



# ANNUAL COMPREHENSIVE FINANCIAL REPORT 2021-2022

Fiscal Year Ended June 30th, 2022 | Coconino County, Arizona | [www.coconino.edu](http://www.coconino.edu)





# **COCONINO COUNTY COMMUNITY COLLEGE DISTRICT**

## **Annual Comprehensive Financial Report**

Prepared by

**District Business and Administrative Services Office**

**Fiscal Year Ended June 30, 2022**

**(July 1, 2021 – June 30, 2022)**



**Coconino  
Community  
College**

Coconino County, Arizona



**Coconino County Community College District  
Annual Comprehensive Financial Report  
Fiscal Year Ended June 30, 2022**

Table of Contents

**Introductory Section**

Message from the President .....	1
Letter of Transmittal .....	2
Government Finance Officers Association Certificate of Achievement .....	12
Principal Officers .....	13
Organizational Chart .....	14
Vision, Mission, Diversity Statement, and Purposes .....	15
Guiding Principles .....	16

**Financial Section**

Independent Auditors' Report .....	20
Management's Discussion and Analysis .....	23
Basic Financial Statements:	
Statement of Net Position – Primary Government .....	32
Statement of Financial Position – Component Unit .....	33
Statement of Revenues, Expenses, and Changes in Net Position – Primary Government .....	34
Statement of Activities – Component Unit .....	35
Statement of Cash Flows – Primary Government .....	36
Notes to Financial Statements .....	38
Required Supplementary Information:	
Schedule of the District's Proportionate Share of the Net Pension Liability .....	64
Schedule of the District's Pension Contributions .....	65
Notes to Pension Plan Schedules .....	66
Schedule of District's Changes in Total OPEB Liability .....	67
Notes to OPEB Schedule .....	68

**Statistical Section**

Net Position by Component .....	70
Revenues by Source .....	71
Expenses by Program and Function .....	72
Expenses by Natural Classification .....	73
Other Changes in Net Position .....	74
Higher Learning Commission Financial Ratios .....	75
Expenditure Limitation - Statutory Limit to Budgeted Expenditures .....	76
Property Tax Levies and Collections .....	77
Assessed Value, Net Assessed Value and Total Value of All Taxable Property .....	78
Property Tax Rates - Direct and Overlapping Governments .....	79
Principal Taxpayers .....	80
Historic General Resident Tuition .....	81
Computation of Legal Debt Margin .....	82
Computation of Direct and Overlapping Bonded Debt .....	83
General Obligation Bond Coverage .....	84
Ratios of Outstanding Debt .....	85
Demographic and Economic Statistics – Coconino County .....	86
Principal Employers – Coconino County .....	87
Historic Enrollment .....	88
Student Enrollment Demographic Statistics .....	89
Faculty and Staff Statistics .....	90
Graduation Statistics .....	91
Capital Asset Information .....	92





# Introductory Section









February 28, 2023

To the Citizens of Coconino County:

We are pleased to share with you our Annual Comprehensive Financial Report, which is a detailed look at how Coconino Community College operates. The Government Finance Officers Association of the United States and Canada has honored the CCC accounting team with the Certificate of Achievement for Excellence in Financial Reporting annually for twenty-six years, and we are proud of our record for sound fiscal management.

Coconino Community College provides vital educational services to Coconino County residents. The CCC District Governing Board approved the current strategic plan “Students First – Vision 2025” in September 2020. The College's new vision, mission, and guiding principles served as the foundation for creating the strategic plan. This plan will help define how the College serves our communities for many years to come.

Coconino Community College continues to play a significant role in the lives of individuals throughout the County who seek affordable training and higher education opportunities. It is important that the citizens of Coconino County understand that the College's educational services are directly tied to limited funding sources, and the College is continually working to generate new revenue while maintaining its remarkable efficiency.

The College has remained viable through a proactive approach to planning and following through with difficult decisions. This report is another testament to CCC's outstanding stewardship of public tax dollars while keeping student success as the heart and purpose of our institution.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Heiser', written over a light blue horizontal line.

Dr. Eric A. Heiser  
President  
Coconino Community College



February 28, 2023

To the Residents of Coconino County Community College District:

The Annual Comprehensive Financial Report (ACFR) of the Coconino County Community College District (the District) for the fiscal year ended June 30, 2022 is a detailed look at how Coconino Community College operates.

Arizona Revised Statutes (A.R.S.) §41-1279.07 requires community college districts of Arizona to prepare an annual budgeted expenditure limitation report and annual financial statements prepared in accordance with generally accepted accounting principles. The Auditor General or a certified public accountant performing the annual audit shall attest to the expenditure limitation report and financial statements. This report is published to fulfill the requirements for the annual financial statements for the fiscal year ended June 30, 2022. The expenditure limitation report is published separately.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial status and activities have been included.

Management is responsible for establishing and maintaining internal controls designed to ensure that assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. No matter how well internal controls are designed, they can only provide reasonable assurance that objectives have been achieved.

Audit services are provided by the Arizona Auditor General. As noted above, Arizona Revised Statutes require an annual audit of the District's financial statements. This requirement has been complied with. The independent auditors' report is included in this document. The auditors' opinion is unmodified.

This letter of transmittal is designed to complement the Management's Discussion & Analysis (located in the Financial Section of this document) and should be read in conjunction with it.

### **Reporting Entity**

The District is an independent reporting entity within the criteria established by generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Although the District shares the same geographic boundaries of Coconino County, financial accountability for all activities related to public community college education in Coconino County is exercised solely by the District. In accordance with GASB Statement No. 61, the financial reporting entity consists of a primary government and a component unit. Coconino County Community College District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. The financial activity of the Coconino Community College Foundation is presented as a component unit of the District. The District is not included in any other governmental financial reporting entity.

### **Profile of Coconino County Community College District**

As a political subdivision of the State of Arizona, the Coconino County Community College District is subject to the oversight of the District's Governing Board (the Board), which is comprised of five elected members, representing each of the five precincts of the County. These members are

elected for six-year terms on a staggered basis. The Board is granted full authority from the Arizona Revised Statutes to manage the business and educational needs of the District. The administrative staff is responsible for the daily operation of the District.

The District exercises primary property tax levy authority for generation of funds for operating expenses. State appropriations are also received based on Full Time Student Equivalent (FTSE) enrollment and formula funding. One FTSE equals 15 credit hours each from both fall and spring semesters, for a total of 30 credit hours for one year.

Coconino Community College faculty and staff help to promote an environment of excellence to support our students. The District has helped create the region's skilled workforce, with the goal of improving the lives of our residents through workforce development and higher education. The District serves approximately 6,200 students a year currently, and has served nearly 90,000 students county-wide since opening its doors. The number of students served in the current year is down due to the impacts of COVID-19. The District provides affordable tuition and a wide variety of certificates and degrees including career/technical programs with 45 certificate programs and two-year associate degrees in various fields including nursing, fire science, law enforcement and business. Many credit hours are delivered via alternative delivery methods including online, hybrid, and ITV, or at alternative times or places. The District offers Dual Enrollment, Programs of Study, Coconino Association for Vocation, Industry and Technology (CAVIAT) and concurrent enrollment programs to jump start high schools students' higher education goals. The CCC2NAU and other university transfer programs offer a seamless transition to a four-year institution.

The District is an accredited institution of the Higher Learning Commission (HLC). The HLC evaluation process assures quality by verifying an institution meets standards and is engaged in continuous improvement. It includes annual monitoring of both financial and non-financial indicators and ensures the organization adheres to HLC policies and practices on institutional change.

The District serves the educational needs of Coconino County through three facilities: the Flagstaff Lone Tree Campus and District Offices, the Flagstaff Fourth Street Innovation Center, and the Page/Lake Powell Instructional Site. In addition, The District partners with high schools throughout the County to provide services including those at Grand Canyon, Page, Tuba City, Fredonia, and Williams. District-wide administrative and support services are centralized and administered by the President and the respective Vice-Presidents and Deans.

The District embraces the philosophy of shared governance, which is the process by which the college community, including administration, employees, students and public when appropriate, respectfully share responsibility for reaching collective decisions on issues related to the District. This governance model includes two functional Councils (Business and Administrative, and Academic and Student Affairs) that provide oversight for departmental and cross-departmental initiatives. Additionally, Faculty and Staff are represented through the Faculty Senate and Staff Council. The Executive Leadership Council makes decisions based on functional Council recommendations and provides recommendations to the Board when necessary.

### *History*

In November of 1990, the citizens of Coconino County established the District under the provisions of legislation enacted by the Arizona State Legislature in 1971. In May 1991, the District's funding was approved through special election, and operations began on July 1, 1991. The District boundaries are conterminous with the boundaries of Coconino County.

When the District first opened its doors, nearly 1,000 students enrolled at the Flagstaff campus in the first semester. Since then, the District has experienced an astounding growth rate and today serves more than 6,300 students per year.

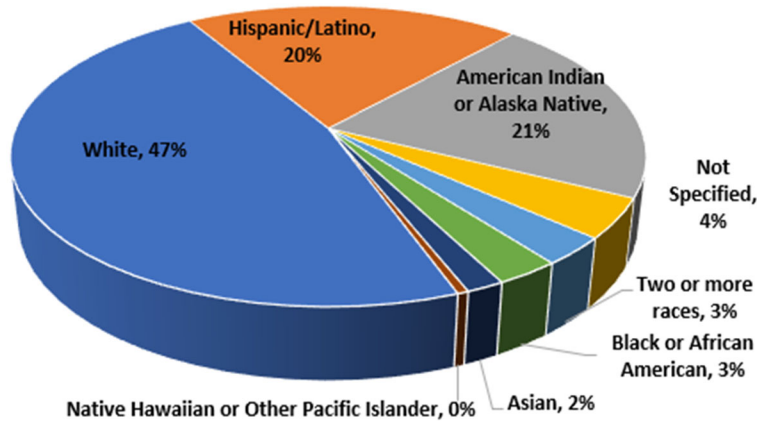
In June of 1992 the District began the process of seeking affiliation with the Commission on

Institutions of Higher Education of the North Central Association of Colleges and Schools. In 1996 the District received initial accreditation from the Commission on Institutions of Higher Education. The first commencement was held in 1993 with three graduates.

*Student Population*

Coconino Community College serves a diverse population of students each year. Most are seeking a degree or certificate, 55 percent are female, and over 11 percent are high school students earning college credit.

*Geography/Population*



Student Graduation Age

24 and under: 57%  
25 and over: 43%

Attendance

Full-time: 30%  
Part-time: 70%

Residency

In-State: 85%  
Out of State: 15%

Coconino County is located in the northern portion of the State and encompasses an area of approximately 12 million acres. Its boundaries include the cities of Page, Fredonia, Tuba City, Grand Canyon, Williams, Sedona, and Flagstaff, as well as other smaller cities and towns, and all the unincorporated areas of the County. The County's 2020 population was 145,326 by the U.S. Census Bureau.

With 18,661 square miles, Coconino County is the second largest county in the United States and the largest in Arizona, but is one of the most sparsely populated. It is characterized by rugged mountains, deep canyons and thick forests of pine, spruce, aspen and oak. Within its borders are many scenic sites – the most popular and impressive is Grand Canyon National Park. Other attractions are Oak Creek Canyon, Sunset Crater National Monument, prehistoric Tribal ruins at Wupatki, Walnut Canyon, the Navajo National Monument, the San Francisco Peaks - Arizona's highest point at 12,633 feet, and Lake Powell with 1,960 miles of shoreline.

Tribal Lands comprise 39.1 percent of the County and are home to the Navajo, Hopi, Paiute, Havasupai, and Hualapai tribes. The U.S. Forest Service and Bureau of Land Management control 32.3 percent of the land; the state of Arizona owns 9.4 percent; the National Park Services controls 6.9 percent; and the remaining 12.3 percent is owned by individuals or corporations.

*Local Economy*

The share of the County's labor force is heavily weighted towards government, trade, and service employment. Relative to the rest of the state, the work force employed by government is high at 22% of the workforce. Part of the reasons for the large number of government workers in the County include the presence of several major national parks, Tribal Lands and the high percentage of public lands in the County.

Coconino County and Arizona tend to have higher unemployment rates than the national

average. The County unemployment rate as of August 2022 (5.0%) is the same as the state (4.2%) and both are above the national level (3.5%). And with the exception of one-time rural college funding received in the current fiscal year, the District must contend with the continued limited funding from the State due to defunding of over 40% of State aid in the past twelve years. The District is committed to improving and offering additional services to meet the County needs. These efforts are achieved through careful monitoring of costs, innovative partnerships, cost saving opportunities, and seeking new revenue sources.

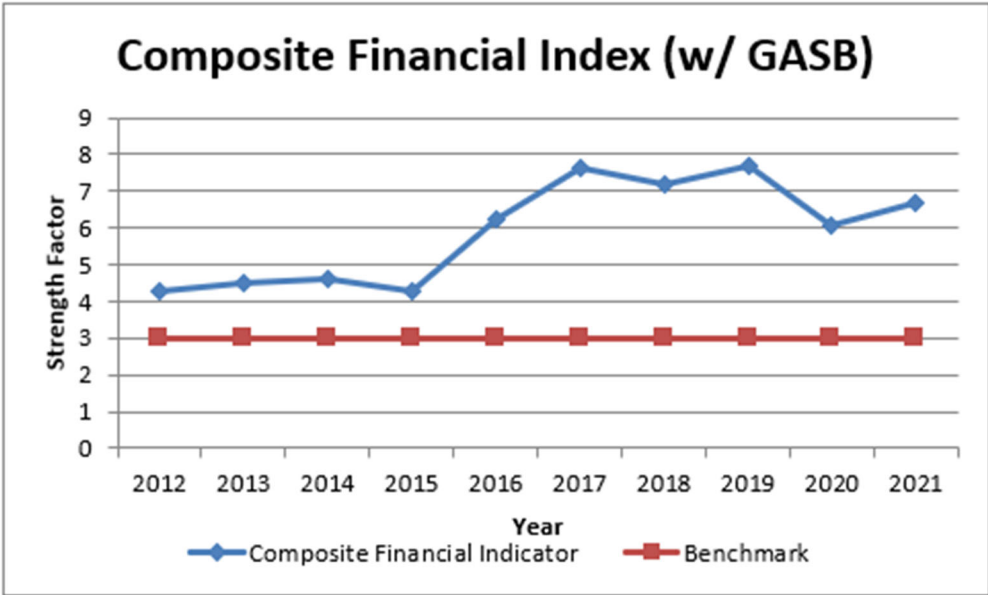
**Long Term Strategic Financial and Operational Planning**

*Financial Reporting*

The Annual Comprehensive Financial Report (ACFR) for the District was formulated with data from several sources. These statements present information on the financial condition of the District and whether resources were adequate to cover the costs of providing services during the reporting period. The District's ACFR is distributed to the District Governing Board and executive management, the State legislature, Federal and State agencies, and financial institutions as well as others throughout the general public. Internal management reports are customized and provided to meet the information and decision-making needs at all levels of the organization to aid management in the allocation of resources.

*Financial Indicators*

Coconino Community College reports financial information with the HLC, the District's accrediting body. The HLC collects financial indicators to evaluate reserve strength, operating revenues, viability, and return on net assets. In addition, the HLC ratios lead to a composite financial index, which is a weighted average score to determine the overall financial health of the organization. The ratio shown here reflects the impact of the Government Accounting Standards Board (GASB) Statement 68, *Accounting & Financial Reporting for Pensions*, and Statement 75, *Accounting & Financial Reporting for Postemployment Benefits Other Than Pensions*. Through strategic and financial planning efforts, the District has been able to improve its composite financial index score over the past ten years and for FY2021\* exceeded the 3.0 benchmark once again with a composite score of 6.67.



\*2022 data not yet available

**Budget**

The District is required to prepare an all funds balanced budget each fiscal year on report forms prescribed by the Arizona Auditor General for public inspection. The District maintains budgetary controls by line item of the approved budget. Budget transfers are restricted to function and object. The objective of these budgetary controls is to ensure compliance with the annual budget adopted by the Board. The legal level of budgetary control is by summary line item of the current and plant funds.

Budgetary compliance is also demonstrated with the issuance of an annual budgeted expenditure limitation report, which is also audited. Calculation and compliance with an expenditure limitation is an Arizona constitutional requirement for local taxing entities, and the purpose is to control expenditures and limit future increases in spending adjustments for inflation, deflation, population growth of counties, cities, and towns, and student population growth of community college districts.

An encumbrance accounting system is maintained by the District as an additional technique of accomplishing budgetary control. Open encumbrances are not reported as reservations of fund balance at year end, but are liquidated (lapse at year end). Encumbrances are re-established at the beginning of the next fiscal year as an obligation against the current year's adopted budget.

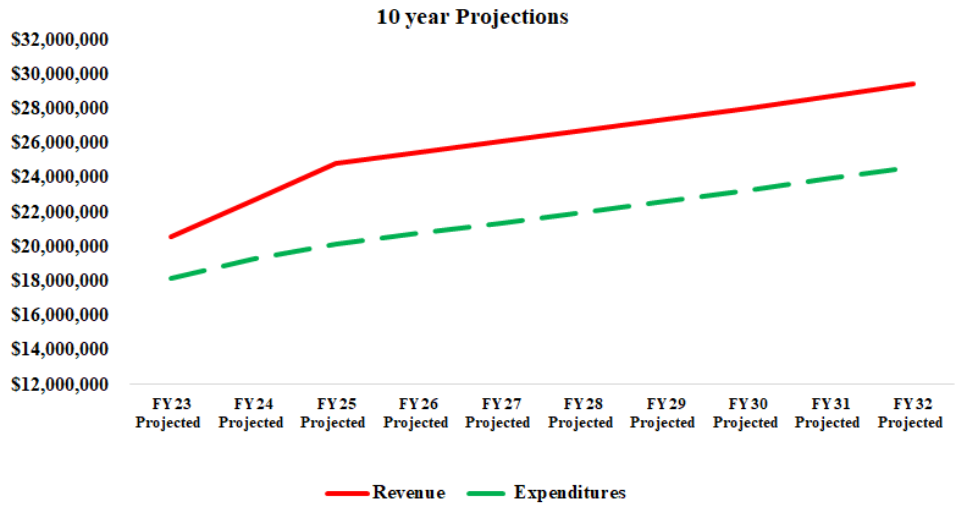
As part of the budget development process, the District continues to hold a budget hearing process that expands financial literacy and transparency. Open meetings were implemented so that all employees could participate in the budget development process, from the budget kick-off through budget hearings where budget increment requests were presented for evaluation. The result is greater transparency for faculty, staff, and students on how resources are allocated to best support learning.

**Debt Administration**

The District does not foresee any debt in the near future.

**Long-term Financial Planning**

Coconino Community College has both the lowest property tax rate of all Arizona community colleges, and dwindling State funding as a percentage of the budget. The District continuously monitors revenues and expenditures, and adjusts program levels to maintain long-term financial stability. As shown below, long-term planning has resulted in revenues and expenses in balance for a ten-year horizon.



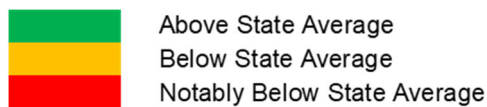


*Student Progress and Outcomes Reporting*

In 2010, the presidents of all ten of the Arizona community college districts worked together to develop long-term performance measures called Vision 2020; the most recent version has been renamed Vision 2030. The document identified 30 key indicators to measure progress toward three critical goals of access, retention, and completion. Many of the key indicators within each goal area are based on the American Association of Community Colleges Voluntary Framework of Accountability (VFA). The VFA created common measures by which community colleges can be held accountable including student progress, outcomes, workforce, economic, and community development metrics.

The performance measures and baseline data were published in February 2011. The Arizona colleges have since reported on the metrics for 2012 through 2020 and now have nine years of trend data. The District uses these performance measures to drive the development of the strategic plan and budget. The District selected various measures to focus on for improvement, and set target goals for annual improvement. The measures depicted below show the target goals the District selected for improvement through the strategic plan and resource allocation process.

Access Measures	CCC FY21	State Average	dif
Full-time Student Enrollment (FTSE)	1,491		
Total Enrollment	4,948		
Minority	41.7%	48.2%	-6.5%
Age 25+	22.7%	32.8%	-10.1%
Pell Grant	17.1%	24.3%	-7.2%
Alternative Delivery	98.7%	94.9%	3.8%
College-going	14.3%	22.3%	-8.0%
Cost	21.8%	16.6%	5.2%
Retention and Completion Measures			
Developmental Course Success - Math	45.1%	53.3%	-8.2%
Developmental Course Success - Reading	62.6%	67.1%	-4.5%
College Level Course Success - Math	42.5%	39.3%	3.2%
College Level Course Success - English/Reading	54.9%	55.2%	-0.3%
College Level Course Success	89.5%	75.4%	14.1%
Percent Full-time Learners completing 42 credits	45.9%	43.4%	2.5%
Percent Part-time Learners completing 24 credits	57.5%	51.3%	6.2%
FA-SP Retention	94.0%	91.5%	2.5%
FA-FA Retention	71.4%	75.5%	-4.1%
Annual Degree/Certificate Completion	28.5%	35.8%	-7.3%
Transfer Rate after CCC Completion	76.6%	61.8%	14.8%
Six year overall transfer rate	43.6%	28.8%	14.8%



## *Strategic Planning*

The District Governing Board adopted a strategic plan for 2020-2025, based on a process that represented the District's shared governance philosophy. A total of four goals were developed for the plan, based on input received from all areas of the District in the planning process. Community members and stakeholders reviewed the plan in the Spring of 2020 and it was approved by the Board on September 16, 2020. The goals and expected results are presented below.

