



Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2014
2013-2014





COCONINO COUNTY COMMUNITY COLLEGE DISTRICT

Comprehensive Annual Financial Report

Prepared by
District Business and Administrative Services Office

**Fiscal Year Ended June 30, 2014
(July 1, 2013 – June 30, 2014)**



**Coconino County Community College District
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2014**

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Introductory Section





November 18, 2014

To the Residents of Coconino County Community College District:

This Comprehensive Annual Financial Report is a detailed look at how Coconino Community College operates.

We at Coconino Community College are proud of our record for sound fiscal management. For 19 consecutive years, 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.

Coconino Community College provides vital educational services to Coconino County. Various factors, including a continuing trend of State funding reductions and having the lowest property tax rate for all Arizona Community Colleges, have led to financial challenges. CCC is committed to providing quality services and with that in mind has created plans that address our budget challenges in the short-term. In July 2014, CCC implemented a Financial Austerity Plan, which has a two-pronged approach of generating revenue and cutting costs. Even with these measures in place, the College will still face a structural deficit in 2022 unless other measures are taken during the College's next five-year strategic plan.

The increased revenue and expenditure reductions in the Financial Austerity Plan allow CCC to continue operations for five years. However, the Financial Austerity Plan of 2014 is just a start. We will need to address our structural deficit with additional revenue options and/or continued program reductions in order to continue providing quality services.

Despite the challenges, I am optimistic that your community college will continue to play a significant role in the lives of the individuals in our county seeking affordable training and higher education opportunities. CCC strives to create innovative, cutting edge solutions that are adopted by other colleges nationally as best practices.

The College has remained viable through our ability to look to the future and willingness to address difficult decisions and the next five years will be no different. This report is another testament to CCC's good stewardship of your tax dollars, while continuing to keep student success as the heart and purpose of our institution.

Sincerely,

Leah L. Bornstein Ph.D.

President



November 18, 2014

To the Citizens of Coconino County Community College District:

We are pleased to provide you with the Comprehensive Annual Financial Report (CAFR) of the Coconino County Community College District (the District) for the fiscal year ended June 30, 2014.

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 or 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, 2014. 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 to the District by REDW LLC. As noted above, Arizona Revised Statutes require an annual audit of the District's financial statements. This requirement has been complied with. The independent auditor's report is included in this document. The auditor's 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) and 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 credits hours for one year.

Coconino County Community College District is committed to offering quality educational programs and services at a reasonable cost for the citizens of Coconino County. The District provides a wide range of programs, including general academic, technical-vocational, student development services, continuing education, and community service. CCC offers more than 60 degrees and certificates, distance learning, and developmental courses. The District offers Dual Enrollment, Programs of Study, CAVIAT and concurrent enrollment programs to jump start high schools student's higher education goals. The CCC2NAU and other university transfer programs offer a seamless transition to a four year institution.

The District serves the educational needs of Coconino County through three facilities: the Flagstaff Lone Tree Campus and District Offices, the Flagstaff Fourth Street Campus and Technology Center/FMC Institute for Nursing Education, and the Page/Lake Powell Campus. In addition, we partner with high schools throughout the County to provide services including those at Grand Canyon, 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 College District. This governance model includes the College Council, which provides strategic oversight and advisory functions, and oversees policies and procedures for the College. The College Council consists of the College President, Vice President for Academic Affairs, Vice President for Business and Administrative Services, Dean of Arts and Sciences, Dean of Career and Technical Education, Dean of Student Services, Executive Director of Institutional Advancement, Director of Human Resources, Director of Financial Aid and Veteran's Services, Director of the Page/Lake Powell Instructional Site, Director of Registration and Enrollment Services, Chief Technology Officer, Executive Assistant to the President, a faculty committee member, a part-time faculty member, a staff representative, and a student representative.

History

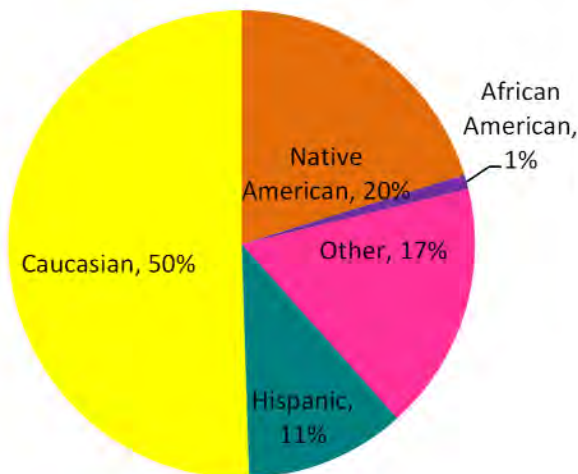
The citizens of Coconino County in November of 1990 established the District under the provisions of legislation enacted by the Arizona State Legislature in 1971. In May 1991, the District's funding was approved through special election, and operations began on July 1, 1991. The District boundaries are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

When the District began in 1991, it initially expected to serve 600 students per year. Nearly 1,000 students registered the first semester. Since then, enrollment has increased dramatically. Today the District enrolls approximately 8,700 annually (duplicated headcount).

In June of 1992 CCC 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 CCC 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, 58 percent are female; and more than 12 percent are high school students earning college credit.



Mean student age: 25

Full-time: 27%

Part-time: 73%

Residency

-County: 70%

-Out of County: 11%

-Out of State: 19%

Geography/Population

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 2010 population was 134,421 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 Indian 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 38.4 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 33.3 percent of the land; the state of Arizona owns 9.5 percent; the National Park Services controls 6.8 percent; and the remaining 12 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 25% 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 the total area in county public lands.

The state and national economy has improved over the year and this trend is expected to continue in the short-term. County unemployment rates as of July 2014 (7.5%) are above both state (7.0%) and national levels (6.2%). The District must contend with the continued limited funding from the State due to a decline of over 34% in State revenues in the past ten 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

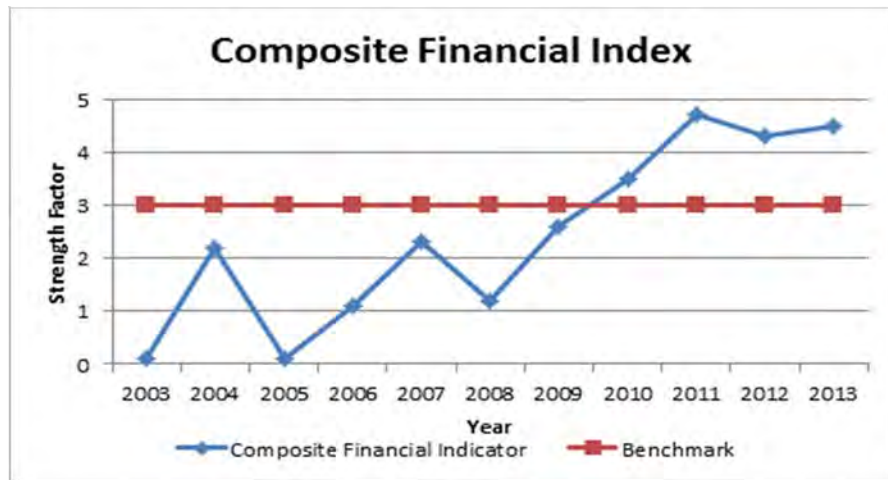
Financial Reporting

The Comprehensive Annual Financial Report (CAFR) 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 CAFR 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

As part of maintaining accreditation, Coconino Community College reports financial information with the Higher Learning Commission (HLC). The HLC has developed 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. Through our strategic and financial planning efforts, CCC has been able to improve our composite financial index score over the past ten years and for FY2013 we exceed the 3.0 benchmark with a composite score of 4.5.



*2014 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 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. The purpose of the expenditure limitation 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 one 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 our FY2015 budget development process, the District began to look more closely at the financial viability of courses by program and evaluate tuition revenues, enrollment, and expenses per student full-time equivalent to create a differential tuition structure. This structure more equitably recovers tuition and fees by creating a tuition rate tier for different classes. Classes with higher costs have a higher per credit hour rate in order to recover the costs from the students who are enrolled in them. The result is greater transparency for students on their projected cost of enrollment based on their chosen field of study.

For the Fiscal Year 2016 budget development process, Coconino Community College is participating in a pilot project with the Government Finance Officers Association and the Gates Foundation. This project is designed to strengthen existing budgetary excellence recognition programs to include the use of resource alignment best practices in community colleges.

Debt Administration

The District issued \$25 million of general obligation bonds in 1999 for capital developments throughout Coconino County. The District levies a secondary property tax to fund the debt retirement. During fiscal year 2009, to take advantage of lower interest rates, the District refunded \$17.1 million of these bonds. The bond refunding will save the taxpayers of Coconino County approximately \$1.1 million of cumulative interest payments. The District does not foresee any additional bonded debt in the near future.

Long-term Financial Austerity Plan

Coconino Community College lost half of its State Appropriations or \$3 million beginning in Fiscal Year 2008/2009 when the recession began. In response, the College created a financial sustainability plan of both revenue and expense options to bridge the financial gap. Based upon that plan, the College increased tuition by an additional \$13 dollars per credit hour over three years to increase revenues by \$1 million. In addition, the College cut \$2 million in programs and services including 25 Full Time Equivalent positions.

In spite of these measures, the College continues to have a structural deficit which means that expenses outpace revenues from year to year. The gap between revenues and expenditures was nearly \$1.3 million dollars, or seven percent of the College's General Fund. Coconino Community College has the lowest primary property tax rate of all community colleges in the State of Arizona and the highest tuition rate per credit hour in the State.

In November of 2013, CCC asked voters to consider a seven-year property tax override for \$4.5 million per year in order to continue our core missions. This override was not approved by voters so in February of 2014 the District Governing Board implemented a long-term financial austerity plan to address the College's structure deficit.

The assumptions used in development of the long-term austerity plan include:

- Sustainability of the College is priority
- CCC will continue to serve Coconino County district

The principles used in the development of the long-term austerity plan include:

- CCC can no longer be everything to everyone
- Identify time and resources for the College to solidify its future
- Use data to make the best decisions for our students and community
- Take long-term vs. short-term view
- Communicate frequently and broadly to keep people informed
- Make decisions related to College mission
- Attempt to balance reductions/cuts with revenue generation

The financial austerity plan will eliminate the nearly \$1.3 million gap through increases in revenue and cuts/reductions beginning July 1, 2014. The revenue and expense items adopted are as follows:

Revenue Items:

1. Increase standard tuition rate by \$2 per credit hour
2. Eliminate tuition plateau currently from 16-18 credit hours
3. Implement differential tuition rates to charge higher tuition to higher cost programs in place of fees
4. Implement a 2.75 percent credit card convenience fee to recover merchant charges
5. Implement a \$40 per credit hour "no show" fee for students who register, hold seats in class, and don't show
6. Increase Parking Fees by \$6 per year, from \$45 to \$51 per year
7. Implement a \$10 per year Employee Parking Fee

Expense Items:

1. Restructure the Page Campus to an Instructional Site
2. Reduce the Nursing Program from 40 graduates per year to 20 graduates per year
3. Eliminate the Dance Degree
4. Eliminate Early Childhood Education Certificate and Education Degree
5. Eliminate non-credit and corporate training programs
6. Eliminate SBDC (Small Business Development Center)
7. Eliminate selected vacant positions
8. Reorganize Academic Affairs to redistribute current department chair duties to deans, faculty, and two instructional coordinators
9. Change CCC tuition waiver benefit to tuition reimbursement with grade B or better

Strategic Planning

In fiscal year 2012 the District completed the final stages of a three year strategic plan and implemented the second three year strategic plan beginning at the start of fiscal year 2013. The theme for this plan is Access, Retention, Completion. This trilogy is a national education agenda, as well as an Arizona community college agenda.

Some highlights from the current strategic plan that have been implemented include:

- Expanded advising services and START SMART orientation program to retain students including:
 - Implementation of a peer advising program
 - Implementation of Degreeworks software that allows student to determine how changes impact their graduation plan, track their progress, and determine scheduling needs

- Implementation of the early alert system Starfish. This helps faculty and advisors to reach out to students that may need additional resources earlier on to help them be successful
- Improved enrollment management to enhance student access
- Expanded community knowledge of CCC
- Improved shared governance through HLC reports, revised communication structures, College Council, and employee surveys
- Enhanced on-line experience through a complete website redesign
- Implementation of default prevention techniques to notify students before they become delinquent on the financial aid repayments, resulting in a 3% drop in the three-year official student loan default rate
- Increase to a record number of Veteran graduates for Spring 2014

Major Initiatives

CCC2NAU

In collaboration with Northern Arizona University (NAU), the District had developed 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 degree. Advisors are trained in academic offerings and degree requirements across both institutions. Over 60 pathways 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
- Personalized advising with tailored degree plans while at CCC
- Assistance in transitioning to the university
- Free access to many services, such as the NAU library, computer lab, and athletic events
- Option to live in NAU residence halls, purchase a meal plan and join the health and recreation center

The CCC2NAU program began with the Fall 2008 term with an initial cohort of 15 students. Since then 1,741 have participated in the program and 77 have graduated from NAU.

Student Progress and Outcomes Reporting

In 2011, Arizona's community colleges embarked upon a long-term Strategic Vision to significantly increase the number of Arizonans who achieve their postsecondary education and training goals, complete a degree or certificate, and/or transfer to a university. In order to measure progress toward the three major goals outline in the Strategic Vision, the colleges have implemented a rigorous self-assessment and accountability process centered around the annual collection and distribution of data related to 30 key indicators. These indicators focus on access, retention, and completion data. CCC has found they are performing at or above the State average in 2/3rd of these measures.

There are four measures where CCC is performing substantially below the State average. CCC will continue to monitor all key indicators, but has begun to focus more specifically on the four measures where we are substantially below the State averages and implement these performance measures into our budget development so we can strategically target our resources to where they are needed most.

Workforce Development

The District has initiated a concentrated effort over the past several years to provide communities with more occupational and technical training. As a result of 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, such as the nursing program and construction technology management. To meet the unique interests of individuals and groups within the service area of the District, customized workforce training services were developed. In addition, the District has responded to community education needs by offering more noncredit personal enrichment and professional development learning opportunities.

In Coconino County, CCC graduates make up:

- 42% of the registered nurses and paramedics
- 51% of the firefighters
- 43% of the police officers

Efficiency through Partnerships

As student population and required services continue to increase it is essential that the District maximize its efficiency. To this end, the District has established relationships with partners in education. Beginning in FY11, CCC partnered with NAU to implement a groundbreaking model for improving library services to community college students while leveraging resources between the two institutions of higher learning.

Through the Coconino Association for Vocations, Industry and Technology (CAVIAT) program, CCC partners with five different high school districts in the County to provide career and technical education (CTE) programs to High School Students.

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.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement in Excellence in Financial Reporting to Coconino Community College for its comprehensive annual financial report for the year ended June 30, 2013. This was the nineteenth consecutive year that the Coconino County Community College District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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 REDW LLC. for their timely completion of the audit.

