, and equip Greenville center	
Issued August 16, 2007	
\$6,000,000; all authorized bonds have been issued	
Source of revenue for debt service – tuition and other fee revenues	
Tuition and General Fee Revenue Bonds, Series 2012	
To prepare site, construct, and equip the Math and Science Building	2,824,000
Issued May 24, 2012	
\$4,000,000; all authorized bonds have been issued	
Source of revenue for debt service – tuition and other fee revenues	

7. Employees' Retirement Plans

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

Teacher Retirement System of Texas-Defined Benefit Plan

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

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

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

Benefits Provided. TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 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, whose formulas use 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 cost of living adjustments (COLA). Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

Contributions. Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas Legislature to establish a member contribution rate of not less than 6 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements, if as a result of the particular action, the time required to amortize TRS's unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

7. Employees' Retirement Plans (Continued)

Employee contribution rates are set in state statute, Texas Government Code 825.402. The 85th Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2018 and 2019.

	Contribution Rates	
	2019	2018
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	6.8%	6.8%
Employers	6.8%	6.8%
Paris Junior College Contributions	\$ 328,112	\$ 321,268
State of Texas On-behalf Contributions	\$ 214,881	\$ 216,203

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.

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

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part of 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 31, 2018, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Single Discount Rate	6.91%
Long-term Expected Investment Rate of Return*	7.25%
Municipal Bond Rate*	3.69%
Last year ending August 31 in the 2016 to 2115	
Projection period (100 years)	2116
Inflation	2.30%
Salary increases including inflation	3.50% to 9.50%
Payroll Growth Rate	2.50%
Benefit changes during the year	None
Ad hoc post-employment benefit changes	None

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

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

7. Employees' Retirement Plans (Continued)

The actuarial methods and assumptions were selected by the board of trustees based upon analysis and recommendations by the system's actuary. The board of trustees has sole authority to determine the actuarial assumptions used for the plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the three-year period ending August 31, 2017 and were adopted in July 2018. There were no changes to the actuarial assumptions or other inputs that affected the measurement of the total pension liability since the prior measurement period. Assumptions, methods, and plan changes were updated from the prior year's report. The net pension liability increased significantly since the prior measurement date due to a change in the following actuarial assumptions:

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

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

Discount Rate. The discount rate used to measure the total pension liability was 6.907 percent. The single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent and a municipal bond rate of 3.69 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments until the year 2069. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments after that date. The long-term rate of return on pension plan investments is 7.25 percent. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in TRS' target asset allocation as of August 31, 2018, are summarized on the following table:

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

7. Employees' Retirement Plans (Continued)

Asset Class	Target Allocation ¹	Long-Term Expected Geometric Real Rate of Return	Expected Contribution to Long-Term Portfolio Returns ²
Global Equity			
U.S.	18.0%	5.7%	1.0%
Non-U.S. Developed	13.0%	6.9%	0.9%
Emerging Markets	9.0%	8.9%	0.8%
Directional Hedge Funds	4.0%	3.5%	0.1%
Private Equity	13.0%	10.2%	1.5%
Stable Value			
U.S. Treasuries	11.0%	1.1%	0.1%
Absolute Return	0.0%	0.0%	0.0%
Stable Value Hedge Funds	4.0%	3.1%	0.1%
Cash	1.0%	-0.3%	0.0%
Real Return			
Global Inflation Linked Bonds	3.0%	0.7%	0.0%
Real Assets	14.0%	5.2%	0.7%
Energy and Natural Resources	5.0%	7.5%	0.4%
Commodities	0.0%	0.0%	0.0%
Risk Parity			
Risk Parity	5.0%	3.7%	0.2%
Inflation Expectation			2.3%
Alpha			-0.8%
Total	<u>100.0%</u>		<u>7.3%</u>

¹Target allocations are based on the FY2016 policy model.

²The Expected Contribution to Returns incorporates the volatility drag resulting from the conversion between Arithmetic and Geometric mean returns.

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

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

	1% Decrease in Discount Rate (5.907%)	Discount Rate (6.907%)	1% Increase in Discount Rate (7.907%)
Paris Junior College's Proportionate Share of the Net Pension Liability:	\$ 8,433,339	\$ 5,587,806	\$ 3,284,178

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At August 31, 2019 Paris Junior College reported a liability of \$5,587,886 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to Paris Junior College. The amount recognized by Paris Junior 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 Paris Junior College were as follows:

Paris Junior College' Proportionate Share of the Collective Net Pension Liability	\$ 5,587,806
State's Proportionate Share that is Associated with Paris Junior College	2,613,365
Total	<u>\$ 8,201,171</u>

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

7. Employees' Retirement Plans (Continued)

The net pension liability was measured as of August 31, 2018, and the total pension liability used to calculate the net pension 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, 2017 through August 31, 2018.

At the measurement date of August 31, 2018, the employer's proportion of the collective net pension liability was 0.01015%, which was a decrease of 0.0002% from its proportion measured as of August 31, 2017.

For the year ended August 31, 2019, Paris Junior College recognized pension expense of \$343,225 and revenue of \$343,225 for support provided by the State. Refer to the 2018 Schedule of On-Behalf Contributions for this information posted on the TRS website under GASB Statements 67 & 68.

At August 31, 2018, Paris Junior College reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 34,830	\$ 62,959
Changes in Actuarial Assumptions	2,014,673	137,103
Difference Between Projected and Actual Investment Earnings	290,394	396,419
Changes in Proportion and Difference Between the Employer's Contributions and the Proportionate Share of Contributions	-	406,773
Contributions Paid to TRS Subsequent to the Measurement Date	388,274	-
Total	\$ 2,728,171	\$ 1,003,254

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
2019	\$ 355,782
2020	132,663
2021	87,753
2022	311,467
2023	338,557
Thereafter	213,245

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

7. Employees' Retirement Plans (Continued)

Optional Retirement Plan-Defined Contribution Plan

Plan Description. Participation in the Optional Retirement Program is in lieu of participation in the 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, the College and each participant are 3.3%, 3.3% and 6.65%, respectively. The College contributes 1.31 percent 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 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district. In certain instances, the College is required to make all or a portion of the State's contribution.

The retirement expense to the state for the College was \$438,420 and \$249,200 for the fiscal years ended August 31, 2019 and 2018, respectively. This amount represents the portion of expended appropriations made by the Legislature on behalf of the College.

The total payroll for all College employees was \$11,991,712 and \$12,093,907 for fiscal years 2019 and 2018, respectively. The total payroll of employees covered by the Teacher Retirement System was \$8,035,171 and \$7,903,998, and the total payroll of employees covered by the Optional Retirement Program was \$2,891,725 and \$3,106,374 for fiscal years 2019 and 2018, respectively.

Deferred Compensation Program

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

As of August 31, 2019 and 2018, the College had 14 and 17 employees, respectively, participating in a deferred compensation program. A total of \$102,653 and \$82,380 in payroll deductions were invested in approved plans during the years ended August 31, 2019 and 2018, respectively.

8. Compensated Absences

Sick leave, which can be accumulated up to 480 hours, is earned at the rate of 8 hours per month. It is paid to an employee who misses work because of illness. No accumulated sick leave is paid upon termination of employment. Vacation leave does not accumulate or carryover to subsequent years. Therefore, Paris Junior College does not accrue a liability related to compensated absences.

9. Health Care and Life Insurance Benefits

Certain health care and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing these benefits by expending the annual insurance premiums. The state's contribution per full-time employee was \$625 per month for the year ended August 31, 2019, (\$622 per month for 2018) and totaled \$1,250,765 for 2019 (\$1,196,219 for the year ended 2018). The cost of providing those benefits for 134 retirees in the year ended 2019 as \$488,131 (retiree benefits for 128 retirees cost \$460,906 in 2018). For 201 active employees, the cost of providing benefits was \$762,634 for the year ended 2019 (active employee benefits for 206 employees cost \$735,313 for the year ended 2018). SB 1812, 83rd Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

10. Other Post-Employment Benefits (OPEB)

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

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

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

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

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

Maximum Monthly Employer Contribution Retiree Health and Basic Life Premium Fiscal Year 2018	
Retiree Only	\$ 621.90
Retiree & Spouse	\$ 978.22
Retiree & Children	\$ 860.48
Retiree & Family	\$ 1,216.80

Contributions of premiums to the GBP plan is shown below:

	2018
Paris Junior College (active and retired)	\$ 1,780,496
Nonemployer Contributing Entity (State of Texas)	\$ 1,064,891

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

10. Other Post-Employment Benefits (OPEB) (Continued)

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

Valuation Date	August 31, 2018
Actuarial Cost Method	Entry Age
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Asset valuation method	N/A
Projected annual salary increase (includes inflation)	2.5% to 9.5%, including inflation
Annual healthcare trend rate	7.3%, FY20; 7.4%, FY21; 7.0%, FY22- decreasing 0.5%/yr to 4.5% in FY27+
Inflation assumption rate	2.50%
Ad hoc postemployment benefit changes	None
Mortality assumptions:	
Service retirees, survivors and other inactive members	Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018.
Disability retirees	Tables based on TRS experience with Ultimate MP Projection Scale from the year 2018 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members.
Active members	Sex Distinct RP-2014 Employee Mortality multiplied by 90% with Ultimate MP Projection Scale from the year 2014.

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

Investment Policy. The State Retiree Health Plan is a pay-as-you go plan and does not accumulate funds in advance of retirement. The System's Board of Trustees adopted the amendment to the investment policy in August 2018 to require that all funds in the plan be invested in short-term fixed income securities and specify that the expected rate of return on these investments is 5.0%.

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

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

	1% Decrease in Discount Rate (2.96%)	Discount Rate (3.96%)	1% Increase in Discount Rate (4.96%)
Paris Junior College's Proportionate Share of the Net OPEB Liability:	\$ 23,083,490	\$ 19,443,602	\$ 16,687,737

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

10. Other Post-Employment Benefits (OPEB) (Continued)

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

	1% Decrease in Healthcare Cost Trend Rates (ex. 6.3% to 3.5%)	Current Healthcare Cost Trend Rates (ex. 7.3% to 4.5%)	1% Increase in Healthcare Cost Trend Rates (ex. 8.3% to 5.5%)
Paris Junior College's Proportionate Share of the Net OPEB Liability:	\$ 16,465,995	\$ 19,443,602	\$ 23,284,239

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At August 31, 2019, the College reported a liability of \$19,443,602 for its proportionate share of the ERS's net OPEB liability. This liability reflects a reduction for State support provided to the College for OPEB. The amount recognized by the College as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the College were as follows:

Paris Junior College's Proportionate share of the collective net OPEB liability	\$ 19,443,602
State's proportionate share that is associated with Paris Junior College	10,864,513
Total	\$ 30,308,115

The net OPEB liability was measured as of August 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2018 through August 31, 2019.

