

# **Pinal County Community College District**

## **(Central Arizona College)**

Signal Peak

Superstition Mountain

Aravaipa

Maricopa

San Tan



San Tan Campus

## **Annual Comprehensive Financial Report**

Fiscal Year Ended June 30, 2022



**Central  
Arizona  
College**

**Pinal County Community College District  
(Central Arizona College)**

**Annual Comprehensive Financial Report**  
Fiscal Year Ended June 30, 2022



**Central  
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Prepared by the Business Affairs Department

Chris Wodka, VP Business Affairs



**Central  
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Pinal County Community College District  
(Central Arizona College)  
Annual Comprehensive Financial Report  
Fiscal Year Ended June 30, 2022

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**Central  
Arizona  
College**

## **Introductory Section**



March 30, 2023

The District Governing Board of Pinal County Community College District:

The Annual Comprehensive Financial Report of the Pinal County Community College District (the "District"), for the fiscal year ended June 30, 2022, is submitted herewith.

Responsibility for both the accuracy of the presented 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 are 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 activities have been included. Please read the management's discussion and analysis in conjunction with the Vice President of Business Affairs and Executive Director II, Accounting Services/Comptroller's transmittal letter.

This report is prepared in accordance with U.S. generally accepted accounting principles (GAAP) as prescribed by the Government Accounting Standards Board (GASB) using the guidelines as recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

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 GAAP. Because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements.

The District is required to undergo an annual audit. Audit services are provided to the District by the Arizona Auditor General. For the year ended June 30, 2022, the Arizona Auditor General has issued an unmodified opinion of the District's financial statements. The independent auditors' report is displayed in the front of the financial section of these statements.

## The Reporting Entity

The District is an independent reporting entity within the criteria established by the GASB. According to GASB Statement No. 14, the financial reporting entity consists of “a primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.” The 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. Although the District shares the same geographic boundaries with Pinal County, financial accountability for all activities related to public community college education in Pinal County is exercised solely by the District. In accordance with GASB Statement No. 39, the financial activity of the Central Arizona College Foundation is presented as a component unit of the District. The District is not included in any other governmental financial reporting entity.

## History

The District was established in 1961, when the Arizona Legislature passed a bill permitting counties with the necessary assessed valuation and potential numbers of students to form junior college districts. Groundbreaking ceremonies were held at Signal Peak on Nov. 8, 1968 and Central Arizona College opened its doors in the fall of 1969 near the base of Signal Peak Mountain.

The District began extending its accessibility throughout Pinal County, becoming an important community-building entity that still exists today.

For 50 plus years now, the District has been serving and educating the diverse communities of Pinal County. With a total of five campuses and three centers located strategically throughout the county, the District provides accessible, educational, economic, cultural, and personal growth opportunities for those of all ages.

## Service Area

Pinal County was formed from portions of Maricopa and Pima counties on Feb. 1, 1875, in response to the petition of residents of the upper Gila River Valley, as Act #1 of the Eighth Territorial Legislature. Florence, established in 1866, was designated and has remained the county seat.

The county encompasses 5,374 square miles, of which 4.5 square miles are water. In both economy and geography, Pinal County has two distinct regions. The eastern portion is characterized by mountains with elevations to 6,000 feet and copper mining. The western area is primarily low desert valleys and irrigated agriculture.

The county is home to many interesting attractions, including the Old West Highway 60, Casa Grande Ruins National Monument, Picacho Peak State Park, Picacho Reservoir,

Boyce Thompson Southwestern Arboretum, Oracle State Park and Columbia University's Biosphere II, McFarland State Park, Lost Dutchman State Park, Skydive Arizona, the world's largest skydiving drop-zone, and the Florence Historical District, with 120 buildings on the National Register.

## Economic Outlook

Prior to the Coronavirus Pandemic impacting Arizona, the Office of Economic Opportunity within the Arizona Department of Administration projected Arizona's economy to grow steadily for the calendar years of 2019-2021. As of December 2022, Arizona's unemployment rate was 4%. According to data released, in December 2022, by the University of Arizona Economic and Business Research Center, inflation remains a key concern. According to the Arizona Commerce Authority, for the second year in a row, Arizona economic efforts broke records in projections of jobs created.

U.S. Census estimates showed that since 2011 Pinal County has been steadily growing each year. Pinal County is becoming a magnet for Automotive and Advance Manufacturing Companies. Recent companies that are planning locations or expansions in Pinal County include, LG, Lucid Motors, Nikola, Procter and Gamble, Kohler, Chang Chun Petrochemical Group. These organizations have a planned total capital investment of approximately \$6.4 million and a planned total number of employees of almost 12,000. The county's population is estimated to continue to grow around 1% each year, according to 2021 census estimates.

According to realtor.com January 2023 data published; housing median list price is leveling. The median list price is down .01% in January 2023 compared to January 2022, although the median list price is still up 37% from January 2021.

Historically, when economic conditions are declining, enrollment in community colleges increases. The pandemic that hit in the last quarter of fiscal year 2020 caused enrollment decreases. The College experienced a decrease in total enrollment of 23% for fiscal year 2021 although experienced an increase in total enrollment of 19% for fiscal year 2022. As a result of the prior enrollment decline the College decided to make some changes with tuition and fees to promote enrollment. As a result, enrollment returned to pre-pandemic levels and continues to grow. The College plans to continue with lower tuition and fees to continue to promote enrollment growth as well as focus on student retention.

## Major Program Initiatives

During the 2021-22 fiscal year, the District rolled out a new strategic plan that centered on 2 Wildly Important Goals: Making CAC a Great Place to Work and Creating a World-Class Learner Experience. All initiatives and activities that we engage in are focused on one of those two goals. To this end, using HEERF funding, we piloted a full year of \$0 tuition for Pinal County residents. This highly successful program attracted many new students and gave them the opportunity to attempt college with little to no financial burden.

We continue to focus on ways to remove barriers to success, identify needs of underrepresented students, and provide support to help all students be successful in achieving their college and career goals.

### Major Accomplishments in 2021-2022

- Expanded Virtual scheduled advising and Virtual Walk-In appointments
- Implemented a CARES relief program to wipe out debt incurred during COVID
- Implemented a calling campaign to increase graduation applications
- Implemented TalkDesk, Ocelot and Web Chat to increase communication and clarity
- Redesigned High School programs / Pinal Promise to better prepare high school students & remove barriers
- Implemented self-guided multiple measures to assist with proper course placement
- Extended Library live virtual chat during evenings and weekends to support student success
- Participated in Achieving the Dream, with new Action Plan
- Improved virtual and remote teaching using CARES funding to support student learning (e.g., new technology, lab kits)
- Implemented a proactive, advisor-led graduation completion project to improve the graduation rate
- Made electronic graduation evaluation letters available for viewing in the Student Portal
- Implemented MyMajors and iStartStrong to help students clarify, enter, and stay on their path to completion.
- Hired a full-time Transfer Specialist through Title V Grant
- Increased collaboration with university partners for transfer events, including more virtual events
- Created a Career and Transfer Office (combining two offices to better meet student need)
- Further reduced the number of credits within certificates and degrees (18-30-60 model)
- Increase in 2+2, 90/30, and other direct pathways to 4-year degree completion
- Developed a new Guided Pathways “map”
- “Cleaned up” the College Catalog, removing classes not offered or no longer needed
- Redesigned the High School programs registration form making it an all in one and electronic form.
- Redesigned Promise for the Future to now be the Pinal Promise
- Increased Early College Scholarship from 5-6 credits free and now both dual and concurrent courses are eligible.
- Implemented bi-weekly training and process evaluation meetings for staff from multiple departments.
- Continued to offer virtual outreach and resource opportunities for potential students.
- Increase in social media and other digital media presence.
- Completion of High School MAP to help keep students on the path to completion
- Multiple opportunities for faculty training in Blackboard Ultra

- Widespread faculty adoption of “synchronous” online format, to provide face time with the safety and convenience of online
- Continued Guided Pathways revision to streamline information
- Expanded articulation with four-year pathways in Pinal County
- Launched Open Educational Resource (OER) initiative, with strong faculty involvement
- Expanded apprenticeship programs (Sundt, IRamm Internships)
- Partnership & training program with Wilson Electric
- Started heavy equipment program with the Pascua Tribe
- Hired a new Director of Strategic Partnerships & Workforce Development (Fall 2021)
- Construction of training center at SPC by and for Lucid (not CAC dollars) complete. This opens possibilities for CAC
- Expanded workforce training with industry partners in skilled trades
- Rolled out courses in Workforce Education (these were slowed down 2019-20 and 20-21 with pandemic)
- Successfully supported Health Careers and Skilled Trades programs with Prop 301, Perkins and State STEM funding, as well as other grant funds
- Modified and improved graduate employment survey, decreasing the time from awarding degree or certificate to sending the survey invitation to graduates to within a month of graduating.
- A new Strategic Plan was developed and rolled out, focusing on 2 Wildly Important Goals: Making CAC a Great Place to Work and Creating a World-Class Learner Experience.
- Redesigned all Student Services functions to be offered in a virtual manner (in addition to face to face)
- Cross trained all staff and student employees to be Enrollment Center staff
- Combined Student Accounts and Financial aid websites and resources to support students
- Provided workshops on Demystifying FAFSA through outreach, presentations, and discussions virtually
- Implemented new communication method for learners via Constant Contact
- Implemented My Majors assessment to assist learners with determining a program of study and identify other interests and characteristics
- Implemented a new syllabus template that is learner friendly and allows for consistency, clarity, ease of access
- Launched the Caring Campus Faculty project, created 5 Behavioral Commitments, designed workshops
- Launched the Open Educational Resource (OER) project, with CARES support, 15 new courses moved to OER (no textbook cost)
- Implemented more 8-week classes to support adult learners; focus on back-to-back sequences (ENG 101, 102; BIO 201,202)
- Strategically prioritized both community events and the level of support to high schools based on the population of prospective students they serve.

- Offered free tuition and HEERF funds to many students. We provided an opportunity to explore what it is like to be a college student with very little initial financial commitment.
- Provided alternate methods of course delivery incorporating both real-time interactions with online flexibility.
- Dual Enrollment tuition was reduced to \$0/credit to encourage high school students to explore college, take relevant courses, and successfully complete them, validating their ability to be successful college students upon graduation.
- Developed a position specific to providing financial resources with a focus on FAFSA completion, increased opportunities and participation in student employment, and scholarship programs.
- Continue to work with many underserved students who may also be Pell eligible through our TRIO Upward Bound, TRIO Student Support Services, and WIOA Arizona@Work Youth program grants as well as many external partners who serve residents of Pinal County.

#### Major Issues & Resolutions in 2021-2022

- Removed of partial refund during drop/add week (students receive the full refund)
- Changed financial hold restrictions (students who owe \$200 or less can still enroll in courses)
- Established a scholarship fund for GED testing
- Ensured CARES dollars are now available to all students in 3 or more credits at CAC including high school students
- Shifted to an electronic process for housing documents within a student file making them more accessible to the student and staff.
- A new equity pledge was adopted and signed by the Governing Board and the Executive Council
- Removed of Financial Barriers through Free Tuition, additional scholarships, Clean Slate Debt Relief
- Redesigned the Central Help Desk and AI/Live Chatbot
- Implemented the new degree audit which only allows a student to enroll and receive financial aid for courses in their program of study

#### Future Program Initiatives

##### Upcoming Issues for 2022-2023

- Refined Guided Pathways Maps (Pathways 2.0)
- Include academic incentives and Relief Scholarships for Residence Life students
- Continue analysis and review of graduation rates and course completion rates to determine possible causes for decline
- Continue refinement of College Foundations (pre-college classes and support structures) by providing additional support measures to assist students in college-level courses, instead of enrolling them in remedial pre-college classes
- Continue to remove developmental level prerequisites

- Implement Academic Success Coaches through the Title V grant
- Continuing to progress toward offering an online graduation application available in the student portal
- Assigned advisor based on Area of Interest on the College website
- Embedded advisors/registration staff in academic programs where appropriate (long-term, in process)
- Continuing to improve the admissions application and student portal navigation
- Continue to streamline catalog display of program and course offerings, as well as actual programs
- Further clean-up of MAPs (Master Academic Plan)- CAC Guided Pathways”2.0”
- Working on the conversion of remaining paper forms to DocuSign.
- Developing promotional and how to videos for students.
- Expand promotion and communication of High School programs, Early College Scholarship, and Pinal Promise
- Expansion of CAC Connect
- Hire Director of Faculty Professional Development/Instructional Design to better support Teaching and Learning
- Continued adoption of Open Educational Resources (OER) to remove financial barriers
- Continued work and improvement on streamlining student entry into college level courses, with Guided Self-Placement, “Right Classing”, and other initiatives
- Continue to work towards apprenticeship and other programs in partnership with Pima Community College
- Plans to expand Continuing Education for healthcare and other professionals
- Looking at Microcredential programming (e.g., with Lucid, but also other programs)
- Exploring new programs in healthcare and skilled trades, while assessing success of all programs (student success, costs) [e.g., HVAC, Plumbing, LVN to RN Bridge]
- Reassessing Fire Science and Paramedic/EMS Programs (cost-benefit analysis)
- Developing process to text message students with link to the graduation survey for improved access
- Redesigning advising to connect learners with a single point of contact for advising/career needs
- Ensuring low tuition (\$50 per credit hour) and Dual Enrollment at \$0
- Increasing collaboration with high schools
- Expanding Pinal Promise and Early College Scholarship (postponed implementation)
- Targeted outreach and provision of needed resources and wrap-around services
- Launching of new admissions app and mobile app
- Redesigning the onboarding process to include a badging system
- Transitioning to providing services and resources based on needs (from transactional to relational)
- Implementing the Reach Customer Relations Module with targeted campaigns and outreach
- Evaluating all Student Services processes for improvement and to provide access to information for clarity

- Entering an OER Grant consortium with other rural Arizona Community Colleges to support and continue OER initiative with a commitment for 6 more buildouts this summer
- Creating 1-year Nursing pre-requisite sequence, based on condensed, 8-week classes
- Beginning discussions of culturally responsive teaching and High Impact Practices (HIPs)
- Evaluating learner data (disaggregate data to learn more about under-represented learner success)
- The CAC Outreach team is working to develop departmental goals specific to increasing access to underserved populations.
- Provide important financial literacy resources and solidify a partnership with the Earn to Learn program sponsored by APS.
- Continue to work with High School administrators to discuss making FAFSA completion (or equivalent alternative) a high school graduation requirement to prepare them for post-secondary education opportunities.
- Strategically working to identify students eligible to complete the FAFSA, who have not, and assist them with understanding the benefits and importance of doing so.
- Reduced tuition for the 22-23 year to \$50/credit (in-state) and 23-24 year to \$75/credit (in -state) to help support students new to CAC the semesters we were not charging tuition, as well as our current, and prospective students.

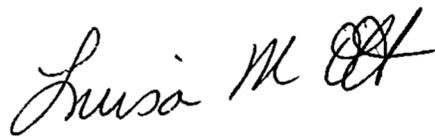
## Acknowledgements

The preparation of this report could not be accomplished without the efficient and dedicated efforts of the Business Office staff. We would like to express our appreciation to all those who assisted in, and contributed to, the preparation of this report.