Respectfully submitted,



Jami Van Ess, Vice President
Business and Administrative Services



Siri Mullaney, Director
Accounting and Finance Department



Government Finance Officers Association

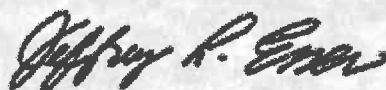
**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Coconino County
Community College District
Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013



Executive Director/CEO

Coconino County Community College District

Principal Officers

District Governing Board

Dr. Nathaniel White, Vice Chair/Secretary, District 1

Ms. Patricia Garcia, Member, District 2

Ms. Gioia Goodrum, Member, District 3

Mr. Patrick Hurley, Chair, District 4

Mr. Lloyd Hammonds, Member, District 5

Senior Administration

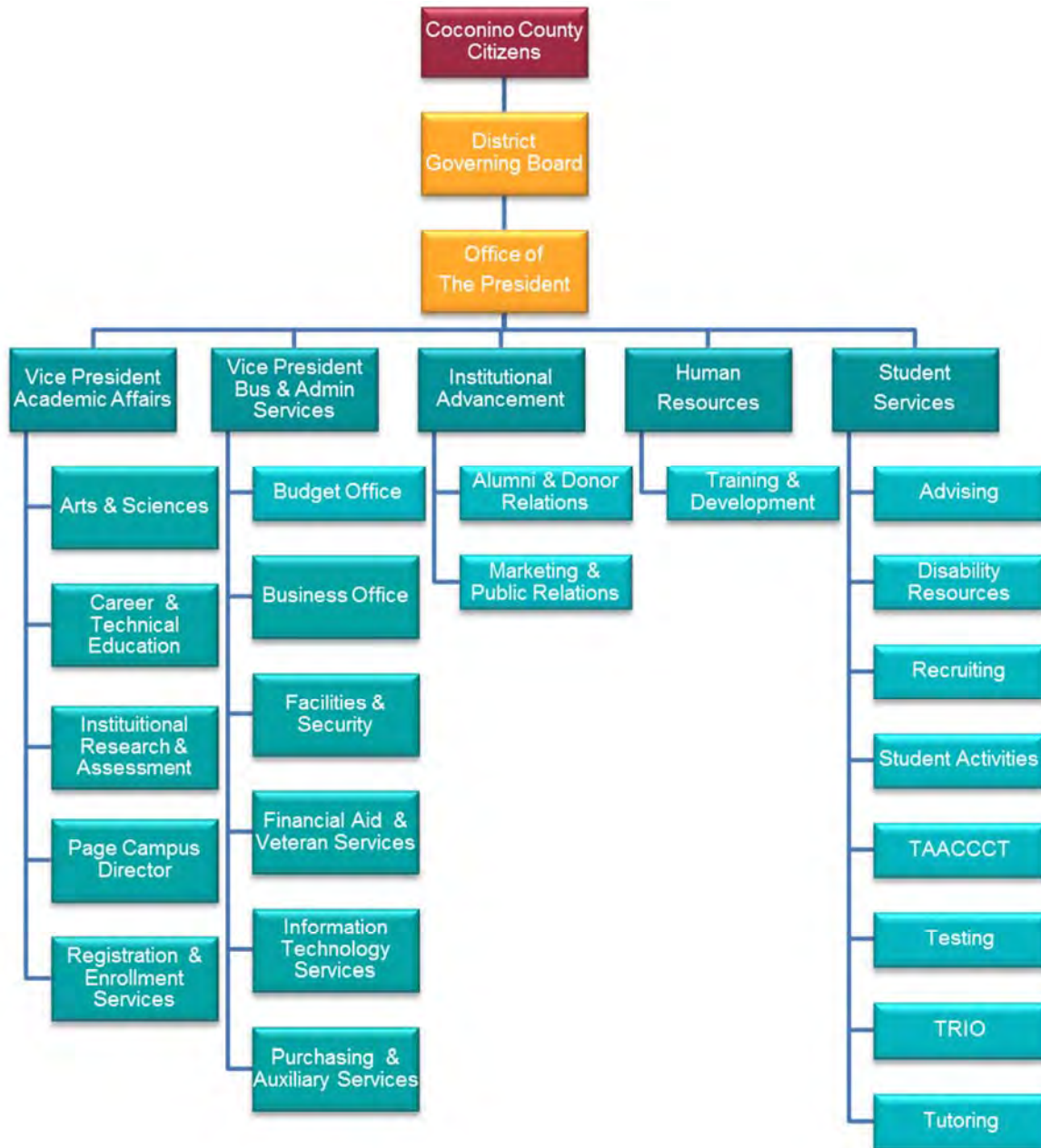
Dr. Leah L. Bornstein, President

Ms. Jami Van Ess, Vice President for Business and Administrative Services

Dr. Russ Rothamer, Vice President for Academic Affairs

Coconino County Community College District

Organizational Chart





Vision, Mission, Purposes & Core Values

Vision

Leading our communities in lifelong learning.

Mission

As a learning-centered college, we enrich lives by embracing diversity and transforming the future through quality education.

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.
- **Student Services** to facilitate access to the college and to support learners' attainment of educational goals.
- **Cultural and Community Service** to provide programs that celebrate cultural diversity and awareness, encourage volunteer service, support community awareness, protect public welfare, and support fine and performing arts.

Core Values

We – the District Governing Board and employees of Coconino Community College – are dedicated to providing quality educational opportunities to our community. In doing so, we commit to the following core values to guide our decisions and behaviors as we seek to meet the changing needs, aspirations, and goals of our community:

- **People** – We strive to accept the uniqueness of each individual and the contribution each person makes. We strive to create a caring, accepting, and productive environment for our students, employees, and community.
- **Learning and Growth** – We are dedicated to providing lifelong learning opportunities for our students, employees, and community to empower them to achieve their dreams. In this endeavor, we create learning opportunities that are accessible and relevant to our students and place the learner first.
- **Quality** – We recognize the importance of continually improving our educational offerings and services and the need to hold our students and ourselves to high expectations and standards. We employ a dynamic, strategic planning process and constantly assess our activities to be responsive and accountable to our students, employees, and community.
- **Ethics** – We believe that to be effective we must demonstrate integrity. Therefore, we uphold the highest ethical standards in all of our activities resulting in a responsible and fair environment for our students, employees, and community and a responsive and open decision-making process.
- **Community** – We exist for our community; therefore, we must be responsive to its changing needs and its diversity. To do so, we strive to provide services that are timely, accessible, and affordable. We also pursue partnerships and collaborations throughout our community to be responsive to the needs of our diverse populations.
- **Respect** – We recognize that learning cannot occur without respect. We are committed to the acceptance of diverse cultures, differing ideas and beliefs, and the uniqueness of each individual since these are the foundations of respect.
- **Sustainability** – We commit to innovative thinking to guide our decisions toward sustainable practices in our living and working environments. In this earnest endeavor, we strive to demonstrate adaptive leadership, eco-friendly stewardship and quality education a mindful and economically feasible manner.

Financial Section



Independent Auditor's Report

The Auditor General of the State of Arizona
The Governing Board of
Coconino County Community College District

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the Coconino County Community College District (the "District") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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 report of the other auditors. 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 Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the discretely presented component unit were not audited by the other auditors in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud, or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, 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 Coconino County Community College District as of June 30, 2014, 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.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the Management's Discussion and Analysis and Postemployment Health Care Benefits Schedule of Funding Progress be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2014, 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

REDW LLC

Phoenix, Arizona
November 18, 2014

Coconino County Community College District

Management's Discussion and Analysis

Fiscal Year Ended June 30, 2014

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, 2014. 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 (GAAP) 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, 2014. It shows the assets owned or controlled, related liabilities and other obligations, 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, 2014. 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.

Coconino County Community College District
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2014

The *Statement of Cash Flows* reflects the inflows and outflows of cash and cash equivalents for the year ended June 30, 2014. 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.

Although the primary focus of this document is on the results and activity for fiscal year 2013-14 (FY2014), comparative data is presented for the previous fiscal year 2012-13 (FY2013). 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.

Coconino County Community College District
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2014

Condensed Financial Information

Net Position

	<i>As of June 30, 2014</i>	<i>As of June 30, 2013</i>	<i>Percent Change</i>
Current assets	\$ 19,453,275	\$ 18,253,719	6.6%
Capital assets, net	24,708,449	25,522,312	-3.2%
Total assets	44,161,724	43,776,031	0.9%
Other liabilities	2,394,711	2,091,300	14.5%
Long-term liabilities	10,572,292	12,227,826	-13.5%
Total liabilities	12,967,003	14,319,126	-9.4%
Deferred Inflows of Resources	205,475	0	100.0%
Net investment in capital assets	15,243,449	14,266,407	6.8%
Restricted net position	235,858	382,732	-38.4%
Unrestricted net position	15,509,939	14,807,766	4.7%
Total net position	\$ 30,989,246	\$ 29,456,905	5.2%

Revenues, Expenses, and Changes in Net Position

	<i>For the Year Ended June 30, 2014</i>	<i>For the Year Ended June 30, 2013</i>	<i>Percent Change</i>
Operating revenues	\$ 6,370,118	\$ 6,305,018	1.0%
Operating expenses:			
Educational and general	20,660,728	20,435,814	1.1%
Auxiliary enterprises	42,631	47,934	-11.1%
Depreciation	1,158,967	1,152,473	0.6%
Total operating expenses	21,862,326	21,636,221	1.0%
Operating loss	(15,492,208)	(15,331,203)	1.1%
Nonoperating revenues and expenses	17,024,549	16,901,586	0.7%
Increase in net position	1,532,341	1,570,383	-2.4%
Net position, beginning of year	29,456,905	27,886,522	5.6%
Net position, end of year	\$ 30,989,246	\$ 29,456,905	5.2%

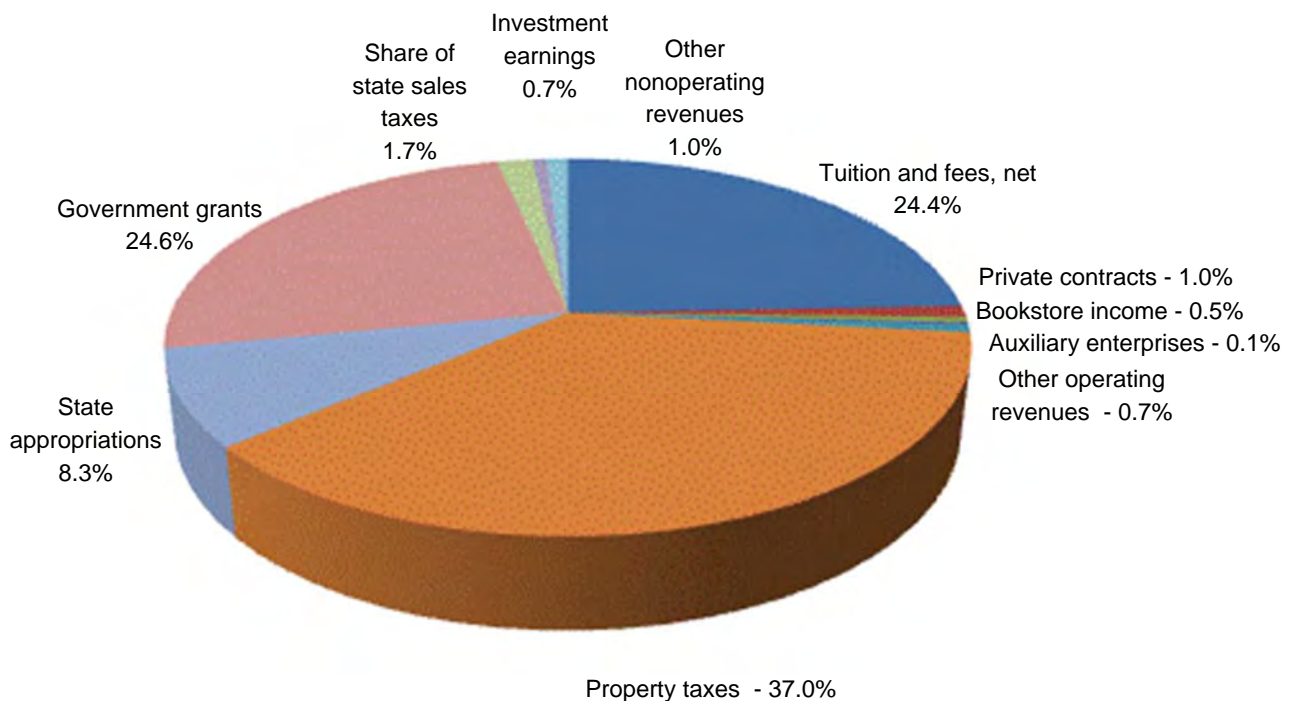
Coconino County Community College District Management's Discussion and Analysis Fiscal Year Ended June 30, 2014

The following schedule presents a summary of revenues for the fiscal year ended June 30, 2014 with comparative totals for June 30, 2013.

<i>Revenues by Source</i>	FY2014		FY2013		Increase/(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Operating revenues						
Tuition and fees, net of scholarship allowances	\$ 5,824,646	24.4%	\$ 5,720,395	23.5%	\$ 104,251	1.8%
Private contracts	230,495	1.0%	260,268	1.1%	(29,773)	-11.4%
Bookstore income	109,572	0.5%	107,165	0.4%	2,407	2.2%
Auxiliary enterprises	32,409	0.1%	30,427	0.1%	1,982	6.5%
Other operating revenues	172,996	0.7%	186,763	0.8%	(13,767)	-7.4%
Total operating revenues	6,370,118	26.7%	6,305,018	25.9%	65,100	1.0%
Nonoperating revenues						
Property taxes	8,821,432	37.0%	8,665,876	35.6%	155,556	1.8%
State appropriations	1,987,900	8.3%	1,847,900	7.6%	140,000	7.6%
Government grants	5,876,946	24.6%	5,756,880	23.6%	120,066	2.1%
Share of state sales taxes	411,399	1.7%	1,397,232	5.7%	(985,833)	-70.6%
Investment earnings	157,238	0.7%	220,413	0.9%	(63,175)	-28.7%
Other nonoperating revenues	243,065	1.0%	165,553	0.7%	77,512	46.8%
Total nonoperating revenues	17,497,980	73.3%	18,053,854	74.1%	(555,874)	-3.1%
Total revenues	\$ 23,868,098	100.0%	\$ 24,358,872	100.0%	\$ (490,774)	-2.0%

Revenues by Source FY2014

(\$23,868,098 Total)



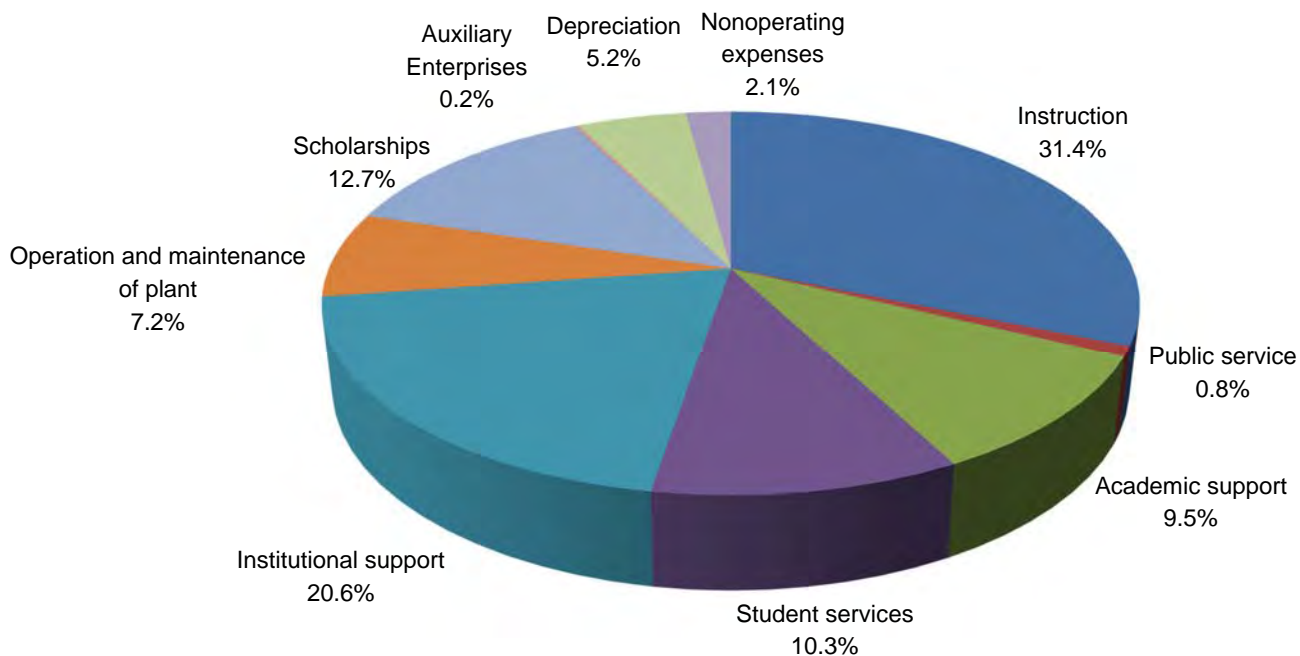
Coconino County Community College District Management's Discussion and Analysis Fiscal Year Ended June 30, 2014

The following schedule presents a summary of expenses for the fiscal year ended June 30, 2014, with comparative totals for June 30, 2013.