### **Students First: Vision 2025**

*We will provide transformative experiences for every student, employee and community member we serve.*

#### **Team 1: Team Excellence**

**Strategic Goal #1: CCC will help each student achieve success through a supported and individualized educational experience.**

##### *Expected Results:*

- 1.1 The College student body will reflect the diversity of Coconino County - *"I belong at CCC."*
- 1.2 The number of Coconino County residents attending the College will increase to improve the Community College-Going Rate – *"I want to go to college at CCC."*
- 1.3 Students will successfully navigate the College with minimal barriers - *"I know why I am here and how to accomplish it."*
- 1.4 Students will build goal commitment through holistic engagement in the College and high-quality learning - *"I know what I am trying to accomplish, it is important to me, and I will do it."*

#### **Team 2: Team Sustainability**

**Strategic Goal #2: CCC will practice sustainability through responsible stewardship of economic, public, and environmental resources to accomplish its educational mission.**

##### *Expected Results:*

- 2.1 College revenues will be increased through new revenue streams
- 2.2 College priorities will be funded through strategic reallocation of resources
- 2.3 The College will demonstrate leadership for outstanding and effective sustainability practices
- 2.4 The College will limit barriers to students and college employees through automated business processes
- 2.5 The College will complete research for the consideration of a county-wide ballot initiative to obtain permanent funding increase from County property taxes

#### **Team 3: Team Opportunity**

**Strategic Goal #3: CCC will promote a learning culture that is innovative, flexible, entrepreneurial, and responsive to the needs of our students and the communities we serve.**

##### *Expected Results:*

- 3.1 The College will increase and improve community connections
- 3.2 The College will increase and improve opportunities for lifelong learning
- 3.3 The College will increase and improve opportunities for workforce training and economic development
- 3.4 The College will develop a P3 Partnership in Page to support the workforce and increase access to higher education.

#### **Team 4: Team Community**

**Strategic Goal #4: CCC will strengthen Community Engagement in support of student success through advocacy, strategic partnerships, and new fundraising initiatives.**

##### *Expected Results:*

- 4.1 The College will access funding to support student success through local, state, and federal advocacy
- 4.2 The College will develop strategic partnerships throughout Coconino County to support community engagement and workforce development in academic and non-credit continuing education programs
- 4.3 The College will increase the number of fundraising activities and the overall amount raised to support programs
- 4.4 The College will strengthen and expand community connections and engagement to champion the College as a community center

#### **Major Initiatives**

##### *CCC2NAU*

In collaboration with Northern Arizona University (NAU), the District continued a unique partnership known as the CCC2NAU program. This award winning program helps students earn their CCC associate degree and transition from CCC to NAU seamlessly to earn a bachelor's degree. Advisors are trained in academic offerings and degree requirements across both institutions, and over 100 degree plans have been created that quickly identify courses at the community college that articulate to a designated major at NAU.

Program features include:

- Waived NAU application fee (\$25) and an NAU ID card
- Automatic transfer of credits and seamless exchange of transcripts
- Option to enroll part-time at NAU every semester
- Assistance in transitioning to the university
- Access to many services, such as the NAU library, computer lab, clubs, and campus events
- Dedicated scholarships for CCC2NAU students at both NAU and CCC
- Option to live on the NAU campus, purchase a meal plan and have access to the Health and Learning Center

The CCC2NAU program began with the Fall 2008 term with an initial cohort of 15 students. To date, 963 students have graduated from NAU with a bachelor degree.

##### *Workforce Development and STEM*

The District continued a concentrated effort over the past several years to provide communities with more occupational and technical training. As a result of a voter approved Proposition 301 that was passed in 2000, the State of Arizona imposed a 0.6% sales tax to assist in this effort. The use of these funds is restricted to workforce development programs and in FY22 the funds were dedicated to supporting the nursing program.

Similar to the 301 funding, the State of Arizona allocates additional funding to community colleges restricted to support Science, Technology, Engineering, and Mathematics (STEM) and Workforce Programs. This allocation provides community college districts with funds for partnerships, faculty, technology equipment, student services, facilities, and property needs pursuant to A.R.S § 15-1464. During FY 22 these funds were restricted to expanding math, physics, and pre-engineering programs.

In November 2020 Proposition 207 Smart & Safe Arizona was approved and provided appropriation that funds greater investment in workforce development. The leadership team developed educational plans to prioritize new academic programs to meet the unique interests of individuals and groups within the service area of the District. District graduates are a large part of the local workforce including many registered nurses, paramedics, and firefighters, and directed funds to expand these programs. In addition to emergency services, the College also directed funding to Accounting, Administration of Justice, Automotive, Business, Construction Trades, Computer Information systems, Cyber Security, and Early Childhood Development programs.

Toward the end of the Fiscal year in May 2022, the community passed Proposition 438 to reset property tax in Coconino County. As stated in the Prop 438 initiative the District will use the funding to develop new career, technical education, certificate, and training programs; new programs to support veterans' training for civilian jobs, new programs to train and re-train workers including short-term certificates, continue and expand career and technical education programs that were established with one-time funding, and expand the scholarship program, and enhance educational services throughout Coconino County. By the end of the fiscal year the College has expanded workforce development programs such as a commercial driver's license program. Also, Marine Technician program is in the process of being added. In the future, plans to add a Manufacturing Technician faculty, as well as a Hospitality/ Restaurant Management Continuing Education instructor are in the works.

#### *Efficiency through Partnerships*

As the student population and required services continue to expand, the District must continue to maximize its efficiency. To this end, the District has strengthened relationships with partners in education. The District continues to partner with NAU to implement a groundbreaking model for improving student access and expanding achievement by partnering on reverse transfer and admissions programs for community college students while leveraging resources between the two institutions of higher learning.

The District partners with the Coconino Association for Vocations, Industry, and Technology (CAVIAT) program to provide career and technical education (CTE) programs to high school students. This partnership allows students to step out of the classroom into the real world where they can gain a better understanding of the job skills required at the same time as graduating high school. The District also partners with local and unified school districts and two charter schools in Coconino County to provide Dual Enrollment (DE) courses in high schools offering DE course credit for Arts and Science and CTE courses. DE allows high school students to earn college and high school credits simultaneously, save money on college tuition and textbooks, finish college faster and eliminate duplication of college coursework without leaving their high school campus.


Another partnership venture the District has begun is a Public Private Partnership (PPP) for student and workforce housing located adjacent to the instructional site in Page. The model that was approved by the District Governing Board in 2020 would require a developer to finance and maintain a student housing complex that would include short-term rental possibilities for the local workforce in Page. The PPP represents a unique opportunity to collaborate with the city of Page.

A developer was selected in 2021 and funding sources continue to be examined. The District is finding efficiencies by developing new instructional programs that can be fully funded by the fee revenue they generate, and is continuing to seek external funding through the Coconino Community College Foundation.

**Acknowledgment**

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Business and Administrative Services division. We wish to express our appreciation to all members of the division who assisted and contributed to the preparation of this report. We also thank the members of the District Governing Board for their interest and support in planning and conducting the financial operations of the District in a highly responsible and progressive manner. Appreciation is also expressed to the Arizona Auditor General for their timely completion of the audit.

Respectfully submitted,



Jami Van Ess  
Executive Vice President



Sonni Marbury  
Executive Director of Accounting



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Coconino County Community College District  
Arizona**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morrill*

Executive Director/CEO



# **Coconino County Community College District**

## **Principal Officers**

### **District Governing Board**

Dr. Nathaniel White, Chair, District 1

Ms. Patricia Garcia, Chair, District 2

Mr. Erik Eikenberry, Member, District 3

Mr. Patrick Hurley, Member, District 4

Mr. Joseph Smith, Vice Chair/Secretary, District 5

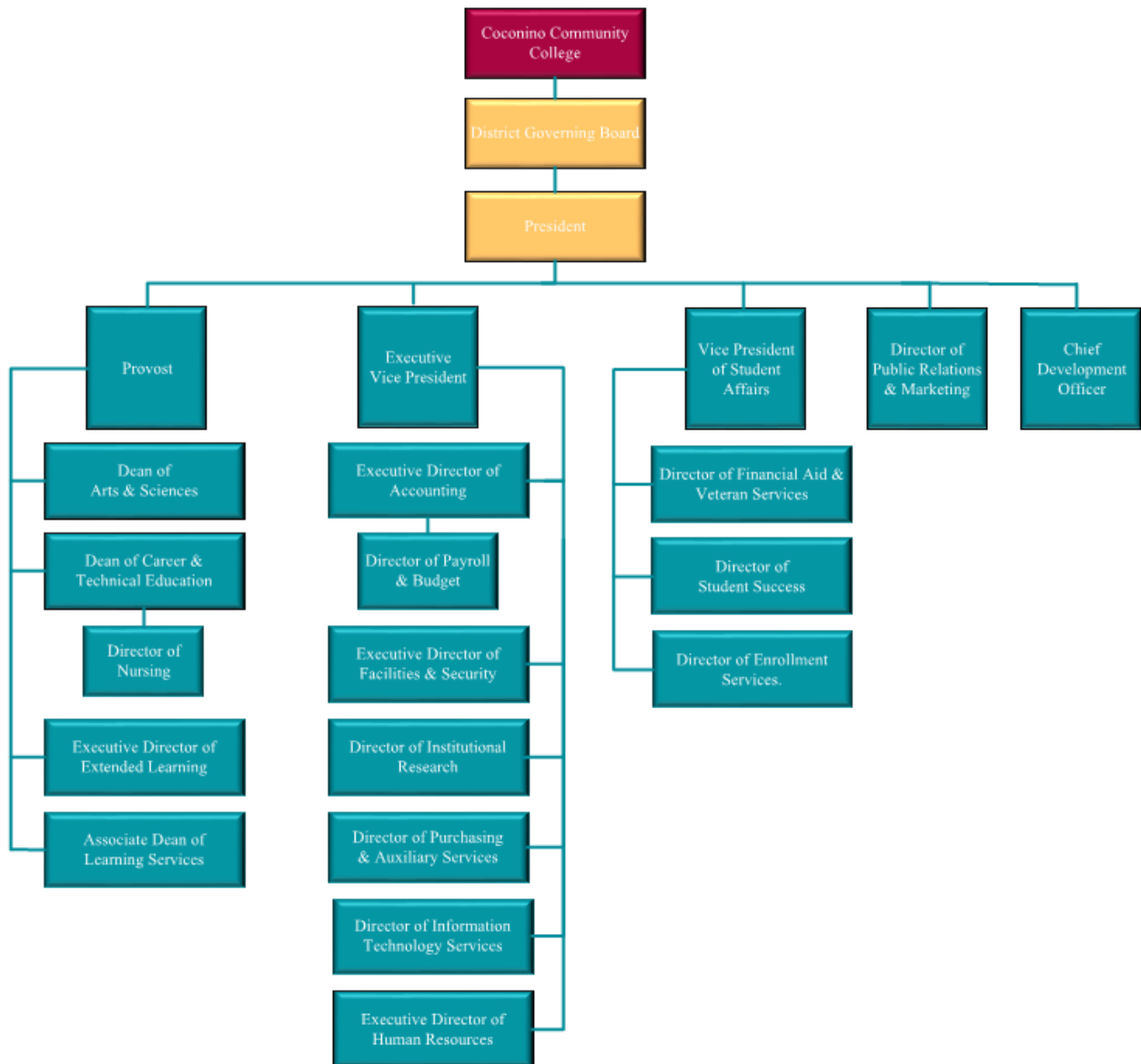
### **Senior Administration**

Dr. Eric A. Heiser, President

Dr. Jami Van Ess, Executive Vice President

Dr. Nathaniel Southerland, Provost

# Coconino County Community College District Administrative Organizational Chart





# Coconino Community College

## Vision, Mission, Diversity Statement, Purposes & Guiding Principles

### Vision

*Shaping the future of Coconino County. Empowering Individuals. Inspiring Communities.*

Education with Purpose!

### Mission

Coconino Community College is committed to providing accessible and affordable educational programs that prepare students for the future. Deeply engaged with the communities we serve, we promote student success through a welcoming and inclusive learning environment designed for innovative programming, career and workforce development, university transfer education, and continued life-long learning opportunities.

### Valuing People: Diversity Statement

Coconino Community College recognizes and respects diversity and the value it brings to our communities. We appreciate and welcome cultures, identities, beliefs, experiences and all that makes us unique. CCC champions and takes action to build an inclusive work and learning environment. We are allies and advocates, navigating a respectful dialogue about our shared humanity.

### Purposes

Coconino Community College has identified the following purposes to achieve its mission:

- **General Education** to provide learners with the foundation of a liberal education, including lifelong learning.
- **Transfer Education** to provide learners with the curriculum necessary to transfer to baccalaureate institutions.
- **Occupational Education** to provide learners with the skills and knowledge necessary to pursue occupational careers.
- **Continuing Education** to provide all learners with continuing education learning opportunities.
- **Developmental Education** to provide the curriculum necessary to prepare learners for college and the workplace.
- **Economic Development** to respond quickly in the advancement of regional economic development goals.
- **Technology Integration** to provide state-of-the-art technological education and training opportunities.

## **Guiding Principles**

These principles guide the way we work and learn together through our commitment to:

- Put Students First
- Listen, Learn, and Collaborate
- Act and Respond with Integrity and Resilience
- Communicate with Honesty, Dignity, and Respect
- Demonstrate Exceptional Stewardship of Public Resources
- Continually Strive for Excellence as a Community of Learners
- Provide a Safe Environment that Reinforces Learning and Innovation



# Financial Section









LINDSEY A. PERRY  
AUDITOR GENERAL

ARIZONA  
AUDITOR GENERAL

MELANIE M. CHESNEY  
DEPUTY AUDITOR GENERAL

## Independent auditors' report

Members of the Arizona State Legislature

The Governing Board of  
Coconino County Community College District

### Report on the audit of the financial statements

#### *Opinions*

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the Coconino County Community College District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of the District as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

We did not audit the financial statements of the discretely presented component unit. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the other auditors' report.

#### *Basis for opinions*

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the U.S. Comptroller General. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The other auditors did not audit the discretely presented component unit's financial statements in accordance with *Government Auditing Standards*.

#### *Emphasis of matter*

As discussed in Note 1 to the financial statements, for the year ended June 30, 2022, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

## ***Management's responsibilities for the financial statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditors' responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the audit's planned scope and timing, significant audit findings, and certain internal control-related matters that we identified during the audit.

## ***Required supplementary information***

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 23 through 31, schedule of the District's proportionate share of the net pension liability on page 64, schedule of District pension contributions on page 65, and schedule of District's changes in total OPEB liability on page 67 be presented to supplement the basic financial statements. Such information is management's responsibility and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting

for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, 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***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance on the other information.

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

### **Other reporting required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we will issue our report on our consideration of the District'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 at a future date. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control over financial reporting and compliance.

*Lindsey A. Perry*

Lindsey A. Perry, CPA, CFE  
Auditor General

February 28, 2023

# Coconino County Community College District Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

Our discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the year ended June 30, 2022. Please read it in conjunction with the transmittal letter, which precedes this section, and the financial statements, which immediately follow.

## **Using This Annual Report**

The District's financial statements are presented in accordance with pronouncements issued by the Governmental Accounting Standards Board (GASB), the authoritative body for establishing generally accepted accounting principles for state and local governments, including public institutions of higher education. These pronouncements permit public colleges and universities to use the guidance for special-purpose governments, engaged only in business-type activities, in their separately issued financial statements. As such, the reader will observe that the presentation format is a consolidated, single-column format, similar to the type of financial statements one might encounter from a typical business enterprise or a not-for-profit organization. The basic financial statements consist of the following:

The *Statement of Net Position* reflects the financial position of the District at June 30, 2022. It shows the assets owned or controlled, deferred outflows of resources, related liabilities and other obligations, deferred inflows of resources, and the categories of net position. Net position is an accounting concept defined as total assets and deferred outflows of resources less total liabilities and deferred inflows of resources, and as such, represents the institutional equity or ownership in the total assets of the District.

From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue operations of the District. They are also able to determine how much the District owes vendors and investors. Finally, the Statement of Net Position provides a picture of the net position and its availability for expenditure by the District.

Net position is divided into three major categories. The first category, net investment in capital assets provides the District's equity in property, plant, and equipment owned by the District. The next category is restricted net position, which is expendable. Expendable restricted net position is available for expenditure by the District but must be spent solely for the purpose of their restriction. The final category is unrestricted net position, which is available to the District for any lawful purpose of the District.

The *Statement of Revenues, Expenses, and Changes in Net Position* reflects the results of operations and other changes for the year ended June 30, 2022. It shows the revenues and expenses, both operating and nonoperating, reconciling the beginning net position amount to the ending net position amount, which is shown on the Statement of Net Position described above.

Generally speaking, operating revenues are received for providing goods and services to the customers and constituencies of the District. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues and to carry out the mission of the District. Nonoperating revenues are revenues received for which goods and services are not provided. For example, State appropriations are nonoperating because they are provided by the Legislature to the District without the Legislature directly receiving commensurate goods and services for those revenues.

The *Statement of Cash Flows* reflects the inflows and outflows of cash and cash equivalents for the year ended June 30, 2022. It shows the cash activities by type, reconciling the beginning cash and cash equivalents amount to the ending cash and cash equivalents amount, which is shown on the Statement of Net Position, described above. In addition, this statement reconciles cash flows used for operating activities to the operating loss shown on the Statement of Revenues, Expenses, and Changes in Net Position, described above.

**Coconino County Community College District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2022**

Although the primary focus of this document is on the results and activity for fiscal year 2021-22 (FY2022) comparative data is presented for the previous fiscal year 2020-21 (FY2021). This Management's Discussion and Analysis (MD&A) uses the prior year as a reference point in illustrating issues and trends for determining whether the institution's health may have improved or deteriorated.

**Condensed Financial Information**

***Net Position***

	<b><i>As of June 30, 2022</i></b>	<b><i>As of June 30, 2021</i></b>	<b><i>Percent Change</i></b>
<b>Assets:</b>			
Current assets	\$ 39,452,016	\$ 35,556,498	10.9%
Noncurrent assets, other than capital assets	3,374,689	-	100.0%
Capital assets, net of depreciation	20,653,768	19,613,792	5.3%
<b>Total assets</b>	<b>63,480,473</b>	<b>55,170,290</b>	<b>15.1%</b>
<b>Deferred outflows of resources</b>	<b>3,082,849</b>	<b>3,138,991</b>	<b>-1.8%</b>
<b>Liabilities:</b>			
Other liabilities	1,814,925	1,838,927	-1.3%
Noncurrent liabilities	13,929,085	17,095,221	-18.5%
<b>Total liabilities</b>	<b>15,744,010</b>	<b>18,934,148</b>	<b>-16.8%</b>
<b>Deferred inflows of resources</b>	<b>7,712,902</b>	<b>206,438</b>	<b>3636.2%</b>
<b>Net Position:</b>			
Net investment in capital assets	19,295,043	19,613,792	-1.6%
Restricted net position	397,192	670,343	-40.7%
Unrestricted net position	23,414,175	18,884,559	24.0%
<b>Total net position</b>	<b>\$ 43,106,410</b>	<b>\$ 39,168,694</b>	<b>10.1%</b>

**Coconino County Community College District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2022**

**Condensed Financial Information, cont.**

***Revenues, Expenses, and Changes in Net Position***

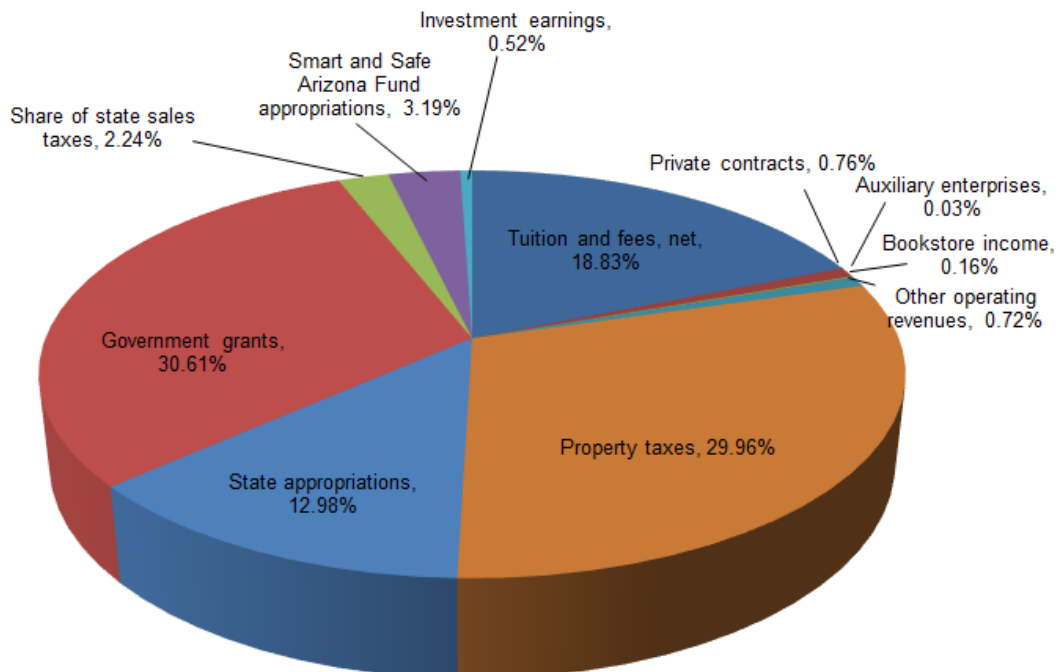
	<b><i>For the Year Ended June 30, 2022</i></b>	<b><i>For the Year Ended June 30, 2021</i></b>	<b><i>Percent Change</i></b>
Operating revenues	<u>\$ 6,168,209</u>	<u>\$ 6,243,564</u>	<u>-1.2%</u>
Operating expenses:			
Educational and general	24,730,276	22,537,234	9.7%
Auxiliary enterprises	62,336	7,360	747.0%
Depreciation/amortization	<u>1,360,512</u>	<u>1,255,167</u>	<u>8.4%</u>
Total operating expenses	<u>26,153,124</u>	<u>23,799,761</u>	<u>9.9%</u>
Operating loss	(19,984,915)	(17,556,197)	13.8%
Nonoperating revenues	<u>23,922,631</u>	<u>18,861,591</u>	<u>26.8%</u>
Increase in net position	3,937,716	1,305,394	201.6%
Net position, beginning of year	<u>39,168,694</u>	<u>37,863,300</u>	<u>3.4%</u>
<b>Net position, end of year</b>	<b><u>\$ 43,106,410</u></b>	<b><u>\$ 39,168,694</u></b>	<b><u>10.1%</u></b>

## Coconino County Community College District Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

The following schedule presents a summary of revenues for the fiscal year ended June 30, 2022, with comparative totals for June 30, 2021.