Respectfully submitted,



Chris Wodka  
Vice President of Business Affairs



Luisa M. Ott  
Executive Director II, Accounting  
Services/Comptroller

**Pinal County Community College District  
(Central Arizona College)**

**Principal Officers**

June 30, 2022



**District Governing Board**

Evelyn Casuga, Vice President, District 3

Dr. David Odiorne, President, District 2

Gladys S. Christensen, District 1

Daniel Miller, District 4

Jerry Walker, District 5

**Senior Administration**

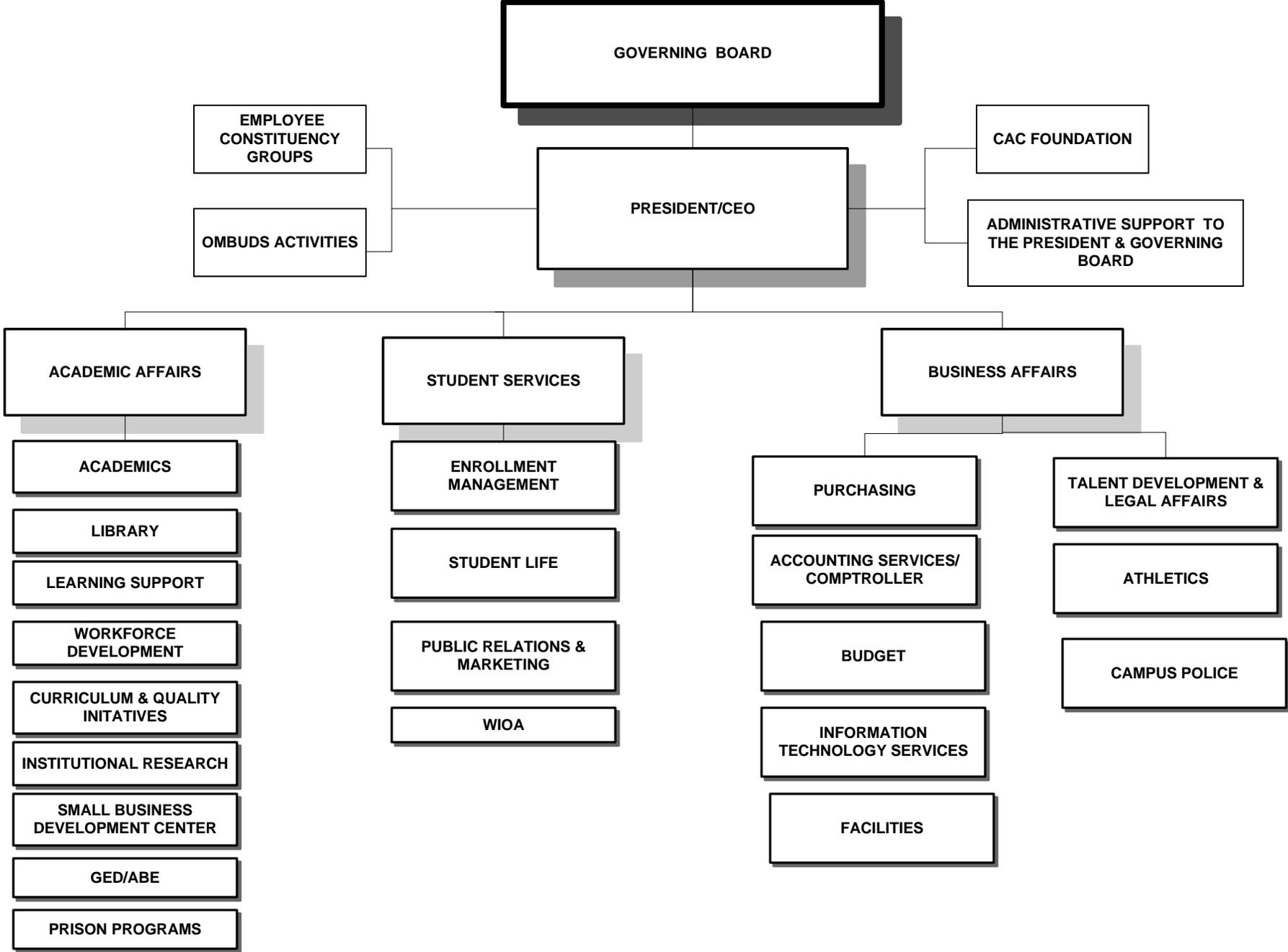
Dr. Jacquelyn Elliott, President

Jenni Cardenas, Vice President Student Services

Chris Wodka, Vice President Business Affairs

Dr. Mary K. Gilliland, Vice President Academic Affairs

**Pinal County Community College District  
(Central Arizona College)  
Organizational Chart as of June 30, 2022**





**Central  
Arizona  
College**

## **Financial Section**



**Central  
Arizona  
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LINDSEY A. PERRY  
AUDITOR GENERAL

ARIZONA  
AUDITOR GENERAL

MELANIE M. CHESNEY  
DEPUTY AUDITOR GENERAL

## Independent auditors' report

Members of the Arizona State Legislature

The Governing Board of  
Pinal County Community College District

### Report on the audit of the financial statements

#### *Opinions*

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

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

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

#### *Basis for opinions*

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

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

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

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

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

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

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

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

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

## ***Required supplementary information***

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 16 through 23, schedule of the District's proportionate share of the net pension liability on page 59, and schedule of District pension contributions on page 60 be presented to supplement the basic financial statements. Such information is management's responsibility and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be

an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2023, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Lindsey A. Perry*

Lindsey A. Perry, CPA, CFE  
Auditor General

March 30, 2023

Pinal County Community College District  
(Central Arizona College)  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2022

Our discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the year ended June 30, 2022. Please read it in conjunction with the transmittal letter on page 1 and the District's financial statements, which immediately follow.

## Basic Financial Statements

The District's annual financial statements are presented in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* and Statement No. 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities*. These statements allow for the presentation in a consolidated, single-column, entity-wide format. This format is similar to the type of financial statements typical of a business enterprise. In accordance with GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the District reports as a component unit those organizations that raise and hold economic resources for the direct benefit of the District. Based on GASB Statement No. 39, the District has one component unit, the Central Arizona College Foundation (Foundation). The Foundation is audited separately from the District, and its financial activity is presented in conjunction with the District's financial statements.

Information on the component unit can be found in the report in the component unit's Statement of Financial Position and Statement of Activities, as well as Note 9. Management's Discussion and Analysis focuses only on the District and does not address the component unit.

The Statement of Net Position reflects the financial position of the District at June 30, 2022. The statement shows the District's assets, deferred outflows and inflows of resources, liabilities, and net position. Net position reflects the institutional equity in the District's total assets.

The Statement of Revenues, Expenses, and Changes in Net Position reflects the results of operations and changes for the fiscal year ended June 30, 2022. This statement reports revenues and expenses, categorized as operating and nonoperating, and the changes in net position for the year.

The Statement of Cash Flows reflects the cash and cash equivalent inflows and outflows for the year ended June 30, 2022. It shows cash flows from operating activities, noncapital financing activities, capital and related financing activities, and investing activities. It also provides for a reconciliation of beginning and ending cash and cash equivalent balances for the year and a reconciliation of the cash flows from operating activities to the operating loss as reported on the Statement of Revenues, Expenses, and Changes in Net Position.

Pinal County Community College District  
(Central Arizona College)  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2022

Condensed Financial Information

<b>Net Position — Primary Government</b>		
	<b>As of June 30, 2022</b>	<b>As of June 30, 2021</b>
<b>Assets:</b>		
Current assets	\$ 163,879,350	\$ 142,200,994
Noncurrent assets, other than capital assets	3,679,324	4,310,635
Capital assets, net	<u>167,401,704</u>	<u>167,533,123</u>
Total assets	<u>334,960,378</u>	<u>314,044,752</u>
<b>Deferred Outflows of Resources:</b>		
Deferred amount on refunding	3,054,930	3,300,514
Deferred outflows related to pensions	<u>6,641,900</u>	<u>6,581,129</u>
Total deferred outflows of resources	<u>9,696,830</u>	<u>9,881,643</u>
<b>Liabilities:</b>		
Long-term liabilities	125,646,845	142,109,990
Other liabilities	<u>6,793,663</u>	<u>6,319,108</u>
Total liabilities	<u>132,440,508</u>	<u>148,429,098</u>
<b>Deferred Inflows of Resources:</b>		
Deferred inflows related to pensions	<u>9,966,670</u>	<u>998,990</u>
Total deferred inflows of resources	<u>9,966,670</u>	<u>998,990</u>
<b>Net Position:</b>		
Net investment in capital assets	74,530,679	91,821,496
Restricted	9,360,098	6,387,875
Unrestricted	<u>118,359,253</u>	<u>76,288,936</u>
Total net position	<u>\$ 202,250,030</u>	<u>\$ 174,498,307</u>

Financial Highlights and Analysis

Total assets increased by \$20.9 million in the fiscal year ended June 30, 2022, due largely to an increase in current cash and investments, a decrease in accounts receivable, and a decrease in government grants receivable. The increase in cash and investments classified as current was primarily from revenues received in excess of expenses. The decrease in accounts receivable was primarily due to accruals related to timing of cash receipts that occurred in the prior fiscal year. The decrease in government grants receivable was primarily due to prior year-end accrual of amounts due from the U.S. Department of Education. Total liabilities decreased by \$16 million primarily due to a

Pinal County Community College District  
(Central Arizona College)  
Management's Discussion and Analysis  
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decrease in pension liability of \$10.5 million and a decrease in other non-current liabilities of \$7 million. Total net position increased by \$27.8 million (15.9 percent) in fiscal year 2022 compared with an increase of \$23.7 million (15.7 percent) over the previous year.

<b>Changes in Net Position — Primary Government</b>		
	<b>Year Ended June 30, 2022</b>	<b>Year Ended June 30, 2021</b>
Operating revenues	\$ 1,763,328	\$ 2,825,631
Operating expenses	<u>66,474,747</u>	<u>64,090,382</u>
Operating Loss	<u>(64,711,419)</u>	<u>(61,264,751)</u>
Nonoperating revenues less expenses	92,247,386	80,498,552
Capital grants and gifts	<u>215,756</u>	<u>4,436,629</u>
Increase in net position	<u>27,751,723</u>	<u>23,670,430</u>
Net position, beginning of year	<u>174,498,307</u>	<u>150,827,877</u>
Net position, end of year	<u>\$202,250,030</u>	<u>\$174,498,307</u>

During fiscal year 2022, there was an increase in total revenues of \$8 million when compared with the prior year. Property tax revenues increased by \$.6 million as a net result of amounts received. The primary assessed values and secondary assessed values increased around 8.6 percent for fiscal year 2022. Operating revenues decreased by \$1.1 million due mainly to decreases in tuition and fee revenue. Tuition and fee revenue decreased mainly due to the District offering reduced tuition. Government grant revenue increased by \$8.5 million mainly due to additional funding provided by the U.S. Department of Education, Education Stabilization Fund grant program. Smart and Safe Arizona Fund appropriations increased by \$.7 million due to the state having increased marijuana sales. State appropriations increased by \$3.9 million due to increased amounts provided in the state budget.

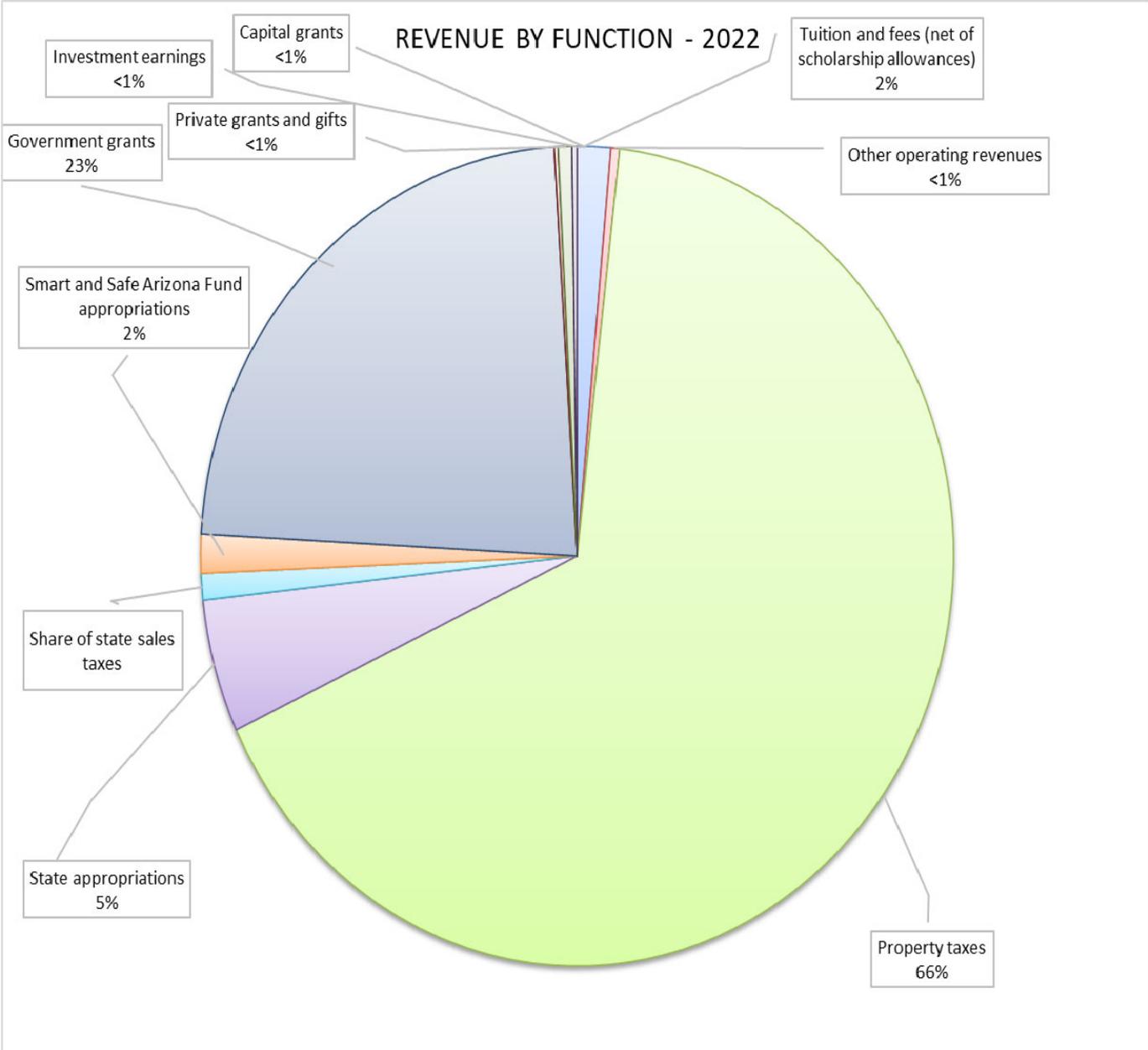
Total expenses increased by 6 percent as compared with the prior year due primarily to a \$4.9 million increase in scholarship expenses. Scholarship expenses increased mainly due to increased enrollment as well as an increase in funding from the U.S. Department of Education.