<i>Expenses by Function</i>	FY2014		FY2013		Increase/(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
<u>Operating expenses</u>						
Education and general:						
Instruction	\$ 7,011,749	31.4%	\$ 6,968,576	30.6%	\$ 43,173	0.6%
Public service	188,542	0.8%	277,784	1.2%	(89,242)	-32.1%
Academic support	2,133,089	9.5%	1,530,442	6.7%	602,647	39.4%
Student services	2,297,462	10.3%	2,057,591	9.0%	239,871	11.7%
Institutional support	4,593,895	20.6%	4,625,012	20.3%	(31,117)	-0.7%
Operation and maintenance of plant	1,609,864	7.2%	1,782,987	7.8%	(173,123)	-9.7%
Scholarships	2,826,127	12.7%	3,193,422	14.0%	(367,295)	-11.5%
Auxiliary enterprises	42,631	0.2%	47,934	0.2%	(5,303)	-11.1%
Depreciation	1,158,967	5.2%	1,152,473	5.1%	6,494	0.6%
Total operating expenses	<u>21,862,326</u>	<u>97.9%</u>	<u>21,636,221</u>	<u>94.9%</u>	<u>226,105</u>	<u>1.0%</u>
<u>Nonoperating expenses</u>						
Interest expense on debt	473,431	2.1%	430,536	1.9%	42,895	10.0%
Loss on disposal of capital assets	-	0.0%	721,732	3.2%	(721,732)	-100.0%
Total nonoperating expenses	<u>473,431</u>	<u>2.1%</u>	<u>1,152,268</u>	<u>5.1%</u>	<u>(678,837)</u>	<u>-58.9%</u>
Total expenses	<u>\$ 22,335,757</u>	<u>100.0%</u>	<u>\$ 22,788,489</u>	<u>100.0%</u>	<u>\$ (452,732)</u>	<u>-2.0%</u>

Expenses by Function FY2014

(\$22,335,757 Total)



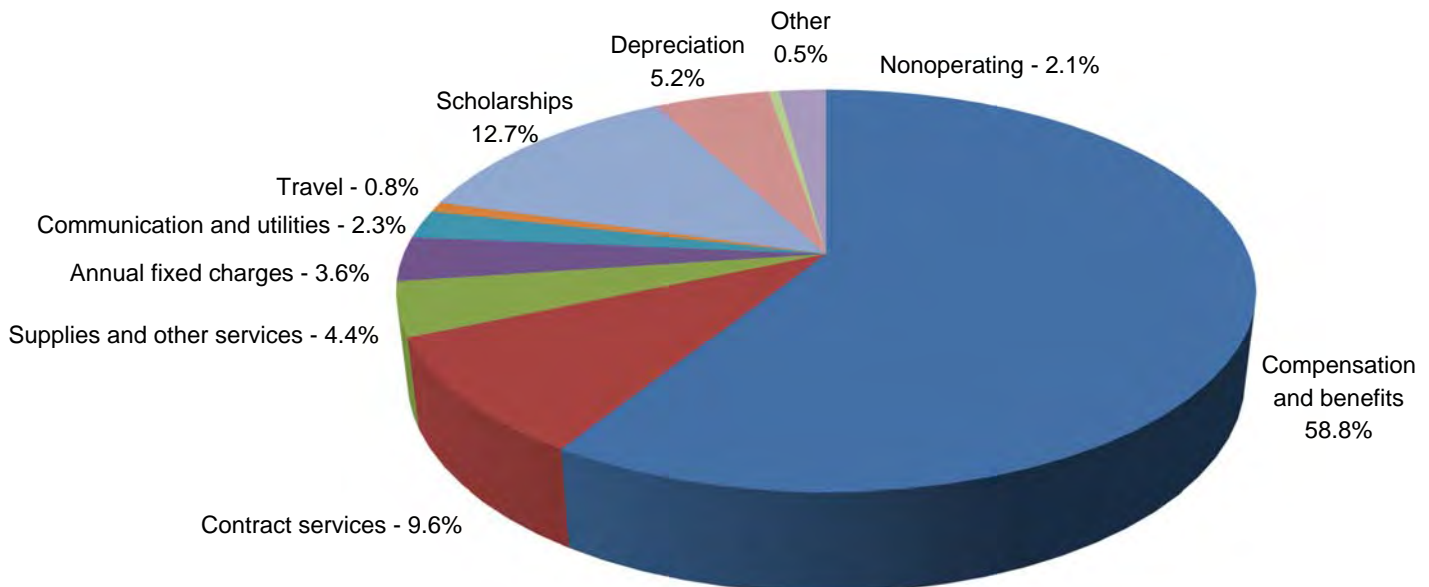
Coconino County Community College District Management's Discussion and Analysis Fiscal Year Ended June 30, 2014

The following schedule presents a summary of expenses by natural classification for the fiscal year ended June 30, 2014, with comparative totals for June 30, 2013.

<i>Expenses by Natural Classification</i>	FY2014		FY2013		Increase/(Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
<u>Operating expenses</u>						
Compensation and benefits	\$ 13,144,746	58.8%	\$ 13,060,466	57.3%	\$ 84,280	0.6%
Contract services	2,145,352	9.6%	1,597,439	7.0%	547,913	34.3%
Supplies and other services	973,573	4.4%	1,085,058	4.8%	(111,485)	-10.3%
Annual fixed charges	797,556	3.6%	741,161	3.2%	56,395	7.6%
Communication and utilities	508,498	2.3%	560,778	2.5%	(52,280)	-9.3%
Travel	180,525	0.8%	178,235	0.8%	2,290	1.3%
Scholarships	2,849,182	12.7%	3,209,879	14.1%	(360,697)	-11.2%
Depreciation	1,158,967	5.2%	1,152,473	5.0%	6,494	0.6%
Other	103,927	0.5%	50,732	0.2%	53,195	104.9%
Total operating expenses	21,862,326	97.9%	21,636,221	94.9%	226,105	1.0%
<u>Nonoperating expenses</u>						
Interest expense on debt	473,431	2.1%	430,536	1.9%	42,895	10.0%
Loss on disposal of capital assets	-	0.0%	721,732	3.2%	(721,732)	-100.0%
Total nonoperating expenses	473,431	2.1%	1,152,268	5.1%	(678,837)	-58.9%
Total expenses	\$ 22,335,757	100.0%	\$ 22,788,489	100.0%	\$ (452,732)	-2.0%

Expenses by Natural Classification FY2014

(\$22,335,757 Total)



Coconino County Community College District Management's Discussion and Analysis Fiscal Year Ended June 30, 2014

Financial Highlights and Analysis

Statement of Net Position

Total net position for the Coconino County Community College District increased by \$1,532,341, or 5.2%, from fiscal year 2013 to fiscal year 2014. The main explanation for this increase is that the District was 3% under their operating budget resulting in a net position increase. The District budgeted a \$1 million General Fund contingency, which was not expended. There were also salary savings from vacancies and turnover.

Current assets increased by 6.6% with the largest increase in cash and investments as well as an increase in receivables. Student receivables increased 89% due to an outstanding payment from the Flagstaff Unified School District for dual enrollment courses. This payment was received in July of 2014 and is no longer outstanding. Capital assets decreased by 3.2% due to depreciation expense in excess of new capital additions. Current liabilities increased 14.5%, with the majority of the increase being due to an increase in accounts payable, accrued payroll and employee benefits, and deferred revenues. Accounts payable increased 15.8% - also due to the FUSD dual enrollment program. The College owed funds back to FUSD which was remitted upon receiving the outstanding payment from them in July. Accrued payroll and employee benefits increased 11% due to an increase in the required President's sabbatical liability. Unearned revenues increased from earlier Fall registrations and a change in the fee structure that was adopted for FY2015, increasing unearned class fee revenue for differential tuition pricing. More detail on FY14 assets and liabilities 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 94.3% of revenues. These are tuition and fees, property taxes, state appropriations, and government grants and contracts. Total revenue for the District decreased \$490,774, or 2.0%, in fiscal year 2014 from the fiscal year 2013 total. Operating revenues increased 1.0% due to an increase in the per credit hour tuition rate. Changes in each revenue source are described below:

- Tuition and fees (net of scholarship allowances) increased \$104 thousand, or 1.8%. The District Governing Board adopted a \$2 per credit hour resident tuition rate increase (2.3% rate increase) for FY2014. This tuition rate increase was offset by a small decrease in total FTSE compared to the prior year.
- Private contracts decreased \$30 thousand, or 11.4%. The community and corporate learning division of the College had significant staff turnover resulting in lower training revenue. This mission was eliminated by the District Governing Board as part of the budget austerity plan.
- The College collects a percentage of sales from the Bookstore through a contract with a third party vendor. Bookstore income increased \$2,407, or 2.2%, for FY2014.

**Coconino County Community College District
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2014**

- Auxiliary enterprises revenue increased \$1,982 or 6.5% from FY2013. The majority of this revenue is commission received from vending sales, which were flat in FY2014. There was an increase in auxiliary revenue received from the United Way.
- Property taxes increased \$156 thousand, or 1.8% in total. Coconino Community College is allowed 2% primary levy growth each year, plus growth for new construction. The voter approved secondary levy funds the annual debt service requirements and this levy was essentially flat.
- State appropriations increased \$140 thousand, or 7.6% as a result of new State appropriations for Science, Technology, Engineering, and Math (STEM).
- Government grants increased \$120 thousand, or 2.1%. There was an increase in funds received under the Trade Adjustment Assistance Community College and Career Training (TAACCCT) grant. This is slightly offset by a decrease in student PELL awards.
- Coconino Community College receives workforce development funding from State sales taxes. This is based on a percentage of taxable sales and this revenue increased 3.6% or about \$14 thousand from FY2013. There was also a capital allocation of \$1 million in FY2013 that was a one-time distribution related to the construction of the Lone Tree campus. Because this was a one-time allocation not received in FY14, overall State sales taxes declined 70.6%.
- Investment earnings decreased \$63 thousand, or 28.7%, due to an decline in investment recovery earnings. In FY2013 the State was able to recover some of the funds lost during prior year bankruptcies which made FY2013 investment earnings revenue unusually high.
- Other nonoperating revenue increased \$78 thousand, or 46.8%, due to an increase in in-lieu taxes.

Total operating expenses decreased by \$453 thousand, or 2.0%, from fiscal year 2013 to fiscal year 2014. The expense classifications primarily responsible for the decrease are as follows:

- Instruction expenses increased \$43 thousand, or 0.6%. There were increases in the costs for dual enrollment, general instruction, fire science, emergency medical services, and math, offset by a decrease in the cost of the community and corporate learning program that corresponds to the revenue decrease discussed in that section. There was also a decrease in the cost of the languages program.
- Public service expenses decreased \$89 thousand or 32.1%. This decrease is due to a decline in Small Business Development Center expenses for personnel.
- Academic support expenses increased \$603 thousand, or 39.4%. The cost of IT maintenance agreements went up due to a revised allocation method between academic support and general institution for these costs. Non-capital equipment

**Coconino County Community College District
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2014**

purchases were higher in FY2014. Academic support expenses increased by \$322 thousand for expenses related to the TAACCCT grant and was covered by an increase in government grant revenue discussed above.

- Student services expenses increased \$240 thousand, or 11.7%. The cost of student services increased due to the TAACCCT grant. There was also a cost increase for contracted services for the disability resources program.
- Institutional support expenses decreased \$31 thousand, or 0.7% over FY2013. There was a decrease in IT maintenance agreements due to the reallocation of some of these costs towards academic support. There was a one-time increase in contracted services due to the cost of conducting the election in November.
- Operation and maintenance of plant expenses decreased \$173 thousand, or 9.7% due to a decrease in non-capital deferred maintenance projects.
- As discussed in the revenue section, scholarship expenses decreased between FY2014 and FY2013 due to the decline in student PELL. The total decrease was \$367 thousand, or 11.5%.
- Auxiliary enterprises expenses decreased \$5 thousand, or 11.1%, for expenses related to employee activities funded by a portion of vending revenue.

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, 2014, these funds amounted to approximately \$9.1 million.

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

Capital Assets

	FY 2014	FY 2013	Percent Change
Land	\$ 1,089,000	\$ 1,089,000	0.0%
Buildings	21,897,419	22,695,251	-3.5%
Improvements other than buildings	1,018,968	840,823	21.2%
Equipment	648,905	704,149	-7.8%
Vehicles	17,375	31,096	-44.1%
Construction in progress	36,782	161,994	-77.3%
Total capital assets	\$ 24,708,449	\$ 25,522,313	-3.2%

Total long-term liabilities decreased by a net amount of \$1,655,534 or 13.5% from fiscal year 2013. At June 30, 2014, the District had one bond issue outstanding, consisting of a general obligation refunding bond issue with an original amount of \$17,135,000. Total long-term bonded debt outstanding at June 30, 2014, is \$9,465,000.

Coconino County Community College District Management's Discussion and Analysis Fiscal Year Ended June 30, 2014

Additional information on the District's capital assets and long-term debt can be found in Notes 4 and 5, respectively, to the basic financial statements.

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. Although state aid funding of \$3,130,800 represented 45.8% of total revenues in fiscal year 2001, fiscal year 2014 state aid funding of \$1,840,000 only represents 7.7% of total revenues. State aid funding for fiscal year 2015 is appropriated at \$1,775,800, a 3.5% decrease from FY2014. Due to this historical funding trend, it is anticipated the trend of declining aid may continue. CCC 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. To accommodate the decline in state aid, tuition has increased from \$33 per credit hour in fiscal year 2001 to \$92 per credit hour (including the technology fee) in fiscal year 2014, a 179% increase over this fourteen-year period. For fiscal year 2015, a \$2 tuition increase was approved, bringing the current tuition rate to \$94 per credit hour (including the technology fee). In addition, the class fee schedule was amended to more accurately reflect the higher cost of some classes. This schedule was adopted for fiscal year 2015.

Coconino Community College also has the lowest property tax rate in the State of Arizona. Property tax revenue growth is capped, but CCC has the ability to ask voters for an override to the primary rate. In November of 2013 CCC held an election to ask voters to approve a seven year, \$4.5 million annual override to help offset the funding decreases from the State and to help maintain core programs. This election was not successful. As a result, a budget austerity plan was adopted by the District Governing Board and implementation of this plan has begun. The plan includes \$431,000 in revenue increases (including the differential tuition rate schedule discussed above) and \$855,000 in program reductions. More information on the budget austerity plan can be found in the introductory section of this document.

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 Comprehensive Annual Financial Report or requests for additional financial information should be addressed to the Director of Accounting and Finance, 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, 2014

	Business-Type Activities
Assets	
Current assets:	
Cash in bank and on hand	\$ 1,867,342
Cash and investments held by the County Treasurer	16,316,717
Investments	44,642
Receivables:	
Property taxes (net of allowances of \$76,440)	189,030
Government grants and contracts	284,076
Other (net of allowances of \$198,700)	694,527
Inventories	15,675
Prepaid items	41,266
Total current assets	<u>19,453,275</u>
Noncurrent assets:	
Capital assets, not being depreciated	1,125,782
Capital assets, being depreciated, net	<u>23,582,667</u>
Total noncurrent assets	<u>24,708,449</u>
Total assets	<u>44,161,724</u>
Liabilities	
Current liabilities:	
Accounts payable	590,125
Accrued payroll and employee benefits	1,062,616
Unearned revenues	677,784
Deposits held in custody for others	64,186
Current portion of compensated absences payable	93,633
Current portion of long-term debt	1,690,000
Total current liabilities	<u>4,178,344</u>
Noncurrent liabilities:	
Compensated absences payable	483,158
Long-term debt	<u>8,305,501</u>
Total noncurrent liabilities	<u>8,788,659</u>
Total liabilities	<u>12,967,003</u>
Deferred Inflows of Resources	
Deferred credit on debt refunding	205,475
Total deferred inflows of resources	<u>205,475</u>
Net Position	
Net investment in capital assets	15,243,449
Restricted:	
Expendable:	
Debt service	235,858
Unrestricted	15,509,939
Total net position	<u>\$ 30,989,246</u>

See accompanying notes to financial statements.