For the year ended August 31, 2019, the College recognized OPEB expense of \$64,585 and revenue of \$64,585 for support provided by the State.

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

- Additional demographic assumptions (aggregate payroll increases and rate of general inflation) to reflect an experience study;
- The percentage of current and future retirees and retirees' spouses not yet eligible to participate in the HealthSelect Medicare Advantage plan who will elect to participate at the earliest date at which coverage can commence has been updated to reflect recent plan experience and expected trends;
- Percentage of future retirees assumed to be married and electing coverage for their spouse.

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

- Increase in out-of-pocket maximum for HealthSelect retirees and dependents for whom Medicare is not primary.

This minor benefit change is provided for in the FY2019 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is Primary.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

10. Other Post-Employment Benefits (OPEB) (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ -	\$ 694,409
Changes in Actuarial Assumptions	-	6,831,512
Difference Between Projected and Actual Investment Earnings	9,208	-
Changes in Proportion and Difference Between the Employer's Contributions and the Proportionate Share of Contributions	-	-
Contributions Paid to ERS Subsequent to the Measurement Date	3,098,357	-
Total	\$ 3,107,565	\$ 7,525,921

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

Year ended August 31:	Pension Expense Amount
2020	\$ (1,424,330)
2021	(1,424,330)
2022	(1,424,330)
2023	(802,615)
2024	(188,332)
Thereafter	-

11. Disaggregation of Receivables and Payables Balances

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

	2019	2018
Student Receivables	\$ 6,945,689	\$ 7,261,011
Taxes Receivables	416,545	394,312
Federal Receivables	184,369	279,218
Other Receivables	-	904,139
Subtotal	7,546,603	8,838,680
Allowance for Doubtful Accounts	(2,572,009)	(2,236,553)
Total	\$ 4,974,594	\$ 6,602,127

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

	2019	2018
Vendors Payable	\$ 899,398	\$ 709,644
Accrued Liabilities	50,008	55,144
Other Payables	44,802	69,723
Total	\$ 994,208	\$ 834,511

12. Contract and Grant Awards

Contract and grant awards are accounted for in accordance with the requirements of the American Institute of Certified Public Accountants. Revenues are recognized on Exhibit 2 and Schedule A. For federal contract and grant awards, funds expended, but not collected, are reported as Accounts Receivable 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.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

13. Self-Insured Plans

PJC has various self-insured arrangements for coverage in the areas of workers' compensation and unemployment compensation. Accrued liabilities are generally based on actuarial valuation and represent the present value of unpaid expected claims. Estimated future payments for incurred claims are charged to current funds expenditures.

14. Property Tax

Paris Junior College'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 property located in the District.

	<u>2019</u>	<u>2018</u>
Assessed Valuation of the District	\$ 4,390,429,191	\$ 4,276,919,804
Less: Exemptions and Abatements	<u>972,482,484</u>	<u>953,939,423</u>
 Net Assessed Valuation of the District	 <u>\$ 3,417,946,707</u>	 <u>\$ 3,322,980,381</u>
	<u>Current</u>	<u>Debt</u>
	<u>Operations</u>	<u>Service</u>
		<u>Total</u>
2019		
Tax Rate per \$100 Valuation for Authorized	<u>\$ 0.2700</u>	<u>\$ 0.5000</u>
		<u>\$ 0.770</u>
 Tax Rate per \$100 Valuation for Assessed	 <u>\$ 0.0850</u>	 <u>\$ -</u>
		 <u>\$ 0.0850</u>
2018		
Tax Rate per \$100 Valuation for Authorized	<u>\$ 0.2700</u>	<u>\$ 0.5000</u>
		<u>\$ 0.770</u>
 Tax Rate per \$100 Valuation for Assessed	 <u>\$ 0.0850</u>	 <u>\$ -</u>
		 <u>\$ 0.0850</u>

Taxes levied for the years ended August 31, 2019 and 2018, are \$2,908,600 and \$2,829,210, respectively including penalty and interest assessed. 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.

	<u>Current</u>	<u>Debt</u>	
	<u>Operations</u>	<u>Service</u>	<u>Total</u>
2019			
Taxes Collected			
Current Taxes Collected	\$ 2,802,207	\$ -	\$ 2,802,207
Delinquent Taxes Collected	88,932	-	88,932
Penalties and Interest Collected	<u>50,329</u>	<u>-</u>	<u>50,329</u>
 Total Collected	 <u>\$ 2,941,468</u>	 <u>\$ -</u>	 <u>\$ 2,941,468</u>
2018			
Current Taxes Collected	\$ 2,765,624	\$ -	\$ 2,765,624
Delinquent Taxes Collected	40,044	-	40,044
Penalties and Interest Collected	<u>37,859</u>	<u>-</u>	<u>37,859</u>
 Total Collected	 <u>\$ 2,843,527</u>	 <u>\$ -</u>	 <u>\$ 2,843,527</u>

Tax collections for the years ended August 31, 2019 and 2018, were 98.69% and 97.75%, respectively of the current tax levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or interest and sinking expenditures.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

15. Tax Abatements

Paris Junior College has entered into property tax abatement agreements with local businesses under the Property Redevelopment & Tax Abatement Act, Texas Tax Code Chapter 312. Under the Act, localities may grant property tax abatements from 0 to 100 percent of a business' property tax bill for attracting or retaining businesses within their taxing jurisdictions. The abatements were granted to businesses located within or promising to relocate to the taxing district of Paris Junior College for (i) jobs created, (ii) jobs retained in cases of existing employers within the taxing district, and (iii) broadening of the tax base, and expansion of economic base. Paris Junior College discontinued granting tax abatements in 2015.

For the fiscal year ended August 31, 2019, Paris Junior College had commitments outstanding for abated property taxes totaling \$222,504 under this program, including the following agreements that each exceeded 10 percent of the total amount abated:

- A 60 percent property tax abatement to Campbell Soup Company for expansion. The abatement amounted to \$89,836.
- A 100 percent property tax abatement to Kimberly-Clark Corporation for expansion and addition of new equipment. The abatement amounted to \$88,402.
- A 60 percent property tax abatement to Essent PRMC LP for expansion. The abatement amounted to \$22,157.

16. Income Taxes

The College is exempt from income taxes under Internal Revenue Code Section 115, Income of States, Municipalities, Etc., although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(B), Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations. The College had no unrelated business income tax liability for the years ended August 31, 2019 and 2018.

17. Component Unit

The Paris Junior College Memorial Foundation, Inc. - Discrete Component Unit

The Paris Junior College Memorial Foundation, Inc. was established as a separate nonprofit corporation in 1944 to raise funds to provide student scholarships and assistance in the development and growth of the College. Under Governmental Standards Board Statement No. 39, *Determining Whether Certain Organization are Component Units*, an organization should report as a discretely presented component unit those organizations that raise and hold economic resources for the direct benefit of a government unit.

Accordingly, the Foundation's financial statements are included in the College's annual report as a discrete component unit (see table of contents). Selected disclosures are included in the College's financial statements.

General and Significant Accounting Policies

Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The Foundation maintains its accounts in accordance with the principles of fund accounting. Resources for various purposes are classified into funds that are in accordance with activities or objectives specified by donors. Separate accounts are maintained for each fund. For reporting purposes, however, the Foundation classifies net position and revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net position of the Foundation and changes therein are classified and reported as follows:

Unrestricted: Net position that is not subject to donor-imposed restrictions and may be used for any operating purpose of the Foundation.

Temporarily Restricted: Net position that is subject to donor-imposed stipulations that require the passage of time and/or the occurrence of a specific event.

Permanently Restricted: Net position that is required to be maintained in perpetuity, with only the income used for operating activities, due to donor-imposed restrictions.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

17. Component Unit (Continued)

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. The carrying amounts of other investments are based on the historical cost of those investments. Realized and unrealized gains and losses are reported in the statement of activities.

In accordance with generally accepted account principles, investment in financial and nonfinancial assets are reported in a three-tiered hierarchy as follows:

Level I - Assets are based on quoted prices or unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the Foundation's year end.

Level II - Assets are based on other than quoted prices or adjusted quoted prices of similar assets or liabilities in markets that are not active.

Level III - Assets are based on unobservable inputs and shall reflect the Foundation's own assumptions about the assets or liabilities.

This fair value hierarchy gives the highest priority to Level I assets and the lowest priority to Level III assets.

Capital Assets and Depreciation

Capital assets are recorded at cost or at estimated fair market value at the date of the gift if donated. Such donations are reported as unrestricted support unless the donor has restricted the asset to a specific purpose. Assets donated with specific restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Foundation reclassifies temporarily restricted net position to unrestricted net position at that time.

Depreciation is calculated on the straight-line method over the estimated useful lives of the assets. The estimated useful lives range from 10 to 30 years.

Contributions

Contributions are recognized as revenues in the period unconditional promises to give are received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Contributed Services

The services of the Foundation employees and certain operating costs have been donated by the College. The estimated value of these contributed services is \$66,920 and \$65,630 for the years ended August 31, 2019 and 2018, respectively, and has been included in revenues and expenses in the accompanying financial statements.

Federal Income Taxes

The income of the Foundation, except for unrelated business income, is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. The Foundation had no unrelated business income during the years ended August 31, 2018 and 2017.

Use of Estimates

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

Risks and Uncertainties

The Foundation invests in various investment securities which are inherently exposed to various risks such as interest rate fluctuations, and market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Paris Junior College
Notes to Financial Statements (Continued)
August 31, 2019

17. **Component Unit** (Continued)

Reclassifications

Certain amounts relating to the prior year have been reclassified to conform to the current year presentation. The reclassifications have no effect on the previously reported net assets.

Investments

The following schedule summarizes the Foundation's investments as of August 31, 2019 and 2018:

Type of Security	Fair Value	
	2019	2018
Consumer Cyclical	\$ 1,327,477	\$ 1,088,824
Consumer Non-Cyclical	919,022	1,203,722
Energy	4,493,000	5,141,022
Financial	6,919,149	7,446,626
Healthcare	2,450,727	3,221,398
Industrial	1,327,477	970,751
Technology	2,471,150	3,929,053
Preferred Stock	40,845	109,440
Closed End Funds (Precious Metals)	20,422	48,469
Corporate Bonds	61,268	53,457
Government Bonds	2,042	942
Municipal Bonds	204,227	105,640
Mutual Funds (Equity)	-	434
Unit Investment Trust	-	3,503
Unit Investment Trust	163,381	198,585
Total Investments	<u>\$ 20,422,730</u>	<u>\$ 23,521,866</u>

The Foundation holds investment assets of common stock valued at \$480,000 that is a Level II investment. The remainder of the Foundation's investments are Level I investments.