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The following is a summary of revenues for fiscal years ended June 30, 2022, and June 30, 2021:

<b>Revenues by Source — Primary Government</b>				
	<b>Year Ended June 30, 2022</b>		<b>Year Ended June 30, 2021</b>	
Operating revenues:				
Tuition and fees (net of scholarship allowances)	\$ 1,396,921	1.4%	\$ 2,351,129	2.6%
Other operating revenues	366,407	0.4%	474,502	0.5%
Total operating revenues	<u>1,763,328</u>	<u>1.8%</u>	<u>2,825,631</u>	<u>3.2%</u>
Nonoperating revenues:				
Property taxes	64,584,130	66.2%	63,964,473	71.4%
State appropriations	5,119,000	5.3%	1,224,800	1.4%
Share of state sales taxes	1,016,405	1.0%	1,037,595	1.1%
Smart and Safe Arizona				
Fund appropriations	1,489,678	1.5%	763,840	0.9%
Government grants	22,596,172	23.2%	14,078,187	15.7%
Private grants and gifts	163,739	0.2%	627,817	0.7%
Investment earnings	573,079	0.6%	569,767	0.6%
Total nonoperating revenues	<u>95,542,203</u>	<u>98.0%</u>	<u>82,266,479</u>	<u>91.8%</u>
Capital grants and gifts	215,756	0.2%	4,436,629	5.0%
Total revenues	<u>\$ 97,521,287</u>	<u>100.0%</u>	<u>\$ 89,528,739</u>	<u>100.0%</u>

Pinal County Community College District  
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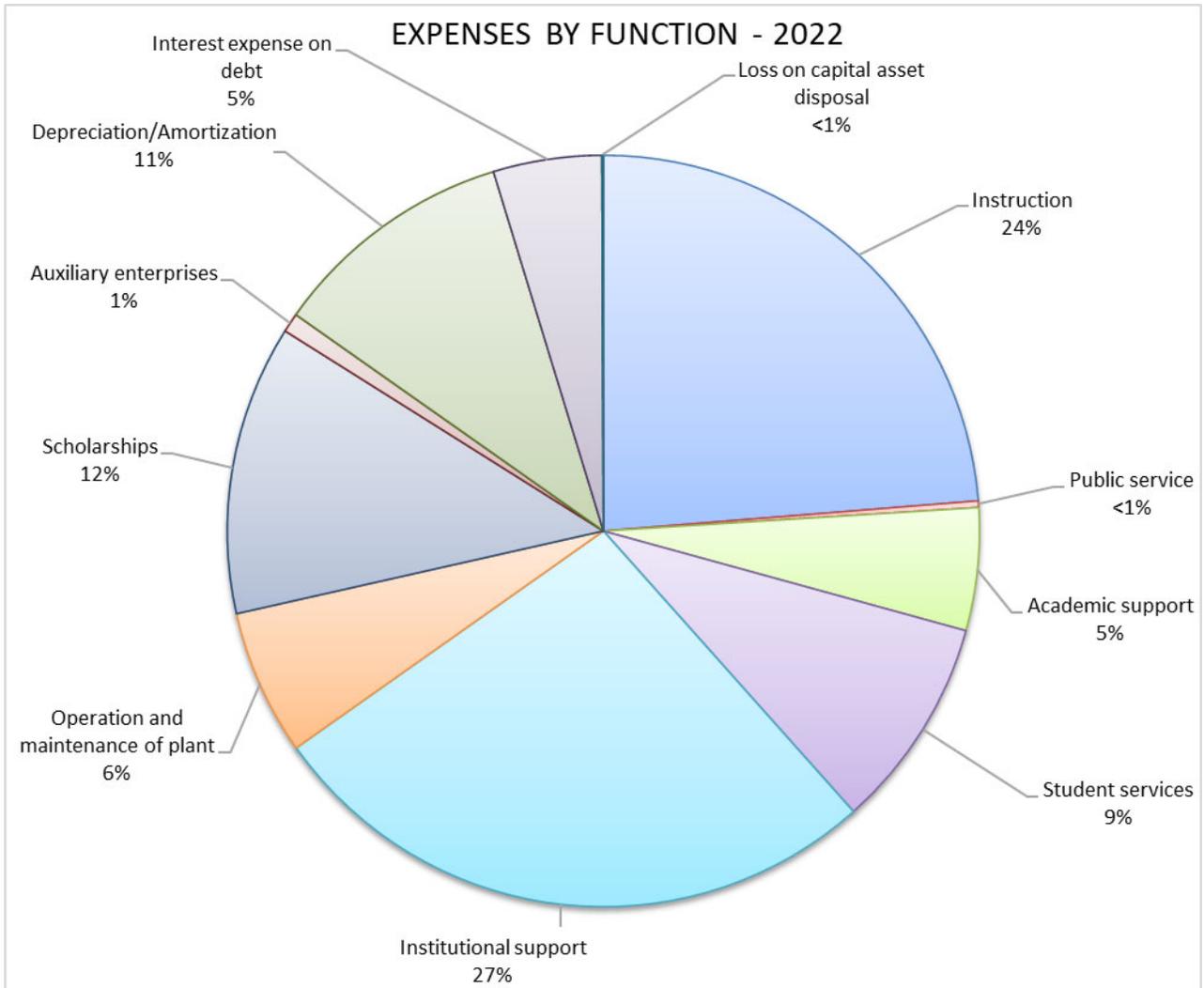


Pinal County Community College District  
(Central Arizona College)  
Management's Discussion and Analysis  
Fiscal Year Ended June 30, 2022

The following is a summary of expenses for fiscal years ended June 30, 2022, and June 30, 2021:

<b>Expenses by Function — Primary Government</b>				
	<b>Year Ended June 30, 2022</b>		<b>Year Ended June 30, 2021</b>	
Operating expenses:				
Educational and general:				
Instruction	\$ 16,550,320	23.7%	\$ 17,553,475	26.7%
Public service	195,710	0.3%	195,429	0.3%
Academic support	3,678,200	5.3%	3,687,658	5.6%
Student services	6,379,366	9.1%	6,650,760	10.1%
Institutional support	18,690,212	26.8%	17,452,107	26.5%
Operation and maintenance of plant	4,368,476	6.3%	6,722,397	10.2%
Scholarships	8,699,635	12.5%	3,803,994	5.8%
Auxiliary enterprises	579,175	0.8%	861,185	1.3%
Depreciation/Amortization	7,333,653	10.5%	7,163,377	10.8%
Total operating expenses	<u>66,474,747</u>	<u>95.2%</u>	<u>64,090,382</u>	<u>97.3%</u>
Nonoperating expenses:				
Interest expense on debt	3,250,579	4.7%	1,683,193	2.6%
Loss on disposal of capital assets	44,238	0.1%	84,734	0.1%
Total nonoperating expenses	<u>3,294,817</u>	<u>4.8%</u>	<u>1,767,927</u>	<u>2.7%</u>
Total expenses	<u>\$ 69,769,564</u>	<u>100%</u>	<u>\$ 65,858,309</u>	<u>100%</u>

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### Capital Assets and Debt Administration

As of June 30, 2022, the District's capital assets, net of accumulated depreciation/amortization, totaled \$167.4 million, a decrease of \$.1 million from the prior year, due mainly to depreciation expense and amortization expense being higher than purchases of new capital assets. Capital assets include land, equipment, buildings, improvements other than buildings, library books, water rights, intangibles, and construction in progress. Additional information on capital assets can be found in Note 3 to the District's financial statements.

As of June 30, 2022, the District had outstanding bonds in the amount of \$82.4 million, a decrease of \$4.3 million from the prior year, due mainly to scheduled debt payments. As of June 30, 2022, the District had total financed purchase agreements outstanding in the amount of \$3 million, a decrease of

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(Central Arizona College)  
Management's Discussion and Analysis  
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\$.9 million from the prior year. Additional information on the District's long-term debt is discussed in Note 4 to the District's financial statements.

### Current Factors Having Probable Future Financial Significance

For fiscal year 2022 the assessed value for property in the county increased by 6.7 percent. East Valley.com reported that building permits pulled in February of 2022 were 60% higher than the long-term count. It was also stated that demand has faded but only by a slight amount while supply remains extremely low and that the level of imbalance in the market is enough to keep prices rising. Az Business Magazine reported that experts say rising land prices in Maricopa County have forced some companies to look elsewhere, making Pinal County a hot spot for economic development.

For fiscal year 2022 the District decreased the secondary tax levy by 36 percent, and increased the secondary tax levy by 20 percent, for fiscal year 2023, to maintain compliance over restrictions in levy amounts required to absorb any excess cash from prior year levies. The District is continuing to develop budgetary strategies to fund its commitment to expand access to postsecondary education for Pinal County residents.

### Requests for Information

This discussion and analysis is designed to provide a general overview of the Pinal County Community College District's finances for all those with an interest in such matters. Written requests for additional financial information should be addressed to the Office of the Vice President of Business Affairs, Pinal County Community College District, 8470 N. Overfield Rd., Coolidge, AZ 85128.

Pinal County Community College District  
(Central Arizona College)  
Statement of Net Position — Primary Government  
June 30, 2022

	<b>Business-Type Activities</b>
<b>Assets</b>	
Current assets:	
Cash and investments	\$ 153,687,257
Receivables:	
Accounts (net of allowance of \$462,811)	3,991,288
Property taxes (net of allowance of \$225,202)	1,978,101
Government grants	3,712,546
Student loans (net of allowance of \$2,291)	-
Other	14,409
Prepaid expenses	495,749
Total current assets	163,879,350
Noncurrent assets:	
Restricted assets:	
Cash and investments held by County Treasurer	1,842,433
Cash and investments held by trustee	1,745,656
Other receivables	3,230
Deferred charges	88,005
Capital assets, not being depreciated/amortized	26,458,561
Capital assets, being depreciated/amortized, net	140,943,143
Total noncurrent assets	171,081,028
Total assets	334,960,378
<b>Deferred Outflows of Resources</b>	
Deferred amount on refunding	3,054,930
Deferred outflows related to pensions	6,641,900
Total deferred outflows of resources	9,696,830
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	3,545,588
Accrued payroll and employee benefits	1,218,734
Unearned revenue	1,547,855
Deposits held in custody for others	481,486
Current portion of compensated absences payable	455,959
Current portion of other long-term liabilities	6,764,912
Total current liabilities	14,014,534

(Continued)

Pinal County Community College District  
(Central Arizona College)  
Statement of Net Position — Primary Government  
June 30, 2022  
(Continued)

	<b>Business-Type Activities</b>
Noncurrent liabilities:	
Compensated absences payable	\$ 2,634,993
Other long-term liabilities	89,161,043
Net pension liability	26,629,938
Total noncurrent liabilities	118,425,974
Total liabilities	132,440,508
<b>Deferred Inflows of Resources</b>	
Deferred inflows related to pensions	9,966,670
Total deferred inflows of resources	9,966,670
<b>Net Position</b>	
Net investment in capital assets	74,530,679
Restricted:	
Expendable:	
Grants and contracts	3,780,865
Loans	80,822
Debt service	3,641,591
Other	1,856,820
Unrestricted	118,359,253
Total net position	\$ 202,250,030

Pinal County Community College District  
(Central Arizona College)  
Statement of Financial Position — Component Unit  
June 30, 2022

	<u><b>Central Arizona College Foundation</b></u>
<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 246,907
Certificate of deposit - current	63,154
Accounts receivable	3,500
Deposits	1,447
Total current assets	<u>315,008</u>
Noncurrent assets	
Certificates of deposits	247,662
Endowment investments held for long-term purposes	4,597,950
Investments	1,050,824
Total noncurrent assets	<u>5,896,436</u>
Total assets	<u><u>6,211,444</u></u>
<b>Liabilities</b>	
Accounts payable	-
Total liabilities	<u>-</u>
<b>Net assets</b>	
Without donor restrictions	
Undesignated	732,828
Total net assets without donor restrictions	<u>732,828</u>
With donor restrictions	
Donor-restricted endowments	4,597,950
Time and purpose restricted	880,666
Total net assets with donor restrictions	<u>5,478,616</u>
Total net assets	<u>6,211,444</u>
Total liabilities and net assets	<u><u>\$ 6,211,444</u></u>

Pinal County Community College District  
(Central Arizona College)  
Statement of Revenues, Expenses, and Changes in Net Position — Primary Government  
Year Ended June 30, 2022

	<b>Business-Type Activities</b>
Operating revenues:	
Tuition and fees (net of scholarship allowances of \$2,331,613)	\$ 1,255,278
Dormitory rentals and fees (net of scholarship allowances of \$293,526)	141,643
Other	366,407
Total operating revenues	1,763,328
Operating expenses:	
Educational and general:	
Instruction	16,550,320
Public service	195,710
Academic support	3,678,200
Student services	6,379,366
Institutional support	18,690,212
Operation and maintenance of plant	4,368,476
Scholarships	8,699,635
Auxiliary enterprises	579,175
Depreciation and amortization	7,333,653
Total operating expenses	66,474,747
Operating loss	(64,711,419)
Nonoperating revenues (expenses):	
Property taxes	64,584,130
State appropriations	5,119,000
Government grants	22,596,172
Share of state sales taxes	1,016,405
Smart and Safe Arizona Fund appropriations	1,489,678
Private grants and gifts	163,739
Investment earnings	573,079
Interest expense on debt	(3,250,579)
Loss on disposal of capital assets	(44,238)
Total nonoperating revenues (expenses)	92,247,386
Income before other revenues, expenses, gains, or losses	27,535,967
Capital grants and gifts	215,756
Increase in net position	27,751,723
Net position, July 1, 2021	174,498,307
Net position, June 30, 2022	\$ 202,250,030

Pinal County Community College District  
(Central Arizona College)  
Statement of Activities — Component Unit  
Year Ended June 30, 2022

**Central Arizona College Foundation**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Revenues, gains and other support			
Contributions	\$ 11,293	\$ 54,137	\$ 65,430
Contributions - donated services, space and operating	96,221	-	96,221
Contributions - in kind gifts, non cash	-	390,000	390,000
Investment Income	18,909	138,796	157,705
Gain on sale of asset	-	1,329	1,329
Net realized and unrealized loss on investments	(113,577)	(701,916)	(815,493)
Net assets released from time and purpose restrictions	176,768	(176,768)	-
	189,614	(294,422)	(104,808)
Special Events			
Revenue from special events	44,491	-	44,491
Costs of direct donor benefits	(15,227)	-	(15,227)
	29,264	-	29,264
Gross profit on special events	29,264	-	29,264
Total revenues, gains and other support	218,878	(294,422)	(75,544)
Expenses and Losses			
Scholarships	163,739	-	163,739
Office operation expenses	102,665	-	102,665
	266,404	-	266,404
Total expenses and losses	266,404	-	266,404
Change in net assets	(47,526)	(294,422)	(341,948)
Net assets, beginning of year	780,354	5,773,038	6,553,392
Net assets, end of year	\$ 732,828	\$ 5,478,616	\$ 6,211,444

Pinal County Community College District  
(Central Arizona College)  
Statement of Cash Flows — Primary Government  
Year Ended June 30, 2022

	<b>Business-Type Activities</b>
Cash flows from operating activities:	
Tuition and fees	\$ 4,842,070
Dormitory rentals and fees	141,643
Other receipts	362,604
Payments to suppliers and providers of goods and services	(14,343,966)
Payments for employee wages and benefits	(36,365,150)
Payments to students for scholarships	(8,699,135)
Funds held for others received	236,394
Funds held for others disbursed	(185,630)
Other payments	(704,707)
Net cash used for operating activities	<u>(54,715,877)</u>
Cash flows from noncapital financing activities:	
Property taxes	64,239,816
State appropriations	5,119,000
Grants	24,563,376
Share of state sales taxes	1,016,405
Smart and Safe Arizona Fund appropriations	1,489,678
Noncapital endowments and gifts	163,739
Federal direct lending receipts	832,670
Federal direct lending disbursements	(832,670)
Net cash provided by noncapital financing activities	<u>96,592,014</u>
Cash flows from capital and related financing activities:	
Proceeds from the sale of capital assets	800
Capital endowments and gifts	215,756
Deposit on finance agreement	(83,421)
Principal paid on capital debt	(5,259,010)
Interest paid on capital debt	(3,250,579)
Purchases of capital assets	(7,786,592)
Net cash used for capital and related financing activities	<u>(16,163,046)</u>
Cash flows from investing activities:	
Proceeds from sales and maturities of investments	542,075
Interest received on investments	573,079
Purchase of investments	(542,075)
Net cash provided by investing activities	<u>573,079</u>
Net increase in cash and cash equivalents	26,286,170
Cash and cash equivalents, July 1, 2021	<u>130,989,176</u>
Cash and cash equivalents, June 30, 2022	<u>\$ 157,275,346</u>

(Continued)

Pinal County Community College District  
(Central Arizona College)  
Statement of Cash Flows — Primary Government  
Year Ended June 30, 2022  
(Continued)

	<b>Business-Type Activities</b>
Reconciliation of operating loss to net cash used for operating activities:	
Operating loss	\$ (64,711,419)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation	7,333,653
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Receivables, net	4,199,989
Accrued payroll and employee benefits	(282,100)
Student loans receivable	-
Deposits held in custody for others	50,914
Prepaid items	(500,333)
Compensated absences payable	74,633
Net pension liability	(10,493,864)
Accounts payable	1,320,127
Deferred outflows of resources related to pensions	(60,771)
Unearned revenue	(614,386)
Deferred inflows of resources related to pensions	8,967,680
Net cash used for operating activities	\$ (54,715,877)
Noncash investing, capital, and noncapital financing activities:	
Disposal of capital assets being depreciated	\$ 1,941,306
Loss on disposal of capital assets, net	44,238
Amortization of GO bond premiums	628,727
Amortization of Revenue bond premium	156,176
Amortization of deferred amount on revenue bond refunding	245,583
Reconciliation of cash and cash equivalents, as presented on the Statement of Net Position:	
Cash and investments	153,687,257
Restricted assets:	
Cash and investments held by County Treasurer	1,842,433
Cash and investments held by trustee	1,745,656
Total cash and cash equivalents, June 30, 2022	\$ 157,275,346

Pinal County Community College District  
(Central Arizona College)  
Notes to Financial Statements  
June 30, 2022

Note 1 — Summary of Significant Accounting Policies

Pinal 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). The District evaluated the effects of GASB Statement No. 87, *Leases*, as amended, which became effective this fiscal year and determined that there was no significant impact on the District's financial statements.