Coconino County Community College District
Statement of Financial Position - Component Unit
June 30, 2014

	Coconino Community College Foundation
Assets	
Current assets:	
Cash and cash equivalents	\$ 183,829
Investments, at market	808,658
Total Current Assets	<u>992,487</u>
 Total Assets	 <u><u>\$ 992,487</u></u>
 Liabilities	
Current Liabilities	
Deferred revenue	\$ 10,250
CC College payable	20,479
Total Current Liabilities	<u>30,729</u>
 Net Assets	
Unrestricted	214,038
Temporarily restricted	367,829
Permanently restricted	379,891
Total Net Assets	<u>961,758</u>
 Total Liabilities and Net Assets	 <u><u>\$ 992,487</u></u>

See accompanying notes to financial statements.

Coconino County Community College District
Statement of Revenues, Expenses, and Changes in Net Position - Primary Government
Year Ended June 30, 2014

	Business-Type Activities
Operating revenues:	
Tuition and fees (net of scholarship allowances of \$1,509,886)	\$ 5,824,646
Private contracts	230,495
Bookstore income	109,572
Auxiliary enterprises	32,409
Other	172,996
Total operating revenues	<u>6,370,118</u>
Operating expenses:	
Educational and general:	
Instruction	7,011,749
Public service	188,542
Academic support	2,133,089
Student services	2,297,462
Institutional support	4,593,895
Operation and maintenance of plant	1,609,864
Scholarships	2,826,127
Auxiliary enterprises	42,631
Depreciation	1,158,967
Total operating expenses	<u>21,862,326</u>
Operating loss	<u>(15,492,208)</u>
Nonoperating revenues (expenses):	
Property taxes	8,821,432
State appropriations	1,987,900
Government grants	5,876,946
Share of state sales taxes	411,399
Investment earnings	157,238
Other nonoperating revenue	243,065
Interest expense on debt	(473,431)
Total nonoperating revenues (expenses)	<u>17,024,549</u>
Income before other revenues, expenses, gains, or losses	1,532,341
Increase in net position	<u>1,532,341</u>
Total net position, July 1, 2013	<u>29,456,905</u>
Total net position, June 30, 2014	<u><u>\$ 30,989,246</u></u>

See accompanying notes to financial statements.

Coconino County Community College District
Statement of Activities - Component Unit
Year Ended June 30, 2014

	Coconino Community College Foundation			
	Unrestricted	Temporarily Restricted	Permanently Restricted	TOTAL
Revenue, Gains and Other Support				
Public contributions	\$ 208,213	\$ 182,263	\$ 15,460	\$ 405,936
Revenues	18,258	33,267	-	51,525
Investment earnings	7,141	14,094	-	21,235
Realized gain on investments	2,842	5,611	-	8,453
Unrealized gain on investments	20,612	40,687	-	61,299
Net assets released from restrictions	209,902	(209,902)	-	-
Total Revenue, Gains and Other Support	466,968	66,020	15,460	548,448
Expenses and Losses				
Program services	384,019	-	-	384,019
Supporting services	53,533	-	-	53,533
Total Expenses and Losses	437,552	-	-	437,552
Increase in Net Assets	29,416	66,020	15,460	110,896
Net Assets, beginning of year	184,622	301,809	364,431	850,862
Net Assets, end of year	<u>\$ 214,038</u>	<u>\$ 367,829</u>	<u>\$ 379,891</u>	<u>\$ 961,758</u>

See accompanying notes to financial statements.

Coconino County Community College District
Statement of Cash Flows - Primary Government
Year Ended June 30, 2014

	Business-Type Activities
Cash flows from operating activities:	
Tuition and fees	\$ 7,187,980
Private contracts	229,971
Bookstore receipts	106,291
Auxiliary enterprises	35,303
Other receipts	172,995
Payments for employee wages and benefits	(12,903,940)
Payments to suppliers and providers of goods and services	(4,702,861)
Payments to students for scholarships	(4,359,067)
Net cash used for operating activities	<u>(14,233,328)</u>
Cash flows from noncapital financing activities:	
Property taxes - primary	6,985,343
State appropriations	1,987,900
Government grants	5,860,665
Share of state sales taxes	411,399
Other noncapital financing	192,089
Federal direct lending receipts	3,617,486
Federal direct lending disbursements	(3,617,486)
Deposits held in custody for others received	1,240,656
Deposits held in custody for others disbursed	(1,224,859)
Net cash provided by noncapital financing activities	<u>15,453,193</u>
Cash flows from capital and related financing activities:	
Property taxes - secondary	1,871,688
Other capital financing	50,976
Purchases of capital assets	(345,104)
Principal paid on capital debt	(1,620,000)
Interest paid on capital debt	(438,862)
Net cash used for capital and related financing activities	<u>(481,302)</u>
Cash flows from investing activities:	
Interest received on investments	157,239
Net cash provided by investing activities	<u>157,239</u>
Net increase in cash and cash equivalents	895,802
Cash and cash equivalents, July 1, 2013	17,332,899
Cash and cash equivalents, June 30, 2014	<u>\$ 18,228,701</u>

See accompanying notes to financial statements.

(continued)

**Coconino County Community College District
Statement of Cash Flows - Primary Government
Year Ended June 30, 2014**

	Business-Type Activities
Reconciliation of operating loss to net cash used for operating activities:	
Operating loss	\$ (15,492,208)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation	1,158,967
Increase in OPEB obligation	119,520
Changes in assets and liabilities:	
Increase in:	
Prepaid items	(14,473)
Other receivables	(299,515)
Inventories	(7,872)
Accounts payable	80,604
Accrued payroll and employee benefits	105,434
Unearned revenues	100,363
Compensated absences payable	15,852
Net cash used for operating activities	<u>\$ (14,233,328)</u>
 Reconciliation of cash and cash equivalents to the Statement of Net Position:	
Cash in bank and on hand	\$ 1,867,342
Cash and investments held by the County Treasurer	16,316,717
Investments	44,642
Cash and cash equivalents	<u>\$ 18,228,701</u>
 Noncash investing, capital, and noncapital financing activities:	
Amortization of deferred credit on debt refunding	\$ 69,409
Elimination of remaining bond issuance costs	\$ 103,978

See accompanying notes to financial statements.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

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, 2014, the District implemented the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB Statement No. 65 reclassifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources and recognized certain other items that were previously reported as assets and liabilities as revenues or expenses.

A. Reporting Entity

The District is a special-purpose government that is governed by a separately elected governing body. 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.

The Coconino Community College 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, 2014, the Foundation distributed \$155,113 to the District for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained from the Advancement Office, Coconino County Community College District, 2800 S. Lone Tree Road, Flagstaff, AZ 86005.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 1 - Summary of Significant Accounting Policies (continued)

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 District 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 management to be used for other than general operating purposes.

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 provide 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.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 1 - Summary of Significant Accounting Policies (continued)

C. Cash and Investments

For the statement of cash flows, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, 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.

E. Capital Assets

Capital assets are reported at actual cost. Donated assets are reported at estimated fair value at the time received.

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

	Capitalization Threshold		
Land	\$ 5,000		
		Depreciation Method	Estimated Useful Life
Buildings	\$ 5,000	straight line	40 years
Improvements other than buildings	\$ 5,000	straight line	15 years
Equipment and vehicles	\$ 5,000	straight line	5 years

F. Deferred Inflows of Resources

The statement of net position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will be recognized as a revenue in future periods.

G. Investment Earnings

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

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 1 - Summary of Significant Accounting Policies (concluded)

H. Compensated Absences

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

The PTO plan 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 PTO 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 PTO paid exceed one year's accrual. Accordingly, PTO benefits are accrued as a liability in the financial statements.

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.

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.

I. 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, 2014

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. The statutes do 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. The statutes do not include any requirements for credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the District's investments.

Deposits - At June 30, 2014, the carrying amount of the District's deposits was \$1,865,656 and the bank balance was \$1,927,142. The District does not have a formal policy with respect to custodial credit risk.

Investments—The District's investments at June 30, 2014, were as follows:

Investment Type	Amount
County Treasurer's investment pool	\$ 16,316,717
State Treasurer's investment pool 5	44,642
	<u>\$ 16,361,359</u>

The State Board of Investment provides oversight for the State Treasurer's pools. The fair value of a participant's position in the pool approximates the value of that participant's pool shares and the participant's shares are not identified with specific investments. No comparable oversight is provided for the County Treasurer's investment pool, and that pool's structure does not provide for shares.

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, 2014 was as follows:

Investment Type	Rating	Rating Agency	Amount
County Treasurer's investment pool	Unrated	Not applicable	\$ 16,316,717
State Treasurer's investment pool 5	AAAF/S1+	Standard & Poor's	44,642
			<u>\$ 16,361,359</u>

Interest rate risk—The District does not have a formal policy with respect to interest rate risk. At June 30, 2014, the District had the following investments in debt securities:

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 2 - Deposits and Investments (concluded)

Investment Type	Amount	Weighted Average Maturity in Years
County Treasurer's investment pool	\$ 16,316,717	2.52
State Treasurer's investment pool 5	44,642	0.16
	<u>\$ 16,361,359</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	\$ 1,686	Cash in bank and on hand	\$ 1,867,342
Amount of deposits	1,865,656	Cash and investments held by the County Treasurer	16,316,717
Amount of investments	16,361,359	Investments	44,642
	<u>\$ 18,228,701</u>		<u>\$ 18,228,701</u>

Note 3 - Receivables

Other receivables are shown net of related allowances for uncollectibles. A summary for other receivables at June 30, 2014, follows:

	Receivable	Allowance	Net Receivable
Vendor	\$ 164,216	\$ -	\$ 164,216
Student	728,305	198,700	529,605
Employee	706	-	706
	<u>\$ 893,227</u>	<u>\$ 198,700</u>	<u>\$ 694,527</u>

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 4 - Capital Assets

Capital asset activity for the year ended June 30, 2014, was as follows:

	Balance July 1, 2013	Increases	Decreases	Reclassifications	Balance June 30, 2014
Capital assets not being depreciated:					
Land	\$ 1,089,000	\$ -	\$ -	\$ -	\$ 1,089,000
Construction in progress	161,994	36,782	-	(161,994)	36,782
Total capital assets not being depreciated	<u>1,250,994</u>	<u>36,782</u>	<u>-</u>	<u>(161,994)</u>	<u>1,125,782</u>
Capital assets being depreciated:					
Buildings	31,913,294	-	-	-	31,913,294
Improvements other than buildings	1,282,495	108,733	-	161,994	1,553,222
Equipment	2,993,104	199,588	-	-	3,192,692
Vehicles	266,946	-	-	-	266,946
Total capital assets being depreciated	<u>36,455,839</u>	<u>308,321</u>	<u>-</u>	<u>161,994</u>	<u>36,926,154</u>
Less accumulated depreciation for:					
Buildings	9,218,043	797,832	-	-	10,015,875
Improvements other than buildings	441,672	92,582	-	-	534,254
Equipment	2,288,955	254,832	-	-	2,543,787
Vehicles	235,850	13,721	-	-	249,571
Total accumulated depreciation	<u>12,184,520</u>	<u>1,158,967</u>	<u>-</u>	<u>-</u>	<u>13,343,487</u>
Total capital assets being depreciated, net	<u>24,271,319</u>	<u>(850,646)</u>	<u>-</u>	<u>161,994</u>	<u>23,582,667</u>
Capital assets, net	<u>\$25,522,313</u>	<u>\$ (813,864)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,708,449</u>

Note 5 - Long-Term Liabilities

The following schedule details the District's long-term liability and obligation activity for the year ended June 30, 2014:

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due within 1 year
Bonds payable:					
General obligation refunding bonds	\$ 11,085,000	\$ -	\$ 1,620,000	\$ 9,465,000	\$ 1,690,000
Prepaid bond issuance costs	(103,978)	-	(103,978)	-	-
OPEB obligation	410,981	119,520	-	530,501	-
Compensated absences payable	560,939	528,987	513,135	576,791	93,633
	<u>\$ 11,952,942</u>	<u>\$ 648,507</u>	<u>\$ 2,029,157</u>	<u>\$ 10,572,292</u>	<u>\$ 1,783,633</u>

Bonds - The District's bonded debt consists of general obligation refunding bonds that are generally callable with interest payable semiannually. The District repays general obligation refunding bonds from voter-approved property taxes. The original amount of general obligation refunding bonds issued was \$17,135,000.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 5 - Long-Term Liabilities (concluded)

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for these defeased bonds are not included in the District's financial statements. At June 30, 2014, the following outstanding bonds were considered defeased:

<u>Description</u>	<u>Amount</u>
General Obligation Bonds, Series A (1999)	\$14,520,000

Bonds outstanding at June 30, 2014, were as follows:

Description	Original Amount	Maturities	Interest Rates	Outstanding Principal
General obligation refunding bonds, Series 2009	\$ 17,135,000	annually through 7/1/2019	2.00% - 5.00%	\$ 9,465,000

Under Article IX of the Arizona Constitution, the total amount of indebtedness of the District may not exceed 15% of the County's secondary property assessed valuation. The bonds are subject to federal arbitrage regulations.

The following schedule details debt service requirements to maturity for the District's bonds payable at June 30, 2014:

Year Ending June 30	General Obligation Refunding Bonds	
	Principal	Interest
2015	\$ 1,690,000	\$ 394,313
2016	1,785,000	332,413
2017	1,885,000	266,225
2018	1,985,000	200,250
2019	2,120,000	106,000
Total	<u>\$ 9,465,000</u>	<u>\$ 1,299,201</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, employee's health, and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 6 - Risk Management (concluded)

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, 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 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 - Operating Leases

The District leases the land on which the Fourth Street campus resides. The lease agreement is classified as an operating lease for accounting purposes. Rental expenses under the terms of the operating lease were \$41,681 for the year ended June 30, 2014.

The operating lease has a remaining noncancelable term of 10 years, and allows four renewal options for eleven years each. Rental payments may be adjusted every five years based on changes in the Consumer Price Index (CPI). The following future minimum payments were required under the operating lease at June 30, 2014:

Year ending June 30	
2015	\$ 45,451
2016	45,451
2017	45,451
2018	45,451
2019	45,451
2020-2024	227,255
Total minimum lease payments	<u>\$ 454,510</u>

Note 8 - Pension and Other Postemployment Benefits

A. Pension Benefits

Arizona State Retirement System

Plan description - The District contributes to a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health insurance premium benefit plan; and a cost-sharing, multiple-employer defined benefit long-term

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 8 - Pension and Other Postemployment Benefits (continued)

disability plan, all of which the Arizona State Retirement System administers. The Arizona State Retirement System (through its Retirement Fund) provides retirement (i.e., pension), death, and survivor benefits; the Health Benefit Supplement Fund provides health insurance premium benefits (i.e., monthly subsidy); and the Long-Term Disability Fund provides long-term disability benefits. State statute establishes benefits. The Arizona State Retirement System Board governs the system according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The System issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report is available on its website www.azasrs.gov; by writing the Arizona State Retirement System, 3300 N. Central Ave., P.O. Box 33910, Phoenix, AZ 85067-3910; or by calling 602-240-2000 or 800-621-3778.