Fees paid for by the Foundation investment management services amounted to \$64,064 and \$64,128 for the years ended August 31, 2019 and 2018.

Capital Assets

The following schedule summarizes the Foundation's capital assets as of August 31, 2018 and 2017:

	2019	2018
Land	\$ 500	\$ 500
Building	170,273	170,273
Improvements	14,603	14,603
	185,376	185,376
Accumulated Depreciation	(180,704)	(179,834)
Total Property and Equipment	<u>\$ 4,672</u>	<u>\$ 5,542</u>

**Paris Junior College
Required Supplementary Information
August 31, 2019**

Schedule of Proportionate Share of Net Pension Liability

Fiscal year ending August 31*,	2019**	2018**	2017**	2016**	2015**
Paris Junior College's Proportionate Share of Collective Net Pension Liability (%)	0.010150%	0.013070%	0.009950%	0.010951%	0.012075%
Paris Junior College's Proportionate Share of Collective Net Pension Liability (\$)	\$ 5,587,806	\$ 3,316,430	\$ 3,760,080	\$ 3,871,174	\$ 3,225,507
State's Proportionate Share of Net Pension Liability Associated with Paris Junior College	2,613,365	1,951,953	2,359,068	2,508,903	2,233,999
Total	\$ 8,201,171	\$ 5,268,383	\$ 6,119,148	\$ 6,380,077	\$ 5,459,506
Paris Junior College's Covered Employee Payroll Amount	\$ 8,035,171	\$ 7,903,988	\$ 7,505,463	\$ 7,392,598	\$ 7,722,452
Paris Junior College's Proportionate Share of Collective Net Pension Liability as a Percentage of Covered Employee Payroll	69.54%	41.96%	50.10%	52.37%	41.77%
Plan Fiduciary Net Position as Percentage of the Total Pension Liability	73.74%	82.17%	78.00%	78.43%	83.25%

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

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

Schedule of Pension Contributions

Fiscal year ending August 31*,	2019**	2018**	2017**	2016**	2015**
Legally Required Contributions	\$ 328,112	\$ 321,268	\$ 310,910	\$ 307,172	\$ 316,189
Actual Contributions	328,112	321,268	310,910	307,172	316,189
Contributions Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Paris Junior College Covered Employee Payroll Amount	\$ 8,035,171	\$ 7,903,988	\$ 7,505,463	\$ 7,392,598	\$ 7,722,452
Ratio of: Actual Contributions / ER Covered Payroll Amount	4.08%	4.06%	4.14%	4.16%	4.09%

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

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

**Paris Junior College
Required Supplementary Information
August 31, 2018**

Schedule of Proportionate Share of Net OPEB Liability

<u>Fiscal year ending August 31*,</u>	<u>2019**</u>	<u>2018**</u>
Paris Junior College's Proportion of the Collective Net OPEB Liability (%)	0.065604%	0.061222%
Paris Junior College's Proportionate Share of the Net OPEB Liability (\$)	\$ 19,443,602	\$ 20,860,173
State's Proportionate Share of Net OPEB Liability Associated with Paris Junior College	<u>10,864,513</u>	<u>15,386,001</u>
Total	<u>\$ 30,308,115</u>	<u>\$ 36,246,174</u>
Paris Junior College's Covered Employee Payroll Amount	\$ 11,991,712	\$ 11,048,585
Paris Junior College's Proportionate Share of Collective Net OPEB Liability as a Percentage of Covered Employee Payroll	162.14%	188.80%
Plan Fiduciary Net Position as Percentage of the Total OPEB Liability	1.27%	2.04%

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

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

**Schedule of Contributions for OPEB
Employee Retirement System of Texas**

<u>Fiscal year ending August 31*,</u>	<u>2019**</u>	<u>2018**</u>
Legally Required Contributions (active and retired)	\$ 1,780,496	\$ 1,774,447
Actual Contributions	<u>1,780,496</u>	<u>1,774,447</u>
Contributions Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Paris Junior College Covered Employee Payroll Amount	\$ 11,991,712	\$ 11,048,585
Contributions as a Percentage of Covered Employee Payroll	14.85%	16.06%

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

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

Paris Junior College
Notes to Required Supplementary Information
August 31, 2018

Defined Benefit Pension Plan

Changes of Benefit Terms

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

Changes of Assumptions

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

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

Defined Benefit OPEB Plan

Changes of Benefit Terms

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

- Increase in out-of-pocket maximum for HealthSelect retirees and dependents for whom Medicare is not primary.

This minor benefit change is provided for in the FY2019 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is Primary.

Changes of Assumptions

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

- Additional demographic assumptions (aggregate payroll increases and rate of general inflation) to reflect an experience study;
- The percentage of current and future retirees and retirees' spouses not yet eligible to participate in the HealthSelect Medicare Advantage plan who will elect to participate at the earliest date at which coverage can commence has been updated to reflect recent plan experience and expected trends;
- Percentage of future retirees assumed to be married and electing coverage for their spouse.

Paris Junior College
Schedule A
Schedule of Operating Revenues
Year Ended August 31, 2019 (With Memorandum Totals for the Year Ended August 31, 2018)

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total Educational Activities</u>	<u>Auxiliary Enterprises</u>	<u>2019 Total</u>	<u>2018 Total</u>
Tuition and Fees						
Tuition						
State Funded Courses						
In-District Resident Tuition	\$ 1,515,983	\$ -	\$ 1,515,983	\$ -	\$ 1,515,983	\$ 1,458,593
Out-of-District Resident Tuition	4,492,900	-	4,492,900	-	4,492,900	4,991,500
Non-Resident Tuition	340,328	-	340,328	-	340,328	350,225
TPEG Credit (Set-Aside)	343,970	-	343,970	-	343,970	334,344
State Funded Continuing Education	476,355	-	476,355	-	476,355	424,188
Non-State Funded Continuing Education	51,701	-	51,701	-	51,701	65,030
TPEG Non-Credit (Set-Aside)	31,914	-	31,914	-	31,914	28,554
Total Tuition	<u>7,253,151</u>	<u>-</u>	<u>7,253,151</u>	<u>-</u>	<u>7,253,151</u>	<u>7,652,434</u>
Fees						
General Fee	2,054,354	-	2,054,354	-	2,054,354	1,985,934
Laboratory Fee	226,898	-	226,898	-	226,898	196,240
Installment Handling Fee	26,924	-	26,924	-	26,924	26,650
Other Fees	2,928,043	-	2,928,043	-	2,928,043	2,818,591
Total Fees	<u>5,236,219</u>	<u>-</u>	<u>5,236,219</u>	<u>-</u>	<u>5,236,219</u>	<u>5,027,415</u>
Scholarship Allowances and Discounts						
Scholarship Allowances	(196,861)	-	(196,861)	-	(196,861)	(211,637)
Remissions and Exemptions	(983,353)	-	(983,353)	-	(983,353)	(1,566,458)
TPEG Allowances	(205,261)	-	(205,261)	-	(205,261)	(256,145)
Federal Grants to Students	(3,972,669)	-	(3,972,669)	-	(3,972,669)	(3,793,274)
Total Scholarship Allowances and Discounts	<u>(5,358,144)</u>	<u>-</u>	<u>(5,358,144)</u>	<u>-</u>	<u>(5,358,144)</u>	<u>(5,827,514)</u>
Total Net Tuition and Fees	<u>7,131,226</u>	<u>-</u>	<u>7,131,226</u>	<u>-</u>	<u>7,131,226</u>	<u>6,852,335</u>
Other Operating Revenues						
Federal Grants and Contracts	-	2,043,999	2,043,999	-	2,043,999	1,894,407
State Grants and Contracts	-	543,217	543,217	-	543,217	1,098,163
Non-Governmental Grants and Contracts	164,219	-	164,219	-	164,219	236,021
Sales and Services of Educational Activities	7,073	-	7,073	234,600	241,673	307,230
Other Operating Revenues	909,357	-	909,357	14,477	923,834	839,630
Total Other Operating Revenues	<u>1,080,649</u>	<u>2,587,216</u>	<u>3,667,865</u>	<u>249,077</u>	<u>3,916,942</u>	<u>4,375,451</u>
Auxiliary Enterprises						
Residential Life	-	-	-	1,012,164	1,012,164	982,551
Scholarship Allowances and Discounts	-	-	-	(334,597)	(334,597)	(330,714)
Net Residential Life	-	-	-	677,567	677,567	651,837
Bookstore	-	-	-	119,918	119,918	74,195
Athletics	-	-	-	12,920	12,920	3,100
Total Net Auxiliary Enterprises	<u>-</u>	<u>-</u>	<u>-</u>	<u>810,405</u>	<u>810,405</u>	<u>729,132</u>
Total Operating Revenues (Exhibit 2)	<u>\$ 8,211,875</u>	<u>\$ 2,587,216</u>	<u>\$ 10,799,091</u>	<u>\$ 1,059,482</u>	<u>\$ 11,858,573</u>	<u>\$ 11,956,918</u>

In accordance with Education Code 56.033, \$375,844 and \$362,898 for years ended August 31, 2019 and 2018, respectively, was set aside for Texas Public Education Grants (TPEG).