A. Reporting Entity

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

The Central Arizona 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 college development activities. Although the District does not control the timing or amount of receipts from the Foundation, the Foundation's restricted resources can only be used by or for the benefit of the District or its constituents. Consequently, the Foundation is considered a component unit of the District and is discretely presented in the District's financial statements.

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

During the year ended June 30, 2022, the Foundation distributed \$163,739 to the District for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained from the Central Arizona College Foundation, 8470 North Overfield Road, Coolidge, AZ 85128.

Pinal County Community College District  
(Central Arizona College)  
Notes to Financial Statements  
June 30, 2022

**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 the District's obligations. Net investment in capital assets represents the value of capital assets, net of accumulated depreciation/amortization, less any outstanding liabilities 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 and additions to endowments. Operating revenues and expenses generally result from exchange transactions. Accordingly, revenues, such as tuition and dormitory charges, 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 parties do not exchange equal values and are considered nonoperating revenues. Operating expenses include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. Other expenses, such as interest expense on debt, are considered nonoperating expenses.

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

The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. State appropriations are recognized as revenue in the year in which the appropriation is first made available for use. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met. It is the District's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available. Internal transactions and activities, such as transfers between funds, revenues and expenses recorded for internal service activities, and certain internal revenues and expenses recorded for grant activity have been eliminated for financial statement purposes.

Pinal County Community College District  
(Central Arizona College)  
Notes to Financial Statements  
June 30, 2022

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 only those highly liquid investments with a maturity of 3 months or less when purchased. All investments are stated at fair value.

D. Capital assets

Capital assets are reported at actual cost (or estimated historical cost if historical records are not available). Donated assets are reported at acquisition value.

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

	<b>Capitalization Threshold</b>	<b>Depreciation/ Amortization Method</b>	<b>Estimated Useful Life</b>
Land	All	N/A	N/A
Buildings	\$5,000	Straight-line	40 years
Modular buildings	5,000	Straight-line	20 years
Improvements other than buildings	5,000	Straight-line	15 years
Equipment	5,000	Straight-line	5 years
Other Intangibles	5,000	Straight-line	5 years
Water rights	5,000	Straight-line	100 years
Library books	All	Straight-line	10 years

Depreciation/amortization is accounted for using a half-year convention. Buildings and improvements other than buildings that are classified as construction in progress are not depreciated until completed. Upon completion, these capital assets are reclassified and reported as buildings and improvements other than buildings.

Pinal County Community College District  
(Central Arizona College)  
Notes to Financial Statements  
June 30, 2022

E. Pensions

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

F. Investment earnings

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

G. 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.

H. Compensated absences

Compensated absences payable consists of vacation leave and a calculated amount of sick leave employees earned based on services already rendered.

Employees may accumulate up to 320 hours of vacation, but they forfeit any unused vacation hours in excess of the maximum amount at fiscal year-end. Upon terminating employment, the District pays all unused and unforfeited vacation benefits to employees. Accordingly, vacation benefits are accrued as a liability in the financial statements.

Employees may accumulate up to 960 hours of sick leave. Generally, sick leave benefits provide for ordinary sick pay and are cumulative, but employees forfeit them upon terminating employment. However, for employees who have 5 or more years of service, 50 percent of the unused sick leave benefits do vest at employee termination. Sick leave benefits are accrued to the extent it is probable that the District will compensate employees through cash payments upon termination. Those amounts are accrued as a liability in the financial statements.

Pinal County Community College District  
(Central Arizona College)  
Notes to Financial Statements  
June 30, 2022

**Note 2 — Deposits and investments**

Arizona Revised Statutes (A.R.S.) requires the District to deposit special tax levies for the District’s maintenance or capital outlay with the County Treasurer. Although not statutorily required, the District has also chosen to deposit other public monies in its custody with the County Treasurer. A.R.S. requires collateral for deposits at 102 percent of all deposits not covered by federal depository insurance. A.R.S. does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the District’s investments.

**Deposits** – At June 30, 2022, the carrying amount of the District’s deposits was \$7,894,000, and the bank balance was \$8,931,446. The District does not have a policy with respect to custodial credit risk.

**Investments** – The District’s investments at June 30, 2022, categorized within the fair value hierarchy established by generally accepted accounting principles, were as follows:

	<b>Amount</b>	<b>Fair value measurement using Quoted prices in active markets for identical assets (Level 1)</b>
<b>Investments by fair value level</b>		
Mutual Funds - U.S. Treasury securities	\$ 1,745,656	\$ 1,745,656
Total investments by fair value level	1,745,656	\$ 1,745,656
 <b>External investment pools measured at fair value</b>		
County Treasurer’s investment pool	147,615,286	
Total external investment pools measured at fair value	147,615,286	
Total investments measured at fair value	149,360,942	
Total investments	\$ 149,360,942	

Investments categorized as Level 1 are valued using prices quoted in active markets for those investments. The investment in the County Treasurer’s pool is valued using the District’s proportionate participation in the pool because the pool’s structure does not provide for shares. The County Treasurer’s investment pool is not registered with the Securities and Exchange Commission as an investment company, and there is no regulatory oversight of its operations.

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

Investment Type	Rating	Rating Agency	Amount
County Treasurer's investment pool	Unrated	Not applicable	\$ 147,615,286
Mutual funds - U.S. Treasury securities	Aaa	Moody's	1,745,656
Total			<u>\$ 149,360,942</u>

**Custodial credit risk** - For an investment, custodial credit risk is the risk that, in the event of the counterparty's failure, the District will not be able to recover the value of its investments or collateral securities that are in an outside party's possession. The District does not have a formal policy with respect to custodial credit risk. At June 30, 2022, the District did not have any investments or collateral securities that were subject to custodial credit risk.

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

Investment Type	Amount	Weighted Average Maturity
County Treasurer's investment pool	\$ 147,615,286	2.46 months
Mutual funds - U.S. Treasury securities	1,745,656	.61 months
Total	<u>\$ 149,360,942</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	\$ 20,404	Cash and investments	\$ 153,687,257
Amount of deposits	7,894,000	Restricted assets:	
Amount of investments	149,360,942	Cash and investments held	
		by County Treasurer	1,842,433
		Cash and investments held	1,745,656
		by trustees	
Total	<u>\$ 157,275,346</u>	Total	<u>\$ 157,275,346</u>

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**Note 3 — Capital Assets**

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

	<b>Balance July 1, 2021</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2022</b>
Capital assets not being depreciated/amortized:				
Land	\$ 25,936,873			\$ 25,936,873
Construction in progress	408,968	\$ 368,406	\$ 255,687	521,688
Total capital assets not being depreciated/amortized	<u>26,345,841</u>	<u>368,406</u>	<u>255,687</u>	<u>26,458,561</u>
Capital assets being depreciated/amortized:				
Buildings	170,892,771	2,308,876	753,155	172,448,493
Improvements other than buildings	29,654,259	2,032,193		31,686,452
Water rights	1,171,172			1,171,172
Other intangibles	3,377,138	113,373		3,490,511
Equipment	17,140,648	2,583,277	990,312	18,733,613
Library books	1,642,274	96,831	197,839	1,541,266
Total capital assets being depreciated/amortized	<u>223,878,262</u>	<u>7,134,550</u>	<u>1,941,306</u>	<u>229,071,507</u>
Less accumulated depreciation/amortization for:				
Buildings	47,950,324	3,915,909	708,118	51,158,115
Improvements other than buildings	18,424,299	1,798,957		20,223,256
Water rights	105,404			105,404
Other intangibles	450,285	251,971		702,256
Equipment	14,673,943	1,243,312	990,312	14,926,943
Library books	1,086,725	123,504	197,839	1,012,390
Total accumulated depreciation/amortization	<u>82,690,980</u>	<u>7,333,653</u>	<u>1,896,269</u>	<u>88,128,364</u>
Total capital assets being depreciated/amortized, net	<u>141,187,282</u>	<u>(199,103)</u>	<u>45,037</u>	<u>140,943,143</u>
Capital assets, net	<u>\$ 167,533,123</u>	<u>\$ 169,303</u>	<u>\$ 300,723</u>	<u>\$ 167,401,704</u>

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**Note 4 — Long-Term Liabilities**

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

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Due within 1 year
Bonds payable:					
General obligation bonds	\$ 61,360,000		\$ 3,155,000	\$ 58,205,000	\$ 3,300,000
Premium	11,313,675		784,903	10,528,772	784,903
Revenue bonds	25,375,000		1,140,000	24,235,000	1,195,000
Total bonds payable	<u>98,048,675</u>	-	<u>5,079,903</u>	<u>92,968,772</u>	<u>5,279,903</u>
Financed purchases	3,921,194		964,011	2,957,183	1,485,009
Compensated absences payable	3,016,319	1,207,008	1,132,375	3,090,952	455,959
Net pension liability	37,123,802		10,493,864	26,629,938	
Total long-term liabilities	<u>\$ 142,109,990</u>	<u>\$ 1,207,008</u>	<u>\$ 17,670,153</u>	<u>\$ 125,646,845</u>	<u>\$ 7,220,871</u>

On July 1, 2021, the District reclassified capital leases to financed purchases due to the implementation of GASB Statement No. 87, but this had no impact on beginning net position.

**Bonds** – The District’s bonded debt consists of general obligation bonds and revenue bonds that are generally callable with interest payable semiannually. Bond proceeds primarily pay for acquiring or constructing capital facilities or refunding previously issued bonds.

The District repays general obligation bonds from voter-approved property taxes. Bonds outstanding at June 30, 2022, were as follows:

Description	Original Amount Issued	Maturity Ranges	Interest Rates	Outstanding Principal
GO Refunding Bonds - Series 2016	\$28,895,000	7/1/22 - 34	2.0-5.0%	\$24,360,000
GO Refunding Bonds - Series 2021	\$36,035,000	7/1/22 - 36	3.0-5.0%	\$33,845,000

The Arizona Constitution, Article 9, Section 8, states that a district may become indebted for an amount not to exceed fifteen percent of taxable property. For fiscal year 2022, the District could issue an additional \$369 million of debt and remain within the legal debt margin. See Statistical Section – Legal Debt Margin Information for details. Federal arbitrage regulations are applicable to all of the District’s bond issues; however, the District has no current liability for arbitrage.

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The following schedule details debt service requirements to maturity for the District's bonds payable at June 30, 2022:

Year Ending June 30	<b>General Obligation Bonds</b>	
	Principal	Interest
2023	\$ 3,300,000	\$ 2,472,150
2024	3,460,000	2,307,150
2025	3,635,000	2,134,150
2026	3,820,000	1,952,400
2027	4,020,000	1,761,400
2028-2032	23,130,000	5,920,050
2033-2036	16,840,000	1,232,300
Total	<u>\$ 58,205,000</u>	<u>\$ 17,779,600</u>

**Pledged revenue obligations** - During the year ended June 30, 2017, the District issued revenue bonds totaling \$27,535,000 to fund the construction of the new facilities and the purchase of equipment. Series 2017 Revenue Bonds are pledged with gross revenues and are currently repaid from tuition and fees and dormitory rentals and fees. The total principal and interest remaining on the Revenue Bonds – Series 2017 is \$24,235,000 and \$9,423,475 respectively, with annual requirements ranging from \$2,229,850 to \$2,262,350. Pledged gross revenues have averaged approximately \$4,836,252, over the prior 5 fiscal years and principal and interest payments on revenue bonds are expected to require 46.6% of gross revenues annually. For the current year, principal and interest paid by the District was \$2,252,650 and total tuition and fees and dormitory rentals and fees, net of scholarship allowances, was \$1,396,921.

Pledged revenue obligations outstanding at June 30, 2022, were as follows:

<b>Description</b>	<b>Amount Issued</b>	<b>Maturity Ranges</b>	<b>Interest Rate</b>	<b>Outstanding Principal</b>
Revenue Bonds - Series 2017	\$ 27,535,000	7/1/22 - 36	3.00% - 5.00%	\$ 24,235,000

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The following schedule details debt service requirements to maturity for the District's pledged revenue obligations payable at June 30, 2022:

Year ended June 30	<b>Pledged Revenue Obligations</b>	
	Principal	Interest
2023	\$ 1,195,000	\$ 1,066,225
2024	1,230,000	1,029,850
2025	1,270,000	992,350
2026	1,305,000	940,675
2027	1,370,000	873,800
2028-2032	7,895,000	3,324,625
2033-2037	9,970,000	1,195,950
	\$ 24,235,000	\$ 9,423,475

Financed purchases—The District has acquired energy-saving improvements and equipment under contract agreements, with APS, at a total purchase price of \$5,059,882. The following schedule details debt service requirements to maturity for the District's financed purchases at June 30, 2022:

Year ending June 30	Principal	Interest
2023	\$ 465,966	\$ 15,256

The District has also acquired equipment under contract agreements, with First American Equipment Finance, at a total purchase price of \$3,057,128. The following schedule details debt service requirements to maturity for the District's financed purchases at June 30, 2022:

Year ending June 30	Principal	Interest
2023	\$ 1,019,043	\$ 74,368
2024	972,126	72,281
2025	500,047	45,010
Total	\$ 2,491,216	\$ 191,659

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**Note 5 — 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 participates with other Arizona community college districts and more than 200 Arizona school districts in the Arizona School Risk Retention Trust, Inc. (Trust), a public-entity risk pool. The Trust insures the District against liabilities arising from general liability; professional liability; property, automobile, boiler and machinery liability; and commercial crime risks. The coverage limit for general liability is \$10 million with no deductible except for employer's liability and cyber liability, which is \$2 million with a \$500,000 deductible and \$5 million with a \$5,000 deductible, respectively. The coverage limit for professional liability is \$1 million with no deductible (except for student's clinical practicum, the coverage limit is \$3 million, no deductible). The coverage limit for property insurance is equal to the total insurable property value of \$234.6 million with a \$1,000 deductible. The coverage limit for automobile liability is \$10 million with no deductible. The coverage limit for commercial crime is \$1.5 million with a \$100 deductible. The Trust's operating agreement includes a provision for the member to be charged an additional assessment in the event that total claims paid by the Trust exceed the members' contributions and reserves in any single year. The District will be charged for any such assessment in the following year.

The District also carries commercial insurance for other risks of loss, including workers' compensation, accidental death and dismemberment for students and employees, employee travel, and extended reporting for errors and omissions. Settled claims resulting from any of these risks have not exceeded commercial insurance coverage in any of the past 3 fiscal years.

The District provides health, prescription, dental, vision, life, and short-term disability benefits to its employees and their dependents through the Cochise Combined Trust (CCT currently composed of three member entities: Cochise College, Cochise County, and Central Arizona College. CCT provides the benefits through a self-funding agreement with its participants and has contracted with a third party to administer the program. The District is responsible for paying the premium for employee coverage and employees can enroll eligible dependents, with dependent coverage the responsibility of the employee. Employees contribute 12% monthly to their premium. If the District withdraws from CCT, it is responsible for a proportional share of any claim's runout costs, including administrative costs that exceed trust fund reserves. If CCT were to terminate, the District would be responsible for its proportional share of any trust deficit.

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Note 6 — Pension and Other Postemployment Benefits

A. Arizona State Retirement System (ASRS)

**Plan Descriptions** – District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The net OPEB liability for ASRS has not been recorded at June 30, 2022 and no further OPEB disclosures are presented due to its relative insignificance to the District’s financial statements. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 2. The ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at [www.azasrs.gov](http://www.azasrs.gov).