Funding policy - The Arizona State Legislature establishes and may amend active plan members' and the District's contribution rates. For the year ended June 30, 2014, statute required active plan members to contribute at the actuarially determined rate of 11.54 percent (11.30 percent retirement and 0.24 percent long-term disability) of the members' annual covered payroll and statute required the District to contribute at the actuarially determined rate of 11.54 percent (10.70 percent for retirement, 0.60 percent for health insurance benefit, and 0.24 percent for long-term disability) of the members' annual covered payroll.

The District's contributions for the current and two preceding years, all of which were equal to the required contributions, were as follows:

	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
Year ended June 30			
2014	\$ 758,569	\$ 44,404	\$ 17,033
2013	730,533	46,326	16,879
2012	676,181	43,161	16,444

Optional Retirement Plan

Plan description—In September 2001, the District implemented an Optional Retirement Plan (ORP), allowing the employee to opt out of the Arizona State Retirement System and establish a defined contribution account with one of three independent providers: ING Life Insurance and Annuity Company; Variable Annuity Life Insurance Company (VALIC); or Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA-CREF). The ORP generally provides retirement, death, long-term disability, and survivor benefits. The ORP is intended to constitute a qualified plan within the meaning of Section

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 8 - Pension and Other Postemployment Benefits (continued)

401(a) of the Internal Revenue Code of 1986 (the Code), as amended, and to constitute a qualified pick-up plan within the meaning of Section 414(h)(2) of the Code, and is authorized by A.R.S. Title 15, Chapter 12, Article 3. Plan contributions are invested, at the direction of each participant, in one or more funding vehicles available to participants under the ORP. ORP contributions are held for the exclusive benefit of the participants.

Funding policy—The District Governing Board establishes and may amend active plan members' and the District's contribution rates. For the year ended June 30, 2014, active participants were required to contribute 11.73 percent (11.30 percent retirement and 0.43 percent long-term disability) of the members' annual covered payroll. The District was required to contribute 11.73 percent (11.30 percent retirement and 0.43 percent long-term disability) of the members' annual covered payroll.

The District's contributions for the current and two preceding years, all of which were equal to the required contributions, were as follows:

	Retirement Fund	Long-Term Disability Fund
Year ended June 30		
2014	\$ 121,858	\$ 4,637
2013	114,101	4,503
2012	90,802	3,754

B. Postemployment Health Care Benefits

The District follows Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (GASB Statement No. 45), for certain postemployment health care benefits provided by the Northern Arizona Public Employee Benefit Trust (NAPEBT). Under the requirements of GASB Statement No. 45, the actuarially determined liability of \$661,332 as of July 1, 2014, is being amortized over 30 years at a level dollar amount.

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 a 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.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 8 - Pension and Other Postemployment Benefits (continued)

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 College with five years of service as a benefit eligible employee and apply for and receive retirement benefits from either the Arizona State Retirement System or the Optional Retirement Plan. 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.

If a covered retiree terminates coverage for any reason, coverage cannot be reinstated. The District does not issue a stand-alone annual report for the plan.

Funding policy – Benefit provisions are pursuant to the District's policy and can be amended by the District Governing Board. The District has not advance-funded or established a funding methodology for the annual Other Post Employment Benefit (OPEB) costs or the net OPEB obligation. For the 2013-14 fiscal year, five retirees received postemployment healthcare benefits.

The District's annual postemployment benefit cost for the current and 2 preceding years and the contributions were as follows:

Year ended June 30	Annual Postemployment Benefit Cost	Contribution Toward the OPEB Cost	Percentage of the Postemployment Benefit Cost Contributed
2014	\$ 119,520	\$ -	0%
2013	121,512	-	0%
2012	98,526	11,064	11%

Annual OPEB Cost and Net OPEB Obligation – The District's annual OPEB cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the District's OPEB obligation.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 8 - Pension and Other Postemployment Benefits (continued)

Description	Year Ending June 30	2014	Amount 2013	2012
Normal cost (service cost for one year)		\$ 77,206	\$ 77,206	\$ 62,726
Amortization of the unfunded actuarial:				
Accrued liability		43,614	43,614	34,727
Adjustment for timing to end of fiscal year		5,437	5,437	4,385
Interest on normal cost and amortization		-	-	-
Annual required contribution (ARC)		126,257	126,257	101,838
Interest on net OPEB obligation		18,494	13,026	9,090
Adjustment to annual required contribution		(25,231)	(17,771)	(12,402)
Annual OPEB Cost		119,520	121,512	98,526
Contribution toward the OPEB cost		-	-	11,064
Increase in net OPEB obligation		119,520	121,512	87,462
Net OPEB obligation, beginning of year		410,981	289,469	202,007
Net OPEB obligation, end of year		\$ 530,501	\$ 410,981	\$ 289,469

Funded Status and Fund Progress – As of June 30, 2014, the actuarial accrued liability for benefits was \$661,332 and is unfunded. The covered payroll (annual payroll of active participating employees as of the actuarial valuation date) was \$7,354,691 while the ratio of the unfunded actuarial accrued liability to the covered payroll was 8.99%.

Actuarial Methods and Assumptions – Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about future employment and termination, mortality, and health care trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. 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.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 8 - Pension and Other Postemployment Benefits (concluded)

Method/Assumption	
Valuation date	July 1, 2014
Actuarial cost method	Entry Age, Level Dollar
Initial amortization period, level dollar amortization method, open period	30 years
Remaining amortization period as of July 1, 2014	30 years
Investment rate of return	4.50%
Medicare coverage age	65
Retirement and disability age	ASRS assumptions
Health care cost trend range	5% - 8%
Participation assumption	75%
Active members	135
Retirees currently receiving benefits	5
Inflation Rate	N/A

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	\$ 13,144,746
Contract services	2,145,352
Supplies and other services	973,573
Annual fixed charges	797,556
Communication and utilities	508,498
Travel	180,525
Scholarships	2,849,182
Depreciation	1,158,967
Other	103,927
Total	<u>\$ 21,862,326</u>

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 10 - Discretely Presented Component Unit Disclosures

Coconino Community College Foundation

1. Nature of Activities and Summary of Significant Accounting Policies

Nature of the Organization

Coconino Community College Foundation was founded in 1993 under Arizona law as a non-profit corporation. The mission of the Foundation is to promote the purposes and goals of Coconino Community College (CC College), thereby enhancing the opportunities of Coconino residents. It is the fund raising organization 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 research, teaching and service functions of the College, and to make or receive grants and loans of corporate property for the purposes of the College.

Basis of Accounting

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

Financial Statement Presentation

The Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Functional Expense Reporting

The costs of providing program and supporting services have been summarized by function, based upon estimates developed by management.

Income Taxes

The Foundation is a public foundation and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 43-1201 of the Arizona Revised Statutes. Therefore, the accompanying financial statements contain no provision or liability for income taxes. Donations to the Foundation qualify for the charitable deduction under Internal Revenue Section 170(b)(1)(A).

The Foundation files information tax returns with the US federal and Arizona state governments. With few exceptions, the Foundation is no longer subject to US federal and state income tax examinations by tax authorities for years before 2010 (federal) and 2009 (Arizona) as of the year ended June 30, 2014.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 10 - Discretely Presented Component Unit Disclosures (continued)

Contributions and Life Annuity Gifts

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. In addition, the Foundation records life annuity contracts as gifts. All contributions, support and revenue are considered to be unrestricted unless specifically restricted by the donor. As restrictions are met, these revenues become unrestricted and are then allowed to be expended.

Promises to Give

Contributions are recognized at their fair values when the donor makes a promise in writing to give to the Foundation that is, in substance, unconditional. Restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows.

The Foundation had no unconditional promises to give as of June 30, 2014.

Donated Goods and Services

The Foundation values donated goods and services at their fair market value as of the date of the donation if the services create or enhance a non-financial asset or require specialized skills, are provided by individuals possessing those skills, and would be purchased if not provided by donation.

Cash and Cash Equivalents

The Foundation considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the Statement of Financial Position. 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 value as of the date executed. On an annual basis, all investment income shall be calculated and then allocated between unrestricted, temporarily restricted, and permanently restricted net assets in accordance with the Foundation's policy.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 10 - Discretely Presented Component Unit Disclosures (continued)

Date of Management's Review

Management has reviewed events subsequent to June 30, 2014 up through the date the financial statements were available to be issued, October 14, 2014, to evaluate their effect on the fair presentation of the financial statements. As of the date the financial statements were available to be issued, there have been no events subsequent to June 30, 2014 that are required to be disclosed in order to present fairly the financial position and changes in net assets of the Foundation.

2. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Cash and Cash Equivalents

The following were included in cash and cash equivalents as of June 30, 2014:

Checking	\$ 117,608
Petty cash	350
Fidelity cash account	65,871
	<u>\$ 183,829</u>

The Federal Deposit Insurance Corporation insures accounts up to \$250,000 per institution. As of June 30, 2014 the Foundation did not maintain cash balances in excess of this amount in their accounts. Funds deposited with Fidelity Investments are protected by the SIPC up to a ceiling of \$500,000 including a maximum of \$250,000 for cash claims. Management is aware of the risks involved and monitors these accounts regularly to keep potential risk of loss to a minimum.

4. Fair Value Measurements

The fair value of the investments is measured on a recurring basis at June 30, 2014 and is determined by reference to Level 1 inputs, which include quoted prices obtained from the principal market for the individual securities.

5. Investments

Investments are stated at fair market value as of June 30, 2014. Unless specific prohibitive clauses are contained in the gift instruments, funds are pooled for investment purposes.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 10 - Discretely Presented Component Unit Disclosures (continued)

The market value and cost of the Foundation's investments at June 30, 2014 is as follows:

	Market Value	Cost
Common stock	\$ 367,034	\$ 204,951
Corporate bonds	322,454	318,659
Mutual funds	119,170	75,647
	<u>\$ 808,658</u>	<u>\$ 599,257</u>

The following schedule summarizes investment returns and their classification in the statement of activities for the year ended June 30, 2014:

	Unrestricted	Temporarily Restricted	Total
Investment earnings	\$ 7,141	\$ 14,094	\$ 21,235
Net realized and unrealized gains (losses)	23,454	46,298	69,752
Total investment return	<u>\$ 30,595</u>	<u>\$ 60,392</u>	<u>\$ 90,987</u>

6. Donated Materials and Services

During the year ended June 30, 2014 the Foundation received the following materials and services that were donated to assist the Foundation. The value of donated materials and services is readily quantifiable and accordingly, these amounts have been recorded as revenues and expenses in the accompanying financial statements.

Audit & accounting fees	\$ 4,500
Payroll in kind	175,604
Operating costs	1,645
Facilities in kind	11,120
Paleta 2 Paleta	2,491
	<u>\$ 195,360</u>

For the year ended June 30, 2014 the Foundation received a few hundred hours of volunteer time to assist with its program. These hours are not recorded in the financial statements because they are not for specific professional services and are not readily quantifiable.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 10 - Discretely Presented Component Unit Disclosures (continued)

7. Restrictions on Net Assets

Temporarily restricted net assets are available for scholarships and discretionary spending. Discretionary spending net assets are gifts that were designated by the donors to be spent by a specific campus, area or department for general needs.

Permanently restricted net assets are to provide a permanent endowment, with the investment income restricted primarily for scholarship awards.

8. Related Party Transactions

Coconino Community College contributes to the Foundation certain supporting services per a written contract. Employees of the college perform the Foundation accounting and administrative duties. The amount included in unrestricted public contributions for these services was \$175,604 for the year ended June 30, 2014. In the opinion of management, such transactions were on substantially the same terms as those that would prevail with other unrelated persons and entities.

9. Cash Flow Information

There were no non-cash investing transactions during the year ended June 30, 2014.

There were no income taxes paid during the year ended June 30, 2014 and no interest expense was incurred for the year ended June 30, 2014.

10. Concentration Risk

During the year ending June 30, 2014, two donors' gifts comprised 37.25% of total support and revenue.

11. Schedule of Functional Expenses

The Foundation's functional expenses as of June 30, 2014 are as follows:

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 10 - Discretely Presented Component Unit Disclosures (continued)

	Program Expenses	Support Services	Total
Development staff expense	\$ 183,265	\$ -	\$ 183,265
Facilities expense	-	11,120	11,120
Grants, scholarships, and awards	197,278	-	197,278
Investment fees	-	7,555	7,555
Marketing	3,476	-	3,476
Meeting expenses	-	6,828	6,828
Miscellaneous expenses	-	7,537	7,537
Postage	-	778	778
Printing and copying	-	2,991	2,991
Professional fees	-	14,313	14,313
Supplies	-	2,411	2,411
Total	<u>\$ 384,019</u>	<u>\$ 53,533</u>	<u>\$ 437,552</u>

12. Contingent Liability

For the year ended June 30, 2014, the Foundation had scholarships that have been awarded but not paid in the amount of \$57,241. 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, 2014.

13. Endowment Funds

The Foundation's endowment consists of approximately 15 individual funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted 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 classifies as permanently restricted net assets the original value of gifts donated to the permanent endowment and the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure 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

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 10 - Discretely Presented Component Unit Disclosures (continued)

accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

The Foundation has engaged Autus Asset Management to manage the Foundation's financial resources, including the Endowment Funds. Autus has been directed by the Board of Directors of Coconino Community College Foundation to maintain a broadly diversified sector allocation within the portfolio in order to reduce exposure to concentrated industry-specific risks, select individual securities that are well diversified and biased toward high-quality, liquid securities with attractive intrinsic and relative valuations and to follow the Board of Director's Strategic Asset Allocation of:

Cash & Equivalents	5%
Investment Grade Fixed Income	40%
High-Yield Fixed Income	5%
Large & Mid-Cap Equity	32%
Small-Cap Equity	5%
Developed International Equity	6%
Emerging International Equity	2%
Real Estate Equity	5%
Total	<u>100%</u>

The Board of Directors, at all times, maintains separate accounting records for each Endowment Fund but the scholarship money may be commingled and invested with other scholarship funds maintained by the Foundation.

Coconino Community College Foundation has a scholarship committee made up of Foundation Board, community and Coconino Community 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 per scholarship.

Scholarship values vary based on the annual interest earned on the Endowment Fund. 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.

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 10 - Discretely Presented Component Unit Disclosures (continued)

To ensure observance of limitations and restrictions placed on the use of resources available to the Coconino Community College Foundation, net assets, revenues and expenditures are classified and reported as follows, based on the existence or absence of donor-imposed restrictions.

Permanently restricted net assets include permanent endowments. Such funds are generally subject to donor restrictions requiring the principal be invested in perpetuity for the purpose of producing income that may be expended or added to principal in accordance with the donor's wishes.

Temporarily restricted net assets relate to contributions designated by donors for use by particular entities or programs or for specific purposes.

Unrestricted net assets are not subject to donor-imposed restrictions.

Coconino Community College Foundation's Endowment Funds consisted of the following at June 30, 2014:

	Temporarily Restricted	Permanently Restricted	Total
Balance, June 30, 2013	\$ 13,950	\$ 364,431	\$ 378,381
Contributions received	2,199	15,460	17,659
Investment income earned	19,705	-	19,705
Unrealized gains allocated	7,175	-	7,175
Scholarships awarded	(12,513)	-	(12,513)
Investment fees	(5,014)	-	(5,014)
Administrative fees	(7,398)	-	(7,398)
Balance, June 30, 2014	<u>\$ 18,104</u>	<u>\$ 379,891</u>	<u>\$ 397,995</u>

As noted above, it is not the policy of the Coconino Community College Foundation Board of Directors to adjust the principal balance of its Endowment Funds for the full amount of investment account market fluctuations. Therefore, the balances stated above have had investment earnings added to them, but only partial adjustments have been made for unrealized market gains.