Paris Junior College
Schedule B
Schedule of Operating Expenses by Object
Year Ended August 31, 2019 (With Memorandum Totals for Year Ended August 31, 2018)

	<u>Operating Expenses</u>						
	<u>Salaries and Wages</u>	<u>Benefits</u>		<u>Other Expenses</u>	<u>2019 Total</u>		<u>2018 Total</u>
		<u>State</u>	<u>Local</u>				
Unrestricted - Educational Activities							
Instruction	\$ 6,202,396	\$ -	\$ 1,857,352	\$ 741,240	\$ 8,800,988	\$ 8,148,543	
Public Service	88,343	-	48,200	18,709	155,252	146,789	
Academic Support	887,467	-	264,339	246,525	1,398,331	1,223,929	
Student Services	1,399,332	-	394,281	513,726	2,307,339	1,889,819	
Institutional Support	1,475,762	-	417,093	1,508,475	3,401,330	3,563,516	
Operation and Maintenance of Plant	756,318	-	273,173	1,268,042	2,297,533	2,143,151	
Scholarships and Fellowships	-	-	-	276,722	276,722	318,354	
Total Unrestricted - Educational Activities	<u>10,809,618</u>	<u>-</u>	<u>3,254,438</u>	<u>4,573,439</u>	<u>18,637,495</u>	<u>17,434,101</u>	
Restricted - Educational Activities							
Instruction	360,279	314,638	63,837	414,526	1,153,280	1,649,901	
Public Service	149,688	5,135	54,385	37,793	247,001	790,589	
Academic Support	-	45,026	-	-	45,026	91,834	
Student Services	570,497	67,160	189,677	608,135	1,435,469	1,405,651	
Institutional Support	-	71,046	-	-	71,046	165,607	
Operation and Maintenance of Plant	-	-	-	-	-	-	
Scholarships and Fellowships	-	-	-	4,188,031	4,188,031	3,986,152	
Total Restricted - Educational Activities	<u>1,080,464</u>	<u>503,005</u>	<u>307,899</u>	<u>5,248,485</u>	<u>7,139,853</u>	<u>8,089,734</u>	
Total Educational Activities	11,890,082	503,005	3,562,337	9,821,924	25,777,348	25,523,835	
Auxiliary Enterprises	112,155	-	33,038	1,241,147	1,386,340	1,211,261	
Depreciation Expense-Buildings and Other Real Estate Improvements	-	-	-	1,092,680	1,092,680	1,090,707	
Depreciation Expense-Equipment	-	-	-	446,455	446,455	405,346	
Total	<u>\$ 12,002,237</u>	<u>\$ 503,005</u>	<u>\$ 3,595,375</u>	<u>\$ 12,602,206</u>	<u>\$ 28,702,823</u>	<u>\$ 28,231,149</u>	

Paris Junior College
Schedule C
Schedule of Non-Operating Revenues and Expenses
Year Ended August 31, 2019 (With Memorandum Totals for the Year Ended August 31, 2018)

	<u>Unrestricted</u>	<u>Auxiliary Enterprises</u>	<u>Restricted</u>	<u>2019 Total</u>	<u>2018 Total</u>
Non-Operating Revenues:					
State Appropriations					
Education and General - State Support	\$ 7,835,659	\$ -	\$ -	\$ 7,835,659	\$ 7,833,934
State Group Insurance	-	-	65,105	65,105	823,398
State Retirement Matching	-	-	438,420	438,420	249,200
Professional Nursing Shortage Reduction	-	-	82,451	82,451	33,839
Total State Appropriations	<u>7,835,659</u>	<u>-</u>	<u>585,976</u>	<u>8,421,635</u>	<u>8,940,371</u>
Ad Valorem Taxes	2,941,468	-	-	2,941,468	2,843,527
Federal Revenue, Non Operating	8,280,684	-	-	8,280,684	7,941,395
Gifts	75,903	-	-	75,903	240,202
Investment Income	636,238	-	-	636,238	371,367
Total Non-Operating Revenues	<u>19,769,952</u>	<u>-</u>	<u>585,976</u>	<u>20,355,928</u>	<u>20,336,862</u>
Non-Operating Expenses:					
Interest on Capital Related Debt	524,191	-	-	524,191	556,881
Total Non-Operating Expenses	<u>524,191</u>	<u>-</u>	<u>-</u>	<u>524,191</u>	<u>556,881</u>
Net Non-Operating Revenues	<u>\$ 19,245,761</u>	<u>\$ -</u>	<u>\$ 585,976</u>	<u>\$ 19,831,737</u>	<u>\$ 19,779,981</u>
				(Exhibit 2)	(Exhibit 2)

Paris Junior College
Schedule D
Schedule of Net Position by Source and Availability
Year Ended August 31, 2019 (With Memorandum Totals for the Year Ended August 31, 2018)

	Detail by Source					Available for Current Operations	
	Unrestricted	Restricted		Net Investment in Capital Assets	Total	Yes	No
		Expendable	Non-Expendable				
Current:							
Unrestricted	\$ (5,070,913)	\$ -	\$ -	\$ -	\$ (5,070,913)	\$ (5,070,913)	\$ -
Board Designated	-	3,413,722	-	-	3,413,722	-	3,413,722
Restricted	-	178,448	-	-	178,448	-	178,448
Auxiliary Enterprises	461,975	-	-	-	461,975	461,975	-
Loan	-	-	-	-	-	-	-
Endowment:							
Quasi:							
Unrestricted	-	-	-	-	-	-	-
Restricted	-	244,152	-	-	244,152	-	244,152
Endowment							
True	-	-	-	-	-	-	-
Term (per instructions at maturity)	-	-	-	-	-	-	-
Life Income Contracts	-	-	-	-	-	-	-
Annuities	-	-	-	-	-	-	-
Plant:							
Unexpended	-	-	-	-	-	-	-
Renewals	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Investment in Plant	-	-	-	28,462,708	28,462,708	-	28,462,708
Total Net Position, August 31, 2019	(4,608,938)	3,836,322	-	28,462,708	27,690,092 <small>(Exhibit 1)</small>	(4,608,938)	32,299,030
Total Net Position, August 31, 2018	(5,752,511)	2,310,412	-	28,144,704	24,702,605 <small>(Exhibit 1)</small>	15,965,806	29,580,976
Net Increase (Decrease) in Net Position	\$ 1,143,573	\$ 1,525,910	\$ -	\$ 318,004	\$ 2,987,487 <small>(Exhibit 2)</small>	\$ (20,574,744)	\$ 2,718,054

Paris Junior College
Schedule E
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2019

Federal Grantor/Pass-Through Grantor/ Program Title	CFDA Number	Direct Awards	Pass-Through Awards	Total	Subrecipients Expenditures
<u>U. S. Department of Education</u>					
Direct Programs:					
TRIO Cluster					
Talent Search	84.044	\$ 390,010	\$ -	\$ 390,010	\$ -
Upward Bound	84.047	378,274	-	378,274	-
Educational Opportunity Center	84.066	363,696	-	363,696	-
Total Trio Cluster		1,131,980	-	1,131,980	-
Student Financial Assistance Cluster					
Federal Supplemental Educational					
Opportunity Grants	84.007	85,356	-	85,356	-
Federal Work-Study Program	84.033	129,376	-	129,376	-
Federal Pell Grant Programs	84.063	7,825,273	-	7,825,273	-
Total Student Financial Assistance Cluster		8,040,005	-	8,040,005	-
Pass-Through from:					
Texas Workforce Commission					
Adult Education - Basic Grants to States 0718ALA000	84.002	-	350,844	350,844	196,677
Adult Education - Basic Grants to States 0418ALA002	84.002	157,969	-	157,969	-
		157,969	350,844	508,813	196,677
Texas Higher Education Coordinating Board					
Career and Technical Education - Basic 194202067120001	84.048	193,743	-	193,743	-
Total U. S. Department of Education		9,523,697	350,844	9,874,541	196,677
<u>U. S. Department of Veterans Affairs</u>					
Veterans Benefits Administration	64.028	240,673	-	240,673	-
<u>U. S. Small Business Administration</u>					
Pass-Through from:					
Dallas County Community College District					
Small Business Development Centers SBAHQ-18-B-0005	59.037	13,409	-	13,409	-
Small Business Development Centers SBAHQ-19-B-0005	59.037	100,635	-	100,635	-
Total U. S. Small Business Administration		114,044	-	114,044	-

**Paris Junior College
Schedule E (Continued)
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2019**

Federal Grantor/Pass-Through Grantor/ Program Title	CFDA Number	Direct Awards	Pass-Through Awards	Total	Subrecipients Expenditures
<u>U. S. Department of Health and Human Services</u>					
Pass-Through from:					
Texas Workforce Commission					
Temporary Assistance for Needy Families 0718ALA000	93.558	-	40,705	40,705	8,689
Temporary Assistance for Needy Families 0418ALA002	93.558	11,213	-	11,213	-
Total U. S. Department of Health and Human Services		11,213	40,705	51,918	8,689
<u>Corporation for National and Community Services</u>					
Pass-Through from:					
State Comptroller					
Retired Senior Volunteer Program 17SRWTX005	94.002	43,507	-	43,507	-
Total Corporation for National and Community Services		43,507	-	43,507	-
Total Federal Financial Assistance		<u>\$ 9,933,134</u>	<u>\$ 391,549</u>	<u>\$ 10,324,683</u>	<u>\$ 205,366</u>

Notes to schedule on following page.

Paris Junior College
Schedule E (Continued)
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2019

Note 1: Federal Financial Assistance Reconciliation

Federal Grants and Contracts Revenue - Per Schedule A	\$ 2,043,999
Add: Non Operating Federal Revenue	<u>8,280,684</u>
Total Federal Financial Assistance	<u><u>\$ 10,324,683</u></u>

Note 2: Significant Accounting Policies Used in Preparing the Schedule

The expenditures included in the schedule are reported for PJC's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represented funds which have been expended by PJC for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from the 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. PJC has followed guidelines issued by various entities in the preparation of the schedule.

Note 3: Student Loans Processed and Administrative Costs Recovered

Federal Grantor CFDA Number/Program Name	New Loan Processed	Administrative Cost Recovered	Total Loans Processed & Admin Cost Recovered
U.S. Department of Education			
84.268 Federal Direct Student Loan	\$ 117,809	\$ -	\$ 117,809
84.268 Federal Unsubsidized Student Loan	<u>93,063</u>	<u>-</u>	<u>93,063</u>
	<u><u>\$ 210,872</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 210,872</u></u>

Paris Junior College
Schedule F
Schedule of Expenditures of State of Texas Awards
Year Ended August 31, 2019

<u>Grantor/Program/Title</u>	<u>Grant Contract Number</u>	<u>Expenditures</u>
<u>Texas Workforce Commission</u>		
Adult Basic Education	0718ALA000	\$ 73,772
Adult Basic Education	0418ALA002	16,570
Skills Development		
Campbell Soup SFSB Grant	0717SDF002	(31,065)
Bob Evans Foods, Inc. Grant	0718SDF000	30,736
		<u>90,013</u>
<u>Texas Comptroller of Public Accounts</u>		
Retired Senior Volunteer Program	17SRWTX021	21,422
Texas Workstudy	N/A	22,736
Texas Workstudy Mentorship	N/A	4,585
		<u>48,743</u>
<u>Texas Higher Education Coordinating Board</u>		
TEOG Grant Program	N/A	328,105
TSTEM Challenge Scholarship	N/A	27,493
Educational Aide Exemption	N/A	10,870
		<u>366,468</u>
<u>Dallas County Community College District</u>		
Small Business Development Center	SBAHQ-18-B-0005	3,099
Small Business Development Center	SBAHQ-19-B-0005	34,894
		<u>37,993</u>
Total State Financial Assistance		<u>\$ 543,217</u>

Paris Junior College
Schedule F (Continued)
Schedule of Expenditures of State of Texas Awards
Year Ended August 31, 2019

Notes to schedule below.