<i>Revenues by Source</i>	<u>FY2022</u>		<u>FY2021</u>		<u>Increase/(Decrease)</u>	
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent Change</u>
<b><u>Operating revenues</u></b>						
Tuition and fees, net of scholarship allowances	\$ 5,666,517	18.83%	\$ 5,641,019	22.47%	\$ 25,498	0.45%
Private contracts	228,701	0.76%	362,304	1.44%	(133,603)	-36.88%
Bookstore income	47,137	0.16%	47,987	0.19%	(850)	-1.77%
Other operating revenues	218,320	0.72%	191,329	0.76%	26,991	14.11%
Auxiliary enterprises	7,534	0.03%	925	0.00%	6,609	714.49%
<b>Total operating revenues</b>	<b>6,168,209</b>	<b>20.50%</b>	<b>6,243,564</b>	<b>24.87%</b>	<b>(75,355)</b>	<b>-1.21%</b>
<b><u>Nonoperating revenues</u></b>						
Property taxes	9,017,800	29.96%	8,957,633	35.68%	60,167	0.67%
State appropriations	3,905,600	12.98%	2,095,800	8.35%	1,809,800	86.35%
Government grants	9,211,979	30.61%	6,234,317	24.83%	2,977,662	47.76%
Share of state sales taxes	674,679	2.24%	649,181	2.59%	25,498	3.93%
Smart and Safe Arizona Fund appropriations	959,190	3.19%	670,343	2.67%	288,847	43.09%
Investment earnings	157,712	0.52%	228,377	0.91%	(70,665)	-30.94%
Other nonoperating revenue		0.00%	23,615	0.09%	(23,615)	-100.00%
<b>Total nonoperating revenues</b>	<b>23,926,960</b>	<b>79.50%</b>	<b>18,859,266</b>	<b>75.12%</b>	<b>5,067,694</b>	<b>26.87%</b>
<b>Total revenues</b>	<b>\$ 30,095,169</b>	<b>100.0%</b>	<b>\$ 25,102,830</b>	<b>100.0%</b>	<b>\$ 4,992,339</b>	<b>19.89%</b>

**Revenues by Source FY2022**

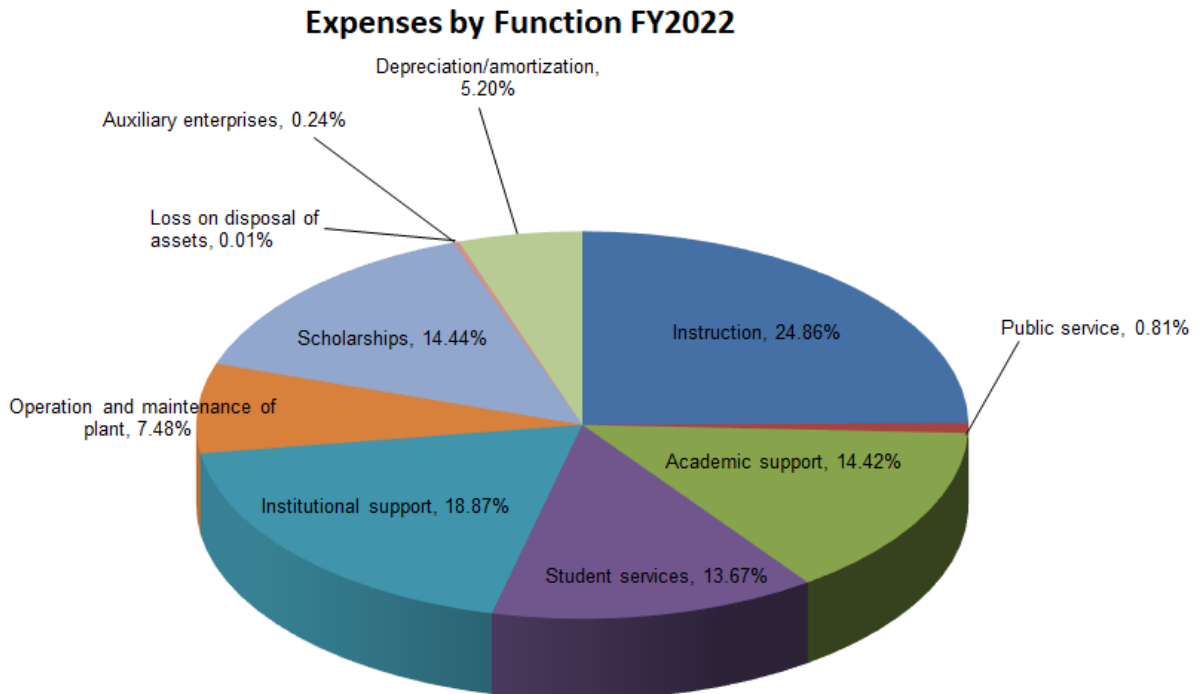




## Coconino County Community College District Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

The following schedule presents a summary of expenses by function for the fiscal year ended June 30, 2022, with a comparative total for June 30, 2021.

<i>Expenses by Function</i>	<u>FY2022</u>		<u>FY2021</u>		<u>Increase/(Decrease)</u>	
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent Change</u>
<b><u>Operating expenses</u></b>						
Educational and general:						
Instruction	\$ 6,501,650	24.86%	\$ 6,660,141	27.99%	\$ (158,491)	-2.38%
Public service	210,652	0.81%	223,675	0.94%	(13,023)	-5.82%
Academic support	3,771,607	14.42%	3,514,160	14.77%	257,447	7.33%
Student services	3,578,940	13.67%	3,656,031	15.36%	(77,091)	-2.11%
Institutional support	4,935,215	18.87%	4,181,073	17.57%	754,142	18.04%
Operation and maintenance of plant	1,955,703	7.48%	1,978,692	8.31%	(22,989)	-1.16%
Scholarships	3,776,509	14.44%	2,323,462	9.76%	1,453,047	62.54%
Auxiliary enterprises	62,336	0.24%	7,360	0.03%	54,976	746.96%
Depreciation/amortization	1,360,512	5.20%	1,255,167	5.27%	105,345	8.39%
<b>Total operating expenses</b>	<b>26,153,124</b>	<b>99.99%</b>	<b>23,799,761</b>	<b>100.01%</b>	<b>2,353,363</b>	<b>9.89%</b>
<b><u>Nonoperating expenses</u></b>						
Loss on disposal of assets	4,329	0.01%	(2,325)	-0.01%	6,654	-286.19%
<b>Total nonoperating expenses</b>	<b>4,329</b>	<b>0.01%</b>	<b>(2,325)</b>	<b>-0.01%</b>	<b>6,654</b>	<b>-286.19%</b>
<b>Total expenses</b>	<b>\$26,157,453</b>	<b>100.00%</b>	<b>\$23,797,436</b>	<b>100.00%</b>	<b>\$2,360,017</b>	<b>9.92%</b>

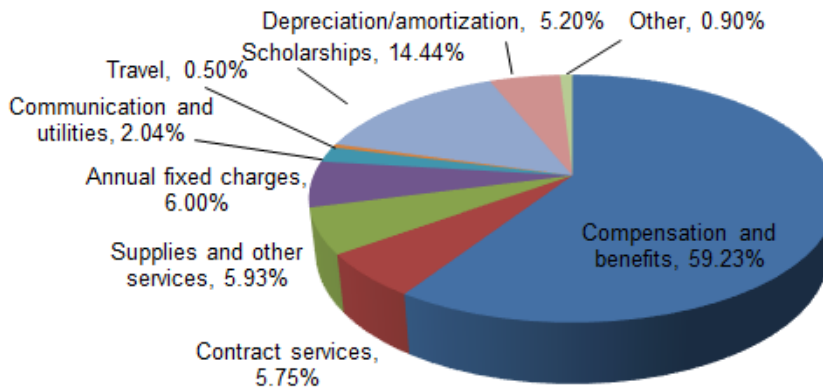


**Coconino County Community College District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2022**

The following schedule presents a summary of operating expenses by natural classification for the fiscal year ended June 30, 2022, with a comparative total for June 30, 2021.

<i>Operating Expenses by Natural Classification</i>	FY2022		FY2021		Increase/(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Change
<u>Operating expenses</u>						
Compensation and benefits	\$ 15,490,705	59.23%	\$ 16,813,273	70.64%	\$(1,322,568)	-7.87%
Contract services	1,503,125	5.75%	737,469	3.10%	765,656	103.82%
Supplies and other services	1,549,678	5.93%	928,198	3.90%	621,480	66.96%
Annual fixed charges	1,570,490	6.00%	1,148,138	4.82%	422,352	36.79%
Communication and utilities	534,548	2.04%	526,504	2.21%	8,044	1.53%
Travel	130,877	0.50%	42,261	0.18%	88,616	209.69%
Scholarships	3,776,509	14.44%	2,323,462	9.76%	1,453,047	62.54%
Depreciation/amortization	1,360,512	5.20%	1,255,167	5.27%	105,345	8.39%
Other	236,680	0.90%	25,289	0.11%	211,391	835.90%
<b>Total operating expenses</b>	<b>26,153,124</b>	<b>100.00%</b>	<b>23,799,761</b>	<b>100.00%</b>	<b>2,353,363</b>	<b>9.89%</b>
<b>Total expenses</b>	<b>\$ 26,153,124</b>	<b>100.00%</b>	<b>\$ 23,799,761</b>	<b>100.0%</b>	<b>\$ 2,353,363</b>	<b>9.89%</b>

**Operating Expenses by Natural Classification FY2022**



**Coconino County Community College District  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2022**

**Financial Highlights and Analysis**

**Statement of Net Position**

Total net position for the Coconino County Community College District increased by \$3,937,716, from fiscal year 2021 to fiscal year 2022. This increase was primarily a result of federal stimulus monies to mitigate COVID-19 impacts, increased funding from the Smart and Safe Arizona Fund, additional grant revenue, and increased state sales tax.

Current assets increased by 11% due to increased revenue streams from State Appropriations, government grants and revenue from the Smart & Safe Arizona Fund appropriations which contributed to increases in cash in bank. In addition, non-current assets increased by \$3.4 million and capital assets increased by \$1.0 million as the District recorded leases receivable and right-to-use assets this fiscal year as part of the implementation of GASB 87, leases. Deferred outflows of resources decreased slightly from the previous year's balance based on changes in pensions and OPEB.

Other liabilities decreased 1.3% primarily due to decreases in pre-paid summer and fall tuition revenue at year-end. Long-term liabilities decreased as a result of changes to pension liability due to valuation adjustments, and compensated absences decreases. Deferred inflows of resources increased significantly due to the previously mentioned change in recognition of long-term lease agreements. More detail on FY22 assets, deferred outflows of resources, liabilities, and deferred inflows of resources can be found on the Statement of Net Position.

Many other factors are responsible for the net position increase, which are identified in the discussion of the Statement of Revenues, Expenses, and Changes in Net Position, below.

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

The District has four major revenue sources that account for 92.4% of revenues. These are tuition and fees, property taxes, state appropriations, and government grants and contracts. Total revenue for the District increased in fiscal year 2022 from the fiscal year 2021 total. Operating revenues decreased slightly. Nonoperating revenues increased due to increases in State Appropriations, revenues from the Smart and Safe Arizona Fund and government grants. Changes in revenue sources are described below:

- Tuition and fees (net of scholarship allowances) stabilized, reflecting a slight increase.
- Private contract revenue decreased by approximately \$133,000 as the Del E. Webb Foundation funding to expand the District's Construction and Technology Programs came to completion.
- Other operating revenue increased from FY2021 due to a return to in-person instruction resulting in more parking revenue and facilities use fees.
- State appropriations increased \$1.8 million due to the State's increased emphasis on investment in rural workforce needs.
- Property taxes increased as a result of increased assessments to property values in the County.

**Coconino County Community College District  
Management’s Discussion and Analysis  
Fiscal Year Ended June 30, 2022**

- Government grants increased due to the Higher Education Emergency Relief Funds granted to the District as part of the COVID-19 response funds which were used as grants to students, and used to support institutional expenses and recover lost revenues from the pandemic. For further detail, see Note 10 of the Financial Statements.
- Continuing to grow as a revenue source this year was the Smart and Safe Arizona Fund appropriation, a result of the passage of Proposition 207 in late 2020. These funds, \$959,190 for FY2022, are restricted for workforce development, job training, career and technical education, and science, technology, engineering, and mathematics programs.
- Investment earnings decreased slightly as bond rates fluctuated in reaction to inflation and interest rates during the pandemic.
- Total operating expenses increased due to a return to in-person operations and expanded services to students with changes in teaching delivery methods. Additional changes by expense classification are as follows:
  - Academic support expenses increased \$257,447 due to expanded services to students outside the classroom needs.
  - Scholarship expense increased, net of scholarship allowances, due to emergency funds granted to students through the Higher Education Emergency Relief Fund.
  - Institutional support expenses increased as in-person operations and aging of primary instructional facilities resulted in a need to maintain and update campuses.

**Capital Asset and Debt Administration**

Capital assets are defined as those items costing over \$5,000 and which have a normal useful life of more than one year. The District has created renewal and replacement (R&R) schedules for all of its facilities, as well as technology. The schedules are updated annually and funds are invested and designated for this purpose. As of June 30, 2022, these funds amount to approximately \$5.7 million.

Below is a summary of the capital assets, net of depreciation/amortization, as of June 30:

	<b>FY 2022</b>	<b>FY 2021</b>	<b>Percent Change</b>
Land and construction in progress	\$ 1,121,500	\$ 1,089,000	3.0%
Buildings and improvements	17,353,394	17,531,025	-1.0%
Improvements other than buildings	246,424	202,554	21.7%
Equipment and vehicles	573,725	791,213	-27.5%
Intangibles	1,358,725	-	100.0%
<b>Total capital assets</b>	<b>\$ 20,653,768</b>	<b>\$ 19,613,792</b>	<b>5.3%</b>

At this time, the District does not have any debt and does not plan on acquiring any debt in the near future.

Additional information on the District’s capital assets can be found in Note 4 of the basic financial statements.

# Coconino County Community College District Management's Discussion and Analysis Fiscal Year Ended June 30, 2022

## **Current Factors Having Probable Future Financial Significance**

The community college system-wide appropriation for state aid is provided by A.R.S. §15-1466. The formula is based on the current base and enrollment growth. During the past decade state aid to community colleges was cut drastically. Due to this historical funding trend, and the elimination of urban funding, it is anticipated the trend of declining aid may continue. This is further exacerbated by the decline in enrollment which directly impacts the state's funding formula. The District has incorporated state aid funding loss projections into its long-term planning scenarios and has developed a plan to balance the budget with future funding reductions.

In FY2022, the state approved a one-time appropriation for rural community colleges, awarding each college a set amount. The District received an additional \$1,907,300 in funding. The funds are being used as seed money for new programs which, if successful, will be continued and will provide additional revenue streams for the College.

As noted earlier, the passage of Proposition 207 has brought an additional funding source to the District. The amount of this additional funding from legal marijuana sales is somewhat uncertain but continues to be higher than anticipated. The funds continue to be invested in workforce development programs that benefit the community served in Coconino County.

Changes to both the Arizona and Flagstaff minimum wage rates will continue to impact the amount the College can pay for student wage positions. Future increases will also create pressure on the College's salary structure, leading to higher compensation costs.

## **COVID-19**

The impact of the pandemic that struck the United States in March of 2020 is ongoing. It has created uncertainty about many of the most basic operations of the District. Enrollment, teaching methods, staffing, facilities, and student satisfaction are the most obvious areas impacted but, in reality, every area has been touched by the changes brought about by the lock-downs, economic factors, required compliance, and the illness itself. How this will impact future staffing and student offerings is unknown. Budgeting within these constraints has truly been a challenge and will continue to be for some time.

Additional information on the financial impact of COVID-19 on the District's finances can be found in Note 10 of the basic financial statements.

## **Requests for Information**

This discussion and analysis is designed to provide a general overview of the Coconino County Community College District's finances for all those with an interest in such matters. Questions concerning any of the information provided in this Annual Comprehensive Financial Report or requests for additional financial information should be addressed to the Executive Director of Accounting, Coconino County Community College District, 2800 S. Lone Tree Road, Flagstaff, AZ 86005.



**Coconino County Community College District**  
**Statement of Net Position - Primary Government**  
**June 30, 2022**

	Business-Type Activities
<b>Assets</b>	
Current assets:	
Cash in bank and on hand	\$ 2,877,794
Cash and investments held by the County Treasurer	31,267,349
Investments	3,220,591
Receivables (net of allowances for uncollectibles):	
Property taxes	143,885
Government grants and contracts	1,478,689
Leases	154,752
Other	238,646
Prepaid items	50,317
Inventories	19,993
Total current assets	39,452,016
Noncurrent assets:	
Lease receivable	3,374,689
Capital assets, not being depreciated/amortized	1,121,500
Capital assets, net of depreciation/amortized	19,532,268
Total noncurrent assets	24,028,457
Total assets	63,480,473
<b>Deferred Outflows of Resources</b>	
Deferred outflows related to pensions	2,846,632
Deferred outflows related to OPEB	236,217
Total deferred outflows of resources	3,082,849
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	439,901
Accrued payroll and employee benefits	726,969
Deposits held in custody for others	81,783
Unearned revenues	435,470
Current portion of compensated absences payable	82,054
Current portion of lease liability	48,748
Total current liabilities	1,814,925
Noncurrent liabilities:	
Lease liability	1,309,977
Compensated absences payable	562,795
OPEB liability	598,620
Net pension liability	11,457,693
Total noncurrent liabilities	13,929,085
Total liabilities	15,744,010
<b>Deferred Inflows of Resources</b>	
Deferred inflows related to pensions	3,803,812
Deferred inflows related to OPEB	379,650
Deferred inflows related to leases	3,529,440
Total deferred inflows of resources	7,712,902
<b>Net Position</b>	
Net investment in capital assets	19,295,043
Restricted	
Expendable	
Smart & Safe Arizona Fund appropriations	397,192
Unrestricted	23,414,175
Total net position	\$ 43,106,410

See accompanying notes to financial statements.

**Coconino County Community College District**  
**Statement of Financial Position - Component Unit**  
**June 30, 2022**

	<u>Coconino Community College Foundation</u>
<b>Assets</b>	
Current Assets:	
Cash and cash equivalents	\$ 518,708
Prepaid expenses	3,890
Total Current Assets	<u>522,598</u>
Long-Term Assets:	
Investments, at market	<u>1,667,655</u>
	<u>1,667,655</u>
Total Assets	<u><u>\$ 2,190,253</u></u>
 <b>Liabilities and Net Assets</b>	
Current Liabilities:	
CCC College payable	\$ 10,177
Accounts payable	296
Deferred Revenue	1,156
Refundable advance	<u>32,987</u>
Total Current Liabilities	<u>44,616</u>
 <b>Net Assets</b>	
Net assets without donor restrictions	898,807
Net assets with donor restrictions	<u>1,246,830</u>
Total Net Assets	<u>2,145,637</u>
Total Liabilities and Net Assets	<u><u>\$ 2,190,253</u></u>

**Coconino County Community College District**  
**Statement of Revenues, Expenses, and Changes in Net Position - Primary Government**  
**Year Ended June 30, 2022**

	Business-Type Activities
Operating revenues:	
Tuition and fees (net of scholarship allowances of \$1,062,436)	\$ 5,666,517
Private contracts	228,701
Bookstore income	47,137
Auxiliary enterprises	7,534
Other	218,320
Total operating revenues	6,168,209
Operating expenses:	
Educational and general:	
Instruction	6,501,650
Public service	210,652
Academic support	3,771,607
Student services	3,578,940
Institutional support	4,935,215
Operation and maintenance of plant	1,955,703
Scholarships	3,776,509
Auxiliary enterprises	62,336
Depreciation and amortization	1,360,512
Total operating expenses	26,153,124
Operating loss	(19,984,915)
Nonoperating revenues (expenses):	
Property taxes	9,017,800
State appropriations	3,905,600
Government grants	9,211,979
Share of state sales taxes	674,679
Smart and Safe Arizona Fund appropriations	959,190
Investment earnings	157,712
Loss on disposal of capital assets	(4,329)
Total nonoperating revenues	23,922,631
Increase in net position	3,937,716
Net position, July 1, 2021	39,168,694
Net position, June 30, 2022	\$ 43,106,410

See accompanying notes to financial statements.