The Board of Directors of the Coconino Community College Foundation, or its designee, has and shall have full and plenary power and authority to take, hold, manage, invest and reinvest any principal amount donated as an Endowment Fund, and any increase or accumulation to it, and any income from it, consistent with management policies of the

Coconino County Community College District
Notes to Financial Statements
June 30, 2014

Note 10 - Discretely Presented Component Unit Disclosures (continued)

Board, or its designee. An Endowment Fund will earn income according to Board policy if it maintains the minimum balance required for earning income.

14. Reclassifications

Certain prior year amounts were reclassified to conform to the current year presentation. There was no impact on total net assets or changes in net assets reported.

Coconino County Community College District
Required Supplementary Information
Postemployment Health Care Benefits
Schedule of Funding Progress
June 30, 2014

Actuarial Valuation Date (5)	Fiscal Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liability Entry Age (1)	Unfunded Actuarial Accrued Liability (3)	Funded Ratio (2)	Covered Payroll	Actuarial Liability as a Percentage of Covered Payroll
7/1/2009	2009	\$ -	\$ 614,734 (4)	\$ 614,734	0.00	\$ 6,506,901 (4)	9.45 %
7/1/2012	2012	-	742,389	742,389	0.00	6,383,803	11.63
7/1/2014	2014	-	661,332	661,332	0.00	7,354,691	8.99

Notes:

- (1) The Entry Age Actuarial Cost Method is used to determine the Plan's funding requirements.
- (2) The percentage funded is derived by dividing the actuarial value of plan assets by the actuarial accrued liability.
- (3) The unfunded actuarial accrued liability is the actuarial accrued liability minus the actuarial value of plan assets.
- (4) Based on data from an actuarial valuation report as of June 30, 2012, dated August 24, 2012.
- (5) For the purposes of GASB Statement 45, the District performs actuarial valuations once every two years (previously every three years).

Isolated analysis of the dollar amounts of the actuarial value of assets, actuarial liability, and unfunded actuarial accrued liability can be misleading.

Expressing the actuarial value of assets as a percentage of the actuarial liability provides one indication of the Plan's funding status on a going-concern basis. Analysis of the percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater the percentage, the stronger the plan.

Statistical Section

This section of the Coconino County Community College District's (the District) comprehensive annual 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>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>
Net investment in capital assets	\$ 15,243	\$ 14,266	\$ 14,062	\$ 13,113	\$ 12,310	\$ 10,996	\$ 10,597	\$ 10,372	\$ 9,841	\$ 9,164
Restricted - expendable	236	383	525	509	1,960	2,780	3,056	2,739	2,500	2,838
Unrestricted	<u>15,510</u>	<u>14,808</u>	<u>13,300</u>	<u>11,916</u>	<u>7,912</u>	<u>5,932</u>	<u>4,626</u>	<u>4,442</u>	<u>3,780</u>	<u>3,576</u>
Total primary government net position	<u>\$ 30,989</u>	<u>\$ 29,457</u>	<u>\$ 27,887</u>	<u>\$ 25,538</u>	<u>\$ 22,182</u>	<u>\$ 19,708</u>	<u>\$ 18,279</u>	<u>\$ 17,553</u>	<u>\$ 16,121</u>	<u>\$ 15,578</u>

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

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

(dollars in thousands)

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Tuition and fees (net of scholarship allowance)	\$ 5,825	\$ 5,720	\$ 6,163	\$ 6,011	\$ 5,181	\$ 4,970	\$ 4,340	\$ 4,286	\$ 3,700	\$ 3,144
Private contracts	230	260	405	248	188	154	195	212	131	241
Bookstore income	110	107	118	93	86	76	76	56	45	42
Auxiliary enterprises	32	30	28	32	26	24	31	22	23	22
Other operating revenues	173	187	193	197	195	142	148	139	146	(2) 125
Total operating revenues	6,370	6,304	6,907	6,581	5,676	5,366	4,790	4,715	4,045	3,574
Property taxes	8,822	8,666	8,624	8,434	8,341	8,241	7,787	7,620	7,274	7,033
State appropriations	1,988	1,848	1,836	2,679	2,679	2,994	3,335	3,322	3,148	3,025
Government grants and contracts	5,877	5,757	6,595	6,272	6,212	4,480	3,152	3,080	(3) 2,841	(3) 2,552
Share of state sales taxes	411	1,397 (1)	386	383	377	404	454	456	425	370
Investment earnings	157	220	267	249	278	411	508	414	318	185
Other nonoperating revenues	243	166	99	230 (5)	-	14 (4)	-	-	-	-
Total nonoperating revenues	17,498	18,054	17,807	18,247	17,887	16,544	15,236	14,892	14,006	13,165
Total revenues before other revenues and gains	\$ 23,868	\$ 24,358	\$ 24,714	\$ 24,828	\$ 23,563	\$ 21,910	\$ 20,026	\$ 19,607	\$ 18,051	\$ 16,739

(percent of total revenues)

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Tuition and fees (net of scholarship allowance)	24.4 %	23.5 %	24.9 %	24.2 %	22.0 %	22.7 %	21.7 %	21.9 %	20.5 %	18.8 %
Private contracts	1.0	1.1	1.6	1.0	0.8	0.7	0.9	1.0	0.7	1.5
Bookstore income	0.5	0.4	0.5	0.4	0.4	0.3	0.4	0.3	0.3	0.3
Auxiliary enterprises	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Other operating revenues	0.7	0.8	0.8	0.8	0.8	0.6	0.7	0.7	0.8	0.7
Total operating revenues	26.7	25.9	27.9	26.5	24.1	24.4	23.9	24.0	22.4	21.4
Property taxes	37.0	35.6	34.9	34.0	35.4	37.6	38.9	38.9	40.3	42.0
State appropriations	8.3 (6)	7.6	7.4	10.8	11.4	13.7	16.7	16.9	17.4	18.1
Government grants and contracts	24.6	23.6	26.7	25.3	26.3	20.5	15.7	15.8	15.7	15.2
Share of state sales taxes	1.7	5.7	1.6	1.5	1.6	1.8	2.3	2.3	2.4	2.2
Investment earnings	0.7	0.9	1.1	1.0	1.2	1.9	2.5	2.1	1.8	1.1
Other nonoperating revenues	1.0	0.7	0.4	0.9	0.0	0.1	0.0	0.0	0.0	0.0
Total nonoperating revenues	73.3	74.1	72.1	73.5	75.9	75.6	76.1	76.0	77.6	78.6
Total revenues	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Comprehensive Annual Financial Report for the fiscal years presented, as reclassified in (2) and (3).

(1) The District received \$1,000,000 from share of state sales taxes for deferred maintenance in fiscal year 2012-13.

(2) Nonoperating revenues were properly reclassified to operating revenues in fiscal year 2006-07. For comparability purposes, prior years have been reclassified.

(3) Government grants and contracts were reclassified to nonoperating revenues in fiscal year 2007-08. For comparability purposes, prior years have been reclassified.

(4) General obligation bonds were refunded in fiscal year 2008-2009.

(5) Other nonoperating revenues resulted from a reclassification of in-lieu and property excise tax from "property taxes" to "other nonoperating revenues."

(6) State budget reductions have resulted in a significant drop in State Appropriations as a percentage of total revenues.

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

(dollars in thousands)

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Instruction	\$ 7,012	\$ 6,969	\$ 7,288	\$ 6,658	\$ 6,765	\$ 6,981	\$ 6,916	\$ 6,564	\$ 6,393	\$ 5,631
Public service	188	278	290	284	182	139	143	113	133	180
Academic support	2,133	1,530	1,807	1,582	1,807	2,289	2,367	2,118	2,113	1,957
Student services	2,297	2,058	1,997	1,771	1,685	1,696	1,610	1,540	1,412	1,380
Institutional support	4,594	4,625	4,199	3,940	3,791	4,129	3,838	3,614	3,175	3,135
Operation and maintenance of plant	1,610	1,783	1,627	1,553	1,521	1,590	1,495	1,280	1,280	1,212
Scholarships	2,826	3,193	3,454	3,988	3,690	1,701	1,376	1,321	1,249	1,388
Auxiliary enterprises	43	48	39	33	25	20	33	28	19	19
Depreciation	1,159	1,152	1,176	1,170	1,104	1,080	1,041	1,061	1,129	1,127
Total operating expenses	21,862	21,636	21,877	20,979	20,570	19,625	18,819	17,639	16,903	16,029
Interest expense on debt	473	430	462	493	519	996	905	958	1,013	1,064
Loss on disposal of capital assets	-	722	27	-	-	-	-	-	-	-
Total nonoperating expenses	473	1,152	489	493	519	996	905	958	1,013	1,064
Total expenses	\$22,335	\$22,788	\$22,366	\$21,472	\$ 21,089	\$ 20,621	\$ 19,724	\$ 18,597	\$ 17,916	\$ 17,093

(percent of total expenses)

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Instruction	31.4 %	30.6 %	32.6 %	31.0 %	32.0 %	34.0 %	35.0 %	35.2 %	35.7 %	32.9 %
Public service	0.8	1.2	1.3	1.3	0.9	0.7	0.7	0.6	0.7	1.1
Academic support	9.5	6.7	8.1	7.4	8.6	11.1	12.0	11.4	11.8	11.5
Student services	10.3	9.0	8.9	8.2	8.0	8.2	8.2	8.3	7.9	8.1
Institutional support	20.6	20.3	18.8	18.4	18.0	20.0	19.4	19.4	17.7	18.3
Operation and maintenance of plant	7.2	7.8	7.3	7.2	7.2	7.7	7.6	6.9	7.1	7.1
Scholarships	12.7	14.0	15.4	18.6	17.5	8.2	7.0	7.1	7.0	8.1
Auxiliary enterprises	0.2	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.1	0.1
Depreciation	5.2	5.1	5.2	5.4	5.2	5.2	5.3	5.7	6.3	6.6
Total operating expenses	97.9	94.9	97.8	97.7	97.5	95.2	95.4	94.8	94.3	93.8
Interest expense on debt	2.1	1.9	2.1	2.3	2.5	4.8	4.6	5.2	5.7	6.2
Loss on disposal of capital assets	-	3.2	0.1	-	-	-	-	-	-	-
Total nonoperating expenses	2.1	5.1	2.2	2.3	2.5	4.8	4.6	5.2	5.7	6.2
Total expenses	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

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

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

(dollars in thousands)

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Compensation and benefits	\$ 13,145	\$ 13,061	\$ 12,758	\$ 12,040	\$ 11,931	\$ 12,443	\$ 12,207	\$ 11,776	\$ 11,161	\$ 10,247
Contract services	2,145	1,597	1,986	1,528	1,627	1,800	1,473	1,086	920	932
Supplies and other services	974	1,085	899	831	808	960	1,126	785	884	981
Annual fixed charges	798	741	800	650	654	769	644	697	710	561
Communication and utilities	508	561	553	517	565	664	659	628	563	542
Travel	180	178	173	160	130	131	234	195	190	145
Scholarships	2,849	3,210	3,467	3,988	3,690	1,703	1,376	1,321	1,251	1,390
Depreciation	1,159	1,152	1,176	1,170	1,104	1,080	1,040	1,061	1,129	1,127
Other	104	51	65	95	61	75	60	90	95	104
Total operating expenses	<u>21,862</u>	<u>21,636</u>	<u>21,877</u>	<u>20,979</u>	<u>20,570</u>	<u>19,625</u>	<u>18,819</u>	<u>17,639</u>	<u>16,903</u>	<u>16,029</u>
Interest expense on debt	473	430	462	493	519	996	905	958	1,013	1,064
Loss on disposal of capital assets	-	722	27	-	-	-	-	-	-	-
Total nonoperating expenses	<u>473</u>	<u>1,152</u>	<u>489</u>	<u>493</u>	<u>519</u>	<u>996</u>	<u>905</u>	<u>958</u>	<u>1,013</u>	<u>1,064</u>
Total expenses	<u>\$ 22,335</u>	<u>\$ 22,788</u>	<u>\$ 22,366</u>	<u>\$ 21,472</u>	<u>\$ 21,089</u>	<u>\$ 20,621</u>	<u>\$ 19,724</u>	<u>\$ 18,597</u>	<u>\$ 17,916</u>	<u>\$ 17,093</u>

(percent of total expenses)

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Compensation and benefits	58.8 %	57.3 %	57.0 %	56.1 %	56.6 %	60.4 %	61.8 %	63.4 %	62.3 %	60.0 %
Contract services	9.6	7.0	8.9	7.1	7.7	8.7	7.5	5.8	5.1	5.5
Supplies and other services	4.4	4.8	4.0	3.9	3.8	4.7	5.7	4.2	4.9	5.7
Annual fixed charges	3.6	3.2	3.6	3.0	3.1	3.7	3.3	3.7	4.0	3.3
Communication and utilities	2.3	2.5	2.5	2.4	2.7	3.2	3.3	3.4	3.1	3.2
Travel	0.8	0.8	0.8	0.8	0.6	0.6	1.2	1.0	1.1	0.8
Scholarships	12.7	14.1	15.5	18.6	17.5	8.3	7.0	7.1	7.0	8.1
Depreciation	5.2	5.0	5.2	5.4	5.2	5.2	5.3	5.7	6.3	6.6
Other	0.5	0.2	0.3	0.4	0.3	0.4	0.3	0.5	0.5	0.6
Total operating expenses	<u>97.9</u>	<u>94.9</u>	<u>97.8</u>	<u>97.7</u>	<u>97.5</u>	<u>95.2</u>	<u>95.4</u>	<u>94.8</u>	<u>94.3</u>	<u>93.8</u>
Interest expense on debt	2.1	1.9	2.1	2.3	2.5	4.8	4.6	5.2	5.7	6.2
Loss on disposal of capital assets	-	3.2	0.1	-	-	-	-	-	-	-
Total nonoperating expenses	<u>2.1</u>	<u>5.1</u>	<u>2.2</u>	<u>2.3</u>	<u>2.5</u>	<u>4.8</u>	<u>4.6</u>	<u>5.2</u>	<u>5.7</u>	<u>6.2</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: Comprehensive Annual Financial Report for the fiscal years presented.

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

(dollars in thousands)

	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Income (loss) before other changes in net position	\$ 1,532	\$ 1,570	\$ 2,348	\$ 3,356	\$ 2,474	\$ 1,289	\$ 302	\$ 1,010	\$ 135	\$ (353)
Capital appropriations	-	-	-	-	-	-	424	421	383	356
Capital gifts	-	-	-	-	-	140	-	-	25	-
Total change in net position	<u>\$ 1,532</u>	<u>\$ 1,570</u>	<u>\$ 2,348</u>	<u>\$ 3,356</u>	<u>\$ 2,474</u>	<u>\$ 1,429</u>	<u>\$ 726</u>	<u>\$ 1,431</u>	<u>\$ 543</u>	<u>\$ 3</u>

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

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

	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>
(1) Primary Reserve Ratio	0.72	0.68	0.63	0.60	0.41	0.31	0.27	0.28	0.26	0.26
(2) Net Operating Revenues	0.08	0.11	0.11	0.13	0.10	0.06	0.00	0.04	0.00	(0.04)
(3) Viability Ratio	1.63	1.56	1.23	0.88	0.54	0.38	0.29	0.27	0.23	0.21
(4) Return on Net Asset Ratio	0.05	0.06	0.08	0.14	0.12	0.07	0.03	0.07	0.02	(0.02)
(5) Composite Financial Index	(6)	4.50	4.30	4.70	3.50	2.60	1.20	2.30	1.10	0.10

(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) Calculated by HLC formula. Not available for 2013-14

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

Fiscal Year	Statutory Expenditure Limitation	(1)	Budgeted Expenditures Subject to the Limitation	(2)	Unused Legal Limit
2005	\$ 11,075,088		\$ 11,075,087		\$ 1
2006	12,566,670		12,566,669		1
2007	13,231,427		13,231,426		1
2008	13,287,083		13,287,082		1
2009	12,957,557		12,957,556		1
2010	14,146,598		14,146,597		1
2011	16,038,742		14,585,517		1,453,225
2012	15,833,517		15,500,935		332,582
2013	15,525,510		15,525,509		1
2014	14,735,451		11,792,201		2,943,250

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

Fiscal Year	Total Tax Levy (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 6,715,710	\$ 6,570,730	97.84 %	\$ 144,421	\$ 6,715,151	99.99 %
2006	7,050,083	6,938,140	98.41	111,258	7,049,398	99.99
2007	7,357,678	7,240,945	98.41	115,653	7,356,598	99.99
2008	7,619,775	7,450,465	97.78	167,441	7,617,906	99.98
2009	8,197,352	7,942,306	96.89	251,853	8,194,159	99.96
2010	8,145,143	7,926,032	97.31	215,834	8,141,866	99.96
2011	8,423,620	8,073,310	95.84	339,490	8,412,800	99.87
2012	8,565,720	8,314,386	97.07	230,273	8,544,659	99.75
2013	8,620,313	8,391,991	97.35	202,171	8,594,162	99.70
2014	8,952,694	8,755,919	97.80	-	8,755,919	97.80

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, 2014.