Note 1: State Financial Assistance Reconciliation

State Grants and Contracts Revenues - Per Schedule A	\$ 543,217
Reconciling Items	-
Total State Financial Assistance	<u>\$ 543,217</u>

Note 2: Significant Accounting Policies Used in Preparing the Schedule

The Schedule of Expenditures of State of Texas Awards is presented using accrual accounting. See Note 2 to financial statements for Paris Junior College's significant accounting policies. These expenditures are reported on Paris Junior College's fiscal year. The expenditure reports to funding agencies are prepared on the award period basis.

Note 3: Indirect Cost Rate

Paris Junior College has elected not to use the 10-percent de minimis cost rate allowed under the Uniform Guidance.

McClanahan and Holmes, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

Board of Regents
Paris Junior College
Paris, Texas

Members of the Board of Regents:

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 and discretely presented component unit of Paris Junior College (College) as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise College's basic financial statements, and have issued our report thereon dated December 17, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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*.

Texas Public Funds Investment Act

We have performed tests designed to verify the College's compliance with the requirements of the Public Funds Investment Act (the "Act"). However, providing an opinion on compliance with the Act was not an objective of our audit, and accordingly, we do not express an opinion. During the year ended August 31, 2019, no instances of non-compliance with the Act was found.

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.

McClanahan and Holmes, LLP
Certified Public Accountants

Paris, Texas
December 17, 2019

McClanahan and Holmes, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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**Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by the Uniform Guidance**

Board of Regents
Paris Junior College
Paris, Texas

Members of the Board of Regents:

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

McClanahan and Holmes, LLP

Certified Public Accountants

Paris, Texas

December 17, 2019

Paris Junior College
Schedule of Findings and Questioned Costs
Year Ended August 31, 2019

A. Summary of Auditors' Results

1. Financial Statements

Type of Auditors' Report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes X No

Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Non-compliance material to financial statements noted? Yes X No

2. Federal and State Awards

Internal control over major programs:

Material weakness(es) identified? Yes X No

Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133 Yes X No

Major programs are as follows:

Federal
 Student Financial Assistance Cluster 84.007, 84.033, 84.063, 84.268

The threshold used to distinguish between Type A and Type B federal programs was \$750,000 and state programs was \$300,000.

Paris Junior College was classified as a low-risk auditee in the context of OMB Circular A-133.

B. Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards

None

C. Findings and Questioned Costs for Federal and State Awards

<u>Program</u>	<u>Finding/Non-Compliance</u>	<u>Questioned Costs</u>
-	None	\$ -

**Paris Junior College
Corrective Action Plan
Year Ended August 31, 2019**

Finding/Recommendation

Not Applicable

**Paris Junior College
Summary Schedule of Prior Audit Findings
Year Ended August 31, 2019**

<u>Program</u>	<u>Finding/Noncompliance</u>	<u>Status of Prior Year's Finding/Noncompliance</u>
Not Applicable		

Paris Junior College
Statistical Supplement 1
Net Position by Component
Fiscal Years 2010 to 2019
(Unaudited)
(amounts expressed in thousands)

	Year Ended August 31,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Net Investment in Capital Assets	\$ 28,462,708	\$ 28,144,704	\$ 28,603,386	\$ 28,755,015	\$ 26,226,034	\$ 25,140,579	\$ 23,539,988	\$ 19,473,463	\$ 16,009,890	\$ 11,785,483
Restricted - Expendable	422,600	396,690	313,868	360,405	331,723	275,417	247,179	246,341	232,791	11,520
Restricted - Nonexpendable	-	-	-	-	-	-	-	-	-	-
Unrestricted	(1,195,216)	(3,838,789)	16,629,528	13,500,216	13,116,816	15,221,839	15,903,612	17,945,890	17,563,313	17,348,103
Total Primary Government Net Position	\$ 27,690,092	\$ 24,702,605	\$ 45,546,782	\$ 42,615,636	\$ 39,674,573	\$ 40,637,835	\$ 39,690,779	\$ 37,665,694	\$ 33,805,994	\$ 29,145,106

Paris Junior College
Statistical Supplement 2
Revenues by Source
Fiscal Years 2010 to 2019
(Unaudited)

	Year Ended August 31,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Tuition and Fees (Net of Discounts)	\$ 7,131,226	\$ 6,852,335	\$ 6,854,000	\$ 6,612,041	\$ 6,355,929	\$ 5,899,150	\$ 5,375,845	\$ 5,691,298	\$ 5,454,475	\$ 5,582,016
Governmental Grants and Contracts										
Federal Grants and Contracts	2,043,999	1,894,407	1,663,086	1,801,929	1,797,770	1,623,050	1,748,075	1,746,425	1,963,597	2,069,057
State Grants and Contracts	543,217	1,098,163	779,692	882,886	1,633,441	860,173	1,258,116	818,975	776,689	607,885
Non-Governmental Grants and Contracts	164,219	236,021	181,252	357,139	294,676	245,159	240,837	346,271	314,041	583,564
Sales and Services of Educational Activities	241,673	307,230	87,508	171,563	237,668	223,390	177,480	190,804	189,307	189,056
Auxiliary Enterprises	810,405	729,132	758,782	793,455	743,994	786,393	760,768	891,110	962,936	656,827
Other Operating Revenues	923,834	839,630	739,400	1,341,822	962,137	717,232	606,621	550,788	497,361	500,040
Total Operating Revenues	11,858,573	11,956,918	11,063,720	11,960,835	12,025,615	10,354,547	10,167,742	10,235,671	10,158,406	10,188,445
State Appropriations	8,421,635	8,940,371	10,128,799	10,187,172	10,033,579	9,910,893	10,299,398	10,196,611	10,607,656	10,705,191
Ad Valorem Taxes	2,941,468	2,843,527	2,997,380	3,004,129	2,964,030	2,920,185	2,891,428	2,900,541	2,898,389	2,897,212
Federal Revenue, Non Operating	8,280,684	7,941,395	7,314,114	8,196,873	9,648,664	10,920,270	12,075,279	13,640,575	14,422,193	11,863,665
Gifts	75,903	240,202	185,048	91,182	123,606	55,551	64,632	20,931	332,478	-
Investment Income	636,238	371,367	142,713	90,335	108,118	119,236	74,012	75,920	224,466	243,697
Gain on Sale of Fixed Assets	-	-	-	39,000	-	-	-	-	404,807	-
Total Non-Operating Revenues	20,355,928	20,336,862	20,768,054	21,608,691	22,877,997	23,926,135	25,404,749	26,834,578	28,889,989	25,709,765
Total Revenues	\$ 32,214,501	\$ 32,293,780	\$ 31,831,774	\$ 33,569,526	\$ 34,903,612	\$ 34,280,682	\$ 35,572,491	\$ 37,070,249	\$ 39,048,395	\$ 35,898,210

Paris Junior College
Statistical Supplement 3
Program Expenses by Function
Fiscal Years 2010 to 2019
(Unaudited)

	Year Ended August 31,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction	\$ 9,954,268	\$ 9,798,444	\$ 10,238,951	\$ 10,599,106	\$ 11,600,874	\$ 11,429,490	\$ 11,032,784	\$ 11,053,115	\$ 11,779,911	\$ 11,238,591
Public Service	402,253	937,378	600,011	604,703	784,520	624,806	1,092,323	1,105,584	1,019,181	1,118,489
Academic Support	1,443,357	1,315,763	1,594,787	1,553,952	1,639,220	1,372,191	1,638,575	1,538,113	1,685,412	1,400,601
Student Services	3,742,808	3,295,470	3,178,497	3,286,505	3,323,382	3,324,474	3,565,273	3,192,520	3,000,559	2,975,408
Institutional Support	3,472,376	3,729,123	3,431,370	3,463,902	3,322,626	3,945,668	3,539,775	3,249,999	2,780,207	2,581,385
Operation and Maintenance of Plant	2,297,533	2,143,151	2,643,705	2,228,550	2,111,979	2,433,236	2,547,222	2,457,614	2,407,225	2,596,478
Scholarships and Fellowships	4,464,753	4,304,506	4,044,906	5,436,019	5,975,461	6,615,052	7,081,595	7,811,971	9,039,031	7,697,696
Auxiliary Enterprises	1,386,340	1,211,261	1,185,953	1,359,181	1,421,241	1,574,201	1,284,865	1,209,647	1,183,468	986,041
Depreciation	1,539,135	1,496,053	1,395,732	1,383,268	1,247,943	1,197,470	927,899	859,076	788,462	806,441
Total Operating Expenses	28,702,823	28,231,149	28,313,912	29,915,186	31,427,246	32,516,588	32,710,311	32,477,639	33,683,456	31,401,130
Interest on Capital Related Debt	524,191	556,881	586,716	713,280	785,115	817,038	837,095	732,910	704,051	711,394
Loss on Disposal of Fixed Assets	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Expenses	524,191	556,881	586,716	713,280	785,115	817,038	837,095	732,910	704,051	711,394
Total Expenses	\$ 29,227,014	\$ 28,788,030	\$ 28,900,628	\$ 30,628,466	\$ 32,212,361	\$ 33,333,626	\$ 33,547,406	\$ 33,210,549	\$ 34,387,507	\$ 32,112,524

Paris Junior College
Statistical Supplement 4
Tuition and Fees
Last Ten Academic Years
(Unaudited)

Resident
Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Registration Fee	In-District Tuition	Out-of-District Tuition	Out-of-District Fee	Instructional Technology Fee	General Fee	PE Facility Fee	Activity 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
2018	\$ -	\$ 55	\$ 55	\$ 50	\$ -	\$ 300	\$ -	\$ -	\$ 960	\$ 1,560	0.00%	0.00%
2017	-	55	55	50	-	300	-	-	960	1,560	4.58%	7.00%
2016	30	55	100	-	-	228	-	-	918	1,458	18.60%	20.90%
2015	30	50	86	-	-	144	-	-	774	1,206	0.00%	5.24%
2014	30	50	81	-	-	144	-	-	774	1,146	8.40%	5.52%
2013	30	50	81	-	-	84	-	-	714	1,086	5.31%	3.43%
2012	30	47	78	-	-	84	-	-	678	1,050	5.61%	3.55%
2011	30	44	75	-	-	84	-	-	642	1,014	10.31%	6.29%
2010	30	39	70	-	-	84	-	-	582	954	2.11%	2.58%
2009	30	38	68	-	-	84	-	-	570	930	2.15%	1.31%