**Coconino County Community College District**  
**Statement of Activities - Component Unit**  
**Year Ended June 30, 2022**

	Coconino Community College Foundation		
	Without Donor Restrictions	With Donor Restrictions	TOTAL
<b>Revenue, Gains and Other Support</b>			
Public contributions and grants	\$ 18,883	\$ 469,344	\$ 488,227
Donated services	227,754	-	227,754
Investment earnings, net of fees	9,003	16,622	25,625
Realized gain on investments	17,617	29,433	47,050
Unrealized gain on investments	(134,616)	(237,140)	(371,756)
Net assets released from restrictions	444,595	(444,595)	-
	583,236	(166,336)	416,900
<b>Expenses and Losses</b>			
Program services	531,884	-	531,884
Management and general	93,560	-	93,560
Fundraising	62,824	-	62,824
	688,268	-	688,268
Change in Net Assets	(105,032)	(166,336)	(271,368)
Net Assets, beginning of year, as restated	1,003,839	1,413,166	2,417,005
Net Assets, end of year	\$ 898,807	\$ 1,246,830	\$ 2,145,637

See accompanying notes to financial statements.

**Coconino County Community College District  
Statement of Cash Flows - Primary Government  
Year Ended June 30, 2022**

Cash flows from operating activities:	
Tuition and fees	\$ 5,498,124
Private contracts	271,114
Bookstore receipts	54,040
Auxiliary enterprises	7,699
Other receipts	227,829
Payments for employee wages and benefits	(16,130,011)
Payments to suppliers and providers of goods and services	(5,171,693)
Payments to students for scholarships	(3,776,509)
Other custodial receipts	1,411,405
Other custodial disbursements	(1,401,853)
Net cash used for operating activities	<u>(19,009,855)</u>
Cash flows from noncapital financing activities:	
Property taxes	9,046,724
State appropriations	3,905,600
Government grants	9,493,308
Share of state sales tax	674,679
Smart and Safe Arizona Fund	959,190
Federal direct student loans received	1,071,008
Federal direct student loans disbursed	(1,071,008)
Net cash provided by noncapital financing activities	<u>24,079,501</u>
Cash flows from capital and related financing activities:	
Purchases of capital assets	<u>(1,046,093)</u>
Net cash used for capital and related financing activities	<u>(1,046,093)</u>
Cash flows from investing activities:	
Interest received on investments	<u>157,712</u>
Net cash provided by investing activities	<u>157,712</u>
Net increase (decrease) in cash and cash equivalents	4,181,265
Cash and cash equivalents - July 1, 2021	<u>33,184,469</u>
Cash and cash equivalents - June 30, 2022	<u>\$ 37,365,734</u>

(Continued)

See accompanying notes to financial statements.

**Coconino County Community College District  
Statement of Cash Flows - Primary Government  
Year Ended June 30, 2022**

Reconciliation of operating loss to net cash used for operating activities:

Operating loss	<u>\$ (19,984,915)</u>
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation and amortization	1,360,512
Change in assets, deferred outflows, liabilities, and deferred inflows:	
Net pension liability	(3,945,583)
OPEB liability	(413,029)
Deferred outflows of resources related to pensions and OPEB	56,142
Deferred inflows of resources related to pensions and OPEB	3,977,024
Prepaid items	66,403
Receivables	73,362
Inventories	6,846
Accounts payable	306,186
Accrued payroll and employee benefits	(208,016)
Deposits held in custody for others	9,552
Unearned revenues	(224,572)
Compensated absences payable	(89,767)
Net cash used for operating activities	<u><u>\$ (19,009,855)</u></u>

Reconciliation of cash and cash equivalents to the Statement of Net Position:

Cash in bank and on hand	2,877,794
Cash and investments held by County Treasurer	31,267,349
Investments	3,220,591
Cash and cash equivalents	<u><u>\$ 37,365,734</u></u>

See accompanying notes to financial statements.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies**

Coconino County Community College District's accounting policies conform to generally accepted accounting principles applicable to public institutions engaged only in business-type activities adopted by the Governmental Accounting Standards Board (GASB).

For the year ended June 30, 2022, the District implemented the provisions of GASB Statement No.87, *Leases*, as amended, which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. As a result, the District's financial statements have been modified to reflect the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflow or outflows of resources based on the contract payment provisions.

**A. Reporting Entity**

The District is a special-purpose government that a separately elected governing body governs. It is legally separate and fiscally independent of other state and local governments. The accompanying financial statements present the activities of the District (the primary government) and its discretely presented component unit, the Coconino Community College Foundation (Foundation).

The Foundation is a legally separate, tax-exempt organization. It acts primarily as a fund-raising organization that receives gifts and bequests, administers those resources, and disburses payments to or on behalf of the District for scholarships and support of District programs. Although the District does not control the timing or amount of receipts from the Foundation, the Foundation's restricted resources can be used only by or for the benefit of the District or its constituents. Consequently, the Foundation is considered a component unit of the District and is discretely presented in the District's financial statements.

For financial reporting purposes, the Foundation follows the Financial Accounting Standards Board statements for not-for-profit organizations. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information included in the District's financial report. Accordingly, those financial statements have been reported on separate pages following the District's respective counterpart financial statements. For financial reporting purposes, only the Foundation's statements of financial position and activities are included in the District's financial statements as required by generally accepted accounting principles for public colleges and universities. The Foundation has a June 30 year-end.

During the year ended June 30, 2022, the Foundation distributed \$625,444 to the District for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained from the CCC Foundation Office, Coconino County Community College District, 2800 S. Lone Tree Road, Flagstaff, AZ 86005.

**B. Basis of Presentation and Accounting**

The financial statements include a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows.

A statement of net position provides information about the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at the end of the year. Assets and liabilities are classified as either current or noncurrent. Net position is classified according to external donor restrictions or availability of assets to satisfy

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**B. Basis of Presentation and Accounting (continued)**

the District's obligations. Net investment in capital assets represents the value of capital assets, net of accumulated depreciation, less any outstanding debt incurred to acquire or construct the assets. Expendable restricted net position represents grants, contracts, gifts, and other resources that have been externally restricted for specific purposes. Unrestricted net position consists of all other resources, including those that have been designated by a statement of revenues, expenses, and changes in net position provides information about the District's financial activities during the year. Revenues and expenses are classified as either operating or nonoperating, and all changes in net position are reported, including capital contributions. Operating revenues and expenses generally result from exchange transactions. Accordingly, revenues such as tuition and bookstore, in which each party receives and gives up essentially equal values are considered operating revenues. Other revenues, such as property taxes, state appropriations, and government grants, result from transactions in which the parties do not exchange equal values and are considered nonoperating revenues. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. Other expenses, such as interest expense, are considered nonoperating expenses.

A statement of cash flows provides information about the District's sources and uses of cash and cash equivalents during the year. Increases and decreases in cash and cash equivalents are classified as either operating, noncapital financing, capital financing, or investing.

The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. State appropriations are recognized as revenue in the year in which the appropriation is first made available for use. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met. Internal activity is eliminated using a charge-back method, charging user departments, and reducing expenses in the department providing the service. It is the District's policy to first apply restricted resources when an expense is incurred for purposes when both restricted and unrestricted net positions are available.

**C. Cash and Investments**

For the statement of cash flows, the District's cash and cash equivalents are considered to be cash on hand, cash and investments held by the County Treasurer, and investments in the State Treasurer's Local Government Investment Pool. All investments are stated at fair value.

**D. Inventories**

The supplies inventory is stated at cost by specific identification.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. Capital Assets**

Capital assets are reported at actual cost. Donated assets are reported at acquisition value.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation/amortization methods, and estimated useful lives of capital assets are as follows:

	<b>Capitalization Threshold</b>	<b>Depreciation/ Amortization Method</b>	<b>Estimated Useful Life</b>
Land	\$ 5,000	Straight-Line	N/A
Buildings and improvements	\$ 5,000	Straight-Line	15-40 years
Improvements other than buildings	\$ 5,000	Straight-Line	15 years
Equipment and vehicles	\$ 5,000	Straight-Line	5 years
Intangibles	\$ 5,000	Straight-Line	5 years
Software	\$ 5,000	Straight-Line	5 years
Right-to-use lease assets:			
Land	\$ 5,000	Straight-Line	N/A

Intangible right-to-use lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset.

**F. Postemployment Benefits**

For purposes of measuring the net pension and other postemployment benefits (OPEB) liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the plans' fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**G. Investment Earnings**

Investment earnings is composed of interest, dividends, and net changes in the fair value of applicable investments.

**H. Scholarship Allowances**

A scholarship allowance is the difference between the stated charge for goods and services the District provides and the amount that the student or third parties making payments on the student's behalf pays. Accordingly, some types of student financial aid, such as Pell grants and scholarships the District awards, are considered scholarship allowances. These allowances are netted against tuition and fees revenues in the statement of revenues, expenses, and changes in net position.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**I. Compensated Absences**

Compensated absences payable consists of compensatory time earned for classified employees; vacation pay for benefit eligible administrative, professional, and classified employees; and a calculated amount of sick leave by grandfathered employees based on services already rendered.

The balance of compensatory time earned for classified staff is paid, at the employee's current rate of pay, in full at the time of the employee's termination or if an employee becomes ineligible for benefits. Accordingly, compensatory time earned is accrued as a liability in the financial statements.

Vacation pay is for the purpose of providing benefit eligible employees the opportunity to take time off work without loss of compensation. At June 30 of each year, an employee may carry forward two times his/her maximum accrual for the year, but they forfeit any unused vacation in excess of two times the annual accrual rate. Upon terminating employment or if an employee becomes ineligible for benefits, the District pays, at his/her rate of pay at the time of termination, a lump sum based upon consecutive years of service. At no time can the maximum vacation paid exceed one year's accrual. Accordingly, vacation benefits are accrued as a liability in the financial statements.

Employees hired prior to January 1996 are grandfathered under the sick leave procedure in effect at that time. The grandfather clause provides that after 10 years of service, 50% of unused accrued sick leave up to a maximum of 1,040 hours be payable at termination; and upon normal retirement as defined by the Arizona State Retirement System, 100% of unused accrued sick leave up to a maximum of 2,080 hours will be payable at termination. The rate to be paid is the hourly rate as of June 30, 2009, and the number of hours paid shall not exceed the hours on record as of June 30, 2009. Accordingly, grandfathered sick leave benefits are accrued as a liability in the financial statements.

With the passage of Arizona Proposition 206, effective July 1, 2017, sick leave was extended to part-time and seasonal employees. The law mandates that for every 30 hours worked, an hour of paid sick leave be accrued to a maximum of 40 hours per year. While sick leave is tracked for all employees, it is not paid out at time of termination and, therefore, is not considered a liability in the financial statements.

**J. Leases**

In accordance with GASB Statement No. 87, *Leases*, the District's lessee activity is as follows:

As lessee, the District recognizes lease liabilities with an initial, individual value of \$5,000 or more. The District uses the rate implicit in the lease when it is readily determinable, otherwise the District has used professional judgement to determine the best estimate based on the most recent estimated borrowing rate of taxable debt issuance for the District.

In accordance with GASB Statement No. 87, *Leases*, the District's lessor activity is as follows:

As lessor, the District recognizes lease receivables with an initial, individual value of \$5,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the District charges the lessee) and the implicit rate cannot be determined, the District uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The District's estimated incremental borrowing rate is calculated as described above.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 2 - Deposits and Investments**

Arizona Revised Statutes (A.R.S.) requires the District to deposit special tax levies for the District's maintenance or capital outlay with the County Treasurer. A.R.S. does not require the District to deposit other public monies in its custody with the County Treasurer; however, the District must act as a prudent person dealing with another's property when making investment decisions about those monies. A.R.S. requires collateral for deposits at 102 percent of all deposits not covered by federal depository insurance. A.R.S. does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the District's investments.

**Deposits** - At June 30, 2022, the carrying amount of the District's deposits was \$2,876,519 and the bank balance was \$3,466,903. The District does not have a formal policy with respect to custodial credit risk.

**Investments** - The District had the following investments in external investment pools measured at fair value:

<b>External investment pools measured at fair value</b>	<b>Amount</b>
County Treasurer's investment pool	\$ 31,267,349
State Treasurer's investment pool 5	<u>3,220,591</u>
Total external investment pools measured at fair value	<u>\$ 34,487,940</u>

Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the District held. The fair value of a participant's position in the pools approximates the value of that participant's pool shares. The investment in the County Treasurer's pool is valued using the District's proportionate participation in the pool because the pool's structure does not provide for shares. The State Board of Investment provides oversight for the State Treasurer's investment pools. No comparable oversight is provided for the County Treasurer's investment pool.

**Credit risk** - The District does not have a formal policy with respect to credit risk. Credit risk for the District's investments at June 30, 2022 was as follows:

<b>Investment Type</b>	<b>Rating</b>	<b>Rating Agency</b>	<b>Amount</b>
County Treasurer's investment pool	Unrated	Not applicable	\$ 31,267,349
State Treasurer's investment pool 5	AAA f/S1+	Standard & Poor's	<u>3,220,591</u>
			<u>\$ 34,487,940</u>



**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 2 - Deposits and Investments (continued)**

**Interest rate risk** - The District does not have a formal policy with respect to interest rate risk. At June 30, 2022, the District had the following investments in debt securities:

Investment Type	Amount	Weighted Average Maturity in Years
County Treasurer's investment pool	\$ 31,267,349	2.32
State Treasurer's investment pool 5	3,220,591	0.12
	<u>\$ 34,487,940</u>	

A reconciliation of cash, deposits, and investments to amounts shown on the Statement of Net Position follows:

Cash, deposits and investments:		Statement of Net Position:	
Cash on hand	\$ 1,275	Cash in bank and on hand	\$ 2,877,794
		Cash and investments held by the County	
Amount of deposits	2,876,519	Treasurer	31,267,349
Amount of investments	<u>34,487,940</u>	Investments	<u>3,220,591</u>
	<u>\$ 37,365,734</u>		<u>\$ 37,365,734</u>

**Note 3 - Receivables**

Lease receivables—The District leases both land and building space to third parties under the provisions of various lease agreements. Leases include land for a cell tower, classroom space for truck driving instruction, and library space.

During the fiscal year ended June 30, 2022, the District recognized total lease-related revenues of \$167,063.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 3 - Receivables (continued)**

**Other receivables**—Other receivables are shown net of related allowances for uncollectibles. A summary for other receivables at June 30, 2022, follows:

	<b>Receivable</b>	<b>Allowance</b>	<b>Net Receivable</b>
Vendor	\$ 44,501	\$ -	\$ 44,501
Student	359,573	165,490	194,084
Employee	61	-	61
	<u>\$ 404,135</u>	<u>\$ 165,490</u>	<u>\$ 238,646</u>

**Note 4 - Capital Assets**

Capital asset activity for the year ended June 30, 2022, was as follows:

	<b>Balance July 1, 2021 (as restated)</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2022</b>
Capital assets not being depreciated/amortized:				
Land	\$ 1,089,000			\$ 1,089,000
Construction in progress		32,500		32,500
Total capital assets not being depreciated/amortized	<u>1,089,000</u>	<u>32,500</u>		<u>1,121,500</u>
Capital assets being depreciated/amortized:				
Buildings and improvements	33,692,371	786,111		34,478,482
Improvements other than buildings	1,002,164	92,713		1,094,877
Equipment	2,937,574	134,769	104,166	2,968,177
Intangibles:				
Software	685,232			685,232
Right-to-use lease assets:				
Land	1,413,892			1,413,892
Vehicles	350,951			350,951
Total capital assets being depreciated/amortized	<u>40,082,184</u>	<u>1,013,593</u>	<u>104,166</u>	<u>40,991,611</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	16,161,346	963,742		17,125,088
Improvements other than buildings	799,610	48,843		848,453
Equipment	2,241,644	260,882	44,669	2,457,857
Intangibles:				
Software	685,232			685,232
Right-to-use lease assets:				
Land		55,167		55,167
Vehicles	255,668	31,878		287,546
Total accumulated depreciation/amortization	<u>20,143,500</u>	<u>1,360,512</u>	<u>44,669</u>	<u>21,459,343</u>
Total capital assets being depreciated/amortized, net	<u>19,938,684</u>	<u>(346,920)</u>	<u>59,497</u>	<u>19,532,268</u>
Capital assets, net	<u>\$ 21,027,684</u>	<u>\$ (314,419)</u>	<u>\$ 59,497</u>	<u>\$ 20,653,768</u>

Due to the implementation of GASB Statement No. 87, Leases, the District's beginning right-to-use lease asset balances were restated from fiscal year 2021. There was no impact to net position.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 5 - Long-Term Liabilities**

The following schedule details the District's long-term liability and obligation activity for the year ended June 30, 2022:

	Balance July 1, 2021 (as restated)	Additions	Reductions	Balance June 30, 2022	Due within 1 year
Leases payable	\$ 1,413,892		\$ (55,167)	\$ 1,358,725	\$ 48,748
Net pension liability	15,403,276		(3,945,583)	11,457,693	
OPEB liability	1,011,649		(413,029)	598,620	
Compensated absences payable	734,616	81,613	(171,380)	644,849	82,054
	<u>\$ 18,563,433</u>	<u>\$ 81,613</u>	<u>\$(4,585,159)</u>	<u>\$ 14,059,887</u>	<u>\$ 130,802</u>

Due to the implementation of GASB Statement No. 87, Leases, the District's beginning leases payable balance was restated from fiscal year 2021, but there was no impact to net position.

The District, as lessee, has acquired land through various lease agreements. Lease terms for our significant sites vary. The most significant lease was entered into by the District on May 31, 1996, to use land for instructional lab and classroom space with the term ending in 2068. This site is located at 3000 N. Fourth Street, Flagstaff, AZ 86004.

The total amount of lease assets and the related accumulated amortization are as follows:

Total intangible right-to-use lease assets	\$ 1,413,892
Less: accumulated amortization	<u>(55,167)</u>
Carrying value	<u>\$ 1,358,725</u>

The following schedule details minimum lease payments to maturity for the District's leases payable at June 30, 2022:

Year ending June 30	Principal	Interest
2023	\$ 48,748	\$ 1,462
2024	47,309	1,419
2025	45,912	1,377
2026	45,699	1,371
2027	44,453	1,334
2028-32	205,421	6,163
2033-37	181,792	5,454
2038-42	160,881	4,826
2043-47	142,375	4,271
2048-52	125,998	3,780
2053-57	111,505	3,345
2058-62	98,679	2,960
2063-68	99,952	2,999
Total	<u>\$ 1,358,725</u>	<u>\$ 40,762</u>

**Note 6—Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all such risks of loss, including workers' compensation, property loss, and casualty insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District provides life, accidental death and dismemberment, disability, medical, and dental insurance benefits to its employees and their dependents through a pooled trust, the Northern Arizona Public Employees Benefit Trust (NAPEBT), currently composed of the City of Flagstaff, Coconino County, Flagstaff Unified School District, Northern Arizona Intergovernmental Public Transit Authority, Coconino County Accommodation School, and the District. The NAPEBT is self-funded through an agreement with the participating members and NAPEBT administers the plan. The members' employee and employer contributions are paid to pay benefits and administrative expenses. If the District withdraws from the NAPEBT, it is responsible for

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 6—Risk Management (continued)**

its proportionate share of any claims' run-out costs, including claims reported but not settled, claims incurred but not reported, and administrative costs. If the NAPEBT were to terminate, the District would be responsible for its proportional share of any trust deficit.

**Note 7 - Pension Benefits**

**Plan description** - District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 2. The ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at [www.azasrs.gov](http://www.azasrs.gov).

**Benefits provided** - The ASRS provides retirement and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial membership date:	
	Before July 1, 2011	On or after July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* any years, age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

\*With actuarially reduced benefits.

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the retirement benefit option chosen determines the survivor benefit. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and the employer's contributions, plus interest earned.

**Contributions** - In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of the benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2022, statute required active ASRS members to contribute at the actuarially determined rate of 12.22 percent for retirement of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.01 percent for retirement of the active members' annual covered payroll. In addition, the District was required by statute to contribute at the actuarially determined rate of 10.13 percent for retirement of annual covered payroll of retired members who worked for the District in positions that an employee who contributes

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 7 - Pension Benefits (continued)**

to the ASRS would typically fill. The District's contributions to the pension plan for the year ended June 30, 2022, were \$1,166,507.