The District also contributes to the Public Safety Personnel Retirement System (PSPRS), a state administered agent multiple-employer defined benefit pension plan. The net pension liability for PSPRS, nor the net OPEB liability for PSPRS have been recorded at June 30, 2022 and no further disclosures are presented due to its relative insignificance to the District’s financial statements.

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

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

\*With actuarially reduced benefits

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

**Contributions** – In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2022, statute required active ASRS members to contribute at the actuarially determined rate of 12.22 percent for retirement of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.01 percent for retirement of the active members' annual covered payroll. In addition, the District was required by statute to contribute at the actuarially determined rate of 10.13 percent for retirement of annual covered payroll of retired members who worked for the District in positions that an employee who contributes to the ASRS would typically fill. The District's contributions to the pension plan for the year ended June 30, 2022 were \$2,769,852.

**Liability** – At June 30, 2022, the District reported a liability of \$26,629,938 for its proportionate share of the ASRS's net pension liability. The net liability was measured as of June 30, 2021. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2020, to the measurement date of June 30, 2021. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2020, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7–7.2 percent to 2.9–8.4 percent.

The District's proportion of the net liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The District's proportion measured as of June 30, 2021 was .203%, which was a decrease of .011 from its proportion measured as of June 30, 2020.

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**Pension Expense and Deferred Outflows/Inflows of Resources** – For the year ended June 30, 2022 the District recognized pension expense for ASRS of \$1,182,897. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 405,949	
Changes of assumptions or other inputs	3,466,099	
Net difference between projected and actual earnings on pension plan investments		\$ 8,437,301
Changes in proportion and differences between district contributions and proportionate share of contributions		1,529,369
District contributions subsequent to the measurement date	2,769,852	-
<b>Total</b>	<b>\$ 6,641,900</b>	<b>\$ 9,966,670</b>

The \$2,769,852 reported as deferred outflows of resources related to ASRS pensions resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

Year Ending June 30	
2023	\$ (864,144)
2024	(462,928)
2025	(1,859,993)
2026	(2,907,557)

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

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2020.

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.0% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation percentage and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset class</b>	<b>Target allocation</b>	<b>Long-term expected geometric real rate of return</b>
Equity	50%	4.90%
Fixed income - credit	20%	5.20%
Fixed income - interest rate sensitive	10%	0.70%
Real estate	20%	5.70%
Total	100%	

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

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

	<b>1% Decrease (6.0%)</b>	<b>Current Discount Rate (7.0%)</b>	<b>1% Increase (8.0%)</b>
District's proportionate share of the net pension liability	\$ 41,886,662	\$ 26,629,938	\$ 13,910,052

**Plan Fiduciary Net Position** – Detailed information about the plans’ fiduciary net position is available in the separately issued ASRS financial report.

**Contributions Payable** – The District’s accrued payroll and employee benefits included \$45,645 of outstanding pension contribution amounts payable to ASRS for the year ended June 30, 2022.

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**Note 7 — 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:

Personal services	\$	34,570,728
Contract services		4,923,008
Supplies and other services		2,308,614
Communications and utilities		2,384,817
Scholarships		8,699,635
Depreciation		7,333,653
Other		6,254,292
Total	<u>\$</u>	<u>66,474,747</u>

**Note 8 — Subsequent Events**

On November 19, 2021, Pinal County Community College District entered into an agreement with De Rito Acquisition Co., L.L.C. for the sale of the Casa Grande Center, located at the southwest corner of Florence Boulevard & Trezell Road in Casa Grande, Arizona. The sales price was \$1.15M and closed on February 7, 2023.

On January 19, 2023, the college entered into an agreement, in the amount of \$279,617, with McCarthy Building Companies, Inc. for pre-construction work related to new construction at our Signal Peak campus.

On March 23, 2023, the college entered into an agreement, in the amount of \$4,435,915, with McCarthy Building Companies, Inc. for pre-construction work related to new construction at our Superstition Mountain campus.

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Note 9 — Central Arizona College Foundation

**Nature of Activities** - The Central Arizona College Foundation (the “Foundation”) was formed in 1968 as an Arizona not-for-profit corporation. The Foundation’s mission and purpose is to support the programs and activities of Central Arizona College (the “College”). The Foundation supports student scholarships, faculty development and programs that enrich both campus and community life.

The major activities of the Foundation include providing scholarships to college students, sponsorship of community events and college development activities. Resources to fund these activities are provided mainly from investment income, contributions and grants.

**Basis of Accounting and Financial Statement Presentation** - The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

**Promises to Give** - Unconditional promises to give are recognized as revenues in the period the promise is received and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give that are 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 discounts on those amounts are computed using rates as determined by management applicable to the years in which the promises are received. Amortization of the discounts is included in contribution support.

**Fair Value Measurements and Investments** - A framework for measuring fair value has been established by Accounting Standards and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under Accounting Standards are as follows:

Level 1     Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2     Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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If the asset or liability has a specified term (contractual term), the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement, and usually reflect the Foundation's own assumptions that market participants would use in pricing the assets (i.e. real estate valuations, broker quotes).

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

Investment income or loss (including realized and unrealized gains and losses) on endowment funds are included in the change in net assets with donor restrictions in the accompanying statement of activities. Investment income on other funds is included in the change in net assets without donor restrictions, unless the income or loss is restricted by donor or law. The Foundation invests most of the endowments in an investment pool which is managed by an investment advisor to the Foundation. This is a fee-based account and fees are assessed on the value of the account.

**Risks and Uncertainty** - The Foundation invests in various types of investments which are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amount reported in the statement of financial position.

**Endowment Funds** - The Foundation's endowment funds consist of approximately 39 funds established for a variety of purposes. The endowment funds include donor-restricted endowment funds. Net assets associated with these endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation follows the Arizona's Management of Charitable Funds Act (MCFA) and its own governing documents. MCFA requires the preservation of endowment funds. When a donor's intent is not expressed, MCFA directs the Foundation to spend an amount that is prudent and consistent with the purposes of the fund, relevant economic factors and the donor's intent that the fund continue in perpetuity.

The Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The donor-restricted endowment fund also includes accumulated earnings in the fund that are also classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by MCFA.

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In accordance with MCFA, the Foundation considers the following factors in making a determination to appropriate or 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) the Foundation's other resources, and (7) the Foundation's investment policies.

*Investment Return Objectives, Risk Parameters and Strategies* - The investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. The Foundation's primary objective is to obtain the best possible return on investments with the appropriate degree of risk and to meet the priorities of the Foundation and Central Arizona College over time. Endowment assets are invested in a well-diversified asset mix that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution, while growing the funds if possible. The Foundation has contracted with an asset manager to actively manage the investment portfolio with set objectives.

*Spending Policy* – The Foundation has adopted a spending policy that governs the overall spending from the endowment funds. Under this policy, the amount of funds allocated for expenditure will typically range from 0% to 3% of the rolling prior 28 quarter average market value of the endowment funds, never to exceed 7% of that value. In establishing this practice, the Foundation considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor restrictions, and the possible effects of inflation. The Foundation expects the current spending practice to allow its endowment funds to grow over time.

**Contributions** - Contributions received are recorded as either support with donor restrictions or support without donor restrictions, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions of donated non-monetary assets are recorded at their fair value in the period received. Contributions of donated services are recorded if they create or enhance non-financial assets; or if they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donated services. Donated services received from personnel of the College are recognized as revenue by the Foundation at the amount of the personnel cost recognized by the College.

**Scholarship Expense and Scholarships Payable** - The College's Financial Aid Office is responsible for determining student eligibility and qualifications under the various scholarship funds and provides the Foundation with a detail of total scholarship funds awarded. Scholarships

Pinal County Community College District  
(Central Arizona College)  
Notes to Financial Statements  
June 30, 2022

are expensed for financial statement purposes when the funds are committed by the College's financial aid office.

**Net Assets** – The Foundation reports information regarding its financial position and activities according to two classes of net assets as follows:

Net assets without donor restrictions – net assets available for use in general operations and not subject to donor or grantor restrictions.

Net assets with donor restrictions – net assets whose use is limited by donor-imposed time and/or purpose restrictions. Gifts of long-lived assets and gifts of cash restricted for acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled or both.

**Functional Expenses** – The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among program services and supporting services. Management and general expenses include direct office operation expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

**Income Taxes** - The Foundation is exempt from payment of income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, the Foundation has been classified as a Foundation that is not a private foundation under Section 509(a)(3).

The Foundation recognizes uncertain tax positions in the financial statements when it is more-likely-than-not the positions will not be sustained upon examination by the tax authorities. At June 30, 2022, the Foundation had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

The Foundation recognizes interest and penalties associated with income taxes in operating expenses. During the year ended June 30, 2022, the Foundation did not have any income tax related interest and penalty expense.

**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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Date of Management's Review** - In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through March 2023, the date the District financial statements were available to be issued.

**Concentration of Credit Risk** - Financial instruments that subject the Foundation to potential concentrations of credit risk consist principally of cash and cash equivalent and investments. The

Pinal County Community College District  
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Foundation maintains its cash in bank accounts, which at times may exceed federally insured limits. At June 30, 2022, the bank balances did not exceed the federally insured limits.

The Foundation also maintains cash in accounts with stock brokerage firms. The accounts contain cash and securities. Balances are insured up to \$500,000 (with a limit of \$250,000 for cash) by the Securities Investor Protection Corporation (SIPC). Balances over \$500,000 are insured by the brokerage firms. At June 30, 2022, balances held with the stock brokerage firms exceeded the federally insured limits although, were insured by the brokerage firm. The Foundation has not experienced any losses in such amounts and believes it is not exposed to any significant credit risk on its cash balances.

**Certificates of Deposit** - Certificates of deposit consisted of the following at June 30, 2022:

Maturity Date	Interest Rate	Amount 6/30/2022
04/04/2023	3.05%	\$ 63,154
10/01/2024	3.15%	63,805
03/25/2025	2.95%	55,467
04/15/2025	2.90%	62,301
04/19/2027	2.80%	66,089
		\$ 310,816

**Investments** - The following is a summary of the value of investments at June 30, 2022:

	Value
Stocks	\$ 534,757
Exchange traded and closed end funds	1,855,870
Mutual funds	3,258,147
	\$ 5,648,774

The following schedule summarizes the investment return for the year ended June 30, 2022:

	Amount
Interest and dividend income	\$ 157,705
Net realized losses	(26,503)
Net unrealized losses	(745,806)
Investment fees	(43,184)
	\$ (657,788)

Pinal County Community College District  
 (Central Arizona College)  
 Notes to Financial Statements  
 June 30, 2022

Investment return is reported net of related investment expenses in the statement of activities. The amount of expense/commissions netted with income for the year ended June 30, 2022 was \$43,184.

**Fair Value of Financial Instruments** - Investments with readily determinable fair values are measured at fair value in the statement of financial position as determined by quoted market prices in active markets (Level 1).

The following is a summary of these fair values at June 30, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Measured at fair value on a recurring basis:				
Stocks	\$ 534,757	-	-	\$ 534,757
Exchange traded and closed end funds	1,855,870	-	-	1,855,870
Mutual Funds	3,258,147	-	-	3,258,147
Total Investments	<u>\$ 5,648,774</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,648,774</u>

Pinal County Community College District  
 (Central Arizona College)  
 Notes to Financial Statements  
 June 30, 2022

**Net Assets with Donor Restrictions** – Net assets with donor restrictions are restricted to investment in perpetuity, the income from which is expendable to support services and programs to Central Arizona College and the students of Central Arizona College as designated by the donors. Net assets with donor restrictions also include funds temporarily restricted for scholarships. At June 30, 2022 the Foundation held 39 permanent endowments.

The nature of these restrictions is as follows:

	As of <u>6/30/2022</u>
Donor restricted endowment funds	
The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulation or by MCFA	\$ 3,388,229
The investment income on perpetual endowment funds subject to a time restriction under MCFA	<u>1,209,721</u>
	\$ 4,597,950
Other net assets purpose restricted:	
Scholarships non-endowed	880,666
Promises to give	<u>-</u>
	\$ 880,666
Total net assets with donor restrictions	<u><u>\$ 5,478,616</u></u>

Pinal County Community College District  
(Central Arizona College)  
Notes to Financial Statements  
June 30, 2022

**Endowment Funds** - Endowment funds include funds restricted in perpetuity by the donors. Endowment net asset composition by type of fund as of June 30, 2022 is as follows:

	Net assets with donor restrictions
Original donor-restricted endowment gift amounts	\$ 3,388,229
Accumulated investment gains on endowment funds	
Without purpose restrictions	-
With purpose restrictions	1,209,721
Total endowment funds	\$ 4,597,950

Changes in endowment funds as of June 30, 2022, are as follows:

	Without donor restrictions	With donor restrictions	Total Endowment Funds
Balance, June 30, 2021		\$ 5,229,400	\$ 5,229,400
			\$ -
Contributions		6,213	\$ 6,213
Interest and dividend income		125,994	\$ 125,994
Realized and unrealized loss		(637,171)	\$ (637,171)
Amounts appropriated for expenditure		(119,750)	\$ (119,750)
Administrative fees		(6,736)	\$ (6,736)
Balance, June 30, 2022	\$ -	\$ 4,597,950	\$ 4,597,950

Central Arizona College Foundation considers a fund to be underwater if the fair value of the fund is less than the sum of the original value of initial and subsequent gift amounts donated to the fund that are required to be maintained in perpetuity in accordance with the directions of the applicable donor gift instrument. Central Arizona College Foundation has interpreted MCFA to permit spending from underwater funds in accordance with the prudent measures required under law.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or MCFA requires. There is one deficiency of \$2,395 as of June 30, 2022.

Pinal County Community College District  
(Central Arizona College)  
Notes to Financial Statements  
June 30, 2022

**Liquidity and Availability** - The Foundation receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs. In addition, the Foundation receives support without donor restrictions; such support has historically represented approximately 100% of annual program funding needs, with the remainder funded by investment income without donor restrictions and appropriated earnings from gifts with donor restrictions.

The Foundation considers investment income without donor restrictions, appropriated earnings from donor-restricted and board-designated endowments, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses and grant commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The Foundation manages its cash available to meet general expenditures following three guiding principles: (1) Operating within a prudent range of financial soundness and stability; (2) Maintaining adequate liquid assets, and; (3) Maintaining sufficient reserves to provide reasonable assurance that long term grant commitments and obligations under endowments with donor restrictions that support mission fulfillment will continue to be met, ensuring the sustainability of the Foundation.

Financial assets at year end:	2022
Cash and cash equivalents	\$ 246,907
Accounts receivable	3,500
Other receivables	1,447
Certificates of deposit	310,816
Investments	5,648,774
Total financial assets	\$ 6,211,444
Less amounts not available within one year:	
Permanent endowment investments	\$ 3,388,229
Donor imposed restriction - purpose	1,689,898
Donor imposed restriction - time	70,489
Scholarships approved for next fiscal year	330,000
CD's - maturity date longer than one year	247,662
Financial assets not available to be used within one year	\$ 5,726,278
Financial assets available to meet general expenditures within one year	\$ 485,166

Pinal County Community College District  
(Central Arizona College)  
Notes to Financial Statements  
June 30, 2022

**Related Party Transactions** - The staff members of the Foundation are employees of Central Arizona College. The College donated the cost of salaries and benefits for the time spent by the college's Institutional Development Director, Institutional Development Assistant, Executive Director of Accounting Services, and the Senior Accountant for the year ending June 30, 2022. Other College employees, by virtue of their position provide advisory services within the Foundation. As a result, Central Arizona College has significant input regarding the operations and goals of the Foundation. The current Foundation investment advisor is also a voting member of the foundation board.