Non - Resident
Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Registration Fee	Non-Resident Tuition Out-of-State	Non-Resident Tuition International	Out-of-District Fee	Instructional Technology Fee	General Fee	PE Facility Fee	Activity 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
2018	\$ -	\$ 155	\$ 155	\$ -	\$ -	\$ 300	\$ -	\$ -	\$ 2,160	\$ 2,160	0.00%	0.00%
2017	-	155	155	-	-	300	-	-	2,160	2,160	4.96%	4.96%
2016	30	150	150	-	-	228	-	-	2,058	2,058	16.27%	16.27%
2015	30	133	133	-	-	144	-	-	1,770	1,770	3.51%	3.51%
2014	30	128	128	-	-	144	-	-	1,710	1,710	3.64%	3.64%
2013	30	128	128	-	-	84	-	-	1,650	1,650	2.23%	2.23%
2012	30	125	125	-	-	84	-	-	1,614	1,614	3.86%	3.86%
2011	30	120	120	-	-	84	-	-	1,554	1,554	7.47%	7.47%
2010	30	111	111	-	-	84	-	-	1,446	1,446	2.55%	2.55%
2009	30	108	108	-	-	84	-	-	1,410	1,410	0.86%	0.86%

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

Paris Junior 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)
2018-19	\$ 4,390,429,191	\$ 972,482,484	\$ 3,417,946,707	77.85%	\$ 0.0850	\$ -	\$ 0.0850
2017-18	4,276,919,804	953,939,423	3,322,980,381	77.70%	0.0850	-	0.0850
2016-17	2,466,533,581	794,309,795	1,672,223,786	67.80%	0.1773	-	0.1773
2015-16	2,293,017,296	713,657,553	1,579,359,743	68.88%	0.1875	-	0.1875
2014-15	2,258,829,833	682,439,819	1,576,390,014	69.79%	0.1866	-	0.1866
2013-14	2,113,987,770	566,770,766	1,547,217,004	73.19%	0.1866	-	0.1866
2012-13	2,083,119,258	538,072,809	1,545,046,449	74.17%	0.1870	-	0.1870
2011-12	2,047,880,472	540,397,032	1,507,483,440	73.61%	0.1900	-	0.1900
2010-11	2,065,438,985	540,197,794	1,525,241,191	73.85%	0.1850	-	0.1850
2009-10	2,054,521,295	507,864,326	1,546,656,969	75.28%	0.1850	-	0.1850

Source: Lamar County Appraisal District
Notes: Property is assessed at full market value.
(a) per \$100 Taxable Assessed Valuation

Paris Junior College
Statistical Supplement 6a
General Appropriations Act Before Hour Adjustments (1)
(Unaudited)

Appropriate Funding Elements	Fiscal Year									
	2018-2019 *	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
State Appropriation Contact Hour Funding (CH)	\$ 6,318,811	\$ 6,317,118	\$ 7,166,787	\$ 7,160,355	\$ 7,234,741	\$ 7,253,069	\$ 8,924,665	\$ 8,894,020	\$ 8,614,683	\$ 8,672,287
State Appropriation Student Success Points (SSP)	836,410	836,410	824,850	824,850	766,997	766,997	-	-	-	-
State Appropriation Core Operations (CO)	680,406	680,406	512,962	500,000	500,000	500,000	-	-	-	-
State Appropriation Bachelor of Applied Tech (BAT)	-	-	-	-	-	-	-	-	-	-
State Appropriation Non-Formula Items	-	-	-	-	-	-	-	-	-	-
TOTAL	\$ 7,835,627	\$ 7,833,934	\$ 8,504,599	\$ 8,485,205	\$ 8,501,738	\$ 8,520,066	\$ 8,924,665	\$ 8,894,020	\$ 8,614,683	\$ 8,672,287

(1) General Appropriations Act, SB 1, 85th Texas Legislature, Section 1 (page III-209) - Informational Listing of Appropriated Funds.
* FY Year Formula Funding Changed Methodology
Source: THE CB - Ten Pay Schedule

Paris Junior College
Statistical Supplement 6b
State Appropriations per FTSE
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	State Appropriations (Unrestricted) From Sch C	FTSE	(1)	State Appropriations per FTSE
2018-19 *	\$ 7,835,627	7,761	\$	1,010
2017-18	7,833,934	7,031		1,114
2016-17	8,504,599	7,412		1,147
2015-16	8,485,205	7,924		1,071
2014-15	8,501,738	8,375		1,015
2013-14	8,520,066	8,849		963
2012-13	8,924,665	8,931		999
2011-12	8,894,020	9,825		905
2010-11	8,614,683	10,281		838
2009-10	8,672,287	9,818		883

(1) Fiscal Year (FY) FTSE is equal to The sum of State Funded (Fall SCH + Spring SCH + Summer SCH for the Current FY/30SCH) plus State Funded Continuing Education (Fall CH + Spring CH + Summer CH for the Current FY/900 CH).
* FY Year Formula Funding Changed Methodology
Source: CBM004 and CMB00C.

Paris Junior College
Statistical Supplement 6d
State Appropriation per Student Success Point - Annualized
(Unaudited)

Fiscal Year	SSP - State Appropriation (Unrestricted) (1)	year Average Student Success Points (2)	Appropriation per Success Point
2018-19 *	\$ 836,410	9,751	\$ 85.78
2017-18	836,410	9,751	85.78
2016-17	824,850	9,559	86.29
2015-16	824,850	9,559	86.29
2014-15	766,997	8,286	92.57
2013-14	766,997	8,286	92.57

(1) State Funded Success Point Appropriations as it appears in schedule 6a.
(2) As Source from the Coordinating Board Biennium 10-Pay Schedule.
* FY Year Formula Funding Changed Methodology

Paris Junior College
Statistical Supplement 6c
State Appropriations per Funded Contact Hour
Contact Hour (CH) portion only of State Appropriation
(Unaudited)

Fiscal Year	CH - State Appropriation (Unrestricted) (1)	Academic Contact Hours	Technical Contact Hours	Continuing Education Contact Hours	Total Funded Contact Hours	CH - State Appropriations per Funded Contact Hour
2018-19 *	\$ 7,835,627	1,591,708	637,969	71,028	2,229,677	\$ 3.51
2017-18	7,833,934	1,464,968	572,784	79,146	2,116,898	3.70
2016-17	8,504,599	1,549,776	640,948	97,657	2,288,381	3.72
2015-16	8,485,205	1,672,640	697,917	124,890	2,495,447	3.40
2014-15	8,501,738	1,743,692	788,415	108,966	2,641,073	3.22
2013-14	8,520,066	1,839,540	827,104	79,962	2,746,606	3.10
2012-13	8,924,665	1,849,280	784,626	94,755	2,728,661	3.27
2011-12	8,894,020	2,043,536	868,525	98,066	3,010,127	2.95
2010-11	8,614,683	2,121,168	984,662	63,475	3,169,305	2.72
2009-10	8,672,287	2,021,600	888,604	95,642	3,005,846	2.89

CH = State funded Academic, Technical and Continuing Education Contact hours for Fall, Spring and Summer of the Current FY - Source: CBM004 and CBM00C.
(1) State Funded Contact Hour Appropriations as it appears in schedule 6a.
* FY Year Formula Funding Changed Methodology

Paris Junior College
Statistical Supplement 6e
Student Success Points (SSP)
Last Four Fiscal Years
(Unaudited)

Success Point Elements (1)	Fiscal Year			
	2018-2019 *	2017-2018	2016-2017	2015-2016
Math Readiness	422	428	434	473
Read Readiness	150	115	117	109
Write Readiness	80	107	110	120
Students Who Pass FCL Math Course	979	1,008	1,031	1,072
Students Who Pass FCL Read Course	818	736	715	722
Students Who Pass FCL Write Course	703	618	658	617
Student Who Complete 15 SCH	1,714	1,611	1,792	1,812
Students Who Complete 30 SCH	1,032	1,076	1,123	1,188
Student Transfers to a 4-Yr Inst	1,282	1,342	1,452	1,426
Degrees, CCCs, or Certs (Undup)	1,322	1,360	1,766	1,512
Degrees or Certs in Critical Fields	446	430	605	641
Annual Success Points - Total	8,948	8,831	9,803	9,692

(1) These are annual SSP, not 3 year rolling average.
* FY Year Formula Funding Changed Methodology
Source: THE CB - Accountability System

**Paris Junior College
Statistical Supplement 7
Principal Taxpayers
Last Ten Tax Years
(Unaudited)**

Taxpayer	Owner ID:	Type of Business	Taxable Assessed Value (TAV) by Tax Year (\$000 omitted)									
			2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
La Frontera Holdings, LLC*	106828377	Utility	\$ 336,669	\$ 328,212	\$ 296,943	\$ 211,870	\$ 211,905	\$ 210,303	\$ 205,185	\$ 199,234	\$ 199,224	\$ 207,027
Campbell Soup Company	106828326	Manufacturing	97,815	89,136	88,017	47,182	47,098	47,163	53,439	35,315	37,797	39,382
Kimberly-Clark Corporation	106828329	Manufacturing	96,931	88,428	88,006	95,117	109,106	122,143	116,106	104,568	104,568	113,075
Daisy Farms	106833318	Dairy	94,844	98,183	-	-	-	-	-	-	-	-
Gulf Crossing Pipeline Co.	106830208	Transportation/Pipeline	69,181	67,359	-	-	-	-	-	-	-	-
Midcontinent Express	106830209	Transportation/Pipeline	66,046	81,070	-	-	-	-	-	-	-	-
Transcanada Keystone Pipeline	106835028	Transportation/Pipeline	51,178	53,194	-	-	-	-	-	-	-	-
Oncor Electric Delivery Co.	106828342	Utility	46,016	45,330	20,788	21,992	20,129	19,169	22,581	23,702	23,702	26,265
Essent PRMC LP	106828423	Medical	23,067	25,846	-	-	-	-	10,402	-	13,245	12,638
Load Trail LLC	106828414	Manufacturing	20,141	-	-	-	-	-	-	-	-	-
Essent PRMC LP	166229	Medical	-	-	27,369	30,364	26,808	26,811	31,732	26,898	30,955	32,214
Paris Generation LP	106804840	Utility	-	18,884	21,979	20,551	21,980	21,511	27,965	-	17,950	18,580
Huhtamaki	106828330	Manufacturing	-	-	12,775	-	7,323	-	-	-	-	-
Alpha Lake LTD	125029	Rental Facilities	-	-	10,596	10,597	10,597	10,596	-	-	-	-
Wal-Mart Property Tax Department	105237	Retail	-	-	10,390	10,189	9,432	-	-	-	-	-
Turner Industries Group LLC	106828325	Manufacturing	-	-	10,390	-	7,442	-	-	-	-	-
Campbell Soup	38122	Manufacturing	-	-	-	29,404	30,879	32,912	34,669	18,592	35,315	23,763
Campbell Soup Supply LLC	160217	Manufacturing	-	-	-	10,857	9,700	-	-	9,716	-	-
Silgan Can Co.	106828363	Manufacturing	-	-	-	-	16,519	17,116	14,987	15,213	15,213	14,688
Kimberly Clark Corp	70760	Manufacturing	-	-	-	-	10,203	10,504	11,314	12,100	12,100	13,989
Wal-Mart Stores #148-C	132609	Retail	-	-	-	-	9,285	-	-	-	-	-
Essent PRMC LP-North Campus PP	106833315	Medical	-	-	-	-	8,733	-	-	-	-	-
Paris Warehouse 107 Inc.	132812	Commercial	-	-	-	-	8,312	-	-	-	-	-
HD Development Prop LP	167508	Commercial	-	-	-	-	6,965	-	-	-	-	-
Kimberly Clark Global Sales	106833316	Manufacturing	-	-	-	-	6,866	-	-	10,855	-	-
First Federal Savings & Loan	15699	Commercial	-	-	-	-	5,549	-	-	-	-	-
Sara Lee Bakery Group	unavailable	Manufacturing	-	-	-	-	-	-	-	-	-	-
Totals			\$ 565,219	\$ 567,430	\$ 290,310	\$ 276,253	\$ 372,926	\$ 307,925	\$ 323,195	\$ 256,959	\$ 290,845	\$ 294,594
Total Taxable Assessed Value			\$ 3,417,946	\$ 3,322,980	\$ 1,672,223	\$ 1,579,360	\$ 1,547,217	\$ 1,545,046	\$ 1,507,483	\$ 1,525,241	\$ 1,546,656	\$ 1,529,436