**Pension liability** - At June 30, 2022, the District reported a liability of \$11,457,693 for its proportionate share of the ASRS' net pension liability.

The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2020, to the measurement date of June 30, 2021. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2020, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent.

The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employer's contributions for the year ended June 30, 2021. The District's proportion measured as of June 30, 2021, was 0.08720%, down 0.0017 from its proportion measured as of June 30, 2020.

**Pension expense and deferred outflows/inflows of resources** - For the year ended June 30, 2022, the District recognized pension expense of \$913,243.

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 174,662	\$ -
Changes of assumptions or other inputs	1,491,310	-
Net difference between projected and actual earnings on pension plan investments	-	3,630,200
Changes in proportion and differences between district contributions and proportionate share of contributions	14,153	173,612
District contributions subsequent to the measurement date	1,166,507	-
Total	<u>\$ 2,846,632</u>	<u>\$ 3,803,812</u>

The \$1,166,507 reported as deferred outflows of resources related to the ASRS pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the ASRS pension will be recognized as expenses as follows:

Year ending June 30:	
2023	\$ (31,327)
2024	(41,093)
2025	(800,273)
2026	(1,250,994)

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 7 - Pension Benefits (continued)**

**Actuarial assumptions** - The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2020
Actuarial roll forward date	June 30, 2021
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9 - 8.4%
Inflation	2.3%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP

Actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2020.

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.0 percent 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 the expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term expected geometric real rate of return
Equity	50%	4.90%
Fixed Income - Credit	20%	5.20%
Fixed Income - Interest rate sensitive	10%	0.70%
Real estate	20%	5.70%
Total	<u>100%</u>	

**Discount rate** – At June 30, 2021, the discount rate used to measure the ASRS total pension liability was 7.0 percent, which was a decrease of 0.5 from the discount rate used as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit



**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 7 - Pension Benefits (continued)**

payments to determine the total pension liability.

**Sensitivity of the District's proportionate share of the ASRS net pension liability to changes in the discount rate** - The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
<b>District's proportionate share of the:</b>	<b>(6%)</b>	<b>(7%)</b>	<b>(8%)</b>
Net pension liability	\$ 18,021,991	\$ 11,457,693	\$ 5,984,884

**Pension plan fiduciary net position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report.

**Pension plan contributions payable** - The District's accrued payroll and employee benefits included \$77,405 of outstanding pension contribution amounts payable to ASRS for the year ended June 30, 2022.

**Note 8 - Other Postemployment Benefits (OPEB)**

The District follows Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for certain postemployment health care benefits provided by the Northern Arizona Public Employee Benefit Trust (NAPEBT and ASRS). Although an ASRS OPEB asset has been recorded at June 30, 2022, its plans have not been further disclosed due to the relative insignificance to the District's financial statements and the OPEB liability recorded is the net amount of the liabilities and assets for all plans.

**Plan description** - The District, as part of the NAPEBT, has a single-employer plan for postemployment health care benefits. The District subsidizes the premium rates paid by retirees by allowing them to participate in the District's health care plan at reduced or blended group (implicitly subsidized premium rates for both active and retired employees. These rates provide an implicit rate subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

The District does not cover any explicit subsidies.

Employees may be retained on the District's health insurance provided they make the required contributions and comply with all other provisions of the plan. To be eligible, an employee must retire from the District with five years of service as a benefit eligible employee and apply for and receive retirement. Retirees can maintain their coverage under the provisions of this program until the retiree reaches age 65, which is when he/she qualifies for Medicare. Dependent coverage is available subject to the limitations outlined in the District's health insurance policy. Dependents cannot continue in the insurance program when the retiree is no longer eligible.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 8 - Other Postemployment Benefits (OPEB) (continued)**

If a covered retiree terminates coverage for any reason, coverage cannot be reinstated. And while the District does not issue a stand-alone, publicly available financial report for the plan, the NAPEBT trustees do issue annual audited financial statements covering all its constituents' plans.

At July 1, 2021, plan membership consisted of the following:

Retired employees currently receiving health benefits	4
Active participants*	130
Total	134

\* Excludes 20 active employees currently waiving medical coverage

**Funding policy** – Benefit provisions for the District’s OPEB plan under NAPEBT are pursuant to the District’s policy and can be amended by the District Governing Board. The current funding policy is pay-as-you-go for OPEB benefits. There are no dedicated assets at this time to offset the OPEB liability.

**OPEB liability (net)** - At June 30, 2022, the District reported a total net OPEB liability of \$598,620 of which \$1,007,308 liability relates to the NAPEBT plan and the remaining balance of \$408,688 was an OPEB asset related to ASRS. The plan’s total OPEB liability was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2020. The total OPEB liability as of June 30, 2021, reflects the following changes of actuarial assumptions and benefit terms for the NAPEBT plan:

- Updating trend rate to reflect actual premium renewals
- Changing the mortality tables to headcount-weighted tables
- No longer valuing surviving spouse benefits
- Valuation assumption changes due to the lowering of the discount rate and the above changes

The following table shows changes in the District’s OPEB liability, the District’s annual OPEB cost for the year, and the amount actually contributed to the NAPEBT plan:

	<b>Total OPEB liability</b>
Balance at June 30, 2021	\$ 909,963
Service cost	102,589
Interest	34,826
Changes in assumptions	(4,731)
Expected benefit payments	(35,339)
Net change in total OPEB liability	97,345
Balance at June 30, 2022	\$ 1,007,308



**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 8 - Other Postemployment Benefits (OPEB) (continued)**

**OPEB Expense and Deferred outflows and inflows of resources for the NAPEBT plan** – For the year ended June 30, 2022, the District recognized OPEB expense of \$1,755. The following chart reflects the deferred outflows and inflows of resources related to the OPEB single-employer plan:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience in OPEB liability	\$ 73,908	
Changes of assumptions or other inputs	36,948	\$ 17,939
District contributions subsequent to the measurement date	51,562	-
<b>Total</b>	<b>\$ 162,418</b>	<b>\$ 17,939</b>

The \$51,562 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	OPEB Expense Amount
2023	17,498
2024	17,498
2025	17,498
2026	17,498
2027	15,956
Thereafter	6,969

**Actuarial methods and assumptions** – Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and actuarial value of assets, consistent with the long-term perspective of the calculations.

The District’s actuarial methods and significant assumptions for the NAPEBT single-employer postemployment plan for the most recent actuarial valuation are as follows:

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 8 - Other Postemployment Benefits (OPEB) (concluded)**

<b>Method/Assumption</b>	
Actuarial valuation date	June 30, 2021
Actuarial cost method	Entry age, level percentage of salary
Discount rate	2.21% (based on the Bond Buyer 20-Bond GO index as of 6/25/2020)
Salary increases	Wage inflation rate of 2.70%
Payroll growth rate	2.50%
Health care cost trend rates	5.79% for 2020/2021, 2.96% for 2021/2022, and 7.00% for 2022/2023 graded down to 4.50% over 10 years
Contribution trend rates	Same as health care cost trend rates
Mortality rates	<i>Pre-Retirement</i> RP-2014 Headcount-weighted employee mortality table projected generationally from 2014 in accordance with Ultimate MP 2017 scales  <i>Retirees</i> <i>Healthy</i> 2017 State Retirees of Arizona mortality table projected generationally from 2017 in accordance with Ultimate MP 2017 scales RP-2014 Headcount-weighted disabled retiree mortality table projected generationally from 2014 in accordance with Ultimate MP 2017 scales <i>Disabled</i>

Benefit projections assume the specified premium amount will follow the current practice of being paid for entirely by the retiree or on behalf of the retiree. The specified premium amounts are projected to increase at the contribution trend rates noted above. Actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016, and effective as of June 30, 2017.

**Discount rate** – The discount rate for OPEB funded entirely on a pay-as-you-go basis is the yield or index rate for 20-year, tax exempt general obligation municipal bonds with an average rate of AA/Aa or higher (or equivalent quality on another rating scale). For this purpose, the Bond Buyer 20-Bond General Obligation Municipal Bond Index was used.

**Sensitivity analysis** - The following shows the net impact of the OPEB liability calculated using the discount rate of 2.21%, as well as what the District’s liability would be if the discount rate is 1% less than and 1% greater than the current rate:

	<b>1% Decrease</b>	<b>Discount Rate</b>	<b>1% Increase</b>
	<b>(1.21%)</b>	<b>(2.21%)</b>	<b>(3.21%)</b>
NAPEBT OPEB Liability	\$1,089,962	\$1,007,308	\$931,956

The following table presents the OPEB liability calculated using the healthcare cost trend rate, as well as what the OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% less than and 1% greater than the current rate:

	<b>1% Decrease</b>	<b>Current Health Care Cost Trend Rates</b>	<b>1% Increase</b>
NAPEBT OPEB Liability	\$898,665	\$1,007,308	\$1,135,778

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 9 - Operating Expenses**

The District's operating expenses are presented by functional classification in the statement of revenues, expenses, and changes in net position – primary government. The operating expenses can also be classified into the following:

Compensation and benefits	\$ 15,490,705
Contract services	1,503,125
Supplies and other services	1,549,678
Annual fixed charges	1,570,490
Communication and utilities	534,548
Travel	130,877
Scholarships	3,776,509
Depreciation	1,360,512
Other	236,680
Total	\$ 26,153,124

**Note 10 - Financial Impact of COVID-19**

The closure of the District's campuses and the switch to a virtual learning environment in March of 2020 had, and continues to have, a significant impact on the District's finances. There were immediate unexpected expenses, like software that would allow more access to online teaching, additional technology support costs, supplies for creating social distancing and keeping up with CDC guidelines for sanitation during a pandemic, increased janitorial expenses, and others. Revenues have declined as well as there were no opportunities to rent facilities, sell in the bookstore, vending, or other items. The impact on enrollment is ongoing. Students experienced disruptions from COVID -19; unemployment rose and prices for basic goods and services increased. Fortunately, as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Higher Education Emergency Relief Fund (HEERF) monies were disbursed to more than 5,000 educational institutions nationwide, including Coconino County Community College.

Initially, the District was awarded one grant from the HEERF apportionment, allocated into two portions of \$552,365 each. The first portion was designated as entirely for students, as emergency student aid. These funds were disbursed in the spring and summer of 2020 and, once disbursed, were reimbursed by HEERF. Those distributions are included under scholarships and the reimbursement is part of government grants. The second portion of the allocation is considered the institutional portion and is also reimbursed to the District as spent. This tranche of funds covers those immediate and extended expenses noted above as well as refunds of student tuition if a student withdrew due to COVID-19. It also reimburses the District for lost revenues and debt forgiveness.

Following the first HEERF grant, the District was awarded two additional HEERF grants, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan (ARP) Act funds. The total awards were as follows.

AWARDS	CARES	CRRSAA	ARP
Student	552,365	552,365	2,454,265
Institutional	552,365	2,252,946	2,358,699
MSI			516,771
<i>Totals</i>	1,104,730	2,805,311	5,329,735

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 10 - Financial Impact of COVID-19 (continued)**

The additional ARP allocation was awarded in recognition of the District becoming a minority serving institution in March of 2021.

The District has one year from the ARP agreement date to use the funds. With a no-cost one-year extension, the District expects to fully expend these funds by June 30, 2023. The HEERF awards have been expended as per the following:

EXPENDED	CARES	CRRSAA	ARP
Student	552,365	552,365	2,409,139
Institutional	552,365	2,252,946	2,264,606
MSI			156,063
Totals	1,104,730	2,805,311	4,829,808

**Note 11 - Discretely Presented Component Unit Disclosures**

Nature of Activities

The Coconino Community College Foundation (Foundation) was founded in 1993 under Arizona law as a nonprofit Foundation. The mission of the Foundation is to promote the purposes and goals of Coconino Community College (College), thereby enhancing the opportunities of Coconino residents. It is the fundraising Foundation for the solicitation, receipt and management of all private gifts, donations, and contributions, including gifts-in-kind. Funds are disbursed exclusively for charitable and educational purposes within the meaning of the Internal Revenue Code Section 501(c)(3), including providing scholarships and financial aid, to fulfill the teaching and service functions of the College, and to make or receive grants and loans of corporate property for the purposes of the College. The Foundation’s primary source of revenue is from private contributions. An operating agreement between the Foundation and the College is reviewed and renewed annually.

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The financial statements of the Foundation have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to not-for-profit entities. The Financial Accounting Standards Board (FASB) is the accepted standard-setting body for establishing not-for-profit accounting and financial reporting principles. The Foundation is required to report information regarding its financial position and activities according to two classes based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified as follows:

*Net assets without donor restrictions* – Net assets that are not subject to donor-imposed stipulations. The Foundation Governing Board has designated, from net assets without donor restrictions, net assets for an operating reserve and board designated endowment.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 11 - Discretely Presented Component Unit Disclosures (continued)**

*Net assets with donor restrictions*—Net assets subject to donor-imposed stipulations. Some donor restrictions are temporary in nature; those restrictions will be met either by actions of the Foundation and/or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds must be maintained in perpetuity.

Donor-restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Foundation considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

The Foundation reports investments at fair value in the Statement of Financial Position. Realized and unrealized gains and losses are included in the Statement of Activities. Donated securities are received directly into the Fidelity Investments account at market values as of the date executed. On an annual basis, all investment income, which consists of interest and dividend income, realized and unrealized capital gains and losses, less investment expense, is allocated between net assets with donor restrictions and net assets without donor restrictions in accordance with the Foundation's policy.

Concentrations of Credit and Market Risk

Financial instruments that potentially expose the Foundation to concentrations of credit and market risk consist primarily of cash equivalents and investments. The Foundation maintains its cash and cash equivalents in bank deposit and money market accounts, which, for short periods of time, may exceed federally insured limits. At year end, the carrying amount of the Foundation's deposits was \$518,708 and the bank balance was \$518,508. At year end, \$4,132 of the Foundation's deposits were uninsured and uncollateralized. The balance, \$514,375, was insured subject to FDIC and SIPC insurance limits. To minimize risk, cash accounts are maintained at high-quality financial institutions and credit exposure is limited to any one institution. The Foundation's investments do not represent significant concentrations of market risk inasmuch as the Foundation's investment portfolio is adequately diversified among issuers. Funds deposited with Fidelity Investments and Edward Jones are protected by the SIPC up to a ceiling of \$500,000 including a maximum of \$250,000 for cash claims.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 11 - Discretely Presented Component Unit Disclosures (continued)**

Contributions Receivable

Unconditional promises to give are recognized as revenues when the promise is received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Unconditional promises to give that are expected to be collected in less than one year are reported at net realizable value.

Unconditional promises to give that are expected to be collected in periods greater than one year are recorded at net present value of expected cash flows. At year-end, there were no contributions receivable.

Refundable Advance

The Foundation hosts an annual marathon fundraiser for cross country each October. Participant sign-up begins the December preceding the marathon. Participant fees are fully refundable. During the current fiscal year, the Foundation collected refundable marathon proceeds of \$32,987.

Revenue Recognition

*Contributions.* The Foundation receives contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. The Foundation did not have any conditional promises to give at June 30, 2022.

Revenue is recognized when earned. Program service fees and payments for future events received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively.

Donated Services and In-Kind Contributions

Donations of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as increases in net assets with donor restrictions. 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. The Foundation reclassifies net assets with donor restrictions to net assets without restrictions at that time.

Volunteers contribute significant amounts of time to the Foundation's program services, administration, and fundraising activities; however the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed in generally accepted accounting principles.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 11 - Discretely Presented Component Unit Disclosures (continued)**

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Primary function
Facilities expenses	Square footage
All other expenses	Full time equivalent

Income Tax Status

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and similar State of Arizona tax provisions. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). The Foundation's Form 990, *Return of Foundation Exempt from Income Taxes* is generally subject to examination by the Internal Revenue Service for three years after the date filed.

Management has evaluated the tax positions taken or expected to be taken, if any, on its exempt organization filings, and the likelihood that upon examination those positions would be sustained. Based on the results of this evaluation, management believes there are no uncertain tax positions.

Recent Accounting Pronouncements Issued Not Yet Effective

In February 2016, the FASB issued ASU Update 2016-02, *Leases (Topic 842)*. The ASU will require entities to recognize assets and liabilities for both capital and operating leases with lease terms of more than 12 months on the statement of financial position. This ASU is effective for fiscal years beginning after December 15, 2021. The Organization is currently evaluating the effect that this pronouncement will have on its financial statements and related disclosures.

Cash and Cash Equivalents

The following were included in cash and cash equivalents as of June 30, 2022:

Checking	\$ 301,239
Money market	112,541
Petty cash	200
Investment cash	104,728
Total	<u>\$ 518,708</u>



**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 11 - Discretely Presented Component Unit Disclosures (continued)**

Liquidity and Availability

The following represents the Foundation's financial assets at fiscal year end:

<u>Financial assets at year-end:</u>	
Cash and cash equivalents	\$ 518,708
Investments	1,667,655
Total financial assets	<u>2,186,363</u>
Less amounts not available to be used within one year:	
Net assets with donor restrictions	1,246,830
Less: Net assets with purpose restrictions to be met in less than one year	<u>240,000</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 699,533</u>

The Foundation Board requires that at least 5 percent of investments be available in cash equivalents. Additionally, it is general practice that all significant endowment gifts are sent to the investment account as soon as practical.

The Foundation Board designated net assets represent accumulated unallocated unrealized gains on investments and are being accounted for separately as per the Foundation's investment policy. The funds represent a cushion against down turning investment markets.

**Investments and Fair Value Measurements**

Fair value is defined as the price that the Foundation would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting standards establish a three-tier fair value hierarchy that prioritizes the inputs to valuation techniques. Inputs refer broadly to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Observable inputs are those that reflect the assumptions that market participants would use in pricing the asset and are based on market data obtained from independent sources. Unobservable inputs reflect the Foundation's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

- Level 1: Quoted prices in active markets for identical investments.
- Level 2: Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability.
- Level 3: Unobservable inputs for the asset or liability.

The level of fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.



**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 11 - Discretely Presented Component Unit Disclosures (continued)**

Fair Values Measured on Recurring Basis

Fair values of assets measured on a recurring basis at year-end are as follows:

Investments	Hierarchy Level	Fair Value
Fixed income investments	Level 1	\$ 635,795
Equities	Level 1	613,884
Mutual funds	Level 1	50,568
EFTS	Level 1	367,408
Total assets		\$ 1,667,655

The following methods and assumptions were used to estimate the fair value for each class of financial instrument measured at fair value.

*Investments* – Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

The Foundation recognizes transfers into and out of levels within the fair value hierarchy at the end of the reporting period. There were no transfers between levels during the current fiscal year.

**Endowments**

The Foundation’s endowment consists of approximately 30 individual funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board to function as endowments. As required by generally accepted accounting principles (GAAP), net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**Interpretation of Relevant Law**

The Board of Directors of the Foundation has interpreted the State of Arizona’s version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gifts donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditures by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- a. The duration and preservation of the fund
- b. The purpose of the donor-restricted endowment fund
- c. General economic conditions
- d. The possible effect of inflation and deflation
- e. The expected total return from income and the appreciation of investments
- f. Other resources of the Foundation

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 11 - Discretely Presented Component Unit Disclosures (continued)**

**Endowments (continued)**

g. The investment policies of the Foundation

Endowment Net Asset Composition by Type of Fund as of year end:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 950,512	\$ 950,512
Accumulated investment losses		(106,048)	(106,048)
Board-designated endowment funds	173,174	-	173,174
<b>Total funds</b>	<b>\$ 173,174</b>	<b>\$ 844,464</b>	<b>\$ 1,017,638</b>

**Investment Return Objectives, Risk Parameters and Strategies**

The Foundation has adopted investment and spending policies, approved by the Board, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of four percent, while growing the funds if possible. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

**Spending Policy**

The Foundation has a policy of appropriating for distribution each year a maximum 6 percent of its investment fund's average total market value of the investment portfolio for the trailing three-year period ending December 31. The Foundation has currently determined that the annual amount to appropriate for distribution for scholarships and programs shall be 4 percent of the book value of the endowed funds. When current income and market appreciation exceed the amount required for the annual scholarship distribution, the excess will be retained in the investment portfolio for future growth and to offset periods of down-market performance.

In making distributions, the Foundation is authorized to assess at 2 percent reinvestment fee will be calculated and assessed to the investment portfolio using the market value of the investment portfolio as of December 31 (using a 3-year rolling average). This fee is designated as a reinvestment fee to support Foundation operations and College Programs. The fee will be determined annually by the Finance Committee and recommended to the Foundation's Board of Directors for approval. In a prolonged down market, the Executive Committee may opt to waive or reduce the 2 percent reinvestment fee.

In establishing this policy, the Foundation considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 11 - Discretely Presented Component Unit Disclosures (continued)**  
**Spending Policy (continued)**

inflation. The Foundation expects the current spending policy to allow its endowment funds to grow at a nominal average rate of 4 percent annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

The Foundation has a scholarship committee made up of Foundation, community and College faculty and staff members which meets approximately six times per year to advise the Board of Directors as to how much money to allocate to scholarships.