**Non-Cash Contributions** - On December 30, 2021, Central Arizona College foundation received a donation of a single-family residential property located at 4906 E Brown Rd, Unit 39, Mesa, AZ 85205-4265. The in-kind valuation was based on an appraisal, performed in December 2021, by Johnson Appraisal Group, P.L.L.C. for a value of \$390,000. In January 2022 the Central Arizona College Foundation sold the property for \$425,000, with net proceeds of \$391,329, resulting in a capital gain of \$1,329. The foundation did rent the property for one month, prior to the sale, which resulted in a loss of \$5,051 which was netted against the proceeds bringing net proceeds to \$386,278. It is the Foundation's policy to monetize donations of property received. As of June 30, 2022 the Foundation and the donor are in discussions regarding the specific restrictions the donor wishes to stipulate. The balance of \$386,278 is included in net assets with donor restrictions at June 30, 2022.

The College, an affiliate of the Foundation, provided donated services to the Foundation. During the year ended June 30, 2022, the Foundation recognized revenue and related expenses of \$66,180, for contributed services received from shared services based on the fair value of comparable services provided by third parties.

The Foundation also receives the use of donated facilities for its program operations and supporting services. The Foundation recognized in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of donation. Fair value is estimated using the average price per square foot of rental listings in the Foundation's service area. The total amount recognized for donated facilities is approximately \$1,800 for the year ended June 30, 2022.

The Foundation used these donated services, facilities, and operating expenses to support student scholarships and programs that enrich both campus and community life. In-kind contributions of donated services, facilities and operating expenses are recorded as contributions – donated services, space and operating on the statement of activities.



**Central  
Arizona  
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**Other Required Supplementary  
Information**

Pinal County Community College District  
(Central Arizona College)  
Required Supplementary Information  
Schedule of the District's Proportionate Share of the Net Pension Liability  
June 30, 2022

**ASRS - Pension**

**Reporting Fiscal Year**

**(Measurement Date)**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
	<b>(2021)</b>	<b>(2020)</b>	<b>(2019)</b>	<b>(2018)</b>	<b>(2017)</b>	<b>(2016)</b>	<b>(2015)</b>	<b>(2014)</b>
District's proportion of the net pension liability	0.21%	0.21%	0.22%	0.23%	0.22%	0.22%	0.21%	0.22%
District's proportionate share of the net pension liability	\$ 26,629,938	\$ 37,123,802	\$ 32,255,564	\$ 31,697,561	\$ 33,986,633	\$ 35,984,756	\$ 33,405,777	\$ 32,057,173
District's covered payroll	\$ 22,226,948	\$ 22,742,999	\$ 22,726,279	\$ 22,586,107	\$ 21,150,671	\$ 20,647,346	\$ 19,528,236	\$ 19,327,742
District's proportionate share of the net pension liability as a percentage of its covered payroll	119.81%	163.23%	141.93%	140.34%	160.69%	174.28%	171.06%	165.86%
Plan fiduciary net position as a percentage of the total pension liability	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

2013 through 2014 - Information not available

See accompanying notes to pension schedules

Pinal County Community College District  
(Central Arizona College)  
Required Supplementary Information  
Schedule of District Pension Contributions  
June 30, 2022

	Reporting Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	
Statorily required contribution	\$ 2,769,852	\$ 2,664,646	\$ 2,706,898	\$ 2,540,798	\$ 2,459,913	\$ 2,317,219	\$ 2,311,647	\$ 2,160,799	\$ 2,089,676	
District's contributions in relation to the statutorily required contribution	2,769,852	2,664,646	2,706,898	2,540,798	2,459,913	2,317,219	2,311,647	2,160,799	2,089,676	
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
District's covered payroll	\$ 22,317,310	\$ 22,226,948	\$ 22,742,999	\$ 22,726,279	\$ 22,586,107	\$ 21,150,671	\$ 20,647,346	\$ 19,528,236	\$ 19,327,742	
District's contributions as a percentage of covered payroll	12.41%	11.99%	11.90%	11.18%	10.89%	10.96%	11.20%	11.06%	10.81%	

2013 - Information not available

See accompanying notes to pension schedules.



**Central  
Arizona  
College**

**Statistical Section**

## **NARRATIVE TO THE STATISTICAL SECTION**

### **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.

- Net Position by Component
- Changes in Net Position
- Statutory Limit to Budgeted Expenditures

### **Revenue Capacity**

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

- Property Tax Levies and Collections
- Pinal County Assessed Value and Estimated Actual Value of Taxable Property
- Direct and Overlapping Property Tax Rates
- Pinal County Direct Property Tax Rates
- Assessed Valuation, Tax Rate and Levy History
- Principal Property Tax Payers for Pinal County

### **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.

- Ratios of Outstanding Debt by Type
- Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Bonded Debt Per Capita
- Ratio of Annual Debt Service Expenditures to Operating Expenses/Expenditures
- Ratio of Pledged Revenue Obligations to Annual Debt Service Expenditures
- Legal Debt Margin Information

### **Demographic and Economic Information**

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

- Principal Employers for Pinal County
- Pinal County Demographic and Economic Statistics
- Economic Indicators for Pinal County
- Miscellaneous Statistics for Pinal County

### **Operating Information**

These schedules provide contextual information about the operations and resources to assist readers in using financial statement information to understand and assess the District's economic information.

- Student Enrollment, Degree and Demographic Statistics
- Historic Enrollment
- Faculty and Staff Statistics
- Capital Asset Information
- Tuition Schedule

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

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net Investment in Capital Assets	\$ 74,530,679	\$ 91,821,496	\$ 64,416,261	\$ 66,491,129	\$ 66,762,037	\$ 63,860,469	\$ 57,763,011	\$ 60,370,065	\$ 60,212,992	\$ 54,487,137
Restricted - Expendable	9,360,098	6,387,875	6,815,049	9,012,302	11,897,569	10,910,380	6,185,680	4,468,022	5,812,903	10,016,468
Restricted - Nonexpendable	118,359,253	76,288,936	79,596,567	61,455,887	47,364,990	33,184,399	27,062,723	11,421,044	37,184,168	35,463,703
Unrestricted	\$ 202,250,030	\$ 174,498,307	\$ 150,827,877	\$ 136,959,318	\$ 126,024,596	\$ 107,955,248	\$ 91,011,414	\$ 76,259,131	\$ 103,210,063	\$ 99,967,308
Total Net Position										

Source: District audited financial statements

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

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Operating revenues:</b>										
Tuition and fees* (net of scholarship allowances)	\$ 1,255,278	\$ 2,351,129	\$ 3,166,369	\$ 3,856,527	\$ 5,544,035	\$ 5,218,478	\$ 5,803,046	\$ 5,393,072	\$ 5,274,693	\$ 5,997,913
Dormitory rentals and fees* (net of scholarship allowances)	141,643	28,743	151,098	239,477	321,403	285,070	285,540	230,773	247,141	281,699
Other operating revenues	366,407	445,759	523,010	436,045	588,060	242,066	571,936	771,800	683,493	1,050,519
Total operating revenues	\$ 1,763,328	\$ 2,825,631	\$ 3,840,477	\$ 4,532,049	\$ 6,453,498	\$ 5,745,614	\$ 6,660,522	\$ 6,395,645	\$ 6,205,327	\$ 7,330,131
* Pledged as security for revenue obligations and bonds										
<b>Operating expenses:</b>										
Educational and General										
Instruction	\$ 16,550,320	\$ 17,553,475	\$ 18,758,197	\$ 17,896,502	\$ 22,810,303	\$ 25,294,670	\$ 22,406,606	\$ 21,167,536	\$ 21,077,842	\$ 20,884,600
Public service	195,710	195,429	293,530	382,361	281,528	229,182	236,315	313,846	260,855	372,572
Academic support	3,678,200	3,687,658	3,475,262	2,394,118	2,404,671	2,395,117	2,402,822	2,667,475	3,181,172	2,964,889
Student services	6,379,366	6,650,760	7,708,320	8,102,722	5,126,051	4,951,129	4,666,022	4,736,622	4,797,955	4,008,712
Institutional Support	18,690,212	17,452,107	14,567,840	18,072,223	13,807,763	13,377,377	14,112,505	12,402,954	13,851,937	13,638,518
Operation and maintenance of plant	4,368,476	6,722,397	6,604,992	6,484,432	6,285,267	5,981,320	5,853,781	6,123,290	6,584,000	5,659,506
Scholarships	8,699,635	3,803,994	5,480,651	5,463,973	6,289,135	7,215,802	7,686,691	8,695,427	9,035,684	10,171,074
Auxiliary enterprise	579,175	861,185	599,385	986,031	1,089,901	1,267,741	1,092,141	1,047,126	1,082,034	1,281,191
Depreciation	7,333,653	7,163,377	6,936,928	6,615,789	5,830,089	5,995,051	6,097,868	6,201,956	5,358,184	4,524,884
Total operating expenses	\$ 66,474,747	\$ 64,090,382	\$ 64,424,905	\$ 66,398,151	\$ 63,934,708	\$ 66,707,369	\$ 64,554,751	\$ 63,356,232	\$ 65,229,663	\$ 63,505,946
Operating Loss	\$ (64,711,419)	\$ (61,264,751)	\$ (60,584,428)	\$ (61,866,102)	\$ (57,481,210)	\$ (60,961,775)	\$ (57,894,229)	\$ (56,960,587)	\$ (59,024,336)	\$ (56,175,815)
<b>Nonoperating revenues (expenses):</b>										
Property taxes	\$ 64,584,130	\$ 63,964,473	\$ 57,896,090	\$ 58,666,381	\$ 60,211,680	\$ 58,663,549	\$ 57,079,404	\$ 48,307,654	\$ 46,906,012	\$ 41,792,777
State appropriations	5,119,000	1,224,800	3,343,900	1,604,300	1,717,900	1,821,200	2,000,000	3,033,200	2,392,700	2,107,800
Government grants	22,596,172	14,078,187	14,415,666	14,694,123	15,877,305	19,360,337	16,170,153	16,364,967	16,385,572	18,162,631
Share of state sales taxes	1,016,405	1,037,595	805,271	805,237	751,695	748,221	715,933	649,792	738,258	630,814
Smart and Safe Arizona fund appropriations	1,489,678	763,840								
Private grants and gifts	163,739	627,817	551,211	141,201	227,322	122,261	198,066	607,478	334,269	434,386
Investment earnings	573,079	569,767	1,397,602	1,304,045	921,783	439,054	277,354	120,475	79,625	210,634
Interest expense on debt	(3,250,579)	(1,683,193)	(3,990,362)	(4,159,376)	(4,225,711)	(3,260,098)	(3,769,810)	(3,994,255)	(4,382,623)	(4,507,546)
Gain/(Loss) on disposal of capital assets	(44,236)	(84,734)	11,348	(394,087)	171	(101,542)	(24,588)	4,591	(186,722)	109,093
Net nonoperating revenues	\$ 92,247,386	\$ 80,498,552	\$ 74,430,726	\$ 72,661,824	\$ 75,482,145	\$ 77,792,982	\$ 72,646,512	\$ 65,093,902	\$ 62,267,091	\$ 58,940,589
Income before other revenues, expenses, gains and losses	\$ 27,535,967	\$ 19,233,801	\$ 13,846,298	\$ 10,795,722	\$ 18,000,935	\$ 16,831,207	\$ 14,752,283	\$ 8,133,315	\$ 3,242,755	\$ 2,764,774
Capital appropriations										
Capital grants and gifts	215,756	4,436,629	22,261	139,000	68,413	112,627	-	-	-	25,999
Increase in net position	\$ 27,751,723	\$ 23,670,430	\$ 13,868,559	\$ 10,934,722	\$ 18,069,348	\$ 16,943,834	\$ 14,752,283	\$ 8,133,315	\$ 3,242,755	\$ 2,790,773
Total net position, July 1	\$ 174,498,307	\$ 150,827,877	\$ 136,959,318	\$ 126,024,596	\$ 107,955,248	\$ 91,011,414	\$ 76,259,131	\$ 68,125,816	\$ 99,967,308	\$ 97,176,535
Total net position, June 30	\$ 202,250,030	\$ 174,498,307	\$ 150,827,877	\$ 136,959,318	\$ 126,024,596	\$ 107,955,248	\$ 91,011,414	\$ 76,259,131	\$ 103,210,063	\$ 99,967,308

<sup>1</sup> Net position as restated, July 1, 2014 for GASB 68.

Source: District audited financial statements

**Pinal County Community College District  
Statutory Limit to Budgeted Expenditures  
Last Ten Fiscal Years**

Fiscal Year	Statutory Expenditure Limitation <sup>1</sup>	Budgeted Expenditures Subject to Limitation <sup>2</sup>	Unused Legal Limit
2013	47,407,363	47,407,362	1
2014	50,575,442	50,575,441	1
2015	47,753,245	47,753,244	1
2016	46,455,464	46,455,463	1
2017	44,851,258	44,851,257	1
2018	41,140,760	41,140,759	1
2019	41,566,098	41,566,097	1
2020	42,636,737	42,636,736	1
2021	37,550,407	-	3
2022	37,374,131	-	3

<sup>1</sup> The Statutory Expenditure Limitation is calculated by the Arizona Department of Revenue Economic Estimates Commission and applies to Current (General, Auxiliary Enterprises, and Restricted) and Plant Funds (Unexpended and Retirement of Indebtedness).

<sup>2</sup> Budgeted expenditures are net of allowable exclusions.

Source: Audited Annual Budgeted Expenditure Limitation Reports

<sup>3</sup> Data not available

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

Tax Year	Original Tax Levy <sup>1</sup>	Adjustments	Adjusted Levy as of 06/30/22	Collected within the Fiscal Year of the Levy <sup>2</sup>			Total Collections to 06/30/22	
				Collections Initial Tax Year	Percentage of Original Levy	Collections in Subsequent Years	Amount	Percentage of Adjusted Levy
2012	40,522,956	(537,848)	39,985,108	38,640,453	95.35%	\$ 1,308,345	39,948,798	99.91%
2013	44,822,855	(709,428)	44,113,427	42,917,017	95.75%	\$ 1,157,870	44,074,887	99.91%
2014	45,508,829	(632,928)	44,875,901	43,860,643	96.38%	\$ 979,762	44,840,405	99.92%
2015	54,520,894	(1,015,522)	53,505,372	52,330,717	95.98%	\$ 1,120,815	53,451,532	99.90%
2016	55,683,737	(399,907)	55,283,830	53,952,637	96.89%	\$ 1,256,529	55,209,166	99.86%
2017	56,937,013	(299,951)	56,637,062	55,691,540	97.81%	\$ 874,230	56,565,770	99.87%
2018	55,643,415	(115,472)	55,527,943	54,775,622	98.44%	\$ 649,916	55,425,538	99.82%
2019	55,800,353	(494,376)	55,305,977	54,245,813	97.21%	\$ 899,680	55,145,493	99.71%
2020	61,254,986	96,971	61,351,957	60,299,779	98.44%	\$ 885,303	61,185,082	99.73%
2021	61,397,579	-	61,397,579	60,326,130	98.25%	\$ -	60,326,130	98.25%

<sup>1</sup> Includes both primary and secondary taxes.

<sup>2</sup> Amounts collected are on a cash basis.

Source: Pinal County Treasurer's Office Tax Distribution Report and District records

**Pinal County Community College District**  
**Pinal County Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Tax Years**  
(\$ Amounts expressed in thousands)

Tax Year	Primary Assessed Value				Total Taxable Assessed Value <sup>1</sup>	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Commercial Property	Residential and Vacant Property	Vacant/Ag Land	Other				
2012	613,223	1,203,181	325,002	12,377	2,153,783	4.1464	18,747,927	11.49%
2013	551,188	1,136,974	285,853	14,867	2,088,882	4.1343	17,907,662	11.66%
2014	603,138	1,184,374	202,173	15,467	2,005,152	4.1324	18,408,874	10.89%
2015	499,188	1,262,332	282,841	13,187	2,057,548	4.3324	19,104,777	10.77%
2016	508,805	1,326,227	262,787	21,932	2,119,751	4.2014	20,091,668	10.55%
2017	530,329	1,418,170	264,023	26,505	2,239,027	4.2001	21,243,904	10.54%
2018	602,105	1,513,386	213,177	26,766	2,355,434	4.1601	22,283,528	10.57%
2019	654,416	1,630,718	221,183	14,934	2,521,252	4.1173	23,797,662	10.59%
2020	673,429	1,776,784	223,796	15,413	2,689,422	4.0749	25,441,918	10.57%
2021	687,321	1,942,036	222,225	17,298	2,868,881	4.0129	27,390,040	10.47%

<sup>1</sup> Property in Pinal County is assessed annually with values being set by either the County Assessor or the Arizona Department of Revenue. The values are the basis for Primary Taxes and annual changes therein are restricted by State Constitution. Assessment ratios are set by the Legislature for individual property types. The taxable assessed value is arrived at by multiplying an assessment ratio that has varied from ten percent for residential property, to twenty-five percent for commercial property. Tax rates are per \$100 of assessed value.