Source: Lamar County Appraisal District

Paris Junior College
Statistical Supplement 8
Property Tax Levies and Collections
Last Ten Tax Years
(Unaudited)
(amounts expresss in thousands)

Fiscal Year Ended August 31	Levy	Collections - Year of Levy (a)	Percentage	Current Collections of Prior Levies (a)	Penalty and Interest Collections	Total Collections (a)	Percentage of Current Levy
2019	\$ 2,908,600	\$ 2,802,207	96.34%	\$ 88,932	\$ 50,329	\$ 2,891,139	99.40%
2018	2,829,210	2,765,627	97.75%	40,044	37,859	2,805,671	99.17%
2017	2,960,964	2,820,924	95.27%	71,262	105,194	2,892,186	97.68%
2016	2,952,918	2,844,818	96.34%	98,646	60,665	2,943,464	99.68%
2015	2,934,536	2,859,705	97.45%	53,970	50,355	2,913,675	99.29%
2014	2,889,546	2,819,644	97.58%	59,461	41,080	2,879,105	99.64%
2013	2,935,588	2,786,812	94.93%	60,522	44,094	2,847,334	96.99%
2012	2,861,009	2,787,555	97.43%	59,212	53,774	2,846,767	99.50%
2011	2,875,251	2,795,000	97.21%	59,174	44,142	2,854,174	99.27%
2010	2,863,163	2,787,564	97.36%	59,998	48,296	2,847,562	99.46%

Source: Lamar County Appraisal District and District records.
(a) Ad valorem taxes only - does not include penalties and interest.

Paris Junior College
Statistical Supplement 9
Ratios of Outstanding Debt
Last Ten Fiscal Years
(Unaudited)

	Year Ended August 31,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Bonded Debt										
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Notes	-	-	-	-	-	-	-	-	-	-
Less: Funds Restricted for Debt Service	-	-	-	-	-	-	-	-	-	-
Net General Bonded Debt	-	-	-	-	-	-	-	-	-	-
Other Debt										
Revenue Bonds	11,391,000	12,185,000	12,945,000	13,571,000	16,909,000	17,624,000	18,310,000	18,828,000	15,325,000	15,802,000
Notes	-	-	-	-	-	-	-	-	-	-
Capital Lease Obligations	-	-	-	-	-	-	-	-	-	-
Total Outstanding Debt	\$ 11,391,000	\$ 12,185,000	\$ 12,945,000	\$ 13,571,000	\$ 16,909,000	\$ 17,624,000	\$ 18,310,000	\$ 18,828,000	\$ 15,325,000	\$ 15,802,000
General Bonded Debt Ratios										
Per Capita	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Per FTSE	-	-	-	-	-	-	-	-	-	-
As a Percentage of Taxable Assessed Value	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Outstanding Debt Ratios										
Per Capita	\$ 229.72	\$ 245.73	\$ 259.99	\$ 274.49	\$ 341.44	\$ 356.57	\$ 367.59	\$ 376.00	\$ 307.77	\$ 316.26
Per FTSE	1,468	1,733	1,746	1,713	2,019	1,992	2,050	1,916	1,491	1,609
As a Percentage of Taxable Assessed Value	0.33%	0.37%	0.77%	0.86%	1.07%	1.14%	1.19%	1.25%	1.00%	1.02%

Notes: Ratios calculated using population and taxable assessed value from current year. Debt per student calculated using full-time-equivalent enrollment.

Paris Junior College
Statistical Supplement 10
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)
(amount expressed in thousands)

Year Ended August 31,	Taxable Assessed Value	Statutory Tax Levy Limit for Debt Service	Less: Funds Restricted for Repayment	Total Net Debt	Current Year Debt Service Requirements	Excess of Statutory Limit for Debit Service over Current Requirements	Net Current Requirements as a % of Statutory Limit
2019	\$ 3,417,946,707	\$ 17,089,734	\$ -	\$ 17,089,734	\$ -	\$ 17,089,734	0.00%
2018	3,322,980,381	16,614,902	-	16,614,902	-	16,614,902	0.00%
2017	1,672,223,786	8,361,119	-	8,361,119	-	8,361,119	0.00%
2016	1,579,359,743	7,896,799	-	7,896,799	-	7,896,799	0.00%
2015	1,576,390,014	7,881,950	-	7,881,950	-	7,881,950	0.00%
2014	1,547,217,004	7,736,085	-	7,736,085	-	7,736,085	0.00%
2013	1,545,046,449	7,725,232	-	7,725,232	-	7,725,232	0.00%
2012	1,507,483,440	7,537,417	-	7,537,417	-	7,537,417	0.00%
2011	1,525,241,191	7,626,206	-	7,626,206	-	7,626,206	0.00%
2010	1,546,656,969	7,733,285	-	7,733,285	-	7,733,285	0.00%

Note: Texas Education Code Section 130.122 limits the debt service tax levy of community colleges to \$0.50 per hundred dollars taxable assessed valuation.

Paris Junior College
Statistical Supplement 11
Pledged Revenue Coverage
Last Ten Fiscal Years
(Unaudited)

Revenue Bonds

Year Ended August 31,	Pledged Revenues			Debt Service Requirements			Coverage Ratio
	Tuition	General Fee	Total	Principal	Interest	Total	
2019	\$ 7,253,151	\$ 2,054,354	\$ 9,307,505	\$ 794,000	\$ 524,191	\$ 1,318,191	7.06%
2018	7,652,434	1,985,934	9,638,368	760,000	556,881	1,316,881	7.32%
2017	9,993,373	1,560,390	11,553,763	626,000	586,716	1,212,716	9.53%
2016	9,111,877	1,308,207	10,420,084	751,000	702,313	1,453,313	7.17%
2015	9,356,478	1,385,179	10,741,657	715,000	785,115	1,500,115	7.16%
2014	9,830,225	874,248	10,704,473	686,000	817,038	1,503,038	7.12%
2013	9,637,223	870,890	10,508,113	676,000	828,712	1,504,712	6.98%
2012	10,363,730	953,370	11,317,100	508,000	821,386	1,329,386	8.51%
2011	9,530,791	996,642	10,527,433	488,000	692,681	1,180,681	8.92%
2010	8,578,378	965,527	9,543,905	468,000	714,155	1,182,155	8.07%

Paris Junior College
Statistical Supplement 12
Demographic and Economic Statistics - Taxing District
Last Ten Fiscal Years
(Unaudited)

Calendar Year	County Population	County Personal Income	County Personal Income Per Capita	County Unemployment Rate
2018	49,587	(a)	(a)	3.8%
2017	49,587	\$ 2,013,704,000	\$ 40,610	4.2%
2016	49,791	1,917,848,000	38,518	5.1%
2015	49,440	1,857,879,000	37,578	4.8%
2014	49,523	1,859,083,000	37,540	6.1%
2013	49,426	1,804,479,000	36,509	7.9%
2012	49,811	1,750,363,000	35,140	9.0%
2011	50,074	1,657,062,000	33,092	9.7%
2010	49,793	1,521,784,000	31,079	9.0%
2009	49,965	1,521,784,000	31,079	7.8%

Sources:

Population from U.S. Bureau of the Census.
All info. from www.tracer2.com
www.txcip.org (all info)

Notes:

Information provided is for Lamar County. District specific information not available.
(a) Not available

**Paris Junior College
Statistical Supplement 13
Principal Employers
(Unaudited)**

Current Fiscal Year

Employer	Number of Employees	% of Employment
Paris Regional Medical Center	900	17.20%
Campbell Soup Company	700	13.38%
Kimberly-Clark Corporation	678	12.96%
Paris ISD	630	12.04%
Turner Industries	500	9.56%
North Lamar ISD	460	8.79%
The Results Company	450	8.60%
Paris Junior College	378	7.22%
City of Paris	300	5.73%
J. Skinner Baking Co.	236	4.51%
Total	5,232	100.00%

Nine Years Prior

Employer	Number of Employees	% of Employment
Paris Regional Medical Center	900	15.40%
Campbell Soup Company	872	14.92%
Kimberly-Clark Corporation	730	12.49%
Paris ISD	618	10.57%
Turner Industries	700	11.97%
The Results Company	500	8.55%
North Lamar ISD	480	8.21%
Paris Junior College	436	7.45%
City of Paris	310	5.30%
RK Hall Construction	300	5.13%
Total	5,846	100.00%

Source:

City of Paris and Local Entities
www.parisedc.com/major-employers/
www.sitesontexas.com

Paris Junior College
Statistical Supplement 14
Faculty, Staff, and Administrators Statistics
Last Ten Fiscal Years
(Unaudited)