Scholarship values vary based on the annual interest earned on the endowment. At the Foundation's discretion, an award or awards may be granted for an entire academic year or for a period of less than one full academic year. If the earnings and income of a scholarship are not sufficient to fund one full award, then the Foundation may, in its discretion, grant an award equal to the amount of such earnings and income or determine not to make any award for the year, in which case, the amount of such earnings and income shall be carried forward to the next academic year.

Changes in Endowment Net Assets as of year end:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 173,174	\$ 921,327	\$ 1,094,501
Contributions		177,726	177,726
Investment return, net		(191,085)	(191,085)
Amounts appropriated for expenditure		(63,504)	(63,504)
Endowment net assets, end of year	<u>\$ 173,174</u>	<u>\$ 844,464</u>	<u>\$ 1,017,638</u>

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the UPMIFA requires the organization to retain as a fund of perpetual duration.

Deficiencies of this nature exist in all 30 donor-restricted endowment funds, which together have an original gift value of \$950,512, a current fair value of \$844,464, and a deficiency of \$106,048 as of June 30, 2022.

These deficiencies resulted from unfavorable fluctuations in the market at year-end. However, the market was still volatile, and there is a reasonable possibility the fair value of the investments will increase again.

The Foundation's spending policy permits distributions from investment funds during the current fiscal year (ending June 30) up to 6 percent of the average total market value of the investment portfolio for the trailing three-year period ending December 31. Exceptions to the spending policy can be made only upon the majority approval of the Board of Directors. The Foundation's policy does not specify its ability to spend from underwater endowments.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 11 - Discretely Presented Component Unit Disclosures (continued)**

**Net Assets**

Net assets without donor restrictions are as follows:

Designation by the Board	\$	173,174
Undesignated		725,633
Total	\$	<u>898,807</u>

Net assets with donor restrictions were as follows:

Specific Purpose		
Scholarships	\$	1,050,584
Programs		178,967
Page-Lake Powell training site development		3,921
Medical equipment for nursing program		5,076
Construction program enhancements		8,282
Total	\$	<u>1,246,830</u>

Net assets released from donor restrictions for the purpose of satisfaction of purpose restrictions were \$444,595 for June 30, 2022.

**Donated Services**

The Foundation receives significant in-kind contributions from Coconino Community College for salaries and benefits. Donated services are recognized as contributions if the services create or enhance nonfinancial assets, or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. The Foundation recognizes in-kind contribution revenue and a corresponding expense in the amount approximating the estimated fair value at the time of the donation. Fair value of the in-kind contribution is determined by allocating a proportion of each employee salary based on time and effort to the Foundation.

The Foundation also received contributions of the use of facilities. Donated space is valued based on a proportionate share of Coconino Community College's square footage.

<u>Program or Supporting Service</u>	<u>Salaries and Benefits</u>	<u>Facilities</u>	<u>Total</u>
Program	\$ 113,937	\$ -	\$ 113,937
Management and general	52,895	8,085	60,980
Fundraising	52,837	-	52,837
<b>Total</b>	<b>\$ 219,669</b>	<b>\$ 8,085</b>	<b>\$ 227,754</b>

All donated services were utilized by the Foundation's programs and supporting services. There were no donor-imposed restrictions associated with the donated services.

**Coconino County Community College District**  
**Notes to Financial Statements**  
**June 30, 2022**

**Note 11 - Discretely Presented Component Unit Disclosures (concluded)**

**Concentrations**

The Foundation has consistently retained long-term donors. One of which gives in excess of \$85,000 annually and another which gives in excess of \$56,000, representing more than 17 percent and 12 percent of revenues, respectively. Loss of such a donor in the near-term could cause a significant reduction in the Foundation's ability to support the nursing program.

**Contingent Liability**

For the year ended June 30, 2022, the Foundation had scholarships that have been awarded but not paid in the amount of \$240,000. These scholarships are awarded in two payments, with the first payment given upon enrollment for the fall semester; the second payment is made conditionally upon enrollment for the spring semester. As the scholarships are contingent upon enrollment and paid out over the following fiscal year, they are not recorded as a liability as of June 30, 2022.

**Related Party Transactions**

Coconino Community College contributes to the Foundation certain supporting services per a written agreement. Employees of the College perform the Foundation program, administrative and accounting duties. The amounts included in public contributions without donor restrictions for these services were \$219,669. An additional \$8,085 was contributed for facilities related expenses. In the opinion of management, such transactions were on substantially the same terms as those that would prevail with other unrelated persons and entities.

**Prior Period Reclassification**

The July 1, 2021 beginning net assets do agree to the prior year financial statements. However, there was a reclassification of \$29,115 from net assets with donor restrictions to net assets without donor restrictions to correct an error between scholarship funds. There was no impact on total assets or changes in total net assets reported.

**Coconino County Community College District  
Required Supplementary Information  
Schedule of the District's Proportionate Share of the Net Pension Liability  
June 30, 2022**

	Reporting Fiscal Year (Measurement Date)			
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)
<b>Arizona State Retirement System</b>				
District's proportion of the net pension liability	0.087200%	0.088900%	0.088580%	0.089910%
District's proportionate share of the net pension liability	\$ 11,457,693	\$ 15,403,276	\$ 12,889,421	\$ 12,539,281
District's covered payroll	\$ 9,825,500	\$ 9,741,824	\$ 9,359,141	\$ 8,965,176
District's proportionate share of the net pension liability as a percentage of its covered payroll	116.61%	158.11%	137.72%	139.87%
Plan fiduciary net position as a percentage of the total pension liability	78.58%	69.33%	73.24%	73.40%
	Reporting Fiscal Year (Measurement Date)			
	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
<b>Arizona State Retirement System</b>				
District's proportion of the net pension liability	0.078750%	0.072570%	0.074850%	0.079400%
District's proportionate share of the net pension liability	\$ 12,267,715	\$ 11,713,527	\$ 11,659,453	\$ 11,748,434
District's covered payroll	\$ 7,698,344	\$ 6,812,134	\$ 6,892,054	\$ 7,168,033
District's proportionate share of the net pension liability as a percentage of its covered payroll	159.36%	171.95%	169.17%	163.90%
Plan fiduciary net position as a percentage of the total pension liability	69.92%	67.06%	68.35%	69.49%

Information unavailable for years 2014 through 2013.

See accompanying notes to pension plan schedules.

**Coconino County Community College District  
Required Supplementary Information  
Schedule of the District's Pension Contributions  
June 30, 2022**

**Arizona State Retirement System**

	Reporting Fiscal Year				
	2022	2021	2020	2019	2018
Statutorily required contribution	\$ 1,166,507	\$ 1,141,426	\$ 1,112,584	\$ 1,044,822	\$ 974,512
District's contributions in relation to the statutorily required contribution	\$ 1,166,507	\$ 1,141,426	\$ 1,112,584	\$ 1,044,822	\$ 974,512
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 9,934,528	\$ 9,825,500	\$ 9,741,824	\$ 9,359,141	\$ 8,965,176
District's contributions as a percentage of covered payroll	11.74%	11.62%	11.42%	11.16%	10.87%

**Arizona State Retirement System**

	Reporting Fiscal Year				
	2017	2016	2015	2014	2013
Statutorily required contribution	\$ 827,449	\$ 737,143	\$ 749,680	\$ 765,832	\$ 730,288
District's contributions in relation to the statutorily required contribution	\$ 827,449	\$ 737,143	\$ 749,680	\$ 765,832	\$ 730,288
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 7,698,344	\$ 6,812,134	\$ 6,892,054	\$ 7,168,033	\$ 7,141,693
District's contributions as a percentage of covered payroll	10.75%	10.82%	10.88%	10.68%	10.23%

See accompanying notes to pension plan schedules.

**Coconino County Community College District**  
**Required Supplementary Information**  
**Notes to Pension Plan Schedules**  
**June 30, 2022**

**Note 1 - Factors That Affect Trends**

There was a financial austerity plan in place from FY2009 through FY2012. During this time wages were frozen and no increases were funded. For FY2013 there were larger than normal salary increases to bring long-term employees up to market with new employees that were placed in at higher rates during the wage freeze.

In FY2016 the College experienced significant turnover in executive leadership positions from retirements and resignations that resulted in higher than typical vacancy savings. The covered payroll for FY2017 increased compared to FY2016 as a result of having more positions filled. The College's concerted effort to hire more full time faculty resulted in a continued increase in covered payroll for FY2018 and again in FY2019 as additional vacancies were filled.



**Coconino County Community College District  
Required Supplementary Information  
Schedule of District's Changes in Total OPEB Liability  
June 30, 2022**

**Northern Arizona Public Employees Benefit Trust  
Other Postemployment Benefits**

Reporting date Measurement date	Reporting fiscal year (Measurement date)				
	2022 (2020)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Service cost	\$ 102,589	\$ 102,589	\$ 69,442	\$ 52,258	\$ 59,900
Interest	34,826	34,826	31,430	24,387	19,000
Change in benefit terms	-	-	-	-	-
Differences between expected and actual experience			56,668	47,731	5,931
Changes in assumptions	(4,731)	(4,731)	28,883	25,668	(27,223)
Expected benefit payments	(35,339)	(35,339)	(38,332)	(34,222)	(36,666)
Net change in total OPEB liability	97,345	97,345	148,091	115,822	20,942
Total OPEB liability, beginning of year	909,963	909,963	761,872	646,050	625,108
Total OPEB liability, end of year	<u>1,007,308</u>	<u>1,007,308</u>	<u>909,963</u>	<u>761,872</u>	<u>646,050</u>
Covered employee payroll	9,411,642	9,411,642	9,912,011	8,622,723	7,107,649
Plan total OPEB liability as a percentage of covered employee payroll	10.7%	10.7%	9.2%	8.8%	9.1%

Information unavailable for years 2017 through 2013.

**Coconino County Community College District**  
**Required Supplementary Information**  
**Notes to OPEB Schedule**  
**June 30, 2022**

**Note 1 - Other Postemployment Benefits**

There are no assets accumulated in a trust to pay related benefits for the OPEB plan.

# Statistical Section

This section of the Coconino County Community College District's (the District) annual comprehensive financial report presents detailed information as a context for further understanding of the information in the financial statements and note disclosures.

## **Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

## **Revenue Capacity**

These schedules contain information to help the reader assess the District's significant revenue sources.

## **Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

## **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

## **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.



**Coconino County Community College District  
Net Position by Component  
Last Ten Fiscal Years**

(dollars in thousands)

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>
Net investment in capital assets	\$ 19,295	\$ 19,614	\$ 20,624	\$ 20,642	\$ 19,125	\$ 18,041	\$ 17,183	\$ 16,067	\$ 15,243	\$ 14,266
Restricted - expendable	397	670	-	-	-	-	-	123	236	383
Unrestricted	<u>23,414</u>	<u>18,885</u>	<u>17,239</u>	<u>15,689</u>	<u>14,271</u>	<u>12,518</u>	<u>9,551</u>	<u>5,504</u>	<u>15,510</u>	<u>14,808</u>
Total primary government net position	<u>\$ 43,106</u>	<u>\$ 39,169</u>	<u>\$ 37,863</u>	<u>\$ 36,331</u>	<u>\$ 33,396</u>	<u>\$ 30,559</u>	<u>\$ 26,734</u>	<u>\$ 21,694</u>	<u>\$ 30,989</u>	<u>\$ 29,457</u>

Source: Annual Comprehensive Financial Report for the fiscal years presented.

**Coconino County Community College District  
Revenues by Source  
Last Ten Fiscal Years**

(dollars in thousands)

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>
Tuition and fees (net of scholarship allowance)	\$ 5,667	\$ 5,641	\$ 6,252	\$ 6,215	\$ 6,310	\$ 6,500	\$ 6,434	\$ 5,999	\$ 5,825	\$ 5,720
Private contracts	229	362	1,111	219	218	175	158	172	230	260
Bookstore income	47	48	64	73	76	84	96	111	110	107
Auxiliary enterprises	7	1	18	23	21	25	25	23	32	30
Other operating revenues	218	191	209	227	224	198	211	202	173	187
Total operating revenues	<u>6,168</u>	<u>6,243</u>	<u>7,654</u>	<u>6,757</u>	<u>6,849</u>	<u>6,982</u>	<u>6,924</u>	<u>6,507</u>	<u>6,370</u>	<u>6,304</u>
Property taxes	9,018	8,958	8,722	10,749	10,160	9,872	9,347	9,147	8,822	8,666
State appropriations	3,906	2,096	3,106	2,165	2,140	2,174	2,194	2,203	1,988	1,848
Government grants and contracts	9,212	6,234	4,908	4,441	4,421	4,334	5,122	5,832	5,877	5,757
Share of state sales taxes	675	649	565	531	505	477	458	444	411	1,397 (2)
Smart and Safe AZ Fund	959 (4)	670 (4)	-	-	-	-	-	-	-	-
Investment earnings	158	228	467	456	304	218	210	152	157	220
Other nonoperating revenues	(4)	26	2	11 (3)	287	288	303	233	243	166
Total nonoperating revenues	<u>23,924</u>	<u>18,861</u>	<u>17,770</u>	<u>18,353</u>	<u>17,817</u>	<u>17,363</u>	<u>17,634</u>	<u>18,011</u>	<u>17,498</u>	<u>18,054</u>
Total revenues before other revenues and gains	<u>\$ 30,092</u>	<u>\$ 25,104</u>	<u>\$ 25,424</u>	<u>\$ 25,110</u>	<u>\$ 24,666</u>	<u>\$ 24,345</u>	<u>\$ 24,558</u>	<u>\$ 24,518</u>	<u>\$ 23,868</u>	<u>\$ 24,358</u>

(percent of total revenues)

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>
Tuition and fees (net of scholarship allowance)	18.8 %	22.5 %	24.6 %	24.7 %	25.6 %	26.7 %	26.2 %	24.5 %	24.4 %	23.5 %
Private contracts	0.8	1.4	4.4	0.9	0.9	0.7	0.6	0.7	1.0	1.1
Bookstore income	0.2	0.2	0.3	0.3	0.3	0.3	0.4	0.5	0.5	0.4
Auxiliary enterprises	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Other operating revenues	0.7	0.8	0.8	0.9	0.9	0.8	0.9	0.8	0.7	0.8
Total operating revenues	<u>20.5</u>	<u>24.9</u>	<u>30.1</u>	<u>26.9</u>	<u>27.8</u>	<u>28.7</u>	<u>28.2</u>	<u>26.6</u>	<u>26.7</u>	<u>25.9</u>
Property taxes	30.0	35.7	34.3	42.6	41.2	40.6	38.1	37.3	37.0	35.6
State appropriations	13.0	8.3	12.2	8.6	8.7	8.9	8.9	9.0	8.3	7.6
Government grants and contracts	30.6	24.8	19.3	17.6	17.9	17.8	20.9	23.8	24.6	23.6
Share of state sales taxes	2.2	2.6	2.2	2.1	2.0	2.0	1.9	1.8	1.7	5.7
Smart and Safe AZ Fund	3.2 (4)	2.7 (4)	-	-	-	-	-	-	-	-
Investment earnings	0.5	0.9	1.8	1.8	1.2	0.9	0.8	0.6	0.7	0.9
Other nonoperating revenues	0.0	0.1	0.1	0.4	1.2	1.2	1.2	0.9	1.0	0.7
Total nonoperating revenues	<u>79.5</u>	<u>75.1</u>	<u>69.9</u>	<u>73.1</u>	<u>72.2</u>	<u>71.3</u>	<u>71.8</u>	<u>73.4</u>	<u>73.3</u>	<u>74.1</u>
Total revenues	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

Source: Annual Comprehensive Financial Report for the fiscal years presented.

- (1) Other nonoperating revenues resulted from a reclassification of in-lieu and property excise tax from "property taxes" to "other nonoperating revenues."
- (2) The District received \$1,000,000 from share of state sales taxes for deferred maintenance in fiscal year 2012-13
- (3) In lieu and property excise taxes were reclassified to "property taxes," balance is gain on disposal of capital assets.
- (4) Prop 207 approved by Arizona voters in November of 2020.

**Coconino County Community College District  
Expenses by Program and Function  
Last Ten Fiscal Years**

(dollars in thousands)

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>
Instruction	\$ 6,502	\$ 6,660	\$ 6,830	\$ 6,058	\$ 5,892	\$ 5,244	\$ 5,312	\$ 5,892	\$ 7,012	\$ 6,969
Public service	211	224	153	98	73	-	35	128	188	278
Academic support	3,772	3,514	3,538	3,724	3,575	2,980	2,834	2,748	2,133	1,530
Student services	3,579	3,656	3,831	3,029	2,833	2,642	2,461	2,433	2,297	2,058
Institutional support	4,935	4,181	4,262	4,370	4,091	4,230	3,386	4,054	4,594	4,625
Operation and maintenance of plant	1,956	1,979	1,737	1,689	1,610	1,666	1,600	1,818	1,610	1,783
Scholarships	3,776	2,323	2,282	2,013	2,336	2,302	2,375	2,598	2,826	3,193
Auxiliary enterprises	62	7	26	31	21	44	39	44	43	48
Depreciation	1,360	1,255	1,233	1,168	1,142	1,186	1,196	1,171	1,159	1,152
Total operating expenses	<u>26,153</u>	<u>23,799</u>	<u>23,892</u>	<u>22,180</u>	<u>21,573</u>	<u>20,294</u>	<u>19,238</u>	<u>20,886</u>	<u>21,862</u>	<u>21,636</u>
Interest expense on debt	-	-	-	89	169	224	280	332	473	430
Loss on disposal of capital assets	4	-	-	-	-	2	-	27	-	722
Total nonoperating expenses	<u>4</u>	<u>-</u>	<u>-</u>	<u>89</u>	<u>169</u>	<u>226</u>	<u>280</u>	<u>359</u>	<u>473</u>	<u>1,152</u>
Total expenses	<u>\$ 26,157</u>	<u>\$ 23,799</u>	<u>\$ 23,892</u>	<u>\$ 22,269</u>	<u>\$ 21,742</u>	<u>\$ 20,520</u>	<u>\$ 19,518</u>	<u>\$ 21,245</u>	<u>\$ 22,335</u>	<u>\$ 22,788</u>

(percent of total expenses)

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>
Instruction	24.9 %	28.0 %	28.6 %	27.2 %	27.1 %	25.6 %	27.2 %	27.7 %	31.4 %	30.6 %
Public service	0.8	0.9	0.6	0.4	0.3	-	0.2	0.6	0.8	1.2
Academic support	14.4	14.8	14.8	16.7	16.4	14.5	14.5	12.9	9.5	6.7
Student services	13.7	15.4	16.0	13.6	13.0	12.9	12.6	11.5	10.3	9.0
Institutional support	18.9	17.5	17.8	19.6	18.8	20.6	17.4	19.1	20.6	20.3
Operation and maintenance of plant	7.5	8.3	7.3	7.6	7.4	8.1	8.2	8.6	7.2	7.8
Scholarships	14.4	9.8	9.6	9.1	10.7	11.2	12.2	12.2	12.7	14.0
Auxiliary enterprises	0.2	0.0	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2
Depreciation	5.2	5.3	5.2	5.3	5.3	5.8	6.1	5.5	5.2	5.1
Total operating expenses	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>99.6</u>	<u>99.2</u>	<u>98.9</u>	<u>98.6</u>	<u>98.3</u>	<u>97.9</u>	<u>94.9</u>
Interest expense on debt	-	-	-	0.4	0.8	1.1	1.4	1.6	2.1	1.9
Loss on disposal of capital assets	-	-	-	-	-	0.0	-	0.1	-	3.2
Total nonoperating expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.4</u>	<u>0.8</u>	<u>1.1</u>	<u>1.4</u>	<u>1.7</u>	<u>2.1</u>	<u>5.1</u>
Total expenses	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

Source: Annual Comprehensive Financial Report for the fiscal years presented.