Source: AZDOR State and County 2021 Abstract of Assessment Roll - Tax Year 2021

Pinal County Community College District  
Direct and Overlapping Property Tax Rates  
Last Ten Tax Years

Tax Year	State Equalization	Overlapping Rates										District Tax Rates		
		County	Community College District	Casa Grande Elementary School District	Stanfield Elementary School District	Toltec Elementary School District	Central Arizona Valley Institute of Technology	City of Casa Grande	City of Coolidge	Other	Primary	Secondary	Total	
12/13	0.47	3.80	1.88	3.47	2.83	2.93	0.05	1.58	1.51	0.04-35.00	1.61	0.27	1.88	
13/14	0.51	3.80	2.25	3.82	2.78	3.76	0.05	1.63	1.86	0.04-35.01	1.89	0.36	2.25	
14/15	0.51	3.80	2.26	3.60	2.24	3.76	0.05	1.63	1.85	0.04-35.01	1.91	0.35	2.26	
15/16	0.51	4.00	2.65	3.54	2.83	3.76	0.05	1.63	1.93	0.04-35.00	2.30	0.35	2.65	
16/17	0.50	3.87	2.63	3.60	2.85	3.76	0.05	1.63	1.93	0.04-38.00	2.29	0.34	2.63	
17/18	0.49	3.87	2.54	3.51	3.59	2.95	0.05	1.60	1.90	0.04-38.00	2.23	0.31	2.54	
18/19	0.47	3.83	2.36	3.49	3.31	2.83	0.05	1.59	1.88	0.04-38.00	2.18	0.19	2.36	
19/20	0.46	3.79	2.21	3.41	3.20	2.63	0.05	1.34	1.88	0.00-79.00	2.08	0.13	2.21	
20/21	0.44	3.75	2.30	3.41	3.10	2.56	0.05	1.34	2.18	0.00-211.39	2.02	0.28	2.30	
21/22	0.43	3.69	2.15	3.47	3.19	2.58	0.05	1.59	1.92	0.00-211.39	1.98	0.17	2.15	

Source: Pinal County 2021- 2022 Tax Levies/Rates per \$100 of Valuation - A.R.S. Sec. 42-17151

**Pinal County Community College District  
Pinal County Direct Property Tax Rates  
Last Ten Tax Years**

(\$ Amounts expressed in thousands)

Fiscal Year	Assessed Value	County					Total
		Primary Rate	Library	Flood	Fire		
2010/11	2,546,949	3.9999	0.0970	0.1700	0.0544	4.3213	
2011/12	2,160,151	3.9999	0.0970	0.1700	0.0635	4.3304	
2012/13	2,153,783	3.7999	0.0970	0.1700	0.0795	4.1464	
2013/14	2,088,882	3.7999	0.0970	0.1700	0.0674	4.1343	
2014/15	2,005,152	3.7999	0.0970	0.1700	0.0688	4.1357	
2015/16	2,057,548	3.9999	0.0970	0.1700	0.0655	4.3324	
2016/17	2,119,751	3.8699	0.0965	0.1693	0.0657	4.2014	
2017/18	2,239,027	3.8699	0.0965	0.1693	0.0644	4.2001	
2018/19	2,355,434	3.8300	0.0965	0.1693	0.0643	4.1601	
2019/20	2,521,252	3.7900	0.0965	0.1693	0.0615	4.1173	
2020/21	2,689,422	3.7500	0.0965	0.1693	0.0591	4.0749	
2021/22	2,868,881	3.6900	0.0965	0.1693	0.0571	4.0129	

Source: Pinal County 2021 - 2022 Tax Levies/Rates Per \$100 of Valuation - A.R.S. Sec. 42-17151

**Pinal County Community College District  
Assessed Valuation, Tax Rate and Levy History  
Last Ten Fiscal Years**

(\$ Amounts expressed in thousands)

Fiscal Year	Primary			Secondary		
	Assessed Valuation	Tax Rate	Tax Levy	Assessed Valuation	Tax Rate	Tax Levy
2011	2,546,949	1.4700	37,440	2,673,415	0.1154	3,085
2012	2,160,151	1.6070	34,714	2,218,642	0.2459	5,456
2013	2,153,783	1.6118	34,715	2,177,012	0.2668	5,808
2014	2,088,882	1.8918	39,517	2,005,344	0.3589	7,197
2015	2,005,152	1.9103	38,304	2,040,750	0.3530	7,204
2016	2,057,548	2.3000	47,324	2,057,548	0.3498	7,197
2017	2,119,751	2.2874	48,487	2,119,751	0.3395	7,197
2018	2,239,027	2.2330	49,997	2,239,027	0.3099	6,939
2019	2,355,433	2.1766	51,268	2,355,433	0.1857	4,374
2020	2,521,252	2.0833	52,525	2,521,252	0.1299	3,275
2021	2,689,422	2.0193	54,308	2,689,422	0.2836	7,627
2022	2,868,881	1.9792	56,781	2,868,881	0.1706	4,894

Source: County assessment records and Pinal County 2021-2022 Tax Levies/Rates Per \$100 of Valuation - A.R.S. §42-17151

**Pinal County Community College District  
Principal Property Taxpayers for Pinal County  
Tax Year 2021 and Tax Year 2012**  
(\$ Amounts expressed in thousands)

Taxpayer	2021			2012		
	Primary Assessed Value	Rank	Percent of Total Value	Primary Assessed Value	Rank	Percent of Total Value
Arizona Public Service Company	85,756	1	2.99%	84,561	2	3.93%
CCA Properties of Arizona LLC	40,187	2	1.40%	25,958	3	1.21%
ASARCO LLC/Ray Copper Complex	28,838	3	1.01%	102,296	1	4.75%
El Paso Natural Gas	24,763	4	0.86%	17,680	4	0.82%
Southwest Gas Corporation	20,252	5	0.71%	11,123	8	0.52%
Unisource Energy Corporation (EPF)	19,422	6	0.68%			
Arizona Water Company	15,105	7	0.53%	11,268	7	0.52%
Union Pacific Railroad	14,654	8	0.51%			
Corrections Corporation of America	14,546	9	0.51%	13,437	5	0.62%
Johnson Utilities	11,236	10	0.39%	10,204	9	0.47%
Qwest Corporation				11,615	6	0.54%
Walmart				8,732	10	0.41%
<b>Total</b>	<b>\$ 274,759</b>		<b>9.59%</b>	<b>\$ 296,874</b>		<b>13.79%</b>
<b>Total Assessed Value</b>	<b>\$ 2,868,881</b>			<b>\$ 2,153,783</b>		

Source: County Treasurer Tax Records - Top Fifty Taxpayers

**Pinal County Community College District**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds		GO Refunding Bonds		Revenue Bonds		Revenue Refunding Bonds		Premium	Pledged Revenue Obligations		Financed Purchase Obligations		Total Outstanding Debt	Percentage of Personal Income <sup>4</sup>	Per Capita <sup>1</sup>
										APS	FAEF					
2011	38,175,000	-	6,300,000	-	-	8,015,000	4,395,559	-	-	8,015,000	4,395,559	56,885,559	0.016%	151		
2012	93,930,000	-	5,625,000	-	-	7,135,000	4,114,812	2,103,512	2,103,512	7,135,000	4,114,812	112,908,324	0.008%	295		
2013	91,340,000	-	4,920,000	-	-	6,225,000	3,820,835	2,015,866	2,015,866	6,225,000	3,820,835	108,321,701	0.009%	280		
2014	88,680,000	-	4,185,000	-	-	5,285,000	3,512,996	1,928,220	1,928,220	5,285,000	3,512,996	103,591,216	0.010%	266		
2015	85,940,000	-	-	-	7,815,000	-	3,190,640	1,840,574	1,840,574	-	3,190,640	98,786,214	0.011%	243		
2016	53,875,000	28,895,000	-	28,895,000	6,204,970	-	2,853,081	5,891,784	5,891,784	-	2,853,081	97,719,835	0.012%	233		
2017	50,970,000	28,850,000	27,535,000	28,850,000	4,165,000	-	2,499,602	8,541,553	8,541,553	-	2,499,602	122,561,155	0.010%	286		
2018	47,960,000	28,770,000	27,535,000	28,770,000	2,100,000	-	2,129,451	8,067,794	8,067,794	-	2,129,451	116,562,245	0.011%	264		
2019	44,845,000	28,690,000	27,535,000	28,690,000	-	-	1,741,851	7,594,035	7,594,035	-	1,741,851	110,405,886	0.012%	244		
2020	42,955,000	27,275,000	26,470,000	27,275,000	-	-	1,335,979	7,120,275	7,120,275	-	1,335,979	105,156,254	0.014%	228		
2021	-	61,360,000	25,375,000	61,360,000	-	-	910,982	11,313,675	11,313,675	-	910,982	101,969,869	0.017%	227		
2022	-	58,205,000	24,235,000	58,205,000	-	-	465,966	10,528,772	10,528,772	-	465,966	95,925,954	0.018%	213		

<sup>1</sup> Pinal County Demographic and Economic Statistics .

Source: District records, Bureau of Economic Analysis and Arizona Department of Economic Security

**Pinal County Community College District  
Ratio of Net General Obligation Bonded Debt to  
Assessed Value and Net General Bonded Debt Per Capita  
Last Ten Fiscal Years**

Fiscal Year	Estimated Population Pinal County (000's) <sup>1</sup>	Secondary Assessed Value (000's)	General Obligation Bonds <sup>2</sup>	Amount Available for Retirement of GO Bond Debt	Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value		Net Bonded Debt Per Capita
2013	387	2,177,013	93,355,866	2,072,835	91,283,031	4.2%	235.87	
2014	389	2,005,344	90,608,220	520,040	90,088,180	4.5%	231.59	
2015	379	2,040,750	87,780,574	3,267,049	84,513,525	4.1%	222.99	
2016	417	2,057,548	88,661,784	3,932,263	84,729,521	4.1%	203.19	
2017	428	2,119,751	88,361,553	7,914,392	80,447,161	3.8%	187.96	
2018	441	2,239,027	84,797,793	5,749,219	79,048,574	3.5%	179.25	
2019	453	2,355,433	81,129,035	4,043,450	77,085,585	3.3%	170.17	
2020	462	2,521,252	77,350,275	54,524,927	22,825,348	0.9%	49.41	
2021	450	2,689,422	72,673,675	2,588,712	70,084,963	2.6%	155.74	
2022	450	2,868,881	68,733,772	1,842,433	66,891,339	2.3%	148.65	

<sup>1</sup> Demographic and Economic Statistics for Pinal County.

<sup>2</sup> Presented net of original issuance discounts and premiums.

Source: District records, Pinal County Assessors Office, and Arizona Department of Economic Security

Pinal County Community College District  
 Ratio of Annual Debt Service Expenditures to Operating Expenses/Expenditures  
 Last Ten Fiscal Years

Fiscal Year	GO Bonds		GO Refunding Bonds		Revenue Bonds		Pledged Revenue Obligations		Revenue Refunding Bonds		Financed Purchase		Total Debt Service	Total Operating Expenses / Expenditures	Percentage of Debt Service to Operating Expenses / Expenditures
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest			
2012	3,220,000	2,773,319	-	-	675,000	257,478	880,000	290,650	-	-	280,746	188,187	8,565,380	61,463,297	13.9%
2013	2,590,000	3,962,018	-	-	705,000	228,134	910,000	262,663	-	-	293,978	175,832	9,127,625	63,505,946	14.4%
2014	2,660,000	3,890,118	-	-	735,000	196,175	940,000	229,075	-	-	307,839	162,895	9,121,102	65,229,663	14.0%
2015	2,740,000	3,816,018	-	-	765,000	5,647	980,000	6,653	-	54,197	322,356	149,347	8,639,218	63,356,232	14.0%
2016	2,810,000	3,739,418	-	-	-	-	-	-	1,610,030	100,920	337,559	65,765	8,663,682	64,554,751	13.4%
2017	2,905,000	2,149,026	45,000	1,208,410	-	-	-	-	2,039,970	75,701	353,479	120,306	8,686,882	66,707,389	13.3%
2018	3,010,000	2,050,126	80,000	1,174,850	-	1,132,393	-	-	2,065,000	45,735	370,149	104,751	10,033,004	63,934,708	15.7%
2019	3,115,000	1,947,576	80,000	1,173,250	-	1,216,900	-	-	2,100,000	15,330	387,601	88,461	10,124,118	66,398,151	15.2%
2020	1,890,000	1,892,526	1,415,000	1,171,650	1,065,000	1,200,925	-	-	-	-	405,871	71,404	9,112,376	64,424,905	14.1%
2021	1,950,000	905,413	1,950,000	1,500,763	1,095,000	1,163,050	-	-	-	-	46,917	53,543	9,091,770	64,090,382	14.2%
2022	-	-	3,155,000	2,613,050	1,140,000	1,112,650	-	-	-	-	518,995	29,358	9,048,908	66,474,747	13.6%

Sources: District records

**Pinal County Community College District**  
**Ratio of Pledged Revenue Obligations to Annual Debt Service Expenditures**  
**Last Ten Fiscal Years**

Fiscal Year <sup>2</sup>	Pledged Revenues	Revenue Bonds <sup>1</sup>		Revenue Refunding Bonds <sup>2</sup>		Pledged Revenue Obligations <sup>1</sup>		Total Debt Service	Coverage
		Principal	Interest	Principal	Interest	Principal	Interest		
2012	6,039,739	675,000	257,478	-	-	880,000	290,650	2,103,128	2.87
2013	6,279,612	705,000	228,134	-	-	910,000	262,663	2,105,797	2.98
2014	5,521,834	735,000	196,175	-	-	940,000	229,075	2,100,250	2.63
2015	5,623,845	765,000	5,647	-	54,197	980,000	6,653	1,811,497	3.10
2016	6,937,876	-	-	1,610,030	100,920	-	-	1,710,950	4.05
2017	6,184,668	-	-	2,039,970	75,701	-	-	2,115,671	2.92
2018	7,375,281	-	1,132,393	2,065,000	45,735	-	-	3,243,128	2.27
2019	5,836,094	-	1,216,900	2,100,000	15,330	-	-	3,332,230	1.75
2020	5,238,079	1,065,000	1,200,925	-	-	-	-	2,265,925	2.31
2021	3,395,398	1,095,000	1,163,050	-	-	-	-	2,258,050	1.50
2022	2,336,407	1,140,000	1,112,650	-	-	-	-	2,252,650	1.04

<sup>1</sup> Revenue bonds and pledged revenue obligations are secured by the District's tuition and fees and dormitory rental and fees revenue.

<sup>2</sup> Revenue refunding bonds issued in 2015, used to refund the outstanding balances of the revenue and pledged revenue bonds, are secured by the District's gross revenues.