	FISCAL YEAR									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Faculty										
Full-Time	75	81	83	88	92	92	96	91	99	93
Part-Time	112	106	138	146	159	186	185	192	149	125
Total	187	187	221	234	251	278	281	283	248	218
Percent										
Full-Time	40%	43%	38%	38%	37%	33%	34%	32%	40%	43%
Part-Time	60%	57%	62%	62%	63%	67%	66%	68%	60%	57%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Staff and Administrators										
Full-Time	130	111	121	116	113	120	141	148	155	148
Part-Time	21	34	30	41	47	51	66	61	68	89
Total	151	145	151	157	160	171	207	209	223	237
Percent										
Full-Time	86.1%	76.6%	80.1%	73.9%	70.6%	70.2%	68.1%	70.8%	69.5%	62.4%
Part-Time	13.9%	23.4%	19.9%	26.1%	29.4%	29.8%	31.9%	29.2%	30.5%	37.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
FTSE per Full-Time Faculty	24.00	24.00	22.00	22.00	22.00	22.17	22.46	28.56	29.91	23.98
FTSE per Full-Time Staff Member	25.00	23.00	22.00	23.00	25.00	24.92	21.77	26.35	25.03	18.35
Average Annual Faculty Salary	\$ 56,153	\$ 56,115	\$ 58,158	\$ 58,941	\$ 59,310	\$ 57,888	\$ 54,423	\$ 54,493	\$ 55,808	\$ 50,118

Paris Junior College
Statistical Supplement 15
Enrollment Details
Last Five Fiscal Years
(Unaudited)

Student Classification	Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 Hours	3,642	73.56%	3,800	78.45%	3,633	75.59%	3,748	74.96%	4,017	78.98%
31-72 Hours	804	16.24%	715	14.76%	780	16.23%	838	16.76%	705	13.86%
> 72 Hours	505	10.20%	329	6.79%	393	8.18%	414	8.28%	364	7.16%
Total	4,951	100.00%	4,844	100.00%	4,806	100.00%	5,000	100.00%	5,086	100.00%

Semester Hour Load	Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than 3	3	0.06%	10	0.21%	5	0.10%	8	0.16%	12	0.24%
3-5 Semester Hours	1,220	24.64%	1,224	25.27%	1,117	23.24%	1,072	21.44%	988	19.43%
6-8 Semester Hours	1,204	24.32%	1,157	23.89%	1,176	24.47%	1,179	23.58%	1,189	23.38%
9-11 Semester Hours	731	14.76%	624	12.88%	677	14.09%	684	13.68%	668	13.13%
12-14 Semester Hours	1,139	23.01%	1,187	24.50%	1,238	25.76%	1,325	26.50%	1,518	29.85%
15-17 Semester Hours	527	10.64%	546	11.27%	484	10.07%	605	12.10%	575	11.31%
18 & Over	127	2.57%	96	1.98%	109	2.27%	127	2.54%	136	2.67%
Total	4,951	100.00%	4,844	100.00%	4,806	100.00%	5,000	100.00%	5,086	100.00%

Average Course Load (Hours)	8.80	8.82	8.95	9.27	9.61
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Tuition Status	Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (In-District)	1,271	25.67%	1,251	25.83%	618	12.86%	707	14.14%	744	14.63%
Texas Resident (Out-of-District)	3,389	68.45%	3,312	68.37%	3,926	81.69%	3,996	79.92%	4,034	79.32%
Non-Resident Tuition	77	1.56%	76	1.57%	67	1.39%	64	1.28%	93	1.83%
Tuition Exempt	214	4.32%	205	4.23%	195	4.06%	233	4.66%	215	4.23%
Total	4,951	100.00%	4,844	100.00%	4,806	100.00%	5,000	100.00%	5,086	100.00%

Paris Junior College
Statistical Supplement 16
Student Profile
Last Five Fiscal Years
(Unaudited)

	Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	2,971	59.91%	2,879	59.43%	2,831	58.91%	2,978	59.56%	3,066	60.28%
Male	1,988	40.09%	1,965	40.57%	1,975	41.09%	2,022	40.44%	2,020	39.72%
Total	4,959	100.00%	4,844	100.00%	4,806	100.00%	5,000	100.00%	5,086	100.00%

	Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Caucasian	3,185	64.23%	3,227	66.62%	3,357	69.85%	3,532	70.64%	3,683	72.41%
Hispanic	915	18.45%	836	17.26%	738	15.36%	735	14.70%	631	12.41%
African American	524	10.57%	555	11.46%	499	10.38%	532	10.64%	566	11.13%
Asian	49	0.99%	52	1.07%	49	1.02%	48	0.96%	44	0.87%
Native American	72	1.45%	69	1.42%	82	1.71%	85	1.70%	97	1.91%
Other	214	4.32%	105	2.17%	81	1.69%	68	1.36%	65	1.28%
Total	4,959	100.00%	4,844	100.00%	4,806	100.00%	5,000	100.00%	5,086	100.00%

	Fall 2018		Fall 2017		Fall 2016		Fall 2015		Fall 2014	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	1,757	35.43%	1,583	32.68%	1,548	32.21%	1,427	28.54%	1,279	25.15%
18 - 21	1,855	37.41%	1,849	38.17%	1,879	39.10%	1,978	39.56%	1,965	38.64%
22 - 24	392	7.90%	381	7.87%	395	8.22%	443	8.86%	512	10.07%
25 - 35	622	12.54%	674	13.91%	641	13.34%	710	14.20%	791	15.55%
36 - 50	280	5.65%	289	5.97%	271	5.64%	332	6.64%	407	8.00%
51 and over	53	1.07%	68	1.40%	72	1.50%	110	2.20%	132	2.60%
Total	4,959	100.00%	4,844	100.00%	4,806	100.00%	5,000	100.00%	5,086	100.00%

Average Age	21.0	22.0	22.0	22.0	23.0
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Paris Junior College
Statistical Supplement 17
Transfers to Senior Institutions
Academic Year 2017-2018 Fall Students as of Fall 2018
(Includes only public senior colleges in Texas)
(unaudited)

	Transfer Student Count	Transfer Student Count	Transfer Student Count	Total of all PJC Transfer Students	% of all PJC Transfer Students
	Academic	Technical	Tech-Prep		
Angelo State University	1			1	0.10%
Lamar University	1			1	0.10%
Midwestern State University	18	1		19	1.84%
Prairie View A&M University	6			6	0.58%
Sam Houston State University	12			12	1.17%
Stephen F. Austin State University	31			31	3.01%
Tarleton State University	28		1	29	2.82%
Texas A&M University	87		1	88	8.54%
Texas A&M University - Commerce	481	7	8	496	48.16%
Texas A&M University - Corpus Christi	5			5	0.49%
Texas A&M University - San Antonio	1			1	0.10%
Texas A&M University - Texarkana	13	1		14	1.36%
Texas A&M University System Health Science Center	2			2	0.19%
Texas Southern University	4			4	0.39%
Texas State University	23	1	1	25	2.43%
Texas Tech University	26		1	27	2.62%
Texas Tech University Health Science Center	5			5	0.49%
Texas Woman's University	23			23	2.23%
University of Houston	4			4	0.39%
University of Houston - Victoria	1			1	0.10%
University of North Texas	99		1	100	9.71%
University of North Texas at Dallas	1			1	0.10%
University of North Texas Health Science Center	1			1	0.10%
University of Texas - Rio Grande Valley	2			2	0.19%
University of Texas at Arlington	25			25	2.43%
University of Texas at Austin	21			21	2.04%
University of Texas at Dallas	11			11	1.07%
University of Texas at El Paso	1			1	0.10%
University of Texas at San Antonio	2			2	0.19%
University of Texas at Tyler	65	1	3	69	6.70%
University of Texas M.D. Anderson Cancer Center	2			2	0.19%
University of Texas of the Permian Basin	1			1	0.10%
Totals	1,003	11	16	1,030	100.00%

Source:

<http://www.txhighereddata.org/reports/performance/ctcasalf/ctcaddl/>

Paris Junior College
Statistical Supplement 18
Capital Asset Information
Fiscal Years 2015 to 2019
(Unaudited)

	Fiscal Year 2019 Square Footage	Fiscal Year 2018 Square Footage	Fiscal Year 2017 Square Footage	Fiscal Year 2016 Square Footage	Fiscal Year 2015 Square Footage
<u>Academic Buildings</u>					
Agriculture Barn	4,800	4,800	4,800	4,800	4,800
Applied Sciences Center	45,000	45,000	45,000	45,000	45,000
Applied Technology	64,600	64,600	64,600	64,600	64,600
Annex 1 Cosmetology	5,000	5,000	5,000	5,000	5,000
Annex 3 Art	7,500	7,500	7,500	7,500	7,500
Greenville Technical Center (current)	39,000	39,000	39,000	39,000	39,000
Henry P. Mayer Center for the Musical Arts	10,000	10,000	10,000	10,000	10,000
A. Frank Grimes Natural Sciences	15,276	15,276	15,276	15,276	15,276
Math and Science Technology Building	42,000	42,000	42,000	42,000	42,000
PJC Recreational Center	18,321	18,321	18,321	18,321	18,321
Sulphur Springs, High School	-	-	-	-	10,888
Sulphur Springs, Loop 301	21,000	21,000	21,000	21,000	-
<u>Libraries</u>					
Mike Rheudasil Learning Center	54,000	54,000	54,000	54,000	54,000
<u>Administrative and Support Buildings</u>					
College Store	3,000	3,000	3,000	3,000	3,000
DeShong Chapel	1,668	1,668	1,668	1,668	1,668
Jess B. Alford Center	8,436	8,436	8,436	8,436	8,436
Louise B. Williams Administration	26,300	26,300	26,300	26,300	26,300
Mary Jo Gabbert	2,150	2,150	2,150	2,150	2,150
Willow Creek Office	3,196	3,196	3,196	3,196	3,196
<u>Dormitories</u>					
Clara Rice Thompson Hall	13,308	13,308	13,308	13,308	13,308
Dixon L. Hatcher Hall	13,308	13,308	13,308	13,308	13,308
South Campus	33,000	33,000	33,000	33,000	33,000
<u>Apartments</u>					
B.E. Masters Apartment Complex	48,848	48,848	48,848	48,848	48,848
<u>Dining Facilities</u>					
J.R. McLemore Student Center	24,960	24,960	24,960	24,960	24,960
<u>Athletic Facilities</u>					
Golf Storage	176	176	176	176	176
Harold E. Hunt Physical Education Center	17,815	17,815	17,815	17,815	17,815
H.L. Hollis Fieldhouse	1,901	1,901	1,901	1,901	1,901
Old Gymnasium	13,500	13,500	13,500	13,500	13,500
<u>Plant Facilities</u>					
Downtown Center	-	-	-	17,775	17,775
Mechanical Building #1	1,745	1,745	1,745	1,745	1,745
Mechanical Building #2	1,975	1,975	1,975	1,975	1,975
Physical Plant Operations	4,946	4,946	4,946	4,946	4,946
Vehicle Shop	2,880	2,880	2,880	2,880	2,880
Total Square Footage	549,609	549,609	549,609	567,384	557,272
<u>Transportation</u>					
Cars	15	14	15	13	12
Light Trucks/Vans	27	26	27	27	27
Bus	5	5	5	4	4
Total	47	45	47	44	43