**Coconino County Community College District  
Expenses by Natural Classification  
Last Ten Fiscal Years**

(dollars in thousands)

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>
Compensation and benefits	\$ 15,490	\$ 16,813	\$ 16,828	\$ 14,898	\$ 14,442	\$ 12,391	\$ 11,586	\$ 12,652	\$ 13,145	\$ 13,061
Contract services	1,503	738	937	1,222	917	1,496	1,649	1,748	2,145	1,597
Supplies and other services	1,550	928	806	908	1,010	1,223	867	1,073	974	1,085
Annual fixed charges	1,570	1,148	1,089	1,134	937	876	803	781	798	741
Communication and utilities	535	527	455	533	526	533	524	540	508	561
Travel	131	42	187	270	232	229	207	209	180	178
Scholarships	3,776	2,323	2,282	2,013	2,336	2,319	2,376	2,607	2,849	3,210
Depreciation	1,361	1,255	1,233	1,168	1,142	1,186	1,196	1,171	1,159	1,152
Other	237	25	75	34	31	41	30	105	104	51
Total operating expenses	<u>26,153</u>	<u>23,799</u>	<u>23,892</u>	<u>22,180</u>	<u>21,573</u>	<u>20,294</u>	<u>19,238</u>	<u>20,886</u>	<u>21,862</u>	<u>21,636</u>
Interest expense on debt	-	-	-	89	169	224	280	332	473	430
Loss on disposal of capital assets	4	-	-	-	-	2	-	27	-	722
Total nonoperating expenses	<u>4</u>	<u>-</u>	<u>-</u>	<u>89</u>	<u>169</u>	<u>226</u>	<u>280</u>	<u>359</u>	<u>473</u>	<u>1,152</u>
Total expenses	<u>\$26,157</u>	<u>\$23,799</u>	<u>\$23,892</u>	<u>\$22,269</u>	<u>\$21,742</u>	<u>\$20,520</u>	<u>\$19,518</u>	<u>\$21,245</u>	<u>\$22,335</u>	<u>\$22,788</u>

(percent of total expenses)

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>
Compensation and benefits	59.2 %	70.6 %	70.4 %	66.9 %	66.4 %	60.4 %	59.4 %	59.5 %	58.8 %	57.3 %
Contract services	5.7	3.1	3.9	5.5	4.2	7.3	8.4	8.2	9.6	7.0
Supplies and other services	5.9	3.9	3.4	4.1	4.6	6.0	4.4	5.1	4.4	4.8
Annual fixed charges	6.0	4.8	4.6	5.1	4.3	4.3	4.1	3.7	3.6	3.2
Communication and utilities	2.0	2.2	1.9	2.4	2.4	2.6	2.7	2.5	2.3	2.5
Travel	0.5	0.2	0.8	1.2	1.1	1.1	1.1	1.0	0.8	0.8
Scholarships	14.4	9.8	9.6	9.0	10.7	11.3	12.2	12.3	12.7	14.1
Depreciation	5.2	5.3	5.2	5.2	5.3	5.8	6.1	5.5	5.2	5.0
Other	0.9	0.1	0.3	0.2	0.1	0.2	0.2	0.5	0.5	0.2
Total operating expenses	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>99.6</u>	<u>99.2</u>	<u>98.9</u>	<u>98.6</u>	<u>98.3</u>	<u>97.9</u>	<u>94.9</u>
Interest expense on debt	-	-	-	0.4	0.8	1.1	1.4	1.6	2.1	1.9
Loss on disposal of capital assets	0	-	-	-	-	0.0	-	0.1	-	3.2
Total nonoperating expenses	<u>0.0</u>	<u>-</u>	<u>-</u>	<u>0.4</u>	<u>0.8</u>	<u>1.1</u>	<u>1.4</u>	<u>1.7</u>	<u>2.1</u>	<u>5.1</u>
Total expenses	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

Source: Annual Comprehensive Financial Report for the fiscal years presented.

**Coconino County Community College District  
Other Changes in Net Position  
Last Ten Fiscal Years**

(dollars in thousands)

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>
Income (loss) before other revenues, expenses, gains, or losses	\$ 3,938	\$ 1,305	\$ 1,532	\$ 2,839	\$ 2,924	\$ 3,825	\$ 5,040	\$ 3,273	\$ 1,532	\$ 1,570
Capital appropriations	-	-	-	-	-	-	-	-	-	-
Capital gifts	-	-	-	96	-	-	-	-	-	-
Total change in net position	<u>\$ 3,938</u>	<u>\$ 1,305</u>	<u>\$ 1,532</u>	<u>\$ 2,935</u>	<u>\$ 2,924</u>	<u>\$ 3,825</u>	<u>\$ 5,040</u>	<u>\$ 3,273</u>	<u>\$ 1,532</u>	<u>\$ 1,570</u>

Source: Annual Comprehensive Financial Report for the fiscal years presented.



**Coconino County Community College District  
Higher Learning Commission Financial Ratios  
Last Ten Fiscal Years**

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19 (7)</u>	<u>2017-18 (7)</u>	<u>2016-17 (7)</u>	<u>2015-16 (7)</u>	<u>2014-15 (7)</u>	<u>2013-14</u>	<u>2012-13</u>
(1) Primary Reserve Ratio	(6)	1.38	0.74	0.78	0.68	0.63	0.51	0.29	0.70	0.68
(2) Net Operating Revenues	(6)	0.18	0.05	0.12	0.12	0.17	0.21	0.15	0.08	0.11
(3) Viability Ratio	(6)	-	-	-	-	5.09	2.24	0.95	1.92	1.56
(4) Return on Net Asset Ratio	(6)	0.13	0.02	0.12	0.10	0.14	0.22	0.17	0.05	0.06
(5) Composite Financial Index	(6)	9.25	6.07	7.69	7.20	7.60	6.20	4.30	4.60	4.50

- (1) The Primary reserve ratio is a measure of how long the institution could operate using its expendable reserves. The benchmark is 0.40
- (2) The Net Operating Revenue Ratio measures if operating activities provided a surplus or a deficit. The benchmark is 0.02
- (3) The Viability Ratio measures the availability of expendable net assets to pay off debt at any point in time. The benchmark is 1.25
- (4) The Return on Net Asset Ratio is a measure of the total return on investment of net assets for the year. The benchmark is 0.06
- (5) The Composite Financial Index is a weighted average score to determine the overall financial health of an organization. This score must be above 1.1 to avoid a potential HLC review. The benchmark is 3.0
- (6) Information not yet available
- (7) For FY15, FY16 and FY17, ratios are presented net of GASB 68 adjustments. For fiscal years beyond FY17, they are presented net of GASB 68 and GASB 75 adjustments.

**Coconino County Community College District  
Expenditure Limitation - Statutory Limit to Budgeted Expenditures  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Statutory Expenditure Limitation</b>	<b>(1)</b>	<b>Budgeted Expenditures Subject to the Limitation</b>	<b>(2)</b>	<b>Unused Legal Limit</b>
2013	15,525,510		15,525,509		1
2014	14,735,451		11,792,201		2,943,250
2015	14,596,198		14,596,197		1
2016	14,811,935		14,416,789		395,146
2017	14,828,763		14,828,763		-
2018	15,939,858		15,939,858		-
2019	16,541,299		16,541,299		-
2020	16,762,835		16,762,835		-
2021	16,774,852		16,774,852		-
2022	16,927,200		16,927,200		-

Source: District records.

- (1) The Statutory Expenditure Limitation is calculated by the Arizona Department of Revenue Economic Estimates Commission and applies to Current Funds (General, Auxiliary Enterprises, and Restricted) and Plant Funds (Unexpended and Retirement of Indebtedness).
- (2) Budgeted expenditures are net of allowable exclusions.

**Coconino County Community College District  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Total Tax Levy (1)</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2013	8,588,451	8,391,991	97.71	189,144	8,581,135	99.91
2014	8,927,528	8,755,919	98.08	160,947	8,916,866	99.88
2015	9,170,079	8,937,745	97.47	220,793	9,158,538	99.87
2016	9,383,696	9,187,297	97.91	183,889	9,371,186	99.87
2017	9,756,183	9,610,307	98.50	132,376	9,742,683	99.86
2018	10,104,274	9,979,002	98.76	110,427	10,089,429	99.85
2019	10,277,076	10,135,197	98.62	125,695	10,260,892	99.84
2020	8,358,318	8,176,825	97.83	166,966	8,343,791	99.83
2021	8,625,210	8,439,394	97.85	164,794	8,604,188	99.76
2022	8,719,890	8,563,295	98.20	-	8,563,295	98.20

**Source:** Coconino County Treasurer's Office and District records.

(1) Tax levy is based on the levy limits of the calendar year at June 30. Amounts represent adjusted tax levy for each year as of June 30, 2022.

(2) Cash basis; excludes payments in lieu of taxes.

**Cocconino County Community College District**  
**Assessed Value, Net Assessed Value and Total Value**  
**of All Taxable Property**  
**Last Ten Tax Years**  
**(dollars in thousands)**

Tax Year		Assessed Value							Enterprise Zone (2)
		Utilities	Commercial	Vacant/ Agriculture	Residential	Railroads	Historic	Zone (2)	
2012	Primary	234,448	391,280	315,866	944,927	18,779	1,969	-	
2012	Secondary	234,448	393,752	322,418	947,568	19,096	2,017	-	
2013	Primary	226,361	353,390	284,788	792,746	19,977	1,543	-	
2013	Secondary	226,361	355,756	292,369	798,200	20,143	1,547	-	
2014	Primary	234,528	328,415	270,212	816,384	21,883	1,463	-	
2014	Secondary	234,528	331,747	276,129	827,352	22,063	1,473	-	
2015	Primary	231,359	327,798	267,556	856,645	20,898	1,310	-	
2015	Secondary	231,359	336,561	279,644	901,974	21,222	1,321	-	
2016	Primary	230,386	333,847	254,212	900,115	22,341	925	-	
2016	Secondary	230,387	357,149	272,661	961,199	23,573	943	-	
2017	Primary	233,731	350,717	258,957	950,609	26,413	973	-	
2017	Secondary	233,731	380,229	279,182	1,060,388	29,632	996	-	
2018	Primary	251,103	378,663	258,352	1,011,286	28,321	1,040	-	
2018	Secondary	251,103	418,159	287,441	1,159,874	32,596	1,062	-	
2019	Primary	253,652	401,467	259,951	1,087,342	28,472	1,116	-	
2019	Secondary	253,652	444,503	294,093	1,267,071	33,359	1,141	-	
2020	Primary	251,017	423,438	268,806	1,164,720	27,719	1,232	-	
2020	Secondary	251,017	485,295	309,489	1,403,745	32,780	1,371	-	
2021	Primary	251,353	457,281	276,550	1,220,453	27,719	855	-	
2021	Secondary	251,353	535,492	322,206	1,456,793	32,780	976	-	

Tax Year		Assessed Value						Total	Total
		Environmental Technology	Certain Improvements on Government Property	Total Assessed Value	Less: Exempt Property	Net Assessed Value	Total Direct Tax Rate	Total Value (1)	
2012	Primary	2,143	145	1,909,557	159,230	1,750,327	0.3875	13,456,101	13.01
2012	Secondary	2,143	145	1,921,587	162,023	1,759,564	0.1052	13,536,087	13.00
							0.2460		
2013	Primary	1,996	155	1,680,956	159,464	1,521,492	0.4636	12,899,534	11.79
2013	Secondary	2,008	159	1,696,543	166,194	1,530,349	0.1243	13,015,348	11.76
							0.2935		
2014	Primary	1,956	165	1,675,006	163,285	1,511,721	0.4788	13,037,432	11.60
2014	Secondary	1,959	169	1,695,420	168,393	1,527,027	0.1268	13,203,352	11.57
							0.3019		
2015	Primary	1,842	223	1,707,631	169,278	1,538,353	0.4864	13,486,314	11.41
2015	Secondary	1,849	231	1,774,161	173,903	1,600,258	0.1241	14,065,840	11.38
							0.3017		
2016	Primary	1,882	229	1,743,937	165,516	1,578,421	0.4909	14,076,532	11.21
2016	Secondary	1,883	239	1,848,034	171,794	1,676,240	0.1305	14,949,977	11.21
							0.3053		
2017	Primary	2,814	253	1,824,467	169,946	1,654,521	0.4816	14,766,066	11.20
2017	Secondary	2,814	261	1,987,433	176,394	1,811,039	0.1326	16,186,664	11.19
							0.2992		
2018	Primary	2,754	309	1,931,829	199,666	1,732,163	0.4741	15,652,800	11.07
2018	Secondary	2,754	313	2,153,302	209,986	1,943,316	0.1218	17,583,390	11.05
							0.2878		
2019	Primary	1,702	331	2,034,033	201,725	1,832,308	0.4592	16,537,154	11.08
2019	Secondary	1,702	339	2,295,861	215,169	2,080,692	-	18,835,093	11.05
							0.2150		
2020	Primary	746	342	2,138,019	206,880	1,931,140	0.4490	17,454,429	11.06
2020	Secondary	842	360	2,484,898	225,362	2,259,536	-	20,499,802	11.02
							0.2069		
2021	Primary	784	348	2,235,344	211,314	2,024,030	0.4394	18,236,662	11.10
2021	Secondary	862	357	2,600,819	232,695	2,368,124	-	21,377,566	11.08
							0.2025		

Source: Cocconino County Assessor's Office.

Note: Figures are not broken out between secured and unsecured. Primary assessed values are used to determine primary levy for maintenance and operations; secondary assessed values are used to determine secondary levy for general obligation bond debt service.

(1) Primary = Total Limited Property Value at abstract date.  
 Secondary = Total Full Cash Value at abstract date.

(2) Enterprise Zone sunset adopted per HB2001

**Coconino County Community College District  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Tax Years  
(Per \$100 Assessed Valuation)**

Tax Year	Coconino County Community College District			Coconino County (1)	State Education Equalization	Cities or Fire Districts	School Districts	Joint Technology Districts
	Primary Levy	Secondary Levy	Total					
2012	0.3875	0.1052	0.4927	1.0347	0.4717	0.30 - 3.25	1.96 - 10.70	0.05
2013	0.4636	0.1243	0.5879	1.1522	0.5123	0.35 - 3.25	2.13 - 11.95	0.05
2014	0.4788	0.1268	0.6056	1.1702	0.5089	0.40 - 3.25	2.11 - 13.08	0.05
2015	0.4864	0.1241	0.6105	1.1791	0.5054	0.60 - 3.25	2.10 - 13.32	0.05
2016	0.4909	0.1305	0.6214	1.1844	0.5010	0.60 - 3.25	2.22 - 13.40	0.05
2017	0.4816	0.1326	0.6142	1.1734	0.4875	0.60 - 3.495	2.47 - 13.37	0.05
2018	0.4741	0.1218	0.5959	1.1734	0.4741	0.60 - 3.495	2.42 - 13.28	0.05
2019	0.4592	-	0.4592	1.1469	0.4566	0.75 - 3.495	2.42 - 13.28	0.05
2020	0.4490	-	0.4490	1.1349	0.4426	1.0677 - 3.50	2.2892 - 13.1995	0.05
2021	0.4394	-	0.4394	1.1349	0.4263	1.0949 - 3.50	2.1891 - 12.5843	0.05

**2021 Tax Rates (Special Districts) (2)**

Hospital Districts	1.12 - 1.35
Domestic Water Districts	1.76
Flood Control (3)	0.26
Williams Facilities District	0.37

Source: Coconino County Office of Planning and Budget.

- (1) Coconino County applies to the General Fund, Library District, Fire District Assistance Tax, and Public Health Services District Assistance Funds.
- (2) Special District boundaries lie within the total boundary of the Coconino Community College District, but are not district-wide.
- (3) Prior to FY19 Flood Control District applied to all property outside the cities of Flagstaff, Page and Fredonia.  
As of FY19 Flood Control District includes Flagstaff, Page and Fredonia.

**Coconino County Community College District  
Principal Taxpayers  
Current Year and Ten Years Ago**

Taxpayer	Type of Business	2022			2013		
		Secondary Assessed Value	Rank	Percentage of District's Total Secondary Assessed Value	Secondary Assessed Value	Rank	Percentage of District's Total Secondary Assessed Value
Arizona Public Service Company	Utility	\$ 59,980,234	1	3.05%	\$ 76,655,879	1	4.36%
BNSF Railway Company	Railroad	36,260,655	2	1.85%	17,969,941	4	1.02%
W.L. Gore & Associates Inc.	Manufacturing	21,693,342	3	1.10%	18,368,047	3	1.04%
Transwestern Pipeline Co	Utility	21,658,678	4	1.10%	35,790,722	2	2.03%
El Paso Natural Gas Co	Utility	21,377,300	5	1.09%	17,696,075	6	1.01%
CCC-Flagstaff LLC	Student Housing	11,368,942	6	0.58%	*		
Unisource Energy Corporation	Utility	10,595,734	7	0.54%	17,762,840	5	1.01%
Standard at Flagstaff LLC	Student Housing	9,626,095	8	0.49%	*		
Nestle Purina Petcare Co	Manufacturing	9,325,534	9	0.47%	*		
CA Student Living Flagstaff Property Owner LLC	Student Housing	7,552,393	10	0.38%	*		
Nevada Power Company (T&D)	Utility	*			10,178,663	8	0.58%
Qwest Corporation	Utility	*			9,180,865	9	0.52%
Wal-Mart Stores, Inc.	Commercial	*			5,406,060	10	0.31%
<b>Total Principal Taxpayers</b>		<b>\$ 288,530,387</b>		<b>14.70%</b>	<b>\$ 225,779,449</b>		<b>12.83%</b>
<b>Secondary Assessed Value</b>		<b>\$ 1,963,361,478</b>		<b>100.00%</b>	<b>\$ 1,759,564,057</b>		<b>100.00%</b>

Source: Coconino County Assessor (2021) & District Records (2013).

\* Taxpayers did not fall within the top 10 for the year identified.

**Coconino County Community College District  
Historic General Resident Tuition  
Last Ten Fiscal Years**

District Historic Tuition (1)				
Fiscal Year	General Tuition Per Credit Hour (2)	Annual Cost Per Full-time Student	Increase (Decrease)	
			Dollars	Percent
2012-13	90.00	2,700.00	60.00	2.3
2013-14	92.00	2,760.00	60.00	2.2
2014-15	94.00	2,820.00	60.00	2.2
2015-16	99.00	2,970.00	150.00	5.3
2016-17	102.00	3,060.00	90.00	3.0
2017-18	105.00	3,150.00	90.00	2.9
2018-19	109.00	3,270.00	120.00	3.8
2019-20	111.00	3,330.00	60.00	1.8
2020-21	113.00	3,390.00	60.00	1.8
2021-22	113.00	3,390.00	-	-

National and Statewide Comparisons (Based on Full-time Enrollment for the Academic Year)						
Fiscal Year	Arizona Public 2-year Institution Average (3)		National Public 2-year Institution Average (3)		Arizona Universities Average (3)	
	Annual Cost	Percent Change	Annual Cost	Percent Change	Annual Cost	Percent Change
2012-13	2,170	21.8	3,131	24.6	9,350	9.7
2013-14	2,288	5.4	3,264	4.2	10,301	10.2
2014-15	2,438	6.6	3,347	2.5	10,398	0.9
2015-16	2,480	1.7	3,435	2.6	10,650	2.4
2016-17	2,550	2.8	3,520	2.5	10,960	2.9
2017-18	2,610	2.4	3,570	1.4	11,220	2.4
2018-19	2,580	-1.1	3,660	2.5	11,540	2.9
2019-20	2,603	0.9	3,700	1.1	11,879	2.9
2020-21	2,284	-12.3	3,770	1.9	11,879	0.0
2021-22	2,591	13.4	3,800	0.8	11,816	-0.5

(1) District records.

(2) Restated to include a technology fee per credit hour that was instituted in FY2009 and rolled into tuition in FY2017.

(3) trends.collegeboard.org (Fig. 5, Table 1 and Fig. 6)

**Coconino County Community College District  
Computation of Legal Debt Margin  
Last Ten Fiscal Years**

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>
Secondary Assessed Value of Real and Personal Property	<u>\$ 2,368,124,453</u>	<u>\$ 2,259,536,172</u>	<u>\$ 2,080,691,733</u>	<u>\$ 1,943,315,850</u>	<u>\$ 1,811,038,890</u>
Debt Limit, 15% of Secondary Assessed Value	<u>\$ 355,218,668</u>	<u>\$ 338,930,426</u>	<u>\$ 312,103,760</u>	<u>\$ 291,497,378</u>	<u>\$ 271,655,834</u>
Amount of Debt Applicable to Debt Limit:					
General Obligation Bonded Debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,120,000</u>
Total Debt Applicable to the Limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,120,000</u>
Legal Debt Margin	<u>\$ 355,218,668</u>	<u>\$ 338,930,426</u>	<u>\$ 312,103,760</u>	<u>\$ 291,497,378</u>	<u>\$ 269,535,834</u>
	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>
Secondary Assessed Value of Real and Personal Property	<u>\$ 1,676,239,971</u>	<u>\$ 1,600,258,450</u>	<u>\$ 1,527,026,413</u>	<u>\$ 1,530,349,256</u>	<u>\$ 1,759,564,000</u>
Debt Limit, 15% of Secondary Assessed Value	<u>\$ 251,435,996</u>	<u>\$ 240,038,768</u>	<u>\$ 229,053,962</u>	<u>\$ 229,552,388</u>	<u>\$ 263,934,600</u>
Amount of Debt Applicable to Debt Limit:					
General Obligation Bonded Debt	<u>4,105,000</u>	<u>5,990,000</u>	<u>7,775,000</u>	<u>9,465,000</u>	<u>11,085,000</u>
Total Debt Applicable to the Limit	<u>4,105,000</u>	<u>5,990,000</u>	<u>7,775,000</u>	<u>9,465,000</u>	<u>11,085,000</u>
Legal Debt Margin	<u>\$ 247,330,996</u>	<u>\$ 234,048,768</u>	<u>\$ 221,278,962</u>	<u>\$ 220,087,388</u>	<u>\$ 252,849,600</u>

Source: District records.



**Coconino County Community College District  
 Computation of Direct and Overlapping Bonded Debt  
 General Obligation Bonds  
 June 30, 2022**

<b>Direct Debt:</b>	
Coconino County Community College District	\$ <u>                  -</u>
Net general obligation debt	-
 <b>Overlapping Debt:</b>	
City of Flagstaff	34,661,467
Flagstaff Unified School District #1	76,240,000
Page Unified School District #8	-
Sedona-Oak Creek Unified School District #9	<u>24,625,000</u>
Overlapping debt	<u>135,526,467</u>
Total direct general obligation and overlapping debt	<u><u>\$ 135,526,467</u></u>

Source: AZ Department of Administration: FY 2022 Report of Outstanding Indebtedness.

Note: All jurisdictions are within the boundaries of the District.