Source: District records

**Pinal County Community College District**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
(Amounts expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Secondary assessed valuation of real and personal property	\$ 2,177,012	\$ 2,005,344	\$ 2,040,750	\$ 2,057,548	\$ 2,119,751	\$ 2,239,027	\$ 2,355,433	\$ 2,521,252	\$ 2,689,422	\$ 2,868,881
Debt Limit, 15% of secondary assessed value	326,552	300,802	306,113	308,632	317,963	335,854	353,315	378,188	403,413	430,332
Total net debt applicable to limit	91,340	88,680	85,940	85,623	82,320	78,859	75,277	71,566	65,281	61,162
Legal Debt Margin	\$ 235,212	\$ 212,122	\$ 220,173	\$ 223,009	\$ 235,643	\$ 256,995	\$ 278,038	\$ 306,622	\$ 338,132	\$ 369,170
Total net debt applicable to the limit as a percentage of debt limit	27.97%	29.48%	28.07%	27.74%	25.89%	23.48%	21.31%	18.92%	16.18%	14.21%

Source: Pinal County Assessor's Office and District Records

**Pinal County Community College District**  
**Pinal County Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

(\$ Amounts expressed in thousands)

<b>Fiscal Year</b>	<b>Population<sup>1</sup></b>	<b>Personal Income<sup>2</sup></b>	<b>Per Capita Income<sup>2</sup></b>	<b>Unemployment Rate<sup>1</sup></b>
2012/13	394	9,537,601	25	8.6%
2013/14	396	10,027,602	26	7.3%
2014/15	406	10,665,065	27	6.6%
2015/16	413	11,259,846	28	5.8%
2016/17	428	11,827,274	28	5.2%
2017/18	441	12,609,714	29	5.2%
2018/19	453	13,701,923	31	5.5%
2019/20	462	14,893,430	32	6.2%
2020/21	450	17,285,148	36	5.7%
2021/22	450	17,027,700	38	3.9%

<sup>1</sup> Population and unemployment data was obtained from US Census Bureau Quick Facts - Pinal County, and Ycharts - Pinal County, and Ycharts - Pinal County, and Ycharts - Pinal County. [https://ycharts.com/indicators/pinal\\_county\\_az\\_unemployment\\_rate](https://ycharts.com/indicators/pinal_county_az_unemployment_rate)  
<https://www.census.gov/quickfacts/pinalcountyarizona>  
<https://data.bls.gov/cgi-bin/dsrv>

<sup>2</sup> Personal income, per capita, and population for 2021 is obtained from Arizona REAP Project - [www.arizona.reaproject.org](http://www.arizona.reaproject.org)

**Pinal County Community College District  
Principal Employers for Pinal County  
Fiscal Year 2021 and Fiscal Year 2012**

<b>Employer</b>	<b>2021</b>			<b>2012</b>		
	<b>Employees<sup>1</sup></b>	<b>Rank</b>	<b>Percent of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percent of Total County Employment</b>
Pinal County Government	2,910	1	1.74%	2,430	3	2.14%
State of Arizona	2,060	2	1.23%	2,910	1	2.57%
Walmart	2,010	3	1.20%			
Corecivic Inc (formerly Corrections Corporation of America)	1,980	4	1.18%	1,660	5	1.46%
Casa Grande Union High School District No 82	1,080	5	0.64%			
Gila River Indian Community	810	6	0.48%			
Harrahs Akchin Hotel and Casino	800	7	0.48%	2,050	4	1.81%
Banner Health (formerly Casa Grande Community Hospital)	770	8	0.46%	790	10	0.70%
Fry's Food Store	680	9	0.41%			
Maricopa Unified School District	670	10	0.40%			
Florence Unified School District				2,471	2	2.18%
Pinal County Community College District				910	6	0.80%
Ray Mines Plant				830	7	0.73%
Hu Hu Kam Memorial Hospital				820	8	0.72%
Federal Government				820	9	0.72%

<sup>1</sup> Estimated number of full-time equivalent employees  
2021 Source: Maricopa Association of Governments, Arizona Employment Map  
<https://geo.azmag.gov/maps/azemployer/>  
Source 2012: Pinal County CAFR FY 21



**Pinal County Community College District  
Miscellaneous Statistics for Pinal County**

<b>Established</b>	February 1, 1875
<b>Geographical Location</b>	South central portion of Arizona
<b>Total Area</b>	5,374 Square Miles
<b>County Seat</b>	Florence

<b>Population</b>	<b>2010</b>	<b>2020</b>	<b>2021</b>
Pinal County	375,770	447,559	449,557
State of Arizona	6,392,310	7,174,064	7,276,316

<b>Age Distribution</b>	<b>% of Total</b>	
	<b>Pinal County</b>	<b>State of Arizona</b>
Persons under 5 years, percent, 2021	5.4%	5.5%
Persons 5 to under 19, percent 2021	18.8%	19.2%
Persons 20 to under 24, percent 2021	5.6%	6.7%
Persons 25 to under 34, percent 2021	13.1%	13.8%
Persons 35 to under 44, percent 2021	13.2%	12.6%
Persons 45 to under 54, percent 2021	11.2%	11.7%
Persons 55 to under 59, percent 2021	5.4%	5.8%
Persons 60 years and over, percent, 2021	27.3%	24.7%
Female persons, percent, 2021	48.3%	50.1%

<b>Population Composition</b>	<b>% of Total</b>	
	<b>Pinal County</b>	<b>State of Arizona</b>
White alone, percent, 2021	62.7%	58.3%
Black or African American alone, percent, 2021	4.9%	4.5%
American Indian and Alaska Native alone, percent, 2021	5.1%	4.0%
Asian alone, percent, 2021	1.6%	3.4%
Native Hawaiian or Other Pacific Islander alone, percent 2021	0.3%	0.2%
Some other race	8.5%	9.5%
Two or more races	16.9%	20.1%
	100.0%	100.0%

Source: US Census Bureau 2020: ACS 5-Year Estimates Subject Table: Age and Sex - Accessed 09/20/22  
<https://data.census.gov/cedsci/table?g=0500000US04021&y=2021&tid=ACST5Y2020.S0101>  
<https://data.census.gov/cedsci/table?g=0500000US04021&y=2021&tid=ACSDP1Y2021.DP05>  
<https://data.census.gov/cedsci/table?g=0400000US04&y=2021>

Arizona Department of Economic Security: *Arizona Counties Demographics and DES Client/Provider*

**Pinal County Community College District  
Student Enrollment, Degree and Demographic Statistics  
Last Ten Fiscal Years**

Student Enrollment										
Fiscal Year	Enrollment		Gender			Residency				
	Full-Time	Part-Time	Male	Female	Not Recorded	Resident	Out of County	Out of State	Foreign	Not Identified
2013	2,367	10,849	41.0%	58.9%	0.1%	76.5%	17.0%	4.3%	0.2%	2.0%
2014	2,103	9,643	40.3%	59.4%	0.3%	77.4%	16.4%	4.2%	0.2%	1.8%
2015	2,017	8,684	40.2%	59.2%	0.6%	78.3%	16.4%	4.2%	0.3%	0.9%
2016	1,901	8,330	40.3%	58.8%	0.9%	77.7%	16.7%	3.7%	0.3%	1.5%
2017	1,821	7,920	40.1%	58.5%	1.3%	77.6%	15.8%	3.1%	0.3%	3.2%
2018	1,302	6,784	42.0%	57.2%	0.8%	82.4%	13.9%	3.3%	0.4%	0.0%
2019	1,199	6,177	40.0%	59.0%	1.0%	64.0%	11.0%	4.0%	0.0%	21.0%
2020	2,229	5,864	41.7%	57.8%	0.6%	52.7%	38.0%	3.6%	0.0%	5.8%
2021	1,275	5,042	35.1%	64.2%	0.7%	45.1%	51.0%	3.9%	0.0%	0.0%
2022	1,495	6,774	35.1%	62.7%	2.2%	45.0%	46.6%	6.3%	0.0%	2.1%

Degrees and Certificates Awarded		
Fiscal Year	Degrees	Certificates
	Awarded	Awarded
2013	552	563
2014	532	360
2015	569	541
2016	589	551
2017	566	575
2018	541	736
2019	600	836
2020	523	804
2021	587	581
2022	493	563

Demographic Statistics										
Fiscal Year	Age		Ethnic Background							
	Median	Average	Asian American	African American	Hawaiian-Pacific Islander	Native American	Hispanic	White	Other	Not Identified
2013	25	29	1.4%	7.3%	0.5%	5.1%	28.9%	47.1%	3.1%	6.6%
2014	24	28	1.7%	7.0%	0.5%	5.1%	29.1%	45.9%	3.3%	7.4%
2015	24	28	1.7%	6.6%	0.5%	4.8%	28.6%	45.5%	3.7%	8.7%
2016	23	28	1.9%	6.6%	0.5%	5.1%	29.5%	43.9%	3.9%	8.5%
2017	23	27	2.1%	7.2%	0.5%	5.2%	31.0%	41.6%	3.7%	8.7%
2018	23	29	1.8%	7.2%	0.5%	5.1%	31.9%	40.4%	4.6%	8.4%
2019	22	27	2.0%	7.0%	0.0%	5.0%	35.0%	39.0%	4.0%	8.0%
2020	22	26	1.8%	6.9%	0.3%	4.3%	36.6%	39.7%	3.8%	6.6%
2021	21	25	2.0%	6.6%	0.3%	3.8%	37.8%	39.5%	4.7%	5.3%
2022	21	25	2.0%	6.9%	0.4%	3.6%	36.9%	39.4%	5.2%	5.6%

Source: District Records  
District IPEDS Data Feedback Report 2021

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Headcount</b>	8260	6317	8093	8517	8086	9741	10,231	10,701	11,746	13,216
<b>Full time student enrollment (FTSE) by campus</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Aravaipa	1.55	11.43	39.62	43.57	64.71	72.13	73.89	83.51	75.10	95.95
Arizona Learning System										
Arizona State Prison	71.23		98.35	173.47	186.82	131.95	135.15	150.08	171.87	301.92
Casa Grande Center	17.05	14.15	49.52	15.05	36.78	42.24	45.48	60.95	81.22	83.97
Central Corporate Center		19.30	52.28	39.83	27.45	51.81	70.97	100.47	112.40	123.11
Coolidge										65.84
District/Statewide Programs										1.20
Florence Center			0.10		0.35	0.40	1.97	3.58	10.80	10.77
Maricopa Campus	126.17	114.12	240.82	217.65	285.54	282.88	276.74	265.45	259.50	180.58
Saddlebrooke Center									1.90	4.45
San/Tan Johnson Ranch	114.82	118.13	297.32	286.82	325.47	319.84	329.29	287.67	216.58	213.12
Signal Peak	581.70	534.82	1,153.74	1,082.68	1,256.55	1,289.27	1,392.33	1,424.56	1,595.98	1,733.90
Superstition Mountain	138.47	184.60	254.18	243.90	310.23	344.20	386.42	457.15	509.71	603.32
Virtual <sup>1</sup>	2,182.87	1,657.73	1,246.17	963.45	1,126.55	1,186.25	1,236.47	1,296.62	1,390.58	1,475.23
<b>Total District FTSE</b>	<b>3,233.86</b>	<b>2,654.28</b>	<b>3,432.10</b>	<b>3,066.42</b>	<b>3,620.45</b>	<b>3,720.97</b>	<b>3,948.71</b>	<b>4,130.04</b>	<b>4,425.64</b>	<b>4,893.36</b>

<sup>1</sup> Beginning in 2012 FTSE from online classes is being counted as a separate campus. In previous years online courses were credited to the campus that originated the course.

Source: District Records

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Full-Time Teaching	92	96	99	98	105	103	107	96	92	95
Non-Teaching Support	111	122	129	129	121	108	115	110	119	122
Managerial & Technical	148	144	144	129	138	131	127	137	130	131
Administration	15	20	18	15	16	15	15	14	13	15
Total Non-Teaching	274	286	291	273	275	254	257	261	262	268
Total Full-Time	366	382	390	371	380	357	364	357	354	363
Part-Time Teaching	124	134	182	192	245	273	272	311	381	420
Non-Teaching	120	109	142	198	193	228	260	244	204	194
Total Part-Time	244	243	324	390	438	501	532	555	585	614
Total Employees	610	625	714	761	818	858	896	912	939	977

Source: District Records, IPEDS Human Resources Report, FY21

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

<b>Asset Type</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Capital assets not being depreciated										
Land	\$ 25,936,873	\$ 25,936,873	\$ 26,013,275	\$ 26,013,275	\$ 26,013,275	\$ 26,013,275	\$ 26,013,275	\$ 26,013,275	\$ 26,013,275	\$ 26,013,275
Construction in progress	521,688	408,968	286,654	153,281	29,252,375	6,070,742	993,854	153,281	-	44,097,762
Total capital assets not being depreciated	<u>26,458,561</u>	<u>26,345,841</u>	<u>26,279,929</u>	<u>26,166,556</u>	<u>55,265,650</u>	<u>32,084,017</u>	<u>27,007,129</u>	<u>26,166,556</u>	<u>26,013,275</u>	<u>70,111,037</u>
Capital assets being depreciated:										
Buildings	172,448,493	170,892,771	166,997,330	166,287,022	140,130,164	139,665,547	138,685,393	137,871,866	137,281,629	96,647,063
Improvements other than buildings	31,686,452	29,654,259	29,581,896	28,721,882	29,293,242	29,293,242	29,717,401	29,739,695	29,705,822	22,217,817
Water rights	1,171,172	1,171,172	1,171,172	1,171,172	1,171,172	1,171,172	1,171,172	1,171,172	1,171,172	1,171,172
Other intangibles	3,490,511	3,377,138	3,377,138	3,377,138	-	-	-	-	-	25,999
Equipment	18,733,613	17,140,648	17,416,251	16,752,638	15,045,854	14,526,303	14,204,932	15,314,349	14,830,718	15,149,558
Library books	1,541,266	1,642,274	1,712,232	1,745,366	1,899,721	1,895,446	1,902,492	2,001,628	1,888,256	1,683,083
Total capital assets being depreciated	<u>229,071,507</u>	<u>223,878,262</u>	<u>220,256,019</u>	<u>218,055,218</u>	<u>187,540,153</u>	<u>186,551,710</u>	<u>185,681,390</u>	<u>186,098,710</u>	<u>184,877,597</u>	<u>136,894,692</u>
Less accumulated depreciation for:										
Buildings	51,158,115	47,950,324	44,242,752	40,467,812	39,165,923	36,077,125	33,104,020	30,125,656	27,082,762	24,899,090
Improvements other than buildings	20,223,256	18,424,299	16,740,818	15,003,656	13,882,734	12,156,560	10,730,082	8,904,082	7,045,881	5,368,570
Water rights	105,404	105,404	93,693	81,981	70,269	58,558	46,847	35,135	11,712	-
Other intangibles	702,256	450,285	225,143	-	-	-	-	-	-	13,000
Equipment	14,926,943	14,673,943	14,471,217	13,517,365	13,271,877	12,552,714	11,983,014	12,611,194	11,599,555	12,650,299
Library books	1,012,390	1,086,724	1,115,360	1,128,205	1,296,049	1,299,684	1,341,680	1,432,920	1,346,754	1,265,932
Total accumulated depreciation	<u>88,128,364</u>	<u>82,690,980</u>	<u>76,888,983</u>	<u>70,199,019</u>	<u>67,686,852</u>	<u>62,144,641</u>	<u>57,205,643</u>	<u>53,108,987</u>	<u>47,086,664</u>	<u>44,196,891</u>
Total capital assets being depreciated (net)	140,943,143	141,187,282	143,367,036	147,856,199	119,853,301	124,407,069	128,475,747	132,989,723	137,790,933	92,697,801
<b>Capital assets, (net)</b>	<u>\$ 167,401,704</u>	<u>\$ 167,533,123</u>	<u>\$ 169,646,965</u>	<u>\$ 174,022,755</u>	<u>\$ 175,118,951</u>	<u>\$ 156,491,086</u>	<u>\$ 155,482,876</u>	<u>\$ 159,156,279</u>	<u>\$ 163,804,208</u>	<u>\$ 162,808,838</u>

Source: District audited financial statements

**Pinal County Community College District  
Tuition Schedule  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Annual Tuition Rates<sup>1</sup></b>	<b>Tuition per Credit Hour</b>
2013	2,160	72
2014	2,310	77
2015	2,400	80
2016	2,460	82
2017	2,520	84
2018	2,580	86
2019	2,580	86
2020	2,580	86
2021	2,580	86
2022	2,580	86

<sup>1</sup> Tuition based on one year of full-time equivalent credit for in-state students at District's base tuition rate.

Source: District Records