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

Coconino 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		
2004	Primary	\$ 240,410	\$ 310,610	\$ 186,317	\$ 534,776	\$ 16,846	\$ 1,007	\$ 375	
2004	Secondary	240,410	318,520	201,576	558,559	18,786	1,044	1,876	
2005	Primary	238,464	326,562	207,823	590,946	17,941	1,054	608	
2005	Secondary	238,464	333,713	225,164	617,419	19,467	1,070	3,037	
2006	Primary	235,209	343,392	229,727	662,437	21,050	1,062	115	
2006	Secondary	235,209	369,659	265,428	709,899	22,105	1,165	526	
2007	Primary	236,638	371,049	262,501	757,337	17,520	1,160	130	
2007	Secondary	236,638	411,811	331,057	886,140	19,133	1,322	595	
2008	Primary	239,843	397,175	299,266	875,050	17,392	1,231	146	
2008	Secondary	239,843	442,124	402,069	1,103,234	19,301	1,453	640	
2009	Primary	248,299	407,295	330,841	987,455	14,955	1,292	182	
2009	Secondary	248,299	444,948	434,785	1,174,036	17,239	1,529	802	
2010	Primary	275,480	404,652	341,972	1,072,490	14,315	1,953	224	
2010	Secondary	275,480	427,513	397,449	1,134,935	16,755	2,157	941	
2011	Primary	235,287	402,970	336,997	973,394	15,701	1,936	474	
2011	Secondary	235,287	410,962	354,772	980,209	17,272	2,076	863	
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	-	
		Assessed Value						Total	
		Environmental Technology	Certain Improvements on Government Property	Total Assessed Value	Less: Exempt Property	Net Assessed Value	Total Direct Tax Rate	Total Value (1)	Net Assessed Value as a Percent of Total Value
2004	Primary	\$ 1,906	\$ 110	\$ 1,292,357	\$ 118,240	\$ 1,174,117	\$ 0.4065	\$ 8,862,299	13.25 %
2004	Secondary	1,913	127	1,342,811	120,585	1,222,226	0.1595	9,238,836	13.23
		Total weighted direct tax rate						0.2805	
2005	Primary	1,811	116	1,385,325	121,545	1,263,780	0.4031	9,623,676	13.13
2005	Secondary	1,817	127	1,440,278	123,301	1,316,977	0.1494	10,034,155	13.12
		Total weighted direct tax rate						0.2736	
2006	Primary	2,013	125	1,495,130	127,167	1,367,963	0.3920	10,583,070	12.93
2006	Secondary	2,094	133	1,606,218	132,875	1,473,343	0.1349	11,396,634	12.93
		Total weighted direct tax rate						0.2587	
2007	Primary	2,206	131	1,648,672	134,414	1,514,258	0.3717	11,900,974	12.72
2007	Secondary	2,322	131	1,889,149	144,327	1,744,822	0.1148	13,799,611	12.64
		Total weighted direct tax rate						0.2342	
2008	Primary	2,306	129	1,832,538	144,355	1,688,183	0.3652	13,552,305	12.46
2008	Secondary	2,417	129	2,211,210	153,731	2,057,479	0.0991	16,687,281	12.33
		Total weighted direct tax rate						0.2190	
2009	Primary	2,578	131	1,993,027	152,252	1,840,775	0.3369	15,087,936	12.20
2009	Secondary	2,629	131	2,324,397	168,546	2,155,851	0.0898	17,790,932	12.12
		Total weighted direct tax rate						0.2036	
2010	Primary	976	28	2,112,091	161,492	1,950,598	0.3352	16,230,436	12.02
2010	Secondary	994	28	2,256,252	172,336	2,083,916	0.0956	17,326,884	12.03
		Total weighted direct tax rate						0.2114	
2011	Primary	2,867	133	1,969,759	158,736	1,811,023	0.3649	15,229,795	11.89
2011	Secondary	2,867	133	2,004,441	164,302	1,840,139	0.1085	15,460,397	11.90
		Total weighted direct tax rate						0.2357	
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
		Total weighted direct tax rate						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
		Total weighted direct tax rate						0.2935	

Source: Coconino 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.
Secondary = Total Full Cash Value.
- (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)**

Coconino County Community College District				Coconino County (1)	State Education Equalization	Cities or Fire Districts	School Districts	Joint Technology Districts
Tax Year	Primary Levy	Secondary Levy	Total					
2004	\$ 0.4065	\$ 0.1595	\$ 0.5660	\$ 0.7652	\$ 0.4560	\$0.65 - \$3.00	\$1.89 - \$8.23	\$ 0.05
2005	0.4031	0.1494	0.5525	0.7652	0.4358	0.65 - 3.00	1.81 - 10.42	0.05
2006	0.3920	0.1349	0.5269	0.7521	-	0.47 - 3.00	1.74 - 9.46	0.05
2007	0.3717	0.1148	0.4865	0.7588	-	0.41 - 3.00	1.60 - 9.90	0.05
2008	0.3652	0.0991	0.4643	0.7603	-	0.41 - 2.75	1.46 - 10.99	0.05
2009	0.3369	0.0898	0.4267	0.7244	0.3306	0.30 - 3.00	1.37 - 9.94	0.05
2010	0.3352	0.0956	0.4308	0.9745	0.3564	0.27 - 3.00	1.45 - 8.45	0.05
2011	0.3649	0.1085	0.4734	1.0156	0.4259	0.27 - 3.25	1.77 - 8.59	0.05
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

2013 Tax Rates (Special Districts) (2)

Hospital Districts	\$0.97 - \$0.98
Domestic Water Districts	1.6 - 3.37
Flood Control (3)	0.4
Williams Facilities District	0.48

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) Flood Control District applies to all property outside the cities of Flagstaff, Page and Fredonia.

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

Taxpayer	Type of Business	2014				2004			
		Secondary Assessed		Percentage of District's Total Secondary Assessed		Secondary Assessed		Percentage of District's Total Secondary Assessed	
		Value	Rank	Value		Value	Rank	Value	
Arizona Public Service Company	Utility	\$ 76,488,817	1	5.00%		\$ 64,513,120	1	4.90%	
Transwestern Pipeline Co	Utility	36,988,863	2	2.42%		20,226,175	2	1.54%	
Unisource Energy Corporation	Utility	19,104,494	3	1.25%		17,368,511	6	1.32%	
BNSF Railway Company	Railroad	18,741,556	4	1.22%		18,931,112	5	1.44%	
El Paso Natural Gas Co	Utility	17,799,035	5	1.16%		19,085,580	4	1.45%	
City of Los Angeles Department of Water & Power	Utility	16,987,661	6	1.11%		19,095,834	7	1.45%	
W.L. Gore & Associates Inc	Manufacturing	15,992,930	7	1.05%		10,282,172	8	0.78%	
Nevada Power Company (T&D)	Utility	9,954,898	8	0.65%		11,767,729	9	0.89%	
Qwest Corporation	Utility	6,924,246	9	0.45%		17,380,359	3	1.32%	
Perrin Ranch Wind, LLC	Commercial	6,876,755	10	0.45%		*			
Questar Southern Trails Pipeline	Utility	*				7,096,504	10	0.54%	
Total Principal Taxpayers		<u>\$ 225,859,255</u>		<u>14.76%</u>		<u>\$ 205,747,096</u>		<u>15.62%</u>	
Secondary Assessed Value		<u>\$ 1,530,349,256</u>		<u>100.00%</u>		<u>\$ 1,316,977,000</u>		<u>100.00%</u>	

Source: Coconino County Assessor (2014) & Arizona Department of Revenue (2004).

* 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
2004-05	\$ 48.00	\$ 1,152.00	\$ 96.00	9.1 %
2005-06	56.00	1,344.00	192.00	16.7
2006-07	61.00	1,464.00	120.00	8.9
2007-08 (3)	65.00	1,690.00	226.00	15.4
2008-09 (4)	70.00	2,100.00	410.00	24.3
2009-10	70.00	2,100.00	-	-
2010-11	80.00	2,400.00	300.00	14.3
2011-12	83.00	2,490.00	90.00	3.8
2012-13	85.00	2,550.00	60.00	2.4
2013-14	87.00	2,610.00	60.00	2.4

**National and Statewide Comparisons
(Based on Full-time Enrollment for the Academic Year)**

Fiscal Year	Arizona Public 2-year Institution Average (5)		National Public 2-year Institution Average (6)		Arizona Universities Average (7)	
	Annual Cost	Percent Change	Annual Cost	Percent Change	Annual Cost	Percent Change
2004-05	\$ 1,226	7.4 %	\$ 1,847	8.5 %	\$ 4,074	13.4 %
2005-06	1,344	9.6	1,935	4.8	4,428	8.7
2006-07	1,451	8.0	2,017	4.2	4,662	5.3
2007-08	1,475	1.7	2,061	2.2	4,949	6.2
2008-09	1,546	4.8	2,068	0.3	5,276	6.6
2009-10	1,586	2.6	2,189	5.9	6,210	17.7
2010-11	1,648	3.9	2,331	6.5	7,457	20.1
2011-12	1,782	8.1	2,513	7.8	8,527	14.3
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

(1) District records.

(2) Does not include a \$5 technology fee per credit hour that was instituted in FY2009.

(3) In fiscal year 2007-08, the District raised the low end of the tuition plateau from 12 to 13 credit hours.

(4) In fiscal year 2008-09, the District raised the low end of the tuition plateau from 13 to 15 credit hours.

(5) Arizona Association of Community College Business Officers.

(6) Collegeboard.org.

(7) Arizona Board of Regents.

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

	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>
Secondary Assessed Value of Real and Personal Property	<u>\$ 1,533,065,282</u>	<u>\$ 1,759,609,915</u>	<u>\$ 1,840,139,122</u>	<u>\$ 2,083,915,983</u>	<u>\$ 2,155,851,009</u>
Debt Limit, 15% of Secondary Assessed Value	<u>\$ 229,959,792</u>	<u>\$ 263,941,487</u>	<u>\$ 276,020,868</u>	<u>\$ 312,587,397</u>	<u>\$ 323,377,651</u>
Amount of Debt Applicable to Debt Limit:					
General Obligation Bonded Debt	<u>9,465,000</u>	<u>11,085,000</u>	<u>12,630,000</u>	<u>14,115,000</u>	<u>15,535,000</u>
Total Debt Applicable to the Limit	<u>9,465,000</u>	<u>11,085,000</u>	<u>12,630,000</u>	<u>14,115,000</u>	<u>15,535,000</u>
Legal Debt Margin	<u>\$ 220,494,792</u>	<u>\$ 252,856,487</u>	<u>\$ 263,390,868</u>	<u>\$ 298,472,397</u>	<u>\$ 307,842,651</u>
	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>
Secondary Assessed Value of Real and Personal Property	<u>\$ 2,057,478,154</u>	<u>\$ 1,744,822,563</u>	<u>\$ 1,473,342,694</u>	<u>\$ 1,316,977,311</u>	<u>\$ 1,222,225,551</u>
Debt Limit, 15% of Secondary Assessed Value	<u>\$ 308,621,723</u>	<u>\$ 261,723,384</u>	<u>\$ 221,001,404</u>	<u>\$ 197,546,597</u>	<u>\$ 183,333,833</u>
Amount of Debt Applicable to Debt Limit:					
General Obligation Bonded Debt	<u>16,900,000</u>	<u>18,320,000</u>	<u>19,425,000</u>	<u>20,455,000</u>	<u>21,410,000</u>
Total Debt Applicable to the Limit	<u>16,900,000</u>	<u>18,320,000</u>	<u>19,425,000</u>	<u>20,455,000</u>	<u>21,410,000</u>
Legal Debt Margin	<u>\$ 291,721,723</u>	<u>\$ 243,403,384</u>	<u>\$ 201,576,404</u>	<u>\$ 177,091,597</u>	<u>\$ 161,923,833</u>

Source: District records.

**Coconino County Community College District
Computation of Direct and Overlapping Bonded Debt
General Obligation Bonds
June 30, 2014**

Direct Debt:

Coconino County Community College District	\$ 9,465,000
	<hr/>
Net general obligation debt	9,465,000

Overlapping Debt:

City of Flagstaff	50,360,656
Flagstaff Unified School District #1	39,150,000
Page Unified School District #8	5,305,000
Sedona-Oak Creek Unified School District #9	13,994,849
	<hr/>
Overlapping debt	108,810,505
	<hr/>
Total direct general obligation and overlapping debt	\$ 118,275,505
	<hr/> <hr/>

Source: RBC Capital Markets

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	
2004-05	\$ 1,944,298	\$ 885,000	\$ 1,063,855	\$ 1,948,855	1.00 %
2005-06	1,963,702	955,000	1,012,968	1,967,968	1.00
2006-07	1,990,513	1,030,000	958,055	1,988,055	1.00
2007-08	2,018,822	1,105,000	898,830	2,003,830	1.01
2008-09	2,017,104	1,420,000	139,659 (1)	1,559,659	1.29
2009-10	1,985,791	1,365,000	514,086	1,879,086	1.06
2010-11	1,938,720	1,420,000	489,471	1,909,471	1.02
2011-12	1,928,151	1,485,000	460,662	1,945,662	0.99
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)	2,093,431	0.89

Source: District records.

(1) Bond refinancing resulted in lower interest payments.

(2) GASB Statement 65 resulted in recognition of remaining bond refinancing costs that were previously amortized.