**Coconino County Community College District  
General Obligation Bond Coverage  
Last Ten Fiscal Years**

Fiscal Year	Secondary Property Tax Revenues (cash basis)	Debt Service Requirements			Coverage Ratio
		Principal	Interest	Total	
2012-13	1,799,284	1,545,000	430,536	1,975,536	0.91
2013-14	1,863,501	1,620,000	473,431	2,093,431	0.89
2014-15	1,922,564	1,690,000	331,951	2,021,951	0.95
2015-16	1,907,996	1,785,000	279,840	2,064,840	0.92
2016-17	2,069,337	1,885,000	224,120	2,109,120	0.98
2017-18	2,197,008	1,985,000	168,579	2,153,579	1.02
2018-19	2,110,949	2,120,000	89,236	2,209,236	0.96
2019-20	-	-	-	-	- (1)
2020-21	-	-	-	-	- (1)
2021-22	-	-	-	-	- (1)

Source: District records.

(1) Debt was paid off in 2018-19. Coverage ratio is no longer applicable.

**Coconino County Community College District**  
**Ratios of Outstanding Debt**  
**Last Ten Fiscal Years**  
(dollars in thousands, except "per capita" and "per student")

	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
<b>General Bonded Debt</b>										
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ 2,120	\$ 4,105	\$ 5,990	\$ 7,775	\$ 9,465	\$ 11,085
Total general bonded debt	-	-	-	-	2,120	4,105	5,990	7,775	9,465	11,085
Per capita	\$ -	\$ -	\$ -	\$ -	\$ 15.06	\$ 29.13	\$ 43.06	\$ 56.47	\$ 69.32	\$ 81.50
Per student	\$ -	\$ -	\$ -	\$ -	\$ 1,060.53	\$ 2,005.34	\$ 2,984.55	\$ 3,764.22	\$ 4,524.81	\$ 5,279.58
As a percentage of personal income	0.00%	0.00%	0.00%	0.00%	0.03%	0.07%	0.10%	0.14%	0.19%	0.23%
As a percentage of secondary net assessed valuation	0.00%	0.00%	0.00%	0.00%	0.12%	0.24%	0.37%	0.51%	0.62%	0.63%
<b>Other Debt</b>										
Installment purchase contract	-	-	-	-	-	-	-	-	-	-
Capital lease	-	-	-	-	-	-	-	-	-	-
Total other debt	-	-	-	-	-	-	-	-	-	-
Total outstanding debt	\$ -	\$ -	\$ -	\$ -	\$ 2,120	\$ 4,105	\$ 5,990	\$ 7,775	\$ 9,465	\$ 11,085
Per capita	\$ -	\$ -	\$ -	\$ -	\$ 15.06	\$ 29.13	\$ 43.06	\$ 56.47	\$ 69.32	\$ 81.50
Per student	\$ -	\$ -	\$ -	\$ -	\$ 1,060.53	\$ 2,005.34	\$ 2,984.55	\$ 3,764.22	\$ 4,524.81	\$ 5,279.58
As a percentage of personal income	0.00%	0.00%	0.00%	0.00%	0.03%	0.07%	0.10%	0.14%	0.19%	0.23%
As a percentage of secondary net assessed valuation	0.00%	0.00%	0.00%	0.00%	0.12%	0.24%	0.37%	0.51%	0.62%	0.63%
Estimated County population (1)	146,335	145,382	140,217	142,854	140,776	140,908	139,097	137,682	136,539	136,011
Full Time Student Equivalent (2)	1,581.0	1,506.0	1,877.0	1,986.0	1,999.0	2,047.0	2,007.0	2,065.5	2,091.8	2,099.6
Personal Income (3)	(5)	\$ 7,556,660	\$ 7,057,376	\$ 6,748,504	\$ 6,513,074	\$ 5,926,168	\$ 5,705,476	\$ 5,399,899	\$ 4,906,294	\$ 4,735,934
Secondary Net Assessed Valuation (4)	\$ 2,368,124	\$ 2,259,536	\$ 2,080,692	\$ 1,943,316	\$ 1,811,039	\$ 1,676,240	\$ 1,600,258	\$ 1,527,026	\$ 1,530,349	\$ 1,759,564

- (1) U.S.Census Bureau
- (2) District records.
- (3) U.S. Bureau of Economic Analysis.
- (4) Coconino County Assessor.
- (5) Not yet available.

**Coconino County Community College District  
Demographic and Economic Statistics - Coconino County  
Last Ten Calendar Years**

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (1) (dollars in thousands)</u>	<u>Personal Income per Capita (1)</u>	<u>Unemployment Rate (2)</u>
2012	136,011	4,735,934	34,820	8.1
2013	136,539	4,906,294	35,933	7.7
2014	137,682	5,399,899	39,220	7.2
2015	139,097	5,705,476	41,018	6.2
2016	140,908	5,926,168	42,057	5.8
2017	140,776	6,513,074	46,266	5.6
2018	140,217	6,748,504	48,129	5.1
2019	145,382	7,057,376	49,189	5.9
2020	145,697	7,556,660	53,036	13.2
2021	147,434	(3)	(3)	7.1

- (1) U.S Department of Commerce Bureau of Economic Analysis & U. S. Department of Commerce  
(2) Office of Economic Opportunity - Monthly Employment Report  
(3) Not yet available.

**Coconino County Community College District  
Principal Employers - Coconino County  
Current Year and Ten Years Ago**

<b>Employer</b>	<b>2021 (1)</b>			<b>2012 (1)</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
Northern Arizona University	2,571	1	3.41 %	2,487	1	3.45 %
Northern Arizona HealthCare	2,200	2	2.92	2,200	2	3.05
W.L. Gore	1,950	3	2.59	1,950	3	2.70
Flagstaff Unified School District	1,375	4	1.83	1,555	4	2.15
Coconino County	1,200	5	1.59	1,200	5	1.66
City of Flagstaff	657	6	0.87	708	6	0.98
Wal-Mart	630	7	0.84	570	7	0.79
Nestle Purina Pet Care	240	8	0.32	*		
Guidance Center	219	9	0.29	*		
Coconino Community College	189	10	0.25	*		
Total County Employment As of June 30 (2)	75,294		100.0 %	72,183		100.0 %

(1) Coconino County ACFR 6/30/2021

(2) Arizona Commerce Authority, Local Area Unemployment Statistics, Coconino County ACFR 6/30/21

\* Employers did not fall within the top 10 for the year identified.

**Coconino County Community College District  
Historic Enrollment  
Last Ten Fiscal Years**

**Fall Historic Headcount (1)**

<b>College/Center</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Flagstaff	1,424	759	2,187	2,247	2,789	2,948	2,941	3,038	3,587	3,304
Online only (3) Page	961 28	1,979 17	629 65	547 85	72	76	96	78	100	106
Tuba City	68	53	127	137	143	129	78	79	4	3
Williams	-	-	-	-	-	-	-	29	-	2
Fredonia	-	-	-	-	-	-	-	-	-	-
Grand Canyon	-	-	-	-	-	-	-	-	-	1
Off Site	31	16	31	-	-	-	-	-	-	-
NAU	417	465	549	710	514	461	426	388	7	-
<b>Total</b>	<b>2,929</b>	<b>3,289</b>	<b>3,588</b>	<b>3,726</b>	<b>3,518</b>	<b>3,614</b>	<b>3,541</b>	<b>3,612</b>	<b>3,698</b>	<b>3,416</b>

**Historic FTSE (2)**

<b>Semester</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>
Fall/Spring Average	1,388	1,292	1,657	1,738	1,770	1,812	1,780	1,827	1,854	1,837
Summer	148	149	161	173	165	146	157	153	161	176
Short	34	41	45	62	47	77	63	72	58	63
Adult Basic Education	11	9	14	14	17	13	7	14	18	23
<b>Total</b>	<b>1,581</b>	<b>1,491</b>	<b>1,877</b>	<b>1,987</b>	<b>1,999</b>	<b>2,048</b>	<b>2,007</b>	<b>2,066</b>	<b>2,091</b>	<b>2,099</b>

Source: District records.

(1) Headcount is unduplicated as officially reported for Fall IPEDS.

(2) FTSE refers to Full-Time Student Equivalent which is calculated by dividing total enrollment credit hours per semester by 15 credit hours (the number of hours considered to be a full-time student.)

(3) As of FY19 online classes have separate designation

**Coconino County Community College District  
Student Enrollment Demographic Statistics  
Last Ten Fall Semesters**

<b>Fall Semester</b>	<b>Attendance (%)</b>		<b>Residency (%)</b>			<b>Gender (%)</b>	
	<b>FT</b>	<b>PT</b>	<b>County Resident</b>	<b>Out of County</b>	<b>Out of State</b>	<b>M</b>	<b>F</b>
2012	31	69	81	11	8	44	56
2013	27	73	77	11	12	42	58
2014	30	70	74	13	13	45	55
2015	31	69	64	22	14	48	52
2016	31	69	57	28	15	49	51
2017	28	72	58	28	14	47	53
2018	30	70	57	25	17	47	53
2019	29	71	61	22	17	47	53
2020	27	73	64	22	14	45	55
2021	30	70	59	27	15	46	54

<b>Fall Semester</b>	<b>Mean Age</b>	<b>Ethnic Background (%)</b>					
		<b>Native American</b>	<b>Asian</b>	<b>African American</b>	<b>Hispanic</b>	<b>Anglo</b>	<b>Other</b>
2012	28	20	1	1	12	57	9
2013	25	20	1	1	11	50	17
2014	25	18	1	2	16	56	7
2015	24	17	2	2	17	54	8
2016	24	19	1	3	18	52	7
2017	23	20	1	2	19	48	9
2018	23	19	1	1	20	47	10
2019	23	19	1	2	20	49	9
2020	22	20	1	2	21	47	9
2021	23	21	2	3	20	47	8

Source: District records.

**Coconino County Community College District  
Faculty and Staff Statistics  
Last Ten Fiscal Years**

	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>
Faculty										
Full-time faculty	38.0	41.0	40.0	38.0	37.0	34.0	30.0	35.0	40.9	39.0
Part-time faculty FTE (1)	<u>37.7</u>	<u>36.7</u>	<u>44.2</u>	<u>38.4</u>	<u>48.1</u>	<u>50.2</u>	<u>64.4</u>	<u>81.6</u>	<u>85.3</u>	<u>69.7</u>
Total faculty FTE	<u>75.7</u>	<u>77.7</u>	<u>84.2</u>	<u>76.4</u>	<u>85.1</u>	<u>84.2</u>	<u>94.4</u>	<u>116.6</u>	<u>126.2</u>	<u>108.7</u>
Administrative and support staff (2)										
Full-time Admin and Support Staff	122.0	110.0	111.0	111.0	108.0	103.0	105.0	106.0	105.0	
Part-time Staff FTE (3)	<u>10.7</u>	<u>10.7</u>	<u>15.0</u>	<u>16.3</u>	<u>20.0</u>	<u>21.2</u>	<u>16.0</u>	<u>16.3</u>	<u>22.0</u>	
	<u>132.7</u>	<u>120.7</u>	<u>126.0</u>	<u>127.3</u>	<u>128.0</u>	<u>124.2</u>	<u>121.0</u>	<u>122.3</u>	<u>127.0</u>	<u>106.9</u>
Total employees	<u>208.4</u>	<u>198.4</u>	<u>210.2</u>	<u>203.7</u>	<u>213.1</u>	<u>208.4</u>	<u>215.4</u>	<u>238.9</u>	<u>253.2</u>	<u>215.6</u>
Average class size	18.3	17.7	20.5	21.1	19.9	20.8	19.4	19.0	18.6	18.0

Source: District records.

(1) PT Faculty FTE is calculated by dividing the number of credits taught in the academic year by the full-time faculty load of 30 credits.

(2) The breakdown of administrative and support staff prior to FY14 is not available.

(3) PT Staff FTE is calculated by taking the part time staff total headcount and dividing by 3 or 1/3rd of headcount.



**Coconino County Community College District  
Graduation Statistics  
Last Ten Fiscal Years**

	2021-22		2020-21		2019-20		2018-19		2017-18		2016-17		2015-16		2014-15		2013-14		2012-13		
	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	
<b>Ethnicity</b>																					
Asian Pacific Islander	8	1.1 %	12	1.7 %	10	1.5 %	12	1.8 %	8	1.3 %	3	1.4 %	3	0.8 %	-	- %	4	1.4 %	-	- %	
African American	8	1.1	5	0.7	5	0.7	2	0.3	3	0.5	5	2.3	1	0.3	3	0.8	2	0.7	2	0.7	
Hispanic	143	20.4	123	17.9	129	18.8	98	14.6	89	14.1	43	20.2	48	13.6	37	10.4	35	12.2	21	7.4	
Native American	141	20.1	129	18.8	141	20.5	138	20.5	107	16.9	29	13.6	61	17.2	75	21.1	61	21.3	52	18.3	
White	362	51.6	357	52.0	351	51.1	376	55.9	386	61.1	119	55.9	219	61.9	229	64.5	174	60.6	194	68.3	
Other	40	5.7	61	8.9	51	7.4	47	7.0	39	6.2	14	6.6	22	6.2	11	3.1	11	3.8	15	5.3	
<b>Age</b>																					
<20	37	5.3	40	5.7	28	4.0	28	4.2	1	0.2	1	0.5	2	0.6	4	1.1	5	1.7	9	3.2	
20-24	355	50.6	300	42.7	341	48.5	319	47.4	348	55.1	118	55.4	147	41.5	133	37.5	101	35.2	97	34.2	
25-29	132	18.8	142	20.2	124	17.6	121	18.0	117	18.5	39	18.3	95	26.8	79	22.3	73	25.4	77	27.1	
30-39	123	17.5	137	19.5	154	21.9	150	22.3	112	17.7	33	15.5	58	16.4	77	21.7	68	23.7	64	22.5	
40-49	39	5.6	44	6.3	43	6.1	42	6.2	31	4.9	14	6.6	34	9.6	30	8.5	21	7.3	21	7.4	
50-59	14	2.0	20	2.8	8	1.1	8	1.2	19	3.0	3	1.4	16	4.5	26	7.3	16	5.6	12	4.2	
>60	2	0.3	4	0.6	5	0.7	5	0.7	4	0.6	5	2.3	2	0.6	6	1.7	3	1.0	4	1.4	
Average age	27		27		27		27		27		28		29		31		30		30		
<b>High School Graduation Dates</b>																					
September 2019 - current	98	14.0																			
September 2018 - August 2019	109	15.5	80	11.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
September 2017 - August 2018	75	10.7	89	13.0	59	7.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
September 2016 - August 2017	52	7.4	73	10.6	104	13.8	86	12.8	-	-	-	-	-	-	-	-	-	-	-	-	
September 2015 - August 2016	49	7.0	46	6.7	85	11.3	68	10.1	70	11.1	-	-	-	-	-	-	-	-	-	-	
September 2014 - August 2015	38	5.4	53	7.7	73	9.7	84	12.5	86	13.6	1	0.5	-	-	-	-	-	-	-	-	
September 2013 - August 2014	27	3.8	29	4.2	72	9.5	62	9.2	93	14.7	24	11.3	21	5.9	-	-	-	-	-	-	
September 2012 - August 2013	16	2.3	41	6.0	39	5.2	34	5.1	57	9.0	32	15.0	37	10.5	11	3.1	-	-	-	-	
September 2011 - August 2012	27	3.8	24	3.5	37	4.9	30	4.5	45	7.1	30	14.1	37	10.5	27	7.6	14	4.9	10	3.5	
September 2010 - August 2011	26	3.7	17	2.5	17	2.3	39	5.8	37	5.9	22	10.3	33	9.3	34	9.6	15	5.2	8	2.8	
September 2009 - August 2010	12	1.7	14	2.0	16	2.1	23	3.4	18	2.8	16	7.5	27	7.6	35	9.9	32	11.1	25	8.8	
September 2008 - August 2009	23	3.3	29	4.2	17	2.3	25	3.7	19	3.0	10	4.7	25	7.1	31	8.7	21	7.3	21	7.4	
September 2007 - August 2008	14	2.0	26	3.8	20	2.7	12	1.8	23	3.6	9	4.2	21	5.9	25	7.0	30	10.5	24	8.5	
September 2006 - August 2007	10	1.4	20	2.9	7	0.9	24	3.6	18	2.8	6	2.8	13	3.7	16	4.5	13	4.5	23	8.1	
September 2005 - August 2006	8	1.1	12	1.7	11	1.5	22	3.3	20	3.2	5	2.3	18	5.1	13	3.7	14	4.9	16	5.6	
Prior to September 2005	107	15.2	125	18.2	194	25.7	157	23.3	134	21.2	55	25.8	117	33.1	161	45.4	148	51.6	157	55.3	
Not Given	11	1.6	9	1.3	3	0.4	7	1.0	12	1.9	3	1.4	5	1.4	2	0.6	-	-	-	-	
<b>Sex</b>																					
Female	398	57.9	428	62.3	403	58.7	421	62.6	349	55.2	110	51.6	201	56.8	210	59.2	179	62.4	173	60.9	
Male	304	44.3	259	37.7	284	41.3	252	37.4	283	44.8	103	48.4	153	43.2	145	40.8	108	37.6	111	39.1	
<b>Degree Type</b>																					
Advanced Certificate	6	0.9	3	0.4	1	0.1	1	0.1	1	0.2	1	0.5	2	0.6	1	0.3	1	0.4	4	1.4	
Associate of Applied Science	115	16.7	120	17.5	111	16.2	115	17.1	137	21.7	39	18.3	114	32.2	87	24.5	95	33.8	95	33.5	
Associate of Arts	187	27.2	144	21.0	229	33.3	194	28.8	224	35.4	110	51.6	179	50.6	197	55.5	154	54.8	130	45.8	
Associate of Business	13	1.9	5	0.7	2	0.3	1	0.1	4	0.6	-	-	1	0.3	-	-	1	0.4	1	0.4	
Associate of Fine Arts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Associate of General Studies	-	-	-	-	1	0.1	5	0.7	7	1.1	35	16.4	13	3.7	30	8.5	9	3.2	17	6.0	
Associate of Science	20	2.9	18	2.6	13	1.9	26	3.9	21	3.3	13	6.1	24	6.8	18	5.1	8	2.8	15	5.3	
Basic Certificate	16	2.3	2	0.3	1	0.1	21	3.1	3	0.5	1	0.5	2	0.6	2	0.6	6	2.1	6	2.1	
Certificate of Completion	330	48.0	375	54.6	315	45.9	303	45.0	233	36.9	14	6.6	18	5.1	16	4.5	6	2.1	9	3.2	
Intermediate Certificate	15	2.2	18	2.6	14	2.0	7	1.0	2	0.3	-	-	1	0.3	4	1.1	1	0.4	7	2.5	

Source: District records.

**Coconino County Community College District  
Capital Asset Information  
Last Ten Fiscal Years**

Square Footage:	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>
Academic areas:										
Laboratories - Lone Tree Campus	6,840	6,840	6,840	6,840	6,840	6,840	6,840	6,840	6,840	6,840
Instructional - Lone Tree Campus	97,607	97,607	97,607	97,607	97,607	97,607	97,607	97,607	97,607	97,607
Instructional - 4th Street Campus	48,900	48,900	48,900	48,900	48,900	48,900	48,900	48,900	48,900	48,900
Instructional - Page Campus	19,325	19,325	19,325	19,325	19,325	19,325	19,325	19,325	19,325	19,325
Administrative areas:										
Lone Tree Campus	20,600	20,600	20,600	20,600	20,600	20,600	20,600	20,600	20,600	20,600
4th Street Campus	700	700	700	700	700	700	700	700	700	700
Page Campus	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080
Library	500	500	500	500	500	500	500	500	500	500
Dining	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560	1,560
Bookstore	2,210	2,210	2,210	2,210	2,210	2,210	2,210	2,210	2,210	2,210
Total square footage	<u>199,322</u>	<u>199,322</u>	<u>199,322</u>	<u>199,322</u>	<u>199,322</u>	<u>199,322</u>	<u>199,322</u>	<u>199,322</u>	<u>199,322</u>	<u>199,322</u>
Library - number of volumes	140	229	229	229	360	360	360	360	360	360
Dining - seating capacity	40	40	40	40	40	40	40	40	40	40
Dining - average daily customers	120	120	120	120	120	120	120	130	145	175
Number of Vehicles:										
Street vehicles	7	7	7	5	5	5	5	5	5	5
Forklift	1	1	1	1	1	1	1	1	1	1
Bobcat loader	1	1	1	1	1	1	1	1	1	1
Tractor	1	1	1	1	1	1	1	1	1	1
Dump truck	-	-	-	-	1	1	1	1	1	1
Backhoe	1	1	1	1	1	1	1	1	1	1
Trailer	4	4	4	3	3	2	2	2	2	2
Parking Capacity:										
Lone Tree Campus	695	695	695	695	500	500	500	500	500	500
4th Street Campus	235	235	235	235	235	235	235	235	235	235
Page Campus	78	78	78	78	78	78	78	78	78	78
Total parking capacity	<u>1,008</u>	<u>1,008</u>	<u>1,008</u>	<u>1,008</u>	<u>813</u>	<u>813</u>	<u>813</u>	<u>813</u>	<u>813</u>	<u>813</u>

Source: District records.