Coconino County Community College District

Ratios of Outstanding Debt

Last Ten Fiscal Years

(dollars in thousands, except "per capita" and "per student")

	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>
General Bonded Debt										
General obligation bonds	\$ 9,465	\$ 11,085	\$ 12,630	\$ 14,115	\$ 15,535	\$ 16,900	\$ 18,320	\$ 19,425	\$ 20,455	\$ 21,410
Total general bonded debt	<u>9,465</u>	<u>11,085</u>	<u>12,630</u>	<u>14,115</u>	<u>15,535</u>	<u>16,900</u>	<u>18,320</u>	<u>19,425</u>	<u>20,455</u>	<u>21,410</u>
Per capita	\$ 69.32	\$ 81.50	\$ 93.90	\$ 105.01	\$ 119.64	\$ 131.46	\$ 143.86	\$ 154.21	\$ 164.10	\$ 173.73
Per student	\$ 4,524.81	\$ 5,279.58	\$ 5,361.92	\$ 5,885.17	\$ 6,579.84	\$ 7,947.33	\$ 9,214.36	\$ 9,465.45	\$ 10,136.27	\$ 10,671.92
As a percentage of personal income	(5)	0.23%	0.27%	0.30%	0.35%	0.38%	0.45%	0.51%	0.58%	0.66%
As a percentage of secondary net assessed valuation	0.62%	0.63%	0.69%	0.68%	0.72%	0.82%	1.05%	1.32%	1.55%	1.75%
Other Debt										
Installment purchase contract	-	-	-	-	-	-	197	-	-	-
Capital lease	-	-	-	41	72	102	131	-	-	-
Certificates of participation	-	-	-	-	-	-	-	-	-	-
Total other debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>41</u>	<u>72</u>	<u>102</u>	<u>328</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outstanding debt	<u>\$ 9,465</u>	<u>\$ 11,085</u>	<u>\$ 12,630</u>	<u>\$ 14,156</u>	<u>\$ 15,607</u>	<u>\$ 17,002</u>	<u>\$ 18,648</u>	<u>\$ 19,425</u>	<u>\$ 20,455</u>	<u>\$ 21,410</u>
Per capita	\$ 69.32	\$ 81.50	\$ 93.90	\$ 105.31	\$ 120.19	\$ 132.25	\$ 146.43	\$ 154.21	\$ 164.10	\$ 173.73
Per student	\$ 4,524.81	\$ 5,279.58	\$ 5,361.92	\$ 5,902.27	\$ 6,610.33	\$ 7,995.30	\$ 9,379.34	\$ 9,465.45	\$ 10,136.27	\$ 10,671.92
As a percentage of personal income	(5)	(5)	(5)	0.30%	0.35%	0.39%	0.46%	0.51%	0.58%	0.66%
As a percentage of secondary net assessed valuation	0.62%	0.63%	0.69%	0.68%	0.72%	0.83%	1.07%	1.32%	1.55%	1.75%
Estimated County population (1)	136,539	136,011	134,511	134,421	129,849	128,558	127,350	125,966	124,653	123,235
Full Time Student Equivalent (2)	2,091.8	2,099.6	2,355.5	2,398.4	2,361.0	2,126.5	1,988.2	2,052.2	2,018.0	2,006.2
Personal Income (3)	(5)	\$ 4,735,934	\$ 4,620,811	\$ 4,725,407	\$ 4,481,137	\$ 4,408,897	\$ 4,056,682	\$ 3,797,409	\$ 3,511,729	\$ 3,258,728
Secondary Net Assessed Valuation (4)	\$ 1,533,065	\$ 1,759,610	\$ 1,840,139	\$ 2,083,915	\$ 2,155,851	\$ 2,057,478	\$ 1,744,823	\$ 1,473,343	\$ 1,316,977	\$ 1,222,226

(1) U.S.Census Bureau and District records.

(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>	
2004	123,235	\$ 3,258,728	\$ 26,443	5.3	%
2005	124,653	3,511,729	28,172	4.9	
2006	125,966	3,797,409	30,146	4.3	
2007	127,350	4,056,682	31,855	3.6	
2008	128,558	4,408,897	34,295	5.4	
2009	129,849	4,481,137	34,510	8.5	
2010	134,421	4,725,407	35,154	9.7	
2011	134,511	4,620,811	34,353	9.2	
2012	136,011	4,735,934	34,820	8.1	
2013	136,539	(3)	(3)	7.7	

(1) U.S Department of Commerce Bureau of Economic Analysis & U. S. Department of Commerce

(2) Arizona Workforce Informer.

(3) Not yet available.

**Coconino County Community College District
Principal Employers - Coconino County
Current Year**

Employer (1)	Employees	Rank	Percentage of Total County Employment
Northern Arizona University	3,393	1	5.8 %
Flagstaff Medical Center	1,999	2	3.4
Flagstaff Unified School District	1,700	3	2.9
W.L. Gore & Associates	1,300	4	2.2
Coconino County	1,075	5	1.8
City of Flagstaff	948	6	1.6
Walgreen's Distribution Center	400	7	0.7
SCA Tissue	279	8	0.5
Pepsi Cola & Bottling	250	9	0.4
Coconino Community College	231	10	0.4
Total County Employment (2)	58,341		100.0 %

(1) MBA-today.com

(2) BLS.gov

Note: Current year information is displayed since the implementation of GASB#44 in FY 2005-06; trended comparisons will be displayed as information becomes available.

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

Fall Historic Headcount (1)

<u>College/Center</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Flagstaff	3,587	3,304	3,236	3,370	4,139	3,866	3,656	3,754	3,722	3,540
Page	100	106	176	245	213	212	263	222	249	330
Tuba City	4	3	53	37	146	119	77	218	50	87
Williams	-	2	43	35	47	44	27	36	37	62
Fredonia	-	-	12	5	-	-	7	8	6	(3)
Grand Canyon	-	1	-	5	23	2	-	8	9	2
NAU	7	-	839	555	393	372	314	315	320	359
Total	<u>3,698</u>	<u>3,416</u>	<u>4,359</u>	<u>4,252</u>	<u>4,961</u>	<u>4,615</u>	<u>4,344</u>	<u>4,561</u>	<u>4,393</u>	<u>4,380</u>

Historic FTSE (2)

<u>Semester</u>	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>
Fall/Spring Average	1,854.4	1,836.6	2,071.4	2,067.4	2,051.0	1,842.8	1,718.5	1,774.2	1,717.0	1,691.7
Summer	161.4	176.4	196.6	220.0	202.0	171.2	161.2	173.0	192.0	187.7
Short	58.1	63.3	67.8	93.5	87.0	90.0	85.7	85.0	84.0	89.5
Adult Basic Education	17.9	23.3	19.7	17.5	21.0	22.5	22.8	20.0	25.0	37.3
Total	<u>2,091.8</u>	<u>2,099.6</u>	<u>2,355.5</u>	<u>2,398.4</u>	<u>2,361.0</u>	<u>2,126.5</u>	<u>1,988.2</u>	<u>2,052.2</u>	<u>2,018.0</u>	<u>2,006.2</u>

Source: District records.

(1) Headcount is unduplicated for the 45th day of Fall semesters.

(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) Reported with Page headcount.

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

Fall Semester	Attendance				Residency						Gender			
	FT		PT		County Resident		Out of County		Out of State		M		F	
2004	20	%	80	%	93	%	6	%	1	%	44	%	56	%
2005	24		76		93		6		1		44		56	
2006	23		77		93		6		1		43		57	
2007	24		76		88		10		2		43		57	
2008	23		77		87		11		2		42		58	
2009	28		72		92		8		1		43		57	
2010	31		69		79		11		8		42		58	
2011	31		69		76		8		16		33		67	
2012	31		69		73		11		16		44		56	
2013	27		73		70		11		19		42		58	

Ethnic Background

Fall Semester	Mean Age	Native American	Asian	African American	Hispanic	Anglo	Other
2004	27	20 %	2 %	1 %	8 %	67 %	2 %
2005	27	21	1	1	9	66	2
2006	27	22	1	2	8	65	2
2007	30	23	1	2	8	64	2
2008	31	24	1	2	9	62	2
2009	29	26	1	1	9	61	2
2010	28	25	1	2	9	60	3
2011	27	24	1	2	6	60	7
2012	28	20	1	1	12	57	9
2013	25	20	1	1	11	50	17

Source: District records.

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

	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2004-05</u>
Faculty										
Full-time faculty	40.9	39.0	40.0	39.0	42.3	43.0	44.0	40.0	40.0	36.0
Part-time faculty FTE	<u>85.3</u>	<u>69.7</u>	<u>74.8</u>	<u>71.4</u>	<u>75.8</u>	<u>79.3</u>	<u>82.9</u>	<u>82.3</u>	<u>90.4</u>	<u>94.1</u>
Total faculty FTE	<u>126.2</u>	<u>108.7</u>	<u>114.8</u>	<u>110.4</u>	<u>118.1</u>	<u>122.3</u>	<u>126.9</u>	<u>122.3</u>	<u>130.4</u>	<u>130.1</u>
Administrative and support staff	104.3	106.9	128.2	109.9	101.5	124.5	124.5	124.8	119.6	117.4
Total employees	<u>230.5</u>	<u>215.6</u>	<u>243.0</u>	<u>220.3</u>	<u>219.6</u>	<u>246.8</u>	<u>251.4</u>	<u>247.1</u>	<u>250.0</u>	<u>247.5</u>
Average class size	18.6	18.0	18.0	18.9	18.1	16.6	15.4	15.2	14.2	14.3

Source: District records.

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

	2013-14		2012-13		2011-12		2010-11		2009-10		2008-09		2007-08		2006-07		2005-06	
	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent
Ethnicity																		
Asian Pacific Islander	4	1.4 %	0	- %	2	0.7 %	3	1.1 %	5	2.3 %	2	1.0 %	3	1.4 %	3	1.6 %	3	1.7 %
African American	2	0.7	2	0.7	1	0.3	2	0.7	2	0.9	0	-	4	1.8	4	2.2	2	1.1
Hispanic	35	12.2	21	7.4	31	10.1	20	7.1	20	9.4	26	12.6	19	8.5	8	4.3	9	5.1
Native American	61	21.3	52	18.3	46	15.0	53	18.9	40	18.8	44	21.3	42	18.8	35	19.0	26	14.6
White	174	60.6	194	68.3	205	67.0	187	66.5	146	68.5	130	62.7	151	67.7	132	71.8	133	74.7
Other	11	3.8	15	5.3	21	6.9	16	5.7	0	-	5	2.4	4	1.8	2	1.1	5	2.8
Age																		
<20	5	1.74	9	3.2	8	2.6	5	1.8	5	2.3	2	1.0	6	2.7	-	-	-	-
20-24	101	35.19	97	34.2	113	36.9	105	37.4	77	36.2	79	38.2	71	31.8	50	27.2	63	35.3
25-29	73	25.44	77	27.1	71	23.2	63	22.4	43	20.2	56	27.1	51	22.9	65	35.3	43	24.2
30-39	68	23.69	64	22.5	68	22.2	63	22.4	47	22.1	40	19.3	54	24.2	38	20.7	40	22.5
40-49	21	7.32	21	7.4	30	9.8	28	10.0	20	9.4	16	7.7	18	8.1	21	11.4	20	11.2
50-59	16	5.57	12	4.2	14	4.6	16	5.7	17	8.0	11	5.3	17	7.6	7	3.8	9	5.1
>60	3	1.05	4	1.4	2	0.7	1	0.4	4	1.9	3	1.4	6	2.7	3	1.6	3	1.7
Average age	29.8		29.7		29.5		28.1		30.8		29.3		31.6		30.5		30.9	
High School Graduation Dates																		
September 2011 to current	14	4.9	10	3.5														
September 2010 to current	15	5.2	8	2.8	6	2.0	4	1.4										
September 2009 - August 2010	32	11.1	25	8.8	10	3.3	0	-										
September 2008 - August 2009	21	7.3	21	7.4	22	7.2	5	1.8										
September 2007 - August 2008	30	10.5	24	8.5	32	10.5	29	10.3	12	5.6	5	2.4						
September 2006 - August 2007	13	4.5	23	8.1	20	6.5	26	9.3	18	8.5	8	3.9	2	0.9	-	-	-	-
September 2005 - August 2006	14	4.9	16	5.6	28	9.2	27	9.6	18	8.5	19	9.2	32	14.3	-	-	-	-
September 2004 - August 2005	18	6.3	20	7.0	16	5.2	23	8.2	26	12.2	22	10.6	111	49.8	2	1.1	-	-
September 2003 - August 2004	13	4.5	7	2.5	25	8.2	29	10.3	14	6.6	22	10.6	4	1.8	14	7.6	7	3.9
September 2002 - August 2003	116	40.4	17	6.0	12	3.9	10	3.6	4	1.9	16	7.7	10	4.5	14	7.6	13	7.3
Prior to September 2002	1	0.3	113	39.8	135	44.1	128	45.6	109	51.2	115	55.6	63	28.3	152	82.6	155	87.1
Not Given	0		0		0	-	0	-	12	5.6	0	-	1	0.4	2	1.1	3	1.7
Sex																		
Female	179	62.4	173	60.9	199	65.0	176	62.6	116	54.5	134	64.7	135	60.5	111	60.3	112	62.9
Male	108	37.6	111	39.1	107	35.0	105	37.4	97	45.5	73	35.3	88	39.5	73	39.7	66	37.1
Degree Type																		
Advanced Certificate	1	0.4	4	1.4			1	0.4	3	1.5	12	5.3		-	2	1.1	4	2.1
Associate of Applied Science	95	33.8	95	33.5	90	29.4	66	23.5	55	26.7	48	21.1	65	25.8	48	25.4	48	25.5
Associate of Arts	154	54.8	130	45.8	145	47.4	133	47.3	76	36.9	94	41.2	98	38.8	80	42.3	74	39.4
Associate of Business	1	0.4	1	0.4	6	2.0	7	2.5	8	3.9	8	3.5	14	5.6	11	5.8	14	7.4
Associate of Fine Arts	0	-	0	-	1	0.3												
Associate of General Studies	9	3.2	17	6.0	17	5.6	17	6.0	22	10.7	19	8.3	24	9.5	19	10.1	9	4.8
Associate of Science	8	2.8	15	5.3	9	2.9	13	4.6	11	5.3	14	6.1	14	5.6	7	3.7	3	1.6
Basic Certificate	6	2.1	6	2.1	20	6.5	12	4.3	2	1.0	4	1.8	2	0.8	4	2.1	9	4.8
Certificate of Completion	6	2.1	9	3.2	17	5.6	27	9.6	27	13.1	24	10.5	34	13.5	17	9.0	18	9.6
Intermediate Certificate	1	0.4	7	2.5	1	0.3	5	1.8	2	1.0	5	2.2	1	0.4	1	0.5	9	4.8

Source: District records.

Note: Information is displayed since the implementation of GASB 44 in FY 2005-06.
Additional information for future years will be displayed as it becomes available.

Coconino County Community College District
Capital Asset Information
Last Nine Fiscal Years

Square Footage:	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Academic areas:									
Laboratories - Lone Tree Campus	6,840	6,840	6,840	6,840	5,400	5,400	5,400	5,400	5,400
Instructional - Lone Tree Campus	97,607	97,607	97,607	97,607	96,369	96,369	96,369	96,369	96,369
Instructional - 4th Street Campus	48,900	48,900	48,900	48,900	48,900	48,900	48,900	48,900	48,900
Instructional - Williams Campus	-	-	4,108	4,108	4,108	4,108	4,108	4,108	4,108
Instructional - Page Campus	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
4th Street Campus	700	700	700	700	700	700	700	700	700
Williams Campus	-	-	240	240	240	240	240	240	240
Page Campus	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
Dining	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
Childcare	-	-	-	-	2,678	2,678	2,678	2,678	2,678
Total square footage	<u>199,322</u>	<u>199,322</u>	<u>203,670</u>	<u>203,670</u>	<u>203,670</u>	<u>203,670</u>	<u>203,670</u>	<u>203,670</u>	<u>203,670</u>
Library - number of volumes	360	360	511	511	1,775	1,775	1,775	1,775	1,775
Dining - seating capacity	40	40	40	40	40	40	40	40	40
Dining - average daily customers	145	175	175	175	175	175	175	175	175
Number of Vehicles:									
Street vehicles	5	5	5	5	5	5	5	4	4
Forklift	1	1	1	1	1	1	1	1	1
Bobcat loader	1	1	1	1	1	1	1	1	1
Tractor	1	1	1	1	1	1	1	1	1
Dump truck	1	1	1	1	1	1	1	1	1
Backhoe	1	1	1	1	1	1	1	1	1
Trailer	2	2	2	2	1	1	1	1	1
Snow plow	-	-	-	-	1	1	1	1	1
Parking Capacity:									
Lone Tree Campus	500	500	500	500	500	500	500	500	500
4th Street Campus	235	235	235	235	235	235	235	235	235
Williams Campus	-	- (1)	24	24	24	24	24	24	24
Page Campus	78	78	78	78	78	78	78	78	78
Total parking capacity	<u>813</u>	<u>813</u>	<u>837</u>	<u>837</u>	<u>837</u>	<u>837</u>	<u>837</u>	<u>837</u>	<u>837</u>

Source: District records.

Note: Information is displayed since the implementation of GASB 44 in FY 2005-06.
Additional information for future years will be displayed as it becomes available.

(1) Williams campus was donated to the Williams Unified School District during FY2012-2013.